

**FEDERAL DEPOSIT INSURANCE CORPORATION
WASHINGTON, DC 20549**

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant ☒

Filed by a Party other than the Registrant ☐

Check the appropriate box:

☐ Preliminary Proxy Statement

☐ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

☒ Definitive Proxy Statement

☐ Definitive Additional Materials

☐ Soliciting Material Under Rule 14a-12

Summit State Bank

(Name of Registrant as Specified In Its Charter)

Not Applicable

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☒ No fee required.

☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

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3) Per unit price or other underlying value or transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Proxy Statement 2025



April 9, 2025

Dear Shareholder:

We are pleased to enclose our 2024 Annual Report, Notice of 2025 Annual Meeting, proxy statement and proxy.

You are cordially invited to attend the 2025 Annual Meeting of Shareholders (the "Annual Meeting") of Summit State Bank (the "Bank"), which will be held at 10:30 a.m., Pacific Time, on Monday, May 19, 2025, at the Vintners Inn, 4350 Barnes Road, Santa Rosa, California.

The accompanying Notice of Annual Meeting and proxy statement provide information pertaining to the matters to be considered and acted upon at the meeting. If you have questions regarding the information included in the Bank's 2024 Annual Report, please contact Camille Kazarian, the Bank's Chief Financial Officer, at (707) 568-6000.

Your continuing support of the Bank is appreciated, and we hope you will attend the Annual Meeting. Whether or not you are personally present, it is very important that your shares be represented at the Annual Meeting. Accordingly, please sign, date, and mail the enclosed proxy promptly. If you wish to vote in accordance with the Board of Directors' recommendations, it is not necessary to specify your choices. You may simply sign, date and return the enclosed proxy.

Sincerely,

Dawn M. Ross
Chair

Brian Reed
President and Chief Executive Officer



Notice of Annual Meeting of Shareholders

The Annual Meeting of Shareholders of Summit State Bank (the “Bank”) will be held at the Vintners Inn, 4350 Barnes Road, Santa Rosa, California on Monday, May 19, 2025, at 10:30 a.m. for the following purposes:

1. To elect the following 11 nominees (the entire Board of Directors) to serve as directors of the Bank until the next Annual Meeting of Shareholders and until their successors shall be elected and qualified:

Jeffery B. Allen	Douglas V. Reynolds
Frank Chong, Ed.D.	Marshall T. Reynolds
James A. Finley	Dawn M. Ross
Todd R. Fry	John W. Wright
Nicholas J. Rado	Sharon S. Wright
Brian J. Reed	

2. To ratify the selection of Elliott Davis LLC to serve as the Bank’s independent registered public accounting firm for the fiscal year ending December 31, 2025.
3. To consider and transact such other business as may properly be brought before the meeting.

Our Board of Directors recommends that you vote “FOR” the election of all 11 nominees named as directors and “FOR” ratification of the appointment of Elliott Davis LLC as the Bank’s independent public accounting firm for the fiscal year ending December 31, 2025.

Shareholders of record at the close of business on March 27, 2025 are entitled to notice of and to vote at the meeting.

Provisions of the Bylaws of the Bank govern nominations for election of members of the Board of Directors. The attached proxy statement includes a summary of such provisions.

All shareholders are cordially invited to attend the meeting in person. To ensure your representation at the meeting, you are requested to date, execute and return the enclosed proxy card, without delay, in the enclosed postage-paid envelope whether or not you plan to attend the meeting.

Any shareholder present at the meeting may vote personally on all matters brought before the meeting. If you elect to vote personally at the meeting, your proxy will not be used.

BY ORDER OF THE BOARD OF DIRECTORS

A handwritten signature in black ink, appearing to read "Barbara Gradman", is centered on the page.

Barbara Gradman
Corporate Secretary
April 9, 2025
Santa Rosa, California

Important Notice About the Availability of Proxy Materials
for the Annual Meeting of Shareholders to be held May 19, 2025.

This proxy statement and the Bank's annual report to shareholders are available at:
www.summitstatebank.com

WHETHER OR NOT YOU PLAN TO ATTEND THIS MEETING,
PLEASE SIGN AND RETURN THE ENCLOSED PROXY
AS PROMPTLY AS POSSIBLE IN THE ENCLOSED
POSTAGE-PAID ENVELOPE.

PROXY STATEMENT OF SUMMIT STATE BANK

500 Bicentennial Way • Santa Rosa, California 95403
Telephone (707) 568-6000 • Fax (707) 573-4622

This proxy statement is furnished in connection with the solicitation of proxies to be used by the Board of Directors (the “Board”) of Summit State Bank (the “Bank”) at the Annual Meeting of Shareholders of the Bank to be held at the Vintners Inn, 4350 Barnes Road, Santa Rosa, California, on Monday, May 19, 2025, at 10:30 a.m., and at any adjournments or postponements thereof (the “Meeting”).

This proxy statement and the accompanying proxy are first being mailed to shareholders on or about April 9, 2025.

Purpose of the Meeting

The Meeting is being held for the following purposes:

1. To elect eleven (11) directors (the entire Board of Directors) to serve until the next annual meeting of shareholders and until their successors shall be elected and qualified.
2. To ratify the selection of Elliott Davis LLC to serve as the Bank’s independent registered public accounting firm for the fiscal year ending December 31, 2025.
3. To consider and transact such other business as may properly be brought before the meeting.

Information about the Meeting

Who is entitled to vote?

Shareholders of record as of the close of business on March 27, 2025 (the “Record Date”) are entitled to notice of and to vote at the Meeting. As of such date, the Bank had 6,776,563 shares of common stock outstanding.

Who is soliciting the enclosed proxy?

The enclosed proxy is being solicited by the Bank’s Board of Directors (the “Board”) and the cost of the solicitation is being borne by the Bank. The principal solicitation of proxies is made by mail, although additional solicitation may be made by telephone or personal visits by directors, officers and employees of the Bank, but they will receive no additional compensation for doing so.

How many votes do I have?

Each shareholder of record is entitled to one vote, in person or by proxy, for each share held, on all matters to come before the Meeting, except that shareholders may have cumulative voting rights with respect to the election of directors.

Cumulative voting allows a shareholder to cast a number of votes equal to the number of directors to be elected, 11, multiplied by the number of shares held by the shareholder on the Record Date. This total number of votes may be cast for one nominee or may be distributed among as many candidates as the shareholder desires.

Pursuant to California law, no shareholder may cumulate votes for one or more Board candidates unless such candidates' names have been placed in nomination prior to the voting and the shareholder has given notice at the Meeting prior to the voting of the shareholder's intention to cumulate the shareholder's votes. If any shareholder has given such notice, all the shareholders may cumulate their votes for the candidates who have been nominated.

Discretionary authority to cumulate votes in such event is solicited in this proxy statement. The proxy holders do not, at this time, intend to give such notice or to cumulate the votes they may hold pursuant to the proxies solicited herein unless the required notice by a shareholder is given. In the event such notice is provided, the votes represented by proxies delivered pursuant to this proxy statement may be cumulated at the discretion of proxy holders, in accordance with the recommendations of the Board of Directors.

How do I vote?

Voting.in.Person; If your shares are registered directly in your name with the Bank's transfer agent, Computershare, at the close of business on the Record Date, you are considered the "shareholder of record" with respect to those shares and you have the right to vote your shares in person at the Meeting.

If your shares are held through a broker, bank or other nominee (that is, in "street name") at the close of business on the Record Date, you are considered the "beneficial owner" of those shares, and you may vote your shares in person at the Meeting only if you obtain a "legal proxy" from the bank, broker or other nominee that holds your shares, giving you the right to vote the shares in person at the Meeting.

Voting.by.Proxy.for.Shares.Held.by.a.Shareholder.of.Record; If you are a shareholder of record, you may direct how your shares are voted without attending the Meeting in one of the following ways:

- **Voting.by.Telephone;** You may vote by calling the toll-free telephone number and following the instructions printed on your proxy card. The deadline for voting by telephone is indicated on your proxy card. If you vote by telephone, you do not need to return your proxy card.
- **Voting.on.the.Internet;** You may vote on the internet by accessing the website address and following the instructions printed on your proxy card. The deadline for voting on the internet is indicated on your proxy card. If you vote on the internet, you do not need to return your proxy card.

- **Voting.by.Mail;** You may vote by completing, signing and returning your proxy card by mail. To vote in this manner, please mark, date and sign the enclosed proxy card and return it by mail in the accompanying postage-prepaid envelope. In order to assure that your shares will be voted, you should mail your signed proxy card in sufficient time for it to be received before the Meeting. If your shares are registered in different names or you hold your shares in more than one capacity, you will receive more than one proxy card. In that case, if you choose to vote by mail and you want all of your shares voted, please complete each proxy card that you receive and return it in its own postage prepaid envelope.

Even if you plan to attend the Meeting, we recommend that you submit your proxy in advance of the meeting as described above so that your vote will be counted if you later decide not to attend the Annual Meeting. Submitting your proxy by telephone, internet or mail will not affect your right to vote in person should you decide to attend the Meeting. If you do attend and vote your shares in person at the Meeting, after having voted by any of the methods described above, only your last vote will be counted.

Voting.by.Proxy.for.Shares.Held.In.Street.Name; If you are the beneficial owner of shares held in street name, you will receive instructions from your broker, bank or other nominee that you must follow in order to instruct how your shares are to be voted at the Meeting.

How will the Board Vote for my proxy?

If you grant us your proxy to vote your shares (whether by telephone or over the internet or by completing, signing and returning your proxy card by mail), and you do not revoke that proxy prior to the Meeting, your shares will be voted as directed by you. If you grant us your proxy without providing any specific direction as to how your shares should be voted, your shares will be voted: “FOR” election of all 11 director nominees named in the Notice of Annual Meeting for election to the Board of Directors (Proposal No. 1) and “FOR” ratification of the appointment of Elliott Davis LLC as the independent public accounting firm for the fiscal year ending December 31, 2025 (Proposal No. 2).

If any other matter should be properly presented at the Meeting upon which a vote may be taken, the shares represented by your proxy will be voted in accordance with the judgment of the holders of the proxy. Such persons also have discretionary authority to vote to adjourn the Meeting, including for soliciting proxies to vote in accordance with the recommendations of the Board of Directors on any of the above items. However, if your shares are held in a brokerage account, please read the information below under the caption “Voting shares held by brokers, banks and other nominees” regarding how your shares may be voted.

Voting shares held by brokers, banks and other nominees.

The Bank asks brokers, banks and other nominee holders to obtain voting instructions from the beneficial owners of common stock. Proxies that are returned to the Bank by brokers, banks or other nominee holders on your behalf will count toward a quorum and will be voted in accordance with the voting instructions you have sent to your broker, bank or other nominee holder. If, however, you want to vote your shares in person at the Meeting, you will need to obtain a legal proxy or broker’s proxy card from your broker, bank or other nominee holder and bring it with you to the Meeting. If you fail to provide voting instructions to, or you attend the Meeting and do not obtain a legal proxy or broker’s proxy from,

your broker, bank or other nominee, your shares will not be voted, except as provided below with respect to certain “routine” matters.

Under rules applicable to securities brokerage firms, a broker who holds shares in “street name” for a customer may generally vote your shares in its discretion on “routine” proposals, but does not have the authority to vote those shares on any “non-routine” proposal, except in accordance with your voting instructions. Under New York Stock Exchange (“NYSE”) rules, if your shares are held by a member organization, as that term is defined under NYSE rules, responsibility for making a final determination as to whether a specific proposal constitutes a routine or non-routine matter rests with that organization, or third parties acting on its behalf.

If your broker does not receive voting instructions from you, but chooses to vote your shares on a routine matter, then your shares will be deemed to be present by proxy and will count toward a quorum at the Annual Meeting, but will not be counted as having been voted on, and as a result will be deemed to constitute “broker non-votes” with respect to, non-routine proposals. We expect that Proposal 1, the election of 11 nominees for election to the Board of Directors, will be a non-routine proposal and that Proposal 2, the ratification of the appointment of Elliott Davis LLC as the independent public accounting firm for the fiscal year ending December 31, 2025, will be a non-routine proposal.

What is the required quorum?

The presence at any meeting of the shareholders, in person or by proxy, of the persons entitled to vote a majority of the voting shares of the Bank shall constitute a quorum for the transaction of business.

What vote is required to approve the proposals?

In the election of directors, the 11 candidates receiving the highest number of votes will be elected. Broker non-votes and abstentions will have no effect on the election of directors.

The ratification of the selection of independent accountants requires the affirmative vote of a majority of the Bank’s shares represented and voting at the Meeting, which also constitutes a majority of the required quorum. Therefore, if the number of shares voted in favor constitutes a majority of the required quorum, broker non-votes and abstentions will have no effect on the matters. However, if not, broker non-votes and abstentions will have the same effect as a vote against the matters.

How do I change my vote or revoke my proxy?

If you are the record owner of your shares, you may revoke any proxy you may have submitted over the internet or by telephone or any proxy you may have returned by mail, at any time before your proxy has been voted, by taking one of the following actions:

- Attending the Meeting and voting in person;
- Completing, signing and submitting a signed proxy card bearing a later date than the date of your earlier vote or proxy; or

- Sending a written revocation of your proxy to the Company's Corporate Secretary at Summit State Bank, 500 Bicentennial Way, Santa Rosa, California 95403. To be effective, the notice of revocation must be received by the Company before the Meeting commences. If, after revoking your proxy in this manner, you want to vote your shares, you may do so only by one of the methods set forth above, and not over the internet or by phone.

However, if your shares are held by a broker, bank or other nominee holder, you will need to contact your broker, bank or the nominee holder if you wish to change or revoke any voting instructions that you previously gave to your broker, bank or other nominee holder.

Principal Shareholders

As of the Record Date, no persons are known to management to have, directly or indirectly, more than five percent of the Bank's issued and outstanding shares of common stock except as follows:

Name and Address of Beneficial Owner	Amount of Beneficial Ownership (#)	Percent of Class
Marshall T. Reynolds	747,434	11.0%
Constance Coddington and Bradley Baker	386,285	5.7%

PROPOSAL 1

Election of Directors

The Bylaws of the Bank provide the procedure for nomination and election of the Board of Directors. This procedure described below in the section titled "Shareholder Proposals and Nominations." Nominations not made in accordance with the procedures may be disregarded by the Chair of the Meeting, and upon his instructions, the Inspector(s) of Election shall disregard all votes cast for such nominees.

The proxy holders will vote shares represented by proxies in such a way as to affect the election of all nominees or as many as possible under the rules of cumulative voting to the extent the proxies have discretionary authority to do so. If any nominee should become unable or unwilling to serve as a director, either (i) the proxies will be voted for such substitute nominees as shall be designated by the Board of Directors, or (ii) the number of directors to be elected at the Meeting may be reduced. The Board of Directors presently has no knowledge that any of the nominees will be unable or unwilling to serve. The 11 nominees receiving the highest number of votes at the Meeting will be elected.

Nominees for Director

The persons named below have been nominated by the Board of Directors for election as directors to serve until the next Annual Meeting and until their successors are duly elected and qualified. Each nominee is currently a director of the Bank. For information regarding to stock ownership of each of the nominees, please see the “Security Ownership of Management” section of this proxy statement. NASDAQ rules require that a majority of the Board consist of independent directors and the Bank’s Board meets this requirement. The Board of Directors has determined that as of the date of this proxy statement, all directors except Brian J. Reed were independent under NASDAQ rules. Mr. Reed is not independent because he is the Bank’s President and Chief Executive Officer.



Jeffery B. Allen - 66
Director (since 2013)

Founder and president of Allen Land Design, a design-build landscape development company serving the greater Bay Area since 1980. Founder of Muchas Grasses, a plant nursery based in Occidental, California that focuses on decorative grasses and olive tree varietals. In 2004, co-founded American Biodiesel/Community Fuels, a bio-fuel refinery in Stockton, California. The Board’s primary reasons for determining that he should serve as a director are his vast knowledge of the Sonoma County community and sound knowledge of the business community.



Frank Chong, Ed.D. - 68
Director (since 2024)

Served as Superintendent/President of Santa Rosa Junior College. Deputy Assistant Secretary for Community Colleges, United States Department of Education, Washington, DC from 2010 to 2012. Dr. Chong served as President of Laney College, Oakland, California from 2006 to 2009. The Board’s primary reasons for determining that he should serve as a director are his vast knowledge of the Sonoma County community and leadership experience.



James A. Finley - 46
Director (since 2024)

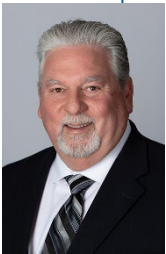
Owner and President of Treasure Creek Minerals, LLC and Regional Finance Manager at Clean Harbors since 2013. Formerly the Vice President and Chief Financial Officer at Vitasco Corporation from 2017 to 2022. Prior to that position, Mr. Finley was the Division Manager of Champion Industries, Inc., a commercial printing, office supply and retail office furniture company from 2004 to 2013. The Board’s primary reason for determining that he should serve as a director is his knowledge of the financial services industry.



Todd R. Fry - 59

Director (since 2000)

Chief Accounting Officer of Installed Building Products, Inc., a building products supplier and installer company, since 2014. Formerly the Chief Financial Officer of Champion Industries, Inc., a commercial printing, office supply and retail office furniture company, from 1999 to 2014. The Board's primary reason for determining that he should serve as a director is his knowledge of finance and accounting.



Nicholas J. Rado - 74

Director (since 2009)

Since 2011, President of Rado Consulting Services, concentrating on accounting, job costing and Workers' Compensation insurance for the general engineering construction business. Vice President and CFO of North Bay Construction since 1991 with an engineering background and extensive financial operations experience. Past board member of the Engineering Contractors Association for 18 years and honored as Contractor of the Year in 1991 and 1996. He contributes extensively to the Petaluma community. The Board's primary reasons for determining that he should serve as a director are his representation and knowledge of the Petaluma community and construction industry.



Brian J. Reed - 66

President/CEO and Director (since 2020)

President and CEO of the Bank since April 2020. Prior to this, Mr. Reed was Executive Vice President and Chief Credit Officer at Summit State Bank from December 2016 to April 2020. Formerly Executive Vice President and Chief Credit Officer with First Community Bank, Santa Rosa, California, from June 2006 until joining Summit State Bank. Prior to that position, Mr. Reed was the Senior Vice President and Regional President with North Valley Bank in Redding, California. The Board's primary reasons for determining that he should serve as a director are his knowledge of bank administration and lending gained as a career banking executive and its belief that the Bank's President and Chief Executive Officer brings the Board valuable insights concerning the Bank's operations.



Douglas V. Reynolds - 49

Director (since 2022)

President and Chief Executive Officer of Energy Services of America, an SEC registered company, since 2012 and has been a director since 2008. An attorney for Reynolds & Brown, PLLC. President of the Transylvania Corporation and a director of The Harrah and Reynolds Corporation. Previously a director of Peoples Bancorp, Inc., an SEC registered company, and its banking subsidiary Peoples Bank since 2021 to 2023 and a director of Premier Financial Bancorp, Inc., an SEC registered company, from 2020 to 2021. Mr. Reynolds is a graduate of Duke University and holds a law degree from West Virginia University. Mr. Reynolds is the son of director Marshall T. Reynolds. The Board's primary reasons for determining that he should serve as a director are his varied business experiences including senior management roles and knowledge of the banking industry.



Marshall T. Reynolds - 88
Director (since 1998)

Since its inception in July 2007, Chairman of the Board of Directors of First Guaranty Bancshares, Inc. an SEC registered \$3.5 billion bank holding company headquartered in Hammond, Louisiana. Chairman of the Board of Directors of First Guaranty Bank, the wholly owned subsidiary of First Guaranty Bancshares, Inc., since May 1996. Chairman of the Board of Entergy Services of America Corporation, an SEC registered company, since 2006. Since 1992, Chairman of the Board of Champion Industries, Inc. a holding company for commercial printing and office products companies that was an Exchange Act registrant until 2016. Chief Executive Officer of Champion Industries, Inc. from 1992 to 2016. President of Champion Industries, Inc. from December 1992 to September 2000. President and general manager of The Harrah and Reynolds Corporation, predecessor of Champion Industries, Inc., from 1964 (and sole shareholder from 1972) to present. Director (from 1983 to November 1993) and Chairman of the Board of Directors (from 1983 to November 1993) of Bank One West Virginia Corporation (formerly Key Centurion Bancshares, Inc.) Chairman of the Board of Premier Financial Bancorp, Inc., a \$2.0 billion multi-bank holding company headquartered in Huntington, West Virginia, from 1996 until its merger with Peoples Bancorp Inc. in 2023. Chairman of the Board of Directors of Energy Services of America Corporation, an SEC registered company in Huntington, West Virginia, since 2006. Mr. Reynolds is the father of director Douglas V. Reynolds. The Board's primary reason for determining that he should serve as a director is his experience in the financial services industry, business acquisitions and corporate governance.



Dawn M. Ross - 62
Chair (since 2020)

From 1998 to 2022, Ms. Ross was a Founding Partner with the Santa Rosa law firm of Carle, Mackie, Power & Ross LLP where she served as the Managing Partner, leading the employment group and commercial litigation team. Ms. Ross served as counsel to some of Sonoma County's leading wineries, as well as clients in the public and private sectors. Active in the Sonoma County community, having served on the board of the Volunteer Center and the California Parenting Institute. Past President of the Sonoma County Bar Association, Sonoma County Women and Sonoma County Young Lawyers' Association. Since her retirement in 2022, Ms. Ross has been active in the community, including acting as a CASA volunteer. The Board's primary reasons for determining that she should serve as a director are her vast knowledge of the Sonoma County community, leadership experience and legal background.



John W. Wright - 75
Director (since 2014)

Business Consultant. Previously Managing Director at Baxter Fentriss & Company, a Richmond, Virginia-based investment banking firm focused on the financial institution industry, from 2002 through 2015. Serves on the Boards of Advertising, Inc. located in Hagerstown, MD, and Vesta Property Services, a property management company for condominium and homeowner associations. The Board's primary reasons for determining that he should serve as a director is his knowledge of the financial services industry and capital markets.



Sharon S. Wright - 81
Director (since 2020)

Governmental Relations and Public Affairs consultant in Sonoma County since 1986. Ms. Wright served on the Santa Rosa City Council for 12 years and an unprecedented three terms as the city's Mayor. During that time, she served 10 years representing the nine cities and County of Sonoma on the Metropolitan Transportation Commission. Her other previous public sector appointments include the Sonoma County Transportation Authority, Sonoma County Planning Commission, & the California Coastal Commission. Currently she serves on the Santa Rosa Memorial Hospital Board of Trustees, Burbank Housing Development Corporation Board of Directors, and is a member of the Sonoma County Fair & Exhibition Board. She has been actively involved in a number of community organizations including Leadership Santa Rosa, founding Director of Tomorrow's Leaders Today and Goodwill Industries of the Redwood Empire. In 2002, she was the first person to be named as the Best Community Business Leader by the readers of Sonoma Business magazine and was named Distinguished Citizen of the Year by the Boy Scouts of America, Redwood Empire. The Board's primary reasons for determining that she should serve as a director are her knowledge of the Sonoma County community and sound knowledge of the business community.

There are no family relationships among any of the Bank's executive officers or directors other than as described above.

No director or nominee chosen by the Board of Directors is, or within the last five years has been, a director of any company with a class of securities registered pursuant to Section 12 of the Exchange Act, or subject to the requirements of Section 15(d) of such Act or of any company registered as an investment company under the Investment Company Act of 1940, other than Mr. Marshall T. Reynolds and Mr. Douglas V. Reynolds as described above.

During 2024, the Bank's Board of Directors met 10 times for regularly scheduled and special meetings. Each director standing for reelection attended at least 75 percent of the aggregate of: (i) the total number of meetings of the Board of Directors; and (ii) the total number of meetings of board committees on which that director served. The Bank's policy is that all Directors should attend the Annual Meeting unless good cause prevents their attendance. In 2024, each director standing for reelection at the Meeting attended the 2024 Annual Meeting.

Board Leadership

Since March 2008, the Bank's leadership structure has separated the roles of Chair and Chief Executive Officer. The Board believes that separating these functions gives the Board greater control of the Board's agenda and greater independence in oversight of risk. The Board has named the executive officers for succession planning in the event the Chief Executive Officer cannot be located or is unable to perform their duties. This authority will be void when the Chief Executive Officer is able to resume their responsibilities.

The Board guides management through the adoption of policies that establish risk limits and authority levels. Various Board committees oversee the adherence to the policies. The Audit Committee establishes an audit oversight program that considers areas of risk within the organization.

Executive Officers

Set forth below is certain information with respect to the Executive Officers of the Bank.

Name	Age	Position	Officer Since
Brian J. Reed	66	President and Chief Executive Officer	2016
Camille D. Kazarian	46	Executive Vice President and Chief Financial Officer	2018
Genie M. Del Secco	56	Executive Vice President and Chief Operating Officer	2018
Brandy A. Seppi	50	Executive Vice President and Chief Lending Officer	2015
Michael J. Floyd	63	Executive Vice President and Chief Credit Officer	2024

A brief summary of the background and business experience of the executive officers of the Bank who have not previously been described is set forth below:

Camille D. Kazarian has served as the Bank's Executive Vice President and Chief Financial Officer since December 2018. Previously she was with the Town of Windsor from December 2013 to November 2018, most recently serving as Chief Financial Officer and Assistant Town Manager. Prior to that position, she was Finance Manager at Redwood Credit Union from May 2008 to December 2013. She is a long-time resident of Sonoma County.

Genie M. Del Secco has served as the Bank's Executive Vice President and Chief Operating Officer since January 2018. She was formerly Senior Vice President and Director of Branch and Deposit Operations with Summit State Bank since August 2015. Previously, she was with First Community Bank in Santa Rosa from March 2005 to August 2015, with the final position of Senior Vice President of Compliance and Branch Operations. She is a long-time resident of Sonoma County.

Brandy A. Seppi has served as the Bank's Executive Vice President and Chief Lending Officer since December 2016. Prior to that, Ms. Seppi was the Bank's Executive Vice President and Chief Credit Officer beginning in January 2015. She was formerly Senior Vice President and Senior Relationship Manager with Umpqua Bank in San Francisco from July 2011 until joining Summit State Bank. Prior to that position, she held various roles in commercial banking with City National Bank from 1998 to July 2011, with the final position as Vice President of Business Development for the Northern California Region. She is a long-time resident of Sonoma County.

Michael J. Floyd has served as the Bank's Executive Vice President and Chief Credit Officer since March 4, 2024. Mr. Floyd was previously 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 April 2017 to May 2021 and the Senior Vice President and Chief Credit Officer with Montecito Bank & Trust from August 2007 to March 2017. He is a resident of Sonoma County.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth information as of March 27, 2025, pertaining to beneficial ownership of the Bank's common stock (the sole class of voting stock outstanding) by current Directors of the Bank, nominees to be elected to the Board of Directors, and all directors and officers of the Bank as a group. In accordance with the rules of the Securities and Exchange Commission (the "SEC"), beneficial ownership includes shares the person or persons have the right to acquire within 60 days of March 27, 2025. The information set forth below has been obtained from the Bank's records, or from information furnished directly by the individual or entity to the Bank.

Name and Address of Beneficial Owner (1)	Relationship with Bank	Amount and Nature of Beneficial Ownership (#) (2)	Percent of Class (2)	Footnote
Jeffery B. Allen	Director	55,882	0.8%	(6)
Frank Chong, Ed.D.	Director	1,000	0.0%	(3)
Genie Del Secco	EVP and Chief Operating Officer	30,140	0.4%	(4), (5)
Todd R. Fry	Director	11,935	0.2%	(6)
Belinda Guadarrama	Director	12,810	0.2%	(6)
Camille D. Kazarian	EVP and Chief Financial Officer	16,360	0.2%	(4), (5)
Nicholas J. Rado	Director	25,840	0.4%	(6)
Brian J. Reed	Director, CEO and President	144,615	2.1%	(4), (5)
Douglas V. Reynolds	Director	307,190	4.5%	(6)
Marshall T. Reynolds	Director	747,434	11.0%	(6)
Dawn M. Ross	Director	5,487	0.1%	(6)
Brandy A. Seppi	EVP and Chief Lending Officer	20,903	0.3%	(4), (5)
John W. Wright	Director	19,660	0.3%	(6)
Sharon S. Wright	Director	8,564	0.1%	(6)
All directors and executive officers as a group (14 in number)		1,407,820	20.8%	

- (1) The address for all persons is c/o Summit State Bank, 500 Bicentennial Way, Santa Rosa, California, 95403.
- (2) Includes shares beneficially owned and all Restricted Stock Award granted (vested and unvested), both directly and indirectly together with associates. Subject to applicable community property laws and shared voting and investment power with a spouse, the persons listed have sole voting and investment power with respect to such shares unless otherwise noted.
- (3) Represents less than 0.1% of the outstanding shares of the Bank's common stock.
- (4) Includes a total of 30,390 shares that are RSAs that were granted to the executive April 1, 2022. Ms. Del Secco and Ms. Seppi were each granted 6,550 RSAs, Ms. Kazarian was granted 5,850 RSAs, and Mr. Reed was granted 11,440 RSAs. These RSAs vest in five equal installments on each of the first five anniversaries of the grant date.
- (5) Includes a total of 32,640 shares that are RSAs granted to the executives on April 3, 2023. Ms. Del Secco was granted 7,090 RSAs, Ms. Kazarian was granted 6,310 RSAs, Mr. Reed was granted 12,350 RSAs, and Ms. Seppi was granted 6,890. These RSAs vest in five equal installments on each of the first five anniversaries of the grant date.
- (6) Includes 340 RSAs, or a total of 3,060 RSAs, granted to directors on April 3, 2023. The RSAs vested in full on April 3, 2024.

Committees of the Board of Directors

Audit Committee

The members of the Audit Committee are John W. Wright (Committee Chair), Jeffery B. Allen, James A. Finley, and Todd R. Fry. All Audit Committee members are independent for purposes of NASDAQ's listing standards and SEC rules applicable to Audit Committee members.

The principal duties of the Audit Committee are the following: (i) selecting the Bank's independent registered public accounting firm; (ii) meeting with the independent registered public accounting firm to review and approve the scope of its audit engagement and the fees related to such work; (iii) meeting with the Bank's financial management, internal audit management and independent registered public accounting firm to review matters relating to internal accounting controls, the internal audit program, the Bank's accounting practices and procedures and other matters relating to the financial condition of the Bank; and (iv) periodically reporting to the Board any conclusions or recommendations that the Audit Committee may have with respect to such matters.

The Audit Committee met 10 times during 2024.

The Committee has a written charter, a copy of which can be found on the Bank's website at www.summitstatebank.com.

The Bank's Board of Directors has determined that the Bank has one Audit Committee financial expert, Mr. Wright, serving on its Audit Committee. The designation or identification of a person as an Audit Committee financial expert does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Audit Committee and Board of Directors in the absence of such designation or identification.

Loan Committee

The members of the Loan Committee are Nicholas J. Rado (Committee Chair), Jeffery B. Allen, Brian J. Reed, Douglas V. Reynolds, Dawn M. Ross, John W. Wright and Sharon S. Wright.

The Loan Committee is responsible for the approval of loans exceeding the limits delegated to management and the development of the Bank's loan policies and procedures. The Loan Committee met 20 times during 2024.

Asset-Liability Management and Investment Committee

The members of the Asset-Liability Management and Investment Committee are Todd R. Fry (Committee Chair), Frank Chong, Brian J. Reed, Dawn M. Ross, and John W. Wright.

The Asset-Liability Management and Investment Committee is responsible for the development of policies and procedures related to liquidity, asset-liability management and the development of policies and procedures related to the Bank's investment portfolio. The Asset-Liability Management and Investment Committee met 6 times during 2024.

Information Technology Steering Committee

The members of the Information Technology Steering Committee are Sharon S. Wright (Committee Chair), Brian J. Reed, and Dawn M. Ross.

The Committee oversees the management of the Bank's information technology systems for the Bank and reviews the performance of these systems. The Information Technology Steering Committee met 4 times in 2024.

Executive Committee

The members of the Executive Committee are Dawn M. Ross (Committee Chair), Todd R. Fry, Brian J. Reed, and Marshall T. Reynolds. All are independent under NASDAQ listing standards with the exception of Brian J. Reed.

The Committee has authority to act on behalf of the full Board in certain matters when it is impractical to convene a full Board meeting. The Committee met 4 times in 2024.

Corporate Governance Committee

The members of the Corporate Governance Committee are Dawn M. Ross (Committee Chair), and Marshall T. Reynolds.

The Committee develops, reviews and recommends to the Board a set of corporate governance principles applicable to the Bank. The Committee oversees the evaluation of the Board and management, evaluates the effectiveness of Board meetings, and makes recommendations for improvement. The committee did not meet in 2024. The Committee has a written charter, a copy of which can be found on the Bank's website at www.summitstatebank.com.

Nominating Committee

The members of the Nominating Committee are Dawn M. Ross (Committee Chair), Jeffery B. Allen, Frank Chong, James A. Finley, Todd R. Fry, Nicholas J. Rado, Douglas V. Reynolds, Marshall T. Reynolds, John W. Wright, and Sharon S. Wright.

The Committee identifies and reviews candidates for the Board of Directors and reviews the appropriate skills and characteristics required of Board members, in consultation with the President and Chief Executive Officer, and recommends director nominees to the Board. Director nominees are approved by the Board in a vote in which only independent directors participate. The Committee will consider and evaluate director nominees proposed by shareholders.

In nominating candidates, the Committee takes into consideration such factors as the following: business or experience, judgment, skill, diversity of background and perspective, requirements of NASDAQ to maintain a minimum number of independent directors, any requirements or regulations of the FDIC, requirements of the Securities and Exchange Commission to have persons with financial expertise available to serve on the Bank's Audit Committee, and the extent to which the candidate generally would be a desirable addition to the Board and any committees of the Board. The Committee would evaluate any persons recommended by shareholders as nominees in the same manner as its own nominees.

Shareholders wishing to recommend a candidate should provide the recommendation in writing to Barbara Gradman, Corporate Secretary, Summit State Bank, 500 Bicentennial Way, Santa Rosa, California 95403. The Nominating Committee will evaluate any candidate recommended by a shareholder in the same manner as a candidate identified by the Committee. Shareholders intending to nominate candidates for director must follow the procedures described in the Bank's Bylaws. See "Shareholder Proposals and Nominations," below.

The Committee met 1 time in 2024. The Committee has a written charter, a copy of which can be found on the Bank's website at www.summitstatebank.com.

The Bank has never engaged or paid a third party to identify or evaluate potential nominees.

Compensation Committee

The members of the Compensation Committee are John W. Wright (Committee Chair), Jeffery B. Allen, Nicholas J. Rado, Dawn M. Ross, and Sharon S. Wright. All are independent under NASDAQ listing standards.

The Committee evaluates and recommends to the Board of Directors salary and other compensation for the CEO and President, and salary and other compensation for the executive officers. The Committee met 5 times in 2024. The Committee has a written charter, a copy of which can be found on the Bank's website at www.summitstatebank.com.

Enterprise Risk Management Committee

The members of the Enterprise Risk Management Committee are Dawn M. Ross (Committee Chair), Todd R. Fry, Nicholas J. Rado, Brian J. Reed, John W. Wright, and Sharon S. Wright.

The committee is responsible for oversight of the CEO and senior management's responsibilities to assess and manage the Bank's risks on an enterprise-wide level including market risk, operational and compliance risk, credit risk, liquidity risk, reputational risk, business and strategic risk, systematic risk, and morale hazard. The Committee met 3 times in 2024.

Mergers & Acquisitions Committee

The members of the Mergers & Acquisitions Committee are Dawn M. Ross (Committee Chair), Todd R. Fry, Brian J. Reed, and John W. Wright.

The committee is responsible for monitoring strategic acquisition opportunities and for evaluating, analyzing and recommending to the Board any merger or acquisition proposals. The committee did not meet in 2024.

Transactions with Related Persons

Some of the Bank's directors and executive officers, as well as members of their immediate families and associates, are customers of, and have had banking transactions with, the Bank in the ordinary course of the Bank's business, and the Bank expects to have such ordinary banking transactions with these persons in the future. Executive officers are eligible to participate in the Bank's Employee Loan Program, which offers all Bank employees preferred interest rates on primary home mortgage loans. Otherwise, in the opinion of management of the Bank, all loans and commitments to lend included in such transactions were made in the ordinary course of business on the same terms, including interest rates and collateral, as those prevailing for comparable transactions with other persons of similar creditworthiness, and do not involve more than the normal risk of collectability or present other unfavorable features. Loans to individual directors and executive officers must comply with the Bank's lending policies and statutory lending limits. In addition, in some cases prior approval of the Bank's Board of Directors must be obtained for such loans, as required by federal and state regulations applicable to the Bank.

Under the Bank's original Employee Home Loan Program, all employees, including executive officers and directors, were eligible to receive a 30-year fully amortizing fixed rate mortgage loan. The interest rate for loans under the previous Employee Home Loan Program was the "Index H.15," which is the weekly average yield on the United States Treasury securities adjusted to a constant maturity of 5 years as made available by the Federal Reserve Board, plus a margin of 50 basis points. On August 1, 2020, the Bank updated its Employee Home Loan Program to (1) exclude directors from being eligible for any new loans under this program, (2) limit the program to purchase or refinance only with no cash out options and (3) add a new floor rate set at the greater of 2.00% or the average cost of interest-bearing funds from the previous quarter end. The program was further amended on January 1, 2023 by revising the floor rate to the greatest of (1) 2.00%, (2) the average cost of interest-bearing funds from the previous quarter end, or (3) the Index of Applicable Federal Rates ("AFR") as published by the Internal Revenue Service.

The Bank makes all loans under the Employee Home Loan Program in compliance with the applicable restrictions of Section 22(h) of the Federal Reserve Act. The total principal balance of executive officer and director loans made under the Bank's Employee Home Loan Program (including loans originated before the foregoing changes to the program were implemented), at December 31, 2024 was \$2,960,149 with individual loans balances ranging from \$435,257 to \$811,663, all with interest rates at 1.12% based on the terms of the legacy program. The following table lists the directors and executive officers with outstanding loans under this program during 2024 and provides additional information for the year ended December 31, 2024:

Name	Highest balance during year (\$)	Balance as of 12/31/2024 (\$)	Principal paid during year (\$)	Interest paid during year (\$)	Interest rate
Jeffery B. Allen	449,924	435,257	14,667	4,964	1.12%
Genie M. Del Secco	564,880	545,830	19,050	6,230	1.12%
Nicholas J. Rado	539,909	522,309	17,600	5,957	1.12%
Brian J. Reed	839,115	811,663	27,452	9,257	1.12%
Brandy A. Seppi	702,846	645,090	57,756	7,580	1.12%

As of December 31, 2024, each of these loans were performing in accordance with its terms and none were on nonaccrual.

There were no other existing or proposed material transactions between the Bank and any of the Bank's directors, executive officers, nominees for election as a director, or the immediate family or associates of any of the foregoing persons. The Bank's Code of Conduct requires that if a situation arises that may present a potential conflict of interest, it must be reviewed and approved by the Bank's Board or by a designee of the Board. An executive officer or director who is aware of an actual or potential conflict of interest must advise the Bank's Compliance Officer.

NASDAQ Rule 5630 requires the Bank to conduct an appropriate review of all related-party transactions for potential conflict of interest situations on an ongoing basis and all such transactions must be approved by the Bank's Audit Committee or another independent body of the Board of Directors. For purposes of the rule, the term "related party transaction" refers to transactions required to be disclosed pursuant to SEC Regulation S-K, Item 404, which includes, but is not limited to, any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangements or relationships in which the amount involved exceeds \$120,000.

The Bank's Audit Committee Charter requires the Audit Committee to review and approve all related party transactions for potential conflict of interest. The Audit Committee determines whether any such transaction poses a disclosure issue or, where a director is involved, adversely impacts a director's independence, and makes an appropriate decision regarding the transaction.

The Board considered the transactions and relationships described in this section in making its determination that all directors other than Mr. Reed are independent under NASDAQ rules.

Executive Compensation

Compensation Discussion and Analysis

General Overview of Executive Compensation

The Bank's executive officers include the President and Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO"), the Chief Credit Officer ("CCO"), the Chief Operating Officer ("COO") and the Chief Lending Officer ("CLO"). Compensation for the executive officers consists of salary, annual bonus, equity awards, and other normal employee benefits that are offered to all employees of the Bank. The Compensation Committee of the Board of Directors, which consists solely of outside directors, recommends to the Board of Directors the compensation of the CEO based on their evaluation of the CEO's performance and the overall performance of the Bank. Although no specific financial targets are set, factors used to assess the performance of the CEO include the accomplishment of significant projects and strategies. The Bank's performance is evaluated on factors such as financial results, operations, and audit and examination results. The Compensation Committee recommends adjustments to each officer's annual salary based on the Bank's performance and the officer's performance in his or her area of responsibility. The Compensation Committee compares the salary range of each position to a peer group of banks and recommends salary adjustments when it is deemed appropriate.

The Compensation Committee has sought input on both Board and executive officer compensation issues from compensation consultants. The Compensation Committee sometimes engages consultants to conduct periodic compensation studies or to advise about compensation practices generally. The Compensation Committee retains the right to hire, fire, and obtain advice and assistance from legal counsel or other experts or consultants, consistent with its charter. In 2023, the Compensation Committee selected Blanchard Consulting Group to review the Bank's executive officer and director compensation practices. Blanchard Consulting Group provided salary surveys designed to compare compensation packages paid to executive officers and directors for similar-sized institutions. Drawing upon the insights from these surveys, along with the Committee's evaluation of each executive's performance over the past year, the Compensation Committee recommended an increase in the base salaries of all executive officers for 2024.

The Bank does not believe that any of its compensation policies or practices are reasonably likely to have a material adverse effect on it as such policies and practices related to risk-management practices and risk-taking incentives.

Summary Executive Compensation

The following information is furnished with respect to the Bank's CEO and the other two most highly compensated executive officers whose aggregate compensation during 2024 exceeded \$100,000 (the "Named Executive Officers").

Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$ (1))	Option/ SAR Awards (\$)	Non-Equity Incentive Plan Compensation (\$ (2))	All Other Compensation (\$ (3))	Total (\$)
Brian J. Reed, President and CEO	2024	520,965	-	-	-	-	24,745	545,710
	2023	517,250	-	170,998	-	84,485	25,353	798,086
Genie M. Del Secco, EVP and COO	2024	321,467	-	-	-	-	25,079	346,546
	2023	315,752	-	98,168	-	53,455	23,594	490,969
Brandy A. Seppi, EVP and CLO	2024	313,007	-	-	-	-	21,058	334,065
	2023	307,432	-	95,399	-	52,175	20,719	475,725

- (1) The Stock Awards column shows the grant date fair value of all restricted stock awards (RSAs) granted during the year. See Footnote 12 to the Audited Financial Statements contained in the Annual Report to Shareholders on Form 10-K for the assumptions used in the computation of the value of the SAR awards.
- (2) The 2023 cash incentive was paid in March 2024 and no cash incentive was paid for the 2024 term. Payments are based on financial performance and the executives' performance in 2023 and 2024, respectively.
- (3) All Other Compensation includes various benefits, including but not limited to 401 (K) matching contributions, automobile allowances, value of vacation accrual in excess of cap and excess life insurance premiums

Change in Control Agreements

The Bank has no long-term employment, termination, or retirement agreements. The Bank has entered into Change in Control Agreements with each Named Executive Officer providing that if the executive is terminated without “cause” or quits with “good reason” after the Bank’s announcement of an anticipated “change in control” or during the 18 months after a “change in control” is completed, each as defined in the Change in Control Agreements, then the executive would be entitled to (i) 12 months of his or her average base monthly compensation (including salary, 401(k) matching contributions and life insurance premiums) in effect during the most recently completed calendar year, (ii) a bonus equal to the greater of his or her cash bonus with respect to the most recently completed calendar year prior to the change of control or \$16,000; (iii) reimbursement of COBRA premiums for up to 12 months and (iv) reimbursement of up to \$10,000 of fees for outplacement services. The following table represents the estimated change in control compensation under these agreements at December 31, 2024 if a triggering event were to have taken place at that time for the Named Executive Officers:

Change in Control Compensation			
Name	Cash (\$ (1))	Benefits (\$ (2))	Total (\$)
Brian J. Reed	542,965	58,567	601,532
Genie M. Del Secco	343,467	49,232	392,699
Brandy A. Seppi	335,007	46,537	381,544

- (1) Represents estimated lump sum cash payment upon a triggering event under the Change in Control agreement based on salary and bonus compensation as of December 31, 2024. Since no cash bonus was paid out for the 2024 term, the minimum bonus of \$16,000 was used.
- (2) Represents benefits (health benefits, 401K matching contributions and other perquisites) provided during the maximum period after the triggering event under the Named Executive Officer’s Change in Control Agreement based on benefits provided at December 31, 2024.

Non_Equity.Incentive.Compensation

On April 10, 2016, the Board of Directors revised its cash incentive bonus plan for selected executive officers and other employees. The plan is administered by the Compensation Committee. The plan may be terminated or modified by the Board at any time. Any officer or employee designated by the Compensation Committee is eligible to receive a payment under the plan.

Participating executive officers and employees are eligible for annual awards under the plan based on the Bank’s performance. For 2024, plan awards were determined based on the proportionate achievement of performance between the minimum and maximum levels. The performance goal categories may vary each year, but for 2024 the six performance goal categories and weights assigned to them were:

- | | |
|--------------------------|---|
| 1) return on assets, 15% | 4) efficiency ratio, 10% |
| 2) return on equity, 15% | 5) local deposit growth, 15% |
| 3) loan growth, 15% | 6) classified asset coverage ratio, 30% |

Each of the executive officers that were employed during the year were selected to participate in 2024.

The total potential award pool is a fixed dollar amount established by the Board, with the recommendation of the Compensation Committee. For 2024, the maximum potential incentive bonus pool that can be allocated to the executive officer team is one half of Executive team's collective base salary. For performance below the maximum, cash incentives are proportionally calculated based on the percentage of where the actual performance is achieved between the minimum and maximum performance.

The Board established performance benchmarks for minimum and maximum performance. It is not necessary to achieve threshold performance or better in all performance categories to receive a cash incentive award. With the input of the Compensation Committee, the Board of Directors has discretion to make cash incentive awards based on the Board's subjective assessment of an executive officer's or other employee's performance.

For purposes of calculating bonuses and evaluating actual performance in the performance goal categories, the Compensation Committee has discretion to adjust and exclude any single, nonrecurring event that results in either a 10% increase or 10% decrease in the calculated performance, as well as the discretion to make adjustments to account for significant or material events.

No awards were issued under the cash incentive bonus plan for fiscal year 2024 because the Bank did not meet any of the defined performance levels. Additionally, nothing was awarded as discretionary provisions.

Equity Linked Compensation

The Bank has a 2023 Equity Incentive Plan (the "2023 Plan") approved by shareholders on May 22, 2023 that permits the grant of stock options, restricted stock awards ("RSAs") and restricted stock units to executive officers, directors and employees for up to 330,000 shares of common stock. Option awards are generally granted with an exercise price equal to the market price of the Bank's common stock at the date of grant. Awards have vesting periods specified by the Board of Directors otherwise approved by the Board of Directors. Option awards may have a term of up to 10 years. To date, all options and restricted stock awards issued to executives under the 2023 Plan would have five-year vesting periods. As of December 31, 2024, no awards were granted and 330,000 shares remain available for future grants under the 2023 Plan.

Prior to the shareholders' approval of the 2023 Plan, the Bank operated under the 2013 Equity Incentive Plan (the "Previous Plan") that also permitted the grant of stock options, restricted stock awards ("RSAs") and restricted stock units to executive officers, directors and employees for up to 206,250 shares of common stock. Option awards were generally granted with an exercise price equal to the market price of the Bank's common stock at the date of grant; those option awards also had a vesting period of five years unless otherwise approved by the Board of Directors and have 10-year contractual terms. As of May 22, 2023, no shares were available for future grants under the Previous Plan as it was superseded by the 2023 Plan.

Prior to 2021, the Bank granted Stock Appreciation Rights (“SARs”) to executive officers and directors pursuant to a SARs agreement with each grantee. Each SARs agreement provides a form of contingent cash bonus arrangement and is independent of, and was not awarded under the Previous Plan. The SARs settle in cash only and provide incentive compensation equal to the difference between the market price of the Bank’s common stock at the date of exercise and the market price when the SARs were granted. In 2021, the Bank discontinued issuing SARs and determined going forward it would award RSAs to eligible executive officers, directors and employees.

Beginning 2022, the Board started issuing RSAs in lieu of SARs as long-term equity incentives to executive officers and directors. All vested and unvested RSAs are included in the common share count. RSAs granted to executive officers vest in five equal installments on each of the first five anniversaries of the grant date. Holders are entitled to dividends on the same per-share ratio as holders of common stock, dividends for unvested RSAs will accrue at grant but are paid out at the time of vesting. Unvested RSAs and the associated accrued but unpaid dividends are forfeited if the grantee’s employment with the Bank is terminated prior to the vesting of the RSAs.

The Bank granted no RSAs in 2024, 51,400 RSAs to executive officers, employees, and directors in 2023, and 50,160 RSAs to executive officers, employees, and directors in 2022. The RSA grants in 2023 and 2022 were under the Previous Plan. No SARs or other equity awards were granted in 2024, 2023 or 2022.

As of December 31, 2024, there were 57,436 RSAs outstanding which and 7,536 were forfeited during the year. As of December 31, 2023, there were 86,512 RSAs outstanding, 680 immediately vested before the first year vesting term, and none were forfeited.

The following table sets forth certain information with respect to grants of plan-based awards to the Named Executive Officers for 2024.

Grants of Plan-based Awards											
Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units	All Other Option Awards: Number of Securities Underlying Options/ SARs (#)	Exercise or Base Price of Option/ SARs Awards (\$/Sh)	Grant Date Fair Value of Stock and Option/ SARs Awards (\$)
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (\$)	Target (\$)	Maximum (\$)				
Brian J. Reed	None	-	-	-	-	-	-	-	-	-	-
Genie M. Del Secco	None	-	-	-	-	-	-	-	-	-	-
Brandy A. Seppi	None	-	-	-	-	-	-	-	-	-	-

The following table sets forth certain information about equity-linked awards held by the Named Executive Officers as of December 31, 2024.

Outstanding Equity Awards at 2023 Fiscal Year End								
Name	Option Awards					Stock Awards (3)		
	Securities Underlying Exercisable Options (#)	Securities Underlying Unexercisable Options (#)		Option/ SAR Exercise/ Base Price (\$)	Option/ SAR Expiration Date	Grant Date	Number of Shares of Stock Not Vested (#)(4)	Market Value of Shares of Stock Not Vested (\$)(5)
Brian J. Reed	8,800	2,200	(1)	11.02	12/14/30	4/1/22	6,864	52,510
	4,400	-	(2)	11.27	2/23/30	4/3/23	9,880	75,582
	11,000	-	(1)	11.63	12/16/29			
	11,000	-	(1)	10.53	12/16/28			
	11,000	-	(1)	11.36	12/11/27			
	13,750	-	(1)	10.55	12/12/26			
Genie M. Del Secco	8,800	2,200	(1)	11.02	12/14/30	4/1/22	3,930	30,065
	4,400	-	(2)	11.27	2/23/30	4/3/23	5,672	43,391
	11,000	-	(1)	11.63	12/16/29			
	11,000	-	(1)	10.53	12/16/28			
Brandy A. Seppi	8,800	2,200	(1)	11.02	12/14/30	4/1/22	3,930	30,065
	4,400	-	(2)	11.27	2/23/30	4/3/23	5,512	42,167
	11,000	-	(1)	11.63	12/16/29			
	11,000	-	(1)	10.53	12/16/28			
	11,000	-	(1)	11.36	12/11/27			
	13,750	-	(1)	10.55	12/12/26			

- (1) The awards vest 20% per year beginning on the first anniversary of the grant date.
- (2) The awards vest 20% per year beginning on the grant date.
- (3) Represents RSAs.
- (4) The RSAs granted in 2023 and 2022 vest in five equal increments on the first five anniversaries of the grant date and pay dividends with voting rights. No RSAs were granted in 2024.
- (5) The market value of unvested RSAs was determined by multiplying the number of sharers by \$7.65 which was the last reported trading price of the Bank's common stock on NASDAQ on December 31, 2024.

The Banks's recent practice has been to consider the grant of equity awards annually, generally on the date of a regularly scheduled Board meeting after the Bank's release of the financial results for the prior fiscal year. As noted above, the Board of Directors has not granted stock options or SARs in recent years and granted no equity awards in 2024 to the named executive officers in 2024.

The Board of Directors does not take material nonpublic information into account when determining the timing and terms of equity awards. Instead, the timing of grants is in accordance with its compensation cycle, taking into account the Bank's performance over the previous fiscal year. The Bank has not timed the disclosure of material nonpublic information to affect the value of executive compensation, but instead has adhered to the practice described above.

The following table provides information regarding option exercises and the vesting of stock awards held by the Named Executive Officers for the year ended December 31, 2024.

Option Exercises and Stock Vested				
Name	Option Awards		Stock Awards	
	Number of Share Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Share Acquired on Vesting (#)(1)	Value Realized on Vesting (\$)(2)
Brian J. Reed	-	-	4,758	50,085
Genie M. Del Secco	-	-	2,728	28,716
Brandy A. Seppi	-	-	2,688	28,299

- (1) The RSAs granted in 2023 and 2022 vest in five equal increments on the first five anniversaries of the grant date. Accrued dividends on shares are paid on vesting.
- (2) The value realized on vesting was determined by multiplying the number of shares by \$10.44 and \$10.62, which was the last reported trading price on NASDAQ on the vesting date, April 3, 2024 and April 1, 2024, respectively.

Pay Versus Performance

In accordance with the rules adopted by the SEC pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the following disclosures provide information about the relationship between executive compensation actually paid and certain financial performance of the Bank.

Year	Summary Compensation Table Total for Principal Executive Officer ("PEO") (\$)(1)	Compensation Actually Paid to PEO (\$)(2)	Average Summary Compensation Table Total for Non-PEO Named Executive Officers (\$)(3)	Average Compensation Actually Paid to Non-PEO Named Executive Officers (\$)(4)	Value of Initial Fixed \$100 Investment Based on Total Shareholder Return (\$)(5)	Net Income (\$)(6)
(a)	(b)	(c)	(d)	(e)	(f)	(h)
2024	545,710	472,644	340,306	289,450	68.61	4,193,472
2023	798,086	761,813	483,347	457,023	104.14	10,822,445
2022	820,462	834,700	515,870	533,318	123.25	16,968,295
2021	646,716	717,093	422,720	481,652	118.16	14,697,856

- (1) The dollar amounts reported in column (b) are the amounts of total compensation reported for Brian J. Reed, the Bank's Chief Executive Officer or "PEO", for each corresponding year in the "Total" column of the Summary Compensation Table. Refer to "Summary Executive Compensation—Summary Compensation Table."
- (2) The dollar amounts reported in column (c) represent the amount of "compensation actually paid" to the PEO, as computed in accordance with Item 402(v) of Regulation S-K. The dollar amounts do not reflect the actual amount of compensation earned by or paid to the PEO during the applicable year.

In accordance with SEC rules, the following adjustments were made to the PEO's total compensation for each year to determine the compensation actually paid, and provided in the table below:

Year	Reported Summary Compensation			
	Table Total for PEO	Reported Value of	Equity Award	Compensation Actually
	(\$)	Equity Awards (\$)	Adjustments (\$)	Paid to PEO (\$)
		(a)	(b)	
2024	545,710	-	(73,066)	472,644
2023	798,086	(170,998)	134,725	761,813
2022	820,462	(193,336)	207,574	834,700
2021	646,716	-	70,377	717,093

- (a) The grant date fair value of equity awards represents the total of the amounts reported in the "Stock Awards" columns in the Summary Compensation Table for the applicable year.
- (b) The equity award adjustments for each applicable year include the addition (or subtraction, as applicable) of the following: (i) the year-end fair value of any equity awards granted in the applicable year that are outstanding and unvested as of the end of the year; (ii) the amount of change as of the end of the applicable year (from the end of the prior fiscal year) in fair value of any awards granted in prior years that are outstanding and unvested as of the end of the applicable year; (iii) for awards that are granted and vest in same applicable year, the fair value as of the vesting date; (iv) for awards granted in prior years that vest in the applicable year, the amount equal to the change as of the vesting date (from the end of the prior fiscal year) in fair value; (v) for awards granted in prior years that are determined to fail to meet the applicable vesting conditions during the applicable year, a deduction for the amount equal to the fair value at the end of the prior fiscal year; and (vi) the dollar value of any dividends or other earnings paid on stock or option awards in the applicable year prior to the vesting date that are not otherwise reflected in the fair value of such award or included in any other component of total compensation for the applicable year. The valuation assumptions used to calculate fair values did not materially differ from those disclosed at the time of grant. The amounts deducted or added in calculating the equity award adjustments are as follows:

Year	Year End Fair Value of Outstanding and Unvested Equity Awards Granted in the Year (\$)	Year over Year Change in Fair Value of Outstanding and Unvested Equity Awards Granted in Prior Years (\$)	Fair Value as of Vesting Date of Equity Awards Granted and Vested in the Year (\$)	Year over Year Change in Fair Value of Equity Awards Granted in Prior Years that Vested in the Year (\$)	Fair Value at the End of the Prior Year of Equity Awards that Failed to Meet Vesting Conditions in the Year (\$)	Value of Dividends or other Earnings Paid on Stock or Option Awards not Otherwise Reflected in Fair Value or Total Compensation (\$)	Total Equity Award Adjustments (\$)
2024	237	(95,011)	-	21,708	-	-	(73,066)
2023	151,905	(42,054)	-	24,874	-	-	134,725
2022	180,752	16,807	-	10,015	-	-	207,574
2021	-	39,727	-	30,651	-	-	70,377

- (3) The dollar amounts reported in column (d) represent the average of the amounts reported for the Bank's Named Executive Officers as a group (excluding the PEO) in the "Total" column of the Summary Compensation Table in each applicable year. The Named Executive Officers included for the purpose

- (4) The dollar amounts reported in column (e) represent the average amount of “compensation actually paid” to the Named Executive Officers as a group (excluding the PEO), as computed in accordance with Item 402(v) of Regulation S-K. The dollar amounts do not reflect the actual average amount of compensation earned by or paid to the Named Executive Officers as a group (excluding the PEO) during the applicable year. In accordance with the requirements of Item 402(v) of Regulation S-K, the following adjustments were made to average total compensation for the Named Executive Officers as a group (excluding the PEO) for each year to determine the compensation actually paid, using the same methodology described above in Note (2):

Average Reported Summary Compensation Table Total for Non-PEO Named Executive Officers				Average Compensation Actually Paid to Non- PEO Named Executive Officers (\$)
Year	(\$)	Average Reported Value of Equity Awards (\$ (a))	Average Equity Award Adjustments (\$ (b))	
2024	340,306	-	(50,855)	289,450
2023	483,347	(96,784)	70,460	457,023
2022	515,870	(110,695)	128,143	533,318
2021	422,720	-	58,933	481,652

- (a) The grant date fair value of equity awards represents the average amounts reported in the “Stock Awards” columns in the Summary Compensation Table for the applicable year.

- (b) The amounts deducted or added in calculating the equity award adjustments are as follows:

Year	Year End Fair Value of Outstandi ng and Unvested Equity Awards Granted in the Year (\$)	Year over Year Change in Fair Value of Outstandi ng and Unvested Equity Awards Granted in Prior Years (\$)	Fair Value as of Vesting Date of Equity Awards Granted and Vested in the Year (\$)	Year over Year Change in Fair Value of Equity Awards Granted in Prior Years that Vested in the Year (\$)	Fair Value at the End of the Prior Year of Equity Awards that Failed to Meet Vesting Conditions in the Year (\$)	Value of Dividends or other Earnings Paid on Stock or Option Awards not Otherwise Reflected in Fair Value or Total Compensation (\$)	Total Equity Award Adjustments (\$)
2024	-	(56,881)	-	6,026	-	-	(50,855)
2023	85,977	(28,362)	-	12,845	-	-	70,460
2022	103,490	16,807	-	7,846	-	-	128,143
2021	-	36,868	-	22,064	-	-	58,933

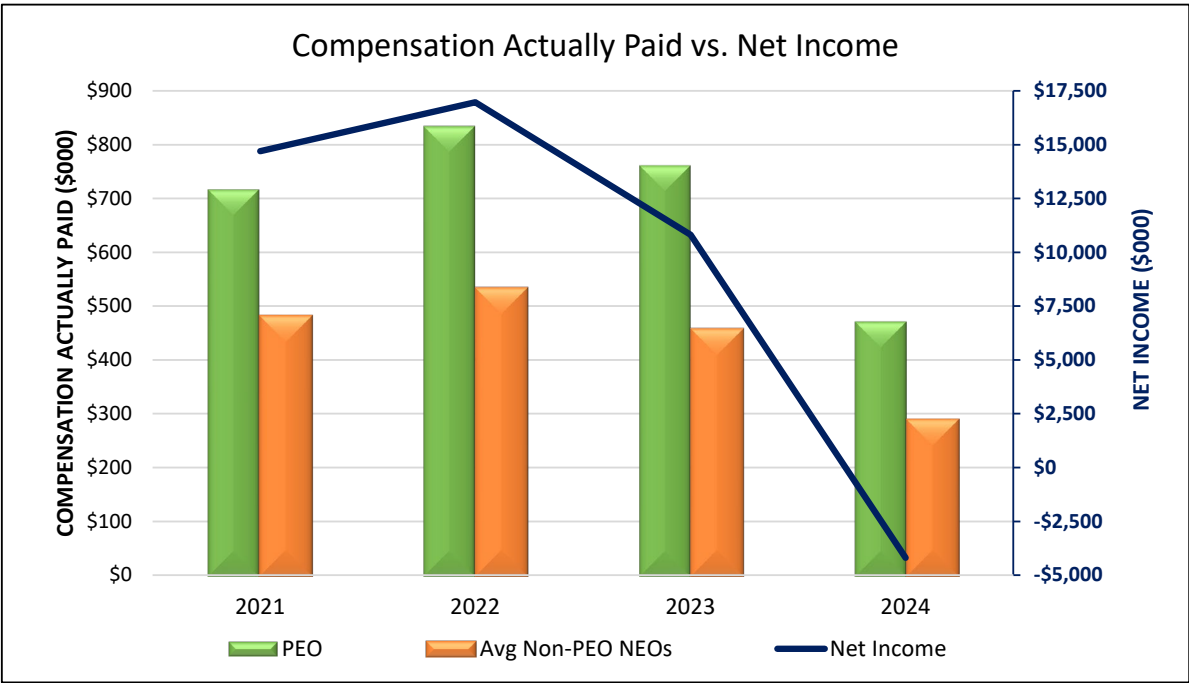
- (5) Cumulative Total Shareholder Return is calculated by dividing the sum of the cumulative amount of dividends for the measurement period, assuming dividend reinvestment, and the difference between our company’s share price at the end and the beginning of the measurement period by our company’s share price at the beginning of the measurement period. The Bank paid \$0.28 in dividends in 2024, \$0.48 in 2023, \$0.48 in 2022, and \$0.44 in 2021, adjusted for the 10% stock dividend effective October 29, 2021.
- (6) The dollar amounts reported represent the amount of net income reflected in the Bank’s audited financial statements for the applicable year.

Analysis of the Information Presented in the Pay Versus Performance Table

The Bank generally seeks to incentivize long-term performance and therefore does not specifically align its performance measures with “compensation actually paid” (as computed in accordance with Item 402(v) of Regulation S-K) for a particular year. In accordance with Item 402(v) of Regulation S-K, the following describes the relationships between information presented in the Pay Versus Performance table.

Compensation Actually Paid and Net Income

In 2024, 2023, 2022 and 2021, the Bank’s net income was (\$3.7) million, \$10.8 million, \$17.0 million, and \$14.7 million, respectively. This represents a year-over-year change in net income by -134% in 2024, -36% in 2023, 15% in 2022 and 40% in 2021. The compensation actually paid for both the PEO and non-PEO Named Executive Officers decreased in 2024 and 2023, and increased in 2022, which is commensurate with the trend in net income.

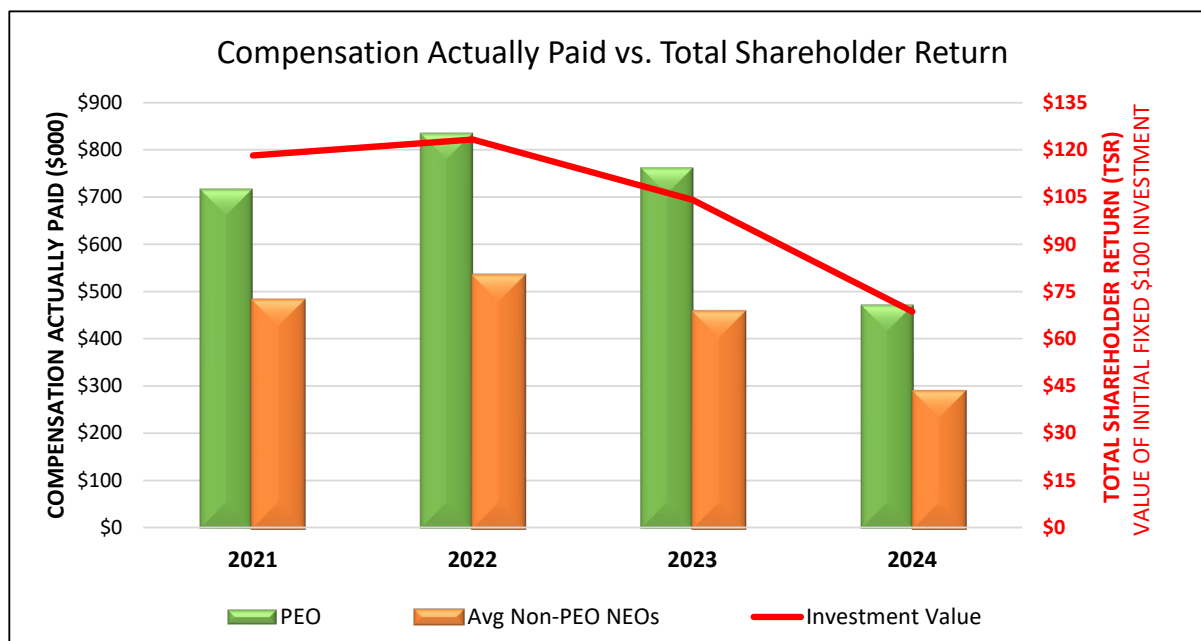


Compensation Actually Paid and Cumulative Total Shareholder Return

The Bank utilizes several performance measures to align executive compensation with Bank performance. The Bank uses financial measurements for equity compensation and a mix of financial measurements and non-financial performance measures for non-equity compensation, such as loan growth, deposit growth and classified asset coverage ratio. The parameters for calculating equity and non-equity compensation are included in more detail above in the sections “Executive Compensation – Non-Equity Incentive Compensation” and “Equity Compensation – Equity Linked Compensation.”

As shown in the following graph, the compensation actually paid to Mr. Reed and the average amount of compensation actually paid to the Named Executive Officers as a group (excluding Mr. Reed)

during the periods presented are directly correlated to the trends for both Total Shareholder Return and Net Income.



All information provided above under the »Pay Versus Performance« heading will not be deemed to be incorporated by reference in any filing of the Bank under the Securities Act of 1933, as amended, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing;

Equity Compensation Plan Information

The information in the following table is provided as of December 31, 2024, with respect to compensation plans (including individual compensation arrangements) under which equity securities are issuable:

	(a) Shared to be issued upon exercise of outstanding options (#)	(b) Weighted average exercise price of outstanding options (\$)	(c) Shares Available for future issuance (#)
Equity compensation plans approved by security holders	91,804 (1)	\$15.32 (2)	330,000 (3)
Equity compensation plans not approved by security holders	-	-	-
Total	91,804	\$15.32	330,000

(1) In 2023 the Bank awarded 51,400 Restricted Stock Awards (RSAs) and in 2022 the Bank awarded 50,160 RSAs. No awards were granted in 2024. To date 9,736 awards were forfeited.

(2) Represents the weighted average price of RSA awards as of the grant date.

(3) Represents shares of common stock available for future issuance under the 2023 Plan.

Director Compensation for 2024

The following table sets forth compensation paid to the Bank's non-employee directors during 2024.

Name	Fees Earned or Paid in Cash (\$)		Stock Appreciation Rights Awards (\$)		All Other Compensation (\$)	Total (\$)
Jeffery B. Allen	48,850		-	(3)	-	(4) 48,850
Frank Chong, Ed.D.	25,900		-		-	25,900
Josh C. Cox, Jr.	78,350	(1)	-		-	(4) 78,350
James A. Finley	27,400		-		-	27,400
Todd R. Fry	49,350		-	(3)	-	(4) 49,350
Belinda Guadarrama	37,600		-		-	(5) 37,600
Nicholas J. Rado	55,650		-	(3)	-	(4) 55,650
Douglas Reynolds	34,750		-		-	34,750
Marshall T. Reynolds	29,100		-	(3)	-	(4) 29,100
Dawn M. Ross	59,200	(2)	-		-	(4) 59,200
John W. Wright	66,300		-	(3)	-	(4) 66,300
Sharon S. Wright	45,000		-		-	(4) 45,000

- (1) Mr. Cox became Chair of the Board on September 1, 2023 and passed on December 10, 2024. Fees earned for Mr. Cox include \$21,700 in fees as Chair.
- (2) Ms. Ross became performing Interim Chairperson of the Board duties starting October 2024. Fees earned by Ms. Ross include \$6,300 in fees as Chairperson.
- (3) As of December 31, 2024, the director has 6,600 vested adjusted stock appreciation rights and no unvested stock appreciation rights.
- (4) As of December 31, 2024, the director has 660 shares of common stock that are fully vested and no unvested Restricted Stock Award grants.
- (5) As of December 31, 2024, the director has 340 shares of common stock that are fully vested and no unvested Restricted Stock Award grants. None of the directors in the table hold any stock options.

During January – July 2024, the Bank paid non-employee directors a monthly meeting fee of \$2,500 per meeting. The Chair of the Board receives an additional \$2,500 per month. Committee members received \$600 per committee meeting attended with a maximum of \$1,200 per month. Committee Chairs receive an additional \$600 per meeting with a maximum of \$1,200 per month.

During August – December 2024, the Bank paid non-employee directors a monthly meeting fee of \$2,100 per meeting. The Chair of the Board receives an additional \$2,100 per month. Committee members received \$500 per committee meeting attended with a maximum of \$1,000 per month. Committee Chairs receive an additional \$500 per meeting with a maximum of \$1,000 per month.

Audit Committee Report

The Audit Committee has reviewed and discussed the audited financial statements with management. The Audit Committee has discussed with the independent registered public accounting firm (Elliott Davis) the matters required to be discussed by the Public Company Accounting Oversight Board Auditing Standard 1301, Communications with Audit Committees. The Audit Committee has received the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accounting firm's communications with the Audit Committee concerning independence and has discussed with the independent registered public accounting firm the independent registered public accounting firm's independence.

Based on the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Bank's annual report on Form 10-K.

John W. Wright
Jeffery B. Allen
James A. Finley
Todd R. Fry

Delinquent Section 16(a) Reports

To the Bank's knowledge and based solely on a review of the copies of reports furnished to the Bank and written representations that no other reports were required, during the fiscal year ended December 31, 2024, all Section 16(a) filing requirements were filed timely by the Bank's officers and directors.

Significant Litigation

The Bank is not involved in any litigation in which a director or executive officer has a material adverse interest.

PROPOSAL 1

Recommendation of the Board of Directors

The Board of Directors unanimously recommends that shareholders vote “FOR” the election the 11 nominees set forth herein as director, to serve until the next annual meeting of the shareholders and until their respective successors shall be elected and qualified.

PROPOSAL 2

Ratification of Selection of Independent Public Accountants

At the Meeting, shareholders will be asked to ratify the Audit Committee’s selection of Elliott Davis, LLC (“Elliott Davis”) as the independent registered public accounting firm of the Bank for the fiscal year ending December 31, 2025.

If ratification is not achieved, the selection of an independent certified public accountant will be reconsidered and made by the Audit Committee. Even if the selection is ratified, the Audit Committee reserves the right and, in its discretion, may direct the appointment of any other independent registered public accounting firm at any time if the Audit Committee decides that such a change would be in the best interests of the Bank and its shareholders. Representatives of Elliott Davis are expected to attend the annual meeting and to have the opportunity to respond to appropriate questions and to make a statement if they desire to do so.

Elliott Davis has served as the Bank’s independent registered public accounting firm since 2023. The services provided by Elliott Davis include the examination and reporting of the financial status of the Bank.

The following table summarizes the fees the Bank paid to its independent registered accounting firm for the years ended December 31, 2024 and 2023.

	Fees for period ended December 31, 2024 ¹	Fees for period ended December 31, 2023 ²
Service	(\$)	(\$)
Audit Fees	328,000	326,339
Audit Related Fees ³	6,600	78,270
Tax Fees	21,000	18,000
All Other Fees ⁴	4,551	201
Total Fees	360,151	422,811

¹ Audit fees are the aggregate fees that were billed for professional services for the fiscal year 2024 term by Elliott Davis for the audit of the annual financial statements and review of the quarterly financial statements.

² Audit fees are the aggregate fees that were billed for professional services for the fiscal year 2023 term by Elliott Davis plus \$31,339 in successor audit fees from Moss Adams.

³ Fees related to additional work required for CECL/ACL, Sarbanes-Oxley controls and wire fraud.

⁴ Travel and out-of-pocket expenses.

The Audit Committee has adopted a policy that requires advance approval of all audit, audit-related, tax services, and other services performed by the independent accountants. The policy provides for pre-approval by the Audit Committee of specified audit and non-audit services. Unless the specific service has been previously pre-approved with respect to that year, the Audit Committee must approve the permitted service before the independent auditor is engaged to perform it. All services of the independent accountants for 2024 were approved by the Audit Committee.

The Bank's Audit Committee has considered whether Elliott Davis' provision of the services described above under the captions "Audited Related Fees," "Tax Fees" and "All Other Fees" is compatible with maintaining the independence of Elliott Davis and believes that such services provided by Elliott Davis are compatible with maintaining the auditor's independence. To the best of the Bank's knowledge, none of the time devoted by Elliott Davis on its engagement to audit the Bank's financial statements for the year ended December 31, 2024 is attributable to work performed by persons other than full-time, permanent employees of Elliott Davis.

With the approval of the Audit Committee, the Bank first retained Elliot Davis on June 30, 2023 and dismissed its prior independent registered public accounting firm, Moss Adams LLC effective as of that date. Moss Adams' reports on the Bank's financial statements for each of the two fiscal years ended December 31, 2022 and 2021 did not contain an adverse opinion or a disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope or accounting principles. During the fiscal years ended December 31, 2022 and 2021, and the subsequent interim period through June 30, 2023, there were no disagreements, within the meaning of Item 304(a)(1)(iv) of Regulation S-K, with Moss Adams on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures which, if not resolved to the satisfaction of Moss Adams, would have caused Moss Adams to make reference to the subject matter of the disagreement in its reports.

During the fiscal years ended December 31, 2022 and 2021 and the subsequent interim period through the March 31, 2023, there was one "reportable event," within the meaning of Item 304(a)(1)(v) of Regulation S-K. In November 2022, management determined that the Bank did not maintain effective control over the classifications within the Statements of Cash Flows. On November 17, 2022, the Bank's Board of Directors authorized management to restate the Bank's previously issued audited annual financial statements for the year ended December 31, 2021, and the unaudited interim financial statements for the periods ended March 31, 2022 and June 30, 2022 (the "Affected Financial Statements"). Accordingly, management concluded the control deficiency resulted in the misclassification of "Proceeds from sales of loans other than loans originated for resale" within "cash flows from operating activities" versus the proper classification within "cash flows from investing activities" on the Statements of Cash Flows for the Affected Financial Statements constituted a material weakness as of December 31, 2021. Solely as a result of this material weakness, management revised its earlier assessment and updated its conclusion that the Bank's internal control over financial reporting was not effective as of December 31, 2021. Management implemented a change in internal controls over financial reporting while preparing the interim financial information for the third quarter of 2022 and for the year ended December 31, 2022. This change was successfully implemented and remediated the material weakness related to a reclassification within its financial statements dating back to December 31, 2021.

Recommendation of the Board of Directors

The Board of Directors unanimously recommends that shareholders vote “FOR” the ratification of the selection of Elliott Davis as the Bank’s independent registered public accounting firm for the fiscal year ending December 31, 2025.

Other Business

If any matters not referred to in this proxy statement come before the Meeting, including matters incident to the conduct of the Meeting, the proxy holders will vote the shares represented by proxies in accordance with their best judgment. Management is not aware of any other business to come before the Meeting and, as of the date of the preparation of this proxy statement, no shareholder has submitted to management any proposal to be acted upon at the Meeting.

Code of Ethics

The Bank has adopted a code of ethics governing the conduct of all its employees, executive officers and directors. The code is available on the Bank’s website at <https://summitstatebank.com/disclosures.php> or upon written request to Barbara Gradman, Corporate Secretary, Summit State Bank, 500 Bicentennial Way, Suite 100, Santa Rosa, California 95403.

Policy Regarding Insider Trading and Short-Term and Hedging Transactions in the Bank’s Stock

The Bank’s Insider Trading Policy governs the purchases, sales and other dispositions of our securities by our directors, officers and employees in a manner intended to promote compliance with insider trading laws, rules and regulations, and any listing standards applicable to us. In addition the policy prohibits the Bank’s directors, officers and employees from engaging in short-term or speculative transactions in the Bank’s securities. More specifically, the policy: (i) prohibits direct and indirect short selling of Bank securities by directors, officers or employees; (ii) prohibits transactions by directors, officers or employees in puts, calls or other derivative securities involving the Bank’s securities, other than the exercise of options issued by Bank to its employees or directors; (iii) prohibits other forms of hedging or monetization transactions by directors, officers or employees, such as zero-cost dollars and forward sales contracts, involving Bank’s securities; and (iv) prohibits directors, officers or employees from holding Bank securities in a margin account or pledging Bank securities as collateral for a loan without first obtaining approval. While the Insider Trading Policy does not specifically govern the Bank’s transactions in its own securities, such transactions are subject to separate internal procedures and applicable laws and regulations designed to ensure compliance with disclosure obligations, market integrity standards, and the prevention of market manipulation.

Shareholder Communications with the Board of Directors

Shareholders wishing to communicate with the Board of Directors or with a particular director may do so in writing addressed to the Board, or to the particular director, by delivering it to our Corporate Secretary at the address of our main office at 500 Bicentennial Way, Suite 100, Santa Rosa, California 95403. The recipient will promptly forward such communications to the applicable committee, director or to the Chair of the Board for consideration.

Shareholder Proposals and Nominations

Any shareholder proposals intended to be included in the Bank's proxy statement for the 2026 Annual Meeting of Shareholders pursuant to SEC Rule 14a-8 must be received by the Bank no later than December 12, 2025, unless the 2026 Annual Meeting is held more than 30 days before or after May 19, 2026, in which case the deadline for shareholder proposals will be a reasonable time prior to the date that the Bank mails its proxy materials for the 2026 Annual Meeting.

Under the Bank's Bylaws, a shareholder that intends to (1) present a proposal for the 2026 Annual Meeting but not to include the proposal in the Bank's proxy statement or (2) nominate on or more candidates for election to the Board of Directors must provide notice to the Bank not earlier than January 18, 2026, which is 120 days prior to May 18, 2026 (the one-year anniversary of the Meeting) but no later than February 18, 2026, which is 90 days prior to May 19, 2026 (the one-year anniversary of the Meeting). If the 2026 Annual Meeting is called for a date that is not within 30 days of May 18, 2026, however, the notice must be received not later than 10 calendar days following the day on which the Bank first publicly announces the date of the 2026 Annual Meeting. As set forth in the Bylaws, the shareholder's notice must contain certain required information. In the case of proposals for business to be brought before an Annual Meeting, such information includes but is not limited to information about the proposing shareholder and the nature of the proposal. In the case of nominations for election to the Board of Directors, the shareholder's notice must include information about the proposing shareholder and the nominee(s), the nominee(s)'s undertaking to provide additional information reasonably requested by the Bank and, if applicable, the information required under and undertaking to comply with the requirements of SEC Rule 14a-19. Shareholders intending to propose business or candidates for election as directors at the 2025 Annual Meeting are urged to read the Bank's Bylaws, which were filed as an exhibit to the Bank's Current Report on Form 8-K dated August 29, 2023, which is available in the Investors Relations section of the Bank's website and the FDIC's website for Exchange Act filings at <https://efr.fdic.gov/fcxweb/efr/index.html>.

Other Matters

A copy of the Bank's 2024 Annual Report, which includes the annual report on Form 10-K for the year ended December 31, 2024, including financial statements and schedules, accompanies this proxy statement. Additional copies of the 2024 Annual Report may be obtained without charge by writing to Ms. Barbara Gradman, Corporate Secretary, Summit State Bank, 500 Bicentennial Way, Suite 100, Santa Rosa, California 95403. This proxy statement and the 2024 Annual Report are also available on the Bank's website, www.summitstatebank.com under the Investor Relations section and from the FDIC at its website, <https://efr.fdic.gov/fcxweb/efr/index.html>.

SUMMIT STATE BANK



Barbara Gradman
Corporate Secretary

