

CITY OF FRANKLIN, TENNESSEE PROCUREMENT AGREEMENT

(City of Franklin Contract No. 2017-0088)

THIS PROCUREMENT AGREEMENT (“AGREEMENT”) is by and between the City of Franklin, Tennessee (“CITY”), and Pinnacle Bank of Nashville, Tennessee (“VENDOR”), who mutually agree as follows:

1. CITY issued (a) on February 3, 2017 Purchasing Office Solicitation No. 2017-011, a request for proposals for comprehensive banking services, including general banking, lockbox processing, and purchasing cards, (b) on February 23, 2017 Addendum No. 1 to Purchasing Office Solicitation No. 2017-011, and (c) on March 1, 2017 Addendum No. 2 to Purchasing Office Solicitation No. 2017-011 (collectively, “SOLICITATION”).
2. In response to CITY’s SOLICITATION, VENDOR submitted a proposal dated March 3, 2017 (“SUBMITTAL”), a copy of excerpts from which is attached hereto as Attachment No. 1 and hereby incorporated by reference as if fully set forth herein.
3. VENDOR included in SUBMITTAL CITY’s Standard Procurement Terms and Conditions with VENDOR’s contact information inserted (“CITY’S TERMS”), a copy of which is attached hereto as Attachment No. 2 and hereby incorporated by reference as if fully set forth herein.
4. VENDOR included in SUBMITTAL CITY’s Indemnification Agreement, executed for VENDOR (“INDEMNIFICATION AGREEMENT”), a copy of which is attached hereto as Attachment No. 3 and hereby incorporated by reference as if fully set forth herein.
5. CITY awarded on April 25, 2017 to VENDOR the purchase of general banking, lockbox processing, and purchasing card services pursuant to SOLICITATION and SUBMITTAL.
6. The term of award shall commence effective July 1, 2017 and shall expire one (1) year from the effective date. At any time after commencement but before or as soon as practicable after the expiration of this term of award, CITY and VENDOR may, by mutual consent, exercise not more than four (4) options to extend the term of award, each time for up to one (1) additional year, for a maximum possible term of award of five (5) years total, provided: (a) that both parties consent to such an extension at that time; (b) that the decision to exercise such an extension is memorialized in writing and is executed by authorized representatives of each party (in the case of CITY, either CITY’s City Administrator or CITY’s Purchasing Manager, after consultation with the Assistant City Administrator for Finance and Administration / Chief Financial Officer, the Comptroller and the Assistant City Recorder for Revenue Management of CITY, is so authorized); (c) that the same terms and conditions that apply to the original term of award shall also apply to such an extension, including, to the extent practicable as mutually determined a minimum of three (3) months in advance of the scheduled expiration of the term of award, pricing; and (d) that if VENDOR chooses not to consent to an extension to the term of award, then it shall notify CITY of that decision a minimum of six (6) months in advance of the scheduled expiration of the term of award. Note that CITY and VENDOR each specifically retain the non-exclusive right, with or without cause, not to extend the term of award.

**CITY OF FRANKLIN, TENNESSEE
PROCUREMENT AGREEMENT**

(City of Franklin Contract No. 2017-0088)

7. In the event of a conflict between the following documents, the order of precedence shall be as follows: (a) this AGREEMENT; (b) CITY'S TERMS; (c) INDEMNIFICATION AGREEMENT; (d) SOLICITATION; and (e) SUBMITTAL.


EXECUTED THIS 10 DAY OF May 2017.

For VENDOR:


(signature of VENDOR's authorized representative)

TITLE: SR

For CITY:


(signature of CITY's authorized representative)

TITLE: City Administrator

Approved as to Form:


Attorney for City of Franklin

CITY OF FRANKLIN, TENNESSEE
PROCUREMENT AGREEMENT
(City of Franklin Contract No. 2017-0088)

Attachment No. 1

Excerpts from SUBMITTAL

Banking Services Proposal

Prepared For

The City of Franklin



HISTORIC
FRANKLIN
TENNESSEE

Purchasing Office Solicitation No.: 2017-011

Presented by

Pinnacle™

March 7, 2017

City of Franklin
Request for Proposal No.: 2017-011
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Proposal Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the
City of Franklin, Tennessee

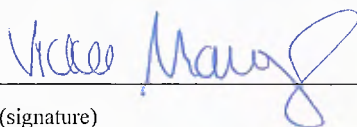
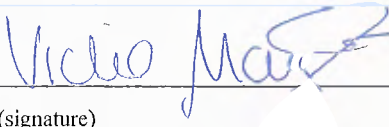
Purchasing Office Solicitation No.: 2017-011

Proposer's name, street address, and mailing address:	Pinnacle Bank <hr/> 150 3rd Avenue South <hr/> Nashville, TN 37201 <hr/>
Proposer's contact person's name (printed), title, telephone number and e-mail address:	Vickie Manning <hr/> Senior Vice President <hr/> 615-744-3793 <hr/> vickie.manning@pnpf.com <hr/>
Does the proposer take any exceptions to the City's procurement solicitation?	<input type="checkbox"/> Yes, see enclosed. <input checked="" type="checkbox"/> No, proposer takes no exceptions.
Are exceptions, if any, to the City's procurement solicitation listed, described, compared to the City's intention as expressed and implied by the City's solicitation documents, and submitted?	<input type="checkbox"/> Yes, see enclosed. <input checked="" type="checkbox"/> No, proposer takes no exceptions.
Are the City's preferred payment terms (net 30 days from date of delivery or date of invoice, whichever is later) acceptable to proposer?	<input checked="" type="checkbox"/> Yes. <input type="checkbox"/> No, proposer requests the following payment terms: _____
Last date (no sooner than May 31, 2017) that proposal and associated pricing is valid and may be accepted by the City:	May 31,2017 <hr/>
Method of payment – The City's default method of payment is by electronic means, either by direct deposit (i.e., "ACH" or "Electronic Funds Transfer"), or by Visa credit card, rather than by conventional check. Which electronic payment method would the proposer prefer?	<input checked="" type="checkbox"/> ACH or Electronic Funds Transfer. <input type="checkbox"/> Visa credit card.

Proposal Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the
City of Franklin, Tennessee

Purchasing Office Solicitation No.: 2017-011

Proposer's name:	Pinnacle Bank
<p>Are the following components included with this Proposal Submittal Form in the submittal?</p> <ul style="list-style-type: none"> ◦ Detailed proposer-supplied description of proposed product(s) and/or service(s); ◦ Identification, listing and description of any exceptions to the procurement solicitation; ◦ Contact information for required references (per the Instructions for Proposers); ◦ City of Franklin Standard Procurement Terms and Conditions, with the proposer's contact information inserted; ◦ Proposer's proposed agreement or contract, if any, the terms and conditions of which shall be not inconsistent with the City's Standard Procurement Terms and Conditions; ◦ City of Franklin Affidavit of Non-Collusion, executed in full; ◦ City of Franklin Affidavit of Title VI Compliance, executed in full; and ◦ A complete digital copy of submitted proposal documents per the Instructions for Proposers. 	<p><input checked="" type="checkbox"/> Yes, see enclosed.</p> <p><input type="checkbox"/> No, proposer chooses <u>not</u> to include the documents indicated.</p>
<p>Acknowledge any and all issued addenda to this solicitation: (Prior to submitting its proposal, it is the responsibility of each potential proposer to determine whether any addenda to this procurement solicitation have in fact been issued by the City.)</p>	<p><input checked="" type="checkbox"/> Addendum No. <u>1</u></p> <p><input checked="" type="checkbox"/> Addenda Nos. <u>2</u></p> <p><input type="checkbox"/> No addenda.</p>
<p>Subscription and affirmation of proposer's authorized representative: By submission of this proposal, each proposer and each person signing on behalf of any proposer certifies, and in the case of a joint proposal each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each proposer is not on the list created pursuant to Tennessee Code Annotated § 12-12-106.</p>	<p style="text-align: center;"></p> <p>(signature)</p>
<p>Signature of proposer's authorized representative: I have obtained and read, and do understand and consent, to all instructions, terms and conditions, including those imposed by reference, which apply to this procurement solicitation and compliance with which is required as a condition precedent to consideration of the proposal submitted herewith.</p>	<p style="text-align: center;"></p> <p>(signature)</p>
Title of proposer's authorized representative:	Senior Vice President
Date of signatures:	3/3/2017

Proposal Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the
City of Franklin, Tennessee

Purchasing Office Solicitation No.: 2017-011

Response Form No. 1

Proposer's name: Pinnacle Bank

Bank Information

Please provide the following information about the financial institution's organization, size, structure, and financial condition.

BANK INFORMATION		Please Indicate	
1	Bank Association or financial institution organized and operating under the laws of the State of Tennessee or the United States of America.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
2	Deposits are insured by the Federal Deposit Insurance Corporation (FDIC).	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
3	For deposits in excess of FDIC insurance, deposits would be secured by of the US or State of Tennessee having a market value of at least 105%, provided further the securities are held by a third party.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
4	Principal Office or Full Service Branch Located Within Williamson County, Tennessee.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
5	Asset Base of \$100 million or more.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
6	In the State's Collateral Pool?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
7	If not in State's Collateral Pool, do you have a Deposit Collateral Agreement that complies with the Financial Institutions Reform, Recovery, & Enforcement Act of 1989 (FIRREA).	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

ADDITIONAL BANK INFORMATION		Please fill in
8	Current CRA Rating	<u>Outstanding</u>
9	Tier 1 Capital Ratio	<u>9.3%</u>
10	% of Loan Loss Reserves to Total Loans	<u>0.70%</u>
11	Tangible Common Equity to Tangible Assets (TCE/TA)	<u>8.8%</u>
12	Bank Stress Test	<u>Not Public Information</u>
13	Moody's Rating	<u>Not Applicable</u>
14	Most recent audit financial statements and the most recent 10-Q statement.	<u>Please attach to response.</u>

Proposal Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the
City of Franklin, Tennessee

Purchasing Office Solicitation No.: 2017-011

Response Form No. 2

Proposer's name: Pinnacle Bank

Services Information

Please provide the following information about services provided by your financial institution.

SERVICES INFORMATION		Please Indicate	
1	ACH Services	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
2	Remote Deposit Services	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
3	Cash Services	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4	Courier Services	Yes <input type="checkbox"/>	No <input type="checkbox"/>
5	Depository Services	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
6	Are interest earnings credited on the last day of the month?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7	Disbursement Services (including positive pay)	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
8	Lockbox Services	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
9	City that Lockbox P.O. Box is Addressed	Nashville _____	
10	Location of Lockbox Processing Facility	Nashville _____	
11	Online Banking Services	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
12	Wire Services	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Proposal Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the
City of Franklin, Tennessee

Purchasing Office Solicitation No.: 2017-011

Response Form No. 4

Proposer's name: Pinnacle Bank

Fees

Please enter on the following two (2) pages your institution's itemized charges for the general services for which you propose.

For a compensating balance proposal, a sample copy of the analysis and an explanation of how the charges and earnings credit would be calculated should be provided.

Proposal Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the
City of Franklin, Tennessee

Purchasing Office Solicitation No.: 2017-011

Response Form No. 4

Proposer's name: Pinnacle Bank

Estimated Monthly Fees

(Volumes shown are average over 12-month period)

<u>Service</u>	<u>Volume</u>		<u>Unit Price</u>		<u>Service Charge</u>
<u>ACH Services</u>					
ACH Maintenance	1	x	\$ 15.00	=	\$ 15.00
ACH Batches Processed	14	x	\$ 1.50	=	\$ 21.00
ACH Debits Originated	6,610	x	\$ 0.05	=	\$ 330.50
ACH Credits Originated	2,364	x	\$ 0.05	=	\$ 118.20
ACH Returns	14	x	\$ 3.00	=	\$ 42.00
ACH Notification of Change	1	x	\$ 1.50	=	\$ 1.50
ACH Detail Report	2	x	\$ 15.00	=	\$ 30.00
<u>Remote Deposit Services</u>					
Remote Deposit-Maintenance	1	x	\$ 25.00	=	\$ 25.00
Remote Deposit-Deposits Made	72	x	\$ 0.10	=	\$ 7.20
Remote Deposit-Items Deposited	3,074	x	\$ 0.04	=	\$ 122.96
<u>Cash Services</u>					
Cash Deposited per \$1,000	61	x	\$ 1.50	=	\$ 91.50
<u>Courier Services</u>					
Courier Service per Trip	21	x	\$ 8.00	=	\$ 168.00
<u>Depository Services</u>					
Account Maintenance	8	x	\$ 10.00	=	\$ 80.00
ACH Debits Received	497	x	\$ 0.06	=	\$ 29.82
ACH Credits Received	116	x	\$ 0.06	=	\$ 6.96
Checks Paid	250	x	\$ 0.09	=	\$ 22.50
Deposits Posted	49	x	\$ 0.20	=	\$ 9.80
Checks Deposited - OnUs	559	x	\$ 0.05	=	\$ 27.95
Checks Deposited - Other	6,516	x	\$ 0.05	=	\$ 325.80
Return Deposited Items	7	x	\$ 5.00	=	\$ 35.00
Stop Payments	1	x	\$ 19.00	=	\$ 19.00

Proposal Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the
City of Franklin, Tennessee

Purchasing Office Solicitation No.: 2017-011

Response Form No. 4

Proposer's name: Pinnacle Bank

Estimated Monthly Fees

(Volumes shown are average over 12-month period)

<u>Service</u>	<u>Volume</u>		<u>Unit Price</u>		<u>Service Charge</u>
<u>Disbursement Services</u>					
Positive Pay Maintenance Fee	2	x	\$ 35.00	=	\$ 70.00
Positive Pay Exception Items	1	x	\$ 1.50	=	\$ 1.50
Positive Pay Items Paid	246	x	\$ 0.06	=	\$ 14.76
ZBA - Master	1	x	\$ 30.00	=	\$ 30.00
ZBA - Sub Account	3	x	\$ 15.00	=	\$ 45.00
<u>Lockbox Services</u>					
Lockbox Maintenance	1	x	\$ 50.00	=	\$ 50.00
Lockbox Items Deposited	6,880	x	\$ 0.11	=	\$ 756.80
Lockbox Reject Items	37	x	\$ 0.25	=	\$ 9.25
Lockbox Web Access Maintenance	1	x	\$ 25.00	=	\$ 25.00
Lockbox Web Image Item	14,176	x	\$ 0.02	=	\$ 283.52
Lockbox Data Entry per Field	1,079	x	\$ 0.05	=	\$ 53.95
Lockbox Deposits Posted	21	x	\$ 0.15	=	\$ 3.15
Electronic Receivables Maint	1	x	\$ 25.00	=	\$ 25.00
Electronic Receivables per Item	6,896	x	\$ 0.05	=	\$ 344.80
<u>Online Banking Services</u>					
Online Banking per Account	4	x	\$ 15.00	=	\$ 60.00
<u>Wire Services</u>					
Wire Transfer Maintenance	1	x	\$ 15.00	=	\$ 15.00
Domestic Wire Incoming	2	x	\$ 8.00	=	\$ 16.00
Domestic Wire Outgoing - Online	6	x	\$ 8.00	=	\$ 48.00
<u>Other Fees Not Shown Above</u>					
ACH Same Day Credits Originated		x	\$ 0.50	=	\$
ACH Prenote Transactions		x	\$ 0.05	=	\$
ACH Return Unauthorized		x	\$ 3.00	=	\$
OD/NSF Item		x	\$ 19.00	=	\$
Domestic Wire Outgoing - Manual		x	\$ 12.00	=	\$
Total Estimated Charges					\$3,381.42

Proposal Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the

City of Franklin, Tennessee

Purchasing Office Solicitation No.: 2017-011

Response Form No. 5

Proposer's name: Pinnacle Bank

Purchasing Card Information

As this is the first time purchasing cards have been a service included in the City's banking services RFP, please provide the following information.

	PURCHASING CARD INFORMATION	Please Indicate	
1	Which national brand (MasterCard, Visa, etc.) is used?	MasterCard	
2	Is there automated approval and reconciliation software?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
3	Can the cards be tailored with the City logo and sales tax exemption information?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
4	Can there be designated users with authority to manage the purchasing cards online?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
5	Can there be customized usage set up on the cards?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
6	Is training and customer support provided?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
7	Is there a rebate to the City based on expenditures?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
8	If \$7.32 million in 2016 was a representative annual spend for the City, what would be the rebate percent(s)?	1.25%	
9	Rebate chart used to answer 8 above.	Please attach to response.	

Affidavit of Non-Collusion

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the
City of Franklin, Tennessee

State of Tennessee)
County of Williamson) SS

Affiant, Vickie Manning, deposes and makes oath that:
(printed name of person signing Affidavit)

1. He or she is the Representative of
(Owner or Authorized Partner, Officer, Representative or Agent of Owner)
Pinnacle Bank
(legal name of entity submitting bid or proposal)

the Bidder or Proposer who has submitted the attached bid or proposal;

2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
3. Such bid or proposal is genuine and is not a collusive or sham bid or proposal;
4. Neither the said Bidder or Proposer nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this Affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly, with any official or agent of the City of Franklin or with any other firm, person, or potential or actual bidder or proposer to submit a collusive or sham bid or proposal in connection with the contract for which the attached bid or proposal has been submitted, or to refrain from bidding or proposing indirectly, or sought by agreement, or collusion, or communication, or conference with any other firm, person, or potential or actual bidder or proposer to fix the price or prices or cost element of the bid, quoted or proposed price or the bid, quoted or proposed price of any other potential or actual bidder or proposer, or to secure through any collusion, conspiracy, connivance, or unlawful agreement any advantage against the City of Franklin or any person interested in the proposed contract;
5. The price or prices quoted in the attached bid or proposal are fair and proper and are not tainted by a collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or Proposer or any of its agents, representatives, owners, employees, or parties in interest, including this Affiant; and
6. He or she understands that Article VIII, Section 16, of the City Charter of Franklin, and T.C.A. §6-54-107, prohibit any member of the Board of Mayor and Aldermen, or officer elected by said Board, from being interested in any contract, or work of any kind whatever, under its control and direction, and any contract in which any such person shall have an interest shall be void and unenforceable, subjecting any funds received by contractor to be returned in full to the City, in addition to any other penalties provided by law.

Vickie Manning
(signature of Affiant)

Senior Vice President
(title of Affiant)

Sworn and subscribed to before me this 3rd day of March, 2017

My Commission Expires: 9-17-2017



Submitted in response to City of Franklin Purchasing Office Solicitation No. 2017_011

MY COMMISSION EXPIRES:
SEPTEMBER 17, 2017

Affidavit of Title VI Compliance
a form required of Bidders and Proposers on purchases of services for the
City of Franklin, Tennessee

State of Tennessee)
County of Williamson) SS

Affiant, Vickie Manning, deposes and makes oath that:
(printed name of person signing Affidavit)

1. He or she is the Representative of
(Owner or Authorized Partner, Officer, Representative or Agent of Owner)
Pinnacle Bank,
(legal name of entity submitting bid or proposal)

the Bidder or Proposer who has submitted the attached bid or proposal;

2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
3. No person on the grounds of handicap or disability, age, race, color, religion, sex, national origin or any other class protected by federal and/or Tennessee constitutional, statutory and/or case law shall be excluded from participation in, or denied benefits of, or be otherwise subjected to discrimination in, the performance of the contract that results from the procurement solicitation to which this affidavit is a component, or in the employment practices of the successful Bidder or Proposer during the performance of the contract that results from said procurement solicitation;
4. The successful Bidder or Proposer shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to employees and job applicants, notices of such non-discrimination;
5. If, with the prior consent of the City, the successful Bidder or Proposer subcontracts any portion of the contract that results from the procurement solicitation to which this affidavit is a component, then the successful Bidder or Proposer shall contractually obligate all of its subcontractors for said contract to comply with the same non-discrimination provisions as those required of the successful Bidder or Proposer; and
6. This Affidavit is made on personal knowledge.

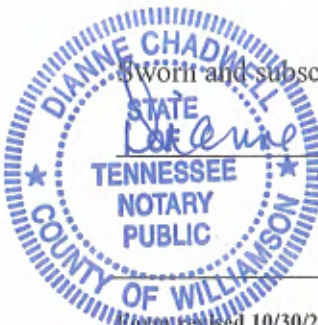
Vickie Manning
(signature of Affiant)

Senior Vice President
(title of Affiant)

I swear and subscribed to before me this 3rd day of March, 2017

Dianne Chadwell
(Notary Public)

My Commission Expires: 9-17-2017



MY COMMISSION EXPIRES:
SEPTEMBER 17, 2017

Submitted in response to City of Franklin Purchasing Office Solicitation No. 2017_011

City of Franklin, Tennessee Request for Proposals

Purchasing Office Solicitation No.: 2017-011

1. Solicitation identified: This Request for Proposals applies to the following procurement:
**comprehensive banking services, including general banking, lockbox processing,
and purchasing cards**

Purchasing Office Solicitation No.: 2017-011

2. Notice to Proposers publication date: **February 2, 2017**
3. Solicitation release date: **February 3, 2017**
4. Deadline for optional submittal in writing of questions seeking to revise or clarify any aspect of this procurement solicitation: **February 23, 2017, 2:00 p.m. Central Time**
5. Proposals submittal deadline and scheduled opening: **March 7, 2017, 2:00 p.m. Central Time**
6. Tentative date of release of City's tabulation of proposals received and notice of intent to award: **April 7, 2017**
7. Tentative date of award: Meeting of Board of Mayor and Aldermen at which is tentatively scheduled to be awarded the selection of the proposal that best meets the needs of the City: **April 25, 2017**
8. Objective: To secure, by means of a competitive procurement process, the selection of a responsive and responsible proposal, that best meets the needs of the City of Franklin, to furnish all labor, materials and means necessary to provide comprehensive banking services, including general banking, lockbox processing, and purchasing cards, as described below. See the accompanying Instructions for Proposers for additional information and instructions.
9. Exceptions:
 - a. In order to avoid the need to take an exception to this procurement solicitation, potential proposers may request revisions to the same before the deadline for optional submittal in writing of questions seeking to revise or clarify any aspect of this procurement solicitation. See the accompanying Instructions for Proposers for contact information.
 - b. Any deviation or variance from this procurement solicitation shall be considered to be an exception.
 - c. Any exceptions to this procurement solicitation shall be listed in detail in a separate document to be prepared by the proposer. Such listing shall include a description of exactly how such exceptions deviate from the City's expectations as expressed and

Date of Solicitation Release: February 3, 2017

City of Franklin, Tennessee Request for Proposals

Purchasing Office Solicitation No.: 2017-011

implied by the procurement solicitation, and shall indicate why such exceptions should be judged by the City to meet or exceed those expectations. Any and all exceptions to this procurement solicitation which the City, in its sole discretion, deems not to meet or exceed the City's intention as expressed and implied by the procurement solicitation may be considered by the City as a factor in evaluating the proposal.

10. General terms and conditions:

- a. Proposal price: The proposal price shall include all equipment, labor, materials, permit(s), freight and required insurance to render the specified service(s).
- b. Delivery terms: As a matter of practice, the City expects vendor to ship any and all deliverables FOB destination, freight prepaid and allowed. The City's preferred delivery terms, as described in the preceding sentence, are offered to the proposer as a condition of award. If the City's preferred delivery terms are unacceptable to the proposer, then the proposer shall indicate on the Submittal Form its preferred delivery terms. Delivery terms may be a factor in the City's selection criteria. Delivery terms are non-negotiable after award is made.
- c. Payment terms: As a matter of practice, the City pays for goods and/or services only after receipt and acceptance by the City of such goods and/or services, and only after receipt of an accurate, proper, complete and itemized invoice for such goods and/or services, net thirty (30) calendar days from date of delivery and/or completion/installation/rendering or date of invoice, whichever is later. The City's preferred payment terms, as described in the preceding sentence, are offered to the proposer as a condition of award. If the City's preferred payment terms are unacceptable to the proposer, then the proposer shall indicate on the Submittal Form its preferred payment terms. Payment terms may be a factor in the City's selection criteria. Payment terms are non-negotiable after award is made.
- d. Applicable laws and regulations: All applicable federal and state laws, city ordinances, orders, rules and regulations of all authorities having jurisdiction over the specified service(s) shall apply to the quoted purchase price, and they will be deemed to be included in this procurement solicitation the same as though they are written out in full herein.
- e. Use of subcontractors: The successful proposer may subcontract any portion of the award but only with the prior consent of the City. Requirements for references and insurance shall apply to any subcontractor.
- f. Safe work area: The successful proposer will be expected to utilize best practices to minimize the risk of personal injury to the public, City personnel and employees of the proposer and/or the proposer's subcontractors, if any.
- g. Other documents to be required of successful proposer: See the accompanying "Instructions for Proposers" for a listing of other documents to be required of the successful proposer.
- h. Damages: The successful proposer shall be responsible for any damages it causes in the course of performing the specified service(s), and shall repair or replace any

City of Franklin, Tennessee Request for Proposals

Purchasing Office Solicitation No.: 2017-011

damaged property to the satisfaction of the City at the successful proposer's own expense and at no additional charge to the City.

- i. Terms and Conditions: By submitting its proposal, the vendor certifies that it has read and accepts all terms, conditions and requirements of this solicitation, including the terms and conditions identified and listed in the City's Standard Procurement Terms and Conditions attached hereto and hereby incorporated by reference.
- j. Refusal to honor submittal: If and after an award is made by the City, if the vendor refuses to execute an agreement or contract or in any other way honor the terms and conditions of its submittal, the City shall be entitled to seek compensation for its damages, which may include the cost of conducting a new solicitation.
- k. Confidential and/or proprietary information; trade secrets. All contents of all submittals are subject to public disclosure and shall not contain any confidential and/or proprietary information and/or trade secrets. Further, by submitting its proposal, the vendor indemnifies and holds the City of Franklin harmless against any loss or damage, including reasonable attorney fees, it may incur as a result of the City's reliance upon the vendor's representation that materials supplied by the vendor do not contain trade secrets or proprietary information which is not subject to public disclosure.

11.1. Purpose

The City of Franklin, Tennessee seeks proposals for comprehensive banking services, including general banking, lockbox processing, and purchasing cards.

11.2. Background

Currently, the City has its demand deposit accounts at Pinnacle Bank. Some of these accounts are interest-bearing, and some are not. For its interest-bearing accounts, interest is credited at the end of each month. (The City currently pays for deposit slips and checks on its own.)

Pinnacle Bank also provides lockbox services. The payment coupons on invoices for the lockbox have a Nashville P.O. Box address. Also, the City currently has a purchasing card program through SunTrust Bank.

The current agreement with Pinnacle was for a total period of four (4) years and is due to expire on June 30, 2017. The agreement with SunTrust for purchasing cards has not had an expiration date.

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11.3. Term of Award

The services to be rendered pursuant to this procurement solicitation are to be offered as a requirements contract for a term of award of one (1) year, effective July 1, 2017 or otherwise upon a date to be mutually acceptable to both parties. At any time after commencement but before or as soon as practicable after the expiration of this term of award, the City and the vendor may choose to exercise an option to extend the term of award four (4) times, each time for up to one (1) additional year, for a maximum possible term of award of five (5) years total, provided: (a) that both parties consent to such an extension at that time; (b) that the decision to exercise such an extension is memorialized in writing and is executed by one or more authorized representatives of each party; (c) that the same terms and conditions that apply to the original term of award shall also apply to such an extension, including, to the extent practicable as mutually determined a minimum of three (3) months in advance of the scheduled expiration of the term of award, pricing; and (d) that if the vendor chooses not to consent to an extension to the term of award, then it shall notify the City of that decision a minimum of six (6) months in advance of the scheduled expiration of the term of award. Note that the City and the vendor each specifically retain the right, with or without cause, not to extend the term of award.

11.4. Description of Franklin and its City Government

The City of Franklin, incorporated in 1799, is located in Middle Tennessee. The local economy is a well-balanced blend of financial, agricultural, wholesale, retail, manufacturing, and service industries. No single industry is critical to the region's economy. The City covers an area of 41 square miles, and serves a population of 66,370 according to the 2013 special census. The City is one of the fastest growing municipalities in the State of Tennessee, with the population increasing by 6% since the 2010 census.

The City provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructures; pickup and disposal of solid waste; planning and codes; operation of a city court; implementation of storm water regulations and remedies; an inner-city trolley system, and a city-wide park system. The City also has its own water, sewer, and reclaimed water system.

11.5. Qualifications Required of Responding Institutions

Responding institutions must be a bank association or financial institution organized and operating under the laws of the State of Tennessee or the United States of America, the deposits of which are insured by the Federal Deposit Insurance Corporation, with either its principal office or a full-service branch office located within Williamson County, Tennessee, and an asset base of \$100 million or greater.

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Deposits with any particular bank or savings and loan association in excess of the limits of such insurance may not be made unless the deposits are secured by obligations of the United States or the State of Tennessee having a market value of at least 105% of the deposit, provided further that said securities are held by a third party, preferably a Federal Reserve Bank or a Federal Home Loan Bank. If not in the State's Collateral Pool, the selected institution will be required to provide the City with a Deposit Collateral Agreement that complies with the Financial Institutions Reform, Recovery & Enforcement Act of 1989 (FIRREA).

Pinnacle Bank is a Tennessee state bank and is regulated by the Tennessee Department of Financial Institutions (TDFI) and the Federal Deposit Insurance Corp. (FDIC). The Federal Deposit Insurance Corp. insures deposits held at Pinnacle. At December 31, 2016, Pinnacle bank reported total assets of \$11.2 billion. Pinnacle is a member of the Tennessee State Collateral Pool, and we will meet the collateral requirements of the City of Franklin's deposits. Treasury Management Operations (e.g. Lockbox, ACH, Wire Transfer, and Positive Pay) is located at 111 10th Avenue South; Nashville, Tennessee.

Our item processing and statement rendering is located at our Murfreesboro facility. We currently have four full-service offices in Williamson County. Pinnacle does not have an office located in the downtown Franklin area. However, we currently provide a courier service to the City for delivery of the daily lockbox package and to pick up deposits. A listing of our main location, as well as the four Williamson County locations, is included in Section II – Organization, Size, Structure, and Financial Condition of this proposal. Deposits made in on one of our offices receive same-day ledger credit up to 5:00 p.m. Deposits made via Remote Deposit receive same-day ledger credit up to 7:00 p.m.

11.6. Description and Scope of Services Requested

Banking services currently being provided are further described in this section. The City solicits proposals to provide services that match or exceed the following descriptions:

11.6.1. Demand Deposit Account(s) for the Deposit and Disbursement of City Funds

The City currently has 8 demand deposit accounts at Pinnacle Bank as shown below. Typically, the City strives to hold no less than \$5 million in its general operating account and no more than \$40 million. Interest should be credited to the interest-bearing account(s) on the last day or business day of the month or in another manner acceptable to the City. The City's Performance Maintenance, Evidence Trust, and zero balance accounts earn no interest.

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The depository service will include imaging all checks deposited by the City. These images should be available online and delivered to the City monthly on CD-ROM. Monthly statements shall have either end-of-month cut-off date, or last business day of the month cut-off. Monthly statements may be provided by paper or be made available online. The General Operating account should be linked to any zero balance accounts.

#	ACCOUNT	DESCRIPTION	INTEREST BEARING	AVERAGE POSITIVE PAY FILES PER MONTH	AVERAGE ACCOUNT BALANCE (Jan-Dec 2016)	LOW ACCOUNT BALANCE (Jan-Dec 2016)	HIGH ACCOUNT BALANCE (Jan-Dec 2016)
1	General Operating	City's primary operating bank account.	Yes	---	\$36,539,490	\$34,658,995	\$39,317,822
2	Payroll	Zero Balance. Linked to General Operating.	No	2 to 4	\$0	\$0	\$0
3	Accounts Payable	Zero Balance. Linked to General Operating.	No	6 to 8	\$0	\$0	\$0
4	Accounts Receivable	Zero Balance. Linked to General Operating.	No	---	\$0	\$0	\$0
5	Transit System	Funds received from transit fares and grants.	Yes	---	\$1,039,264	\$838,781	\$1,267,774
6	Evidence Trust	Funds held in trust as evidence pending case resolution.	No	---	\$25,374	\$24,496	\$31,027
7	Performance Bonds	Funds held in trust pending developer performance.	No	---	\$3,238,938	\$2,878,250	\$3,418,790
8		Funds received by City from confiscations.	Yes	---	\$402,481	\$354,856	\$415,615

Pinnacle has established both interest bearing and non-interest bearing accounts as requested by the City. Interest is credited to the interest bearing accounts on the last business day of each month.

Pinnacle will pay a competitive rate of Fed Funds effective rate plus 33 basis points – with a floor interest rate of 1.00%, whichever is higher, on all interest bearing account balances.

Since the City currently has access to images of deposited items within our Lockbox Web Delivery system and checks paid within online banking for two years, the decision was made not to receive a monthly CD Rom. Monthly statements will cut off on the last calendar day of each month and paper copies will be mailed to the City. Account statements are also available within online banking for a two-year period. The statements are interactive with links to images of checks paid. The General Operating account can have as many zero balance accounts linked to it as desired by the City. Currently, the Payroll, Accounts Payable and Accounts Receivable accounts are zero balances accounts linked to the General Operating account.

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11.6.2. Lockbox Processing

Pinnacle Bank also provides lockbox services. Currently, payments are made for utility service bills through the provider's lockbox service. The payment coupons have a Nashville P.O. Box address. After processing, the City is notified by email late in the day that the file for payments received that day is ready. The deposit is posted to the City's bank account that day. This file is retrieved by internet and used to post the collections to customer accounts the following morning. Copies of the payment checks and the payment coupons are available online using the provider's secure site. In addition, the lockbox service is used to accept payments electronically for online banking payments processed using the MasterCard RPPS payment aggregation application.

The proposer may propose a location of their choosing for customer remittances and lockbox processing as long as it does not delay overall processing time. Overall processing time includes the time the remittance is mailed from a Franklin post office to the time the payment is received and posted by the proposer. The bank will pick up mail each business day, endorse, image, and deposit checks received that meet acceptance criteria. Funds deposited will be supported by deposit slips to accompany the matching payment coupons.

All processed payments plus a copy of the deposit slip should be available to the City the next morning.

The file to post to the customer records is to be available by 8 am each workday for the preceding business day. It is recognized that the City and the proposer may have different holidays and for remittance availability we will defer to proposer's holiday schedule. The daily package contains information sufficient to post the customer's payment including: payee name, account number/bill number, amount remitted, amount owed. The City will determine the file layout data requirements. Currently, the file is .txt format but our utility billing software to be deployed soon is SQL. The City posts receivables from the file provided. The lockbox information is retrieved to produce a text file that is used to import into the City's utility billing system. The City uses the image of the check for research. These images should be stored and available online using the proposer's secure application.

Some general items regarding lockbox:

1. Payments that have late postmarks can and should be processed.
2. There is more than one single payment date for water and sewer payments.
3. Envelopes are not returned to the City.
4. Remittance coupons may periodically have customer comments and need to be forwarded to the City for processing (e.g., changes of address).
5. The City has an average of 200 – 400 un-processable items per month. These items are forwarded to the City as a return item for manual processing without depositing.
6. Return items are sent to a central location at the City for manual processing.
7. The payment cards contain a MICR, bar code or OCR scan line.

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8. The dimensions of the payment coupons are approximately 3.75 x 8.5 inches.
9. Email deposit notification is required.
10. Also, the lockbox should allow the City to continue accepting files from payees (e.g., MasterCard RPPS) that are paying many customer accounts at one time.

The lockbox processing for utility payments and property tax payments is performed in our Treasury Management Operations group that is located in our downtown office in Nashville (111 10th Avenue South; Nashville, TN). The lockbox address is a Nashville, TN address. Our lockbox processing system offers maximum flexibility by allowing us to meet the unique needs of each lockbox client.

Processing Cycle

- *The mail is delivered to our Treasury Management Operations center at 6:00 a.m. CT on Monday and at 8:00 a.m. CT Tuesday through Friday.*
- *Pinnacle processes and deposits all payments the same day they are received.*
- *Payments that do not meet the City's processing requirements are sent the City for manual processing.*
- *The daily lockbox package (e.g. reports, exception items for manual processing, etc.) is delivered via courier to the City.*

- *The City has access to view images of checks and coupons as well as download the posting file and the electronic receivables file (online bill pay items received via ACH) at the open of business the day after processing/deposit (please refer to the sample payment timeline below) via the Pinnacle Lockbox Web Delivery system.*
- *The City has access to view images of items processed through lockbox since the beginning of the partnership with Pinnacle (August 2009).*

Sample Payment Timeline:

Processing Day 1 – payments received by Pinnacle Treasury Management Operations; payments processed and deposited; payments that do not meet the City's processing requirements along with the lockbox return package (e.g. coupons, correspondence, etc.) prepared to be sent to the City via courier.

Processing Day 2 – The City can view images of checks and coupons as well as download the posting file and the electronic receivables file at open of business via the Pinnacle Lockbox Web Delivery system. Lockbox return package is delivered via courier.

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The 2017 Federal Reserve Bank Holiday Schedule is as follows:

2017 Federal Reserve Bank Holiday Schedule

Holiday	Date
New Year's Day*	*Monday, January 2
Martin Luther King, Jr. Day	Monday, January 16
Presidents' Day	Monday, February 20
Memorial Day	Monday, May 29
Independence Day	Tuesday, July 4
Labor Day	Monday, September 4
Columbus Day	Monday, October 9
Veterans' Day*	*Saturday, November 11
Thanksgiving Day	Thursday, November 23
Christmas Day	Monday, December 25

**For holidays falling on a Saturday, Federal Reserve Banks and Branches will be open the preceding Friday. For holidays falling on Sunday, all Federal Reserve Banks and Branches will be closed the following Monday. Pinnacle will close on Monday, January 2 in observance of New Year's Day.*

11.6.3. Purchasing Cards

The City has a purchasing card program with an average monthly spend of \$610,000, or an annual spend of \$7.32 million. For calendar year 2016, the City had approximately 20,600 transactions for an average of \$355 per transaction. The City's Purchasing Office manages and monitors the program in its entirety. Currently in circulation there are over 400 purchasing cards.

Purchasing cards are issued to certain staff for purchases critical to the mission of each individual department. They may be used to purchase equipment and supplies as well as for travel expenses. There are transaction and monthly limits assigned to each card. Each card has its own account number with the City as the control account consolidated statement. Currently, payment cycles close on the 3rd day of the month and then electronically withdrawn from the City's general operating account on the 22nd of each month. The City is sales tax exempt and requires "Tennessee sales tax exempt entity – municipal government" printed on each individual account card.

Services to be included:

1. Cards of a national brand (MasterCard, Visa, etc.);
2. Automated Approval and Reconciliations Software;

Date of Solicitation Release: February 3, 2017

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3. Cards tailored with the City logo and sales tax exemption information;
4. Provide detailed online reporting services;
5. Provide designated users with authority to manage the purchasing cards online;
6. Provide customized usage on cards;
7. Provide training and customer support; and
8. Pay a rebate to the City based on expenditures.

Pinnacle has included information regarding our Purchasing Card program in the Attachment section following the response to proposal. If Pinnacle is chosen to continue as the depository bank for the City, the proposed purchasing card rebate rate will be 1.25%.

11.7. Proposal Format and Content Requirements

The proposal submitted should address the content requested in Response Forms 1 through 5.

11.7.1. Response Form No. 1

Please submit the information about organization, size, structure, and financial condition as listed on Response Form No. 1.

11.7.2. Response Form No. 2

Please submit the information about services provided by your financial institution as listed on Response Form No. 2. (Please note Response Form No. 5 requests information about purchasing card services.)

11.7.3. Response Form No. 3

Please submit the proposed interest earnings as listed on Response Form No. 3.

11.7.4. Response Form No. 4

Please submit the proposed fees on a per-unit basis for the average monthly activity volumes as listed on Response Form No. 4. (Please list additional fees at the end of the form.)

11.7.5. Response Form No. 5

As this is the first time purchasing card services have been included in the City's banking services RFP, please provide information about your financial institution's purchasing card program.

City of Franklin, Tennessee Request for Proposals

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11.7.6. Other

Please submit any additional information or alternatives for consideration with the proposal, such as any specialized services and staff availability, i.e., those officers/staff that would be responsible for managing this relationship.

Vickie Manning, Financial Advisor and Julia Suddath, Treasury Management Advisor will continue to be responsible for managing the relationship between the City and Pinnacle.

Pinnacle offers a robust Online Banking system. Balance information is available on any account you have open at Pinnacle. In addition to balance information, every debit and credit that posts to your accounts can be viewed online. Transactions are updated throughout the day. Online transfers occur immediately and are reflected in the account balances. Intra-day activity such as deposits, wire transfers, or ACH transactions can be viewed. Several types of customizable reports are available for historical research. Images of the front and back of each cleared check are available within online banking. Transaction history is available for a 2-year period.

The Positive Pay service combines two services to offer the City protection against fraudulent check writing activity, and provide an automated check reconciliation process. Each time checks are issued on the Payroll and Accounts Payable accounts, the City sends an electronic file transmission of the check information to Pinnacle. The file contains the payee name, issue date, check numbers, and check amounts. As checks are presented for payment against your account, Pinnacle cross-references each one to the issued check information you have transmitted to us. If an item does not match due to an incorrect check number or check amount, the item is rejected and is suspected to be unauthorized. The City is notified via Email of any exception items. An image of the exception items is available to view within the Positive Pay system. After reviewing the exception item, you have the option to pay the item or return it as fraudulent. Since Pinnacle is matching each day's paid items to the issue file you sent, your account is actually being reconciled daily. At the end of each month, the City has access to reports (e.g. Checks Paid, Outstanding Checks, etc.) within the Positive Pay system that can be used for reconciliation purposes.

City of Franklin, Tennessee Request for Proposals

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Pinnacle's ACH system is a web-based application requiring no software installation. The City currently uploads NACHA formatted files for Direct Deposit of Payroll, vendor payments and Utility Bill bank draft files. The system provides an audit trail for all files submitted and will provide a confirmation of each file that is processed. Notices of Returns and Notifications of Change are automatically placed into the Report Manager section of the ACH system for viewing. An email is sent to the designated City employee's each time a return or NOC is received.

The Remote Deposit service is utilized to scan checks for deposit that are received at the City, primarily for Utility Bill payments. Cash deposits are picked up daily by the courier when they drop off the lockbox package.

A flowchart of the City's current accounts and services is provided in the Attachment section of the proposal.

11.8. Selection Criteria

Below are the selection factors for evaluating the proposals submitted.

	Factors	Percent
1	Ability of financial institution to provide required banking services as requested on Response Forms 1, 2, and 5.	50%
2	Interest Earnings as requested on Response Form No. 3.	25%
3	Fees as requested on Response Form No. 4.	25%
	Total	100%

City of Franklin Request for Proposals
Purchasing Office Solicitation No.: 2017-011
References Request

Pinnacle currently provides one or more the following services for the references listed below: retail lockbox, online banking, ACH, zero balance accounts, positive pay service, and online wire transfer service.

City of Franklin

Mike Lowe, Comptroller
109 3rd Avenue South
Franklin, TN 37064 791-1457
Phone: 615-791-1457

City of Hendersonville

Ron Minnicks, Director of Finance
101 Maple Drive North
Hendersonville, TN 37075
Phone: (615) 264-5317

City of Goodlettsville

Julie High, Finance Director
105 South Main Street
Goodlettsville, TN 37072
Phone: (615) 851-2201

HB&TS Utility District

Cynthia Ford, Office Manager
500 Downs Blvd
Franklin, TN 37064
Phone: 615-794-7796 x100

City of Franklin, Tennessee Notice to Proposers

Purchasing Office Solicitation No.: 2017-011

ATTACHMENTS

Purchasing Card Solution proposed for the City of Franklin

Thank you for the opportunity to offer Pinnacle Financial Partner's Purchasing Card solution to the City of Franklin. Pinnacle's MasterCard Purchasing Card is an all inclusive solution for Travel & Entertainment, Accounts Payables, e-Payables and Fleet Card purposes.

Pinnacle's Purchasing Card can provide the City the flexibility needed to manage its cash flow effectively. Additionally, Pinnacle's *local underwriting and decision-making* makes it easier to meet the City's credit requirements as spend levels increase.

Pinnacle's Standard Purchasing Card features include:

- Real-time online controls for the City's Program Administrator(s).
- Allows for immediate on/off of employee cards; setting of spend limits; usage frequency; time of day & week usage; MCC and TCC transaction limits and notation of related changes or adjustments to card holder parameters.
- Integrates with accounting and accounts payable systems and is customizable by G/L codes; object of expense; cost center, etc.
- Customizable reporting for management's specific budgeting and monitoring needs.
- Fleet Prompts are available to better protect and manage the City's vehicles. See details - **Exhibit #1**
- Automated e-mail notifications for card holder and program administrator when limits are exceeded or in fraud scenarios.
- **Text message alert capabilities.** Text Alerts for up to 3 cell numbers are possible. Alerts can be set for both authorizations and declines, or just one or the other.

Pinnacle's Purchasing Card solution offers the following additional advantages:

- Optional extension of the City's working capital cycle by extending settlement date until 25th of the month after normal monthly spend cycle; rebate also paid on the 15th. (Default settlement date occurs on the 5th of each month if optional extension is not desired)
- Monthly rebate payment is standard and is earned on the first dollar of spend each month.
- Electronic Accounts Payable automation is available to streamline recurring monthly payments to the City's suppliers and vendors. See details – **Exhibit 2.**
- Specialized team of payment advisors who can reach out to the City's suppliers via direct mail and follow-up contact to expand its ePayables program.
- Expense reporting portal allows for streamline management of monthly employee expense reporting. The electronic expense reporting tool allows the City to control costs, improve compliance, automate reconciliation, enhance spend visibility and improve communications between employees, management and accounting. See details - **Exhibit 3.**

Volume Rebate Schedule:

Pinnacle offers a monthly rebate that is calculated on the City's net monthly spend volume. The rebate is paid on the 15th of the month to the designated Pinnacle checking account based on the net spend for the preceding month.

Pinnacle agrees to pay a monthly cash rebate of 1.25% based on anticipated annual spend volumes for all transactions except "LTI"*.

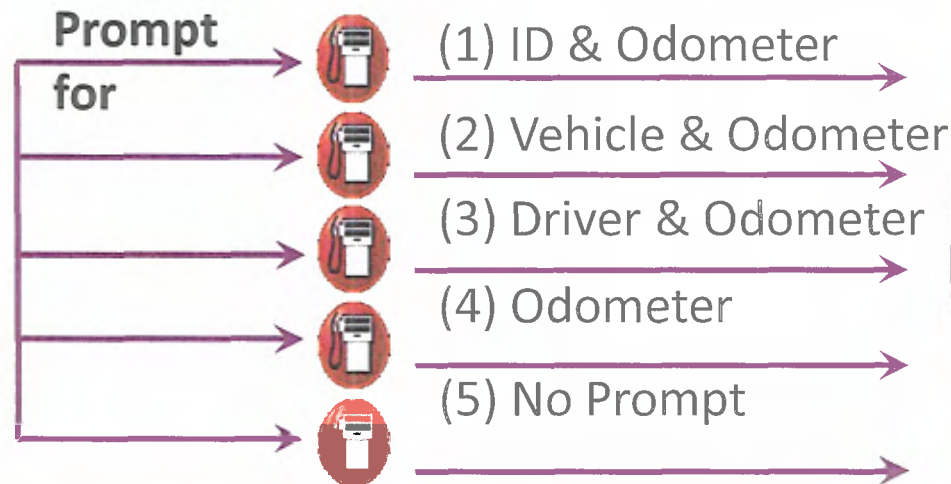
The rebate will commence on the date that the first transaction is performed under Pinnacle's Corporate Purchasing Card Agreement, and continue for the remainder of the same month and for the next 12 consecutive whole months.

*Transactions qualifying for "Large Ticket Interchange" will earn a rebate equal to 0.50% of the transaction, regardless of the Cumulative Annual Spend, and will be deducted from the Annual Spend calculation used in the rebate schedule above. Large Ticket Interchange transactions are single transactions for \$7,255.00 or more, and are processed by merchants who have passed certification. The authorization request for the large transaction must also include Level 3 data. Should MasterCard change or broaden the classification for transactions that qualify for "Large Ticket Interchange," Pinnacle reserves the right to use the more current definition for purposes of calculating City of Franklin's rebate.

Fleet Capabilities

Client has the option of issuing vehicle or driver cards

Client selects type of information to be gathered at point-of-sale along with driver purchase options



Purchase Options



- (1) Fuel and Non-Fuel
- (2) Fuel Only



Exhibit 2

Electronic (Virtual) Accounts Payable

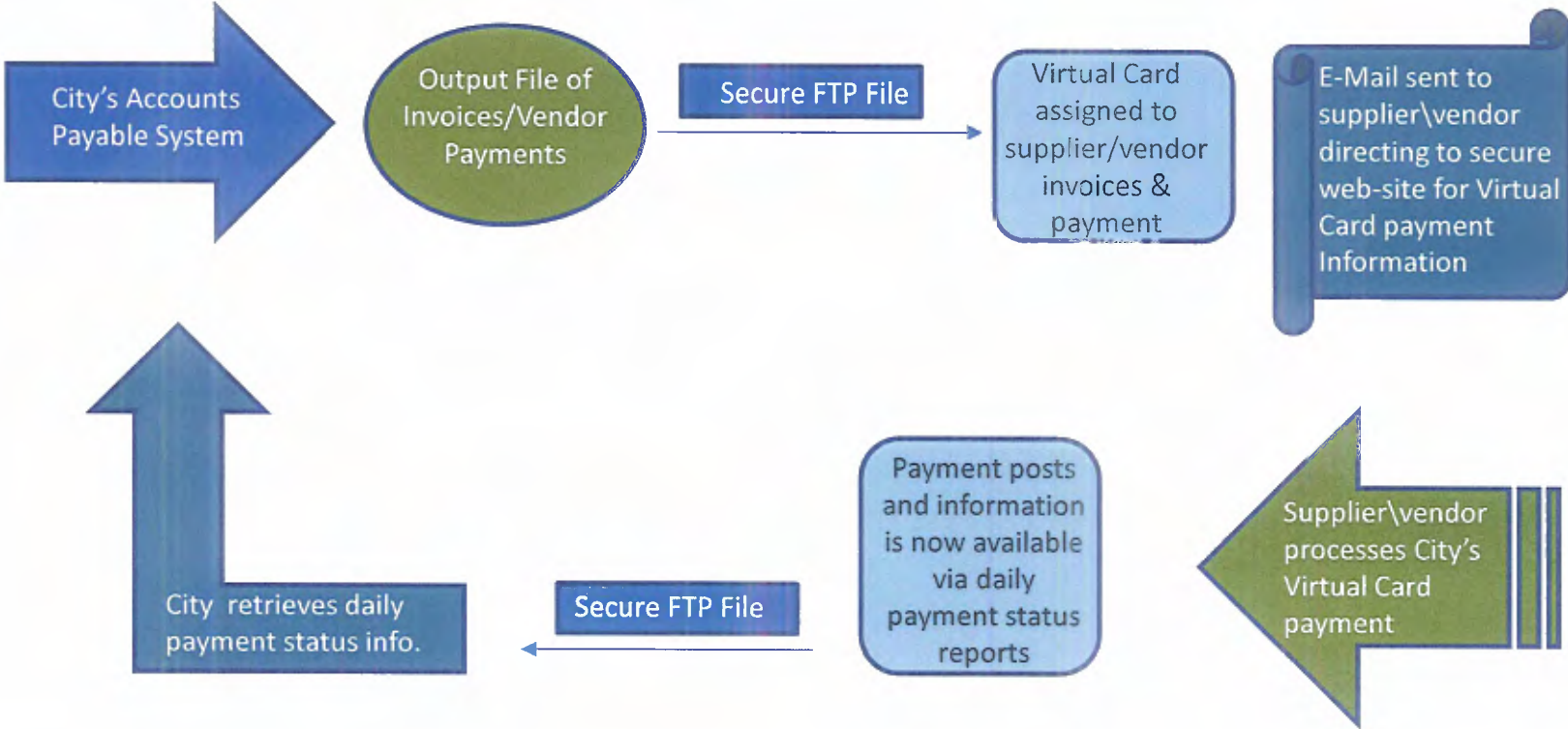


Exhibit 3

Expense Reporting & Control Costs

Employee spend can be monitored to maintain operating budget

The screenshot displays the 'Online Expense Reporting' interface. At the top, there are navigation tabs for 'Summary', 'Transactions', 'Add Expense', and 'Disburse'. A 'Select a Card' dropdown is set to '0001 0000 1000 4836 - KEITH SMITH'. A 'Select a View' dropdown is set to 'Cardholder'. Below this is a table of transactions with columns for Actions, Post Date, Transaction Date, Merchant Name, Merchant Location, Transaction Amount, Expense Type, Review Status, Last Change ID, and Last Change Date/Time.

Actions	Post Date	Transaction Date	Merchant Name	Merchant Location	Transaction Amount	Expense Type	Review Status	Last Change ID	Last Change Date/Time
> + / - / % / []	06/13/2013	05/05/2013	OFFICE MAX	EDEN PRAIRIE, MN	57.12	Corp Card	Not Reviewed	OLSQDAER	08/12/2013 13:02:03
> + / - / % / []	06/13/2013	05/05/2013	HOME DEPOT	LIBERTY, WA	39.58	Corp Card	Not Reviewed	OLSQDAER	08/12/2013 13:02:14
> + / - / % / []	06/13/2013	05/05/2013	HARRIOTT HOTEL	CHATTANOOGA, TN	15.06	Corp Card	Not Reviewed	OLSQDAER	08/12/2013 13:02:26
> + / - / % / []	06/13/2013	05/24/2013	OFFICE MAX	EDEN PRAIRIE, MN	57.12	Corp Card	Not Reviewed	OLSQDAER	08/12/2013 13:02:39
> + / - / % / []	06/13/2013	05/24/2013	HOME DEPOT	LIBERTY, WA	39.58	Corp Card	Not Reviewed	OLSQDAER	08/06/2013 16:04:50

The second screenshot shows the 'Transaction Split' screen for a transaction of \$57.12. It allows the user to split the transaction into two parts, each for \$0.00. The split table has columns for Actions, Percentage, Dollar Amount USD, Personal Expense checkbox, and a table with columns for *JOB NUMBER, *COST CODE, Split Description, *SERVICE / ACTIVITY, Additional Drop C, *PHASE CODE, and DESCRIPTION.

Actions	Percentage	Dollar Amount USD	Personal Expense														
> + / - / % / []	0.00 %	\$0.00	<input type="checkbox"/>														
<table border="1"> <thead> <tr> <th>*JOB NUMBER</th> <th>*COST CODE</th> <th>Split Description</th> <th>*SERVICE / ACTIVITY</th> <th>Additional Drop C</th> <th>*PHASE CODE</th> <th>DESCRIPTION</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				*JOB NUMBER	*COST CODE	Split Description	*SERVICE / ACTIVITY	Additional Drop C	*PHASE CODE	DESCRIPTION							
*JOB NUMBER	*COST CODE	Split Description	*SERVICE / ACTIVITY	Additional Drop C	*PHASE CODE	DESCRIPTION											
> + / - / % / []	0.00 %	\$0.00	<input type="checkbox"/>														
<table border="1"> <thead> <tr> <th>*JOB NUMBER</th> <th>*COST CODE</th> <th>Split Description</th> <th>*SERVICE / ACTIVITY</th> <th>Additional Drop C</th> <th>*PHASE CODE</th> <th>DESCRIPTION</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				*JOB NUMBER	*COST CODE	Split Description	*SERVICE / ACTIVITY	Additional Drop C	*PHASE CODE	DESCRIPTION							
*JOB NUMBER	*COST CODE	Split Description	*SERVICE / ACTIVITY	Additional Drop C	*PHASE CODE	DESCRIPTION											

Summary information at the bottom of the split screen: Transaction Amount: \$57.12, Split Total: \$0.00, Difference: \$57.12. User and update information is also provided.

SPLIT TRANSACTIONS

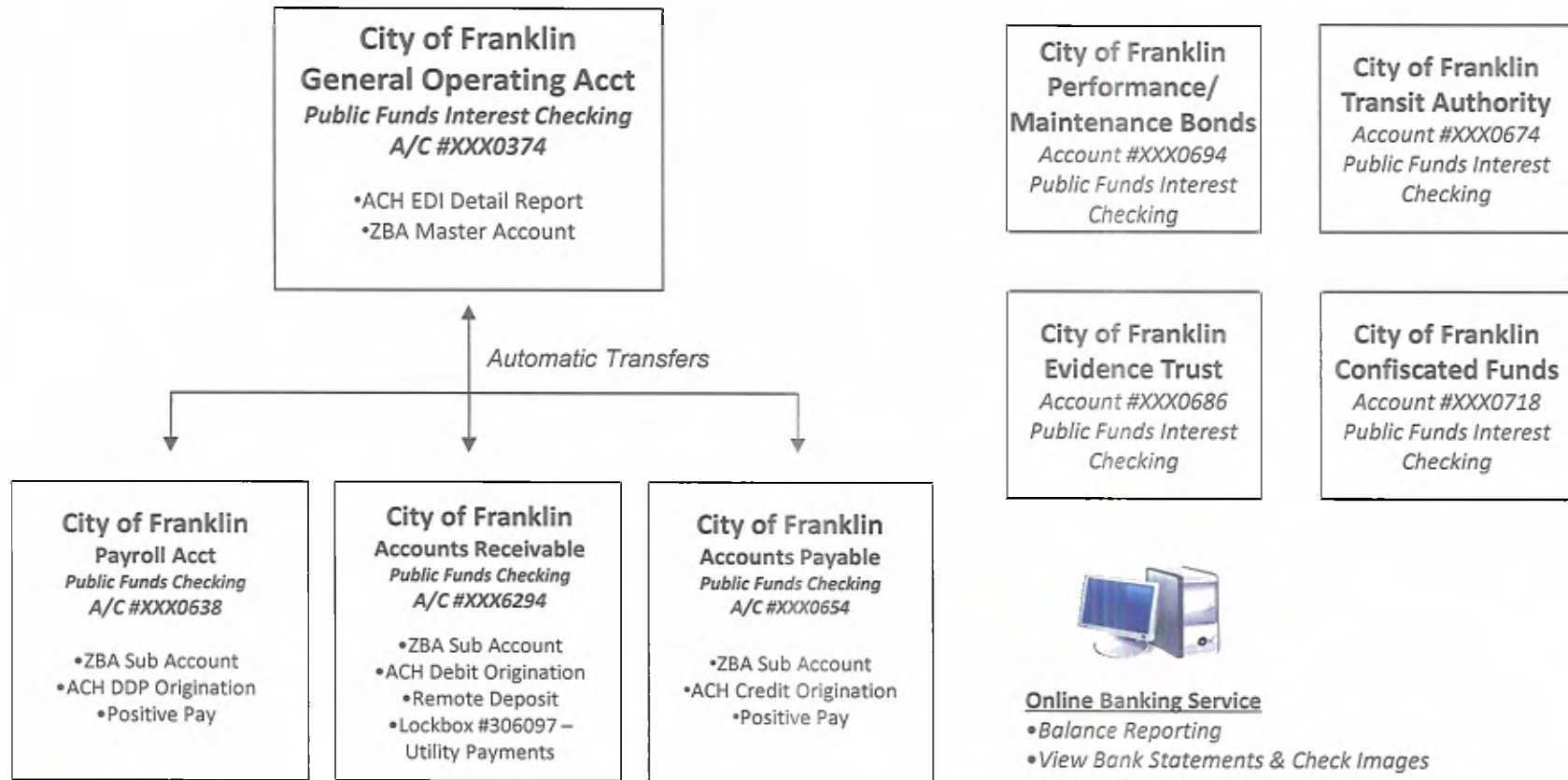
FLAG FOR DISPUTE

MARK AS PERSONAL

ANALYTICS FOR VENDOR NEGOTIATION

City of Franklin

March, 2017



Online Banking Service

- Balance Reporting
- View Bank Statements & Check Images
- Initiate Outgoing, Domestic Wires
- ACH /Remote Deposit Service
- Lockbox Web Delivery
- Account Transfers

PINNACLE PERFORMANCE

Analysts

Brian Martin, FIG Partners LLC
Andrew Stapp, Hilliard Lyons
Kevin Fitzsimmons, Hovde Group
Jefferson Harralson, Keefe, Bruyette & Woods
Peyton Green, Piper Jaffray
Michael Rose, Raymond James Financial Inc.
Stephen Scouten, Sandler O'Neill
Matt Olney, Stephens Inc.
Jennifer Demba, SunTrust Robinson Humphrey

FINANCIAL RESULTS AS OF Dec. 31, 2016

Total Assets: At Dec. 31, 2016, total assets were approximately \$11.2 billion. Total assets reported at the same time last year were \$8.7 billion.

Operating Results:

- Revenue for fourth quarter 2016 was \$120.2 million, an increase of \$1.8 million from the third quarter of 2016.
- Diluted earnings per share totaled \$0.78 – 4Q16, \$0.71 – 3Q16, \$0.73 – 2Q16, \$0.68 – 1Q16, \$0.65 – 4Q15
- Net interest income for the fourth quarter of 2016 was \$89.4 million, compared to the prior year's fourth quarter net interest income of \$71.5 million.
- The firm's net interest margin was 3.72 percent for the quarter ended Dec. 31, 2016, compared to 3.60 percent last quarter and 3.73 percent for the quarter ended Dec. 31, 2015.
- A dividend of \$0.14 will be paid on Feb. 24, 2017, to common shareholders of record as of the close of business on Feb. 3, 2017.

KEY MILESTONES

- Pinnacle earns Greenwich Excellence Awards for the seventh consecutive year for distinguished service in eight categories, including national and regional awards for overall satisfaction, likelihood to recommend and overall satisfaction with cash management in small business banking. The firm also won regional awards for proactively providing advice in small business banking and likelihood to recommend in the middle market segment.
- Pinnacle is No. 1 on the *Knoxville News Sentinel's* list of Knoxville-area lenders of million dollar loans.
- Pinnacle announces a definitive agreement to acquire BNC Bancorp, a North Carolina-based bank with 76 offices in North Carolina, South Carolina and Virginia. When the BNC merger closes, anticipated for third quarter 2017, the combined company is projected to have \$20 billion in assets and a four-state footprint concentrated in 12 of the largest urban markets in the Southeast.
- Pinnacle is named No. 24 on *Forbes' America's Best Banks 2017*. It was No. 25 in 2016.
- After evaluating more than 750 banks, Greenwich Associates recognizes Pinnacle with Best Brand Awards for small business banking based on trust and ease of doing business.
- Pinnacle is ranked Middle Tennessee's No. 1 small business lender for seventh year by *Nashville Business Journal*.
- Pinnacle has achieved a No. 3 market share position in Nashville after closing its merger with Avenue Financial Holdings, Inc., according to June 30, 2016 FDIC deposit data.
- *American Banker* names Pinnacle the sixth best bank to work for in the U.S. in 2016, marking the fourth year in a row the firm earned a top spot.
- *Forbes* names Pinnacle No. 28 on its list of 30 Best Workplaces to Retire From.
- Pinnacle acquires an additional 19 percent interest in Bankers Healthcare Group (BHG), bringing its total interest in BHG to 49 percent.
- Great Place to Work® and *Fortune* names Pinnacle one of the 50 Best Workplaces for Camaraderie after surveying more than 255,000 employees across the nation.
- Pinnacle is recognized in Sandler O'Neill + Partners' annual Sm-All Stars report for the fifth time.

Pinnacle among America's Best Banks 2017

Pinnacle ranks in the top quartile of the country's 100 largest banks, according to a *Forbes* analysis.

Forbes examined raw numbers from financial data provider SNL that shed light on growth, credit quality and profitability for the country's 100 largest banks and thrifts. The magazine used 10 metrics to rank America's Best Banks, including net interest margin, return on average assets and revenue growth.

Pinnacle moved up one spot from 2016 to land at No. 24 out of 100 and was the highest-ranking bank with operations in Tennessee.

Banks with Tennessee Operations

Rank	Company	Total assets (bil)	Return on avg. total common equity	NPAs/total assets	Tier 1 ratio	Efficiency ratio	Latest 12-mos revenue growth
24	Pinnacle Financial Partners	\$11	15.4%	0.4%	7.6%	52%	46%
25	Renasant	\$9	15.8%	0.8%	10.2%	65%	37%
42	BB&T	\$223	15.3%	0.8%	10.1%	61%	12%
54	Fifth Third Bancorp	\$143	14.6%	1.4%	10.2%	57%	12%
56	BancorpSouth	\$15	8.7%	0.6%	12.1%	74%	3%
58	U.S. Bancorp	\$454	19.3%	1.0%	9.5%	55%	4%
60	United Community Banks	\$10	10.7%	0.9%	11.0%	62%	29%
63	Wells Fargo & Company	\$1,942	16.2%	1.3%	10.9%	58%	2%
75	Trustmark	\$13	10.1%	0.9%	12.4%	69%	0%
76	IBERIABANK	\$21	11.2%	1.8%	10.1%	61%	15%
85	Regions Financial	\$125	10.6%	1.7%	11.2%	64%	7%
89	Synovus Financial	\$30	8.4%	1.2%	10.0%	65%	6%
93	SunTrust Banks	\$205	11.6%	1.7%	9.8%	63%	5%
96	First Horizon National	\$28	10.9%	1.5%	9.8%	73%	9%
97	Bank of America	\$2,199	9.9%	0.9%	11.0%	67%	-1%

Full list available on Forbes.com.

*This is only a portion of the list for America's Best Banks

Source: SNL Financial

Pinnacle Rated “Superior” by IDC Financial

Founded in 1985, IDC is the industry standard for rating financial institutions. IDC analyzes the overall safety and soundness of more than 7,000 financial institutions each quarter and provides a one-number IDC quality rank from 1 (lowest) to 300 (highest).

Pinnacle’s IDC rating is 282, which is “Superior.” By its definition, “Banks rated Superior are simply the best by all measures.” In addition to favorable capital ratios, these banks have quality management in place, a strong balance sheet and outstanding income performance.

About IDC Financial’s Ratings

IDC Financial Publishing, Inc. (IDC) is one of only a few nationally recognized financial institution rating and analysis firms that provides the industry with standards in evaluating the safety and soundness of banks and credit unions.

IDC uses a unique CAMEL analysis. Over 35 key financial ratios and a one-number summary rank are computed for each institution. The components of IDC’s CAMEL analysis are: Capital adequacy, Asset quality, Margins as a measurement of management, Earning returns and Leverage/Liquidity. Quality ranks fall into one of six peer group categories: Superior, Excellent, Average, Below Average, Lowest Ratios and Rank of One.

IDC’s methodology for ranking financial institutions for quality is an open platform, allowing banks, thrifts, credit unions and any client to understand financial ratios and ranks.

This information is based on third quarter 2016 financial data. The information is not guaranteed. In addition, events since the information was collected may have altered an institution’s financial condition. This is information provided by a private company not affiliated with Pinnacle Financial Partners. This is not a rating by a government agency (also known as a CAMEL). A fee is required to obtain rating information, which can be found at www.idcfp.com.

Business Clients Rate Pinnacle “Excellent”

Pinnacle is recognized as a regional and national leader in several areas of small and middle-market banking. For 2016, the firm earned Greenwich Excellence Awards in:

- **Small Business Banking**
 - Overall Satisfaction – National and South Region
 - Likelihood to Recommend – National and South Region
 - Cash Management, Overall Satisfaction – National and South Region
 - Proactively Provides Advice – South Region
- **Middle Market Banking**
 - Likelihood to Recommend – South Region



Here's what the research firm found about Pinnacle.

- **Pinnacle is a trusted financial institution.** Our clients show a high level of trust in Pinnacle. We rank above many other financial institutions in our market on questions related to trustworthiness. Our “net promoter score,” which measures how willing our clients are to recommend us, is meaningfully higher than most of our competitors.
- **With experienced professionals.** Pinnacle financial advisors rank near the top for product knowledge – especially when it comes to cash flow management.

At Pinnacle, every client has a financial advisor that serves as the “quarterback” for all their finances. Our clients rate us tops at coordinating various product specialists.
- **Who value long-term relationships.** For the last several years, 100 percent of clients surveyed have agreed that we value long-term relationships. We consistently rank near the top on our willingness to lend, speed of response and flexible teams and conditions. In short, clients rank us No. 1 on “ease of doing business.”
- **And provide excellent banking service.** Across markets, Pinnacle ranks at or near the top for customer service.

About Greenwich Associates

Greenwich Associates surveys more than 750 banks and interviews more than 25,000 small and mid-sized business owners across the country each year. The research provides qualitative and quantitative analysis of topics such as market penetration, new business development, relationship management, credit policy, top management involvement and customer loyalty.



Pinnacle Locations

We are located in the four major markets of Tennessee and surrounding communities. For a full listing of Pinnacle locations, visit www.pnfp.com.

MIDDLE TENNESSEE LOCATIONS

Bedford County

Shelbyville
604 North Main St.
Shelbyville, TN 37160
(931) 680-0734

Cheatham County

Ashland City
524 South Main St.
Ashland City, TN 37015
(615) 743-8330

Davidson County

100 Oaks
2833 Bransford Avenue
Nashville, TN 37204
(615) 690-1440

Belle Meade

4328 Harding Road
Nashville, TN 37205
(615) 690-1460

Bellevue

7651 Hwy. 70 South
Nashville, TN 37221
(615) 743-8300

Cummins Station

209 10th Avenue South,
Suite 250
Nashville, TN 37203
(615) 743-6010

Donelson

424 Donelson Pike
Nashville, TN 37214
(615) 743-6010

Downtown Nashville

150 3rd Avenue South
Nashville, TN 37201
(615) 744-3705

Goodlettsville

847 Conference Drive
Goodlettsville, TN 37072
(615) 744-3290

Green Hills

3823 Cleghorn Avenue
Nashville, TN 37215
(615) 743-3500

Hermitage

4715 Andrew Jackson
Pkwy.
Hermitage, TN 37076
(615) 743-6060

West End

2300 West End Avenue
Nashville, TN 37203
(615) 690-4000

Dickson County

501 Highway 46 South
Dickson, TN 37055
(615) 740-8240

Rutherford County

Murfreesboro
114 West College St.
Murfreesboro, TN 37130
(615) 849-4236

2035 S.E. Broad St.
Murfreesboro, TN 37130
(615) 849-4239

1645 N.W. Broad St.
Murfreesboro, TN 37129
(615) 849-4242

123 Cason Lane
Murfreesboro, TN 37128
(615) 849-4241

1745 Memorial Blvd.
Murfreesboro, TN 37129
(615) 849-4240

2604 South Church St.
Murfreesboro, TN 37127
(615) 849-4243

Smyrna

69 South Lowry St.
Smyrna, TN 37167
(615) 904-3210

467 Sam Ridley Pkwy.
West
Smyrna, TN 37167
(615) 849-4244

Sumner County

Hendersonville
270 East Main St.
Hendersonville, TN 37075
(615) 690-4045

Williamson County

Brentwood

128 Franklin Road
Brentwood, TN 37027
(615) 744-5100

Cool Springs

7040 Carothers Pkwy.
Franklin, TN 37067
(615) 744-3770

1717 Mallory Lane
Brentwood, TN 37027
(615) 743-8230

Franklin

216 South Royal Oaks
Blvd.
Franklin, TN 37064
(615) 690-4030

Wilson County

Mt. Juliet

551 North Mt. Juliet Road
Mt. Juliet, TN 37122
(615) 773-6600

Drive-Thru Only
11400 Lebanon Road
Mt. Juliet, TN 37122
(615) 773-6680

Lebanon

1412 W. Baddour Pkwy.
Lebanon, TN 37087
(615) 466-5480

411 South Cumberland
Lebanon, TN 37087
(615) 466-5700

City of Franklin

Group Banking Code 751

Group Banking Services

Most banks offer some type of Group Banking program. At Pinnacle, we combine our unique brand of distinctive service and effective advice with a full range of financial services. Regardless of your needs – large or small – Pinnacle can help you achieve your financial goals. Visit www.pnfp.com or any Pinnacle office to open your account. With direct deposit you will receive:

Your choice of checking accounts:

Option 1: Titans Plus Checking

- Custom Titans debit card and checks
- Special access to VIP Titans events all year
- Special Titans gift with account
- Plus all the benefits of Pinnacle Access

Option 2: Grizzlies Plus Checking

- Custom Grizzlies debit card
- Special Grizzlies gift with new account
- Plus all the benefits of Pinnacle Access

Option 3: Pinnacle Access Checking

- No minimum balance and no service fee
- Instant issue debit card
- Unlimited transactions and check writing
- Free online banking with bill pay
- Four waived non-Pinnacle ATM fees
- Overdraft protection available from Pinnacle savings or line of credit (with credit approval)
- First order of checks free
- Free ID theft resolution advice

Plus:

Pinnacle Vision Savings

- No minimum balance and no service fee
- Interest paid on your entire balance

Health Savings Account

- No minimum balance and no service fee
- Free debit cards and HSA checks
- Investment services (fees may apply)

Credit Services

- Discount on new installment loan (0.25% and 25% off the loan fee)
- Pinnacle MasterCard® with rewards and no annual fee (subject to credit approval)
- Special closing cost on qualified Home Equity Line of Credit (lines up to \$100,000-subject to credit approval, and applications must be taken after Jan. 1 and close by June 30, 2017)

Mortgage Services

- \$500 off closing costs of a mortgage loan (applications must be taken after Jan. 1 and close by June 30, 2017)

Wealth Management and Trust

- Last will and testament review
- IRA rollover review / 401(k) consultation
- Investment Advisory Services
- Online Investor Access

Pinnacle Mobile Banking

- Account access from your mobile phone when setup through online banking
- View account balance, history or transfer funds between accounts
- Deposit checks from your phone or iPad
- No Pinnacle fee (Check your mobile carrier plan for additional fees)

Insurance Review

- Auto, Homeowners, Renters and Life Insurance review

Products offered through Raymond James Financial Services, Inc. Member FINRA/SIPC, and Miller Loughry Beach are:

- Not Deposits
- Not Insured by the FDIC or any other government agency
- Not guaranteed by Pinnacle Bank
- Subject to risk, may lose value



ANOTHER WAY IT PAYS TO BE A PART OF PINNACLE GROUP BANKING

NOW IT PAYS \$100*



Open a checking account
with direct deposit before
June 30, 2017, and get \$100
deposited into your account.

** Offer expires June 30, 2017. This Group Banking offer is for new non-Titan and non-Grizzlies Pinnacle checking households, or for households that have not had an open Pinnacle consumer checking account for at least 24 months. Limit one bonus per household. Cannot be combined with other offers. Must be 18 or older at time of account opening. Offer is non-transferable. Account is subject to approval. \$100 cash bonus may be considered interest reportable on IRS form 1099-INT.*

To receive the \$100 cash bonus, you must (1) open a Pinnacle checking account with at least \$100, and (2) have at least one recurring direct deposit post and clear your account before June 30, 2017. Direct deposit is a recurring electronic deposit and must be your full payroll or government benefits. Please allow 3-4 weeks of meeting all requirements for deposit of \$100 bonus.

Pinnacle Financial Partners provides a suite of checking account options. The interest bearing account option, Interest Checking, earns an Annual Percentage Yield (APY) of 0.03% on all balances. The APY is variable and subject to change after the account is opened. APY is accurate as of Dec. 1, 2016. Fees could reduce earnings.

**Member
FDIC**



GET A \$200 GIFT CARD*
to the TITANS LOCKER ROOM
when you open a Titans Checking Account**

Pinnacle makes it easy to show your Titans pride. And with our mobile capabilities and personal service, we make banking easy, too.

*Offer expires April 30, 2017. This offer is for new Pinnacle checking households, or for households that have not had an open Pinnacle consumer checking account for at least 24 months. Limit one bonus per household. Cannot be combined with other offers. Must be 18 or older at time of account opening. Offer is non-transferable. Account is subject to approval. To receive the \$200 Titans Locker Room gift card, you must (1) open a Titans checking account with an opening deposit of at least \$100, and (2) have at least one recurring direct deposit post and clear your account before April 30, 2017. Direct deposit is a recurring electronic deposit and must be full payroll or government benefits. Bonus will be mailed USPS within 2-4 weeks of meeting all qualifying requirements. Bonus will be reported as income on IRS Form 1099-INT and is valued at \$200 total. \$200 gift card can be used online at TitansLockerRoom.com or at the Main Titans Pro Shop at Nissan Stadium. **Titans' Banking provides a suite of three checking account options. The interest bearing account option, Titans Premium Checking, earns an Annual Percentage Yield (APY) of 0.03% on all balances. The APY is variable and subject to change after the account is opened. APY is accurate as of Jan. 1, 2017. Fees could reduce earnings. See titansbanking.com website for additional account options.

Visit TitansBanking.com. **PLAY HARD, Bank Easy.**



Member
FDIC

CITY OF FRANKLIN, TENNESSEE
PROCUREMENT AGREEMENT
(City of Franklin Contract No. 2017-0088)

Attachment No. 2

CITY'S TERMS

Standard Procurement Terms and Conditions

City of Franklin, Tennessee

1. Assignment/Subcontracting. Neither party may assign any rights or obligations under these Standard Procurement Terms and Conditions, or any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, without the prior written consent of the other party. These Standard Procurement Terms and Conditions, and any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Vendor may subcontract any portion of the work only with the prior consent of the City, but such subcontracting will not relieve Vendor of its duties under these Standard Procurement Terms and Conditions and any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply.
2. Time of the Essence. The parties agree that TIME IS OF THE ESSENCE with respect to the vendor's performance of all provisions of the contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply.
3. Taxes. As a tax-exempt entity, the City shall not be responsible for sales or use taxes incurred for products or services. Upon request, the City shall supply Vendor with a copy of its Sales and Use Tax Exemption Certificate. Vendor shall bear the burden of providing its suppliers with a copy of the City's tax exemption certificate and shall assume all liability for such taxes, if any, that should be incurred.
4. Notices. Any notice provided pursuant to these Standard Procurement Terms and Conditions, or any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, if specified to be in writing, will be in writing and will be deemed given: (a) if by hand delivery, then upon receipt thereof; (b) if mailed, then three (3) City business days after deposit in the mail where sender is located, postage prepaid, certified mail return receipt requested; (c) if by next day delivery service, then upon such delivery; or (d) if by facsimile transmission or electronic mail, then upon confirmation of receipt. All notices will be addressed to the parties at the addresses set forth below (or set forth in such other document to which these Standard Procurement Terms and Conditions apply, or such other address as either party may in the future specify in writing to the other):

In the case of the City:

City of Franklin
Attn: Purchasing Manager
Re: City of Franklin Purchasing Office Solicitation No. 2017_011
109 Third Ave. South
P.O. Box 305
Franklin, TN 37065-0305
FAX: 615-550-0079
E-mail: purchasing@franklintn.gov

In the case of Vendor:

Pinnacle Bank
Attn: Vickie Manning
7040 Carothers Parkway
Franklin, TN 37067
615-744-3893
vickie.manning@pnfp.com

Standard Procurement Terms and Conditions

City of Franklin, Tennessee

5. Confidentiality and Proprietary rights. Vendor waives any right to confidentiality of any document, e-mail or file it fails to clearly mark on each page (or section as the case may be) as confidential or proprietary. Proprietary rights do not extend to the data created by the City's users of the System; all rights to that data (including derivative or hidden data such as metadata) shall vest solely in City at the moment of creation and City shall retain exclusive rights, title, and ownership of all data and images created therefrom at the moment of creation and utilization, through and including image creation. City may be required to disclose documents under state or federal law. City shall notify Vendor if a request for documents has been made and shall give Vendor a reasonable opportunity under the circumstances to respond to the request by redacting proprietary or other confidential information. In exchange, Vendor agrees to indemnify, defend, and hold harmless City for any claims by third parties relating thereto or arising out of (i) the City's failure to disclose such documents or information required to be disclosed by law, or (ii) the City's release of documents as a result of City's reliance upon Vendor's representation that materials supplied by Vendor (in full or redacted form) do not contain trade secrets or proprietary information, provided that the City impleads Vendor and Vendor assumes control over that claim.
6. Derivative Works. To the extent that the Agreement contains Vendor's reservation of rights, such definitions and limitations are superseded by the following: "Derivative Work" means a program that is based on or derived from one or more existing programs or components. If the original software is modified to create a new program, a derived work is created. If the original software was designed to accept plug-ins or drivers using a defined mechanism, such a driver or plug-in does not form a derived work. Linking to a library in the way it was designed to be interfaced with, does *not* constitute deriving a work. "Derivative work" is *not* the data that the Licensee inputs, manipulates, modifies or otherwise improves, nor the images resulting therefrom.
7. Arbitration/Mediation. No arbitration shall be required as a condition precedent to filing any legal claim arising out of or relating to any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply. No arbitration or mediation shall be binding.
8. Waiver. Neither party's failure or delay to exercise any of its rights or powers under these Standard Procurement Terms and Conditions, or any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, will constitute or be deemed a waiver or forfeiture of those rights or powers. For a waiver of a right or power to be effective, it must be in writing signed by the waiving party. An effective waiver of a right or power shall not be construed as either (a) a future or continuing waiver of that same right or power, or (b) the waiver of any other right or power.
9. Warranties/Limitation of Liability/Waiver. City reserves all rights afforded to local governments under law for all general and implied warranties. The City does not waive any rights it may have to all remedies provided by law and therefore any attempt by Vendor to limit its liability shall be void and unenforceable.
10. Severability. If any term or provision of these Standard Procurement Terms and Conditions is held to be illegal or unenforceable, the validity or enforceability of the remainder of these Standard Procurement Terms and Conditions will not be affected.

Standard Procurement Terms and Conditions

City of Franklin, Tennessee

11. Precedence. In the event of conflict between the provisions of these Standard Procurement Terms and Conditions and that of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, the provisions of these Standard Procurement Terms and Conditions will to the extent of such conflict take precedence unless such document expressly states that it is amending these Standard Procurement Terms and Conditions.
12. Indemnification. Vendor agrees to indemnify and save the Government of Franklin, the City of Franklin and individual, on or off duty, officers, and employees of the City of Franklin, harmless from any and all losses, damages and expenses, including court costs and attorneys' fees, by reason of any loss, whatsoever, arising out of or relating to or in consequence of the work done in connection with any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, excepting only such losses as shall be occasioned solely by the negligence of the City of Franklin.
13. Additions/Modifications. If seeking any addition or modification to any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, the parties agree to reference the specific paragraph number sought to be changed on any future document or purchase order issued in furtherance of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, however, an omission of the reference to same shall not affect its applicability. In no event shall either party be bound by any terms contained in any purchase order, acknowledgement, or other writings unless: (a) such purchase order, acknowledgement, or other writings specifically refer to any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply or to the specific clause they are intended to modify; (b) clearly indicate the intention of both parties to override and modify any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply; and (c) such purchase order, acknowledgement, or other writings are signed, with specific material clauses separately initialed, by authorized representatives of both parties.
14. Applicable Law; Choice of Forum/Venue. These Standard Procurement Terms and Conditions and any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply are made under and will be construed in accordance with the laws of the State of Tennessee without giving effect to any state's choice-of-law rules. The choice of forum and venue shall be exclusively in the Courts of Williamson County, TN.
15. Termination. Unless the City has indicated otherwise in the contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, either party may terminate the contract or agreement or purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, with or without cause, upon thirty (30) calendar days' notice to the other. Upon termination by the vendor, the City shall be entitled to retain ownership of any and all goods and equipment purchased. Upon termination by the City, the vendor shall be entitled to receive any amounts due as a result of goods and equipment already delivered and/or services already rendered; however, the City shall maintain ownership and control of any goods and

Standard Procurement Terms and Conditions City of Franklin, Tennessee

equipment purchased. Upon termination of services, whether connected or unconnected to goods and equipment, such services shall be rendered until the conclusion of the 30th calendar day as stated in the notice or until a contractual benchmark has been achieved, or as the parties may otherwise agree.

16. Breach. Upon deliberate breach of these Standard Procurement Terms and Conditions, or of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, by either party, the non-breaching party shall be entitled to terminate the contract or agreement or purchase order or other procurement to which these Standard Procurement Terms and Conditions apply without notice, with all of the remedies it would have in the event of termination under section 10 ("Severability") above, and may also have such other remedies as it may be entitled to in law or in equity.
17. Default. If Vendor fails to perform or comply with any provision of these Standard Procurement Terms and Conditions, or of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, then the City (i) may cancel the contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, in whole or in part, without penalty or protest by Vendor; (ii) may consider such failure to perform or comply as a breach of contract; (iii) reserves the right to purchase its requirements from the vendor that submitted the next lowest and best responsive and responsible bid, or the vendor that submitted the next best proposal, if that vendor will still honor that bid or proposal, or to seek new bids or proposals, or to pursue one or more other options available to the City in compliance with its then current purchasing policy; and (iv) may hold the defaulting vendor liable for all damages provided by law, including cost of cover.
18. Entire Agreement. These Standard Procurement Terms and Conditions, including any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, constitutes the entire agreement between the parties and supersedes any prior or contemporaneous communications, representations or agreements between the parties, whether oral or written, regarding the subject matter of these Standard Procurement Terms and Conditions. The terms and conditions of these Standard Procurement Terms and Conditions may not be changed except by an amendment expressly referencing these Standard Procurement Terms and Conditions by section number and signed by an authorized representative of each party.
19. Survival. These Standard Procurement Terms and Conditions shall survive the completion of or any termination of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply.

CITY OF FRANKLIN, TENNESSEE
PROCUREMENT AGREEMENT
(City of Franklin Contract No. 2017-0088)

Attachment No. 3

INDEMNIFICATION AGREEMENT

Indemnification Agreement

a form required of Bidders and Proposers on purchases of services for the
City of Franklin, Tennessee

State of Tennessee)
County of Williamson) SS

On behalf of Bidder/Proposer, Vickie Manning agrees that:
(printed name of person signing Agreement)

1. He or she is the Representative of
(Owner or Authorized Partner, Officer, Representative or Agent of Owner)
Pinnacle Bank,
(legal name of entity submitting bid or proposal)

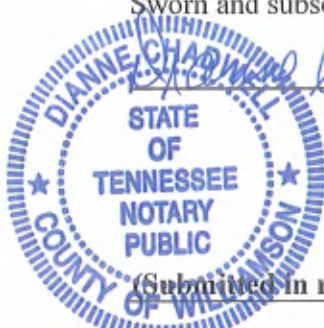
the Bidder or Proposer who has submitted the attached bid or proposal;

2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
3. The Bidder or Proposer agrees to indemnify and save the Government of Franklin, the City of Franklin and individual, on or off duty, officers, and employees of the City of Franklin, harmless from any and all losses, damages and expenses, including court costs and attorneys' fees, by reason of any loss, whatsoever, arising out of or relating to or in consequence of the work done in connection with any contract, agreement, purchase order or other procurement to which this Agreement applies, excepting only such losses as shall be occasioned solely by the negligence of the City of Franklin; and
4. This Agreement is made on personal knowledge.

Vickie Manning
(signature of person whose printed name appears above)

Senior Vice President
(title of person whose printed name appears above)

Sworn and subscribed to before me this 3rd day of March, 2017



Dianne Chadwell
(Notary Public)

My Commission Expires: 9-17-2017

(Submitted in response to City of Franklin Purchasing Office Solicitation No. 2017_011)

Form revised 12/12/2016

MY COMMISSION EXPIRES:
SEPTEMBER 17, 2017