BOSTON, Sept. 11, 2013 /PRNewswire/ -- Block & Leviton LLP (www.blockesq.com), a Boston-based law firm representing investors nationwide, has commenced an investigation into possible breaches of fiduciary duty by the Board of Directors of Sterling Financial Corp. ("Sterling" or the "Company") (NASDAQ: STSA) concerning the proposed acquisition of the Company by Umpqua Holdings Corp. ("Umpqua") (NASDAQ: UMPQ) in a cash and stock transaction.

Under the terms of the proposed transaction, Sterling shareholders will receive 1.671 shares of Umpqua common stock and $2.18 in cash for each share of Sterling common stock. The total value of the merger consideration, based on the closing price of Umpqua shares on September 11, 2013, is $30.52 per share, representing a premium of less than fifteen percent. Sterling president and CEO Greg Seibly has secured a role at Umpqua as co-President, and other top level executives are expected to remain with the newly combined entity as well. The Company's share price has increased more than 22% in the previous two months, and the stock was likely to continue this growth well beyond the offer price. Thus, the paltry premium appears to provide insufficient recognition of the stock's stunning growth potential.

In addition, the primary shareholders of Sterling, Thomas H. Lee Partners and Warburg Pincus, each of which controls 20.8% of the Company's shares, have each leveraged their stakes and supported the transaction in exchange for the ability to each designate a member of the board of directors of the newly formed company.

Block & Leviton's investigation seeks to determine, among other things, whether Sterling's Directors breached their fiduciary duties by failing to maximize shareholder value in the proposed acquisition by Umpqua and the overall fairness of the process by which the Sterling Directors considered and approved the transaction.

If you are a Sterling shareholder and have questions about your legal rights, or if you have information relevant to this investigation, please contact attorney Steven P. Harte, at (617) 398-5600 or email him at
Steven@blockesq.com.

Block & Leviton is a Boston-based law firm representing investors nationwide for violations of securities laws. The firm's lawyers have collectively been prosecuting securities cases on behalf of investors for over 50 years. This notice may constitute attorney advertising.

Contact:

BLOCK & LEVITON LLP Steven Harte, Esq. steven@blockesq.com (617) 398-5600

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