
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): August 22, 2016

Summit State Bank

(Exact name of registrant as specified in its charter)

<u>California</u> (State or other jurisdiction of incorporation)	<u>32203</u> (FDIC Insurance Certificate No.)	<u>94-2878925</u> (IRS Employer Identification Number)
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<u>500 Bicentennial Way</u> <u>Santa Rosa, California</u> (Address of principal executive offices)	<u>95403</u> (Zip Code)
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(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))
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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, 2014, 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: August 22, 2016

SUMMIT STATE BANK

By: Dennis Kelley
Dennis Kelley
*Executive Vice President
and Chief Financial Officer
(Duly Authorized Officer)*

Exhibit Index

<u>Exhibit Number</u>	<u>Description</u>
99	Presentation slides for Annual Shareholder meeting held on August 22, 2016.



**Annual Shareholders' Meeting
August 22, 2016**



Private Securities Litigation Reform Act of 1995

Statements made during this presentation and in response to questions may constitute Forward Looking Statements within the meaning of the Private Securities Litigation Reform Act of 1995 and any such statements are subject to risks and uncertainties that could cause actual results to differ materially. Such risks and uncertainties include those related to the economic environment, particularly in the region where Summit State Bank operates, competitive products and pricing, general interest rate changes and the fiscal and monetary policies of the US Government, credit risk management, regulatory actions, and other risks and uncertainties.





Summit State Bank

- Our primary focus is serving businesses and nonprofits in Sonoma County;
- Customer and employee satisfaction are main drivers of success;
- Total assets over \$518,000,000 as of June 30,2016;
- Consistent earnings;
- Consistent dividend growth over the years, now at an annual total of \$0.48 per share;
- Recognized as a superior performing bank by many standards

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Core Values of our Bank

- Attract and retain quality employees by offering excellent compensation, benefits plans, with an emphasis on training and promoting;
- Customer focused culture, emphasis on friendliness and full relationship for all banking needs;
- Commitment to the greater good of the local community, emphasis on supporting nonprofit organizations through comprehensive contribution and volunteer support;
- Strong performance within safe and sound banking parameters, emphasis on long term success for shareholders;
- Having fun while being efficient and competent, emphasis on fun

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Performance Highlights

- Strong capital position in light of stricter regulatory expectations. June 30, 2016 Tier One Risk Based Capital 13.02% and Leveraged Capital Ratio of 10.61%, regulatory minimum for well capitalized banks is 5%;
- Strong efficiency ratio which underscores profitability of commercial relationship banking model;
- Continued growth in both loans and core deposits during 2015 and 2016;
- Award recognition including Best Places to Work in Sonoma County, Corporate Philanthropy, and Best Company to do Business with in Sonoma County, and Best Business Bank in Sonoma County;
- Continuous dividend payout since 2000

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A Better Sonoma County.
That's Our Business.
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Financial Benchmarks

	Six Months Ended 6/30/16	Peer Ratio*
Profitability Ratios		
Return on Assets (ROA)	1.00%	1.05%
Net Income Margin	3.73%	3.75%
Efficiency Ratio	63.35%	65.79%
Asset Quality Ratios		
Nonperforming loans to loans	0.62%	0.84%
Loan loss allowance to loans	1.27%	1.34%
Capital Ratios		
Tier 1 leverage	10.62%	10.26%

*Source: UBPR

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Strong Core Deposit Growth

	12/31/08	6/30/15	6/30/16
Demand Deposits	\$24,370	\$133,537	\$167,544
Money Market and Savings Deposits	\$36,191	\$89,309	\$80,451
Totals	\$60,561	\$222,846	\$247,995

Strong core deposit growth is the key driver for sustainable and strong earnings performance.

Source: UBPR



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Cost of Funds

Foundation for Sustainable Top Performance

	Summit State Bank Cost of Funds	Peer Cost of Funds	Percentage Ranking
12/31/2008	2.82%	2.51%	68%
6/30/2016	0.25%	0.42%	22%

As a percentage of average earning assets.

Strong improvement resulting in approximately \$850,000 per year in income for the Bank.

Source: UBPR



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Invest Locally in Summit State Bank

- Every deposit customer is part of funding local loans and donating to local nonprofits;
- Diverse staff composition working with local population;
- Well established community bank with products and services tailored to Sonoma County;
- Continuing to grow and fund successful business growth.

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Summit State Bank Stock

NASDAQ Symbol:	SSBI
Recent Price:	\$13.84/share
Market Cap:	\$66 million
Dividend Yield:	3.47%
Price to Tangible Book:	123%
Price to Earnings Ratio:	13.05
As of 8/1/16	

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Summit State Bank

Rings the NASDAQ Closing Bell on July 11, 2016



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Five-Year Market Performance

SSBI vs. Selected Peer Bank and Broad Market Indices – Data as of August 11, 2016



Source: S&P, Fidelity

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Vision for the Next 5 Years

- Our primary area of business is Sonoma County, which we believe will continue to experience steady growth. Our vision is to gain market share through organic expansion;
- Continue to leverage our products, services and branches, with a focus on delivering superior customer service - always looking to improve service and relationships;
- Hire and train staff to implement and improve core strengths;
- Focus on team work and collaboration to attain common goals and objectives;
- Continue to build shareholder value while maintaining safe and sound banking principles.

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Nonprofit Partner Donation Program

In addition to the Nonprofit Partner Donation Program, the bank gives generously to other worthy community projects which include the recent donation of \$100,000 to further education in the Agricultural Industry.

Nonprofit Partner Donation Program		
Year	Amount Donated	Number of Nonprofits
2015	258,275	154
2014	245,000	144
2013	175,000	129
2012	101,175	100
2011	43,500	74
2010	19,525	48
2009	2,796	8



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A Better Sonoma County. That's Our Business.

We are dedicated to a better Sonoma County by serving small businesses, supporting local nonprofits, and investing in our community.

Local isn't just where our branches are, it's where our heart is.

Summit's Branch Managers
Claudia Havelle • Margaret Anderson • Larissa Johnson • Gerie Del Sesto • Liliana Lopez • Christine Robinson

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"Summit State Bank Listens"

Miss Trish, Renee & Alan from Chloé's French Café

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"Shared Values"

"When we make the decision to change our banking relationship, we decided to put our money where our values are. We're happy to be with a local community bank like Summit that is as dedicated to our neighborhood community as we are."

Shelby Wilson
Partner/Managing Director
@SummitStateBank

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Award Winning Performance

"Best Company to do Business With in Sonoma County"

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Business Journal
Community Philanthropy Award Winner 2016

CORPORATE PHILANTHROPY AWARDS & SUMMIT

North Bay
Business Journal!
BEST PLACES TO WORK!

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