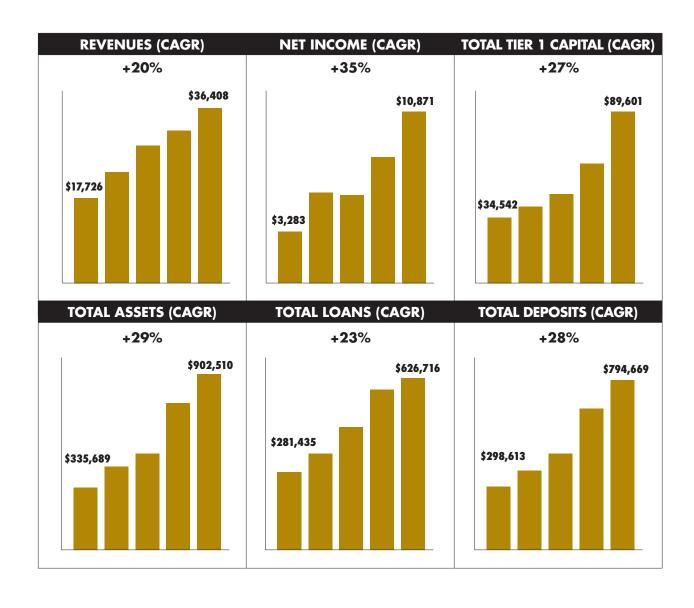


PERFORMANCE HIGHLIGHTS

DOLLARS IN THOUSANDS	2017	2018	2019	2020	2021
Revenues	\$17,726	\$23,271	\$28,715	\$31,478	\$36,408
Net Income	\$3,283	\$5,762	\$5,619	\$7,933	\$10,871
Total Tier 1 Capital	\$34,542	\$40,588	\$46,822	\$63,117	\$89,601
Total Assets	\$335,689	\$416,468	\$507,378	\$ <i>7</i> 61,136	\$902,510
Total Loans	\$281,435	\$348,462	\$445,405	\$583,209	\$626,716
Total Deposits	\$298,613	\$371,404	\$451,467	\$657,136	\$794,669



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TO OUR SHAREHOLDERS,

As we reflect on 2021, we are proud of what Summit Bank Group, Inc. and our Summit Bank team has achieved, both collectively and individually, not only in terms of financial performance, but as a constant source of strength for our clients during difficult and unique times.

Our aspiration as leaders is to create a workplace where our colleagues want to be and where they can excel and be part of a mission-driven, winning team. Our goal remains to be the business bank of choice for Oregon-based businesses and we took strides to reach that goal in 2021. Performance was strong thanks to our clients, colleagues, shareholders, community and board of directors.

2021 was a record year for Summit Bank. Consolidated net income for the fiscal year was \$10.9 million or \$1.42 per fully diluted share. Our excellent 2021 earnings were the product of solid contributions from all operating units and represented an increase of \$0.32 or 29 percent per fully diluted share over 2020 earnings. Perhaps of equal importance for the long term, we achieved our ninth consecutive year of annual loan growth in excess of 16% (excluding our \$181 million of Paycheck Protection Program loans made during 2020 and 2021). Total net loans as of December 31, 2021 (excluding \$9.9 million in remaining PPP loan balances) were \$608.7 million, representing a 19.0 percent increase over the fiscal 2020 total of \$511.4 million. Deposit growth mirrored the strength of loan production increases, with total deposits increasing by \$137.6 million or 20.9 percent over 2020.

Along with strong financial results, earlier this year, Summit Bank Group closed a private placement of \$20.0 million aggregate principal

amount of 3.25% Fixed-to-Floating Rate Subordinated Notes due 2031. There was strong interest from the market as indicated by the rate we were able to secure for non-rated community bank offering, which validates the consistent earnings power of Summit and the strength of the communities in which we do business.

In addition to our sub debt raise, we added Advisory Boards to our Portland Metropolitan and Eugene/Springfield offices. These boards leverage their collective skills and expertise to provide guidance and direction to each office. These advisory boards represent a significant milestone for the Bank as we work together to become Oregon's leading business bank.

Advisory board members in Portland include: Adam K. Abplanalp (Cobalt CPA), Jessica Getman (Brown & Brown), Jerry Elliott (EOP Law), Orlando Williams (Motus Recruiting & Staffing), Tom Beer (OHSU), and Vanessa Sturgeon (TMT Development).

Advisory board members in Eugene/Springfield include: Kyle Hudson (IMA Financial/KPD), Paula Lafferty (SnoTemp), Rusty Rexius (Rexius), Casey Roscoe (former SVP at Seneca Sawmill Co.), Kelly Sutherland (Relief Nursery Eugene) and Scott Williams (Hamilton Construction). These teams join our Central Oregon Advisory Board to help us identify new opportunities to strengthen Summit's commitment to being Oregon's business bank of choice.



Another memorable note from 2021 was the donation of \$150,000 of our CARES Act PPP SBA loan income to deploy microloans to underserved members of our community. In conjunction with Community LendingWorks, we provided funding for 26 loans (averaging \$6,000 per loan) to a diverse group of minority-owned businesses, women-owned businesses, service-disabled veteran-owned businesses and emerging small businesses that operate in low income areas in Oregon.

Additional highlights for the year come from our Small Business Administration Division. Summit's SBA Division was named for the ninth consecutive year as the Most Active Community Bank Lender in Oregon for U.S. Small Business Administration (SBA) loans, per the Portland Business Journal. In addition, our Equipment Finance Group also had a record year of production and profitability.

Our client service proposition was enhanced throughout 2021 through multiple technology initiatives. Implementation of the robust cloud-based nCino Bank Operating System ® to streamline the client loan experience, custom Contactless Plastic Debit Cards and Contactless Metal Debit cards designed for more secure transaction processing, transition to Zelle in our Retail Online Banking system to support instant fund transfers, and addition of ACH Alert Single Sign-on through Business Online Banking to promote fraud prevention.

It was humbling and gratifying being recognized as the City of Eugene's "Bold Steps" award winner, which recognizes local companies who create initiatives surrounding innovation and sustainability in the community. The finalists are businesses that embody and balance all aspects of the triple bottom line-people, planet and

prosperity. A true honor to be acknowledged for our commitment to community, specifically for providing microloans to the underserved and those operating out of low income areas.

In addition, Summit was named one of Oregon's 100 Best Places to Work, according to the Portland Business Journal and received the Register-Guard "Reader's Choice" award for "Favorite Bank" for the second consecutive year. It was especially meaningful to receive these community achievements during a pandemic.

Although 2021 had its challenges, it was a great year for Summit Bank. We look forward to another year of strong net new growth in 2022. We are proud of the perseverance of our staff who consistently served others and endured through the pandemic. Throughout our 18 year history, Summit Bank remains steadfast in our dedication to colleagues, who every day make our company a great place a work, our clients, who provide us with loyalty and allow us to help their businesses grow and evolve, and to our shareholders, for believing in and encouraging us.

From the bottom of our hearts, we thank you for your support and we will continue our efforts to epitomize what it means to be Oregon's business bank of choice.

R. Paul Weinhold

Board Chair

Craig A. Wanichek

President & CEO



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Independent Auditors' Report

To the Board of Directors and Stockholders of Summit Bank Group, Inc. and Subsidiary

Opinion

We have audited the accompanying consolidated balance sheets of Summit Bank Group, Inc. and Subsidiary (collectively, "the Company") as of December 31, 2021 and 2020, and the related consolidated statements of income, comprehensive income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, "the financial statements").

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Summit Bank Group, Inc. and Subsidiary as of December 31, 2021 and 2020, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (U.S.).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the U.S. (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the U.S.; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or
 error, and design and perform audit procedures responsive to those risks. Such procedures include examining,
 on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are
 appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the
 Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audits.

March 15, 2022

SUMMITBANK Group, Inc. and Subsidiary CONSOLIDATED BALANCE SHEETS

	December 31					
		2021		2020		
ASSETS						
Cash and cash equivalents:						
Cash and due from financial institutions	\$	11,196,986	\$	12,775,231		
Interest-bearing deposits with other financial institutions		15,215,350		9,455,746		
Deposits with Federal Reserve Bank		170,582,206		141,109,699		
Total cash and cash equivalents		196,994,542		163,340,676		
Investment securities available-for-sale, at estimated fair value		68,125,073		9,439,876		
Loans, less allowance for loan losses		618,624,865		572,606,917		
Interest receivable		2,248,268		2,098,669		
FHLB and PCBB stock, at cost		1,353,600		1,048,900		
Premises and equipment, net of accumulated depreciation		6,430,985		5,961,582		
Deferred income taxes, net		1,453,847		1,418,948		
Repossessed assets, net		28,530		124,394		
Cash surrender value of bank-owned life insurance		6,085,714		3,994,326		
Other assets		1,165,068		1,101,697		
		705,515,950		597,795,309		
Total assets	\$	902,510,492	\$	761,135,985		
Liabilities: Deposits:						
Noninterest-bearing demand	\$	212,670,815	\$	162,695,677		
Savings and interest-bearing demand		570,609,117		470,617,835		
Time deposits		11,389,114		23,822,971		
Total deposits		794,669,046		657,136,483		
Interest payable		250,938		273,981		
Other liabilities		12,299,762		18,064,279		
Repurchase agreements and secured borrowings		1,490,035		22,527,420		
Term borrowings		19,592,723				
Total liabilities		828,302,504		698,002,163		
Stockholders' equity:						
Preferred stock, no par value; 1,000,000 shares authorized; none issued		-		-		
Common stock, no par value; 10,000,000 shares authorized,						
7,572,360 and 7,531,194 shares outstanding in 2021 and 2020		29,680,533		29,149,755		
Retained earnings		44,837,682		33,967,041		
Accumulated other comprehensive income (loss)		(310,227)		17,026		
Total stockholders' equity		74,207,988		63,133,822		
Total liabilities and stockholders' equity	\$	902,510,492	\$	761,135,985		

SUMMITBANK Group, Inc. and Subsidiary CONSOLIDATED STATEMENTS OF INCOME

		Year Ended	Decem	ber 31
		2021		2020
Interest income: Interest and fees on loans Interest on investment securities Interest on deposits with other banks	\$	33,931,166 256,283 270,181	\$	29,360,269 95,398 295,190
Total interest income		34,457,630		29,750,857
Interest expense		651,308		1,336,982
Net interest income		33,806,322		28,413,875
Provision for loan losses		2,205,695		3,782,108
Net interest income after provision for loan losses		31,600,627		24,631,767
Noninterest income: Gains on sales of loans Early termination gains on loans Bank card and interchange fees Service charges on deposit accounts Real estate lease income Loan servicing fees Bank-owned life insurance income Gains (losses) on sales and write-downs of repossessed assets, net Other Total noninterest income		499,637 585,004 133,658 47,749 302,940 91,388 50,059 239,321 1,949,756		567,263 270,532 453,116 128,938 76,580 281,070 97,942 (361,822) 213,557
Noninterest expense: Salaries and employee benefits Occupancy and equipment expense Data processing Repossessed assets expenses Other		13,590,771 937,264 837,410 70,603 3,517,131		11,171,595 874,874 830,838 227,636 2,589,807
Total noninterest expense		18,953,179		15,694,750
Income before income taxes		14,597,204		10,664,193
Income tax provision		3,726,563		2,731,361
Net income	\$	10,870,641	\$	7,932,832
Earnings per share: Basic Diluted	\$ \$	1.44 1.42	\$ \$	1.11 1.10

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year Ended I	Decemi	oer 31	
	2021	2020		
Net income	\$ 10,870,641	\$	7,932,832	
Other comprehensive income (loss):				
Change in unrealized gains (losses) on investment securities				
available-for-sale	(440,800)		18,372	
Tax effect of the change in unrealized gains (losses) on investment				
securities available-for-sale	113,547		(4,680)	
Comprehensive income	\$ 10,543,388	\$	7,946,524	

For the Years Ended December 31, 2021 and 2020

					Ad	ocumulated Other	
	Com	mon S	Stock	Retained	Cor	mprehensive	
	Shares		Amount	Earnings	Income (loss)		Total
Balance, December 31, 2019	6,490,106	\$	20,788,105	\$ 26,034,209	\$	3,334	\$ 46,825,648
Net income				7,932,832			7,932,832
Other comprehensive income						13,692	13,692
Issuance of common stock, net	996,480		7,971,840				7,971,840
Stock options exercised	27,104		54,543				54,543
Share-based compensation	17,504		335,267	 			 335,267
Balance, December 31, 2020	7,531,194		29,149,755	33,967,041		17,026	63,133,822
Net income				10,870,641			10,870,641
Other comprehensive (loss)						(327,253)	(327,253)
Issuance of common stock, net	8,791		129,990				129,990
Stock options exercised	13,333		60,436				60,436
Share-based compensation	19,042		340,352				 340,352
Balance, December 31, 2021	7,572,360	\$	29,680,533	\$ 44,837,682	\$	(310,227)	\$ 74,207,988

The accompanying notes are an integral part of these consolidated financial statements.

	Year Ended December 31				
		2021		2020	
Cash flows from operating activities:					
Net income	\$	10,870,641	\$	7,932,832	
Adjustments to reconcile net income to net cash					
provided by operating activities:					
Depreciation		515,940		495,126	
Share-based compensation		340,352		335,267	
Amortization of investment premiums, net		155,645		10,668	
Provision for loan losses		2,205,695		3,782,108	
Gains on sales of loans		-		(567,263)	
Bank-owned life insurance income		(91,388)		(97,942)	
Losses (gains) on sales of repossessed assets, net		(173,694)		225,619	
Write-downs of repossessed assets		123,635		136,203	
Deferred income taxes		78,648		52,666	
Ineffective portion of interest rate swaps Change in:		(154,000)		128,018	
Interest receivable and other assets		(212,970)		(395,383)	
Deferred loan fees		(3,893,656)		1,069,553	
Interest payable and other liabilities		1,535,793		3,199,695	
Net cash provided by operating activities		11,300,641		16,307,167	
· · · · · · · · · · · · · · · · · · ·					
Cash flows from investing activities:					
Purchases of investment securities		(64,929,249)		(8,238,230)	
Purchases of FHLB stock		(304,700)		(109,100)	
Principal payments and maturities of investment securities		5,647,607		3,370,806	
Net proceeds from sales of loans		375,168		17,178,758	
Purchases of loans Proceeds from sales of repossessed assets		(764,564) 648,382		1 165 150	
Purchase of bank-owned life insurance		(2,000,000)		1,165,159	
Loans originated, net of principal collected		(51,612,403)		(150,327,090)	
Purchases of premises and equipment		(985,343)		(186,915)	
Net cash used in investing activities		(113,925,102)		(137,146,612)	
Ç		(===,===,===)	-	(==:,=::,===)	
Cash flows from financing activities:		427 520 562		005 000 000	
Net increase in deposits		137,532,563		205,669,882	
Proceeds from common stock offering, net of costs Increase (decrease) in repurchase agreements and secured borrowings		129,990 (21,037,385)		7,971,840 20,820,784	
Issuance of term borrowings, net of costs		19,592,723		20,820,784	
Proceeds from stock options exercised		60,436		54,543	
Net cash provided by financing activities		136,278,327		234,517,049	
Net increase in cash and cash equivalents		33,653,866		113,677,604	
Cash and cash equivalents, beginning of year		163,340,676		49,663,072	
Cash and cash equivalents, end of year	\$	196,994,542	\$	163,340,676	
Supplemental information:					
Cash paid during the year for interest	\$	674,351	\$	1,295,285	
Cash paid during the year for income taxes	*	3,771,963	Ψ	1,931,883	
Change in unrealized gains (losses) on investment securities		-,·· -,·· -,·		_,,	
available-for-sale, net of deferred income taxes		(327,253)		13,692	
Transfer of loans to repossessed assets		502,459		1,337,292	

SUMMITBANK Group, Inc. and Subsidiary NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

Basis of Presentation – The consolidated financial statements include the accounts of Summit Bank Group, Inc. (the Holding Company), a bank holding company and its wholly-owned subsidiary, Summit Bank (the Bank). The Holding Company was formed during 2020 and all previously outstanding shares of the Bank's common stock were converted to Holding Company shares on the date of the Holding Company's formation on a 1 to 1 basis. As of December 31, 2021 the Holding Company had 10,000,000 shares of common stock authorized of which 7,572,360 were outstanding. All significant intercompany accounts and transactions have been eliminated in consolidation.

Nature of Operations – The Bank provides commercial banking, financing, real estate lending and other services primarily in Lane, Deschutes and Multnomah Counties in Oregon.

Financial Statement Presentation – The accounting and reporting policies of the Bank conform with accounting principles generally accepted in the United States of America (GAAP) and prevailing practices within the banking industry. The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimates are the allowance for loan losses and fair value estimates. The presentation for noninterest income has been restated for 2020 to conform with the 2021 presentation. The Bank has evaluated subsequent events through March 15th, 2022, the date the consolidated financial statements were available to be issued.

Cash and Cash Equivalents – For purposes of reporting cash flows, cash and cash equivalents are cash on-hand and due from financial institutions. Such amounts include both interest-bearing and non-interest-bearing deposits with other financial institutions, short-term time deposits, and federal funds sold on an overnight basis and may exceed amounts insured by the Federal Deposit Insurance Corporation (FDIC).

Investment Securities – The Bank classifies all investments in debt securities as available-for-sale. Securities available-for-sale are held for indefinite periods of time and may be sold in response to changes in market interest rates, shifts in the maturity mix or concentration of Bank assets or liabilities, or to alleviate liquidity demands. Securities designated as available-for-sale are reported at estimated fair value. Unrealized gains and losses are excluded from earnings and are included in accumulated other comprehensive income (loss) in stockholders' equity, net of applicable deferred taxes.

Gains and losses realized on sales of securities are recognized using the specific identification method. Interest income on securities is included in income using the effective interest method. Interest income includes accretion and amortization of discounts and premiums resulting from securities purchased at other than par value. Both are calculated using a "constant yield" methodology either to maturity (for securities purchased at a discount) or to "earliest call date" for (for securities purchased at a premium). Premiums and discounts on mortgage backed securities are amortized/accreted based upon current and expected future rates of prepayments on the securities.

SUMMITBANK Group, Inc. and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Bank evaluates its securities classified as available-for-sale for other-than-temporary impairments (OTTI) in accordance with GAAP. Accordingly, for investment securities that are in an unrealized loss position, the Bank assesses whether it intends to sell or it is more likely than not that it will be required to sell a security before recovery of its amortized cost basis.

For investment securities that are considered other-than-temporarily impaired and that the Bank does not intend to sell and will not be required to sell prior to recovery of the amortized cost basis, the Bank would separate the amount of the impairment into the amount that is credit related (credit loss component) and the amount due to all other factors. The credit loss component would be recognized in earnings and would be the difference between the security's amortized cost basis and the present value of its expected future cash flows discounted at the security's effective yield. The remaining difference between the security's fair value and the present value of expected future cash flows would be due to factors that are not credit related and would be recognized in other comprehensive income (loss). Management believes that any unrealized losses on investment securities at December 31, 2021 are temporary.

Loans and Income Recognition - Loans are stated at the amount of unpaid principal, reduced by net deferred loan origination fees and an allowance for loan losses. Interest on loans is calculated using the simple-interest method on daily balances of the principal amounts outstanding. Accrual of interest is discontinued on a loan when management believes, after considering economic and business conditions and collection efforts that the borrower's financial condition is such that collection of the interest is doubtful. Payments received on nonaccrual loans are applied to the principal balance and no interest income is recognized. Interest income is subsequently recognized only to the extent cash payments are received satisfying all delinquent principal and interest amounts, and the prospects for future payments in accordance with the loan agreement appear relatively certain. A nonaccrual loan may be restored to accrual status when none of its principal and interest is due and unpaid and the Bank expects full repayment of the remaining contractual principal and interest, or when it otherwise becomes well secured and in the process of collection. Loan origination fees, net of associated direct costs, if significant, are deferred and amortized using the interest or straight-line method over the contractual life of the loan as an adjustment of the yield of the related loan. If a loan is repaid prior to maturity, any remaining unamortized net deferred origination fee is recognized in income at the time of repayment.

Allowance for Loan Losses – The allowance for loan losses is established through a provision for loan losses charged to expense. Loans are charged off against the allowance when management believes that the collectability of the principal is unlikely. The allowance is an amount that management considers adequate to absorb possible losses on existing loans that may become uncollectible based on evaluations of the collectability of loans and prior loss experience. While management has allocated the allowance for loan losses to various loan classes, the allowance is general in nature and is available for the loan portfolio in its entirety. The allowance for loan losses consists of general and specific components.

The general component covers all non-impaired loans. For all such loans – other than small commercial equipment loans – the general component is based on the Bank's risk rating system and historical loss experience adjusted for qualitative factors. The Bank calculates its historical loss rates by using a combination of (1) a weighted-average of the Bank's most recent 36 months of loss history, with more weight applied to more current months, and (2) historical

SUMMITBANK Group, Inc. and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

loss data for Oregon and certain peer banks. The Bank calculates and applies its historical loss rates by individual loan types in its portfolio. These historical loss rates are adjusted for qualitative and environmental factors including, but not limited to: changes in the concentrations, trends and current nature of the loan portfolio; overall portfolio quality; results from internal and external loan reviews; review of specific problem loans; and current economic conditions that may affect the borrower's ability to pay.

Small commercial equipment loans are reserved for as a pool of smaller-balance homogeneous loans. The methodology employed to assign reserve rates is migration analysis wherein probable loss rates are established as migration occurs through risk ratings. The Bank revisits these loss rates at regular intervals and adjusts the applicable rates as dictated through loss experience. As individual loans migrate downward through established risk ratings, increasing reserve rates as estimated by the aforementioned migration analysis are applied to related loan balances.

The specific component of the allowance relates to loans that are considered impaired. A loan is considered impaired when management believes that it is probable that all amounts will not be collected according to the contractual terms. An impaired loan is valued using the estimated fair value of the loan's collateral (less estimated costs to sell) or related government guaranty, the present value of expected cash flows discounted at the loan's effective interest rate, or the observable market price of the loan. These estimates are necessarily subjective and may be adjusted as more current information becomes available. Any adjustment could be significant.

The Bank reports certain loans as troubled debt restructurings (TDRs) when the Bank grants a concession(s) to a borrower experiencing financial difficulties that it would not otherwise consider. Examples of such concessions include extending the maturity date(s) or providing a lower interest rate than would normally be available for a transaction of similar risk. A TDR loan is considered to be impaired and is individually evaluated for impairment.

In June 2020, the Bank executed loan modification programs to support and provide relief for its borrowers impacted by the COVID-19 pandemic. The Bank has followed the loan modification criteria within the Coronavirus Aid, Relief and Economic Security Act of 2020 (CARES Act) and interagency guidance from federal banking agencies when determining if a borrower's modification is subject to a TDR classification. If it is determined that the modification does not meet the criteria under the CARES Act or interagency guidance to be excluded from TDR classification, the Bank evaluates the loan modifications under its existing TDR framework (see Note 4). Loans subject to payment forbearance under the Bank's COVID-19 loan modification programs are not reported as delinquent during the forbearance time period.

Federal and state bank regulatory agencies, as an integral part of their examination process, periodically review the Bank's allowance for loan losses. Such agencies may require the Bank to recognize additions to the allowance in the future based on their judgment of the information available to them at the time of their examinations.

Allowance for Unfunded Loan Commitments – The Bank maintains a separate reserve for estimated losses related to unfunded loan commitments. The Bank estimates the amount of probable losses related to unfunded loan commitments by applying an estimated loss factor to the expected amount of commitments that will actually require funding. In accordance with industry practice and regulatory guidance, the reserve for estimated losses related to unfunded loan commitments is included in other liabilities in the accompanying consolidated balance sheets and was \$151,947 and \$115,972 as of December 31, 2021 and 2020, respectively. Changes in the reserve for estimated losses related to unfunded loan commitments are recorded in other noninterest expense in the accompanying consolidated statements of income.

Federal Home Loan Bank (FHLB) and Pacific Coast Bankers' Bank (PCBB) Stock – FHLB and PCBB stock consists of the following at December 31:

	 2021	2020			
FHLB stock PCBB stock	\$ 913,600 440,000	\$	608,900 440,000		
	\$ 1,353,600	\$	1,048,900		

The Bank, as a member of the FHLB system, is required to maintain a minimum level of investment in FHLB stock based on specific percentages of its outstanding mortgages, total assets and FHLB advances. At December 31, 2021, the Bank's minimum required investment was \$913,600. Stock redemptions may be requested at par value and are made at the discretion of the FHLB. The Bank's investment in FHLB stock is carried at cost, which approximates its fair value. The Bank evaluates its investment in FHLB stock for impairment as needed. The Bank's determination of whether this investment is impaired is based on its assessment of the ultimate recoverability of cost rather than by recognizing temporary declines in value.

The Bank also holds an investment in its primary correspondent bank, PCBB. This investment is carried at cost, which approximates its fair value.

Premises and Equipment – Premises and equipment are stated at cost, net of accumulated depreciation. Additions and betterments are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Gains or losses realized from sales or retirements are reflected in current operations. Depreciation is computed by the straight-line method over the estimated useful lives of the assets.

Impairment of Long-lived Assets – The Bank accounts for long-lived assets at amortized cost. Management reviews long-lived assets for possible impairment whenever events or circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of impairment, management would prepare an estimate of future cash flows (undiscounted and without interest charges) expected to result from the use of the asset and its eventual disposition. If these estimated cash flows were less than the carrying amount of the asset, an impairment loss would be recognized to write down the asset to its estimated fair value.

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Repossessed Assets – Repossessed assets consist of commercial equipment and commercial real property and are considered held-for-sale. Repossessed assets are initially recorded at fair value at the date of acquisition based on current appraisals and management's estimate of value, establishing a new cost basis. Any excess of the loan balance over the net realizable value of the property is charged to the allowance for loan losses when a property is acquired. Subsequent to acquisition, valuations are periodically performed by management and the assets are carried at the lower of carrying amount or fair value less estimated costs to sell. Gains and losses on sales, write-downs, and changes in valuation allowances are recorded in noninterest income.

The valuation of repossessed assets is subjective in nature and may be adjusted in future periods because of changes in economic conditions. The valuation of repossessed assets is also subject to review by bank regulatory authorities who may require increases or decreases to carrying amounts based on their evaluation of the information available to them at the time of their examination of the Bank.

Bank-owned Life Insurance (BOLI) - The Bank is the owner and beneficiary of BOLI on certain Bank officers. BOLI policies are recorded at their cash surrender values (net of surrender charges). Income from BOLI policies is recognized when earned and is included in noninterest income.

Advertising – Advertising costs are charged to expense during the period in which they are incurred. Advertising expenses were \$265,574 and \$211,731 for the years ended December 31, 2021 and 2020, respectively.

Income Taxes – Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are calculated on differences between the financial statement and tax basis of assets and liabilities using tax rates in effect for the year in which the differences are expected to be realized. A valuation allowance is recognized if, based on the available evidence, it is determined it is more likely than not that some portion or all of the deferred tax assets will not be realized. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through income tax provision.

Uncertain tax positions that meet the more likely than not recognition threshold are measured to determine the amount of benefit to recognize. An uncertain tax position is measured at the amount of benefit that management believes has a greater than 50% likelihood of realization upon settlement. The Bank's policy is to recognize interest and penalties related to income tax settlements as a component of income tax provision.

The Bank files income tax returns for federal and various state jurisdictions. There is no material impact of potential tax uncertainties on the Bank's consolidated financial condition or results of operations as of or for the year ended December 31, 2021.

Transfers of Financial Assets - Transfers of financial assets are accounted for as sales when control over the assets has been surrendered. Control over transferred assets is deemed to be surrendered when (1) the assets have been isolated from the Bank, (2) the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and (3) the Bank does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity.

Derivative Instruments – The Bank uses derivative financial instruments (interest rate swaps) to limit exposure to changes in interest rates related to specific loan assets. Derivatives entered into by the Bank are designated as fair value hedges and generally exhibit perfect effectiveness between changes in the value of the interest rate swap and the hedged instrument (loan asset), with any identified ineffectiveness between the value of the swap and the hedged instrument being recorded in earnings. All derivatives and related hedged loans are recognized in the consolidated balance sheet at their fair values. Changes in the fair value of a derivative that is highly effective, along with the loss or gain on the hedged loan asset that is attributable to the hedged risk, are recorded in current-period earnings. The Bank formally documents all relationships between hedging instruments and hedged assets, as well as its risk-management objective and strategy for undertaking various hedged transactions. The Bank also formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values of hedged items. The Bank would discontinue hedge accounting when: (1) it is determined that a derivative is no longer effective in offsetting changes in the fair value of the associated hedged loan asset; (2) the derivative expires or is sold, terminated, or exercised; or (3) management determines that designation of the derivative as a hedge instrument is no longer appropriate. The hedged loan asset would no longer be adjusted for changes in fair value and the derivative would be carried at its fair value in the consolidated balance sheet. with changes in its fair value recognized in current-period earnings.

Stockholders' Equity and Earnings Per Share – Basic earnings per share are computed by dividing net income by the weighted average number of shares outstanding during the period. Diluted earnings per share include the effect of common stock equivalents that would arise from the exercise of stock options and the vesting of restricted stock and restricted stock units discussed in Note 9. During 2021, the Holding Company completed a five-for-four stock split, effected in the form of a stock dividend, on the shares of the Holding Company's common stock. All references in the financial statements and notes to the number of shares outstanding, per-share amounts, and stock option data of the Holding Company's common stock have been restated to reflect the effect of the stock split for all periods presented.

Share-Based Compensation – GAAP requires companies to measure compensation expense for all share-based payments based on the fair value of the awards at the grant date and recognize such costs as an expense over the requisite service period (which is generally the vesting period). See Note 9 for discussion of the Bank's share-based compensation arrangements.

Small Business Administration (SBA) Loans Sales and Servicing—The Bank sells or transfers loans, including the government guaranteed portion of the loans (with loan servicing retained) for proceeds equal to the principal amount of loans, as adjusted to yield interest to the investor based upon the current market rates. The Bank records an asset representing the right to

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service sold loans when it retains significant servicing rights. This asset is included in other assets in the accompanying consolidated balance sheet. The carrying value of loans sold is allocated between the loans and the servicing rights, based on their relative fair values. The fair value of servicing rights is estimated by discounting estimated future cash flows from servicing using discount rates that approximate current market rates and using estimated prepayment rates. The servicing rights, if any, are carried at the lower of cost or market and are amortized in proportion to, and over the period of the estimated net servicing income, assuming prepayments.

For purposes of evaluating and measuring impairment, the fair value of servicing rights is based on a discounted cash flow methodology, which considers current prepayment speeds and market discount rates. Impairment is measured as the amount by which the carrying value of servicing rights exceeds the related fair value. The Bank held no servicing rights assets as of December 31, 2021 and 2020.

New Accounting Pronouncements - In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-13, Financial Instruments - Credit Losses: Measurement of Credit Losses on Financial Instruments, as amended by ASU 2018-19, ASU 2020-04, ASU 2020-05, ASU 2020-10, and ASU 2020-11. ASU 2016-13 replaces the existing incurred losses methodology with a current expected losses methodology with respect to most financial assets measured at amortized cost and certain other instruments, including trade and other receivables, loans, held to maturity investment securities and off-balance sheet commitments. In addition, ASU 2016-13 requires credit losses relating to available-forsale debt securities to be recorded through an allowance for credit losses rather than as a reduction of the carrying amount. ASU 2016-13 also changes the accounting for purchased credit impaired debt securities and loans. ASU 2016-13 retains many of the current disclosure requirements in GAAP and expands certain disclosure requirements. ASU 2016-13 is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Upon adoption, the Bank expects a change in the processes and procedures to calculate the allowance for loan losses, including changes in the assumptions and estimates to consider expected credit losses over the life of the loan versus the current accounting practice that utilizes the incurred loss model. In addition, the current policy for other-thantemporary impairment on investment securities available-for-sale will be replaced with an allowance approach. The Bank is reviewing the requirements of ASU 2016-13 and has begun developing and implementing processes and procedures to ensure it is fully compliant with the amendments at the adoption date. At this time, the Bank anticipates that the allowance for loan losses could increase as a result of the implementation of ASU 2016-13; however, until its evaluation is complete, the magnitude of the possible increase will be unknown.

In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740), Simplifying the Accounting for Income Taxes. The amendments in this ASU simplify the accounting for income taxes by removing certain exceptions to the general principles in Topic 740. The amendments also improve consistent application of and simplify GAAP for other areas of Topic 740 by clarifying and amending existing guidelines. The Bank adopted ASU 2019-12 effective January 1, 2021, and it did not have a material impact on the Bank's consolidated financial statements.

In March 2020, the FASB issued ASU 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting. This ASU applies

to contracts, hedging relationships, and other transactions that reference the London Interbank Offered Rate (LIBOR) or other rate references expected to be discontinued because of reference rate reform. The ASU permits an entity to make necessary modifications to eligible contracts or transactions without requiring contract remeasurement or reassessment of a previous accounting determination. ASU 2020-04 is effective for all entities as of March 12, 2020 through December 31, 2022. The Bank has not adopted ASU 2020-04 as of December 31, 2021. The adoption of ASU 2020-04 is not expected to have a material impact on the Bank's future consolidated financial statements.

2. Restricted Assets:

The Bank must meet reserve requirements as established by Federal Reserve Board (FRB) regulation which were zero at both December 31, 2021 and 2020. When the reserve requirement is not zero, the Bank complies with such requirements by holding cash on hand and maintaining average reserve balances on deposit with its primary correspondent bank in accordance with the regulations.

3. Investment Securities Available-for-Sale:

The tables below detail the amortized cost and estimated fair values of available-for-sale investment securities, as well as the amount of any unrealized losses and the length of time these unrealized losses existed as of the dates indicated:

				Decembe	r 31, 2021					
		Availabl	e-for-Sale		Unrealized Loss	n Continuous Position for Less 2 Months	Securities in Continuous Unrealized Loss Position for 12 Months or Longer			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Estimated Fair Value	Unrealized Loss	Estimated Fair Value	Unrealized Loss		
Obligations of U.S. Governme and U.S. sponsored	ent									
agencies Mortgage-backed securities	\$ 45,511,810 23,031,125	\$ 23,668 5,719	\$ (210,734) (236,515)	\$ 45,324,744 22,800,329	\$ 44,283,125 19,681,638	\$ (210,733) (232,183)	\$ - 290,278	\$ - (4,332)		
	\$ 68,542,934	\$ 29,387	\$ (447,249)	\$ 68,125,073	\$ 63,964,763	\$ (442,916)	\$ 290,278	\$ (4,332)		
				Decembe	r 31, 2020					
		Availabl	e-for-Sale		Unrealized Loss	n Continuous Position for Less 2 Months	Securities in Continuous Unrealized Loss Position for 12 Months or Longer			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Estimated Fair Value	Unrealized Loss	Estimated Fair Value	Unrealized Loss		
Obligations of U.S. Governme	ent									
agencies Mortgage-backed securities	\$ 1,170,581 8,246,357	\$ 5,923 35,286	\$ - (18,271)	\$ 1,176,504 8,263,372	\$ - 4,530,352	\$ - (18,271)	\$ - -	\$ -		
	\$ 9,416,938	\$ 41,209	\$ (18,271)	\$ 9,439,876	\$ 4,530,352	\$ (18,271)	\$ -	\$ -		

The unrealized losses on the Bank's investment securities were primarily attributable to increases in market interest rates subsequent to their purchase by the Bank. The Bank expects the fair value of these securities to recover as the securities approach their maturity dates or sooner if market yields for such securities decline. The Bank does not believe that these securities are other than temporarily impaired because of their credit quality or related to any issuer or industry specific event. Based on management's evaluation and intent, the unrealized losses related to the investment securities in the above tables are considered

temporary.

The amortized cost and estimated fair value of investment securities at December 31, 2021 are shown below by contractual maturity or projected average life depending on the type of security. Obligations of U.S. government sponsored agencies are shown by contractual maturity. Mortgage-backed securities are disclosed by projected average life.

		e-for-Sale			
		Amortized		Estimated	
		Cost	Fair Value		
Due in one year or less	\$	70,492	\$	71,362	
Due after one year through five years		59,708,752		59,280,037	
Due after five years through ten years		7,745,739		7,732,055	
Due after ten years		1,041,619			
	\$	68,542,934	\$	68,125,073	

There were no sales of investment securities during 2021 or 2020.

At December 31, 2021, investment securities with a total estimated fair value of \$6,641,929 and amortized cost of \$6,665,077 were pledged for FHLB borrowings, repurchase agreements and other purposes. At December 31, 2020, investment securities with a total estimated fair value of \$9,426,505 and amortized cost of \$9,402,480 were pledged for FHLB borrowings, repurchase agreements and other purposes.

4. Loans and Allowance for Loan Losses:

Major classifications of loans at December 31 are as follows:

	 2021		2020
Real Estate			
Acquisition, Development & Construction	\$ 32,073,393	\$	32,193,868
Commercial	175,596,682		149,526,079
Multifamily	32,630,758		27,384,302
Owner Occupied	183,763,598		152,151,663
Commercial and Industrial			
Small Commercial Equipment	73,916,841		54,907,166
U.S. Small Business Administration (SBA) PPP	9,889,710		61,215,944
Other Commercial & Industrial	100,832,826		85,850,860
Consumer			
Secured	15,769,688		17,781,150
Unsecured	2,242,883		2,198,180
	626,716,379	-	583,209,212
Capitalized Loan Origination Costs (Fees), net	1,466,260		(2,427,396)
	628,182,639		580,781,816
Allowance for Loan Losses	(9,557,774)		(8,174,899)
Loans receivable, net	\$ 618,624,865	\$	572,606,917

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Risk Elements – The Bank manages credit risk through lending limit constraints, credit review, approval policies and extensive ongoing internal monitoring. Additionally, credit risk is managed via diversification of the loan portfolio by loan, industry and borrower type as well as limits on the aggregation of debt to a single borrower. The Bank also obtains periodic credit file reviews from independent third-parties as part of its ongoing credit monitoring process. The following are the loan segment risk characteristics of the Bank's portfolio:

Acquisition, Development & Construction – includes both loans and lines of credit for the purpose of purchasing, carrying and developing land into commercial developments or residential subdivisions. Also included in this designation are loans and lines of credit for construction of residential, multi-family and commercial buildings. Generally, the primary source of repayment is dependent upon the sale or refinance of the real estate collateral. Construction lending can involve a higher level of risk than other types of lending because funds are advanced based on a prospective value of the project at completion, the total estimated construction cost of the project, and the borrowers' equity at risk. Additionally, the repayment of the loan may be conditional on the success of the ultimate project which could be subject to interest rate changes, governmental regulations, general economic conditions and the ability of the borrower to sell or lease the property or refinance the indebtedness. The bank attempts to mitigate the risks associated with this type of credit by limiting concentration exposure and utilizing enhanced underwriting procedures as outlined in proprietary policies and procedures as approved by the board of directors not less than annually.

Commercial Real Estate – loans in this category are assigned to one of two specific subcategories:

- Commercial includes loans to finance income-producing commercial properties.
 Loans in this class include retail centers, hotels, office buildings, single-tenant retail
 buildings, warehouses and other properties where the source of repayment on the
 loan comes primarily from non-related tenant lease income. There are boardapproved enhanced underwriting procedures in place that govern the approval and
 funding of these types of loans, ensuring the highest probability of full repayment of
 principal.
- Owner Occupied includes loans secured by business facilities to finance business operations, equipment and owner-occupied facilities for commercial customers. Generally, the primary source of repayment is the operating cash flow from business activities of the owner of the property or related entity. These loans are underwritten in such a way as to ensure the highest probability of repayment in full, according to board-approved policies and procedures.

Multi-family Real Estate – these loans are secured by – and are generally repaid by the lease income from – real estate properties built to house 5 or more families in a single property or complex. Apartment buildings and complexes are the major collateral in this category. This category does not include 1-4 family rental properties. These loans are underwritten in such a way as to ensure the highest probability of repayment in full, according to board-approved policies and procedures.

Commercial & Industrial - loans in this category are assigned to one of three specific subcategories:

- Small Commercial Equipment includes loans secured by commercial equipment, typically rolling stock. The primary source of repayment is generally derived from income generated by utilization of the equipment collateralizing the loans, and thus, is more subject to potential disruption relative to larger and more diversified borrowers. The lack of significant secondary sources of repayment results in a higher risk of loss and thus these loans carry market rates of interest that are higher than the Bank's other loan types. These loans possess homogeneous risk characteristics unique to small business lending to the transportation industry. These risks are mitigated via ongoing industry trend analysis and through concentration limits on the portfolio as a whole as well as within industry subclasses. The majority of these loans are originated to borrowers outside of the Bank's primary market areas of Lane, Deschutes and Multnomah counties, throughout the western and southern United States.
- SBA PPP The CARES Act authorized the SBA to temporarily guarantee loans under a
 new loan program designed to mitigate the impact of the COVID-19 pandemic on small
 businesses. PPP loans made to eligible borrowers are 100% guaranteed by the SBA,
 carry an interest rate of 1.0%, have either a two year or five year maturity, and are fully
 amortizing following a period of deferred principal and interest payments of at least
 six months from the date of initial disbursement. The entire principal amount of a PPP
 loan, including any accrued interest, is eligible to be forgiven and repaid by the SBA.
- Other Commercial and Industrial The primary source of repayment for these loans is generally cash flow from continuing business operations. These loans are underwritten according to board-approved internal policies and procedures. Under the Bank's policy, primary and secondary repayment sources must be identified upon approval and prior to funding.

Consumer – the Bank engages in limited consumer lending of both a secured and unsecured nature. This primarily takes the form of home equity lines of credit and personal and professional lines of credit which may or may not be secured by tangible collateral. These loans are underwritten in such a way as to ensure the highest probability of repayment in full, according to board-approved policies and procedures.

Loans serviced for others are not included in the accompanying consolidated balance sheets. The unpaid principal balances of such serviced loans were \$44,116,478 and \$61,022,387 at December 31, 2021 and 2020, respectively.

The loan portfolio at December 31, 2021 and 2020 includes \$75,223,953 and \$77,182,262, respectively, of loans which have rates of interest that change more often than annually. The loan portfolio additionally includes at December 31, 2021 and 2020, fixed rate loans of \$123,586,280 and \$125,910,359, respectively, that are effectively converted to variable rate loans via interest rate swaps. The December 31, 2021 loan portfolio includes \$59,111,879 of loans with interest rates at their contractual floors.

Changes in the allowance for loan losses for the year ended December 31, 2021 are as follows:

	 Beginning Balance	C	harge-offs	Recoveries	Provision	End	ding Balance	Speci	fic Reserve	General Allocation
Real Estate										
Acquisition, Development &										
Construction	\$ 525,501	\$	-	\$ -	\$ 8,091	\$	533,592	\$	-	\$ 533,592
Commercial	1,470,657		-	-	274,005		1,744,662		-	1,744,662
Multifamily	360,541		-	-	65,489		426,030		-	426,030
Owner Occupied	1,911,454		-	-	(35,841)		1,875,613		-	1,875,613
Commercial and Industrial										
Small Commercial Equipment	2,273,647		(774,508)	-	1,659,429		3,158,568		67,280	3,091,288
Other Commercial & Industrial	1,440,013		(48,312)	-	260,994		1,652,695		139,680	1,513,015
Consumer										
Secured	179,671		-	-	(22,993)		156,678		-	156,678
Unsecured	13,415		-	-	(3,479)		9,936		-	9,936
Total	\$ 8,174,899	\$	(822,820)	\$ 	\$ 2,205,695	\$	9,557,774	\$	206,960	\$ 9,350,814

Changes in the allowance for loan losses for the year ended December 31, 2020 are as follows:

	 Beginning Balance	Charge-offs	Recoveries	Provision	En	ding Balance	Spec	ific Reserve	General Allocation
Real Estate									
Acquisition, Development &									
Construction	\$ 217,597	\$ -	\$ -	\$ 307,904	\$	525,501	\$	-	\$ 525,501
Commercial	1,172,128	-	-	298,529		1,470,657		-	1,470,657
Multifamily	279,345	-	-	81,196		360,541		-	360,541
Owner Occupied	1,183,160	-	-	728,294		1,911,454		-	1,911,454
Commercial and Industrial									
Small Commercial Equipment	2,242,506	(2,205,868)	-	2,237,009		2,273,647		45,713	2,227,934
Other Commercial & Industrial	1,305,767	-	627	133,619		1,440,013		127,151	1,312,862
Consumer									
Secured	173,581	-	-	6,090		179,671		-	179,671
Unsecured	23,948	-	-	(10,533)		13,415		-	13,415
Total	\$ 6,598,032	\$ (2,205,868)	\$ 627	\$ 3,782,108	\$	8,174,899	\$	172,864	\$ 8,002,035

Risk Rating – The monitoring process of the Bank's loan portfolio includes periodic reviews of individual loans with a risk rating assigned to each loan. Risk ratings are assigned according to various qualitative and quantitative measurements.

- ➤ Risk ratings 1 6 represent increasing degrees of risk within the regulatory definition of "Pass" loans as ratings move from 1 to 6. Regulatory bodies do not draw distinctions between these categories; as such, assignment of these ratings is for internal management purposes only.
- ➤ Risk Rating 7 loans in this category adhere to the regulatory definition of "Special Mention" loans. A Special Mention loan has potential weaknesses that deserve management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the loan or in the Bank's credit position at some future date. Special Mention loans are not adversely classified and do not expose the Bank to sufficient risk to warrant adverse classification.
- ➤ Risk Rating 8 loans in this category adhere to the regulatory definition of "Substandard." Loans classified Substandard are inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Loans so classified must have a well-defined weakness or weaknesses that jeopardize the liquidation of the borrower's debt. They are characterized by the distinct possibility that the Bank will sustain some loss if the deficiencies are not corrected.
- ➤ Risk Rating 9 loans in this category adhere to the regulatory definition of "Doubtful." Loans classified Doubtful have all of the weaknesses inherent in those classified Substandard with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently known facts, conditions and values, highly questionable and improbable.
- ➤ Risk Rating 10 loans in this category adhere to the regulatory definition of "Loss." Loans classified Loss are uncollectible and of such little value that their continuance as a bankable asset is not warranted. When identified, these loans are charged off.

Loans risk rated 8, 9 or 10 are reviewed regularly to assess the ability of the borrowers to service all interest and principal obligations and, as a result, the risk ratings may be adjusted accordingly. In the event that full collection of principal and interest is not reasonably assured, the loan is appropriately downgraded and if warranted, placed on non-accrual status even though the loan may be current as to principal and interest payments. Additionally, an assessment is made as to whether an impairment of a loan warrants specific reserves or a write down of the loan.

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The following tables present the Bank's loan portfolio by loan type and credit quality indicator as of December 31, 2021 and 2020:

As of December 31, 2021

					Loan Grade		
	 Pass (Ratings 1-6)	S	pecial Mention (Rating 7)	-	Substandard (Rating 8)	Doubtful (Rating 9)	Totals
Real Estate							
Acquisition, Development &							
Construction	\$ 32,073,393	\$	-	\$	-	\$ -	\$ 32,073,393
Commercial	175,596,682		-		-	-	175,596,682
Multifamily	32,630,758		-		-	-	32,630,758
Owner Occupied	174,626,795		6,526,462		2,610,341	-	183,763,598
Commercial and Industrial							
Small Commercial Equipment	72,868,725		464,389		563,369	20,358	73,916,841
U.S. SBA PPP	9,889,710		-		-	-	9,889,710
Other Commercial & Industrial	98,191,302		260,244		2,381,280	-	100,832,826
Consumer							
Secured	15,670,088		-		99,600	-	15,769,688
Unsecured	2,242,883		-		-	-	2,242,883
Total	\$ 613,790,336	\$	7,251,095	\$	5,654,590	\$ 20,358	\$ 626,716,379
Percentage of Total Portfolio	97.94%		1.16%		0.90%	0.00%	100.00%

As of December 31, 2020 Loan Grade

	Pass (Ratings 1-6)		Special Mention (Rating 7)			Substandard (Rating 8)	Doubtful (Rating 9)	Totals
Real Estate								
Acquisition, Development &								
Construction	\$	32,193,868	\$	-	\$	-	\$ -	\$ 32,193,868
Commercial		149,526,079		-		-	-	149,526,079
Multifamily		27,384,302		-		-	-	27,384,302
Owner Occupied		141,392,354		6,885,369		3,873,940	-	152,151,663
Commercial and Industrial								
Small Commercial Equipment		54,162,367		669,612		66,682	8,505	54,907,166
U.S. SBA PPP		61,215,944		-		-	-	61,215,944
Other Commercial & Industrial		82,957,828		2,098,947		794,085	-	85,850,860
Consumer								
Secured		17,781,150		-		=	=	17,781,150
Unsecured		2,198,180		-		-	-	2,198,180
Total	\$	568,812,072	\$	9,653,928	\$	4,734,707	\$ 8,505	\$ 583,209,212
Percentage of Total Portfolio		97.53%		1.66%		0.81%	0.00%	100.00%

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The following tables present an aged analysis of past due and nonaccrual loans at December 31, 2021 and 2020:

					A	s of D	ecember 31, 202	1					
		-59 Days Past e Still Accruing		89 Days Past Still Accruing	 eater than 90 s Past Due Still Accruing		Nonaccrual	Tot	al Past Due and Nonaccrual		Total Current		Total Loans Receivable
Real Estate													
Acquisition, Development &													
Construction	\$	-	\$	-	\$ -	\$	-	\$	-	\$	32,073,393	\$	32,073,393
Commercial		-		-	-		-		-		175,596,682		175,596,682
Multifamily		-		-	-		-		-		32,630,758		32,630,758
Owner Occupied		-		-	-		-		-		183,763,598		183,763,598
Commercial and Industrial Small Commercial Equipment U.S. SBA PPP Other Commercial & Industrial		471,959 - -		127,344 - -	- - -		177,823 - 210,678		777,126 - 210,678		73,139,715 9,889,710 100,622,148		73,916,841 9,889,710 100,832,826
Consumer													
Secured		99,600		-	-		-		99,600		15,670,088		15,769,688
Unsecured		-		-	-		-		-		2,242,883		2,242,883
т.	-4-1 4		_	105011		_	000 501	_	1 000 101	_		_	000 - 10 0-0

0.00%

			0		s of D	ecember 31, 202	0			
	59 Days Past Still Accruing	9 Days Past Still Accruing		eater than 90 s Past Due Still Accruing		Nonaccrual		Past Due and lonaccrual	Total Current	Total Loans Receivable
Real Estate Acquisition, Development &	 									
Construction	\$ -	\$ -	\$	_	\$	-	\$	-	\$ 32,193,868	\$ 32,193,868
Commercial	-	-		-				-	149,526,079	149,526,079
Multifamily	-	-		-		-		-	27,384,302	27,384,302
Owner Occupied	-	-		-		1,530,543		1,530,543	150,621,120	152,151,663
Commercial and Industrial										
Small Commercial Equipment	1,010,262	161,805		-		114,898		1,286,965	53,620,201	54,907,166
U.S. SBA PPP	-	-		=					61,215,944	61,215,944
Other Commercial & Industrial	98,916	-		-		127,151		226,067	85,624,793	85,850,860
Consumer										
Secured	-	-		=		-		-	17,781,150	17,781,150
Unsecured	-	-		-		-		-	2,198,180	2,198,180
Tota	\$ 1,109,178	\$ 161,805	\$	-	\$	1,772,592	\$	3,043,575	\$ 580,165,637	\$ 583,209,212
Percentage of Total Portfolio	 0.19%	0.03%		0.00%		0.30%		0.52%	99.48%	100.00%

The following is an analysis of impaired loans as of December 31, 2021:

	Impaired Loans with Allowance			Impaired Loans without Allowance				Total Impaired Loans					
		tecorded		Unpaid Principal Balance	Related Allowance		Recorded Investment		Unpaid Principal Balance		Recorded Investment	Un	paid Principal Balance
Real Estate Owner Occupied Nonaccrual Other	\$	-	\$	-	\$ -	\$	-	\$		\$		\$	-
Subtotals	\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-
Commercial and Industrial Small Commercial Equipment Nonaccrual Other		222,127		224,265	67,280		-		-		222,127		224,265
Other Commercial & Industrial Nonaccrual Other Subtotals	\$	212,658 - 434,785	\$	210,678 - 434,943	\$ 139,680 - 206,960	\$	- - -	\$	- - -	\$	212,658 - 434,785	\$	210,678
Totals	\$	434,785	\$	434,943	\$ 206,960	\$	-	\$	-	\$	434,785	\$	434,943

The following is an analysis of impaired loans as of December 31, 2020:

	 Impaired Loans with Allowance			Impaired Loans without Allowance				Total Impaired Loans				
	Recorded vestment	Unj	paid Principal Balance	Related Allowance		Recorded Investment	Unp	oaid Principal Balance		Recorded Investment	Un	paid Principal Balance
Real Estate Owner Occupied Nonaccrual Other	\$ -	\$	-	\$ -	\$	1,555,805	\$	1,555,805	\$	1,555,805	\$	1,555,805
Subtotals	\$ -	\$	-	\$ -	\$	1,555,805	\$	1,555,805	\$	1,555,805	\$	1,555,805
Commercial and Industrial Small Commercial Equipment Nonaccrual Other	 153,039 -		152,377 -	45,713 -		-		- -		153,039 -		152,377 -
Other Commercial & Industrial Nonaccrual Other Subtotals	\$ 127,499 - 280,538	\$	127,151 - 279,528	\$ 127,151 - 172,864	\$	- - -	\$	-	\$	127,499 - 280,538	\$	127,151 - 279,528
Totals	\$ 280,538	\$	279,528	\$ 172,864	\$	1,555,805	\$	1,555,805	\$	1,836,343	\$	1,835,333

The following tables present the average recorded investment in impaired loans and interest income recognized for the periods indicated:

	Year Ended December 31, 2021					
	Average Recorded Investment			Recognized on ired Loans		
Real Estate						
Acquisition, Development & Construction	\$	-	\$	-		
Commercial		-		-		
Multifamily		-		-		
Owner Occupied		377,764		19,067		
Commercial and Industrial		-		-		
Small Commercial Equipment		348,124		31,728		
Other Commercial & Industrial		213,246		-		
Consumer		-		-		
Secured		-		-		
Unsecured		-		-		
Total	\$	939,134	\$	50,795		

	Year Ended December 31, 2020					
		age Recorded nvestment		Recognized on aired Loans		
Real Estate						
Acquisition, Development & Construction	\$	-	\$	-		
Other		-		-		
Multifamily		-		-		
Owner Occupied		1,439,214		191,444		
Commercial and Industrial						
Small Commercial Equipment		249,486		10,326		
Other Commercial & Industrial		537,112		22,777		
Consumer						
Secured		25,050		-		
Unsecured		16,241		573		
Total	\$	2,267,103	\$	225,120		

The cash basis interest income on impaired loans was not materially different than the interest recognized on impaired loans as shown in the above tables.

There were no loans reported as TDRs accruing interest as of December 31, 2021 and such loans totalled \$28,591 at December 31, 2020.

As previously noted, in June 2020, the Bank executed loan modification programs to support and provide relief for its borrowers impacted by the COVID-19 pandemic. The Bank followed the CARES Act and interagency guidance from the federal banking agencies when determining if a borrower's modification was subject to a TDR classification. Accordingly, there were no loans modified as TDRs during 2021 nor 2020. There were no TDR loans restructured during 2021 or 2020, nor were there any TDRs which incurred a payment default within twelve months of the restructure date during 2021 or 2020. There were no commitments to lend additional funds to borrowers whose loans have been modified and recorded as TDRs at December 31, 2021. Determination of the allowance for loan losses for TDR loans does not differ materially from the process for other impaired loans in the Bank's portfolio.

5. Premises and Equipment:

Premises and equipment at December 31 consists of the following:

	 2021	 2020
Land	\$ 1,862,215	\$ 1,862,215
Building and improvements	5,816,711	5,386,355
Computer equipment and software	1,108,464	749,773
Furniture and equipment	1,901,314	1,705,018
Total	 10,688,704	9,703,361
Accumulated depreciation	 (4,257,719)	(3,741,779)
Premises and equipment, net	\$ 6,430,985	\$ 5,961,582

The Bank owns its headquarters building and leases to others approximately 20% of the building. Rental income recorded under noncancelable leases as well as other month-to-month agreements totalled \$47,749 and \$76,580 for the years ended December 31, 2021 and 2020, respectively, and is recorded in noninterest income. At December 31, 2021, future expected rental revenues to be received under such noncancelable leases are as follows:

2022	\$ 35,705
2023	28,776
2024	9,592
Total	\$ 74,073

6. Time Deposits:

Individual time deposits that met or exceeded the FDIC standard insurance coverage limit of \$250,000 totalled \$1,662,599 and \$1,846,024 at December 31, 2021 and 2020, respectively.

At December 31, 2021, the scheduled annual maturities of time deposits are as follows:

2022	\$ 11,106,457
2023	 282,657
	\$ 11,389,114

7. Borrowings:

During 2021, the Holding Company issued a total of \$20,000,000 aggregate principal in fixed to floating rate subordinated notes. The notes will mature on December 1, 2031 and bear an interest rate of 3.25% through November 30, 2026 and thereafter will bear an interest rate equal to Three-Month Term Secured Overnight Funding Rate (SOFR) plus 0.217% payable quarterly in arrears.

The Bank has repurchase agreements (REPOs) of \$1,490,035 (average rate 0.20%) and \$1,607,120 (average rate 0.43%) at December 31, 2021 and 2020, respectively. A REPO represents an agreement between the Bank and a customer to collateralize funds deposited by the customer in an interest-bearing repurchase sweep account. Investment securities are pledged by the Bank as collateral in an amount equal to the REPOs.

SUMMITBANK Group, Inc. and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Bank has no outstanding balances under any borrowing lines of credit as of December 31 2021. The Bank had an outstanding borrowing from the Federal Reserve Bank of \$20,920,300 at a fixed interest rate of 0.35% at December 31, 2020 under the Paycheck Protection Program Lending Fund. The borrowing was secured by an equal amount of SBA PPP loans and was repaid in full during 2021.

The Bank has a borrowing line with the FHLB equal to a maximum of 35% of the Bank's total assets, subject to limits based on collateral consisting of FHLB stock, funds on deposit with FHLB and eligible portions of the Bank's loan and securities portfolios. The available borrowing line at December 31, 2021 is approximately \$40,000,000. The Bank had no outstanding borrowings against this line at December 31, 2021.

The Bank has secured and unsecured federal funds borrowing lines available with correspondent banks totalling \$33,000,000 at December 31, 2021. The Bank had no outstanding borrowings against these lines at December 31, 2021. The Bank also has a borrowing line available with the Federal Reserve Discount Window totalling approximately \$4,490,000 at December 31, 2021, which is secured by a portion of the Bank's loan portfolio. The Bank had no outstanding borrowings against this line at December 31, 2021.

8. Benefit Plans:

The Bank has a defined contribution 401(k) profit sharing plan covering substantially all employees. Employer contributions are discretionary and are determined annually by the Board of Directors. Employer contributions were \$478,106 and \$495,422 in 2021 and 2020, respectively.

The Bank has a deferred cash incentive plan for the benefit of certain key employees and a directors' deferred compensation plan for the Bank's directors. Bank contributions to these plans totalled \$78,850 and \$77,900 in 2021 and 2020, respectively. The liability for benefits under these plans totalled \$713,995 and \$516,231 as of December 31, 2021 and 2020, respectively, and is included in other liabilities in the accompanying consolidated balance sheets.

9. Stock Option and Equity Compensation Plans:

The Bank has employee and nonemployee equity compensation plans (the Plans) that reserve shares of stock for issuance to employees and directors in the form of stock options, restricted stock, or restricted stock units (RSUs). Under the Plans, the exercise price (for options) or the fair value (for restricted stock and RSUs) of awards granted must equal the market price of the Bank's stock on the date of the grant. Options granted under the Plans have a maximum term of ten years. Vesting generally occurs over periods ranging from one to four years. At December 31, 2021 and 2020, there were 103,505 and 205,832 shares of common stock available for future grants under the Plans.

The following table presents the activity related to stock options under the Plans for the years ended December 31:

	20	21	2020		
	Options outstanding	Weighted- average exercise price	Options outstanding	Weighted- average exercise price	
Balance, beginning of year Granted:	189,622	\$8.71	202,935	\$7.72	
Directors	14,019	13.84	-	n/a	
Employees	51,539	10.36	17,541	10.66	
Exercised	(13,333)	4.53	(27,104)	2.01	
Forfeited or expired	(1,626)	10.05	(3,750)	12.84	
Balance, end of year	240,221	\$ 9.61	189,622	\$8.71	
Exercisable, end of year	164,828		159,800		

The total intrinsic value of stock options exercised was \$93,136 and \$195,430 for the years ended December 31, 2021 and 2020, respectively.

The following table presents additional information regarding stock options outstanding as of December 31, 2021:

	Weighted average	Weighted average	December 3	1, 2021
Expiration	exercise price per share	remaining contractual life	Exercisable	Outstanding
2023	2.32	1.28	7,501	7,501
2025	6.10	3.34	37,501	37,501
2027	7.66	5.18	35,579	35,579
2028	10.21	6.09	35,237	35,237
2029	12.37	7.24	30,609	42,645
2030	10.66	8.24	4,401	17,553
2031	11.16	9.25	14,000	64,205
			164,828	240,221
Aggregate intrinsic va	alue		\$1,015,918	\$1,284,874

The fair value of options granted under the Plans is estimated on the date of the grant using the Black-Scholes option pricing model. The fair value of the grants is amortized on a straight line basis over the requisite vesting periods. The expected life of options granted represents the period of time that they are expected to be outstanding. The expected life is determined based on the actual historical weighted average life of the Bank's options. Expected volatility is estimated at the date of grant based on the historical volatility of the Bank's common stock over a period similar to the expected life of the option. Dividends during the expected life are assumed to be zero. The risk-free interest rate is derived from the trailing twenty day U.S. Treasury yield at the time of the grant for a term equivalent to the expected life of the option. The Black-Scholes model used the following assumptions for the stock options granted during the years indicated:

	Expected	Expected	Expected	Risk Free
	Life (years)	Volatility	Dividends	Rate
2021	7.0	16.4%	0.00%	0.95%
2020	7.0	16.3%	0.00%	1.28%

The weighted average fair value of options granted in 2021 and 2020 was \$2.21 and \$2.82, respectively. As of December 31, 2021, the total unrecognized compensation expense related to options granted amounted to \$117,128, which is expected to be recognized during 2022-2025, a weighted average period of 1.4 years.

The fair value of restricted stock and RSUs awarded under the Plans is measured based on the number of shares granted and the market price of the Bank's common stock on the date of grant. This amount is recognized as an expense over the corresponding requisite service period. As of December 31, 2021, the total unrecognized compensation expense related to restricted stock awards granted amounted to \$275,289, which is expected to be recognized during 2022-2025. Weighted average years to vest for outstanding restricted stock grants as of December 31, 2021 is 1.0 years. The following presents the Bank's restricted stock and RSU activity for the years ended December 31, 2021 and 2020:

		We	eighted
		A	verage
	Number of	Gra	nt Date
	Shares	Fa	ir Value
Unvested as of December 31, 2019	20,446	\$	11.97
Granted	25,826		11.78
Vested	(17,504)		12.01
Forfeited	(375)		11.68
Unvested as of December 31, 2020	28,393	'	11.78
Granted	38,534		9.79
Vested	(19,042)		11.79
Forfeited	(139)		11.68
Unvested as of December 31, 2021	47,746	\$	10.17

There were a total of 104,092 shares of restricted stock and options granted during 2021, of which 14,022 vested in 2021, 1,251 were surrendered unvested and the remaining 88,819 expected to vest during 2022-2025. There were 50,164 and 38,960 options that vested during the years ended December 31, 2021 and 2020 with a total fair value of \$123,777 and \$83,457, respectively. There were 19,042 and 17,504 shares of restricted stock that vested during years ended December 31, 2021 and 2020 with a total fair value of \$224,423 and \$244,685, respectively.

Weighted average shares outstanding for the years ended December 31 are as follows:

	2021	2020
Basic	7,552,744	7,124,041
Common stock equivalents attributable to stock based grants outstanding	77,244	42,783
Fully Diluted	7,629,988	7,166,824

10. Revenue from Contracts with Customers:

In accordance with ASC 606, revenues are recognized when goods or services are transferred to a customer in exchange for the consideration the Bank expects to be entitled to receive. The largest portion of the Bank's revenue is from interest income, which is excluded from the scope of ASC 606. All of the Bank's revenue from contracts with customers which is within the scope of ASC 606 is recognized in noninterest income.

If a contract is determined to be within the scope of ASC 606, the Bank recognizes revenue as it satisfies a performance obligation. Payments from customers are generally collected at the time services are rendered, monthly, or quarterly. For contracts with customers within the scope of ASC 606, revenue is either earned at a point in time or revenue is earned over time. Examples of revenue earned at a point in time are automated teller machine ("ATM")

transaction fees, wire transfer fees, overdraft fees and interchange fees. Revenue is primarily based on the number and type of transactions that are generally derived from transactional information accumulated by the Bank's systems and is recognized immediately as the transactions occur or upon providing the service to complete the customer's transaction. The Bank is generally the principal in these contracts, with the exception of interchange fees, in which case the Bank is acting as the agent and records revenue net of expenses paid to the principal. Examples of revenue earned over time, which generally occur on a monthly basis, are deposit account maintenance fees, merchant revenue, and safe deposit box fees. Revenue is generally derived from transactional information accumulated by the Bank's systems or those of third-parties and is recognized as the related transactions occur or services are rendered to the customer.

The following table includes the Bank's noninterest income disaggregated by type of service for the years ended December 31, 2021 and 2020:

	2021		 2020
Gains on sales of loans 1	\$	-	\$ 567,263
Bank card and interchange fees		585,004	453,116
Loan servicing fees ¹		302,940	281,070
Other noninterest loan income		503,766	273,514
Service charges on deposit accounts		133,658	128,938
Bank-owned life insurance income ¹		91,388	97,942
Real estate lease income ¹		47,749	76,580
Gains (losses) on sales and write-downs of repossessed assets, net		50,059	(361,822)
Other		235,192	 210,575
Total noninterest income	\$	1,949,756	\$ 1,727,176

¹Not in the scope of ASC 606

For the years ended December 31, 2021 and 2020, substantially all of the Bank's revenues within the scope of ASC 606 are for performance obligations satisfied at a specified date. Revenues recognized within the scope of ASC 606 include:

Bank card and interchange fees: Bank card and interchange fees are earned when a debit card issued by the Bank is used. The Bank earns interchange fees from debit cardholder transactions through the Visa® payment network. Interchange fees from cardholder transactions represent a percentage of the underlying transaction value and are recognized daily, concurrently with the transaction processing services provided to the cardholder. The performance obligation is satisfied and the fees are earned when the cost of the transaction is charged to the cardholders' debit card. Certain expenses directly associated with the debit cards are recorded on a net basis with the interchange income.

Other noninterest loan income: Other noninterest loan income includes early termination fees and other income from loans that the Bank services. These fees are recognized on a daily, monthly, quarterly or annual basis, depending on the type of service.

Service charges on deposit accounts: Fees are earned on the Bank's deposit accounts for various products offered to or services performed for the Bank's customers. Fees include business account fees, non-sufficient fund fees, stop payment fees, wire services, safe deposit box and others. These fees are recognized on a daily, monthly or quarterly basis, depending on the type of service.

Losses on sales and write-downs of repossessed assets, net: The Bank records a gain or loss from the sale of repossessed assets when control of the property transfers to the buyer, which generally occurs at the time of an executed deed or title.

Other: Fees earned on other services, such as merchant services or occasional non-recurring type services, are recognized at the time of the event or the applicable billing cycle.

As of December 31, 2021, the Bank had no significant contract liabilities where the Bank had an obligation to transfer goods or services for which the Bank had already received consideration. In addition, the Bank had no material unsatisfied performance obligations as of this date.

11. Other Expense:

Other expense for the years ended December 31 is comprised of the following:

	2021		2020	
Professional services	\$	461,460	\$	504,496
Printing, supplies and postage		319,105		276,408
Regulatory assessments		551,799		425,940
Advertising, marketing and public relations		603,937		436,117
Loan expenses and collection		277,543		250,670
Communications		180,919		160,527
Correspondent bank fees		129,558		115,834
Other operating expenses		992,810		419,815
Total other expense	\$	3,517,131	\$	2,589,807

12. Income Taxes:

The income tax provision results in effective tax rates that are different than the federal income tax statutory rate. The nature of the differences for the years ended December 31, 2021 and 2020 are as follows:

	2021		2020
Current			
Federal	\$ 2,763,655	\$	2,002,529
State	884,260		676,166
Deferred	78,648		52,666
Total income tax provision	\$ 3,726,563	\$	2,731,361

The income tax provision consists of the following for the years ended December 31, 2021 and 2020:

	2021		2020	
Expected federal income tax provision at statutory rates	\$	3,065,413	\$	2,239,481
State taxes		942,104		719,620
Permanent differences		(33,274)		(51,946)
Other		(247,680)		(175,794)
Total income tax provision	\$	3,726,563	\$	2,731,361

The tax effects of temporary differences that give rise to deferred tax assets and liabilities as of December 31, 2021 and 2020 are as follows:

	2021		2020	
Deferred tax assets:				
Allowance for loan losses	\$	2,642,875	\$	1,791,086
Accrued vacation		20,000		18,502
Other accrued expenses		16,000		16,275
Repossessed assets		3,500		15,157
Deferred compensation		183,784		135,494
Share-based compensation		18,000		18,378
Unrealized losses on investment securities		107,635		-
Secondary accrued interest		125,000		127,162
Operating lease right-of-use asset		73,000		99,013
Other		35,000		35,168
Total deferred tax assets		3,224,794		2,256,235
Deferred tax liabilities:				
Depreciation		(275,000)		(274,823)
Loan origination costs		(1,115,645)		(185,245)
Prepaid expenses and other		(100,000)		(81,165)
Unrealized gains on investment securities		-		(5,912)
Operating lease liability		(78,000)		(93,442)
Other		(202,302)		(196,700)
Total deferred tax liabilities		(1,770,947)		(837,287)
Total net deferred tax assets	\$	1,453,847	\$	1,418,948

The Bank has determined that it is not required to establish a valuation allowance for the net deferred tax assets as of December 31, 2021 and 2020, as management believes it is more likely than not that the net deferred tax assets will be realized through reversals of existing taxable temporary differences and future taxable income.

13. Commitments and Contingencies:

In order to meet the financing needs of its clients, the Bank commits to extensions of credit and issues standby letters of credit. The Bank's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit and standby letters of credit is represented by the contractual notional amount of those instruments. The Bank uses the same credit policies in making commitments and conditional obligations as it does for on-balance-sheet instruments.

Commitments to extend credit are agreements to lend to a client as long as there is no violation of any conditions established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since some of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements.

Standby letters of credit written are conditional commitments issued by the Bank to guarantee the performance of a client to a third party. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to clients.

To manage interest rate risk, the Bank enters into interest rate swaps that effectively convert

fixed rate loans into variable rate instruments earning a margin over the one month or three month LIBOR rate. These fair value hedges have been structured in most cases to be perfectly effective. Any ineffectiveness is recognized in earnings. Cash and investment securities at December 31, 2021 totalling \$14,541,013 are held by counterparties and are pledged as security for these interest rate swaps.

Financial instruments with off-balance-sheet risk at December 31 are as follows:

	 2021		2020
Commitments to extend credit	\$ 164,534,003	\$	133,246,015
Standby letters of credit	 1,259,403		4,124,954
Interest rate swaps (receive variable - pay fixed, maturing 2023-2048):			
Carrying amount of hedged loans	122,792,107		125,159,743
Fair value adjustment (included in other liabilities)	6,688,000		13,851,000
Total fair value of hedged loans	\$ 129,480,107	\$	139,010,743

Due to the nature of its activities, the Bank is periodically subject to litigation arising in the ordinary course of business, which is generally expected to not have a material effect on the Bank's consolidated financial position, results of operations, and cash flows as of and for the year ended December 31, 2021.

The Bank has entered into employment agreements with certain key employees, which provide for contingent payments upon a change in control of the Bank, as defined in the agreements.

14. Related Party Transactions:

In the normal course of business, the Bank has granted loans to officers and directors and to companies with which they are associated. Such loans are made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties. Activity with respect to these loans during the years ended December 31 was as follows:

		2021	 2020
Balance, beginning of year	\$	6,020,680	\$ 6,372,934
Additions or renewals Principal repayments	_	300,000 (995,223)	48,516 (400,770)
Balance, end of year	\$	5,325,457	\$ 6,020,680

In addition, there were \$1,124,657 in commitments to extend credit to officers and directors, including related entities, at December 31, 2021 which are included as part of commitments in Note 13.

Deposits from officers and directors totalled \$6,235,071 and \$9,334,905 at December 31, 2021 and 2020, respectively.

15. Fair Value Measurements:

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. GAAP requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. GAAP also establishes a fair value hierarchy which prioritizes the valuation inputs into three broad levels. Based upon the underlying inputs, each fair value measurement in its entirety is reported in one of the three levels. These levels are:

- Level 1: Fair value of the asset or liability is determined using unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2: Fair value of the asset or liability is determined using inputs other than quoted
 prices that are observable for the applicable asset or liability, either directly or indirectly,
 such as quoted prices for similar (as opposed to identical) assets or liabilities in active
 markets and quoted prices for identical or similar assets or liabilities in markets that are
 not active.
- Level 3: Fair value of the asset or liability is determined using unobservable inputs that are significant to the fair value measurement and reflect management's own assumptions regarding the applicable asset or liability.

The following disclosures are made in accordance with provisions of GAAP. The use of different assumptions and estimation methods could have a significant effect on fair value amounts. Accordingly, the estimates of fair value herein are not necessarily indicative of the amounts that might be realized in a current market exchange.

The carrying amount and estimated fair value of the Bank's financial instruments are as follows at the dates indicated:

December 31, 2021	 Carrying Amount	_	Level I	_	Level II		Level III		Estimated Fair Value
Assets:									
Cash and cash equivalents	\$ 196,994,542	\$	196,994,542	\$	-	\$	-	\$	196,994,542
Investment securities available-for-sale	68,125,073		-		68,125,073		-		68,125,073
Hedged loans, net of allowance for loan losses	129,480,107		-		129,480,107		-		129,480,107
Other loans, net of allowance for loan losses	489,144,758		-		503,922,195		227,825		504,150,020
Interest receivable	2,248,268		-		2,248,268		-		2,248,268
FHLB and PCBB stock	1,353,600		-		1,353,600		-		1,353,600
Cash surrender value of bank-owned life insurance	6,085,714		-		6,085,714		-		6,085,714
Liabilities:									
Time deposits	11,389,114		-		11,395,060				11,395,060
Repurchase agreements and secured borrowings	1,490,035		-		1,490,035		-		1,490,035
Term borrowings	19,592,723		-		19,592,723		-		19,592,723
Interest rate swap agreements	6,688,000		-		6,688,000		-		6,688,000
	Carrying								Estimated
December 31, 2020	 Amount	_	Level I		Level II	_	Level III	_	Fair Value
Assets:									
Cash and cash equivalents	\$ 163,340,676	\$	163,340,676	\$	-	\$	-	\$	163,340,676
Investment securities available-for-sale	9,439,876		-		9,439,876		-		9,439,876
Hedged loans, net of allowance for loan losses	139,010,743		-		139,010,743		-		139,010,743
Other loans, net of allowance for loan losses	433,596,174		-		448,535,830		107,674		448,643,504
Interest receivable	2,098,669		-		2,098,669		-		2,098,669
FHLB and PCBB stock	1,048,900		-		1,048,900		-		1,048,900
Cash surrender value of bank-owned life insurance	3,994,326		-		3,994,326		-		3,994,326
Liabilities:									
Time deposits	23,822,971		-		23,868,840		-		23,868,840
Repurchase agreements	22,527,420		-		22,527,420		-		22,527,420
Term borrowings	-		-		-		-		-
Interest rate swap agreements	13,851,000		-		13,851,000		-		13,851,000

The following methods were used to estimate the fair value of each class of financial instrument above that is measured and recorded at estimated fair value on a recurring basis:

Investment Securities Available-for-Sale – Fair value is estimated using quoted market prices for similar securities.

Hedged Loans – Fair value of hedged fixed-rate loans is estimated by discounting the future cash flows using the current rates at which similar loans would be made to borrowers with similar credit characteristics and for the same remaining maturities.

Interest Rate Swap Agreements – Fair value of interest rate swap agreements is estimated based upon quoted prices for similar instruments in the over the counter swaps market.

The following tables present assets that are measured at estimated fair value on a nonrecurring basis at the dates indicated:

			Estimated fair value measurement					ts using		
December 31 2020		Total estimated fair value		Level I		Level II		Level III		
Repossessed assets	\$	28,530	\$	-	\$	-	\$	28,530		
Impaired loans	\$	227,825	\$	-	\$	-	\$	227,825		
December 31 2020										
Repossessed assets	\$	124,394	\$	-	\$	-	\$	124,394		
Impaired loans	\$	107,674	\$	=	\$	-	\$	107,674		
	Valuation techn	ique	Significant unobservable inputs					ts		
Repossessed assets	Market approa	Market approach Appraised value of collateral less				ss selli	ng costs			
Impaired loans	Market and income a	Market and income approach				Discounted cash flows or appraised value of collateral less selling costs				

The Bank considers third party appraisals in determining the fair value of repossessed assets and impaired loans. Appraisals are adjusted by the Bank in consideration of economic and market conditions that could impact the value of the assets.

The fair values presented above represent management's best estimates based on a range of methodologies and assumptions. Where appropriate, expected cash flows are discounted using an applicable rate considering the time of collection, credit risk, and the discount for the uncertainty of the cash flows.

There were no transfers to or from Level III during 2021 or 2020.

16. Leases:

In August 2019, the Bank entered into a noncancelable operating lease agreement for office space in Portland, Oregon that requires future minimum rental payments. The Bank does not have any operating leases with an initial term of 12 months or less. The Bank's operating lease contains various provisions for increases in rental rates based on a predetermined escalation schedule. The Bank's operating lease also provides the Bank with the option to extend the lease term one or more times following expiration of the initial term. Lease extensions are not reasonably certain, and the Bank generally does not recognize payments occurring during option periods in the calculation of its operating lease right-of-use assets and operating lease liabilities.

The table below presents the lease right-of-use asset and lease liability recorded in the consolidated balance sheets as of December 31, 2021 and 2020:

	2021			2020	Balance sheet classification	
Operating lease right-of-use asset	\$	282,556	\$	377,322	Other assets	
Operating lease liability		302,758		398,549	Other liabilities	
Operating lease weighted-average remaining lease term		2.83 years		3.83 years		
Operating lease weighted-average discount rate		2.54%		2.54%		

Costs of the operating lease for each of the years ended December 31, 2021 and 2020 totalled \$103,788, and are recorded in occupancy and equipment expense in the consolidated statements of income.

Supplemental cash flow information – Operating cash flows paid for the operating lease amount included in the measurement of the lease liability were \$104,813 and \$101,760 for the years ended December 31, 2021 and 2020, respectively. The following table reconciles the undiscounted cash flows for the periods indicated related to the Bank's operating lease liability as of December 31, 2021:

Years ending December 31	
2022	\$ 107,957
2023	111,196
2024	95,114
Total minimum lease payments	314,267
Less: amount of lease payment representing interest	(11,509)
Lease liability	\$ 302,758

17. Regulatory Matters:

The Holding Company and the Bank are subject to the regulations of certain federal and state agencies and receive periodic examinations by those regulatory authorities. In addition, the Holding Company and the Bank are subject to various regulatory capital requirements administered by federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory – and possibly additional discretionary – actions by regulators that, if undertaken, could have a direct material effect on the consolidated financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Holding Company and the Bank must meet specific capital guidelines that involve quantitative measures of assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The Holding Company and the Bank's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

Regulatory capital regulations provide five classifications: well capitalized, adequately capitalized, undercapitalized, significantly undercapitalized, and critically undercapitalized, although these terms are not used to represent overall financial condition. As of December 31, 2021 and 2020, the most recent regulatory notification classified the Bank as well capitalized under the prompt corrective action regulatory framework. There are no conditions or events since that notification that management believes have changed the Bank's category

In 2019, the federal banking agencies jointly issued a final rule that provides for an optional, simplified measure of capital adequacy, the community bank leverage ratio framework (CBLR framework), for qualifying community banking organizations, consistent with Section 201 of

the Economic Growth, Regulatory Relief, and Consumer Protection Act. The final rule became effective on January 1, 2020 and was elected by the Bank as of March 31, 2020. In April 2020, the federal banking agencies issued an interim final rule that makes temporary changes to the CBLR framework, pursuant to section 4012 of the CARES Act, and a second interim final rule that provides a graduated increase in the CBLR requirement after the expiration of the temporary changes implemented pursuant to section 4012 of the CARES Act.

The CBLR framework eliminates the requirement for qualifying banking organizations to calculate and report risk-based capital in favour of a single Tier 1 capital to average assets (leverage) ratio. Qualifying banking organizations that elect to use the CBLR framework and that maintain a leverage ratio of greater than the required minimums are considered to have satisfied the generally applicable risk based and leverage capital requirements in the agencies' capital rules (generally applicable rule) and, if applicable, are considered to have met the well capitalized ratio requirements for purposes of section 38 of the Federal Deposit Insurance Act. Under the interim final rules, the CBLR minimum requirement was 8.0% as of December 31, 2020, 8.5% for the calendar year 2021, and 9.0% for the calendar year 2022 and beyond. The interim rule allows for a two-quarter grace period to correct a ratio that falls below the required amount, provided that the Bank maintains a leverage ratio of 7.0% as of December 31, 2020, 7.5% for calendar year 2021, and 8.0% for calendar year 2022 and beyond.

Under the final rule, an eligible banking organization can opt out of the CBLR framework and revert back to the risk weighting framework without restriction. As of December 31, 2021, both the Holding Company and the Bank were qualifying community banking organizations as defined by federal banking agencies and have elected to measure capital adequacy under the CBLR framework.

The Bank's actual and required capital amounts (in thousands) and ratios are as follows for the year ended December 31, 2021:

			To	be Well Capi	talized Under	
				Prompt Corre	ctive Action	
	Actu	ual	Pr	ovisions (CBLI	R Framework)	
	Amount Ratio			Amount	Ratio	
Tier I capital to average total assets	\$ 89.601	9.69%	\$	78,618	8.50%	

The Bank's actual and required capital amounts (in thousands) and ratios were as follows for the year ended December 31, 2020:

				be Well Capit		
				Prompt Correct		
	 Actu	al	Provisions (CBLR Framewo			
	 Amount Ratio			Amount	Ratio	
Tier I capital to average total assets	\$ 63,117	8.61%	\$	58,653	8.00%	

The Federal Deposit Insurance Corporation has not reviewed these financial statements for accuracy or relevance.

SUMMITBANK Group, Inc. and Subsidiary BOARD OF DIRECTORS



RICHARD M. ABRAHAM, MD

Dr. Abraham has been a practicing Emergency and Occupational Medicine physician with Cascade Medical Associates since 1979. He is a founding member of NovaHealth (formally Eugene Urgent Care) walk-in clinics and the past President and current COO of Drs. Emergency Room Corporation dba Cascade Medical Associates. He is a founding Director of Summit Bank and also serves on the boards of Cascade Health Solutions, AttWill Vascular Technologies, NovaHealth and McKenzie Willamette Medical Center. He has previously served on the boards of MWMC Foundation, PacificSource, the Health and Safety Institute and the Marist Foundation. Director since 2003.



PATRICIA O. BUEHLER, MD

Dr. Buehler joined Summit Bank Board of Directors in 2016. She is a surgeon specializing in cataract and Lasik surgery and an owner of two small businesses. Dr. Buehler is a managing partner of InFocus Eye Care, a specialty vision correction facility in Bend with 32 employees and an owner of the Bend Surgery Center which has 120 employees. She is active at the St. Charles Health System and is on the board of directors of Lines for Life, a statewide substance abuse and suicide prevention non-profit. Director since 2016.



ALAN V. EVANS

Mr. Evans is a founder and president of Evans, Elder, Brown, & Seubert Inc., a commercial real estate brokerage active in sales, leasing, and development of commercial properties. He is a founding Director of the Bank and also serves on the board of directors of the Arts and Business Alliance of Eugene. Director since 2003.



DANIEL P. HOBIN

Mr. Hobin has more than 25 years of experience building and selling technology companies and most recently was the co-founder and CEO of G5, a company located in Bend that is a leading provider of digital marketing in the property management sector. He joined the Summit Bank Board of Directors in 2016. Mr. Hobin is a co-founder of the Bend Venture Conference and participates on the advisory board for Oregon State University Cascades and the Central Oregon Forest Stewardship Foundation. Director since 2016.



STEVEN J. KORTH

Mr. Korth is a partner and the director of real estate and development for his family business, McKay Investment Company. He has been a Director of the Bank since 2008 and has served on the boards of the Eugene Chamber of Commerce, Lane Metro Partnership, and the Oregon Community Foundation. He is also active in local government, having served on the Mayor of Eugene's Economic Development Committee, the Eugene Enterprise Zone Committee, and as a member of the Eugene School Districts "Shaping 4-J's Future" task force. Director since 2008.



ANN MARIE MEHLUM

Ms. Mehlum is the founding President & Chief Executive Officer of Summit Bank. Prior to re-joining Summit's Board, she served as Associate Administrator of the US Small Business Administration, where she oversaw SBA's loan guarantee programs that together with participating banks all over the country provided access to capital for small businesses and a portfolio that exceeded \$100 billion. She has served on the FDIC Community Bank Advisory Council, the US Treasury CDFI Advisory Board and as President of the Oregon Bankers Association. Locally, she has served on non-profit boards including the United Way of Lane County and the Eugene Area Chamber of Commerce. In 2015, she was inducted into the State of Oregon Bankers Hall of Fame for lifetime contributions to the industry. Initial Director from 2004 to 2013. Current Director since 2017.

SUMMITBANK Group, Inc. and Subsidiary BOARD OF DIRECTORS



J. ANDREW MOORE

Mr. Moore is co-president of Bigfoot Beverages. He has been a Director of Summit Bank for more than eleven years and also serves on the boards of the Oregon Beverage Association, the American Beverage Association, Cascade Health Solutions, Pepsi Northwest Beverages, and the Pepsi-Cola Bottlers Association. Director since 2010.



DENNIS G. OREM

Mr. Orem is the CEO of Jerry's Home Improvement Centers located in Eugene and Springfield. He is a founding Director of the Bank and has been an active participant in local, regional, and national industry trade organizations including serving on the boards of the Western Building Materials Association, the Home Center Institute, and the Eugene Chamber of Commerce. Director since 2003.the Eugene Chamber of Commerce. Director since 2003.



ANDY J. STORMENT

Mr. Storment is a founding director of the Bank and current Board Vice Chair. He also manages investments in commercial real estate and operating companies primarily in the Northwest. He serves on the boards of Jerry's Home Improvement Centers, The Ford Family Foundation, Oregon22, and Stahlbush Island Farms, Inc. Director since 2003.



CRAIG A. WANICHEK

Mr. Wanichek currently serves as the President and Chief Executive Officer of Summit Bank and Summit Bank Group, Inc. Mr. Wanichek joined Summit Bank in 2009 holding various Executive Management positions including President and Chief Credit Administrator prior to succeeding Summit Bank's founding CEO in 2013. Mr. Wanichek previously served in several management positions with a local NYSE- traded manufacturing company following seventeen years in banking. He previously served as Past Chairman of the Board of Directors for the Oregon Bankers Association and Board member of Onward Eugene. Mr. Wanichek has served as chair of the Eugene Chamber of Commerce and Cascade Health. Craig represents the state of Oregon on the Independent Community Bankers of America Federal Delegate Board. He is a graduate of the University of Oregon with a Bachelor's degree in Economics. Director since 2013.



R. PAUL WEINHOLD

Mr. Weinhold is the President and Chief Executive Officer of the University of Oregon Foundation. He is a founding Director of Summit Bank and currently serves as the Board Chair. He has served in leadership roles for a variety of local non-profits and currently serves as the Chair of Oregon22, the organization responsible for hosting the World Track and Field Championship in Oregon. Prior to joining the University of Oregon Foundation, he spent more than twenty years in leadership roles in the commercial insurance industry. Director since 2003.

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Website: sbko.bank Stock Symbol: SBKO

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DAVID AXBERG, Portfolio Manager
RACHAEL BAKER, VP, Compliance Officer
LAURA BEST, AVP Branch Operations Supervisor
JORDAN BURCHAM, Portfolio Manager
CARLYN CARMICHAEL, VP Business Client Advisor
NOELLE COOK, Business Banking Associate
JILL L CUMMINGS, VP Regional Manager
SARA DANNIS, Business Client Courier

REXANNE DOVE, Commercial Loan Support Specialist
MATTHEW DYNICE, VP Business Client Advisor
ROGER LEE, VP Business Client Advisor
MAARTY LEUNEN, AVP Market Development Officer
SAVANNAH MONTGOMERY, Universal Banker
GARY O CONNELL, SVP Central Oregon President
NICOLE SUNDSTEN, Client Services Representative II
STEPHEN WHEELER, Associate Business Client Advisor

PORTLAND OFFICE

TIFFANI BEAM, Client Services Representative
JENNIFER BILLINGSLEY, Commercial Loan Support Specialist
CHRIS BARRON, Business Banking Associate
PHILLIP CZAJKA, AVP and Business Client Advisor
ANGELA DEVITA, VP, Relationship Banking Manager
SEAN ERNES, AVP, Portfolio Manager

ROCHELLE LUNSFORD, Branch Operations Supervisor SHERWOOD LOGAN, Associate Business Client Advisor BRIAN THOMAS, VP, Business Client Advisor STEVEN WATTS, SVP, Commercial Banking Team Leader GABRIEL WELLS, VP, Business Client Advisor SCOTT WELLS, Commercial Banking Team Leader

EUGENE OFFICE

SHELLY ADAIR, EFG Support Specialist MIKE ALBIN, Technology Support Specialist I LINDA ALGER. EFG Account Manager RACHEL ARBOGAST, Loan Servicing Representative **DELANEY ASHENFELTER, EFG Account Support Specialist** THOMAS BALL, Portfolio Manager AUSTIN BANKS, Client Services Representative I MARY BARTLETT. VP Business Client Advisor JENNY BENNETT, Eugene/Springfield Market President MEGAN BROWN, HR Specialist PIOTREK BUCIARSKI. VP Business Client Advisor MACAELA BURKE, Operations Coordinator KYLE COOK, SBA, Portfolio Associate NATASHA CRAWFORD, Support Specialist I RACHAEL CRAWFORD, Branch Operations Supervisor VICKIE CUSSINS, VP, Corporate Secretary, Admin DARRYL DARE, SVP, Director Information Technology JULIE DEATON, Loan Documentation Specialist I JAREN DUMBROW, SBA Operations Specialist ROBERT DVORAK, Client Services Advisor MELANIE ELMORE. SBA Portfolio Manager TRACI FOURNIER, EBM-eBanking Manager **DARVIN FOWLER, SVP & SR Business Client Advisor** MAGGIE FRITCHMAN, Client Services Representative II **DANIELLE GILLETTE.** Compliance & Deposit Ops Specialist WESLEY GODELL, Finance Associate **RODNEY GOEBEL, Business Client Courier** SCOTT GOLDSTEIN, SVP Chief Financial Officer XIANG GUO, Sr. Associate Business Client Advisor T'KEYAH HAY, SBA Portfolio Associate CHRIS HEMMINGS, SVP Chief Operating Officer ARIANA HERNANDEZ, Support Specialist II KELLY HOECK, Sr. Client Services Representative ASHLEY HORNER, SVP SBA Program Administrator MONICA HYDE AVP Loan Documentation Manager CATHRYN JENKINS, Loan Documentation Specialist I JAMES JOHNSON, EFG Program Manager KAITLYNN JOURNEY, Support Specialist I - Operations

STACY KOOS, SVP Commercial Banking Team Leader ED LACKINGTON, EFG Account Support Specialist II TRACEY LARSON, Loan Servicing Manager & System INDIA LIND, Client Services Representative I STEVEN LIVELY, Technology Support Specialist I MICHAELA MARCOTTE, VP Human Resources Director HANS MCKNIGHT, Treasury Management Officer LAUREN MICHELSON, Universal Banker RYAN MITCHELL, Support Specialist I TERRI MITCHELL, Support Specialist II SUZETTE MOLINSKI. AVP & EFG Account Manager JENNA MONASTERSKY, Network & Systems Administrator **ALEXA MONTGOMERY, Administrative Coordinator DEVON MYERS, Marketing Coordinator** TANNER NELSON, SBA Portfolio Manager JACK OMLIN, Central Operations Manager SAMANTHA PARDY, Concierge Banker **GARY PARKER, EFG Administrative Manager** CHRISTINE PERLOW, Credit Administration Project Analyst PAMELA PLILER, AVP Compliance/Risk Manager **GREGORY REMEDIOS.** Internal Auditor MONTANA RENFRO, Universal Banker RAMONA RUDEK, EFG Account Collections Associate ANTOINETTE SPRAGUE, Loan Servicing Rep III CARRIE STAMOS, Sr. EFG Account Manager LEAKSMEY STRUEBY, Loan Servicing Representative I SHAUN TAN, Associate Business Client Advisor CHLOE TIRABASSO, Portfolio Manager **HEATHER WALING, Loan Documentation Specialist II** CRAIG WANICHEK, President and CEO MIRANDA WILLIAMS, Commercial Loan Support Specialist TATIANA WINDON, Support Specialist II- Card Operations DOUGLAS WOLFORD, VP, SBA Program Advisor RENDA WOLFORD, SVP, Director of Operations JAMIE YAGER, Relationship Banking Officer HILARY YOUNG, EFG Account Support Specialist II ANGELA ZASH, Controller RENEE ZASH, Associate Business Client Advisor







