

STERLING FINANCIAL CORP /WA/  
Form 4  
March 14, 2006

**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 \*  
**BOBBITT DAVID P**

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)  
**03/10/2006**

\_\_\_\_ Director  
 Officer (give title below) \_\_\_\_\_ 10% Owner  
\_\_\_\_\_ Other (specify below)  
**Executive Vice President Sterl**

**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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(D)	Price		
Common Stock	03/10/2006	03/14/2006	J <sup>(1)</sup>		350	A	\$ 25.71	14,165	D
Common Stock	03/10/2006	03/14/2006	J <sup>(1)</sup>		3,889	A	\$ 25.71	18,054	D
Common Stock	03/10/2006	03/14/2006	S		4,239	D	\$ 28.75	13,815	D
Common Stock	03/13/2006	03/14/2006	J <sup>(1)</sup>		15,761	A	\$ 25.71	29,576	D
Common Stock	03/13/2006	03/14/2006	S		15,761	D	\$ 28.8408	13,815	D

Common Stock 3,348 I 401(k)

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 required to respond unless the form displays a currently valid OMB control number. 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 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 Security (Instr. 3 and 4)
Non-Statutory Stock Option	\$ 25.71	03/10/2006	03/14/2006	J <sup>(1)</sup>	350	12/19/2005 02/28/2012	Common Stock 3
Non-Statutory Stock Option	\$ 25.71	03/13/2006	03/14/2006	J <sup>(1)</sup>	15,761	12/19/2005 02/28/2012	Common Stock 15
Stock Option	\$ 25.71	03/10/2006	03/14/2006	J <sup>(1)</sup>	3,889	12/19/2005 02/28/2012	Common Stock 3,

## Reporting Owners

Reporting Owner Name / Address	Relationships
BOBBITT DAVID P 111 N. WALL STREET SPOKANE, WA 99201	Director 10% Owner Officer Executive Vice President Sterl Other

## Signatures

E. Marie Hirsch 03/14/2006  
 \*\*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) Exercise/Same Day Sale Transaction

## Edgar Filing: STERLING FINANCIAL CORP /WA/ - Form 4

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