

STERLING FINANCIAL CORP /WA/

Form 4

April 22, 2014

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

Check this box  
if no longer  
subject to  
Section 16.  
Form 4 or  
Form 5  
obligations  
may continue.  
*See* Instruction  
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF  
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

OMB  
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2005  
Estimated average  
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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
HAUSCHILD STEVEN D

2. Issuer Name **and** Ticker or Trading  
Symbol  
STERLING FINANCIAL CORP  
/WA/ [STSA]

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)

111 NORTH WALL STREET

(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
04/18/2014

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_\_\_X\_\_\_\_ Officer (give title \_\_\_\_ Other (specify  
below) below)  
Chief Credit Officer

SPOKANE, WA 99201

(City) (State) (Zip)

4. If Amendment, Date Original  
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_\_\_\_X\_\_\_\_ Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting  
Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	04/18/2014		D		15,136	D	0
Common Stock	04/18/2014		D		487	D	0
						I	401k Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of  
information contained in this form are not  
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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)	8. Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Incentive Stock Option	\$ 122.1	04/18/2014		D <sup>(2)</sup>	61	01/30/2010	02/28/2015	Common Stock
Non-Qualified Stock Option	\$ 21.76	04/18/2014		D <sup>(3)</sup>	5,464	04/29/2014	04/29/2023	Common Stock
Restricted Stock Unit	(4)	04/18/2014		D <sup>(4)</sup>	1,249	(4)	(4)	Common Stock
Restricted Stock Unit	(4)	04/18/2014		D <sup>(4)</sup>	6,285	(4)	(4)	Common Stock
Restricted Stock Unit	(4)	04/18/2014		D <sup>(4)</sup>	6,013	(4)	(4)	Common Stock
Restricted Stock Unit	(4)	04/18/2014		D <sup>(4)</sup>	5,735	(4)	(4)	Common Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HAUSCHILD STEVEN D 111 NORTH WALL STREET SPOKANE, WA 99201			Chief Credit Officer	

## Signatures

/s/ Lara L. Hemingway,  
attorney-in-fact

04/22/2014

\_\_\_\_\_  
\*\*Signature of Reporting Person

\_\_\_\_\_  
Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Common stock of Sterling Financial Corporation ("Sterling") disposed of in connection with the merger of Sterling with and into Umpqua Holdings Corporation ("Umpqua") on April 18, 2014 pursuant to the Agreement and Plan of Merger, dated as of September 11, 2013,

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between Sterling and Umpqua, each share of Sterling's common stock was exchanged for \$2.18 in cash and 1.671 shares of Umpqua common stock.

- (2) This stock option was cancelled pursuant to the Agreement and Plan of Merger. These options carried exercise prices that were significantly in excess of the value of the merger consideration. Sterling received permission from the award recipient to cancel the award prior to the effective date of the merger.

- (3) Nonqualified stock options of Sterling disposed of pursuant to the Agreement and Plan of Merger. Each Sterling stock option will be converted into an option to purchase Umpqua common stock per the equity award exchange ratio as referred to in the Agreement and Plan of Merger.

- (4) Restricted Stock Units ("RSUs") of Sterling disposed of pursuant to the Agreement and Plan of Merger. Each Sterling RSU will be converted into an Umpqua RSU per the equity award exchange ratio as referred to in the Agreement and Plan of Merger.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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