

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 12 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): June 30, 2023

Summit State Bank

(Exact Name of Registrant as Specified in Charter)

California
(State of Other Jurisdiction
Of Incorporation)

32203
(FDIC
Certificate Number)

94-2878925
(I.R. S. Employer
Identification No.)

500 Bicentennial Way
Santa Rosa, CA
(Address of Principal Executive Offices)

95403
(Zip Code)

Registrant's Telephone Number, Including Area Code 707-568-6000

(Former Name or Former Address, if Changes Since Last Report)

Check the Appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13d-4 (c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging Growth Company

If an emerging growth company, indicate my check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	SSBI	NASDAQ Global Market

Item 4.01. Changes in Registrant’s Certifying Accountant

On June 30, 2023, Summit State Bank (the “Bank”) engaged Elliott Davis LLC (“Elliott”) as the Bank’s new independent registered public accounting firm for the fiscal year ending December 31, 2023, and related interim periods. The Bank’s engagement of Elliott was approved by the Audit Committee of the Bank’s Board of Directors. Prior to selecting Elliott, the Audit Committee conducted a review process to consider the Bank’s independent registered public accounting firm for the year ending December 31, 2023 and several firms, including Moss Adams LLP (“Moss Adams”), participated in the process.

In addition, on June 30, 2023, in connection with its selection of Elliott, the Bank dismissed Moss as its independent registered public accounting firm, effective as of that date.

Moss Adams’ reports on the Bank’s financial statements for each of the two fiscal years ended December 31, 2022 and 2021 did not contain an adverse opinion or a disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope or accounting principles. During the fiscal years ended December 31, 2022 and 2021, and the subsequent interim period through the March 30, 2023, there were no disagreements, within the meaning of Item 304(a)(1)(iv) of Regulation S-K, with Moss Adams on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures which, if not resolved to the satisfaction of Moss Adams, would have caused Moss Adams to make reference to the subject matter of the disagreement in its reports. During the fiscal years ended December 31, 2022 and 2021 and the subsequent interim period through the March 31, 2023, there was one “reportable event,” within the meaning of Item 304(a)(1)(v) of Regulation S-K.

In November 2022, management determined that the Bank did not maintain effective control over the classifications within the Statements of Cash Flows. On November 17, 2022, the Bank’s Board of Directors authorized management to restate the Bank’s previously issued audited annual financial statements for the year ended December 31, 2021, and the unaudited interim financial statements for the periods ended March 31, 2022 and June 30, 2022 (the “Affected Financial Statements”). Accordingly, management concluded the control deficiency resulted in the misclassification of “Proceeds from sales of loans other than loans originated for resale” within “cash flows from operating activities” versus the proper classification within “cash flows from investing activities” on the Statements of Cash Flows for the Affected Financial Statements constituted a material weakness as of December 31, 2021. Solely as a result of this material weakness, management revised its earlier assessment and updated its conclusion that the Bank’s internal control over financial reporting was not effective as of December 31, 2021. Management implemented a change in internal controls over financial reporting while preparing the interim financial information for the third quarter of 2022 and for the year ended December 31, 2022. This change was successfully implemented and remediated the material weakness related to a reclassification within its financial statements dating back to December 31 2021.

The Bank has provided Moss Adams with a copy of this report and requested that Moss Adams provide a letter addressed to the Securities and Exchange Commission indicating whether or not it agrees with the disclosures contained herein and, if not, the respects in

which it does not agree. A copy of Moss Adams' letter, dated July 3, 2023, is filed as Exhibit 16.1 to this report.

During the fiscal years ended December 31, 2022 and 2021 and the subsequent interim period through March 30, 2023, neither the Bank nor anyone acting on its behalf consulted with Elliot regarding any matter or event that would require disclosure under Item 304(a)(2) of Regulation S-K.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits:

The exhibit list called for by this item is incorporated by reference to the Exhibit Index filed as part of this report.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

Dated: July 3, 2023

SUMMIT STATE BANK

By: /s/ Camille Kazarian
Camille Kazarian
*Executive Vice President
and Chief Financial Officer
(Duly Authorized Officer)*

Exhibit Index

<u>Exhibit Number</u>	<u>Description</u>
16.1	Letter from Moss Adams to the Securities and Exchange Commission dated July 3, 2023

16.1 Letter from Moss Adams to the Securities and Exchange Commission dated July 3, 2023

July 3, 2023

U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Ladies and Gentlemen:

We have read the statements made by Summit State Bank included under Item 4.01 of its Current Report on Form 8-K dated June 30, 2023, to be filed with the Securities and Exchange Commission. We agree with the statements concerning our Firm contained therein.

Sincerely,

/s/ Moss Adams LLP