

COLUMBIA BANKING SYSTEM INC

Form 8-K

January 28, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):

January 22, 2010

COLUMBIA BANKING SYSTEM, INC.

(Exact name of registrant as specified in its charter)

Washington

(State or other jurisdiction of incorporation)

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0-20288
(Commission File Number)

91-1422237
IRS Employer

Identification No.

1301 A Street

Tacoma, WA 98402

(Address of principal executive offices) (zip code)

Registrant's telephone number, including area code: (253) 305-1900

(Former Name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act of (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act of (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement

Effective January 22, 2010, Columbia State Bank, a Washington state-chartered bank (the **Bank**) and wholly owned subsidiary of Columbia Banking System, Inc., a Washington corporation (the **Company**), assumed all of the deposits and acquired certain of the assets of Columbia River Bank, an Oregon state-chartered bank headquartered in The Dalles, Oregon (**Columbia River**) from the Federal Deposit Insurance Corporation (**FDIC**), as receiver for Columbia River (the **Acquisition**). Columbia River was the wholly owned subsidiary of Columbia Bancorp.

The Acquisition was made pursuant to the terms of a purchase and assumption agreement entered into by the Bank and the FDIC on January 22, 2010 (the **Purchase and Assumption Agreement**). Based upon a preliminary closing with the FDIC as of January 22, 2010, the Bank acquired approximately \$1.0 billion in assets and approximately \$980 million in deposits located in 21 branches in Oregon and Washington. The Bank paid the FDIC a 1% deposit premium on non-brokered deposits and a negative bid of \$43.9 million on net assets acquired.

Columbia River's loan portfolio of approximately \$700 million will be subject to two loss share agreements between the FDIC and the Bank - one for single family loans and the other for all other loans and foreclosed real estate. Under these agreements, the FDIC will cover 80% of covered loan and foreclosed real estate losses up to \$206 million and 95% of losses in excess of that amount. The term for loss sharing on residential real estate loans is ten years. The term for loss sharing on non-residential real estate loans is eight years, with the first five years for losses and recoveries, and the final three years for recoveries only. The losses reimbursable by the FDIC are based on the book value of the relevant loan as determined by the FDIC at the date of the transaction. New loans made after that date are not covered by the loss share agreements. In addition, the FDIC transferred to the Bank all qualified financial contracts to which Columbia River was a party and such contracts remain in full force and effect.

The foregoing summary of the Purchase and Assumption Agreement is not complete and is qualified in its entirety by reference to the full text of the Purchase and Assumption Agreement and certain exhibits attached thereto, copies of which are attached hereto as Exhibit 2.1.

Item 2.01 Completion of Acquisition or Disposition of Assets

The information set forth under Item 1.01 **Entry into a Material Definitive Agreement** is incorporated by reference into this Item 2.01.

Item 7.01 Regulation FD Disclosures

On January 22, 2010, the Company issued a press release announcing the Acquisition. A copy of this press release is attached as Exhibit 99.1 to this Current Report and incorporated by reference herein.

On January 25, 2010, the Company presented a slide presentation regarding the Acquisition. The Investor slide presentation is furnished, not filed, as Exhibit 99.2 to this Current Report.

Item 9.01. Financial Statements and Exhibits

(a) Financial Statements of Business Acquired

To the extent that financial statements are required by this Item, such financial statements will be filed in an amendment to this Current Report no later than April 9, 2010.

(b) Pro Forma Financial Information

To the extent that pro forma financial information is required by this Item, such information will be filed in an amendment to this Current Report no later than April 9, 2010.

(d) Exhibits.

Exhibit No.	Description
2.1	Purchase and Assumption Agreement - Whole Bank - All Deposits, Among Federal Deposit Insurance Corporation, Receiver of Columbia River Bank, The Dalles, Oregon, Federal Deposit Insurance Corporation and Columbia State Bank, Tacoma, Washington dated as of January 22, 2010
99.1	Press Release issued January 22, 2010 announcing the Acquisition
99.2	Investor slide presentation presented on January 25, 2010

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: January 27, 2010

COLUMBIA BANKING SYSTEM, INC.

By:

/s/ GARY R. SCHMINKEY

Gary R. Schminkey

Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

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