

BANNER CORP  
Form 4  
July 05, 2006

**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**

OMB  
Number: 3235-0287  
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**FOLZ PAUL E**

(Last) (First) (Middle)

**10 SOUTH FIRST AVE**

(Street)

**WALLA WALLA, WA 99362**

(City) (State) (Zip)

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

3. Date of Earliest Transaction  
(Month/Day/Year)  
**07/01/2006**

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)

Executive VP, Banner Bank

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<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities<br>Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or Indirect<br>(I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
|                                       |                                         |                                                             | Code                                 | V                                                                          | Amount                                                                                                             | (D)                                                                  | Price                                                             |

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  
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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<br>Derivative<br>Security | 2. Conversion<br>or Exercise | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any | 4. Transaction<br>Code | 5. Number<br>of Derivative<br>Securities | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) | 8. Price<br>of Derivative<br>Security |
|---------------------------------------|------------------------------|-----------------------------------------|-----------------------------------------|------------------------|------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------|
|---------------------------------------|------------------------------|-----------------------------------------|-----------------------------------------|------------------------|------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------|

# Edgar Filing: BANNER CORP - Form 4

| (Instr. 3)                               | Price of<br>Derivative<br>Security | (Month/Day/Year) | (Instr. 8) | Acquired<br>(A) or<br>Disposed of<br>(D)<br>(Instr. 3, 4,<br>and 5) | (Instr.) |     |                     |                    |                 |                                        |    |
|------------------------------------------|------------------------------------|------------------|------------|---------------------------------------------------------------------|----------|-----|---------------------|--------------------|-----------------|----------------------------------------|----|
|                                          |                                    |                  | Code       | V                                                                   | (A)      | (D) | Date<br>Exercisable | Expiration<br>Date | Title           | Amount<br>or<br>Number<br>of<br>Shares |    |
| Phantom<br>Stock<br>Units <sup>(1)</sup> | \$ 38.54<br><u>(2)</u>             | 07/01/2006       | A          |                                                                     | 4,250    |     | <u>(3)</u>          | <u>(3)</u>         | Common<br>Stock | 4,250                                  | \$ |

## Reporting Owners

| Reporting Owner Name / Address                             | Relationships                    |
|------------------------------------------------------------|----------------------------------|
|                                                            | Director 10% Owner Officer Other |
| FOLZ PAUL E<br>10 SOUTH FIRST AVE<br>WALLA WALLA, WA 99362 | Executive VP, Banner Bank        |

## Signatures

/s/Paul E. Folz 07/03/2006  
 \*\*Signature of Date  
 Reporting Person

## 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) Award of phantom stock units under the Banner Corporation Long-Term Incentive Plan.
- (2) Market price on July 1,2006. Upon vesting, phantom stock units settle in cash at the value in excess of the value as of the grant date, plus dividends.
- (3) Award vests on July 1,2011. Each unit will be settled on the officer's separation from service, at a specified time or upon 60 months of continuous service, as determined by the officer.

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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