

# Personal Banking

## OVERDRAFT SERVICES FAQ

Effective 4/24/26



### PERSONAL BANKING

OVERDRAFT SERVICES AND TIPS  
TO AVOID OVERDRAFTS AND FEES



## **We are committed to serving you.**

Every customer has unique financial needs, and at Westamerica, we provide options to manage your account based on your personal financial style. This guide will explain our overdraft services and fees, and will offer tips for overdraft prevention and account management.

Responsible account management is important and monitoring your account activity will allow you to keep track of your balance, identify unauthorized activity, and help you avoid overdrawing your account.

You should make every effort to avoid overdrawing your account. When you overdraw your account, our resulting fees and charges can be very expensive. By not overdrawing your account, you can avoid these fees.

### **What is an overdraft?**

An overdraft occurs when you do not have enough available funds in your account to cover a transaction, but the Bank processes and pays the transaction.

#### **How do overdrafts occur?**

Overdrafts can happen when funds are not available to cover the entire amount of a transaction. These transactions include the payment of checks, debit card purchases, ATM transactions, automatic bill payments and electronic transfers. Deposited items that are returned unpaid can also cause your account to be overdrawn.

#### **How are overdrafts calculated?**

We use the “Available Balance” method to determine whether your account is overdrawn (that is, whether there is enough money in your account to pay for a transaction). The Available Balance is the amount of funds available for withdrawal and authorizing of transactions. The Available Balance may be different than your register balance (sometimes called Ledger Balance). There may be circumstances where your account has sufficient available funds to pay an ATM or debit card transaction at the time you initiated the transaction but insufficient available funds in

the account at the time the transaction settles and is paid into overdraft. Such transactions are commonly known as “authorize positive, settle negative” or APSN transactions. We do not charge an Overdraft Fee on APSN transactions.

### **What are Overdraft Services?**

Overdraft Services are a form of overdraft coverage that we use at our discretion to pay transactions when you do not have sufficient available funds in your account. After your account has been opened, you may be eligible for this discretionary service. If you are eligible, an Overdraft Service limit will be assigned to your account. The amount of the Overdraft Service limit assigned to your account can change (go up or down) at any time. The amount may be based on several factors including your account history and deposit activity and patterns.

### **How does it work?**

With Overdraft Services, we may choose (but are not obligated) to cover overdrafts on your account. This is a discretionary service, which means we have the right to refuse to pay any transaction that would overdraw your account.

### **Are there fees?**

Yes, we charge a \$35 Overdraft Fee each time we pay a transaction presented against insufficient available funds in your account and a \$35 Insufficient Funds Fee each time we return a transaction presented against insufficient available funds in your account. We do not charge the \$35 Overdraft Fee for any transaction that overdraws your account by \$5 or less. The maximum amount of Overdraft Fees and/or Insufficient Funds Fees we will charge per day is \$210 (or a total of six paid and/or returned transactions). Refer to our **Schedule of Fees and Charges** for additional information regarding these fees.

## **What types of Overdraft Service options are offered?**

Our Overdraft Services are divided into two coverage options: Standard Overdraft Service and Expanded Overdraft Service, depending on the types of transactions for which you want overdraft coverage.

### **What is Standard Overdraft Service?**

Upon account opening, you are automatically enrolled in our Standard Overdraft Service. Under our Standard Overdraft Service, we may at our discretion cover overdrafts resulting from your checks, ACH transactions (including automatic bill payments), and other transactions made using your account number. We charge your account a \$35 Overdraft Fee for each of these transactions that overdraw your account (up to \$210 per day, or a total of six paid and/or returned transactions). You can opt out of Standard Overdraft Service coverage anytime.

### **What is Expanded Overdraft Service?**

If you want to have your ATM transactions and everyday debit card transactions (such as a purchase you make at a merchant) covered in addition to what is covered under our Standard Overdraft Service then you must elect to opt in to our Expanded Overdraft Service.

Under our Expanded Overdraft Service, we may at our discretion cover overdrafts resulting from ATM transactions and everyday debit card transactions in addition to your checks, ACH transactions (including automatic bill payments), and other transactions made using your account number. If you opt in to Expanded Overdraft Service coverage, we will charge your account a \$35 Overdraft Fee for each ATM transaction or everyday debit card transaction that we pay that overdraws your account, as well as for each check, ACH transaction (including automatic bill payments), and other transactions made using your checking account number that we pay that overdraws your account (up to \$210 per day, or a total of six paid and/or returned transactions). You can choose not to have Expanded Overdraft Service coverage at any time.

**Can I choose not to have any Overdraft Service?**

Yes. If you do not want us to pay any transactions that will cause an overdraft on your account, you may choose to have No Overdraft Service coverage. If you opt out of Overdraft Service coverage, we will return checks, ACH transactions (including automatic bill payments), and other transactions made using your account number that are presented against insufficient available funds (unless you have Linked Overdraft Protection or Extra Cash Overdraft Protection). We charge a \$35 Insufficient Funds Fee for returning these types of transactions (up to \$210 per day, or a total of six paid and/or returned transactions). Your ATM or everyday debit card transactions that would cause an overdraft will generally be declined, and we do NOT charge a fee if this happens.

**Can I have Linked Overdraft Protection, Extra Cash and Overdraft Service?**

Yes. In addition to our Standard or Expanded Overdraft Service, you may also have Linked Overdraft Protection and/or Extra Cash Overdraft Protection.

**What will happen to my transaction if I don't have enough money in my account?**

The Overdraft Service option you choose, along with any Linked Overdraft Protection or Extra Cash Overdraft Protection line of credit you may also have, will determine whether a transaction may be approved and paid, and what fees may be charged, should the transaction be presented against insufficient available funds in your account.

**How do I change the type of Overdraft Service I have?**

If you want to cancel or change your Overdraft Service type, you may do so at any time by visiting your local branch, calling 1-800-848-1088, or notifying us in writing at Westamerica Bank, Direct Data Entry, B-2X, P.O. Box 1200, Suisun City, CA 94585-1200.

# Summary of Overdraft Fees and Services

## OVERDRAFT AND INSUFFICIENT FUNDS FEES

Overdraft Fee	\$35	Each time a transaction is paid into overdraft.
Insufficient Funds Fee	\$35	Each time a transaction is returned for insufficient funds.
Maximum Number of Overdraft or Insufficient Funds Fees Per Day	6	The maximum number of paid and/or returned transactions for which these fees will be charged is six paid and/or returned transactions per day.
Minimum Amount Required to Trigger an Overdraft Fee	\$5	We do not charge the \$35 Overdraft Fee for any transaction that overdraws your account by \$5 or less.

## OVERDRAFT AND INSUFFICIENT FUNDS FEES

Linked Overdraft Protection	<p>You may choose to link another deposit account or credit line to your account. Funds will be automatically transferred to protect your account from overdrafts or transactions being declined.</p> <p>There is a \$12 fee per transfer.</p>
Extra Cash Overdraft Protection	<p>Extra Cash Overdraft Protection is a revolving overdraft credit line with a fixed interest rate designed to provide overdraft coverage for your account.</p> <p>There is a \$25 annual fee.</p>

## NO OVERDRAFT SERVICE

If you choose not to have any kind of overdraft service, we will not authorize and pay overdrafts.<sup>1</sup> If you have insufficient available funds in your account, the following happens if you have No Overdraft Service:

- ATM and everyday debit card transactions that would cause an overdraft will be declined at the time of transaction at no cost to you.
- Your checks, ACH transactions (including automatic bill payments) and other transactions made using your account number will be returned rather than paid and your account will be charged an Insufficient Funds Fee for each return of a transaction to the daily maximum.

## STANDARD OVERDRAFT SERVICE

You are enrolled in Standard Overdraft Service at account opening. Depending on the type of transaction, we may pay overdrafts.<sup>2</sup> If you have insufficient available funds in your account, the following happens if you have Standard Overdraft Service:

- Your checks, ACH transactions (including automatic bill payments) and other transactions made using your account number that would cause an overdraft may be paid and your account will be charged an Overdraft Fee for each of these transaction types that are paid into overdraft up to the daily maximum.
- ATM and everyday debit card transactions that would cause an overdraft will be declined at time of transaction at no cost to you.<sup>1</sup>

## EXPANDED OVERDRAFT SERVICE

You may choose to have our overdraft service apply to ATM and everyday debit card transactions.<sup>2</sup>

- ATM and everyday debit card transactions that would cause an overdraft may be authorized and paid and your account will be charged an Overdraft Fee.
- Your checks, ACH transactions (including automatic bill payments) and other transactions made using your account number that would cause an overdraft may be paid and your account will be charged an Overdraft Fee.

<sup>1</sup> Infrequently, exceptions to this may arise and transactions may be approved or paid into overdraft even if you have asked us not to, but you will not be charged an Overdraft Fee for these exceptions.

<sup>2</sup> Overdrafts are paid at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction.

## What will happen to my transaction if I don't have enough money?

The Overdraft Service option you choose, along with any Linked Overdraft Protection or Extra Cash Overdraft Protection line of credit you may also have, will determine whether a transaction may be approved and paid, and what fees may be charged, should the transaction be presented against insufficient available funds in your account.

### EVERYDAY DEBIT CARD PURCHASE

You attempt a \$75 purchase using your debit card with an available balance of \$50 in your account.

	No Overdraft Service	Standard Overdraft Service	Expanded Overdraft Service	Linked Overdraft Protection	Extra Cash Overdraft Protection
Account Balance	\$50	\$50	\$50	\$50	\$50
Linked Account Balance	N/A	N/A	N/A	\$100	N/A
Extra Cash Available Credit	N/A	N/A	N/A	N/A	\$100
\$75 Debit Card Purchase	Declined	Declined	Approved at the Bank's discretion	Approved	Approved
Fee	\$0	\$0	\$35	\$12	\$0

### CHECK

A \$75 check you have written is presented to us for payment while you have an available balance of \$50 in your account.

	No Overdraft Service	Standard Overdraft Service	Expanded Overdraft Service	Linked Overdraft Protection	Extra Cash Overdraft Protection
Account Balance	\$50	\$50	\$50	\$50	\$50
Linked Account Balance	N/A	N/A	N/A	\$100	N/A
Extra Cash Available Credit	N/A	N/A	N/A	N/A	\$100
\$75 Check	Returned	Paid at the Bank's discretion	Paid at the Bank's discretion	Paid	Paid
Fee	\$35*	\$35	\$35	\$12	\$0

## ELECTRONIC PAYMENT

A \$75 recurring electronic payment for a gym membership, using your account and routing number, is presented to us for payment. There is an available balance of \$50 in your account.

	No Overdraft Service	Standard Overdraft Service	Expanded Overdraft Service	Linked Overdraft Protection	Extra Cash Overdraft Protection
Account Balance	\$50	\$50	\$50	\$50	\$50
Linked Account Balance	N/A	N/A	N/A	\$100	N/A
Extra Cash Available Credit	N/A	N/A	N/A	N/A	\$100
\$75 Payment	Declined	Paid at the Bank's discretion	Paid at the Bank's discretion	Paid	Paid
Fee	\$35*	\$35	\$35	\$12	\$0

\* Additional merchant fees may apply.

You do not have to have Overdraft Service – you can choose not to have this service at any time by calling 1-800-848-1088, notifying us in writing at Westamerica Bank, Direct Data Entry, B-2X, P.O. Box 1200, Suisun City, CA 94585-1200 or visiting one of our branches.

## Here are some tips to help you avoid overdrafts.

The best way to avoid overdrafts is to manage your account responsibly and not become overdrawn.

### Record all of your transactions

A check register is a valuable tool. Keep an accurate and current record of all of your transactions, which may include checks, debit card purchases and upcoming automatic payments. This will help you to track outstanding transactions that the Bank may have not yet received.

### Be aware of your available balance

You can access your account balance online, through our mobile app, via an ATM or by calling us at 1-800-848-1088. Keep in mind that your account balance is continually changing and may not reflect all outstanding transactions.

## **How can I avoid overdraft fees?**

### **Automatic Balance Alerts**

You can sign up for our automatic balance alerts that are available to StarConnect Plus online banking customers. If you sign up for automatic balance alerts, we will notify you if the account reaches a preset threshold you select. Alerts may help you avoid an overdraft, but are not intended to serve as a substitute for carefully monitoring the account balance and transactions. You should NOT rely solely on automatic balance alerts to avoid an overdraft. Additional terms and fees may apply.

### **Don't "play the float" and don't spend more than you have**

When you write a check or authorize other transactions, record the check or other transaction immediately and consider the money unavailable for anything else. It is difficult to predict when it will be presented to us for payment by the payee. Guessing the length of time before a check or other transaction clears and using those funds for something else ("playing the float") could cause costly overdrafts if the check or other transaction is presented to us for payment sooner than you anticipate and sufficient funds are no longer available.

### **Keep extra money in your account**

Extra money in your account provides a safety net, which could keep you from becoming overdrawn.

### **Establish Direct Deposit**

You may not always have time to go to the Bank, so set up direct deposit of your payroll, social security, retirement or pension to have your income conveniently deposited into your account.

### **Consider Overdraft Protection**

We offer alternatives that may be less costly and may help you avoid overdrafts. For example, you may have another Westamerica account linked to your account (Linked Overdraft Protection), or you can apply for an Extra Cash Overdraft Protection line of credit. For details about these services, visit your local branch, or call us at 1-800-848-1088.

## **Where can I go for more information?**

If you have any questions, or want more information about our Overdraft Services, Linked Overdraft Protection or Extra Cash, stop by your local branch, call us at 1-800-848-1088, or visit us at [westamerica.com](http://westamerica.com).

## **Additional Resources**

### **[www.mymoney.gov](http://www.mymoney.gov)**

Sponsored by the U.S. government, this site teaches the basics of financial education and provides information to help you make smart financial decisions.

### **[www.aba.com/consumers](http://www.aba.com/consumers)**

The American Bankers Association Education Foundation offers consumer resources on topics such as finance management and fraud prevention.

### **[www.consumer.ftc.gov](http://www.consumer.ftc.gov)**

The Federal Trade Commission offers consumers practical information on a variety of topics to help you avoid fraud and exercise your consumer rights.



**Your Community Banker™**

For further information, please contact your local Westamerica Community Banker, visit us online at [westamerica.com](http://westamerica.com), or call Customer Service toll-free at 1-800-848-1088. Hearing impaired customers may use TDDs to contact us toll-free at 1-800-TDD-1088.



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