

STERLING FINANCIAL CORP /WA/
Form 4
April 23, 2014

FORM 4

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

OMB APPROVAL

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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 *
COULTER DAVID A

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 N. WALL STREET
(Street)

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

Director 10% Owner
 Officer (give title below) Other (specify below)

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 Indirect Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| Common Stock | 04/18/2014 | | J ⁽¹⁾ | V | 6,981 | D | |
| Common Stock | 04/18/2014 | | J ⁽¹⁾ | V | 12,948,107 | D | Indirect |

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

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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 Underlying (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|--|--------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title |
| Non-Qualified Stock Option | \$ 21.76 | 04/18/2014 | | J ⁽⁶⁾ | 2,626 | 04/01/2014 | 04/29/2023 | Common Stock |
| Warrant (the "Warrant") | \$ 12.88 <u>(7)</u> <u>(8)</u> | 04/18/2014 | | J ⁽¹⁾⁽⁸⁾ | 1,480,119 <u>(9)</u> | 08/26/2010 | 08/26/2017 | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| COULTER DAVID A 111 N. WALL STREET SPOKANE, WA 99201 | X | | | |

Signatures

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

04/23/2014

__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) On April 18, 2014, pursuant to the Merger Agreement (the "Merger Agreement"), dated September 11, 2013, between Sterling Financial Corporation ("Sterling") and Umpqua Holdings Corporation ("Umpqua"), each share of Common Stock was converted into the right to receive 1.671 shares of Umpqua common stock and \$2.18 in cash (the "Merger Consideration").

(2) 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, 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.

(3) Represents shares of the Issuer disposed of by the following entities: 12,546,715 by Warburg Pincus Private Equity X, L.P., a Delaware limited partnership ("WP Private Equity X") and 401,392 by Warburg Pincus X Partners, L.P., a Delaware limited partnership ("WP X Partners," and together with WP Private Equity X, "WP X").

(4) By reason of the provisions of Rule 16a-1 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Warburg Pincus X L.P., a Delaware limited partnership ("WP X LP"), and the general partner of WP X; Warburg Pincus X LLC, a Delaware limited liability company ("WP X LLC") and the general partner of WP X LP; Warburg Pincus Partners LLC, a New York limited liability company ("WP Partners") and the sole member of WP X LLC; Warburg Pincus & Co., a New York general partnership ("WP") and the managing member of WP Partners; Warburg Pincus LLC, a New York limited liability company ("WP LLC") that manages WP X; Mr. David A. Coulter is a Partner of WP and a member and Vice Chairman of PW LLC, and as such, may be deemed to be the beneficial owner of the

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Common Stock and Warrants held by WPX.

- Pursuant to Rule 16a-1(a)(4) of the Exchange Act, Mr. David A. Coulter herein states that this filing shall not be deemed an admission that he is the beneficial owner of any of the shares of Common Stock or the Warrant covered by this Statement. Mr. Coulter disclaims beneficial ownership of the Common Stock and the Warrant, except to the extent of his pecuniary interest in such Common Stock or Warrant.
- (5) 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.
 - (6) Exercise price, as adjusted for certain issuances of common stock, stock splits, stock subdivisions, stock reclassifications, stock combinations, other distributions, certain repurchases, business combinations and similar actions.
 - (7) As provided in the Merger Agreement, the Warrant was automatically converted, as of the effective time of the merger (the "Effective Time"), into a warrant exercisable for the Merger Consideration that the Sterling common stock issuable upon exercise of the Warrant immediately prior to the Effective Time would have been entitled to receive upon completion of the merger.
 - (8) Represents warrants of the Issuer owned by the following entities which were converted in connection with the merger: 1,434,235 by WP Private Equity X and 45,884 by WP X Partners.
 - (9)

Remarks:

Relationship of Reporting Person (David A. Coulter) to Issuer is "Director" and "10% Owner".

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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