

Hartheimer Robert Herman
 Form 3
 September 29, 2010

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL
 OMB Number: 3235-0104
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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 *		2. Date of Event Requiring Statement	3. Issuer Name and Ticker or Trading Symbol	
Â Hartheimer Robert Herman		(Month/Day/Year)	STERLING FINANCIAL CORP /WA/ [STSA]	
(Last)	(First)	(Middle)	09/21/2010	
111 NORTH WALL STREET			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)			(Check all applicable)	
SPOKANE,Â WAÂ 99201			<input checked="" type="checkbox"/> Director	<input type="checkbox"/> 10% Owner
(City)	(State)	(Zip)	<input type="checkbox"/> Officer	<input type="checkbox"/> Other
			(give title below)	(specify below)
			6. Individual or Joint/Group Filing(Check Applicable Line)	
			<input checked="" type="checkbox"/> Form filed by One Reporting Person	
			<input type="checkbox"/> Form filed by More than One Reporting Person	

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock ⁽¹⁾	120,000	D	Â

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1473 (7-02)

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.

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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

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

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Hartheimer Robert Herman 111 NORTH WALL STREET SPOKANE, WA 99201	Â X	Â	Â	Â

Signatures

/s/ Karla J. Gehlen,
attorney-in-fact

09/29/2010

 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.

(2) 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 10,000,000,000 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.