

HAUSCHILD STEVEN D

Form 4

December 18, 2012

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
HAUSCHILD STEVEN D

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)
12/14/2012

____ Director ____ 10% Owner
____X____ Officer (give title ____ Other (specify
below) below)
Chief Credit Officer

SPOKANE, WA 99201

4. 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

(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)
Common Stock	12/14/2012		M	4,233 A	10,459	D	
Common Stock	12/14/2012		F	1,120 D	\$ 20.1 9,339	D	
Common Stock					451	I	401k Plan

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

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information contained in this form are not
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SEC 1474
(9-02)

number.

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. Amount or Number of Shares
Restricted Stock Unit	(2)	12/14/2012		M	4,233	(2) 12/14/2013	Common Stock	4,233

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HAUSCHILD STEVEN D 111 NORTH WALL STREET SPOKANE, WA 99201			Chief Credit Officer	

Signatures

/s/ Karla J. Gehlen,
attorney-in-fact 12/18/2012

**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 4,233 shares of common stock pursuant to a restricted stock unit vest on December 14, 2012.

(2) Each restricted stock unit represents a contingent right to receive one share of common stock. 25% of the restricted stock units vest immediately upon grant (December 14, 2010), 25% of the restricted stock units are scheduled to vest each year over the next 3 years on the grant's anniversary date (totaling 75% over the 3 year time period), subject to the reporting person's continued employment with the Company on such date.

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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