Hartheimer Robert Herman Form 3 September 29, 2010 FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549 OMB approval

INITIAL STATEMENT OF 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 <u>*</u> Hartheimer Robert Herman	2. Date of Event Requiring Statement (Month/Day/Year)	3. Issuer Name and Ticker or Trading Symbol STERLING FINANCIAL CORP /WA/ [STSA]				
(Last) (First) (Middle)	09/21/2010	4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <u>X_Director</u> <u>10% Owner</u> (give title below) (specify below)			 5. 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 	
111 NORTH WALL STREET (Street) SPOKANE, WA 99201						
(City) (State) (Zip)	Table I - N	lon-Derivat	ive Securiti	es Bei	neficially Owned	
1.Title of Security (Instr. 4)	2. Amount of Beneficially (Instr. 4)		3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nat Owne (Instr.	•	
Common Stock (1)	120,000		D	Â		
information conta required to respon currently valid OM	oond to the collection of ined in this form are not nd unless the form displa IB control number.	ays a	EC 1473 (7-02			
Table II - Derivative Secur	ities Beneficially Owned (e.	g., puts, calls,	warrants, opt	ions, c	onvertible securities)	

1. Title of Derivative Security	2. Date Exerc	cisable and	3. Title and A	mount of	4.	5.	6. Nature of Indirect
(Instr. 4)) Expiration Date		Securities Underlying		Conversion	Ownership	Beneficial Ownership
(Month/Day/Year)		Derivative Security		or Exercise	Form of	(Instr. 5)	
			(Instr. 4)		Price of	Derivative	
		Expiration Date	Title	Amount or Number of	Derivative	Security:	
			The		Security	Direct (D)	
						or Indirect	

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January 31,

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				Shares			(I) (Instr. 5)	
Convertible Participating Voting Preferred Stock, Series D	(2)	(2)	Common Stock	1,380,000	\$ <u>(2)</u>	D	Â	

Reporting Owners

attorney-in-fact

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		
Hartheimer Robert Herman 111 NORTH WALL STREET SPOKANE, WA 99201	X	Â	Â	Â		
Signatures						
/s/ Karla J. Gehlen,	0	9/29/2010				

**Signature of Reporting Person Date Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(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) 40,000 shares of common stock owned in an individual brokerage account, 80,000 shares of common stock owned in an individual retirement account for the benefit of Mr. Hartheimer.

Robert Hartheimer owns 3,000 shares of Convertible Participating Voting Preferred Stock, Series D (2,000 shares owned in an individual brokerage account, 1,000 shares owned in an individual retirement account for the benefit of Mr. Hartheimer), no par value with a liquidation preference of \$4.60 per share (the "Series D Stock") (1,380,000 shares of Common Stock on an as-converted basis). Each share of Series D Stock mandatorily converts into 460 shares of Common Stock, subject to customary anti-dilution adjustments, upon the approval of the holders of the Common Stock of (i) an increase in the number of authorized shares of Common Stock to at least

(2) 10,000,000 shares or a larger number that the Board of Directors determines in its reasonable judgment is necessary to permit STSA to comply with its obligations under agreements entered into in connection with certain recapitalization transactions that occurred on August 26, 2010, (ii) the conversion of shares of Series B Stock and Series D Stock into Common Stock, and (iii) the exercisability of certain outstanding warrants for shares of Common Stock (the "Shareholder Proposals"). On August 26, 2010, STSA sold 3,418,300 shares of Series B Convertible Participating Voting Preferred Stock, no par value with a liquidation preference \$4.60 per share (the "Series B Stock") to certain investors in conjunction with the recapitalization transactions. Each share of Series B Stock mandatorily converts into 460 shares of Common Stock, subject to customary anti-dilution adjustments, upon approval of the Shareholder Proposals.

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.