

BANNER CORP
Form 4
June 16, 2005

FORM 4

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

OMB APPROVAL

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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 *
MITCHELL DEAN W

(Last) (First) (Middle)

C/O BANNER CORP, PO BOX 907

(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)
06/15/2005

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, \$0.01 par value per share	06/15/2005		F		22,268	D	\$ 27.115 (1)
Common Stock, \$0.01 par value per share	06/15/2005		M		25,100	A	\$ 12.2934
Common Stock,	06/15/2005		M		206	A	\$ 22.0454
							40,407 (2)
							65,507 (3)
							65,713 (4)

\$.01 par
value per
share

Common
Stock,
\$.01 par
value per
share

06/15/2005 M 545 A \$ 13.6932 66,258 ⁽⁵⁾ D

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 required to respond unless the form displays a currently valid OMB control number.

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(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)	Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable Expiration Date	Title	
Option to buy Common Stock	\$ 12.2934	06/15/2005		M	45,919	07/26/1997 ⁽⁶⁾ 07/26/2006	Common Stock	45,919
Option to buy Common Stock	\$ 22.0454	06/15/2005		M	1,100	12/31/1999 ⁽⁷⁾ 12/31/2008	Common Stock	1,100
Option to buy Common Stock	\$ 13.6932	06/15/2005		M	1,100	12/21/2000 ⁽⁸⁾ 12/21/2009	Common Stock	1,100

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
			X	

MITCHELL DEAN W
C/O BANNER CORP
PO BOX 907
WALLA WALLA, WA 99362

Signatures

/s/Dean W.
Mitchell

06/16/2005

**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 15, 2005.
- (2) Includes direct ownership of 385 shares through Deferred Compensation Plan.
- (3) Includes direct ownership of 25,485 shares through Deferred Compensation Plan as a result of surrender of 25,100 options into the Plan.
- (4) Includes direct ownership of 25,691 shares through Deferred Compensation Plan as a result of surrender of 206 options into the Plan.
- (5) Includes direct ownership of 26,236 shares through Deferred Compensation Plan as a result of surrender of 545 options into the Plan.
- (6) Options vest at rate of 20% per year from date of grant on 7/26/96.
- (7) Options vest at rate of 20% per year from date of grant on 12/31/98.
- (8) Options vest at rate of 20% per year from date of grant on 12/21/99.

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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