WESTAMERICA BANCORPORATION
Form DEF 14A
February 26, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No. __)

Filed by the Registrant x Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

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

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to §240.14a-12

Westamerica Bancorporation

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

x No fee required.

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

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

(2) Aggregate number of securities to which the transaction applies:

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

(4) Proposed maximum aggregate value of the transaction:

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¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

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March 12, 2010

To Our Shareholders:

You are cordially invited to attend the Annual Meeting of Shareholders of Westamerica Bancorporation. It will be held at **11:00 a.m. Pacific Time on Thursday, April 22, 2010, at the Fairfield Center for Creative Arts, 1035 West Texas Street, Fairfield, California** as stated in the formal notice accompanying this letter. We hope you will plan to attend.

At the Annual Meeting, the Shareholders will be asked to (i) elect nine directors, (ii) ratify the selection of independent auditors, and (iii) conduct other business that properly comes before the Annual Meeting.

In order to ensure your shares are voted at the Annual Meeting, you can vote through the internet, by telephone or by mail. Instructions regarding internet and telephone voting are included on the Proxy Card. If you elect to vote by mail, please sign, date and return the Proxy Card in the accompanying postage-paid envelope. The Proxy Statement explains more about voting. If you attend the Annual Meeting, you may vote in person even though you previously voted your proxy.

We look forward to seeing you at the Annual Meeting on Thursday, April 22, 2010, at the Fairfield Center for Creative Arts.

Sincerely,

David L. Payne
Chairman of the Board, President

and Chief Executive Officer

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WESTAMERICA BANCORPORATION

1108 Fifth Avenue

San Rafael, California 94901

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Date and Time

Thursday, April 22, 2010, at 11:00 a.m. Pacific Time

Place

Fairfield Center for Creative Arts, 1035 West Texas Street, Fairfield, California

Items of Business

1. To elect nine Directors to serve until the 2011 Annual Meeting of Shareholders;

2. To ratify selection of the independent auditors; and;

3. To transact such other business as may properly come before the Annual Meeting and any adjournments or postponements.

Who Can Vote?

Shareholders of Record at the close of business on February 22, 2010 are entitled to notice of, and to vote at the Annual Meeting or any postponement or adjournment thereof.

Admission to the Meeting

As in 2009, tickets for admission will not be issued. To facilitate the admission process, Shareholders of Record planning to attend the meeting should check the appropriate box on the Proxy Card. Your name will be added to a list of attendees. If you hold shares through an intermediary, such as a bank or broker, you will need to register at the registration desk. Please have the following as evidence of ownership: 1) a Legal Proxy, which you can obtain from your bank or broker or other intermediary; OR 2) your shareholder statement dated on or after February 22, 2010, the Annual Meeting Record Date; AND 3) a photo ID.

Annual Report

Westamerica Bancorporation s Annual Report on Form 10-K (Annual Report) to Shareholders for the fiscal year ended December 31, 2009 is enclosed. The Annual Report contains financial and other information about the activities of Westamerica Bancorporation, but does not constitute a part of the proxy soliciting materials.

BY ORDER OF THE BOARD OF DIRECTORS

Kris Irvine
VP/Corporate Secretary

Dated: March 12, 2010

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE

SHAREHOLDER MEETING BEING HELD ON THURSDAY, APRIL 22, 2010. THE PROXY STATEMENT AND

ANNUAL REPORT ON FORM 10-K TO SHAREHOLDERS ARE AVAILABLE AT: WWW.WESTAMERICA.COM

YOUR VOTE IS IMPORTANT

YOU ARE URGED TO COMPLETE, SIGN, DATE AND PROMPTLY RETURN YOUR PROXY, OR VOTE BY TELEPHONE OR THE INTERNET USING THE PROCEDURES DESCRIBED IN THE PROXY STATEMENT, SO THAT YOUR SHARES MAY BE VOTED IN ACCORDANCE WITH YOUR WISHES.

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WESTAMERICA BANCORPORATION

1108 Fifth Avenue

San Rafael, California 94901

PROXY STATEMENT

March 12, 2010

GENERAL

This Proxy Statement and the accompanying Proxy Card are being mailed to Shareholders of Westamerica Bancorporation (Westamerica or the Corporation) beginning on or about March 12, 2010. The Westamerica Board of Directors is soliciting proxies to be used at the 2010 Annual Meeting of Shareholders of Westamerica Bancorporation, which will be held at 11:00 a.m. Pacific Time, Thursday, April 22, 2010, or at any adjournment or postponement of the Meeting. Proxies are solicited to give all Shareholders of Record (Record Holder) an opportunity to vote on matters to be presented at the Annual Meeting. In the following pages of this Proxy Statement, you will find information on matters to be voted on at the Annual Meeting.

Voting Information

Who Can Vote. You are entitled to vote if you were a **Record Holder** of Westamerica common stock as of the close of business on February 22, 2010. Your shares can be voted at the Meeting only if you are present or represented by a valid proxy. If your shares of common stock are held by a bank, broker or other nominee in street name, you are a **beneficial owner** and will receive voting instructions from the bank, broker or other nominee (including instructions, if any, on how to vote by telephone or through the internet). You must follow these instructions in order to have your shares voted.

Voting in Person at the Meeting. To be able to vote in person at the Annual Meeting, beneficial owners must obtain and bring to the Annual Meeting a legal proxy from the institution that holds your shares, indicating that you were the beneficial owner of the shares on February 22, 2010, the Record Date for voting.

Proxy Card. The Board has designated Arthur C. Latno, Jr., Ronald A. Nelson and Edward B. Sylvester to serve as Proxies for the Annual Meeting. As Proxies, they will vote the shares represented by proxies at the Annual Meeting. If you sign, date and return your Proxy Card but do not specify how to vote your shares, the Proxies will vote FOR the election of all of the Director nominees, and FOR ratifying the selection of independent auditors. The Proxies will also have discretionary authority to vote in accordance with their judgment on any other matter that may properly come before the Meeting that we did not have notice of by January 27, 2010.

Quorum and Shares Outstanding. A quorum, which is a majority of the total shares outstanding as of the Record Date, must be present to hold the Meeting. A quorum is calculated based on the number of shares represented by Shareholders attending in person or by proxy. On February 22, 2010, 29,268,411 shares of Westamerica common stock were outstanding. We also count broker non-votes, which we describe below, as shares present or represented at the Meeting for the purpose of determining whether a quorum exists.

Required Votes Election of Director Nominees. Each share is entitled to one vote, except in the election of Directors where a Shareholder may cumulate votes as to candidates nominated prior to voting, but only when a Shareholder gives notice of intent to cumulate votes prior to the voting at the Meeting. If any

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Shareholder gives such notice, all Shareholders may cumulate their votes for nominees. Under cumulative voting, each share carries as many votes as the number of Directors to be elected, and the Shareholder may cast all of such votes for a single nominee or distribute them in any manner among as many nominees as desired. This Proxy Statement solicits the discretionary authority to cumulate votes and allocate them in the proxy holders discretion if any shareholder requests cumulative voting. In the election of Directors, the nine nominees receiving the highest number of votes will be elected. If your proxy is marked Withhold with regard to the election of any nominee, your shares will be counted toward a quorum and for other nominees but they will not be voted for or against the election of that nominee.

Required Votes Ratification of Auditors. The selection of independent auditors will be ratified if the number of shares voted in favor of the proposal is equal to at least a majority of the shares represented at the Meeting, in person or by proxy. Abstentions are deemed "present" for the purpose of obtaining a quorum, but for purposes of determining the outcome of the proposal, abstentions will not be treated as affirmative votes. In other words, abstentions will have the same effect as negative votes.

Other Matters. Approval of any other matter considered at the Meeting will require the affirmative vote of a majority of the shares present or represented by proxy and voting at the Meeting.

Broker Non-Votes. Broker non-votes will be included as present for the purpose of determining the presence of a quorum. A broker non-vote occurs under the stock exchange rules when a broker is not permitted to vote on a matter without instructions from the beneficial owner of the shares and no instruction is given on a timely basis. Brokers may vote at their discretion on routine matters, such as ratification of selection of independent auditors, but not on non-routine matters, including election of Directors. **IMPORTANT: This is the first year that brokers will not have a discretionary vote on the election of Directors. Therefore, please mark your ballot to ensure that your votes for Directors are counted**.

How You Can Vote. Record Holders may vote by proxy or in person at the Meeting. To vote by proxy, you may select one of the following options:

Vote by Telephone. You can vote your shares by telephone by calling the toll-free telephone number shown on your Proxy Card. Telephone voting is available 24 hours a day, seven days a week. Easy-to-follow voice prompts allow you to vote your shares and confirm that your instructions have been properly recorded. Our telephone voting procedures are designed to authenticate the Shareholder by using individual control numbers, which you will find on your Proxy Card. If you vote by telephone, you should **NOT** return your Proxy Card.

Vote by Internet. You can choose to vote on the internet. The website for internet voting is shown on your Proxy Card. Internet voting is available 24 hours a day, seven days a week. You will be given the opportunity to confirm that your instructions have been properly recorded. Our internet voting procedures are designed to authenticate the Shareholder by using individual control numbers, which you will find on your Proxy Card. If you vote on the internet, you should **NOT** return your Proxy Card.

If you vote by telephone or internet, your vote must be received by 1:00 a.m. Central Time, on April 22, 2010 to ensure that your vote is counted. For Westamerica Bancorporation Tax Deferred Savings/Retirement Plan (ESOP) participants, your vote must be received by 12:01 a.m. Central Time, on April 20, 2010.

Vote by Mail. If you choose to vote by mail, simply mark your Proxy Card, date and sign it, and return it in the postage-paid envelope provided.

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Beneficial owners must follow voting instructions received from your bank, broker or other nominee in order to have your shares voted.

We have been advised by counsel that these telephone and internet voting procedures comply with California law.

Revocation of Proxy. Record Holders who vote by proxy, whether by telephone, internet or mail, may revoke that proxy at any time before it is voted at the Meeting. You may do this by: (a) signing another Proxy Card with a later date and delivering it to us prior to the Meeting or sending a notice of revocation to the Corporate Secretary of Westamerica at 1108 Fifth Avenue, San Rafael, CA 94901; (b) voting at a later time by telephone or on the internet prior to 1:00 a.m. Central Time, on April 22, 2010 (prior to 12:01 a.m. Central Time, on April 20, 2010 for ESOP participants); or (c) attending the Meeting in person and casting a ballot. If you hold shares in street name, you may change your vote by submitting new voting instructions to your broker or other nominee.

Additional Information

Householding. As permitted by the Securities Exchange Act of 1934 (the Exchange Act) only one copy of the Annual Report and the Proxy Statement is being delivered to Shareholders residing at the same address, unless such Shareholders have notified their bank, broker, Computershare Investor Services or other holder of record that they wish to receive separate mailings. If you are a beneficial holder and own your shares in street name, contact your broker, bank or other holder of record to discontinue householding and receive your own separate copy of Proxy Statements and Annual Reports in future years. If you are a registered holder and own your shares through Computershare Investor Services, contact Computershare toll-free at 877-588-4258 or in writing directed to Computershare Investor Services, 250 Royall Street, Mail Stop 1A, Canton, MA 02021 to discontinue householding and receive multiple Annual Reports and Proxy Statements in future years. To receive an additional Annual Report or Proxy Statement this year, contact Shareholder Relations at 707-863-6992.

At least one account at your address must continue to receive an Annual Report, unless you elect to receive future Annual Reports and Proxy Statements over the internet. Mailing of dividends, dividend reinvestment statements, and special notices will not be affected by your election to discontinue duplicate mailings of the Annual Report and Proxy Statement. Regardless of householding, each Shareholder will continue to receive a separate Proxy Card and return envelope.

Electronic Access to Proxy Materials and Annual Reports. This Proxy Statement and the 2009 Annual Report are available on the Corporation s internet site at: **www.westamerica.com**. If you hold your Westamerica common stock in street name through a broker, a bank or other nominee, you may have the option of securing your Proxy Statement and Annual Report over the internet. If you vote this year s proxy electronically, you may also elect to receive future Proxy Statements, Annual Reports and other materials electronically by following the instructions given by your bank, broker, or other holder of record when you vote. Our website is available for information purposes only and should not be relied upon for investment purposes, nor is it incorporated by reference into this Proxy Statement.

Stock Ownership

Security Ownership of Certain Beneficial Owners. Based on Schedule 13G filings, Shareholders beneficially holding more than 5% of Westamerica common stock outstanding as of December 31, 2009, in addition to those disclosed in the Security Ownership of Directors and Management below, were:

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Name and Address of Beneficial Owner	Title of Class	Number of Shares Beneficially Owned	Percent of Class
Neuberger Berman, Inc. 605 Third Avenue, New York, NY 10158	Common	2,581,954 (1)	8.84%
BlackRock, Inc. 40 East 52nd Street, New York, NY 10022	Common	2,349,960 (2)	8.05%
T. Rowe Price Associates, Inc. 1100 East Pratt Street, Baltimore MD 21202-1009	Common	2,052,251 (3)	7.00%

(1) The Schedule 13G disclosed that the reporting entity held shared voting power over 2,151,802 shares and shared dispositive power over 2,581,954 shares.

(2) The Schedule 13G disclosed that the reporting entity, through its subsidiaries BlackRock, Inc., held sole voting power over 2,349,960 shares and sole dispositive power over 2,349,960 shares.

(3) The Schedule 13G disclosed that the reporting entity held sole voting power over 275,703 shares and sole dispositive power over 2,052,251 shares. These securities are owned by various individual and institutional investors which T. Rowe Price Associates, Inc. (Price Associates) serves as investment advisor with power to direct investments and/or sole power to vote the securities. For purposes of the reporting requirements of the Securities Exchange Act of 1934, Price Associates is deemed to be a beneficial owner of such securities; however, Price Associates expressly disclaims that it is, in fact, the beneficial owner of such securities.

Security Ownership of Directors and Management. The following table shows the number of common shares and the percentage of the common shares beneficially owned (as defined below) by each of the current Directors, by the Chief Executive Officer (CEO), by the Chief Financial Officer (CFO), and by the three other most highly compensated executive officers, and by all Directors and Officers of the Corporation as a group as of February 8, 2010. For the purpose of the disclosure of ownership of shares by Directors and Officers below, shares are considered to be beneficially owned if a person, directly or indirectly, has or shares the power to vote or direct the voting of the shares, the power to dispose of or direct the disposition of the shares, or the right to acquire beneficial ownership of shares within 60 days of February 8, 2010.

Amount and Nature of Beneficial Ownership

Name and Address**	Sole Voting and Investment Power	Shared Voting and Investment Power	Right to Acquire Within 60 days of Feb. 8, 2010	Total (1)	Percent of Class (2)
Etta Allen	10,775 (3)			10,775	*
Louis E. Bartolini	1,800			1,800	*
E. Joseph Bowler	18	25,867 (4)		25,885	0.1%
Arthur C. Latno, Jr.	3,311 (5)			3,311	*
Patrick D. Lynch	1,000			1,000	*
Catherine Cope MacMillan	8,200 (6)			8,200	*
Ronald A. Nelson	44,000			44,000	0.2%
David L. Payne	921 (7)	859,857 (8)	1,168,780	2,029,558	6.7%
Edward B. Sylvester	84,450			84,450	0.3%
John "Robert" A. Thorson	861 (9)	5,805 (10)	116,743	123,409	0.4%

David L. Robinson	224	573	99,965 (11)	100,762	0.3%
Jennifer J. Finger	2,625	921	191,766 (11)	195,312	0.7%
Dennis R. Hansen	30	21,955	103,609 (11)	125,594	0.4%
All 15 Directors and Executive Officers as a Group	158,225	916,876	1,727,981	2,803,082	9.0%

* Indicates beneficial ownership of less than one-tenth of one percent (0.1%) of the Corporation s Common Stock.

** The address of all persons listed is 1108 Fifth Avenue, San Rafael, CA 94901.

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(1) None of the shares held by the Directors and Officers listed above have been pledged.

(2) In calculating the percentage of ownership, all shares which the identified person or persons have the right to acquire by exercise of options are deemed to be outstanding for the purpose of computing the percentage of the class owned by such person, but are not deemed to be outstanding for the purpose of computing the percentage of the class owned by any other person.

(3) Includes 10,350 shares held in a trust as to which Mrs. Allen is trustee.

(4) Includes 25,867 shares held in trust as to which Mr. Bowler is co-trustee with shared voting and investment power.

(5) Includes 1,115 shares owned by Mr. Latno s wife as to which Mr. Latno disclaims beneficial ownership.

(6) Includes 6,000 shares held in a trust as to which Ms. MacMillan is trustee.

(7) Includes 921 shares held in trusts under the California Uniform Gift to Minors Act for as to which Mr. Payne is custodian.

(8) Includes 528,837 shares owned by Gibson Radio and Publishing Company, of which Mr. Payne is President and Chief Executive Officer, as to which Mr. Payne disclaims beneficial ownership, and 203,116 shares held in a trust as to which Mr. Payne is co-trustee with shared voting and investment power.

(9) Includes 830 shares held in trusts under the California Uniform Gift to Minors Act as to which Mr. Thorson is custodian.

(10) Includes 4,183 shares held in a trust as to which Mr. Thorson is co-trustee with shared voting and investment power.

(11) During 1996, the Corporation adopted the Westamerica Bancorporation Deferral Plan (the Deferral Plan) that allows recipients of Restricted Performance Shares (RPS) to defer receipt of vested RPS shares into succeeding years. Amounts shown include RPS shares that have been deferred into the Deferral Plan for the following accounts in amounts of: Ms. Finger 25,030 shares; Messrs. Robinson 13,430; and Hansen 7,250 shares.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires the Corporation s Directors and Executive Officers and persons who own more than 10% of a registered class of the Corporation s equity securities to file with the Securities and Exchange Commission (the SEC) and NASDAQ initial reports of ownership and reports of changes in ownership of common stock and other equity securities of the Corporation, and to send a copy to the Corporation.

To the Corporation s knowledge and based solely on a review of the copies of reports furnished to the Corporation and written representations that no other reports were required, during the fiscal year ended December 31, 2009, all Section 16(a) filing requirements were complied with timely by Westamerica s Directors and Officers, except for a single filing for Russell Rizzardi that was filed one day late.

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BOARD OF DIRECTORS

Proposal 1 Election of Directors

Nine Directors have been nominated for election at the Meeting to hold office for the ensuing year or until their successors are elected and qualified. The Proxies will vote for the nine nominees named below unless you give different voting instructions on your Proxy Card. Each nominee is presently a Director of the Corporation and has consented to serve a new term. The Board does not anticipate that any of the nominees will be unavailable to serve as a Director, but if that should occur before the Meeting, the Board reserves the right to substitute another person as nominee. The Proxies will vote for any substitute nominated by the Board of Directors. The Proxies may use their discretion to cumulate votes for election of Directors and cast all of such votes for any one or more of the nominees, to the exclusion of the others, and in such order of preference as they may determine at their discretion.

Nominees

The nominees for election as Directors are named and certain information with respect to them is given below. The information has been furnished to the Corporation by the respective nominees. All of the nominees have engaged in their indicated principal occupation for more than five years, unless otherwise indicated.

Name of Nominee	Principal Occupation	Director Since
Etta Allen	Mrs. Allen, 80, is President and owner of Allen Heating and Sheet Metal of Greenbrae, California, and President and owner of Sunny Slope Vineyard, Glen Ellen, California.	1988
Louis E. Bartolini	Mr. Bartolini, 77, retired in 1988 as a Vice President and financial consultant with Merrill Lynch, Pierce, Fenner & Smith, Inc. He currently devotes some of his time to serving on various community service boards.	1991
E. Joseph Bowler	Mr. Bowler, 73, retired in 2002 as Senior Vice President and Treasurer of the Corporation. Currently, he serves as a director and trustee of various non-profit community organizations.	2003
Arthur C. Latno, Jr.	Mr. Latno, 80, was an Executive Vice President for Pacific Telesis Group (formerly Pacific Telephone Co.) in San Francisco, California. Mr. Latno retired from that company in November of 1992. He devotes a portion of his time to serving on various community service boards.	1985
Patrick D. Lynch	Mr. Lynch, 76, currently serves as a consultant to several private high technology firms.	1986

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Name of Nominee	Principal Occupation	Director Since
Catherine Cope MacMillan	Ms. MacMillan, 62, is Secretary and Chief Financial Officer for Nob Hill Properties, Inc., the owner of the Huntington Hotel in San Francisco, California. Prior to 2000, she was President and owner of the Firehouse Restaurant in Sacramento, California.	1985
Ronald A. Nelson	Mr. Nelson, 67, was Executive Vice President of Charles M. Schulz Creative Associates, and a general partner in various Schulz partnerships through 1995. He has long been involved in the development of commercial property and also devotes time to personal investments and business consulting.	1988
David L. Payne	Mr. Payne, 54, is the Chairman of the Board, President and Chief Executive Officer of the Corporation. Mr. Payne is President and Chief Executive Officer of Gibson Printing and Publishing Company and Gibson Radio and Publishing Company, which are newspaper, commercial printing and real estate investment companies headquartered in Vallejo, California.	1984
Edward B. Sylvester	Mr. Sylvester, 73, is a consulting civil engineer in Nevada County, California. Mr. Sylvester is also the Chairman of Nevada County Broadcasters which owns radio stations in Nevada and Yuba Counties.	1979

THE BOARD RECOMMENDS ELECTION OF ALL NOMINEES.

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Board of Directors and Committees

Director Independence

The Board of Directors has considered whether any relationships or transactions related to a Director were inconsistent with a Director s independence. Based on this review, the Board has determined that E. Allen, L.E. Bartolini, E.J. Bowler, A.C. Latno, Jr., P.D. Lynch, C.C. MacMillan, R.A. Nelson, and E.B. Sylvester are independent Directors as defined in NASDAQ rules.

Meetings

The Corporation expects all board members to attend all meetings, including the Annual Meeting of Shareholders, except for reasons of health or special circumstances. Last year all nine Directors attended the Annual Meeting. The Board held a total of 11 meetings during 2009. Every Director attended at least 75% of the aggregate of: (i) the Board Meetings held during that period in which they served; and (ii) the total number of meetings of any Committee of the Board on which the Director served.

Committees of the Board

Executive Committee:

Members: D.L. Payne, Chairman; A.C. Latno, Jr., P.D. Lynch and E.B. Sylvester.

Number of Meetings in 2009: Ten

Functions: The Board delegates to the Executive Committee any powers and authority of the Board in the management of the business affairs of the Corporation, which the Board is allowed to delegate under California law.

Audit Committee:

Members: R.A. Nelson, Chairman; L.E. Bartolini, E.J. Bowler, and C.C. MacMillan. The Board of Directors has determined that all members are independent, as that term is defined by applicable rules of NASDAQ for Audit Committee purposes. The Board has also designated Mr. Nelson as the Audit Committee financial expert as defined by the rules of the SEC and has determined that he is financially sophisticated under NASDAQ rules. In concluding that Mr. Nelson is the Audit Committee financial expert, the Board determined that he has:

an understanding of generally accepted accounting principles and financial statements;

the ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves;

experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation s financial statements, or experience actively supervising one or more persons engaged in such activities;

an understanding of internal control over financial reporting; and

an understanding of audit committee functions.

Designation of a person as an Audit Committee financial expert does not result in the person being deemed an expert for any purpose, including under Section 11 of the Securities Act of 1933. The designation does not impose on the person any duties, obligations or liability greater than those imposed on any other Audit Committee member or any other Director and does not affect the duties, obligations or liability of any other member of the Audit Committee or Board of Directors.

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Number of Meetings in 2009: Five

Functions: The Audit Committee provides independent, objective oversight of the integrity of the Corporation s financial statements, the Corporation s compliance with legal and regulatory requirements, the independence and performance of the Corporation s independent auditor as it performs audit, review or attest services, and the Corporation s internal audit and control function. It selects and retains the independent auditors, reviews the plan and the results of the auditing engagement. It acts pursuant to a written charter that was amended by the Board in January 2010 and is attached as an exhibit to this Proxy Statement for the 2010 Annual Meeting of Shareholders. The Audit Committee Report that follows below more fully describes the responsibilities and the activities of the Audit Committee.

Employee Benefits and Compensation Committee:

Members: P.D. Lynch, Chairman; E. Allen, A.C. Latno, Jr., and R.A. Nelson.

The Employee Benefits and Compensation Committee of the Board of Directors (the Compensation Committee) is comprised solely of Directors who are not current or former employees of Westamerica or any of its affiliates. They are independent as defined by NASDAQ rules.

Number of Meetings in 2009: Five

Functions: The Compensation Committee administers Westamerica Bancorporation s Amended and Restated Stock Option Plan of 1995, Tax Deferred Savings and Retirement Plan, Deferred Profit Sharing Plan, Deferred Compensation Plan, and the Westamerica Bancorporation Deferral Plan. It administers the Corporation s compensation programs and reviews and reports to the Board the compensation level for executive officers, including the CEO, of the Corporation and its subsidiaries.

The Compensation Committee determines annual corporate performance objectives for equity compensation and cash bonuses and their related corporate, divisional and individual goals. Based on the CEO s assessment of the extent to which each executive officer met those objectives and goals, the Committee determines each executive officer s annual equity compensation and cash bonus. The Compensation Committee also establishes the individual goals and targets for the CEO. All compensation approved by the Compensation Committee is reported to the full Board of Directors. The role of the Compensation Committee is described in greater detail under the section entitled Compensation Discussion and Analysis.

The Compensation Committee does not have a charter, as it is not required by NASDAQ rules. The Compensation Committee has the authority to seek assistance from officers and employees of the Corporation as well as external legal, accounting and other advisors. It has not retained outside consultants for compensation advice, but can request assistance on an as-needed basis. It does not delegate authority to anyone outside of the Compensation Committee. The Human Resources Department supports the Compensation Committee by fulfilling certain administrative duties regarding the compensation programs.

Nominating Committee:

Members: A.C. Latno, Jr., Chairman; P.D. Lynch, and E.B. Sylvester.

The Board of Directors has determined that all members are independent, as defined in NASDAQ rules.

Number of Meetings in 2009: One

Functions: The Nominating Committee is governed by a written charter, which was amended in January 2010 and is attached as an exhibit to this Proxy Statement for the 2010 Annual Meeting of Shareholders.

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The Nominating Committee screens and recommends qualified candidates for Board membership. This Committee recommends a slate of nominees for each Annual Meeting. As part of that process, it evaluates and considers all candidates submitted by Shareholders in accordance with the Corporation s bylaws, and considers each existing Board member s contributions. The Committee applies the same evaluation standards whether the candidate was recommended by a Shareholder or otherwise.

Nominating Directors: The Nominating Committee will consider Shareholder nominations submitted in accordance with Section 2.14 of the Bylaws of the Corporation. That section requires, among other things, that nominations be submitted in writing and must be received by the Corporate Secretary at least 45 days before the anniversary of the date on which the Corporation first mailed its proxy materials for the prior year s Annual Meeting of Shareholders. If the date for the current year s Annual Meeting changes more than 30 days from the date on which the prior year s meeting was held, the Corporation must receive notice a reasonable time before the Corporation mails its proxy materials for the current year.

Nominations must include the following information:

The principal occupation of the nominee;

The total number of shares of capital stock of the Corporation that the Shareholder expects will be voted for the nominee;

The name and address of the nominating Shareholder; and

The number of shares of capital stock of the Corporation owned by the nominating Shareholder.

The Committee has specified the following minimum qualifications it believes must be met by a nominee for a position on the Board:

Appropriate personal and professional attributes to meet the Corporation s needs;

Highest ethical standards and absolute personal integrity;

Physical and mental ability to contribute effectively as a Director;

Willingness and ability to participate actively in Board activities and deliberations;

Ability to approach problems objectively, rationally and realistically;

Ability to respond well and to function under pressure;

Willingness to respect the confidences of the Board and the Corporation;

Willingness to devote the time necessary to function effectively as a Board member;

Possess independence necessary to make unbiased evaluation of management performance;

Be free of any conflict of interest that would violate applicable law or regulation or interfere with ability to perform duties;

Broad experience, wisdom, vision and integrity;

Understanding of the Corporation s business environment; and

Significant business experience relevant to the operations of the Corporation.

Loan and Investment Committee:

Members: E.B. Sylvester, Chairman; E. Allen, A.C. Latno, Jr. and C.C. MacMillan.

Number of Meetings in 2009: Ten

Functions: This Committee reviews major loans, investment policies, and monitors Community Reinvestment Act compliance.

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Director Compensation

The following table and footnotes provide information regarding the compensation paid to the Corporation s non-employee members of the Board of Directors in the fiscal year 2009. Directors who are employees of the Corporation receive no compensation for their services as Directors.

Director Compensation Table for Fiscal Year 2009

Name [1]	Fees Earned Paid in Cash	Change in Pension Value and Nonqualified Deferred Compensation Earnings [2]	Total
Etta Allen	$ 36,200	$ 21,338	$ 57,538
Louis E. Bartolini	30,200	238	30,438
E. Joseph Bowler	30,450		30,450
Arthur C. Latno, Jr.	43,050		43,050
Patrick D. Lynch	38,050		38,050
Catherine Cope MacMillan	36,200		36,200
Ronald A. Nelson	31,200		31,200
Edward B. Sylvester	42,300	4,181	46,481

(1) Non-employee Directors did not receive options or stock awards. During 2009, non-employee Directors of the Corporation each received an annual retainer of $14,000. Each non-employee Director received $1,200 for each meeting of the Board attended and $600 for each Committee meeting attended. The Chairman of each Committee received an additional $250 for each Committee meeting attended. All non-employee Directors are reimbursed for expenses incurred in attending Board and Committee meetings. The Chairman of the Board, David L. Payne, is compensated as an employee and did not receive any compensation as a Director. The Deferred Compensation Plan allows non-employee Directors to defer some or all of their Director compensation with interest earnings credited on deferred compensation accounts.

(2) The amount shown is the interest on Nonqualified Deferred Compensation that exceeds 120% of the long- term Applicable Federal Rate, with compounding, on all cash compensation deferred in 2009 and in previous years.

Westamerica Bancorporation does not have a charitable donations program for Directors nor does it make donations on behalf of any Director(s). The Corporation may make a nominal donation through its Community Relations program to non-profit organizations where a Director(s) may have an affiliation.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Compensation Committee governs the executive compensation program that combines three compensation elements: base salary, annual non-equity cash incentives, and long-term stock grants.

Several compensation philosophies and practices underlie this program:

Base salaries for participants in this program should be limited to foster an environment where incentive compensation motivates and rewards corporate, divisional, and individual performance.

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Incentive compensation (annual non-equity cash incentives and long-term stock grants) is based on measurement of performance against pre-established objective measurable goals. Specific criteria for each objective are established for threshold, target, and outstanding performance. On any one measure, performance below threshold results in no credit for that objective. Threshold performance results in a 75% achievement, target performance results in 100% achievement, and outstanding performance results in 150% achievement. The performance achievement level determines the size of incentive compensation awards.

Long-term incentive stock grants will be awarded to senior management if the corporate performance level is rated threshold or better. The purpose of long-term incentive grants is to:

- motivate senior management to focus on long-term performance;

- avoid excessive risk-taking and instill conservative management practices;

- build equity ownership among Westamerica s senior management;

- link Shareholder interests to management incentives; and

- create ownership mentality among senior management.

Establishing Incentive Levels, Determining Objectives and Measuring Performance

In administering the executive compensation program, the Compensation Committee determines target incentives for each position annually. The Compensation Committee exercises discretion in establishing target incentives in an effort to provide competitive pay practices while motivating and rewarding performance that benefits the Corporation s long-term financial performance and Shareholder interests.

At the beginning of each calendar year, the Compensation Committee establishes annual corporate performance objectives. In establishing corporate performance objectives, the Compensation Committee takes into consideration the current operating environment for the commercial banking industry as well as internal management policies and practices which would, in the Compensation Committee s opinion, benefit the long-term interests of the Corporation and its Shareholders. Corporate performance measures include risk management elements considered to be responsive to the impact current operating conditions could have on the long-term performance of the Company. The Compensation Committee monitors the economy and the banking industry s operating environment throughout the ensuing year, and may exercise discretion in adjusting corporate performance objectives during the year.

The operating environment for the commercial banking industry is impacted by myriads of factors including, but not limited to, local, national and global economic conditions, interest rate levels and trends, monetary policies of the Federal Reserve Board and its counterparts in other countries, fiscal policies of the United States government and other global political conditions, liquidity in capital markets, the demand for capital by commercial enterprises and consumers, new financial products, competitive response to changing conditions within the industry, trade balances, the changing values of real estate, currencies, commodities and other assets, and other factors.

Management policies and practices the Board considers in establishing corporate performance objectives include, but are not limited to, management of the Corporation s balance sheet and product pricing in a manner which will provide consistent sustainable growth in long-term financial results for Shareholders, the type and variety of financial products offered by the Corporation, adherence to internal controls, management of the credit risk of Corporation s loan portfolio, the results of internal, regulatory and external audits, service quality delivered to the Corporation s customers, service quality of back office support departments provided to those

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offices and departments directly delivering products and services to the Corporation s customers, maintenance of operating policies and procedures which remain appropriate for risk management in a dynamic environment, timely and efficient integration of acquired companies, operational efficiencies, and capital management practices.

Restricted Performance Shares (RPS) represent awards of Westamerica s common stock subject to achievement of performance objectives established by the Compensation Committee. The Amended and Restated Stock Option Plan of 1995 (Amended Stock Option Plan), which was approved by Shareholders in 1995 and amended with Shareholder approval in 2003, defines the performance factors the Board must use in administering RPS grants as one or more of the following: earnings, diluted earnings per share, revenue and revenue per diluted share, expenses, share price, return on equity, return on equity relative to the average return on equity for similarly sized institutions, return on assets, return on assets relative to the average return on assets for similarly sized institutions, efficiency ratio (operating expenses divided by operating revenues), net loan losses as a percentage of average loans outstanding, nonperforming assets, and nonperforming assets as a percentage of total assets.

In addition to establishing corporate performance objectives, the Compensation Committee also establishes individual goals for the CEO. In regard to the other executives named in the accompanying tables, the CEO recommends divisional and individual performance objectives to the Compensation Committee, which considers, discusses, adjusts as necessary, and adopts such performance objectives.

At the beginning of each calendar year, the Compensation Committee reviews corporate, divisional, and individual performance against the performance objectives for the year just completed. After thorough review and deliberation, the Compensation Committee determines the recommended amount of individual cash incentives and stock-based incentive awards. The Compensation Committee reports such incentives to the Board of Directors. Meetings of the Compensation Committee and Board of Directors routinely occur in January, immediately following the closure of the calendar year for which performance is measured for incentive compensation purposes.

Stock Grants

Long-term stock grants may only be awarded under Shareholder approved stock-based incentive compensation plans. The Corporation s Proxy Statement dated March 17, 2003, as filed with the SEC on that date, summarizes the Amended Stock Option Plan s changes from the predecessor plan. Such changes included:

disallowing re-pricing stock options for poor stock performance;

limiting the number of shares that may be awarded; and

requiring the Compensation Committee to meet the definition of independence to enable any award intended to qualify as performance-based compensation to meet Section 162(m) of the Internal Revenue Code.

The Amended Stock Option Plan allows four types of stock-based compensation awards:

Incentive Stock Options (ISO) allow the optionee to buy a certain number of shares of Westamerica common stock at a fixed price, which is established on the date of the option grant. ISOs are intended to meet the requirements of Section 422 of the Internal Revenue Code which provide advantages if certain conditions are met. If the optionee holds the acquired stock for the designated holding period, the optionee defers the timing of recognizing taxable income related to exercising the ISO. If the optionee complies with the ISO requirements, the Corporation does not receive a corporate tax deduction related to the shares issued.

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Nonqualified Stock Options (NQSO) also give the optionee the option to buy a certain number of shares of Westamerica common stock at a fixed price, which is established on the date of grant. Unlike ISOs, NQSOs do not allow deferral of taxable income for the optionee. At the time NQSOs are exercised, the optionee incurs taxable income equal to the spread between the exercise price and the market price of the stock, and the Corporation receives a corporate tax deduction in the same amount.

Stock Appreciation Rights (SAR) provide the holder a cash payment equal to the difference between the fair market value of the Corporation s common stock on the date the SAR is surrendered and the fair market value of the Corporation s common stock on the date the SAR was granted. The optionee incurs taxable income at the time the SAR is settled and the Corporation receives a corporate tax deduction in the same amount.

Restricted Performance Share Grants (RPS), as noted above, are awards of the Corporation s common stock that are subject to the achievement of performance objectives. Award recipients receive shares at the end of the performance measurement period only if performance objectives are achieved. The award recipient incurs taxable income at the time any RPS vests and the Corporation receives a corporate tax deduction in the same amount.

Determination of Awards to Grant

In determining which type of stock-based compensation awards to grant, the Compensation Committee considers the attributes of each form of incentive. For example, the ability to motivate management to make decisions based on the long-term interests of Shareholders, the desire to compensate with shares rather than cash, and the tax consequences of each type of award. The Compensation Committee retains the latitude to utilize all forms of incentives provided under the Amended Stock Option Plan. In the current and preceding years, the Compensation Committee has utilized NQSO and RPS based on the motivational aspects of stock price appreciation, the settlement in shares rather than cash, and the preservation of tax deductions for the Corporation. At February 22, 2010, the Corporation had no ISO or SAR awards outstanding.

Determination of Option Exercise Price

The Amended Stock Option Plan also requires the exercise price of each NQSO or ISO to be no less than one hundred percent (100%) of the fair market value of the Corporation s common stock on the date of grant. As described above, the Amended Stock Option Plan does not allow re-pricing stock options for poor stock price performance.

Stock-based compensation awards are submitted by the Compensation Committee to the full Board of Directors for review. As described above, these meetings have routinely occurred in January immediately following the closure of the calendar year for which performance is measured for incentive compensation purposes. The Compensation Committee meeting has routinely been held during the same week as the related Board of Directors meeting. These January meetings follow by no more than ten business days, the Corporation s public disclosure of its financial results for the preceding year. As a result, stock option grants are awarded, and the exercise price of such grants are determined, at a time when the Corporation has broadly disseminated its financial condition and current operating results to the public. The Corporation s outstanding stock option grants are dated, and related stock option exercise prices are determined, on the January date the Compensation Committee meets to approve such grants.(1)

(1) Due to merger and acquisition activity, the Corporation converts stock option grants outstanding for acquired companies based on the terms and conditions of related merger agreements. The dating of such converted stock options generally remains as originally dated by the acquired company. As a result, the Corporation at times has options outstanding related to acquisitions with grant dates different from its routine stock option granting practices.

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Long-Term Incentive Attributes

The Board of Directors has designated the Compensation Committee as the administrator of the Amended Stock Option Plan. The Compensation Committee reports to the Board the terms and conditions of stock option awards. In carrying out this responsibility, the Compensation Committee designs such awards as long-term incentives. The terms and conditions of currently outstanding awards include:

NQSO vest one-third (1/3) on each anniversary of the grant date. As such, NQSO grants become fully vested over a three-year period. NQSO grants expire on the tenth anniversary of the grant date. The Corporation does not pay dividends on shares underlying NQSO grants until the optionee exercises the option and the shares are outstanding on a dividend record date.

RPS awards vest three years following the grant date, only if corporate performance objectives are achieved over the three-year period. The Corporation does not pay dividends on RPS shares until vesting occurs and shares awarded become outstanding on a dividend record date.

Compensation for the Chairman, President & CEO

Mr. Payne performs two functions for the Corporation. These two functions tend to be compensated separately at similarly sized banking institutions. Mr. Payne serves as Chairman of the Board and Chief Executive Officer with responsibilities including oversight of the organization and external strategic initiatives. Mr. Payne also serves as President and Chief Operating Officer with responsibilities including daily management of internal operations. Mr. Payne s total compensation reflects these broad responsibilities. Consistent with the overall compensation philosophy for senior executives, Mr. Payne s compensation has a greater amount of pay at-risk through incentives than through base salary. Since Mr. Payne is compensated as an executive, he is not eligible to receive compensation as a Director.

As noted on page 26 of the proxy under the Pension Benefits Table, during 1997 the Corporation entered into a nonqualified pension agreement (Pension Agreement) with Mr. Payne in consideration of Mr. Payne s agreement that RPS granted in 1995, 1996 and 1997 would be canceled. In entering the Pension Agreement, the Board of Directors considered the following:

Mr. Payne had a significant beneficial interest in Corporation common stock, which was more than adequate to continue to provide motivation for Mr. Payne to continue managing the Corporation in the best interests of Shareholders.

In 1997, the Corporation had consummated its largest acquisition, with significant total asset growth of approximately 51 percent. One of the Board s objectives was to provide a compensation mechanism providing retention features for Mr. Payne. Retention of Mr. Payne as President and Chief Executive Officer was desired following the Corporation s significant growth. The RPS shares surrendered for the Pension Agreement were scheduled to vest on dates in 1998, 1999 and 2000, while the Pension Agreement was not fully vested until December 31, 2002. Additionally, the 20-year certain pension provided under the Pension Agreement commences upon Mr. Payne s attainment of age 55, while Mr. Payne was age 42 at the time of entering the Pension Agreement.

The economic value of the surrendered RPS and the Pension Agreement were considered equivalent based on actuarial assumptions.

Compensation Awarded to Named Executive Officers

Base salaries for participants in the executive compensation program are generally limited to foster an environment where incentive compensation motivates and rewards corporate, divisional, and individual

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performance. As such, base pay increases are generally infrequent and limited to control points assigned to each position. The non-equity cash incentive formula has the following components:

Target Cash Incentive	X	Composite Corporate, Divisional and Individual Performance Level	=	Cash Incentive Award

In structuring performance goals for the named executive officers, the Compensation Committee emphasizes goals, which if achieved, will benefit the overall Corporation. As such, senior management level positions have high relative weighting on corporate objectives, and divisional leadership positions also have significant weighting on divisional objectives. The target cash incentive and the weighting of goals for the named executive officers for 2009 performance were as follows:

	Target Cash Incentive	Goal Weighting		
		Corporate	Divisional	Individual
Mr. Payne	$ 371,000	80%		20%
Mr. Thorson	82,000	55%	25%	20%
Ms. Finger	82,000	55%	25%	20%
Mr. Hansen	73,900	55%	35%	10%
Mr. Robinson	75,000	50%	40%	10%

The Compensation Committee establishes corporate goals with the intent to balance current profitability with long-term stability of the Corporation and its future earnings potential. The 2009 corporate performance goals related to current year profitability included return on equity, return on assets and diluted earnings per share. The performance goals designed to maintain the long-term stability of the Corporation include quality and control components. The quality measures include loan portfolio quality measures (classified loans and other real estate owned, non-performing loans and other real estate owned, and net loan losses to average loans) and service quality measures (external service quality to customers and internal service quality of support departments and branches). The control measures include non-interest expense to revenues (efficiency ratio), the level of non-interest expenses, and below satisfactory internal audit results. By maintaining both current year profitability goals and longer-term quality and control goals, Management has a disincentive to maximize current earnings and the expense of longer-term results.

For 2009, the Compensation Committee expected a recessionary economy with a high level of uncertainty. Further, the Compensation Committee established 2009 corporate performance goals explicitly excluding the impact of mergers and acquisitions. As a result, the Committee reserved the ability to exercise a certain degree of judgment in adjusting target goals based on the resulting operating environment and merger and acquisition activity.

The Compensation Committee determined the 2009 operating environment was generally characterized as follows:

The economy was experiencing a severe recession at the beginning of the year. Weak economic recovery occurred during the year, supported by significant government monetary and fiscal policies. Commercial banks experienced rising loan losses and delinquent loans due to declines in collateral values, weak economic conditions, high unemployment and other factors. Demand for bank loans was weak while

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businesses and consumers reduced debt levels. The banking industry experienced aggregate declines in loans outstanding during the second half of 2009.

Approximately 140 banks failed in 2009. The Deposit Insurance Fund (DIF) became depleted requiring the Federal Deposit Insurance Corporation (FDIC) to increase bank assessments, including one large special assessment, to replenish the DIF.

The Federal Reserve maintained historically low short-term interest rates. The difference between short-term interest rates and medium-term interest rates increased.

The Compensation Committee considered management s response to the current operating environment including:

The acquisition of assets and assumption of liabilities of the former County Bank from the FDIC, including FDIC indemnification related to losses on loans and repossessed loan collateral.

In Management s judgment, the opportunity for loan growth with high credit quality was limited.

Loan growth in the current environment would likely impair the Corporation s long-term profitability.

Yields on high-quality investment securities were historically low which, in Management s opinion, could impair the Corporation s long-term profitability. As an alternative to purchasing investment securities, Management applied liquidity from the investment securities portfolio to reduce short-term borrowings as a strategy to reduce the liability sensitive nature of the balance sheet. Such balance sheet management prepares the Corporation for rising interest rates in the future.

Capital levels were managed throughout the year to historically high levels.

The Compensation Committee chose to make adjustments to actual results to take into account the impact of the operating environment including acquisition of the former County Bank, loan and investment activity, credit quality, capital management practices and increased FDIC assessments. Adjusted actual results against target performance goals were:

	Performance Target	Adjusted Actual Results
Profitability Goals:		
Return on average shareholders equity	22.4%	22.2%
Return on average assets	2.32%	2.43%
Diluted earnings per share	$ 3.22	$ 3.21
Quality Goals:		
Classified loans and other real estate owned	$ 40 million	$ 70 million
Non-performing loans and other real estate owned	$ 17 million	$ 33 million
Net loan losses to average loans	0.60%	0.60%
Service quality	Improving	Improving
Control Goals:		
Non-interest expense to revenues (efficiency ratio)	40.1%	42.2%
Non-interest expenses	$ 103.3 million	$ 105.9 million
Below satisfactory internal audits	none	none

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In reviewing the operating environment, Management s response to the operating environment, and adjusted results compared to target performance goals, the Compensation Committee determined corporate performance to be 111% of target goals.

As described above, divisional and individual goals are used in conjunction with corporate performance goals to determine cash bonus awards.

In addition to daily management responsibilities, Mr. Payne s individual goals included:

Effective management of the integration of the acquired County Bank;

Conservative management practices responsive to weak economic conditions;

Management of credit risk and classified assets;

Satisfactory regulatory examination and other audit results;

Continuing activities related to merger and acquisition opportunities; and

Maintenance of consistent customer service delivery throughout an expanded branch structure.

Based on individual performance against these goals, the Committee determined Mr. Payne s individual performance to be 140%. In considering all elements of performance, the Committee exercised its discretion and assigned Mr. Payne a composite corporate and individual performance level of 121%.

In addition to routine on-going divisional responsibilities, Mr. Thorson managed the Finance Division toward functional goals, which included:

Functional integration of the acquired County Bank; Adoption of new accounting standards;

Management of regulatory examination process; and

Lease renewals during weak economic conditions.

Based on the Finance Division s results, the Committee determined divisional performance to be 125%.

In addition to daily management responsibilities, Mr. Thorson s individual goals included:

Merger and acquisition due diligence; and

Capital management activities.

Based on individual performance against these goals, the Committee determined Mr. Thorson s individual performance to be 138%. In considering all elements of performance, the Committee exercised its discretion and assigned Mr. Thorson a composite corporate, divisional and individual performance level of 138%.

In addition to routine on-going divisional responsibilities, Ms. Finger managed the Treasury Division toward functional goals, which included:

Functional integration of the acquired County Bank;

Management of merchant credit card and trust operations during a period of weak economic conditions;

Management of balance sheet, including investment portfolio monitoring and support of deposit retention initiatives; and

Post-merger forecasting of net interest income and interest margin.

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Based on the Treasury Division s results, the Committee determined divisional performance to be 118%.

In addition to daily management responsibilities, Ms. Finger s individual goals included:

Merger and acquisition due diligence;

Branch sales; and

Management of any corporate litigation.

Based on individual performance against these goals, the Committee determined Ms. Finger s individual performance to be 119%. As a result, Ms. Finger s composite corporate, divisional and individual performance level was 114%.

In addition to routine on-going divisional responsibilities, Mr. Hansen managed the Operations and Systems Division toward functional goals, which included:

Functional integration of the acquired County Bank;

Improvement in internal service quality;

Expense control;

Risk management activities related to branch locations and electronic services; and

Computer upgrades.

Based on the Operations and Systems Division s results, the Committee determined divisional performance to be 121%.

In addition to daily management responsibilities, Mr. Hansen s individual goals included:

Merger and acquisition due diligence; and

Personnel development.

Based on individual performance against these goals, the Committee determined Mr. Hansen s individual performance to be 119%. As a result, Mr. Hansen s composite corporate, divisional and individual performance level was 116%.

In addition to routine on-going divisional responsibilities, Mr. Robinson managed the Banking Division toward functional goals which included:

Loan and deposit goals appropriate to economic conditions;

Non-interest income; and

Personnel development and management.

Based on the Banking Division s results, the Committee determined divisional performance to be 116%.

In addition to daily management responsibilities, Mr. Robinson s individual goals included:

Functional integration of the acquired County Bank;

Management of sales activities including direct management in certain geographic regions; and

Personnel succession planning.

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Based on individual performance against these goals, the Committee determined Mr. Robinson s individual performance to be 125%. As a result, Mr. Robinson s composite corporate, divisional and individual performance level was 114%.

Based on the above described performance against objectives, the Committee determined cash incentive awards as follows:

	Target Cash Incentive	X	Composite Corporate Divisional and Individual Performance Level	=	Cash Incentive Award
Mr. Payne	$ 371,000		121%		$ 450,000
Mr. Thorson	82,000		138%		113,300
Ms. Finger	82,000		114%		93,700
Mr. Hansen	73,900		116%		85,300
Mr. Robinson	75,000		114%		85,800

The size of stock grants is determined by corporate performance using a stated formula. For achievement of corporate performance in 2009, the following stock grants were awarded in January 2010:

	Target Nonqualified Stock Option Grant	X	Corporate Performance Level	=	Nonqualified Stock Option Award
Mr. Payne			111%		
Mr. Thorson	18,800		111%		20,800
Ms. Finger	18,800		111%		20,800
Mr. Hansen	16,800		111%		18,700
Mr. Robinson	18,850		111%		20,900

	Target RPS Grant	X	Corporate Performance Level	=	RPS Award
Mr. Payne			111%		
Mr. Thorson	1,980		111%		2,200
Ms. Finger	1,980		111%		2,200
Mr. Hansen	1,780		111%		1,980
Mr. Robinson	1,990		111%		2,210

RPS awards vest three years following the grant date, only if certain corporate performance objectives are achieved over the three-year period. In January 2010, the Compensation Committee evaluated whether the three-year corporate performance objectives were met for RPS awards granted in January 2007. The performance objectives for the RPS granted in January 2007 included:

3-year cumulative diluted earnings per share (EPS);

3-year average of annual return on average total assets (ROA);

3-year average of annual return on average shareholders equity relative to industry average ROE (ROE differential);

Ending non-performing assets to total assets (NPA); and

3-year average of annual growth in revenues per share (RevPS growth).

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The RPS would vest if any one of the following performance results were achieved:

4 of 5 objectives reaching threshold performance level;

3 of 5 objectives reaching target performance level; or

2 of 5 objectives reaching outstanding performance level.

The goals and achieved results were:

	Threshold	Target	Outstanding	Result
EPS	$ 9.61	$ 9.85	$ 9.98	Below Threshold
ROA	1.90%	2.00%	2.10%	Outstanding
ROE differential	3.0%	3.5%	4.5%	Outstanding
NPA	0.50%	0.35%	0.20%	Below Threshold
RevPS growth	3.0%	4.0%	6.0%	Below Threshold

With two of the five goals achieved at outstanding performance level, the Compensation Committee determined the RPS shares awarded in 2007 were vested upon achievement of three year goals.

Nonqualified Deferred Compensation Programs

The Corporation maintains nonqualified deferred compensation programs to provide senior and mid-level executives facilities to defer compensation in excess of the annual limits imposed on the Corporation s 401(k) plan. The Corporation believes these tax deferral programs enhance loyalty and motivate retention of executives. These programs allow executives to defer cash pay and RPS shares upon vesting. The programs also allow Directors to defer Director fees.

Cash pay deferred in the program accumulates in accounts in the names of the participating Directors and executives. The Corporation credits the balance of these accounts with interest using an interest rate that approximates the crediting rate on corporate-owned life insurance policies, which finance the cash pay deferral program. Deferrals and interest credits represent general obligations of the Corporation.

The common stock the Corporation issues to executives upon the vesting of RPS grants may be deferred into the program and deposited into a Rabbi Trust. Since these shares are outstanding shares of the Corporation s common stock, the Corporation pays dividends on these shares at the same rate paid to all shareholders. The shares held in the Rabbi Trust are subject to claims by the Corporation s creditors.

Employment Contracts

None of the executives named in the accompanying tables have employment contracts with the Corporation.

Compensation in the Event of a Change in Control

The banking industry has significant merger and acquisition activity. To promote retention of senior executives, unvested NQSO and RPS grants contain change in control provisions, which trigger full vesting upon a change in control. The Compensation Committee determined that these provisions were appropriate in order to retain executives to continue managing the Corporation after any change in control was announced through its ultimate consummation. Since none of the named executive officers have entered employment contracts with the Corporation, they serve in an at-will capacity and could terminate their employment at any time. The Compensation Committee felt it would be in the best interests of Shareholders to have a retention mechanism in place to provide continuity of management during a change in control process. Further, the Committee expects the named executive officers would be terminated by an acquiring institution rather than retained in a similar functional capacity.

The Corporation also maintains a Severance Payment Plan covering all employees to promote employee retention. The Severance Payment Plan provides salary continuation benefits for employees in the event of a change in control. The amount of salary continuation benefits is based on years of service and corporate title, but in no event exceed the equivalent of one times annual salary. All named executive officers are eligible for one year s salary under the plan.

Other

Internal Revenue Code (IRC) Section 162(m) places a limit on the amount of compensation that may be deducted by the Corporation in any year with respect to certain of the Corporation s highest-paid executives. Certain performance-based compensation is not counted toward this limit. The Corporation intends generally to qualify compensation paid to executive officers for deductibility under the IRC, including Section 162(m), but reserves the right to pay compensation that is not deductible.

Board Compensation Committee Report

We, the Compensation Committee of the Board of Directors of the Corporation, have reviewed and discussed the Compensation Discussion and Analysis with management. Based on that review and discussion, we have recommended to the Board of Directors inclusion of the Compensation Discussion and Analysis in this Proxy Statement and the Corporation s Annual Report on Form 10-K for the year ended December, 31, 2009.

Submitted by the Employee Benefits and Compensation Committee

Patrick D. Lynch, Chairman

Etta Allen

Arthur C. Latno, Jr.

Ronald A. Nelson

Compensation Committee Interlocks and Insider Participation

No member of the Compensation Committee is a current or former officer or employee of the Corporation or any of its subsidiaries, or entered into (or agreed to enter into) any transaction or series of transactions with the Corporation or any of its subsidiaries with a value in excess of $120,000. None of the executive officers of the Corporation has served on the Board of Directors or on the Compensation Committee of any other entity, where one of that entity s executive officers served either on the Board of Directors or on the Compensation Committee of the Corporation

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Summary Compensation Table

The following table sets forth summary compensation information for the chief executive officer, chief financial officer and each of the other three most highly compensated executive officers for the fiscal years ending December 31, 2009, 2008 and 2007. These persons are referred to as named executive officers elsewhere in this proxy statement.

SUMMARY COMPENSATION TABLE FOR FISCAL YEAR 2009

Name and Principal Position	Year	Salary	Stock Awards (1)	Option Awards (2)	Non-Stock Incentive Plan Compensation (3)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (4)	All Other Compensation (5)	TOTAL
David L. Payne	2009	$ 371,000	$	$	$ 450,000	$	$ 19,476	$ 840,476
Chairman,	2008	371,000	444,907		375,000		18,558	1,209,465
President & CEO	2007	371,000			450,000		19,329	840,329
John Robert A. Thorson	2009	142,000	117,982	97,416	113,300	10,171	15,722	496,591
SVP & Chief	2008	135,000	134,320	156,711	94,000	12,982	20,561	553,574
Financial Officer	2007	135,000	130,169	133,668	97,800	10,216	17,082	523,935
David L. Robinson	2009	150,000	118,816	98,318	85,800	8,229	21,760	482,923
SVP/Banking Division	2008	150,000	134,791	157,646	84,000	11,005	21,164	558,606
Manager	2007	136,875	34,356	67,273	90,100	8,616	15,048	352,268
Jennifer J. Finger	2009	129,996	117,982	97,416	93,700	9,254	19,847	468,195
SVP & Treasurer	2008	129,996	134,320	156,711	91,800	12,346	14,291	539,464
	2007	129,996	130,169	133,668	96,700	8,784	16,978	516,295
Dennis R. Hansen	2009	130,008	106,309	88,396	85,300	7,529	31,833	449,375
SVP/Banking Division	2008	130,008	120,652	141,696	83,600	9,888	31,732	517,576
Manager	2007	130,008	117,103	119,689	84,500	7,463	32,284	491,047

(1) Stock Awards represent RPS shares as described in the Compensation Discussion & Analysis. The amounts shown represent the aggregate grant date fair market value.

(2) Option awards represent Nonqualified Stock Options as described in the Compensation Discussion & Analysis. The amounts shown represent the aggregate grant date fair market value.

(3) The amounts shown are non-equity incentive compensation only. No interest or other form of earnings was paid on the compensation.

(4) The amounts include interest paid on deferred cash compensation to the extent the interest exceeds 120% of the long-term Applicable Federal Rates with compounding. The Corporation has no defined benefit pension plan. Mr. Payne has a pension agreement, which is discussed under Pension Benefits.

(5) Each of the above-named executive officers received less than $10,000 of aggregate perquisites and personal benefits, except for Mr. Hansen who received a car allowance of $12,000. All other compensation includes Corporation contributions to defined contribution plans (401(k) and Profit Sharing), and amounts added to taxable wages using IRS tables for the cost of providing group term life insurance coverage that is more than the cost of $50,000 of coverage. It also includes the dollar value of the benefit to Mr. Payne for the portion of the premium payable by the Corporation with respect to a split dollar life insurance policy (projected on an actuarial basis), and a bonus paid to Mr. Payne in the amount of his portion of the split dollar life insurance premium.

Based on the compensation disclosed in the Summary Compensation Table, approximately 34% of total compensation comes from base salaries. See Compensation Discussion and Analysis for more details.

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Grants Of Plan-Based Awards Table For Fiscal Year 2009

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards: Threshold	Target	Maximum	All Other Stock Awards: Number of Shares of Stock or Units (1)	All Other Stock Awards: Number of Securities Underlying Options (1)	Exercise or Base Price of Option Awards ($/Share) (2)	Grant Date Fair Value (3)
David L. Payne	1/21/09	$ 0	$ 371,000	$ 556,500				
	1/21/09							
	1/21/09							
John "Robert" A. Thorson	1/21/09	0	82,000	123,000				
	1/21/09				2,830		$ 0	$ 117,982
	1/21/09					21,600	43.015	97,416
David L. Robinson	1/21/09	0	75,000	112,500				
	1/21/09				2,850		0	118,816
	1/21/09					21,800	43.015	98,318
Jennifer J. Finger	1/21/09	0	82,000	123,000				
	1/21/09				2,830		0	117,982
	1/21/09					21,600	43.015	97,416
Dennis R. Hansen	1/21/09	0	73,900	110,850				
	1/21/09				2,550		0	106,309
	1/21/09					19,600	43.015	88,396

(1) Includes RPS grants. There is no dollar amount of consideration paid by any executive officer on the grant or vesting date of an award.

The material terms of the RPS grants are as follows:

The performance and vesting period is three years;

Multiple performance goals are established by the Compensation Committee for each grant;

Compensation Committee may revise the goals upon significant events;

Three-year performance criteria are limited to those provided in the Amended Stock Option Plan, as described on page 13;

Accelerated vesting occurs upon dissolution or liquidation of the Corporation or sale of all assets to another entity or a tender offer for 5% or more of outstanding stock; and

No dividends are paid or accrued prior to settlement or deferral delivery of shares which takes place approximately two months after vesting.

(2) Includes NQSO grants with an exercise price of not less than 100% of fair market value as of the date of grant.

The material terms of the NQSO s listed in the table are as follows:

Options vest ratably over three years beginning one year from date of grant;

Options expire 10 years following grant date;

Exercise price is 100% of fair market value as defined in the Amended Stock Option Plan;

Dividends are not paid on unexercised options;

Vesting ceases upon termination of employment, whatever the reason, except if vesting is accelerated as described below;

Vested options may be exercised within 90 days of termination of employment and within one year upon death or disability; and

Accelerated vesting occurs upon dissolution or liquidation of the Corporation or sale of all assets to another corporation or a tender offer for 5% or more of outstanding stock.

(3) The amounts shown for NQSOs and RPS awards represent the aggregate grant date fair market value.

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Outstanding Equity Awards Table at Fiscal Year-End 2009

	Option Awards				Stock Awards	
Name	Number of Securities Underlying Unexercised Options Exercisable (1)	Number of Securities Underlying Unexercised Options Unexercisable (1)	Option Exercise Price	Option Expiration Date	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested(2)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested valued at 12/31/09(2)
David L. Payne	168,780		$ 39.40625	1/25/11		
	250,000		38.74	1/23/12		
	250,000		40.75	1/23/13		
	250,000		49.61	1/22/14		
	250,000		52.539	1/26/15	9,440	$ 522,693
John "Robert" A. Thorson	3,510		39.40625	1/25/11		
	11,090		38.74	1/23/12		
	11,770		40.75	1/23/13		
	10,830		49.61	1/22/14		
	14,400		52.539	1/26/15		
	18,437		52.56	1/26/16		
	14,803	7,401	48.39	1/25/17		
	7,716	15,432	47.13	1/24/18		
		21,600	43.015	1/21/19	8,370	463,447
David L. Robinson	11,510		39.40625	1/25/11		
	11,090		38.74	1/23/12		
	10,820		40.75	1/23/13		
	8,790		49.61	1/22/14		
	9,000		52.539	1/26/15		
	11,449		52.56	1/26/16		
	7,450	3,725	48.39	1/25/17		
	7,762	15,524	47.13	1/24/18		
		21,800	43.015	1/21/19	6,420	355,475
Jennifer J. Finger	22,670		39.40625	1/25/11		
	21,840		38.74	1/23/12		
	21,310		40.75	1/23/13		
	17,300		49.61	1/22/14		
	17,800		52.539	1/26/15		
	22,600		52.56	1/26/16		
	14,803	7,401	48.39	1/25/17		
	7,716	15,432	47.13	1/24/18		
		21,600	43.015	1/21/19	8,370	463,447
Dennis R. Hansen	11,510		39.40625	1/25/11		
	11,090		38.74	1/23/12		
	10,820		40.75	1/23/13		
	8,790		49.61	1/22/14		
	9,000		52.539	1/26/15		
	11,449		52.56	1/26/16		
	13,255	6,627	48.39	1/25/17		
	6,977	13,953	47.13	1/24/18		
		19,600	43.015	1/21/19	7,530	416,936

(1) Option Awards vest ratably over three years beginning one year from date of grant. Options expiring in 2017 fully vest in January 2010. Options expiring in 2018 will fully vest in January 2011. Options expiring in 2019 fully vest in January 2012.

(2) RPS shares fully vest three years from date of grant if performance goals are met as follows: Ms. Finger - 2,690 shares vest in January 2010, 2,850 shares vest in January 2011 and 2,830 shares vest in January 2012; Messrs. Payne - 9,440 shares vest in January 2011; Thorson - 2,690 shares vest in January 2010, 2,850 shares vest in January 2011 and 2,830 shares vest in January 2012; Hansen - 2,420 shares vest in January 2010, 2,560 shares vest in January 2011 and 2,550 shares vest in January 2012; Robinson -710 shares vest in January 2010, 2,860 shares vest in January 2011 and 2,850 vest in January 2012.

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Option Exercises And Stock Vested Table for Fiscal Year 2009

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise	Value Realized on Exercise	Number of Shares Acquired on Vesting	Value Realized on Vesting
David L. Payne	261,500	$ 6,983,181		$
John "Robert" A. Thorson			2,030	84,630
David L. Robinison	5,410	91,575	660	27,515
Jennifer J. Finger	11,776	314,270	2,500	104,225
Dennis R. Hansen	8,300	224,454	660	27,515

(1) Amounts represent value upon vesting of RPS shares. Mr. Hansen deferred receipt of RPS shares upon vesting into a Rabbi Trust for either two years or until termination under the Westamerica Deferral Plan. Dividends are paid in cash during deferral period and distributions are paid in stock.

Pension Benefits

Name	Plan Name	Present Value of Accumulated Benefit
David L. Payne	Non-Qualified Pension Agreement	$6,210,000

During 1997, the Corporation entered into a nonqualified pension agreement with Mr. Payne in consideration of Mr. Payne s agreement that RPS awards granted in 1995, 1996 and 1997 would be canceled. In January 2000, the Compensation Committee, based on the Corporation s achievement of certain performance goals which had first been established for Mr. Payne s 1995, 1996 and 1997 RPS awards, determined Mr. Payne s annual pension would be $511,950. The pension will be paid to Mr. Payne for 20 years commencing at age 55.

The discount rate used to determine the present value is 5.50%, as used by the Corporation in determining benefit obligations for its post-employment retirement benefits as of December 31, 2009. The obligation is an unfunded general obligation of the Corporation.

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Nonqualified Deferred Compensation Table for Fiscal Year 2009

Name [(1)]	Executive Contributions in Last Fiscal Year [(2)]	Aggregate Earnings in Last Fiscal Year [(3)]	Aggregate Withdrawals/ Distributions [(4)]	Aggregate Balance at Last Fiscal Year End
David L. Payne	$	$	$	$
John "Robert" A. Thorson	85,871	51,650		829,179
David L. Robinson	39,375	117,401	-18,936	1,417,205
Jennifer J. Finger	41,883	187,916	-35,292	2,137,271
Dennis R. Hansen	77,087	81,110	-9,984	1,013,779

(1) Aggregate balance of deferred compensation reported as compensation prior to 2009 is as follows: Ms. Finger $1,984,647; Messrs. Thorson $777,530; Hansen $911,090; and Robinson $1,306,739.

(2) RPS shares deferred upon vesting in 2009 were disclosed as compensation in the Summary Compensation Table in the year of grant three years prior to 2009 and are therefore excluded from the Summary Compensation Table for Fiscal Year 2009. Non-equity incentive plan compensation deferred in 2009 was earned in 2008 and disclosed as compensation in the Summary Compensation Table for 2008 and is therefore excluded from the Summary Compensation Table for Fiscal Year 2009. In 2009, Mr. Robinson deferred $12,000 of salary earned in 2009 which is included in the Summary Compensation Table for Fiscal Year 2009.

(3) Includes change in value of deferred RPS shares, dividends earned on deferred RPS shares, and interest earned on deferred cash compensation. The amounts included in Summary Compensation Table for Fiscal Year 2009 on page 23 are as follows: Ms. Finger $9,254; Messrs. Thorson $10,171; Robinson $8,229; and Hansen $7,529.

(4) Includes dividends paid on deferred RPS shares and delivery of RPS shares pursuant to executive s elections at the time of deferral.

Under the Westamerica Bancorporation and Subsidiaries Deferred Compensation Plan (the Deferred Compensation Plan), Directors and Officers may defer up to 100% of their Director s compensation, salary and/or non-equity incentive compensation (cash bonus) into a non-qualified, unfunded deferred compensation program. The interest rate paid during 2009 was 6.5%. The interest rate may be changed annually. Interest is compounded semi-monthly. Participants choose in advance from the following distribution commencement dates: termination of employment, January 1 following termination of employment, or a specific date at least five years from date of deferral. Payment is made in a lump sum unless the participant chooses a four-year, five-year, or ten-year annual installment.

Under the Westamerica Bancorporation Deferral Plan, 100% of vested RPS grants may be deferred. Dividends paid on such issued and outstanding shares are paid in cash to the deferral participants, and are paid at the same rate as is paid to all other shareholders. The distribution of deferred RPS shares occurs at least two years after deferral, one month following termination, or the January 1 immediately following termination as elected by the participant at the time of deferral. If the participant is one of the named executive officers, benefit distributions that are made upon termination of employment may not start earlier than six months after the date of termination.

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Potential Payments Upon Termination or Change in Control

Payments to be made to the named executive officers in the event of termination of employment or change in control are described below.

Termination

Vested NQSOs may be exercised within 90 days of termination and within one year of death or disability. RPS shares vest if the Compensation Committee determines performance goals are met. Terminated employees will receive vested RPS shares if the settlement date of the RPS grant occurs within 90 days of termination. Employees separating from service due to death, disability or retirement are eligible to receive a pro rata portion of granted RPS shares if the Compensation Committee determines that the performance goals are likely to be met for the grant period. The pro rata basis is determined by the number of full years of the vesting period completed before date of death, disability or retirement.

Deferred compensation account balances are distributed on January 1 following termination, or a specific date at least five years from the date of deferral in the form of annual payments over four years. Payment may also be made in a lump sum or in annual payments for five or ten years as elected by the participant at the time of deferral. If the participant is one of the named executive officers, benefit distributions that are made upon termination of employment may not start earlier than six months after the date of termination.

Change in Control

A change in control is defined under the Amended Stock Option Plan as Shareholder approval of a dissolution or liquidation of the Corporation or a sale of substantially all of the Corporation s assets to another corporation, or a tender offer for 5% or more of the Corporation s outstanding common stock or a merger in which the Corporation s shareholders before the merger hold less than 50% of the voting power of the surviving corporation after the merger.

In the event of a change in control, unvested NQSOs and RPS shares immediately vest. The value of in-the-money options and RPS shares subject to accelerated vesting for each of the named executive officers is as follows: Ms. Finger: $909,134; Messrs. Payne: $522,692, Robinson: $778,733, Thorson: $909,134, and Hansen: $820,323. The value is computed by multiplying the difference between the market value on December 31, 2009, the last business day of 2009, and the exercise price of each option by the number of shares subject to accelerated vesting.

Under the Corporation s Severance Payment Plan executive officers receive six weeks pay for every year or partial year of service up to a maximum of one year s base salary (see Summary Compensation Table for Fiscal Year 2009 for annual base salary for all named executive officers). All named executive officers have met the service requirement for one year s base salary. Severance pay is paid in a lump sum or on a semi-monthly basis at the discretion of the Corporation, subject to Section 409A of the Internal Revenue Code.

Certain Relationships and Related Party Transactions

In accordance with the Audit Committee Charter, the Audit Committee is responsible for reviewing and approving or disapproving all related party transactions required to be disclosed by Item 404 of Regulation S-K for potential conflicts of interest. Additionally, the Corporation s Code of Conduct and Ethics provides rules that restrict transactions with affiliated persons.

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Certain of the Directors, executive officers and their associates have had banking transactions with subsidiaries of the Corporation in the ordinary course of business. With the exception of the Corporation s Employee Loan Program, all outstanding loans and commitments included in such transactions were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons not related to the Corporation, did not involve more than a normal risk of collectibility, and did not present other favorable features. As part of the Employee Loan Program, all employees, including executive officers, are eligible to receive mortgage loans with interest rates one percent (1%) below Westamerica Bank s prevailing interest rate at the time of loan origination. Westamerica Bank makes all loans to executive officers under the Employee Loan Program in compliance with the applicable restrictions of Section 22(h) of the Federal Reserve Act. Messrs. Hansen, Payne and Thorson have mortgage loans through this Program. The largest aggregate amount of principal during 2009 was $288,231, $527,188 and $410,064, respectively. The principal amount outstanding at December 31, 2009 was $281,049, $513,157 and $388,123, respectively. The amount of principal paid during 2009 was $7,182, $14,031, and $21,941, respectively. The amount of interest paid during 2009 was $10,330, $17,843 and $14,529, respectively. The rate of interest payable on the loan is 3.625%, 4.25% and 3.625%, respectively.

Mr. Hansen also has a $99,000 line of credit. The largest amount of principal outstanding during 2009 was $70,541. The amount of principal paid during 2009 was $98,972 and the principal amount outstanding at December 31, 2009 was $13,681. The amount of interest paid during 2009 was $738. The variable rate of interest payable on the line of credit is Wall Street Journal Prime minus 0.5%

PROPOSAL 2 RATIFICATION OF AUDITORS

The Audit Committee has approved the selection of the firm of KPMG LLP to serve as independent auditors for 2010 to examine the consolidated financial statements of the Corporation. Action by the Shareholders is not required by law in the appointment of independent auditors, but their appointment is submitted by the Audit Committee and the Board of Directors in order to give the Shareholders an opportunity to present their views. If the proposal is approved, the Audit Committee, in its discretion, may direct the appointment of different independent auditors at any time during the year if it determines that such a change would be in the best interests of the Corporation and its Shareholders. If the proposal to ratify the selection of KPMG LLP as the Corporation's independent auditors is rejected by the Shareholders then the Audit Committee will reconsider its choice of independent auditors. The Board of Directors recommends that the Shareholders vote for the proposal to ratify the selection of the Corporation's independent auditors.

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Audit Fees

The aggregate fees billed to the Corporation by KPMG with respect to services performed for fiscal 2009 and 2008 are as follows:

	2009	2008
Audit fees [(1)]	$ 858,000	$ 705,000
Audit related fees		
Tax fees		
All other fees		
	$ 858,000	$ 705,000

[(1)] Audit fees consisted of fees billed by KPMG for professional services rendered for the audit of the Corporation s consolidated financial statements, reviews of the consolidated financial statements included in the Corporation s quarterly reports on Form 10-Q, and the audit of the Corporation s internal controls over financial reporting. The audit fees also relate to services such as consents and audits of mortgage banking subsidiaries.

Pre-Approval Policies and Procedures

The Audit Committee is responsible for the appointment, compensation, retention and oversight of the work of any public accounting firm engaged by the Corporation for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation. Any accounting firm appointed by the Corporation reports directly to the Audit Committee.

The Audit Committee must pre-approve all auditing services and permitted non-audit services by its independent auditors and the fees to be paid by the Corporation for these services, except for those fees qualifying for the de minimis exception which provides that the pre-approval requirement for certain non-audit services may be waived if certain expressed standards and requirements are satisfied prior to completion of the audit under certain conditions. This exception requires that the aggregate amount of all such services provided constitutes no more than five percent of the total amount of revenue paid to the audit firm by the Corporation during the fiscal year in which the services are provided; at the time of the engagement, the Corporation did not recognize such services to be non-audit services; and such services are promptly brought to the attention of the Audit Committee and approved prior to the completion of the audit by the Audit Committee. During fiscal year 2009, there were no non-audit services that were provided using this exception.

The Audit Committee may delegate to one or more members of the Audit Committee the authority to grant pre-approvals of non-audit services and fees. In such event, the decisions of the member or members of the committee regarding pre-approvals are presented to the full Audit Committee at its next meeting. The Audit Committee pre-approved 100% of all services performed on behalf of the Corporation by KPMG during fiscal year 2009.

AUDIT COMMITTEE REPORT

The material in this report is not soliciting material and is not deemed filed with the SEC. It is not incorporated by reference in any of the Corporation s filings under the Securities Act of 1933 or the Exchange Act, whether made in the past or in the future even if any of those filings contain any general incorporation language.

The Audit Committee is composed of four Directors who are neither officers nor employees of the Corporation,

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and who meet the NASDAQ independence requirements for Audit Committee members. The Audit Committee selects, appoints and retains the Corporation s independent auditors and is responsible for their compensation and oversight.

In performing its functions, the Audit Committee acts only in an oversight capacity and necessarily relies on the work and assurances of the Corporation s management, which has the primary responsibility for financial statements and reports, and of the independent auditors. The auditors express an opinion on the conformity of the Corporation s annual financial statements to generally accepted accounting principles. In fulfilling its oversight responsibilities, the Audit Committee reviewed the audited consolidated financial statements for the fiscal year 2009 and discussed them with management and with KPMG, the Corporation s independent auditors.

Management represented to the Audit Committee that the Corporation s consolidated financial statements were prepared in accordance with generally accepted accounting principles. Management also represented that it performed an assessment of the effectiveness of internal control over financial reporting as of December 31, 2009, and that internal control over financial reporting was effective. The Audit Committee discussed with the auditors matters required to be discussed by Statement on Auditing Standards No. 114 (Communication with Audit Committees) as amended, including the auditors judgment about the quality as well as the acceptability of the Corporation s accounting principles, as applied in its financial reporting.

The auditors also provided to the Audit Committee the written disclosures and the letter from the independent auditors required by Independence Standards Board Standard No. 1 (Independence Discussions with the Audit Committees). The Audit Committee discussed with auditors the firm s independence.

Based on the Audit Committee s discussion with management and the independent auditors, the Audit Committee s review of the representations of management and the report of the independent auditors to the Audit Committee, the Audit Committee recommended that the Board of Directors include the audited consolidated financial statements in the Corporation s Annual Report on Form 10-K for the year ended December 31, 2009, for filing with the SEC.

Submitted by the Audit Committee

Ronald A. Nelson, Chairman

Louis E. Bartolini

E.J. Bowler

Catherine C. MacMillan

Shareholder Proposal Guidelines

To be considered for inclusion in the Corporation s Proxy Statement and form of proxy for next year s Annual Meeting, Shareholder proposals must be delivered to the Corporate Secretary of the Corporation, Westamerica Bancorporation A-2M, P.O. Box 1200, Suisun City, CA 94585, no later than 5:00 p.m. on November 12, 2010. However, if the date of next year s Annual Meeting is changed by more than 30 days from the date of this year s Meeting, the notice must be received by the Corporate Secretary a reasonable time before we begin to print and mail our Proxy Statement. All such proposals must meet the requirements of Rule 14a-8 under the Exchange Act.

In order for business, other than a Shareholder proposal submitted for the Corporation s Proxy Statement, to be properly brought before next year s Annual Meeting by a Shareholder, the Shareholder must give timely

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written notice to the Secretary of the Corporation. To be timely, written notice must be received by the Secretary of the Corporation at least 45 days before the anniversary of the day our Proxy Statement was mailed to Shareholders in connection with the previous year s Annual Meeting or January 26, 2011, for the 2011 Annual Meeting. If the date of the Annual Meeting is changed by more than 30 days, the deadline is a reasonable time before we begin to mail our Proxy Statement. A Shareholder s notice must set forth a brief description of the proposed business, the name and residence address of the Shareholder, the number of shares of the Corporation s common stock that the Shareholder owns and any material interest the Shareholder has in the proposed business.

Westamerica reserves the right to reject, to rule out of order, or to take other appropriate action with respect to any proposal that does not comply with these and other applicable legal requirements.

Shareholder Communication To Board Of Directors

Shareholders and other interested parties who wish to communicate with the Board may do so by writing to: Kris Irvine, VP/Corporate Secretary, Westamerica Bancorporation A-2M, P.O. Box 1200, Suisun City, CA 94585. The Directors have established procedures for the handling of communications from Shareholders and other interested parties and have directed the Corporate Secretary to act as their agent in processing any communications received. All communications that relate to matters that are within the responsibility of one of the Board Committees are to be forwarded to the Chair of the appropriate Committee. Communications that relate to ordinary business matters that are not within the scope of the Board s responsibilities, such as customer complaints, are to be sent to management. Solicitations, junk mail and obviously frivolous or inappropriate communications are not to be forwarded, but will be made available to any Director who wishes to review them.

Other Matters

The Board of Directors does not know of any matters to be presented at the Annual Meeting other than those specifically referred to in this proxy statement. If any other matters should properly come before the Meeting or any postponement or adjournment of the meeting, the persons named in the enclosed proxy intend to vote thereon in accordance with their best business judgment. If a nominee for Director becomes unavailable to serve as a Director, the Proxies will vote for any substitute nominated by the Board of Directors.

The Corporation will pay the cost of proxy solicitation. The Corporation has retained the services of Georgeson to assist in the proxy distribution at a cost not to exceed $2,000 plus reasonable out-of-pocket expenses. The Corporation will reimburse banks, brokers and others holding stock in their names or names of nominees or otherwise, for reasonable out-of-pocket expenses incurred in sending proxies and proxy materials to the beneficial owners of such stock.

BY ORDER OF THE BOARD OF DIRECTORS

Kris Irvine
VP/Corporate Secretary

Dated: March 12, 2010

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EXHIBIT A

WESTAMERICA BANCORPORATION

A. Audit Committee Charter Revised January, 2010

The Audit Committee is appointed by the Board to assist the Board in monitoring (1) the integrity of the Company s financial statements, (2) the compliance by the Company with legal and regulatory requirements, (3) the independence, qualifications and performance of the Company s registered public accounting firms preparing or issuing an audit report or performing other audit, review or attest services for the Company (independent auditor or independent auditors) and (4) the Company s internal audit and control function. The Audit Committee shall prepare the report that the Securities and Exchange Commission (SEC) rules require be included in the Company s annual Proxy Statement.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits, or to determine that the Company s financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management and the independent auditor.

The function of the Audit Committee is oversight. Management is responsible for the preparation and integrity of the Company s financial statements. Management is responsible for maintaining appropriate accounting and financial reporting policies and an appropriate internal control environment. Subject to appointment, review and oversight by the Audit Committee, the independent auditor is responsible for planning and conducting a proper audit of the Company s internal control environment and of its annual financial statements, reviewing the Company s quarterly financial statements prior to the filing of each quarterly report on Form 10-Q, and other procedures.

The members of the Audit Committee shall meet the independence requirements of The NASDAQ Stock Market (NASDAQ) and the rules and regulations of the SEC. No member shall be an affiliated person (as defined in relevant SEC or NASDAQ rules) of the Company or any of its subsidiaries or have participated at any time in the preparation of financial statements of the Company or any current subsidiary during the prior three years, and each member shall be free of any relationship that would interfere with the exercise of his or her independent judgment in carrying out the responsibilities of a member of the Audit Committee. The Audit Committee shall include members with banking or related financial management expertise who are able to read and understand fundamental financial statements, including the Company s balance sheet, income statement and cash flow statement, and at least one member must have the additional financial sophistication as required by and as defined in NASDAQ rules.

The Committee shall be subject to the provisions of the Company s bylaws relating to committees of the Board, including those provisions relating to removing committee members and filing vacancies. The members of the Audit Committee and its Chairman shall be appointed and may be removed by the Board on its own initiative or at the recommendation of the Nominating Committee. The Audit Committee shall have no fewer than three members. If not designated by the Board, the Audit Committee may designate a member as its Chairman.

The Audit Committee, in its capacity as a committee of the Board, shall be directly responsible for the appointment, compensation, retention, termination and oversight of the work of any independent auditors, and

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each independent auditor must report directly to the Audit Committee. The Audit Committee shall be directly responsible for the resolution of disagreements between management and the independent auditor regarding financial reporting.

The Audit Committee shall have the authority to retain independent legal, accounting or other advisors as it deems necessary to carry out its duties. The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to any independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services, compensation to any advisors employed by the Audit Committee, and ordinary administrative expenses that the Committee deems to be necessary or appropriate in carrying out its duties.

The Audit Committee may request any officer or employee of the Company or the Company s outside counsel or independent auditor to attend a meeting of the Committee.

The Audit Committee shall pre-approve all auditing services and permitted non-audit services and fees to be paid for such services to be performed for the Company by its independent auditor, subject to the limited de minimis exceptions for non-audit services described in Section 10A of the Securities Exchange Act of 1934, provided that compliance with the limitations and procedural requirements of Section 10A is fulfilled. The Audit Committee may delegate to one or more designated members of the committee the authority to grant pre-approvals of non-audit services and fees. Any such pre-approval shall be presented to the full Audit Committee at its next scheduled meeting.

The Audit Committee shall make regular reports to the Board.

The Audit Committee shall have the authority to conduct investigations that are related to its responsibilities under this Charter or otherwise assigned to it by the Board.

In addition, the Audit Committee, to the extent that it deems necessary or appropriate shall:

Financial Statement and Disclosure Matters

1. Prepare the report required by the rules of the SEC to be included in the Company s annual Proxy Statement. 2. Review the annual audited financial statements with management and the independent auditor, including disclosures made in Management s Discussion and Analysis of Financial Condition and Results of Operations, and recommend to the Board whether the audited financial statements should be included in the Company s Form 10-K.

3. Review with management and the independent auditor any significant financial reporting issues and judgments made in connection with the preparation of the Company s financial statements, including any significant changes in the Company s selection or application of accounting principles, any major issues as to the adequacy of the Company s internal controls and any special steps adopted in light of material control deficiencies; and review any reports prepared by or for management or the auditor with respect to these matters.

4. Annually review the quality of internal accounting and financial control, the auditor s report or opinion thereon and any recommendations the auditor may have for improving or changing the Company s internal controls, as well as management s letter in response thereto and any other matters required to be discussed under Statement of Auditing Standards Nos. 112 and 114 (as they may be modified or supplemented).

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5. Review management s proposed annual report on internal control over financial reporting which is required to be included in the Company s 10-K pursuant to rules of the SEC.

6. Review with management and the independent auditor the Company s quarterly financial statements prior to the filing of its Form 10-Q, including the results of the independent auditor s review of the quarterly financial statements.

7. Review and discuss quarterly reports from the independent auditors on:

   a. all critical accounting policies and practices to be used;

   b. all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative treatments, and the treatment preferred by the independent auditor;

   c. the matters required to be discussed by Statement on Auditing Standards Number 114 as it may be amended or supplemented, relating to the audit of the Company s periodic reports; and

   d. other material written communications between the independent auditor and management.

8. Meet periodically with management to review the Company s major financial risk exposures and the policies and procedures that management utilizes to monitor and control such exposures.

9. Review with the independent auditor any problems or difficulties the auditor may have encountered and any management letter provided by the auditor and the Company s response to that letter. Such reviews should include:

   a. any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information;

   b. any changes required in the planned scope of the audit; and

   c. any significant disagreements with management.

10. Discuss, prior to release by the Company, the earnings press releases (paying particular attention to any use of pro forma, or adjusted or other non-GAAP information) as well as financial information and earnings guidance provided to analysts and rating agencies, if any, as well as any financial information which the Company proposes to provide to financial analysts and rating agencies (being mindful of the need to avoid violations of SEC Regulation FD, which prohibits the selective disclosure of material information).

11. Discuss the quarterly and annual financial statements with the appropriate officers and/or employees of the Company and with the independent auditor, including the Company s disclosures under Management s Discussion and Analysis of Financial Condition and Results of Operations.

12. Review the schedule of unrecorded adjustments to the Company s financial statements and the reasons underlying the Company s assessment of the immateriality of such adjustments.

13. Review prior to publication or filing and approve such other Company financial information, including appropriate regulatory filings and releases that include financial information, as the Committee deems desirable.

14. Review the adequacy of the Company s system of internal accounting and financial control, including its disclosure controls and procedures and internal control over financial reporting, as defined in SEC Rules 13a-15(e) and 13a-15(f) under the Securities Exchange Act of 1934, and the Chief Executive Officer s and Chief Financial Officer s proposed disclosures and certifications with respect to these matters which are required to be included in the Company s Annual and Quarterly Reports to the SEC on Form 10-K and Form 10-Q.

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15. Review disclosures made to the Audit Committee by the Company s CEO and CFO during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company s internal controls.

16. Review the effect of regulatory and accounting initiatives on the financial statements of the Company.

17. Obtain from management, review and approve a description of issues and responses whenever a second opinion is proposed by management to be sought from another outside auditor.

Oversight of the Company s Relationship with its Independent Auditors

18. Review and evaluate the experience and qualifications of the lead members of each independent auditor s team.

19. Evaluate the performance and independence of each independent auditor, including considering whether the auditor s quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor s independence. The opinions of management and the internal auditor shall be taken into consideration as part of this review.

20. Receive and review a report from each independent auditor at least annually regarding the independent auditor s independence and discuss such reports with the auditor. Ensure that each independent auditor submits a formal written statement, as required by PCAOB Rule 3526 as it may be amended or supplemented, describing all relationships between the independent auditor and any of its affiliates and the Company that might bear on the independent auditor s independence. The independent auditor must also discuss with the Audit Committee the potential effects of any such relationships on the firm s independence. Receive and review a formal written statement of the fees billed by the independent auditor for each of the categories of services requiring separate disclosure in the annual proxy statement.

21. Obtain and review a report from each independent auditor at least annually regarding the independent auditor s internal quality control procedures. The report should include any material issues raised by the most recent internal quality control review or peer review of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues. Obtain auditor and review inspection reports issued by the PCAOB under Section 104 of the Sarbanes-Oxley Act.

22. Meet with each independent auditor prior to the audit to review the planning and staffing of the audit.

23. Advise the Board of its determinations regarding the qualification, independence and performance of each independent auditor.

24. Annually require the independent auditor to confirm in writing its understanding of the fact that it is ultimately accountable to the Audit Committee.

25. Require the independent auditor to rotate every five years the lead or coordinating audit partner in charge of the Company s audit and the audit partner responsible for reviewing the audit.

26. Periodically consider the advisability of rotating the independent audit firm to be selected as the Company s independent auditors. The Audit Committee should present its conclusions to the full Board.

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Oversight of the Company s Internal Audit Function

27. Review and, at its option, recommend the appointment and replacement of the senior internal auditing executive.

28. Review any reports to management prepared by the internal auditing department and management s responses.

29. Review with each independent auditor, management and the senior internal auditing executive the internal audit department responsibilities, budget, structure and staffing and any recommended changes in the planned scope of the internal audit at least annually.

Compliance Oversight Responsibilities

30. Obtain from each independent auditor assurance that the auditor has complied with its obligations under Section 10A of the Securities Exchange Act of 1934.

31. Obtain reports from management and the Company s senior internal auditing executive that the Company s subsidiary affiliated entities are in conformity with applicable regulatory and legal requirements and the Company s code of ethics.

32. Advise the Board with respect to the Company s compliance with the Company s Code of Ethics for Chief Executive Officer and Senior Financial Officers.

33. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

34. Discuss with management and each independent auditor any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Company s financial statements or accounting policies.

35. Review with appropriate members of management or appropriate legal counsel the Company s compliance policies, legal matters that may have a material impact on the financial statements and any material reports or inquiries received from regulators or governmental agencies.

36. Review for approval or disapproval all related party transactions required to be disclosed by Item 404 of Regulation S-K for potential conflicts of interests.

37. In the event the Committee is made aware of any allegation of fraud relating to the Company and/or any of its officers, directors or employees that the Committee deems could be material to the Company s business or operations, the Committee shall (i) convene a meeting of the Committee to review such allegation and (ii) if the Committee deems it necessary or advisable, it shall engage independent counsel to assist in an investigation, including, if the Committee and such counsel deem it necessary or advisable, an investigation to determine whether such allegation implicates any violation of Section 10A of the Exchange Act of 1934. If pursuant to such investigation the Committee discovers that a material fraud has occurred, the Committee shall (i) assess the Company s internal controls and implement such remedial measures as it determines necessary or advisable, (ii) cause the Company to take appropriate action against the perpetrator(s) of such fraud and (iii) cause the Company to make appropriate disclosures relating to the matter in the Company s periodic reports filed with

the Commission or otherwise.

38. The Audit Committee shall also be designated as the committee of the Board of Directors that shall receive, review and take action with respect to any reports by attorneys, pursuant to Section 307 of the Sarbanes-Oxley Act of 2002, of evidence of material violations of securities laws or breaches of fiduciary duty or similar violations by the Company or one of its agents.

39. Meet at least four times each year. In addition, meet at least annually in separate executive sessions with each of the Company s Chief Executive Officer, senior internal audit executive and the Company s independent auditor; and each such person shall have free and direct access to the Committee and any of its members.

40. Review and approve all related-party transactions (e.g. transactions with any director or executive officer of the Company or significant shareholder, or their immediate family members or affiliates), other than transactions which the Board has delegated to the Company s Compensation Committee or Loan Committee.

41. Annually review and reassess the adequacy of this Charter and any bylaw of the Company which relates to the Audit Committee, and recommend any proposed changes to the Board for approval. The Chair of the Committee shall draft a proposed schedule of the Committee s activities for the coming year and the times at which such activities shall occur, which shall be submitted to the Committee for its review and approval, with such changes as the Committee shall determine to be appropriate.

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EXHIBIT B

WESTAMERICA BANCORPORATION

B. Nominating Committee Charter Revised January, 2010

Purpose

This charter (Charter) governs the operations of the Nominating Committee (Committee) of the Board of Directors (Board) of Westamerica Bancorporation (Company). The Committee is responsible for exercising oversight with respect to the governance of the Board, including reviewing the qualifications of and recommending to the Board, proposed nominees for election to the Board, reviewing and reporting to the Board on matters of corporate governance and leading the Board in their annual evaluation.

Composition

The Committee shall be comprised of at least three Directors. All members of the Committee shall meet the independence requirements of and satisfy any other requirements imposed on members of the Committee pursuant to the federal securities laws and the rules and regulations of the Securities and Exchange Commission, California state law and The NASDAQ Stock Market (NASDAQ).

The other qualifications of individuals to serve on the Committee shall be determined by the Board, and all members shall be appointed annually by the Board. The Committee may form and delegate authority to subcommittees when appropriate. The Committee shall be subject to the provisions of the Company s bylaws relating to committees of the Board, including those provisions relating to removing committee members and filing vacancies.

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Responsibilities

The Committee shall be responsible for screening and recommending qualified candidates to the Board for membership. The Committee shall annually recommend a slate of Director nominees to be submitted for election at each annual meeting of shareholders. The Committee will evaluate and consider all candidates submitted by shareholders in accordance with the Company s bylaws. The Committee will consider persons recommended by shareholders in the same manner as Committee-recommended nominees. The Committee will carefully consider each existing Board member s qualifications and contributions to evaluate his or her performance as a Director prior to recommending an individual for re-nomination each year. In the case of a vacancy in the office of a Director, including a vacancy created by an increase in the size of the Board, the Committee shall recommend to the Board an individual to fill such vacancy either through appointment by the Board or through election by shareholders. If not designated by the Board, the Committee may designate a member as its Chairman.

For the purpose of identifying nominees for the Board, the Committee will rely on personal contacts, the expertise of management and the corporate staff, and other members of the Board as deemed appropriate, and may engage a professional search firm if the Committee deems it appropriate to do so. The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to any advisors employed by the Committee and ordinary administrative expenses that the Committee deems to be necessary or appropriate in carrying out its duties. The Committee or a member or members of the Committee designated by the Committee will interview all candidates.

The Committee shall be responsible for assessing the appropriate balance of skills required of Board members. The Committee may also seek to recommend candidates with specific attributes that may assist the Board to comply with industry-specific requirements and other rules and regulations.

The Committee may recommend to the Board of Directors candidates believed qualified to serve on each standing committee of the Board. The Board shall approve all appointments to the standing committees of the Board of Directors.

The Committee will perform other functions as may be assigned by the Board or required by federal securities laws, and rules and regulations of the SEC, California state law or Nasdaq.

The Committee will periodically review and make recommendations regarding the appropriate size of the Board. The Committee will periodically review and make recommendations regarding the Director retirement age policy. The Committee will also periodically make recommendations to the Board with respect to the compensation of Board members.

The Committee shall annually administer and report results of the Board evaluation.

The Committee shall periodically review and report to the Board on matters of corporate governance.

The Committee will review and re-assess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

Meetings

The Committee will meet at least once per year or on a more frequent basis as necessary to carry out its responsibilities. The Committee shall make regular reports to the Board summarizing the action taken at Committee meetings.

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