

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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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 Beneficial Ownership (Instr. 4)
			Code	V	Amount (D) or Price (A)		
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 10 SOUTH FIRST AVE 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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