James E. Brush
President and CEO
Summit State Bank
500 Bicentennial Way
Santa Rosa, CA 95403
(707) 568-6000
jbrush@summitstatebank.com

Summit State Bank Completes Private Placement of $6 Million of Subordinated Debt.

Santa Rosa, CA – (July 2, 2019) – Summit State Bank ("Summit State" or the "Bank") (NASDAQ: SSBI) announced today that it has completed the private placement of $6 million in fixed-to-floating rate subordinated notes due June 30, 2029 (the "Notes") to institutional accredited investors. Summit State intends to use the net proceeds from this placement to support organic growth and for general corporate purposes.

"We're pleased to close this important transaction," stated Jim Brush, President & CEO, "which will provide the Bank with additional capital to help fund our future growth."

The Notes have been structured to qualify as Tier 2 capital for Summit State for regulatory purposes and will bear interest at a fixed rate of 6.0% per annum until June 30, 2024. For the remainder of the term, the subordinated notes, which mature on June 30, 2029, will bear interest at a rate equal to 3-month Libor plus 362 basis points. The subordinated notes are redeemable by the Bank at its option, in whole or in part, on or after June 30, 2024, or in whole but not in part under certain other circumstances.

Raymond James & Associates, Inc. served as the sole placement agent for the offering. Sheppard, Mullin, Richter & Hampton LLP served as legal counsel to the Bank and Holland & Knight LLP served as legal counsel to the placement agent.

About Summit State Bank

Summit State Bank, a local community bank, has total assets of $626 million and total equity of $63 million at March 31, 2019. Headquartered in Sonoma County, California, Summit State Bank specializes in providing exceptional customer service and customized financial solutions to aid in the success of local small businesses and nonprofits throughout Sonoma County.

Summit State Bank is committed to embracing the diverse backgrounds, cultures and talents of its employees to create high performance and support the evolving needs of its customers and community it serves. At the center of diversity is inclusion, collaboration, and a shared vision for delivering superior service and results for shareholders. Presently, 82% of management are women and minorities with 60% represented on the Executive Management Team. Through the engagement of its team, Summit State Bank has received many esteemed awards including: Best Business Bank, Corporate Philanthropy Award and Best Places to Work in the North Bay. Summit State Bank's stock is traded on the Nasdaq Global Market under the symbol SSBI. Further information can be found at www.summitstatebank.com.

Forward-looking Statements

Except for historical information contained herein, the statements contained in this news release, are forward-looking statements within the meaning of the "safe harbor" provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. This release may contain forward-looking statements that are subject to risks and uncertainties. Such risks and uncertainties may include but are not necessarily limited to fluctuations in interest rates, inflation, government regulations and general economic conditions, and competition within the business areas in which the Bank will be conducting its operations, including the real estate market in California and other factors beyond the Bank's control. Such risks and uncertainties could cause results for subsequent interim periods or for the entire year to differ materially from those indicated. You should not place undue reliance on the forward-looking statements, which reflect management's view only as of the date hereof. The Bank undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

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