

SMITH MICHAEL MARION
 Form 4
 February 17, 2009

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 *
 SMITH MICHAEL MARION

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

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 10 SOUTH FIRST AVE.
 (Street)

3. Date of Earliest Transaction
 (Month/Day/Year)
 02/12/2009

Director 10% Owner
 Officer (give title below) Other (specify below)

WALLA WALLA, WA 99362
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

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 ⁽¹⁾	02/12/2009		A		415.943	A	\$ 3.4065
Common Stock, \$.01 par value per share	02/13/2009		A		1,003.584	A	\$ 3.4595
							20,045 ⁽²⁾
							21,049 ⁽³⁾

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

