

BANNER CORP  
Form 4  
June 04, 2007

**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 \*  
BENNETT DOUGLAS M

(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)  
06/01/2007

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 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 Ownership (Instr. 4) |
|---|--------------------------------------|--|--------------------------------|---|---|--|--|
|   |                                      |  | Code                           | V   | Amount (A) or (D) Price   |  |  |
| Common Stock, \$.01 par value per share | 06/01/2007                           |  | F                              |   | 2,327   | D  | \$ 36.205 (1) 26,401 (2) D                 |
| Common Stock, \$.01 par value per share | 06/01/2007                           |  | M                              |   | 3,286   | A  | \$ 13.6932 29,687 (2) D                    |
| Common Stock,                           | 06/01/2007                           |  | M                              |   | 3,000   | A  | \$ 13.0938 32,687 (2) D                    |

\$.01 par  
value per  
share

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. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Option to buy Common Stock                 | \$ 13.6932   | 06/01/2007                           |  | M                              | 3,286   | 12/21/2000 12/21/2009                                    | Common Stock  | 3,286                         |
| Option to buy Common Stock                 | \$ 13.0938   | 06/01/2007                           |  | M                              | 3,000   | 11/21/2001 11/21/2010                                    | Common Stock  | 3,000                         |

## Reporting Owners

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

## Signatures

/s/Douglas M. Bennett 06/04/2007

\*\*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) Market price on June 1, 2007.

(2) Includes indirect ownership of 107 shares through Deferred Compensation Plan and 10,932 shares through Employee Stock Ownership Plan. Also includes indirect ownership of 27 shares through son.

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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