

BANNER CORP  
Form 4  
January 15, 2016

**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 \*  
Fleischer Spencer C

(Last) (First) (Middle)

C/O FREIDMAN FLEISCHER &  
LOWE GP III LLC, ONE  
MARITIME PLAZA, SUITE 2200

(Street)

SAN FRANCISCO, CA 94111

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
BANNER CORP [BANR]

3. Date of Earliest Transaction  
(Month/Day/Year)  
10/01/2015

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**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	(A) or (D) Price		
Common Stock, par value \$0.01 per share	10/01/2015		J <sup>(1)(2)</sup>	1,525,794	A <sup>(1)</sup> / <sub>(2)</sub> 1,525,794	I	See Footnote <sup>(3)</sup> <sup>(7)</sup> <sup>(8)</sup>
Common Stock, par value \$0.01 per share	10/01/2015		J <sup>(1)(2)</sup>	1,011,119	A <sup>(1)</sup> / <sub>(2)</sub> 1,011,119	I	See Footnote <sup>(4)</sup> <sup>(7)</sup> <sup>(8)</sup>
	10/01/2015		J <sup>(1)(2)</sup>	32,322	A 32,322	I	

Common Stock, par value \$0.01 per share					<u>(1)</u> <u>(2)</u>			See Footnote <u>(5)</u> <u>(7)</u> <u>(8)</u>	
Common Stock, par value \$0.01 per share	10/01/2015		<u>J(1)(2)</u>	29,753	A	<u>(1)</u> <u>(2)</u>	29,753	I	See Footnote <u>(6)</u> <u>(7)</u> <u>(8)</u>

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 Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu... Deriv... Secur... Bene... Own... Follo... Repo... Trans... (Instr...
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

**Reporting Owner Name / Address**

**Relationships**

Director    10% Owner    Officer    Other

Fleischer Spencer C  
C/O FREIDMAN FLEISCHER & LOWE GP III LLC  
ONE MARITIME PLAZA, SUITE 2200  
SAN FRANCISCO, CA 94111

X

FRIEDMAN FLEISCHER & LOWE CAPITAL PARTNERS III LP  
ONE MARITIME PLAZA, SUITE 2200  
SAN FRANCISCO, CA 94111

Joint Filer

Joint Filer

FRIEDMAN FLEISCHER & LOWE PARALLEL FUND III LP  
 ONE MARITIME PLAZA, SUITE 2200  
 SAN FRANCISCO, CA 94111

FFL Individual Partners III, L.P.  
 ONE MARITIME PLAZA, SUITE 2200  
 SAN FRANCISCO, CA 94111

Joint Filer

FFL EXECUTIVE PARTNERS III LP  
 ONE MARITIME PLAZA, SUITE 2200  
 SAN FRANCISCO, CA 94111

Joint Filer

Friedman Fleischer & Lowe GP III, L.P.  
 ONE MARITIME PLAZA, SUITE 2200  
 SAN FRANCISCO, CA 94111

Joint Filer

Friedman Fleischer & Lowe GP III, LLC  
 ONE MARITIME PLAZA, SUITE 2200  
 SAN FRANCISCO, CA 94111

Joint Filer

## Signatures

/s/Spencer C.  
 Fleischer

01/15/2016

\*\*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).

The securities reported herein were issued as merger consideration pursuant to that certain Agreement and Plan of Merger, dated November 5, 2014 (the "Merger Agreement"), by and among the Issuer, SKBHC Holdings LLC ("Holdings") and Starbuck Bancshares, Inc. ("Starbuck"). Pursuant to the terms of the Merger Agreement, on October 1, 2015 (the "Closing Date"), Starbuck merged with a subsidiary of the Issuer (the "Merger"). Immediately following the Merger, Starbuck's wholly owned subsidiary bank, AmericanWest Bank, a Washington state-chartered commercial bank, merged with and into the Issuer's wholly owned subsidiary bank, Banner Bank, a Washington state-chartered commercial bank. Pursuant to the Merger Agreement, Holdings received, in exchange for all of the outstanding shares of Starbuck common stock, \$130,000,000 in cash and 13,230,000 shares of common stock of the Issuer.

(1) The FFL Reporting Persons (as defined in footnote 8) were collectively a member of Holdings and as consideration for the Merger received an aggregate of 2,598,988 shares of common stock (the "Shares") from the Issuer on the Closing Date. On the effective date of the Merger, the closing price of the Issuer's common stock was \$47.67 per share.

(2) Held directly by Friedman Fleischer & Lowe Capital Partners III, L.P.

(3) Held directly by Friedman Fleischer & Lowe Parallel Fund III, L.P.

(4) Held directly by FFL Individual Partners III, L.P.

(5) Held directly by FFL Executive Partners III, L.P.

Spencer C. Fleischer's beneficial ownership is based on the direct beneficial ownership of the shares by the FFL Funds (as defined in Exhibit 99.1). Spencer C. Fleischer's expressly disclaims beneficial ownership of the shares except to the extent of his pecuniary interest therein. See Exhibit 99.1.

Solely for purposes of Section 16 of the Securities Exchange Act of 1934, each of Friedman Fleischer & Lowe Capital Partners III, L.P., Friedman Fleischer & Lowe Parallel Fund III, L.P., FFL Individual Partners III, L.P., FFL Executive Partners III, L.P., Friedman Fleischer & Lowe GP III, L.P. and Friedman Fleischer & Lowe GP III, LLC (the "FFL Reporting Persons"), may be deemed to be directors-by-deputization by virtue of their right to designate a member of the board of directors of the Issuer effective as of October 1, 2015, the closing date of the Merger. The FFL Reporting Persons have designated Spencer C. Fleischer as a member of the board of directors of the Issuer, effective October 1, 2015, pursuant to that certain Investment Letter Agreement, dated as of November 5, 2014, by and between the FFL Funds (as defined in Exhibit 99.1) and the Issuer.

## Edgar Filing: BANNER CORP - Form 4

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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