

BANNER CORP  
Form 4  
November 21, 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 FFL PARTNERS, 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)  
11/18/2016

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 Ownership (Instr. 4)              |
|---|--------------------------------------|--|--------------------------------|---|---|--|--|
| Common Stock, \$0.01 par value per share <sup>(1)</sup> |                                      |  |                                |   | 697   | D <sup>(1)</sup>   |  |
| Common Stock, \$0.01 par value per share                | 11/18/2016                           |  | S                              | 422,693 D   | \$ 48.32 571,800  | I  | See footnotes <u>(2)</u> <u>(6)</u> <u>(7)</u> |
| Common stock,   | 11/18/2016                           |  | S                              | 280,111 D   | \$ 48.32 378,924  | I  | See footnotes                                  |

|  |            |  |   |       |   |          |        |   |                           |
|--|------------|--|---|-------|---|----------|--------|---|---------------------------|
| \$0.01 par value per share               |            |  |   |       |   |          |        |   | (3) (6) (7)               |
| Common stock, \$0.01 par value per share | 11/18/2016 |  | S | 8,954 | D | \$ 48.32 | 12,113 | I | See footnotes (4) (6) (7) |
| Common stock, \$0.01 par value per share | 11/18/2016 |  | S | 8,242 | D | \$ 48.32 | 11,151 | I | See footnotes (5) (6) (7) |

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

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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 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                      |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|----------------------------|
|  |  |                                      |  | 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 FFL PARTNERS, LLC  
ONE MARITIME PLAZA, SUITE 2200  
SAN FRANCISCO, CA 94111

X

X

FRIEDMAN FLEISCHER & LOWE CAPITAL PARTNERS III LP  
 ONE MARTIME PLAZA, 22ND FLOOR  
 SAN FRANCISCO, CA 94111

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

FFL Individual Partners III, L.P.  
 ONE MARITIME PLAZA  
 22ND FLOOR  
 SAN FRANCISCO, CA 94111 X

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

Friedman Fleischer & Lowe GP III, L.P.  
 ONE MARTIME PLAZA, 22ND FLOOR  
 SAN FRANCISCO, CA 94111 X

Friedman Fleischer & Lowe GP III, LLC  
 ONE MARTIME PLAZA, 22ND FLOOR  
 SAN FRANCISCO, CA 94111 X

## Signatures

/s/ Spencer C.  
 Fleischer 11/21/2016

\*\*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).

(1) Represents award of restricted stock pursuant to 2014 Omnibus Incentive Plan; shares fully vest on April 25, 2017. These shares are subject to forfeiture and to limits on transferability until they vest.

(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, L.P.

(6) Each Reporting Person expressly disclaims beneficial ownership of the shares except to the extent of such Reporting Person's pecuniary interest therein. See Exhibit 99.1.

(7) 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. The FFL Reporting Persons 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.

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.