

# Overdraft Disclosure Changes to Terms

Effective April 24, 2026, the terms of your Overdraft Disclosure will change as follows:

## Available Balance

The **Available Balance** section is replaced with the following:

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). The Available Balance may be reduced by the following activity: funds on hold in accordance with our Funds Availability Policy; our receipt of notice that a transaction will be presented or returned; our receipt of a legal process relating to your account; or your use of your account as security for a loan.

Pending transactions may affect your Available Balance as follows: deposits made available for your immediate use, such as cash deposits, electronic direct deposits and the portion of paper check deposits we make available according to our Funds Availability Policy, increase your Available Balance; withdrawals which have been authorized or are otherwise known to us, such as checks and preauthorized automatic ACH withdrawals that we receive for payment from your account but have not yet processed, reduce your Available Balance.

Pending debit card and ATM transactions may also affect your Available Balance. Generally, debit card purchases and ATM transactions have a two-step process that may impact the money available in your account to pay other transactions. These transactions usually begin with an electronic authorization request which is followed by an electronic settlement request later the same day or within a few days. If we authorize the transaction, we may place an authorization hold on the amount of funds necessary to cover the authorization. Depending on the merchant’s practice, the authorization hold may be for the actual amount of the purchase or for the anticipated amount (which may be greater or less than the actual amount of the purchase). The amount of the authorization hold will reduce the money available in your account to cover other transactions. There may be circumstances where you have sufficient funds in your account when we authorize a transaction and place an authorization hold, but your account does not have sufficient funds to pay the transaction when it is actually presented for payment and posts to your account (this is commonly known as an

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“authorize positive, settle negative transaction” or “APSN”). APSNs sometimes happen when the amount presented at settlement is greater than the amount of the authorization hold or when intervening transactions further reduce your account balance before the transaction is posted for settlement. This may cause an overdraft in your account or cause other transactions to be returned. However, we do not charge an Overdraft Fee on APSNs.

## Order of Payment

The **Order of Payment** section will be revised to reflect the following posting order:

In the normal course of business, we generally process transactions presented to the account on a single banking day in the following order:

1. Credits and deposits.
2. Bank-generated debits, including, but not limited to, fees, returned deposited items, overdraft transfers, and deposit corrections are processed from highest to lowest dollar amount.
3. Withdrawals and funds transfers performed in a branch, online, or by telephone are processed from highest to lowest dollar amount.
4. ATM and point-of-sale (POS) transactions will be processed in chronological order using the date and time the transaction was authorized. If multiple transactions have the same date and time, they will be processed in the order of lowest dollar transactions first.
5. Checks will be processed in check number order. If checks are received without a check number, they will be processed prior to any numbered checks in the order of lowest dollar transactions first.
6. ACH debits will be processed in the order they are received.

For a complete copy of our Overdraft Disclosure or deposit agreement, visit [www.westamerica.com](http://www.westamerica.com). For further information, please contact your local Community Banker, visit us online, or call Customer Service toll free at 1-800-848-1088.

