

STERLING FINANCIAL CORP /WA/

Form S-8

July 30, 2007

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As filed with the Securities and Exchange Commission on July 30, 2007.

Registration No. 333-

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM S-8
REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933
STERLING FINANCIAL CORPORATION
(Exact name of registrant as specified in its charter)**

WASHINGTON
(State or other jurisdiction of
incorporation or organization)

91-1572822
(I.R.S. Employer
Identification No.)

**111 North Wall Street
Spokane, Washington 99201**
(Address of Principal Executive Offices) (Zip Code)
Sterling Financial Corporation 2007 Long-Term Incentive Plan
(Full title of the plan)

**Andrew J. Schultheis, Secretary
Sterling Financial Corporation
111 North Wall Street
Spokane, Washington 99201
(509) 227-5389**

(Name, address and telephone number, including area code, of agent for service)

**Copies to:
Andrew J. Schultheis, Esq.
Richard A. Repp, Esq.
Witherspoon, Kelley, Davenport
& Toole, P.S.
West 422 Riverside Avenue, Suite 1100
Spokane, Washington 99201
(509) 624-5265**

CALCULATION OF REGISTRATION FEE

| Title of each class of securities to be registered | Amount to be registered (1) | Proposed maximum offering price per share (2) | Proposed maximum aggregate offering price (2) | Amount of registration fee (3) |
|--|--------------------------------------|---|---|---|
| Common Stock, par value \$1.00 per share | 2,000,000 | N/A | \$ 46,820,000 | \$ 1,437 |

(1) Consists of
common shares
(the Common
Stock) of

Sterling
Financial
Corporation, a
Washington
corporation
(Sterling or
Registrant) that
may be issued
upon exercise of
stock options
(the Options)
granted under
the Sterling
Financial
Corporation
2007
Long-Term
Incentive Plan
(the Plan). This
Registration
Statement also
covers an
indeterminable
number of
shares of
Common Stock
that may
hereafter
become issuable
under the Plan
by reason of any
stock dividend,
stock split,
recapitalization
or any other
similar
transaction
effected without
the receipt of
consideration
which results in
an increase in
the number of
the Registrant s
outstanding
shares of
Common Stock.

- (2) Calculated in
accordance with
Rule 457(c) and

457(h) under the Securities Act by multiplying \$23.41, the average of the high and low sales prices for Sterling common stock, as reported on the Nasdaq Global Select Market on July 27, 2007, by the estimated maximum number of shares of Sterling common stock that may be issued pursuant to the Plan.

- (3) Calculated in accordance with Rule 457(h) under the Securities Act by multiplying the proposed maximum aggregate offering price by 0.0000307.

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**PART I
INFORMATION REQUIRED IN SECTION 10(A) PROSPECTUS**

The documents containing the information specified in Part I of this Form S-8 will be sent or given to participants in the Plan, as specified by Rule 428(b)(1) promulgated by the Securities and Exchange Commission (the Commission) under the Securities Act of 1933, as amended (the Securities Act). In accordance with Rule 428 and the requirements of Part I of Form S-8, such document(s) are not being filed with the Commission, either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424 under the Securities Act, but constitute (along with the documents incorporated by reference into the Registration Statement pursuant to Item 3 of Part II hereof) a prospectus that meets the requirements of Section 10(a) of the Securities Act.

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PART II
INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents filed with the Commission are incorporated herein by reference:

- (a) Sterling's Annual Report on Form 10-K for the year ended December 31, 2006.
- (b) All other reports filed by Sterling pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 since the end of the fiscal year covered by the Annual Report on Form 10-K referred to in Item 3(a) above.
- (c) The description of Sterling's common stock contained in Exhibit 3.1 of its registration statement on Form S-3 (Registration No. 333-130512) filed on December 20, 2005, including any amendment or report filed for the purpose of updating such description.

Notwithstanding the foregoing, we are not incorporating any document or information deemed to have been furnished and not filed in accordance with SEC rules.

All documents filed by Sterling pursuant to Section 13(a), 13(c), 14 and 15(d) of the Exchange Act after the date hereof, and prior to the filing of a post-effective amendment which indicates that the securities offered hereby have been sold or which deregisters the securities covered hereby then remaining unsold, shall also be deemed to be incorporated by reference into this Registration Statement and to be a part hereof commencing on the respective dates on which such documents are filed.

Any statement contained in this Registration Statement, or in a document incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein, or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Item 4. Description of Securities.

Not Applicable

Item 5. Interests of Named Experts and Counsel.

Not Applicable

Item 6. Indemnification of Directors and Officers.

Section 23B.08.570 of the Washington Business Corporation Act authorizes a court to award, or a corporation's board of directors to grant indemnity to directors, officers, employees and other agents of the corporation (Agents) in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities (including reimbursement for expenses incurred) arising under the Securities Act of 1933, as amended.

Our Board of Directors has resolved to indemnify the officers and directors of the registrant to the full extent permitted by Section 23B.08.570 of the Washington Business Corporation Act, and Article XI of our Amended and Restated Articles of Incorporation and Article X of our Amended and Restated Bylaws authorize the registrant to provide for indemnification of officers and directors to the same extent. This indemnification limits the personal monetary liability of directors in performing their duties on behalf of the registrant, to the extent permitted by the Washington Business Corporation Act, and permits the registrant to indemnify its directors and officers against certain liabilities and expenses, to the extent permitted by the Washington Business Corporation Act. In addition, the registrant maintains a directors and officers liability insurance policy that insures its directors and officers against certain liabilities, including certain liabilities under the Securities Act of 1933.

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Item 7. Exemption From Registration Claimed.

Not Applicable

Item 8. Exhibits.

The following exhibits are filed with or incorporated by reference into this Registration Statement on Form S-8:

| Exhibit Number | Description |
|-------------------|---|
| 4.1 | Articles of Restatement of Restated Articles of Incorporation of Sterling Financial Corporation. Filed as Exhibit 3.1 to Sterling's registration statement on Form S-4/A filed on June 22, 2007 and incorporated by reference herein. |
| 4.2 | Amended and Restated Bylaws of Sterling Financial Corporation. Filed as Exhibit 3.1 to Sterling's current report on Form 8-K filed on March 2, 2007 and incorporated by reference herein. |
| 5.1 | Opinion of Witherspoon, Kelley, Davenport & Toole, P.S. Filed herewith. |
| 23.1 | Consent of BDO Seidman, LLP. Filed herewith. |
| 23.2 | Consent of Witherspoon, Kelley, Davenport & Toole, P.S. (included in Exhibit 5.1 to this Registration Statement). |
| 24.1 | Power of attorney (set forth on the signature pages to the Registration Statement). |
| 99.1 | Sterling Financial Corporation 2007 Long-Term Incentive Plan. Filed herewith. |

Item 9. Undertakings.

The undersigned registrant hereby undertakes:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective Registration Statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

provided, however, that paragraphs (1)(i) and (1)(ii) do not apply if the Registration Statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by Sterling pursuant to Section 13 or 15(d) of the Exchange Act that are incorporated by reference in the Registration Statement.

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2. That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

3. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

4. That, for purposes of determining any liability under the Securities Act, each filing of Sterling's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

5. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of Sterling pursuant to the foregoing provisions, or otherwise, Sterling has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by Sterling of expenses incurred or paid by a director, officer or controlling person of Sterling in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, Sterling will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

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Pursuant to the requirements of the Securities Act of 1933, as amended, Sterling certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Spokane, State of Washington, on July 30, 2007.

STERLING FINANCIAL CORPORATION

By /s/ Harold B. Gilkey

Name: Harold B. Gilkey

Title: Chairman and Chief Executive Officer

Power Of Attorney

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Harold B. Gilkey and Daniel G. Byrne, and each of them, each with full power to act without the other, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

| Signature | Title | Date |
|--|--|---------------|
| /s/ Harold B. Gilkey Harold B. Gilkey | Chairman of the Board, Chief Executive Officer and Principal Executive Officer | July 30, 2007 |
| /s/ William W. Zuppe William W. Zuppe | President, Chief Operating Officer and Director | July 30, 2007 |
| /s/ Daniel G. Byrne Daniel G. Byrne | Executive Vice President, Chief Financial Officer, Assistant Secretary and Principal Financial Officer | July 30, 2007 |
| /s/ Robert G. Butterfield Robert G. Butterfield | Vice President, Controller and Principal Accounting Officer | July 30, 2007 |

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| Signature | Title | Date |
|--|--------------|---------------|
| /s/ Donald N. Bauhofer Donald N. Bauhofer | Director | July 30, 2007 |
| /s/ William L. Eisenhart William L. Eisenhart | Director | July 30, 2007 |
| /s/ James P. Fugate James P. Fugate | Director | July 30, 2007 |
| /s/ James B. Keegan, Jr. James B. Keegan, Jr. | Director | July 30, 2007 |
| /s/ Robert D. Larrabee Robert D. Larrabee | Director | July 30, 2007 |
| /s/ Donald J. Lukes Donald J. Lukes | Director | July 30, 2007 |
| /s/ Michael F. Reuling Michael F. Reuling | Director | July 30, 2007 |

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