

**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 8, 2020**

**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 240.13e-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 ne 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 7.01. Regulation FD Disclosure**

From time to time, Officers of Summit State Bank (the “Company”) will make presentations regarding the Company at various groups. The slides furnished as Exhibit 99.1 to this Current Report on Form 8-K were prepared for the presentation.

The information in this report is being furnished, not filed, pursuant to Regulation FD. Accordingly, the information in Items 7.01 and 9.01 of this report will not be incorporated by reference into any registration statement filed by the Company under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference. The furnishing of the information in this report is not intended to, and does not, constitute a determination or admission by the Company that the information in this report is material or complete, or that investors should consider this information before making an investment decision with respect to any security of the Company.

The exhibit to this report may include certain statements concerning expectations for the future that are forward-looking statements as defined by federal securities law. Any forward-looking statements are based on the historical performance of the Company and its subsidiaries or on the Company’s current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by the Company that the future plans, estimates or expectations by the Company will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions relating to the Company’s operations, financial results, financial condition, business prospects, growth strategy and liquidity. If one or more of these or other risks or uncertainties materialize, or if the Company’s underlying assumptions prove to be incorrect, the Company’s actual results may vary materially from those indicated in these statements. The Company does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements. These factors include, but are not limited to, the following, any one or more of which could materially affect the outcome of future events:

- business and economic conditions generally and in the financial services industry in particular, whether nationally, regionally or in the markets in which we operate;
- our ability to achieve organic loan and deposit growth, and the composition of that growth;
- changes (or the lack of changes) in interest rates, yield curves and interest rate spread relationships that affect our loan and deposit pricing;
- the extent of continuing client demand for the high level of personalized service that is a key element of our banking approach as well as our ability to execute our strategy generally;
- our dependence on our management team, and our ability to attract and retain qualified personnel;
- changes in the quality or composition of our loan or investment portfolios, including adverse developments in borrower industries or in the repayment ability of individual borrowers;

- inaccuracy of the assumptions and estimates we make in establishing reserves for probable loan losses and other estimates;
- the concentration of our business within our geographic areas of operation in California; and
- concentration of credit exposure.

These factors should not be construed as exhaustive. Additional information on these and other risk factors can be found in Item 1A. “Risk Factors” and Item 7. “Special Note Regarding Forward-Looking Statements” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2019, filed with the Federal Deposit Insurance Corporation.

**Item 9.01. Financial Statements and Exhibits**

**(c) 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: June 8, 2020

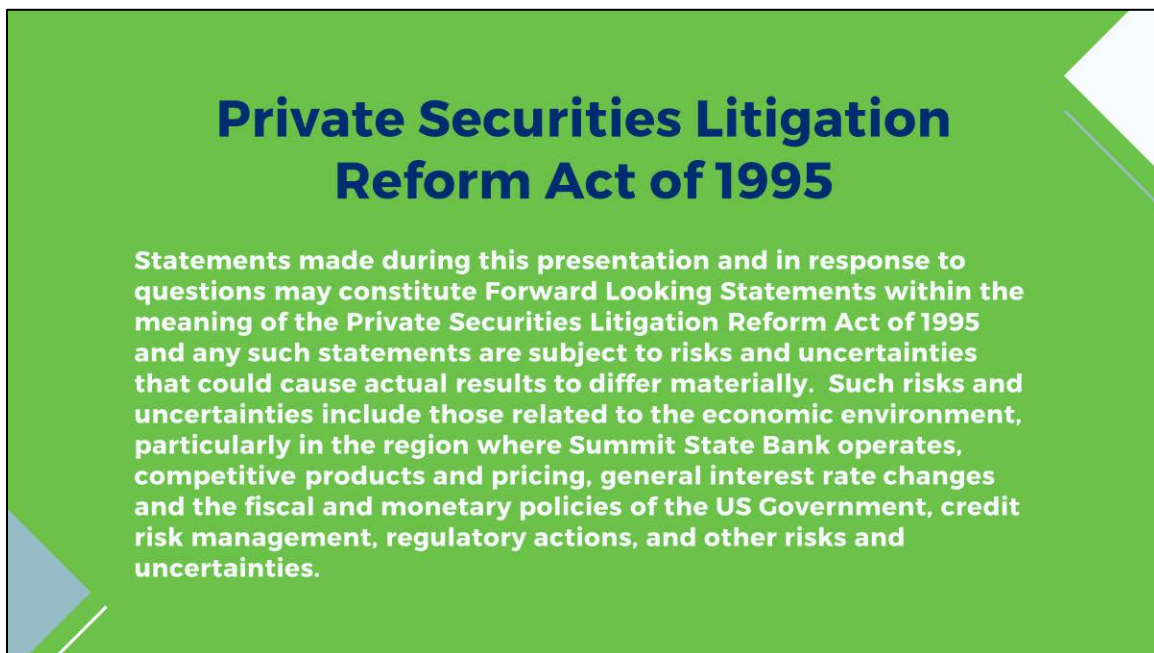
**SUMMIT STATE BANK**

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>
99	Presentation slides as of June 8, 2020

99. Presentation slides as of June 8, 2020



## Summit State Bank - SSBI

Headquartered in Santa Rosa, CA

### Locations

- Santa Rosa Main
- Healdsburg
- Santa Rosa Montgomery Village
- Rohnert Park
- Petaluma
- Roseville, Small Business Lending Group



Lending Area - Northern California concentrated in Sonoma County



## Our Leadership Team



**Brian Reed**

President & CEO  
35 Years in the Industry  
3 at Summit State Bank



**Genie Del Secco**

EVP & Chief Operating Officer  
30 Years in the Industry  
5 at Summit State Bank



**Brandy Seppi**

EVP & Chief Lending Officer  
25 Years in the Industry  
5 at Summit State Bank



**Camille Kazarian**

EVP & Chief Financial Officer  
21 Years in the Industry  
2 at Summit State Bank



**Michael Castlio**

SVP & Chief Credit Officer  
25 Years in the Industry  
2 at Summit State Bank

136 Years of Collective  
Experience

# STRATEGIC INITIATIVES

## ORGANIC GROWTH

- Focused on sustainable and managed growth
- Low-cost core deposits
- Culture of delivering exemplary service

## BUSINESS FOCUS

- Relationship banking with a consultative approach
- Niche is business and nonprofits
- Business target \$1MM to \$100MM

## DEVOTED TO COMMUNITY

- We consistently give back to the community
- Nonprofit Partner Program
- Summit Day of Service
- Employee's serving on community boards

## COMMITMENT TO TEAM

- Committed to hiring the most talented employees
- Offer growth opportunities through continuing education, leadership and mentorship programs
- Foster a culture of success

# VALUE PROPOSITION

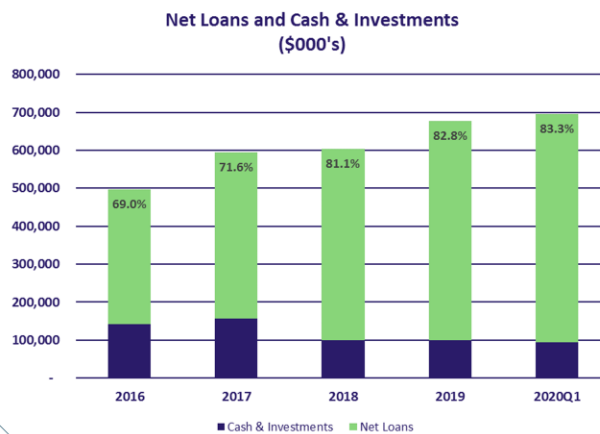
- **STRONG GROWTH IN ASSETS & EARNINGS**
- **STABLE QUARTERLY DIVIDEND**
- **LOW RISK PROFILE**
- **ROA IN UPPER QUARTILE WITHIN CA PEER GROUP**



## Financial Trends

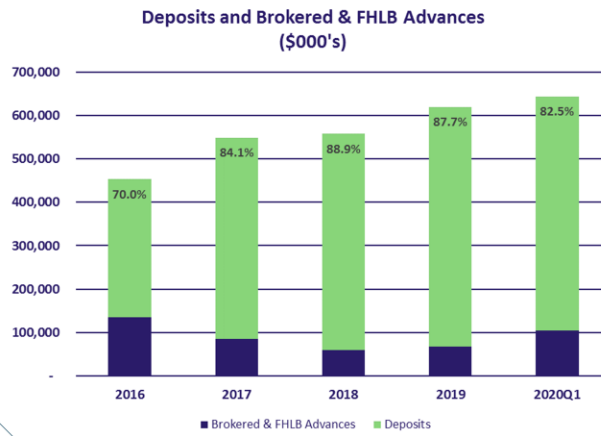
	2016	2017	2018	2019	2020 Q1
<b>Income Statement</b>					
Interest Income	\$ 19,907	\$ 20,713	\$ 25,572	\$ 30,003	\$ 8,292
Interest Expense	1,233	2,141	3,950	7,025	1,767
Net interest income before provision	18,674	18,572	21,622	22,978	6,525
Total non-interest income	1,462	1,141	1,756	2,316	1,842
Total non-interest expense	11,686	13,271	14,804	15,719	4,334
Income before provisions	8,450	6,442	8,574	9,575	4,033
Provision for loan losses	-	520	530	700	600
Provision for income taxes	3,482	2,630	2,217	2,398	1,017
Net income	\$ 4,968	\$ 3,292	\$ 5,827	\$ 6,477	\$ 2,416
<b>Balance Sheet</b>					
Assets	\$ 513,704	\$ 610,864	\$ 622,104	\$ 695,978	\$ 721,645
Net Loans	354,638	437,594	504,549	576,548	601,400
Cash & Investments	142,226	157,567	99,858	100,537	94,653
Deposits	318,397	463,607	498,103	551,338	539,121
Brokered Deposits & FHLB Advances	134,754	84,907	59,886	68,100	104,185
<b>Ratios</b>					
Net interest margin	3.72%	3.58%	3.75%	3.65%	3.87%
Return on average assets (preprovision pretax)	1.65%	1.20%	1.46%	1.47%	2.34%
NPA's to Assets	0.62%	0.88%	0.43%	0.09%	0.06%

## Repositioning Assets



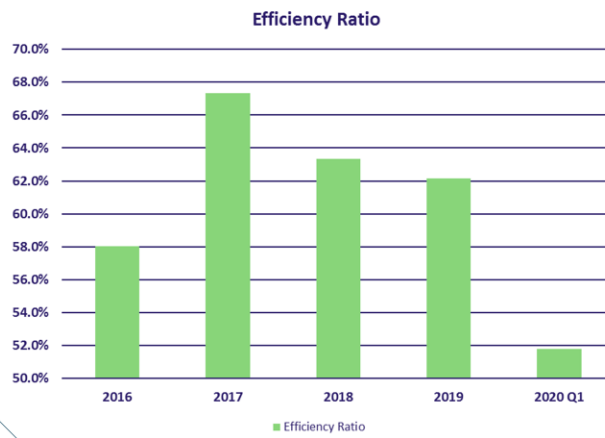
\*Percent Net Loans to Total Assets

## Repositioning Liabilities

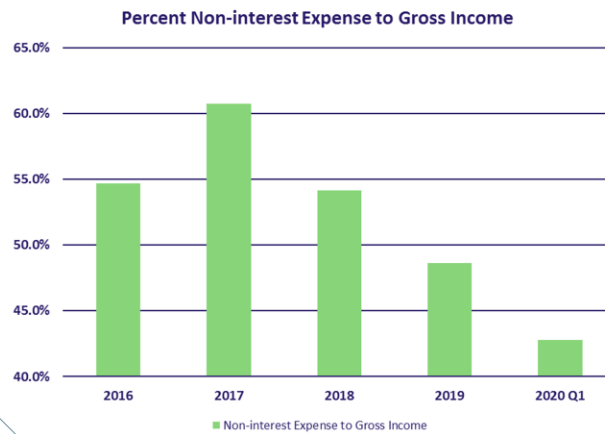


\*Percent Deposits to Total Liabilities

## Building the Infrastructure to Deliver Results



## Building the Infrastructure to Deliver Results



## Most Recent Trends

	<u>2019 Q1 &amp; Q2</u>	<u>2019 Q3 &amp; Q4</u>	<u>2020 Q1</u>
<b>Income Statement</b>			
Interest Income	\$ 14,388	\$ 15,615	\$ 8,292
Interest Expense	3,342	3,683	1,767
Net interest income before provision	11,046	11,932	6,525
Total non-interest income	661	1,655	1,842
Total non-interest expense	8,035	7,684	4,334
Income before provisions	3,672	5,903	4,033
Provision for loan losses	280	420	600
Provision for income taxes	795	1,603	1,017
Net income	\$ 2,597	\$ 3,880	\$ 2,416
<b>Balance Sheet</b>			
Assets	\$ 635,622	\$ 695,978	\$ 721,645
Net Loans	536,674	576,548	601,400
Cash & Investments	79,952	100,537	94,653
Deposits	521,494	551,338	539,121
Brokered Deposits & FHLB Advances	40,063	68,100	104,185
<b>Ratios</b>			
Net interest margin	3.61%	3.68%	3.87%
Return on average assets (preprovision pretax)	1.16%	1.78%	2.34%
NPA's to Assets	0.12%	0.07%	0.06%

## Continued Success

### Actively managing through the COVID-19 Pandemic

- Commitment to the safety and wellbeing of bank employees
- Maintaining strong underwriting guidelines
- A community leader as a Paycheck Protection Program (PPP) lender
- Actively managing and monitoring potential changes in asset quality
- Strong focus on achieving planned growth



## ALLAN HEMPHILL

Board Member Since 1999



Thank you for your service

1999 Appointed to the Board of Directors

2011 Appointed Chairman of the Board of Directors



## Get in Touch

### MAILING ADDRESS

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Santa Rosa, CA 95403

### EMAIL ADDRESS

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### PHONE NUMBER

(707) 568 6000

