

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): April 1, 2022

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 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 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On April 1, 2022, Summit State Bank (the “Bank”) entered into a Restricted Stock Award Agreements (the “Agreements”) with President and Chief Executive Officer Brian Reed, Executive Vice President and Chief Lending Officer Brandy Seppi, Executive Vice President and Chief Operating Officer Genie Del Secco, Executive Vice President and Chief Financial Officer Camille Kazarian and Executive Vice President and Chief Credit Officer Michael Castlio. The Agreements provide for the grant of awards of restricted shares of the Bank’s common stock under the Company’s 2013 Equity Incentive Plan in the following amounts:

Brian Reed: 11,440 shares
Brandy Seppi: 6,550 shares
Genie Del Secco: 6,550 shares
Camille Kazarian: 5,850 shares
Michael Castlio: 5,080 shares

The awards of restricted shares vest in five equal installments on each of the first five anniversaries of the date of the award, subject to the executive’s continued employment or service. The restricted shares would vest in full if, within 12 months following a change of control of the Bank, either the executive’s continuous service is terminated by the Bank other than for cause or the executive quits for good reason, as described in the Agreement. Any dividends of cash or stock payable on shares of restricted stock will be held in escrow and subject to the same vesting terms and conditions as the underlying restricted shares and will only be delivered to the grantee upon vesting of the underlying restricted shares.

A copy of the form of the Agreement is filed as Exhibit 10.1 and is incorporated herein by reference. The foregoing description of the form of Agreement is qualified in its entirety by reference to the full text of the Agreement. The Bank expects to use the newly approved form of the Agreement for future awards from time to time.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits:

<u>Exhibit Number</u>	<u>Description</u>
10.1	Form of Restricted Stock Award Agreement under 2013 Equity Incentive Plan.

SIG NATURE

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: April 1, 2022

SUMMIT STATE BANK

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

SUMMIT STATE BANK

RESTRICTED STOCK AWARD AGREEMENT

Summit State Bank, a California corporation, (the “Bank” or “Summit”), hereby awards you a Restricted Stock Award (the “Restricted Stock”). The terms and conditions of the Award are set forth in this cover sheet and the attached Restricted Stock Award Agreement (together, this “Agreement”) and in the Summit State Bank 2013 Equity Incentive Plan as it may be amended from time to time (the “Plan”). “Shares” means shares of Summit Common Stock. “Service” means rendering service to Summit or its Subsidiaries as an advisor, Director or employee. Capitalized terms in this Agreement that are not defined shall have the meanings set forth in the Plan.

Date of Award:

Name of Participant:

Number of Shares of Restricted Stock Awarded:

Amount Paid by Participant for the Shares of Restricted Stock Awarded: \$0.00

Aggregate Fair Market Value of Restricted Stock on Date of Award: \$

Vesting Calculation Date: _____, [YEAR]

Vesting Schedule: The Shares of Restricted Stock shall vest in five (5) equal installments on each of the first five (5) anniversaries of the Date of Award.

By signing this cover sheet, you agree to all terms and conditions described in this Agreement and in the Plan. You further represent that you (i) fully understand and accept all provisions of the Plan and this Notice and Agreement; and (ii) agree to accept as binding, conclusive, and final all of the Committee’s decisions regarding, and all interpretations of, the Plan and this Notice and Agreement. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall be deemed one instrument. Any inconsistency between this Agreement and the Plan shall be resolved by reference to the Plan.

SUMMIT STATE BANK

AGREED AND ACCEPTED:

By: _____
Title: _____

Signature: _____
Name: _____

**SUMMIT STATE BANK
2013 EQUITY INCENTIVE PLAN**

RESTRICTED STOCK AWARD AGREEMENT

1. The Plan and Other Agreements. The text of the Plan is incorporated in this Agreement by this reference. You and the Bank agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement. Unless otherwise defined in this Agreement, certain capitalized terms used in this Agreement are defined in the Plan.

This Agreement, the attached Exhibit and the Plan constitute the entire understanding between you and the Bank regarding this Award of Restricted Stock. Any prior agreements, commitments or negotiations are superseded.

2. Award of Restricted Stock. The Bank awards you the number of Shares of Restricted Stock shown on the cover sheet of this Agreement. The Award is subject to the terms and conditions of this Agreement and the Plan. This Award is not intended to constitute a nonqualified deferred compensation plan within the meaning of section 409A of the Code and will be interpreted accordingly.

3. Vesting.

(a) This Award will vest according to the Vesting Schedule on the attached coversheet, unless and until your Service terminates.

(b) In the event of a Change of Control, any unvested portion of this Award shall automatically vest in full upon the occurrence of a Qualifying Termination if the Qualifying Termination occurs on the date of or within one (1) year following the Change of Control. For purposes of this Agreement and as used herein, "Qualifying Termination" shall mean:

(i) Your Continuous Service is terminated by the Bank without Cause.

(ii) Your Continuous Service is terminated by you within seventy-five (75) days following the initial occurrence (which must occur on or after the date of the Change of Control) of any of the following conditions which arise without your consent and are not remedied by the Bank within thirty (30) days following your written notice to the Bank of such condition (provided that you provide such notice to the Bank within thirty (30) days of the initial occurrence of the condition):

(A) a material diminution in your base compensation;

(B) a material diminution in your authority, duties or responsibilities; or

(C) a material change (25 miles or more) in the geographic location at which you must perform your duties.

(c) Following a Change of Control, any unvested portion of this Award shall automatically vest in full and all restrictions on such Restricted Stock shall lapse, immediately prior to the consummation of a Change of Control unless:

(i) the Bank succeeds in obtaining an agreement of the other party or parties to the Change of Control transaction that provides for any of the following: (i) the continuance of this Award and the Plan, subject to any adjustments in the terms of this Award determined by the Committee to be necessary to maintain the continued effectiveness of this Award and to preserve, but not increase, the economic benefits conferred on you by this Agreement, or (ii) this Award to be assumed and the Plan to continue in full force and effect, or (iii) there is issued by another party to the Change of Control transaction, in exchange for or in substitution of this Award, a new award of comparable value covering shares of such successor corporation or its parent corporation, with appropriate adjustments as to the number and kind of shares, in which event the Plan and this Award, or the new award substituted therefor, shall continue in the manner and under the terms so provided, or

(ii) the Change of Control takes the form of a purchase of newly issued or outstanding shares of the Bank, in which the Bank's corporate structure is left unchanged and there is no plan or intention to merge or combine the Bank with another entity, such that the Change of Control will have no adverse effect on the Award or the rights or economic benefits conferred on you by this Agreement.

(d) Following a Change in Control and notwithstanding Section 9(c) hereof, the Bank shall not compel the forfeiture of this Award except in accordance with the Plan.

(e) For purposes of this Agreement and as used herein, the term "Cause" means, with respect to you, the occurrence of any of the following: (i) Your personal dishonesty, willful misconduct, or breach of fiduciary duty involving personal profit, (ii) your continuing intentional or habitual failure to perform stated duties, (iii) your violation of any law (other than minor traffic violations or similar misdemeanor offenses not involving moral turpitude), including but not limited to any state or federal banking or securities law, (iv) your willful and intentional violation of the bylaws, rules, policies or

resolutions of the Bank or the rules or regulations of or any final order issued by the Federal Reserve System, the California Department of Financial Protection and Innovation or the Federal Deposit Insurance Corporation, (v) your material breach of any provision of an employment or independent contractor agreement with the Bank, or (vi) any other act or omission by you that could reasonably be expected to adversely affect the Bank's business, financial condition, prospects and/or reputation. In each of the foregoing subclauses (i) through (vi), whether or not "Cause" exists will be determined by the Committee in accordance with the Plan. Your Continuous Service shall be deemed to have terminated for Cause if, after your Continuous Service has terminated, facts and circumstances are discovered that would have justified a termination of your Continuous Service for Cause.

4. RSA Nominee Account. The Bank shall issue the Shares of Restricted Stock registered in the name of Participant. Any certificate(s) for the Restricted Stock shall be deposited in a RSA Nominee account to be held in accordance with the provisions of this paragraph. Each deposited certificate shall be accompanied by a duly executed Assignment Separate from Certificate in the form attached hereto as Exhibit A. The deposited certificates shall remain in the RSA Nominee account until such time as the certificates are to be released or otherwise surrendered for cancellation as discussed below.

All dividends whether in cash or in stock, if any, on the Restricted Stock shall also be held in a RSA Nominee account and subject to the same vesting terms and conditions as the Restricted Stock and such dividends shall only be paid to Participant upon vesting of the underlying Shares of Restricted Stock.

The Restricted Stock held in the RSA Nominee account hereunder shall be subject to the following terms and conditions relating to their release from the account or their surrender to the Bank, provided, however, that the minimum number of Shares released to you in any individual release of Share certificates must be at least ten (10) Shares (unless the release represents your final release of Shares from the account):

When interest in the Restricted Stock vests, the Bank shall, as applicable, either remove the notations on any such Shares of Restricted Stock issued in book entry form or deliver to Participant a stock certificate representing a number of Shares of Common Stock, equal to the number of Shares of Restricted Stock with respect to which have become vested.

5. Transfer of Award. You cannot gift, transfer, assign, alienate, pledge, hypothecate, attach, sell, or encumber this Award. If you attempt to do any of these things, this Award will immediately become invalid. You may, however, dispose of this Award in your will or it may be transferred by the laws of descent and distribution. Regardless of any marital property settlement agreement, the Bank is not obligated to recognize your spouse's interest in your Award in any other way.

6. Code Section 83(b) Election. You represent and warrant that you understand the Federal, state and local income tax consequences of the granting of this Restricted Stock. Under Section 83 of the Code, the Fair Market Value of the Restricted Stock on the date any forfeiture restrictions applicable to such Restricted Stock lapse will be reportable as ordinary income at that time. For this purpose, “forfeiture restrictions” include surrender to the Bank of unvested Restricted Stock as described above. You may voluntarily elect to be taxed at the time the Restricted Stock is acquired to the extent that the Fair Market Value of the Restricted Stock exceeds the amount of consideration paid by you (if any) for such Restricted Stock at that time rather than when such Restricted Stock ceases to be subject to such forfeiture restrictions, by filing an election under Section 83(b) of the Code with the Internal Revenue Service within thirty (30) days after the Date of Award. A form for making this election is attached as Exhibit B hereto. Failure to make this filing within the thirty (30) day period will result in the recognition of ordinary income by you as the forfeiture restrictions lapse. YOU ACKNOWLEDGE THAT IT IS YOUR SOLE RESPONSIBILITY, AND NOT THE BANK’S, TO FILE A TIMELY ELECTION UNDER CODE SECTION 83(b), EVEN IF YOU REQUEST THE BANK OR ITS REPRESENTATIVES TO MAKE THIS FILING ON YOUR BEHALF. MOREOVER, YOU ARE RELYING SOLELY ON YOUR OWN ADVISORS WITH RESPECT TO THE DECISION AS TO WHETHER OR NOT TO FILE A CODE SECTION 83(b) ELECTION.

7. Leaves of Absence. For purposes of this Award, your Service does not terminate when you go on a *bona fide* leave of absence that was approved by the Bank in writing, if the terms of the leave provide for Service crediting, or when Service crediting is required by applicable law. Your Service terminates in any event when the approved leave ends unless you immediately return to active work.

The Bank determines which leaves count for this purpose (along with determining the effect of a leave of absence on vesting of the Award), and when your Service terminates for all purposes under the Plan.

8. Voting and Other Rights. Subject to the terms of this Agreement, you shall have all the rights and privileges of a shareholder of the Bank while the Restricted Stock is held in a RSA nominee account, including the right to vote at grant and to receive dividends which will be accrued at grant and be paid out at the time of vesting.

9. Restrictions on Issuance. The Bank will not issue any Restricted Stock or Shares if the issuance of such Restricted Stock or Shares at that time would violate any law or regulation.

10. Taxes and Withholding. You will be solely responsible for payment of any and all applicable taxes, including without limitation any penalties or interest based upon such tax obligations, associated with this Award.

The delivery to you of any Shares will not be permitted unless and until you have satisfied any withholding or other taxes that may be due. Any such tax withholding obligations may be settled in the Bank's discretion by the Bank withholding and retaining a portion of the Shares from the Shares that would otherwise be deliverable to you under the vesting Restricted Stock as provided in the next two sentences. Such withheld Shares will be applied to pay the withholding obligation by using the aggregate fair market value of the withheld Shares as of the date of vesting. You will be delivered the net amount of vested Shares after the Share withholding has been effected and you will not receive the withheld Shares. The Bank will not deliver any fractional number of Shares.

11. No Employment or Retention Rights. Your Award or this Agreement does not give you the right to be retained by the Bank (and any Subsidiaries) as an employee or in any other capacity. The Bank (and any Subsidiaries) reserves the right to terminate your Service at any time and for any reason.

12. Extraordinary Compensation. This Award and the Shares subject to the Award are not intended to constitute or replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.
13. Adjustments. In the event of a stock split, a stock dividend or a similar change in the Bank stock, the number of outstanding Shares of Restricted Stock covered by this Award may be adjusted (and rounded down to the nearest whole number) pursuant to the Plan. Your Restricted Stock shall be subject to the terms of the agreement of merger, liquidation or reorganization in the event the Bank is subject to such corporate activity.
14. Applicable Law. This Agreement will be interpreted and enforced under the laws of the State of California without reference to the conflicts of law provisions thereof.
15. Binding Effect; No Third Party Beneficiaries. This Agreement shall be binding upon and inure to the benefit of the Bank and you and any respective heirs, representatives, successors and permitted assigns. This Agreement shall not confer any rights or remedies upon any person other than the Bank and you and any respective heirs, representatives, successors and permitted assigns. The parties agree that this Agreement shall survive the settlement or termination of the Award.
16. Notice. Any notice to be given or delivered to the Bank relating to this Agreement shall be in writing and addressed to the Bank at its principal corporate offices. All notices shall be deemed effective upon personal delivery or upon deposit in the U.S. mail, postage prepaid and properly addressed to the Bank. Any notice to be given or delivered to you relating to this Agreement may be delivered by email (including prospectuses required by SEC rules) as well as all other documents that the Bank is required to deliver to its security holders (including annual reports and proxy statements). The Bank may also deliver these documents by posting them on a web site maintained by the Bank or by a third party under contract with the Bank.
17. Voluntary Participant. You acknowledge that you are voluntarily participating in the Plan.
18. No Rights to Future Awards Your rights, if any, in respect of or in connection with any future Awards are derived solely from the discretionary decision of the Bank to permit you to participate in the Plan and to benefit from a discretionary future Award. By accepting this Award, you expressly acknowledge that there is no obligation on the part of the Bank to continue the Plan and/or grant any additional Awards to you or benefits in lieu of any other Awards even if Awards have been granted repeatedly in the past. All decisions with respect to future Awards, if any, will be at the sole and absolute discretion of the Committee.
19. Future Value. The future value of the underlying Shares is unknown and cannot be predicted with certainty. If the underlying Shares do not maintain or increase their value after the Date of Award, the Award could have little or no value.
20. No Advice Regarding Award. The Bank has not provided any tax, legal or financial advice, nor has the Bank made any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying Shares. You are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.
21. No Right to Damages. You will have no right to bring a claim or to receive damages if any portion of the Award is cancelled or expires. The loss of existing or potential profit in the Award will not constitute an element of damages in the event of the termination of your Service for any reason, even if the termination is in violation of an obligation of the Bank or a Subsidiary to you.

22. Data Privacy. You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document by the Bank for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Bank holds certain personal information about you, including, but not limited to, name, home address and telephone number, date of birth, social security or insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Bank, details of all Awards or any other entitlement to Shares awarded, cancelled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan (“Data”). You understand that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere and that the recipient country may have different data privacy laws and protections than your country. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data, as may be required to a broker or other third party with whom you may elect to deposit any Shares acquired under the Plan.
23. Other Information. You agree to receive shareholder information, including copies of any annual report, proxy statement and periodic report, from the Bank’s website, if the Bank wishes to provide such information through its website. You acknowledge that copies of the Plan, Plan prospectus, Plan information and shareholder information are also available upon written or telephonic request to the Plan’s administrator.
24. Further Assistance. You agree to provide assistance reasonably requested by the Bank in connection with actions taken by you while providing services to the Bank, including but not limited to assistance in connection with any lawsuits or other claims against the Bank arising from events during the period in which you rendered service to the Bank.
25. Clawback Policy. Notwithstanding any other provision of this Agreement to the contrary, any cash incentive compensation, any Restricted Stock granted and/or Shares issued hereunder, and/or any amount received with respect to any sale of any such Shares, shall be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the clawback terms of the Bank’s Executive Officer Bonus Policy and any other incentive compensation clawback policy, that may be adopted or amended from time to time (collectively, the “Policy”). You agree and consent to the Bank’s application, implementation and enforcement of (i) the Policy or any similar policy established by the Bank that may apply to you and (ii) any provision of applicable law relating to cancellation, rescission, payback or recoupment of compensation, and expressly agrees that the Bank may take such actions as are permitted under the Policy any similar policy (as applicable to you) or applicable law without further consent or action being required by you. To the extent that the terms of this Agreement and the Policy or any similar policy conflict, then the terms of such policy shall prevail.

EXHIBIT A

**ELECTION UNDER SECTION 83(b) OF
THE INTERNAL REVENUE CODE**

The undersigned taxpayer hereby elects, pursuant to § 83(b) of the Internal Revenue Code of 1986, as amended, to include in gross income as compensation for services the excess (if any) of the fair market value of the shares described below over the amount paid for those shares.

1. The name, taxpayer identification number, address of the undersigned, and the taxable year for which this election is being made are:

TAXPAYER'S NAME: _____

TAXPAYER'S SOCIAL SECURITY NUMBER: _____

ADDRESS: _____

TAXABLE YEAR: Calendar Year 20__

2. The property which is the subject of this election is _____ shares of common stock of Summit State Bank.
3. The property was transferred to the undersigned on [DATE].
4. The property is subject to the following restrictions: [Describe applicable restrictions here.]
5. The fair market value of the property at the time of transfer (determined without regard to any restriction other than a nonlapse restriction as defined in § 1.83-3(h) of the Income Tax Regulations) is: \$ _____ per share x _____ shares = \$ _____.
6. For the property transferred, the undersigned paid \$ _____ per share x _____ shares = \$ _____.
7. The amount to include in gross income is \$ _____. [The result of the amount reported in Item 5 minus the amount reported in Item 6.]

The undersigned taxpayer will file this election with the Internal Revenue Service office with which taxpayer files his or her annual income tax return not later than 30 days after the date of transfer of the property. A copy of the election also will be furnished to the person for whom the services were performed. The undersigned is the person performing the services in connection with which the property was transferred.

Dated: _____
Taxpayer