

STERLING FINANCIAL CORP /WA/
Form 4
March 17, 2014

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
DEPILLO DAVID S

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)
03/13/2014

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP/Vice Chairman

SPOKANE, WA 99201

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

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

(City) (State) (Zip)

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) Code V Amount (D) Price | | | |
| Common Stock | 03/13/2014 | | F | 2,227 D \$ 33.03 | 10,715 | D | |
| Common Stock | 03/13/2014 | | M | 9,692 A 11 | 20,407 | D | |
| Common Stock | 03/13/2014 | | F | 3,291 D \$ 33.03 | 17,116 | D | |
| Common Stock | 03/13/2014 | | M | 6,557 A 12 | 17,116 | D | |
| Common Stock | | | | | 41 | I | 401k Plan |

| | | | |
|-----------------|---------|---|-----------------------------------|
| Common Stock | 237,273 | I | The DePillo Family Trust |
|-----------------|---------|---|-----------------------------------|

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

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(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 Acquired (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 Securities (Instr. 3 and 4) | 8. Pr Deriv Secur (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|------------------------------------|----------------------------|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| | | | | | | Code | V (A) (D) | | |
| Restricted Stock Unit | (3) | 03/13/2014 | | M | 9,692 | (3) (3) | Common Stock | 9,692 | |
| Restricted Stock Unit | (4) | 03/13/2014 | | M | 6,557 | (4) (4) | Common Stock | 6,557 | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| DEPILLO DAVID S 111 NORTH WALL STREET SPOKANE, WA 99201 | | | EVP/Vice Chairman | |

Signatures

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

03/17/2014

**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) Represents the vesting and settlement of 9,692 shares of Sterling common stock pursuant to restricted stock units vested on March 13, 2014.
- (2) Represents the vesting and settlement of 6,557 shares of Sterling common stock pursuant to restricted stock units vested on March 13, 2014.
- (3) Each restricted stock unit represented a contingent right to receive one share of Sterling common stock originally granted on October 30, 2012. 25% of the restricted stock units vested on March 13, 2014. The remaining 50% is scheduled to vest on March 13, 2015.
Each restricted stock unit represented a contingent right to receive one share of Sterling common stock originally granted on March 13, 2012. 75% of the restricted stock units vested on March 13, 2014. The remaining 25% of the restricted stock units are scheduled to vest on March 13, 2015.
- (4) 2012. 75% of the restricted stock units vested on March 13, 2014. The remaining 25% of the restricted stock units are scheduled to vest on March 13, 2015.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.