
FEDERAL DEPOSIT INSURANCE CORPORATION

Washington, D.C. 20429

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): March 4, 2024

Summit State Bank

(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction of
incorporation)

32203
(FDIC Certificate No.)

94-2878925
(IRS Employer Identification
Number)

500 Bicentennial Way
Santa Rosa, California
(Address of principal executive offices)

95403
(Zip Code)

(707) 568-6000
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed 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 communications 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 communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications 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 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by 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 8.01 Other Events.

Summit State Bank (the “Bank”) hired Michael Floyd as its Executive Vice President, Chief Credit Officer on March 4, 2024.

In connection with his hire, the Bank entered into a Change in Control Agreement (the “Agreement”) with Mr. Floyd effective March 4, 2024. The Agreement provides if Mr. Floyd is terminated or quits for good reason after the announcement of an anticipated “change in control” of the Bank (as such term is defined in the Agreement), or during the 18 months following, he would be entitled to receive a payment in an amount equal to the sum of one year’s salary and the greater of his bonus for the previous calendar year or \$16,000. If his last day of employment occurs on or before September 3, 2025, then the severance payment would instead be equal to 24 months of his base salary and if his last day of employment occurs on or after September 4, 2025 and on or before September 3, 2026, then the severance payment would instead be equal to 18 months of his base salary. Under the Agreement, “good reason” includes a material adverse change in his position, duties, responsibilities or title, reduction in base salary or benefits or a relocation more than 30 miles from his current office location. This description of the Agreement is only a summary and qualified by the form of the Agreement filed as an exhibit to this report.

Prior to joining the Bank, Mr. Floyd was the Senior Vice President and Senior Credit Administrator with the Bank of Sierra from July 2021 to December 2023. Prior to that, he was the Executive Vice President and Chief Credit Officer with Technology Credit Union from August 2017 to May 2021 and the Senior Vice President and Chief Credit Officer with Montecito Bank & Trust from August 2007 to March 2017.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits:

| <u>Exhibit Number</u> | <u>Description</u> |
|------------------------------|--|
| 10.1 | Change in Control Agreement with Michael Floyd |

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: March 28, 2024

SUMMIT STATE BANK

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

CHANGE IN CONTROL AGREEMENT

THIS CHANGE OF CONTROL AGREEMENT (“Agreement”) is entered into as of March 4, 2024 (the “Effective Date”), by and between Summit State Bank, a California banking corporation (the “Company”), and Michael Floyd (“Executive”).

RECITALS

WHEREAS, the Company’s Board of Directors has determined that Executive plays a critical role in the operations of the Company and that it is appropriate and in the Company’s best interests to reinforce and encourage the Executive continued attention and dedication to Executive’s assigned duties without distraction that might arise in the event of a threatened or actual Change in Control (as defined below) and thereby also provide the Company with greater assurance that it will be able to retain Executive in the event of any threatened or actual Change in Control;

WHEREAS, in the event of Executive’s termination in connection with a Change of Control, Executive shall be eligible to receive certain severance, health, make whole and other benefits the terms and subject to the conditions set forth in the Agreement.

NOW, THEREFORE, as an inducement for and in consideration of Executive remaining in its employ and working diligently for the Company including through a potential Change in Control, and in consideration of the promises and obligations set forth below and for other good and valuable consideration, the receipt of which is hereby acknowledged by the parties, the parties agree and intend to be legally bound, as follows:

AGREEMENT**1. DUTIES.**

Executive hereby agrees to continue to devote Executive’s full and, exclusive time and diligent attention to the business of the Company as the Chief Credit Officer, to faithfully perform the duties assigned to him or her by the Company consistent with Executive’s position, and to conduct himself or herself in such a way as shall best serve the interests of the Company.

2. TERMINATION FOLLOWING A CHANGE IN CONTROL.

(a) Termination by the Company Without Cause or by the Executive For Good Reason Following a Change in Control. Subject to the conditions set forth herein, if Executive’s employment is terminated by the Company without Cause (as defined below) or by the Executive for Good Reason (as defined below) and Executive’s last day of employment occurs during the Protected Period (as defined below), then the Company shall pay Executive a severance payment comprised of the following: (i) an amount equivalent to 12 months of Executive’s average base monthly compensation (including salary, 401k matching contribution, company-paid life insurance premiums) (“Base Salary”) in effect during the most recently completed calendar year (the “Severance Payment”); (ii) a bonus payment equivalent to the greater of Executive’s cash bonus, if any, awarded with respect to the most recently completed calendar year prior to the Change in Control (or, if a bonus payment has not yet been awarded for such year, the amount that would have been awarded if Executive continued to be employed through such year) or \$16,000 (the “Bonus Payment”); (iii) reimbursement for Consolidated Omnibus Budget Reconciliation Act (“COBRA”) premiums for up to 12 months, in an amount equal to the portion of the premium paid by

the Company for coverage under such plan for similarly-situated active employees of the Company provided Executive was enrolled in the Company's health plan at the time of Executive's termination of employment and timely elects to continue Executive's health coverage under COBRA (the "Health Severance"); and (iv) reimbursement for outplacement services up to a maximum of \$10,000 in accordance with the Company's reimbursement policy then in effect, *provided however*, during the Specified Protected Period (as defined below) only, (x) if Executive's last day of employment occurs on or before September 3, 2025, then the Severance Payment shall be equal to 24 months of Base Salary and (y) if Executive's last day of employment occurs on or after September 4, 2025 and on or before September 3, 2026, then the "Severance Payment" shall be equal to 18 months of Base Salary.

(b) Home Loan. In addition to the foregoing, and subject to the conditions set forth herein, if Executive's employment is terminated by the Company without Cause or by the Executive for Good Reason during the Protected Period and, at such time, Executive has an outstanding loan under the Company's Employee Home Loan Program, Executive shall thereafter be permitted to retain such loan without loss of the preferential interest rate and without acceleration of the maturity date or other adverse change, except as provided in the applicable loan documents by reason of an event of default other than a Change in Control or termination of Executive's employment for any reason.

(c) Release Required/Timing of Payments. Executive shall be eligible to receive the benefits set forth in this Section 2, as applicable (the "Severance Benefits") only if Executive timely executes, delivers and does not revoke (if applicable) a general waiver and release of all claims against the Company and its parents, subsidiaries, affiliates, board and employees (the "Release") in the form attached as Exhibit A to this Agreement (which may be amended to conform to legal updates or to add the successor of the Company as a party), and provided such Release has become effective and irrevocable by no later than the fifty-fifth (55th) day after the termination date. The Base Salary and Bonus Payment will be paid in one lump sum on the Company's first regular payroll period following the fifty-fifth (55th) day after the termination date provided the Release has become irrevocable on such day. The Health Severance, if applicable, shall commence on the Company's first regular payroll period following the sixtieth (60th) day after Executive's termination date provided that the Release has become irrevocable as of such day, and shall include pro rata reimbursement for any COBRA premiums already paid by Executive.

(d) Other Terminations. The Company may terminate Executive immediately for Cause or due to Disability (as defined below). In addition, Executive's employment shall terminate immediately upon Executive's death or if Executive resigns without Good Reason. If Executive is terminated for Cause, or due to death or Disability, or if Executive resigns Executive's position without Good Reason, and regardless of whether any Change in Control or Announcement has occurred, Executive shall not be entitled to receive any Severance Benefits or other benefit, including the Severance Payment, the Base Salary, the Bonus Payment, the Health Severance, or outplacement services and the Company shall have no further obligation to Executive or liability under this Agreement by way of compensation or otherwise.

(e) No Duplication of Benefits. The payments, as applicable, provided for in this Section 2 are intended to constitute the exclusive payments in the nature of severance, salary continuation, notice pay and/or termination pay that shall be due to Executive upon termination of employment by the Company without Cause or by the Executive for Good Reason as a result of a Change in Control, and shall be in lieu of any such other payments under any other agreement, plan, practice or policy of the Company. However, nothing in this Agreement is intended to supersede or replace any benefit in which the Executive has already vested, including but not limited to 401k savings and stock options. It is specifically understood that Executive is not entitled to any compensation or benefits under the Company's Change in Control Severance Plan.

(f) Health Severance. The Company, in its discretion, may report the employer cost of the Health Severance as taxable income to Executive in order to satisfy the requirements of Section 105(h) of the Internal Revenue Code of 1986, as amended (the “Code”). Notwithstanding any other provision of this Agreement, the Company shall not be required to pay the Health Severance to the extent such payments would result in a tax or penalty under the Patient Protection and Affordable Care Act of 2010, as amended, and regulations thereunder, or if Executive fails to pay Executive’s portion of the cost of COBRA coverage. Executive agrees to notify the Company immediately upon obtaining new employment and becoming eligible for health coverage through another employer.

(g) Section 280G.

(i) Notwithstanding any other provision of the Plan or any other plan, arrangement or agreement to the contrary, prior to the payment of any compensation or benefits payable under Section 3.1 hereof, the Certified Public Accountants (as defined below) shall determine whether any payment, benefit or distribution by the Company to or for the benefit of Executive (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement, any other plans or agreements or otherwise) (“Covered Payment”) would constitute a “parachute payment” within the meaning of Section 280G of the Code, that is subject to the excise tax imposed by Section 4999 of the Code or any corresponding provisions of state or local excise tax law, or any interest or penalties are incurred by Executive with respect to such excise tax (such excise tax and assessments, together with any such interest and penalties, are hereinafter collectively referred to as the “Excise Tax”), and, if it would be, then the Company shall pay or provide to Executive the greatest of the following, whichever gives Executive the highest net after-tax amount (after taking into account federal, state, local and payroll taxes at Executive’s actual marginal rates and the Excise Tax): (1) all of the Covered Payments or (2) Covered Payments not in excess of the greatest amount of Covered Payments that can be paid that would not result in the imposition of the excise tax under Section 4999 of the Code (the “Safe Harbor Amount”). Payments shall be made as follows: (A) if none of the Covered Payments constitute nonqualified deferred compensation (within the meaning of Section 409A (as defined below)), then such reduction and/or repayment shall occur in the manner the Executive elects in writing prior to the date of payment; or (B) if any Covered Payment constitutes non-qualified deferred compensation or if Executive fails to elect an order in the event that none of the Covered Payments constitutes non-qualified deferred compensation (within the meaning of Section 409A), then the Covered Payments to be reduced will be determined in a manner which maximizes Executive’s economic position and, to the extent the economic cost is equivalent between one or more Covered Payments, such Covered Payments will be reduced in the inverse order of when payment would have been made to Executive, until the aggregate Covered Payments payable to Executive equal the Safe Harbor Amount (the “Reduced Amount”). The Company and Executive will furnish to the Certified Public Accountant such information and documents the Certified Public Accountant may reasonably request in order to make a determination under this Section. The Company and Executive shall cooperate with each other and use all reasonable efforts to minimize to the fullest extent possible the amount of Excise tax imposed by Section 4999 of the Code (or similar tax and/or assessment).

(ii) The Company shall select a firm of certified public accountants of national standing (the “Certified Public Accountants”), which may be the firm regularly auditing the financial statements of the Company or any affiliate of the Company prior to a Change in Control. The Certified Public Accountants shall make all determinations required to be made under this Section 2(g) and shall provide detailed supporting calculations to the Company and the Executive within thirty (30) days after the later of the Change in Control or the Executive’s termination date or such earlier time as if requested by the Company. Any such determinations made by the Certified Public Accountants shall be binding upon the Company and Executive. The Certified Public Accountants shall determine which and how much of the

Covered Payments shall be eliminated or reduced consistent with the requirements of this Section 2(g).

(iii) As a result of the uncertainty in the application of Section 280G of the Code, it is possible that payments may be made by the Company, which should not have been made (“Overpayment”), in each case, consistent with the calculation of the Reduced Amount hereunder. In the event that the Certified Public Accountants, based upon the assertion of a deficiency by the Internal Revenue Service against the Company or the Executive which said Certified Public Accountants believe has a high probability of success, determine that an Overpayment has been made, any such Overpayment shall be treated for all purposes as a loan to the Executive which the Executive shall repay to the Company, together with interest at the applicable federal rate provided for in Section 7872(f)(2)(A) of the Code; provided, however, that no amount shall be payable by the Executive to the Company in and to the extent such payment would not reduce the amount which is subject to taxation under Section 4999 of the Code. In the event that the Certified Public Accountants, based upon controlling precedent, determine that an Overpayment has occurred, any such Overpayment shall be promptly paid by the Company to or for the benefit of the Executive together with interest at the applicable federal rate provided for in Section 7872(f)(2)(A) of the Code.

3. DEFINITIONS.

(a) “Announcement” means the initial public announcement by the Company of an intended or anticipated Change in Control (provided that such Change in Control is actually consummated).

(b) “Applicable Laws” means the applicable requirements under U.S. federal and state corporate laws, U.S. federal and state securities laws, including the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any other country or jurisdiction where Severance Benefits are granted under this Agreement, as are in effect from time to time.

(c) “Board” means the Board of Directors of the Company.

(d) “Cause” means that Executive has: (i) engaged in an act or omission involving gross negligence, willful misfeasance or willful nonfeasance with respect to Executive’s assigned duties; (ii) habitually not performed Executive’s assigned duties; (iii) engaged in an act of theft, fraud, embezzlement, falsification of Company documents, misappropriation of funds or other assets of the Company or engaged in any intentional misconduct which may reasonably be expected to be materially damaging to the goodwill, business or reputation of the Company; (iv) been convicted by a court of competent jurisdiction of, or pleaded guilty or nolo contendere to, any felony or crime involving moral turpitude; or (v) been prohibited by a federal or state agency pursuant to a final order or agreement from being employed by a bank or similar institution. Before the Company terminates Executive for Cause, the Company shall provide Executive with written notice of the conduct the Company believes constitutes Cause and shall provide Executive with a reasonable period of time under the circumstances, but not less than thirty (30) days (“Cure Period”), to correct the conduct that according to the Company gives rise to Cause under the Agreement. The Company will not be bound to provide a Cure Period if such breach is not susceptible of cure or remedy with the Cure Period.

(e) “Change in Control” mean the first occurrence of an event set forth in any of the following paragraphs following the Effective Date:

(i) Any “Person” or “Group” (as such terms are defined in Section 13(d) of the Securities Exchange Act of 1934 (the “Exchange Act”) and the rules and regulations promulgated thereunder) is or becomes the “Beneficial Owner” (within the meaning of Rule 13d-3 under the Exchange Act), directly

or indirectly, of securities of the Company, or of any entity resulting from a merger or consolidation involving the Company, representing more than fifty percent (50%) of the combined voting power of the Company's or such entity's then outstanding securities; or

(ii) The individuals who constitute, as of the date hereof, members of the Board (the "Existing Directors"), cease, for any reason during any twelve (12)-month period, to constitute more than fifty percent (50%) of the number of authorized directors of the Company as determined in the manner prescribed in the Company's articles of incorporation and bylaws; *provided, however*, that if the election, or nomination for election, by the Company's shareholders of any new director was approved by a vote of at least fifty percent (50%) of the Existing Directors, such new director shall be considered an Existing Director; *provided, further*, however, that no individual shall be considered an Existing Director if such individual initially assumed office as a result of either an actual or threatened election contest ("Election Contest") or other actual or threatened solicitation of proxies by or on behalf of anyone other than the Board (a "Proxy Contest"), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest; or

(iii) The consummation of (x) a merger, consolidation or reorganization to which the Company is a party, whether or not the Company is the person surviving or resulting therefrom, or (y) a sale, assignment, lease, conveyance or other disposition of all or substantially all of the assets of the Company or the Company, in one transaction or a series of related transactions, to any Person other than the Company where any such transaction or series of related transactions as is referred to in clause (x) or clause (y) above in this subparagraph (iii) (a "Transaction") does not otherwise result in a "Change in Control" pursuant to subparagraph (i) of this definition of "Change in Control"; *provided, however*, that no such Transaction shall constitute a "Change in Control" under this subparagraph (iii) if the Persons who were the shareholders of the Company immediately before the consummation of such Transaction are the Beneficial Owners, immediately following the consummation of such Transaction, of fifty percent (50%) or more of the combined voting power of the then outstanding voting securities of the Person surviving or resulting from any merger, consolidation or reorganization referred to in clause (x) above in this subparagraph (iii) or the Person to whom the assets of the Company are sold, assigned, leased, conveyed or disposed of in any transaction or series of related transactions referred in clause (y) above in this subparagraph (iii).

Notwithstanding the foregoing, to the extent required to avoid accelerated taxation and/or tax penalties under Section 409A of the Code ("Section 409A"), a Change in Control shall be deemed to have occurred under the Plan with respect to any payment that constitutes deferred compensation under Section 409A only if a change in the ownership or effective control of the Company or a change in ownership of a substantial portion of the assets of the Company shall also be deemed to have occurred under Section 409A. For purposes of this definition of a Change in Control, the term "Person" shall not include (i) the Company or any subsidiary thereof, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any subsidiary thereof, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of shares of the Company.

(f) "Disability" as used herein shall occur if an independent medical doctor (selected by the Company's health insurer and reasonably acceptable to Executive or Executive's legal representative) certifies that Executive, for ninety (90) consecutive days or one hundred twenty (120) non-consecutive days in any twelve (12) month period, has been unable to perform the essential functions of Executive's job with or without reasonable accommodation. Executive agrees to cooperate in submitting to a reasonable medical examination for the purpose of certifying disability under this Subsection (d) if requested by the Company.

(g) “Good Reason” as used herein shall mean (i) a material adverse change in Executive’s position, duties, responsibilities, or title with the Company or a subsidiary (other than while the Executive is temporarily physically or mentally incapacitated or otherwise as required by applicable law); (ii) a reduction in Executive’s Base Salary; (iii) a reduction in Executive’s benefits; (iv) a requirement that Executive relocate Executive’s primary office to a facility more than 60 miles from the Executive’s office on the Effective Date of this Agreement; or (v) any other action or inaction that constitutes a material breach by the Company of this Agreement or the employment agreement or offer letter between the Executive and the Company or one of its affiliates. Before Executive terminates Executive’s employment for Good Reason, Executive shall provide the Company with written notice of the facts and circumstances Executive believes constitutes Good Reason within 90 days of the condition first occurring and shall provide the Company with a reasonable period of time under the circumstances, but not less than thirty (30) days, to correct the facts and circumstances that according to Executive give rise to Good Reason under the Agreement.

(h) “Protected Period” means the period commencing on or after the date of the Announcement and ending on the 18-month anniversary of the consummation or occurrence of the Change in Control.

(i) “Specified Change of Control” means a Change of Control (i) that occurs during the Specified Protected Period and (ii) as to which Big Poppy Holdings or its affiliate is party or that results from the actions of Big Poppy Holdings or its affiliate.

(j) “Specified Protected Period” means the period beginning on the Effective Date and ending on the earlier of (i) September 3, 2026 or (ii) such date that the notice/application of Big Poppy Holdings filed with the Board of Governors of the Federal Reserve System with respect to its proposed acquisition of 5.0% or of the Company’s common stock is either (x) withdraw or (y) denied and such denial has become final and nonappealable.

4. **Section 409A.**

(a) General. The Company and Executive intend that all amounts payable to Executive under this Agreement shall be exempt from, and/or shall comply with, the requirements of Section 409A and that this Agreement shall be administered in accordance with these intentions. Executive hereby acknowledges that he or she has been advised to seek the advice of a tax advisor with respect to the tax consequences to Executive for all payments pursuant to this Agreement, including any adverse tax consequences or penalty taxes under Section 409A and applicable state tax law. Notwithstanding the foregoing, the Company does not warrant to the Executive that any amounts paid or benefits delivered under this Agreement will be exempt from, or paid in compliance with, Section 409A. Executive hereby agrees to bear the entire risk of any such adverse federal and state tax consequences and penalty taxes in the event any payment pursuant to this Agreement is deemed to be subject to, but noncompliant with, Section 409A, and that no representations have been made to Executive relating to the tax treatment of any payment pursuant to this Agreement under Section 409A and the corresponding provisions of any applicable State income tax laws (including, without limitation, California income tax laws).

(b) Termination. If and to the extent necessary to comply with Section 409A, for the purposes of determining when amounts otherwise payable on account of Executive’s termination of employment under this Agreement will be paid, “terminate”, “terminated” or “termination” or words of similar import relating to Executive’s employment with the Company, as used in this Agreement, shall be construed as the date that Executive first incurs a “separation from service” within the meaning of Section 409A from the Company.

(c) Interpretative Rules. The Company and Executive agree that, for purposes of applying Section 409A, Executive's right to each Severance Benefit in accordance with the Company's then current payroll practices under this Agreement shall be treated as a right to a series of separate payments. With respect to any expense reimbursements which are not otherwise excludible from Executive's gross taxable income, to the extent required to comply with the provisions of Section 409A, no reimbursement of expenses incurred by Executive during any taxable year shall be made after the last day of the following taxable year, the right to reimbursement of any such expenses shall not be subject to liquidation or exchange for another benefit, and the amount of expenses eligible for reimbursement during any taxable year may not affect the expenses eligible for reimbursement in any other taxable year.

(d) Specified Employee. If Executive is deemed on the date of his/her "separation from service" within the meaning of Section 409A to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B) of the Code, then, with regard to any payment that is considered deferred compensation under Section 409A payable on account of his/her "separation from service", if and to the extent required under Section 409A, no such payment shall be made prior to the earlier of (i) the expiration of the six (6)-month period measured from the date of Executive's "separation from service"; and (ii) the date of Executive's death. Upon the expiration of the foregoing delay period, all payments delayed pursuant to this paragraph (d) shall be paid to Executive in a lump sum, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

5. CLAWBACK.

(a) Executive acknowledge any Several Benefits shall be subject to any clawback policy adopted by the Company from time to time (as may be amended, restated, supplemented or otherwise modified from time to time, the "Policy") and agrees and acknowledges that Executive will fully bound by, and subject to, all of the terms and conditions of any such Policy, if applicable.

(b) Notwithstanding any other provisions in this Agreement, any Severance Benefits or any other compensation received by Executive which is subject to recovery under any Applicable Laws, government regulation or stock exchange listing requirement (or any policy adopted by the Company pursuant to any such Applicable Law, government regulation or stock exchange listing requirement), will be subject to such deductions and Clawback as may be required to be made pursuant to such Applicable Law, government regulation or stock exchange listing requirement (or any policy adopted by the Company pursuant to any such law, government regulation or stock exchange listing requirement on or following the Effective Date).

6. BANK REGULATORY RESTRICTIONS.

The Company shall have no obligation to make any payment under this Agreement if, to the extent that and so long as such payment is prohibited by applicable law or regulations, including regulations of the Federal Deposit Insurance Corporation ("FDIC") currently in 12 CFR Part 359 with respect to golden parachute payments and indemnification payments. If applicable regulations permit such payment upon the consent or approval of the FDIC or another regulatory agency, the Company agrees to use commercially reasonable efforts to request the consent or approval of the FDIC and any other regulatory agency with jurisdiction over such payments, *provided* the Company determines in good faith that the Executive met the standards of conduct required for such consent or approval and *provided further* that such request will not cause the Company to incur undue expense or risk.

7. GENERAL PROVISIONS.

(a) Term. The term of this Agreement shall commence on the Effective Date and continue through the last day of the Executive's employment with the Company. This Agreement may not be terminated if there is a pending or threatened Change in Control, or at any other time, without the mutual consent of the parties.

(b) Severability. In the event that any of the provisions of this Agreement shall be held to be invalid or unenforceable, then all other provisions shall nevertheless continue to be valid and enforceable as though the invalid or unenforceable parts had not been included in this Agreement.

(c) Binding Agreement. This Agreement shall inure to the benefit of, and be binding upon Executive and the Company and the Company's successors and assigns. The Company shall undertake commercially reasonable efforts to require any successor or assign to all or substantially all of the business and/or assets of the Company (whether direct or indirect, by purchase, merger, consolidation or otherwise), to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform this Agreement if no such succession or assignment had taken place. Accordingly, the term "the Company" as used in this Agreement shall include any such successor or assign.

(d) Governing Law. This Agreement shall be construed and enforced according to the laws of the State of California, excluding its choice of law rules, except when and to the extent preempted by federal law.

(e) Entire Agreement. This Agreement supersedes all previous promises, representations, and agreements, written or oral, between the Company and Executive relating to the subject matter herein. [The Agreement supersedes and replaces Executive's existing Change of Control Agreement with the Company dated March 22, 2021, which is agreement is hereby terminated and of no further force and effect.] This Agreement cannot be modified or amended except by a writing signed by Executive and a duly authorized officer of the Company and approved by the Board.

(f) Notices. All notices, demands or other communications required or permitted to be given hereunder or which are given with respect to this Agreement shall be in writing and shall be personally served or deposited in the United States mail, registered or certified, return receipt requested, postage prepaid, addressed as set forth below, or such other address as such party shall have specified most recently by written notice. Notices shall be deemed given on the date of service if personally served. Notices mailed as provided herein shall be deemed given on the third business day following the date so mailed:

To the Company: Summit State Bank
500 Bicentennial Way
Santa Rosa, California 95403
Attention: President and Chief Executive Officer

To Executive: at the address on file with the Bank.

(g) Withholding. All payments provided for hereunder shall be paid net of any applicable tax withholding required under federal, state and local law.

(h) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original but both of which together shall constitute one and the same instrument. The

parties hereto agree that facsimile, PDF or electronic signatures such as via DocuSign shall be as effective as if originals.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties have read this Change in Control Agreement, fully understand it and freely, voluntarily and knowingly agree to its terms.

SUMMIT STATE BANK, a California banking corporation

Date: _____

By: _____
Michael Floyd
Chief Credit Officer

Date: _____

By: _____
Josh Cox
Chairman of the Board of Directors

Exhibit A to Change in Control Agreement

GENERAL RELEASE OF ALL CLAIMS

_____ (“Executive”) and Summit State Bank, a California corporation, which shall include by definition its affiliates, successors, assigns, agents, employees and representatives (collectively the “Company”) agree as follows:

1. Executive’s employment with the Company terminated on _____ (“Termination Date”). Executive has received his/her final paycheck including all compensation due through the Termination Date, including any accrued but unused vacation.

2. Executive and the Company desire to settle fully and finally all differences between them, including, but in no way limited to, any differences that might arise out of Executive’s employment with the Company or the events leading to and/or resulting in his/her separation from employment.

3. As consideration of certain services of Executive and for other agreements by Executive therein, Company has agreed to pay the Severance Benefits and other compensation terms and benefits as provided in the Change of Control Agreement entered into by Executive and the Company, dated _____, (the “Agreement”), to be paid following the Effective Date (as defined below) of this Release within the time provided in the Agreement. There is a good faith dispute between the Parties as to whether Executive is owed any additional payments, including but not limited to wages, commissions, bonuses, vacation, sick leave, holidays, reimbursements, benefits, and/or penalties, except for the Severance Benefits under the Agreement, and Executive is willing to compromise and resolve all such claims by accepting the Severance Benefits under the Agreement.

4. In consideration for Executive’s right to receive, and in exchange for the receipt of, the Severance Benefits and other compensation terms and benefits as provided in the Agreement, and for other good and valuable consideration, the receipt of which is acknowledged, Executive promises, agrees and generally releases as follows:

4.1 Except as to such rights or claims as may be created by this Release, and those claims that cannot be released as a matter of law, Executive, including his/her heirs, successors and assigns, hereby release and forever discharges the Company, its affiliated entities, officers, directors, shareholders, members, agents, representatives, employees, attorneys, insurers, joint employers, joint venturers, successors and assigns, and each of them individually (collectively “Released Parties”), to the greatest extent allowed by law, from any and all claims, demands, and cause or causes of action of whatever kind or character, whether known or unknown, suspected or unsuspected, unforeseen, unanticipated, unsuspected, or latent, which Employee ever had, now has, or which Employee can, shall or may have, arising out of or relating in any way to any acts, circumstances, facts, transactions, omissions, or other subject matters, based on facts occurring prior to the time Employee executes this Agreement (“Released Claims”), including, but not limited to, claims under Title VII of the Civil Rights Act of 1964, as amended; Sections 1981 and 1983 of the Civil Rights Act of 1866; Executive Order 11,246; the Employee Retirement Income Security Act of 1974, as amended; the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“COBRA”) and California “mini-COBRA”; the Family and Medical Leave Act; the Worker Adjustment and Retraining Notification Act (“WARN”) and Cal WARN; the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Equal Pay Act; Age Discrimination in Employment Act of 1967, as amended; the National Labor Relations Act; the

Occupational Safety and Health Act; the Genetic Information Nondiscrimination Act; the California Family Rights Act; the California Fair Employment and Housing Act; the California Labor Code including Section 132a; the California Constitution; any California Wage Order; the California Private Attorney General Act of 2004; the California Confidentiality of Medical Information Act; the California Business & Professions and Government Codes; claims under any other federal, state or local law, regulation or common law, including but not limited to claims relating to wrongful or constructive termination, harassment, failure to prevent harassment, discrimination, retaliation, and denial of accommodation; claims for personal and physical injury, medical loss, negligence, invasion of privacy, defamation, and intentional or negligent infliction of emotional distress; claims for breach of contract (whether oral, written, implied or express), interference with contract, promissory estoppel, and breach of the implied covenant of good faith and fair dealing; claims for violation of public policy, tort and fraud; claims arising under the Agreement, any employment contract, offer letter, retention agreement, severance agreement, or severance policy; claims for wages, bonuses, commissions, overtime, meal periods, equity, severance pay and damages; claims for penalties, costs, interest, and attorneys' fees; and claims arising out of any wrongdoing whatsoever under any theory now or ever recognized.

4.2 Executive specifically waives the benefit of the provisions of California Civil Code section 1542 as to the Released Parties as follows:

“A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”

5. Executive, in performing Executive's duties for the Company has had access to and become acquainted with confidential information, including but not limited to, information concerning the Company's operations, finances, business plans and strategies, plans for business development, new products, marketing and selling, budgets and unpublished financial information, prices and costs, suppliers and customers, information regarding the skills and compensation of other employees of the Company, and personnel matters, all of which information Executive understands and agrees could be damaging to the Company if disclosed or made available to any other person or entity. Executive understands and agrees that such information has been divulged to him/her in confidence as an employee of the Company and Executive understands and agrees that Executive shall keep such information secret and confidential. Executive further understands and agrees that, at all times, Executive shall not disclose or communicate any confidential information to any other person or in any way make such information available to others, or make use of such information on his/her own behalf, or on behalf of any other person or entity.

5.1 Executive agrees Executive will not misuse, misappropriate, publish, discuss or otherwise disclose any such confidential information or trade secrets, directly or indirectly, to any other person or entity, or use them in any way after separation of employment with the Company. The unauthorized use or disclosure of any of the Company's confidential information, customer/employee lists and/or trade secrets shall constitute unfair competition unless otherwise permitted by law.

5.2 Executive further agrees that Executive will not use the Company's confidential information to either directly or indirectly: (i) call on, solicit, or take away any of the Company's customers or accounts either for himself/herself or for any other person or entity; or (ii) solicit or take away or attempt to solicit or take away any of the Company's employees or consultants either for himself/herself or for any other person or entity.

5.3 Executive represents that Executive has turned over to the Company all keys, files, records, documents, software, notebooks, manuals, memoranda, lists, correspondence, and other materials, whether stored electronically, graphically or otherwise, without retaining copies thereof in any form, and all equipment, or other form of property which Executive received from the Company or gathered, compiled or prepared in the course of his work for the Company and which are the property of the Company.

6. Executive agrees that Executive will not communicate to any person (whether individual, firm, organization, governmental agency, or other entity) any facts or opinions that might tend to disparage, degrade or harm the reputation of the Company, its executives or members of its Board of Directors unless otherwise permitted by law, including on the Internet or social media. Similarly, Executive will not communicate the terms of this Release to anyone other than his/her accountant or legal advisor. Nothing in this Section or any other provision of this Release prevents the parties from (1) discussing or disclosing information about unlawful acts in the workplace, such as harassment, discrimination, or any other conduct the parties have reason to believe is unlawful; or (2) providing truthful testimony or answers in response to any legal process, or during any judicial, quasi-judicial, or administrative proceedings.

7. Any violation by Executive of any of the provisions of this Release would result in irreparable injury to the Company, and the Company shall be entitled to seek injunctive relief to prevent or terminate such violation, in addition to any other rights and remedies which may be available to the Company at law or in equity.

8. In accordance with the Age Discrimination in Employment Act, and the Older Workers Benefit Protection Act of 1990, Executive represents and acknowledges that Executive has been made aware of the following:

8.1 Executive has been advised to consult with an attorney prior to signing this Release and Executive represents that Executive has fully discussed all aspects of this Release with an attorney, or had the opportunity to do so.

8.2 [Executive acknowledges that Executive had a period of twenty-one (21) days from the date of receipt of this Release in which to consider the terms of the Release. Executive may not sign this Release until Executive's Termination Date. Once Executive chooses to execute this Release, the 21 day consideration period expires.] [Executive acknowledges that Executive had a period of forty-five (45) days from the date of receipt of this Release in which to consider the terms of the Release. Executive may not sign this Release until Executive's Termination Date. Once Executive chooses to execute this Release, the forty-five (45) day consideration period expires.]

8.3 Executive may revoke this waiver and release at any time during the first seven (7) days following execution of this Release. The waiver and release shall not be effective or enforceable until the seven-day period has expired. Executive may revoke this Release by delivering written notice of such revocation to the Human Resources Department at the Company by midnight on the seventh day.

8.4 If Executive does not revoke this Release within the 7 day revocation period, this Release shall be effective and enforceable on the eighth-day after execution ("Effective Date").

9. Each of the parties to this Release represents, warrants, and agrees as follows:

9.1 Executive represents that Executive does not have any workplace injuries that have not yet been reported to the Company's workers' compensation insurance carrier and that Employee has been properly provided any leave of absence because of Employee's or Employee's family member's health condition. Executive further represents that neither Executive, nor any non-governmental person, organization or other entity acting on his/her behalf, has in the past or will in the future file any lawsuit asserting any claim that is waived under Section 4. Executive gives up the right to individual damages in connection with any administrative or court proceeding with respect to his/her employment with and/or termination of employment from the Company and if Executive is awarded money damages, hereby assigns to the Company his/her right and interest to such money damages unless otherwise provided in this Release. Notwithstanding the foregoing, this paragraph does not limit Executive's right to file an action to enforce this Release or to challenge the validity of this Release in a legal proceeding under the Older Workers Benefit Protection Act, 29 U.S.C. 626 section (f) with respect to claims under the Age Discrimination in Employment Act.

9.2 Executive understands that nothing contained in this Release limits Executive's ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental agency or commissions ("Government Agencies"). Executive further understands that this Release does not limit Executive's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. This Release does not limit Executive's rights under Code of Civil Procedure section 1001. This Release does not limit Executive's right to receive an award for information provided to any Government Agencies.

9.3 Each party has received, or has had the opportunity to receive, independent legal advice from legal counsel, with respect to the advisability of making the settlement provided for herein, with respect to the advisability of executing this Release, and with respect to the meaning of California Civil Code section 1542. In addition, each party or responsible agent thereof has read this Release and understands the contents hereof.

9.4 No party (nor any partner, agent, employee, representative, or attorney for any party) has made any statement or representation to any other party regarding any fact relied upon in entering into this Release, and each party does not rely upon any statement, representation or promise of any other party (or of any officer, agent, employee, representative, or attorney for the other party), in executing this Release, or in making the settlement provided for herein, except as expressly stated in this Release.

10. Each party shall bear his/ her/ its own attorney's fees and costs incurred through the date of this Release. In any legal action or proceeding arising out of or related to this Release, the prevailing party shall be entitled to recover all of its costs and expenses (including, but not limited to, reasonable attorney fees, court costs, witness and expert witness fees and expenses, fees relating to alternative dispute resolution and others) incurred in connection with or with respect to the action or proceeding. The parties agree that the reasonableness of the attorney fees and expert witness fees will be determined by the court, after the verdict is rendered.

11. This Release shall be deemed to have been executed and delivered within the County of Sonoma, State of California, and the rights and obligations of the parties hereunder shall be construed and enforced in accordance with, and governed by, the laws of the State of California.

12. This Release is the entire Agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions with the exception of the confidentiality provisions of the Employee Handbook and/or Confidentiality Agreement and the Agreement between the parties which remain in full force and effect. This Release may be amended only by an agreement in writing, signed by both parties.

13. This Release may be executed via DocuSign or other electronic means, and also in any number of counterparts, and each such counterpart shall be deemed to be an original instrument. All such counterparts together shall constitute one and the same document.

14. This Release is binding upon and shall inure to the benefit of the parties hereto, their respective partners, agents, employees, representatives, officers, directors, divisions, subsidiaries, affiliates, assigns, heirs, and successors in interest.

15. This Release shall not be construed as an admission of any wrongdoing or liability by the Company, or any other parties released under this Release, the same being expressly denied.

16. Each term of this Release is contractual and not merely a recital. In the event any term of this Release shall, to any extent, be invalid or unenforceable, the remainder of this Release shall remain valid and enforceable. Any ambiguities shall be interpreted as though this Release had been jointly drafted.

I HAVE COMPLETELY AND CAREFULLY READ THE FOREGOING, INCLUDING THE WAIVER AND RELEASE OF CLAIMS AND THE PARAGRAPHS REGARDING CONFIDENTIALITY ABOVE, AND FULLY UNDERSTAND AND VOLUNTARILY AGREE TO ITS TERMS:

DO NOT SIGN BEFORE YOUR TERMINATION DATE

DATED: _____

[Name]

DATED: _____

Its: _____