

UMPQUA HOLDINGS CORP
Form S-4/A
December 18, 2013

Use these links to rapidly review the document

[TABLE OF CONTENTS](#)
[TABLE OF CONTENTS](#)

[Table of Contents](#)

As filed with the Securities and Exchange Commission on December 18, 2013.

Registration No. 333-192346

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

Amendment No. 1
to

Form S-4

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Umpqua Holdings Corporation

(Exact Name of Registrant as Specified in its Charter)

Oregon
(State or other jurisdiction of
incorporation or organization)

6022
(Primary Standard Industrial
Classification Code Number)
One SW Columbia, Suite 1200
Portland, Oregon 97258
(503) 727-4100

93-1261319
(I.R.S. Employer
Identification Number)

(Address, including Zip Code, and Telephone Number, including Area Code, of Registrant's Principal Executive Offices)

Raymond P. Davis
President and Chief Executive Officer
Umpqua Holdings Corporation
One SW Columbia, Suite 1200
Portland, Oregon 97258
(503) 727-4100

(Name, Address, including Zip Code, and Telephone Number, including Area Code, of Agent for Service)

Edward D. Herlihy, Esq.
Matthew M. Guest, Esq.
Wachtell, Lipton, Rosen & Katz
51 West 52nd Street

With copies to:
J. Gregory Seibly
President and Chief Executive Officer
Sterling Financial Corporation
111 North Wall Street

William L. Taylor
Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, New York 10017

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New York, New York 10019
(212) 403-1000

Spokane, Washington 99201
(509) 358-8097

(212) 450-4000

Approximate date of commencement of the proposed sale of the securities to the public:

As soon as practicable after this Registration Statement becomes effective and upon completion of the merger described in the enclosed document.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, as amended, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a
smaller reporting
company)

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act, or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This document shall not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY SUBJECT TO COMPLETION DATED DECEMBER 18, 2013

Proxy Statement

Prospectus

MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

Dear Shareholder:

On September 11, 2013, Sterling Financial Corporation, or Sterling, and Umpqua Holdings Corporation, or Umpqua, entered into an Agreement and Plan of Merger (which we refer to as the "merger agreement") that provides for the combination of the two companies. Under the merger agreement, Sterling will merge with and into Umpqua, with Umpqua as the surviving corporation (which we refer to as the "merger"). The merger will result in the West Coast's largest community bank with expanded geographic reach.

In the merger, each share of Sterling common stock (except for specified shares of Sterling common stock held by Sterling or Umpqua and any dissenting shares) will be converted into the right to receive 1.671 shares of Umpqua common stock and \$2.18 in cash, without interest, (which we refer to as the "merger consideration"). Although the number of shares of Umpqua common stock that Sterling shareholders will receive is fixed, the market value of the merger consideration will fluctuate with the market price of Umpqua common stock and will not be known at the time Sterling shareholders vote on the merger. Based on the closing price of Umpqua's common stock on the NASDAQ Global Select Market on [], 2013, the last practicable date before the date of this document, the value of the per share merger consideration payable to holders of Sterling common stock was []. **We urge you to obtain current market quotations for Umpqua (trading symbol "UMPQ") and Sterling (trading symbol "STSA").**

Based on the current number of shares of Sterling common stock outstanding and reserved for issuance under employee benefit plans, Umpqua expects to issue approximately [] million shares of common stock to Sterling shareholders in the aggregate upon completion of the merger. Based on these numbers, upon completion of the merger, current Sterling shareholders would own approximately []% of the common stock of Umpqua immediately following the merger. However, any increase or decrease in the number of shares of Sterling common stock outstanding that occurs for any reason prior to the completion of the merger would cause the actual number of shares issued upon completion of the merger to change.

Sterling and Umpqua will each hold a special meeting of their respective shareholders in connection with the merger. Sterling and Umpqua shareholders will be asked to vote to approve the merger agreement and related matters as described in the attached joint proxy statement/prospectus. Approval of the merger agreement by Umpqua shareholders requires the affirmative vote of the holders of a majority of votes entitled to be cast and approval of the merger agreement by Sterling shareholders requires the affirmative vote of the holders of two-thirds of the votes entitled to be cast.

The special meeting of Sterling shareholders will be held on [] at [], at [] local time. The special meeting of Umpqua shareholders will be held on [] at [], at [] local time.

Sterling's board of directors unanimously recommends that Sterling shareholders vote "FOR" the approval of the merger agreement and "FOR" the approval of the other matters to be considered at the Sterling special meeting.

Umpqua's board of directors unanimously recommends that Umpqua shareholders vote "FOR" the approval of the merger agreement and "FOR" the approval of the other matters to be considered at the Umpqua special meeting.

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This joint proxy statement/prospectus describes the special meeting of Sterling, the special meeting of Umpqua, the merger, the documents related to the merger and other related matters. **Please carefully read this entire joint proxy statement/prospectus, including "Risk Factors," beginning on page 43, for a discussion of the risks relating to the proposed merger.** You also can obtain information about Umpqua and Sterling from documents that each has filed with the Securities and Exchange Commission.

Raymond P. Davis
President and Chief Executive Officer
Umpqua Holdings Corporation

J. Gregory Seibly
President and Chief Executive Officer
Sterling Financial Corporation

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the merger, the issuance of the Umpqua common stock to be issued in the merger or the other transactions described in this document or passed upon the adequacy or accuracy of this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.

The securities to be issued in the merger are not savings or deposit accounts or other obligations of any bank or non-bank subsidiary of either Umpqua or Sterling, and they are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

The date of this joint proxy statement/prospectus is [], and it is first being mailed or otherwise delivered to the shareholders of Umpqua and Sterling on or about [].

Table of Contents

REFERENCES TO ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates important business and financial information about Umpqua and Sterling from documents filed with the U.S. Securities and Exchange Commission, or the SEC, that are not included in or delivered with this joint proxy statement/prospectus. You can obtain any of the documents filed with or furnished to the SEC by Umpqua and/or Sterling at no cost from the SEC's website at <http://www.sec.gov>. You may also request copies of these documents, including documents incorporated by reference in this joint proxy statement/prospectus, at no cost by contacting the appropriate company at the following address:

Umpqua Holdings Corporation
20085 N.W. Tanasbourne Drive
Hillsboro, Oregon 97124
Attention: Investor Relations
Telephone: (503) 268-6675

Sterling Financial Corporation
111 North Wall Street
Spokane, Washington 99201
Attention: Investor Relations
Telephone: (509) 358-8097

You will not be charged for any of these documents that you request. To obtain timely delivery of these documents, you must request them no later than five business days before the date of your meeting. This means that Umpqua shareholders requesting documents must do so by [], in order to receive them before the Umpqua special meeting, and Sterling shareholders requesting documents must do so by [], in order to receive them before the Sterling special meeting.

You should rely only on the information contained in, or incorporated by reference into, this document. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this document. This document is dated [], 2013, and you should assume that the information in this document is accurate only as of such date. You should assume that the information incorporated by reference into this document is accurate as of the date of such document. Neither the mailing of this document to Sterling shareholders or Umpqua shareholders nor the issuance by Umpqua of shares of Umpqua common stock in connection with the merger will create any implication to the contrary.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Except where the context otherwise indicates, information contained in this document regarding Sterling has been provided by Sterling and information contained in this document regarding Umpqua has been provided by Umpqua.

See "Where You Can Find More Information" for more details.

Table of Contents

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON [], 201[]**

To the Shareholders of Umpqua Holdings Corporation:

Umpqua Holdings Corporation will hold a special meeting of shareholders at [] local time, on [], at [] to consider and vote upon the following matters:

a proposal to approve the Agreement and Plan of Merger, dated as of September 11, 2013, by and between Sterling Financial Corporation and Umpqua Holdings Corporation, pursuant to which Sterling will merge with and into Umpqua, as more fully described in the attached joint proxy statement/prospectus (which we refer to as the "Umpqua merger proposal");

a proposal to amend the Restated Articles of Incorporation of Umpqua to increase the number of authorized shares of no par value common stock to 400,000,000 (which we refer to as the "articles amendment proposal"); and

a proposal to adjourn the Umpqua special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Umpqua merger proposal and/or the articles amendment proposal (which we refer to as the "Umpqua adjournment proposal").

We have fixed the close of business on [] as the record date for the special meeting. Only Umpqua common shareholders of record at that time are entitled to notice of, and to vote at, the Umpqua special meeting, or any adjournment or postponement of the Umpqua special meeting. Approval of the Umpqua merger proposal requires the affirmative vote of holders of a majority of the votes entitled to be cast on the proposal. Approval of the Umpqua adjournment proposal requires the affirmative vote of holders of a majority of shares represented at the special meeting. The articles amendment proposal will be approved if the votes cast in favor of the proposal exceed the votes cast in opposition.

Umpqua's board of directors has unanimously adopted the merger agreement, has determined that the merger agreement and the transactions contemplated thereby, including the merger, are in the best interests of Umpqua and its shareholders, and unanimously recommends that Umpqua shareholders vote "FOR" the Umpqua merger proposal, "FOR" the articles amendment proposal and "FOR" the Umpqua adjournment proposal, if necessary or appropriate.

Your vote is very important. We cannot complete the merger unless Umpqua's common shareholders approve the Umpqua merger proposal and the articles amendment proposal.

Regardless of whether you plan to attend the Umpqua special meeting, please vote as soon as possible. If you hold stock in your name as a shareholder of record of Umpqua, please complete, sign, date and return the accompanying proxy card in the enclosed postage-paid return envelope. If you hold your stock in "street name" through a bank or broker, please follow the instructions on the voting instruction card furnished by the record holder.

The enclosed joint proxy statement/prospectus provides a detailed description of the special meeting, the merger, the documents related to the merger and other related matters. We urge you to

Table of Contents

read the joint proxy statement/prospectus, including any documents incorporated in the joint proxy statement/prospectus by reference, and its annexes carefully and in their entirety.

BY ORDER OF THE BOARD OF DIRECTORS,

Steven L. Philpott

Executive Vice President, General Counsel and Secretary

Table of Contents

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON [], 201[]

To the Shareholders of Sterling Financial Corporation:

Sterling Financial Corporation will hold a special meeting of shareholders at [] local time, on [], at [] to consider and vote upon the following matters:

a proposal to adopt and approve the Agreement and Plan of Merger, dated as of September 11, 2013, by and between Sterling Financial Corporation and Umpqua Holdings Corporation, pursuant to which Sterling will merge with and into Umpqua, as more fully described in the attached joint proxy statement/prospectus (which we refer to as the "Sterling merger proposal");

a proposal to approve, on an advisory (non-binding) basis, the compensation that is tied to or based on the merger and that will or may be paid to Sterling's named executive officers in connection with the merger (which we refer to as the "Sterling compensation proposal"); and

a proposal to adjourn the Sterling special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Sterling merger proposal (which we refer to as the "Sterling adjournment proposal").

We have fixed the close of business on [] as the record date for the special meeting. Only Sterling common shareholders of record at that time are entitled to notice of, and to vote at, the Sterling special meeting, or any adjournment or postponement of the Sterling special meeting. Approval of the Sterling merger proposal requires the affirmative vote of holders of two-thirds of the votes entitled to be cast on the proposal. The Sterling compensation proposal will be approved if the votes cast in favor of the proposal exceed the votes cast in opposition. Approval of the Sterling adjournment proposal requires the affirmative vote of holders of a majority of shares represented at the special meeting.

Sterling's board of directors has unanimously adopted the merger agreement, has determined that the merger agreement and the transactions contemplated thereby, including the merger, are in the best interests of Sterling and its shareholders, and unanimously recommends that Sterling shareholders vote "FOR" the Sterling merger proposal, "FOR" the Sterling compensation proposal and "FOR" the Sterling adjournment proposal, if necessary or appropriate.

Your vote is very important. We cannot complete the merger unless Sterling's common shareholders approve the Sterling merger proposal.

Regardless of whether you plan to attend the Sterling special meeting, please vote as soon as possible. If you hold stock in your name as a shareholder of record of Sterling, please complete, sign, date, and return the accompanying proxy card in the enclosed postage-paid return envelope. If you hold your stock in "street name" through a bank or broker, please follow the instructions on the voting instruction card furnished by the record holder.

Under Washington law, Sterling shareholders who do not vote in favor of the merger proposal and follow certain procedural steps will be entitled to dissenters' rights. See "Questions and Answers Are Sterling shareholders entitled to dissenters' rights?"

Table of Contents

The enclosed joint proxy statement/prospectus provides a detailed description of the special meeting, the merger, the documents related to the merger and other related matters. We urge you to read the joint proxy statement/prospectus, including any documents incorporated in the joint proxy statement/prospectus by reference, and its annexes carefully and in their entirety.

**BY ORDER OF THE BOARD OF
DIRECTORS,**

Andrew J. Schultheis
Executive Vice President, General Counsel and Secretary

TABLE OF CONTENTS

	Page
<u>QUESTIONS AND ANSWERS</u>	<u>1</u>
<u>SUMMARY</u>	<u>11</u>
<u>SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF UMPQUA</u>	<u>23</u>
<u>SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF STERLING</u>	<u>25</u>
<u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS</u>	<u>27</u>
<u>COMPARATIVE PER SHARE DATA</u>	<u>41</u>
<u>RISK FACTORS</u>	<u>43</u>
<u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</u>	<u>50</u>
<u>THE STERLING SPECIAL MEETING</u>	<u>51</u>
<u>Date, Time and Place of Meeting</u>	<u>51</u>
<u>Matters to Be Considered</u>	<u>51</u>
<u>Recommendation of Sterling's Board of Directors</u>	<u>51</u>
<u>Record Date and Quorum</u>	<u>51</u>
<u>Required Vote: Treatment of Abstentions and Failure to Vote</u>	<u>52</u>
<u>Shares Held by Officers and Directors</u>	<u>52</u>
<u>Voting on Proxies; Incomplete Proxies</u>	<u>52</u>
<u>Shares Held in "Street Name"; Broker Non-Votes</u>	<u>53</u>
<u>Revocability of Proxies and Changes to a Sterling Shareholder's Vote</u>	<u>53</u>
<u>Participants in the Sterling 401(k) Plan</u>	<u>54</u>
<u>Solicitation of Proxies</u>	<u>54</u>
<u>Attending the Meeting</u>	<u>54</u>
<u>Delivery of Proxy Materials</u>	<u>54</u>
<u>Assistance</u>	<u>55</u>
<u>THE UMPQUA SPECIAL MEETING</u>	<u>56</u>
<u>Date, Time and Place of Meeting</u>	<u>56</u>
<u>Matters to Be Considered</u>	<u>56</u>
<u>Recommendation of Umpqua's Board of Directors</u>	<u>56</u>
<u>Record Date and Quorum</u>	<u>56</u>
<u>Required Vote: Treatment of Abstentions and Failure to Vote</u>	<u>57</u>
<u>Shares Held by Officers and Directors</u>	<u>57</u>
<u>Voting of Proxies; Incomplete Proxies</u>	<u>57</u>
<u>Shares Held in "Street Name"; Broker Non-Votes</u>	<u>58</u>
<u>Revocability of Proxies and Changes to an Umpqua Shareholder's Vote</u>	<u>58</u>
<u>Participants in the Umpqua Bank 401(k) and Profit Sharing Plan or the Umpqua Supplemental Retirement/Deferred Compensation Plan</u>	<u>59</u>
<u>Solicitation of Proxies</u>	<u>59</u>
<u>Attending the Meeting</u>	<u>59</u>
<u>Delivery of Proxy Materials</u>	<u>59</u>
<u>Assistance</u>	<u>60</u>
<u>INFORMATION ABOUT UMPQUA</u>	<u>61</u>
<u>INFORMATION ABOUT STERLING</u>	<u>62</u>
<u>THE MERGER</u>	<u>63</u>

	Page
<u>Terms of the Merger</u>	63
<u>Background of the Merger</u>	63
<u>Sterling's Reasons for the Merger; Recommendation of Sterling's Board of Directors</u>	70
<u>Opinion of Sandler O'Neill</u>	73
<u>Umpqua's Reasons for the Merger; Recommendation of Umpqua's Board of Directors</u>	85
<u>Opinion of J.P. Morgan</u>	87
<u>Board of Directors and Management of Umpqua after the Merger</u>	97
<u>Interests of Sterling's Directors and Executive Officers in the Merger</u>	98
<u>Amendment to Umpqua's Articles of Incorporation</u>	105
<u>Public Trading Markets</u>	106
<u>Umpqua's Dividend Policy</u>	106
<u>Dissenters' Rights in the Merger</u>	107
<u>Regulatory Approvals Required for the Merger</u>	111
<u>Litigation Relating to the Merger</u>	113
<u>Investor Letter Agreements</u>	113
<u>THE MERGER AGREEMENT</u>	
	115
<u>Structure of the Merger</u>	115
<u>Treatment of Sterling Stock Options and Restricted Stock Units</u>	116
<u>Employee Stock Purchase Plan</u>	117
<u>Closing and Effective Time of the Merger</u>	117
<u>Conversion of Shares; Exchange of Certificates</u>	117
<u>Representations and Warranties</u>	118
<u>Covenants and Agreements</u>	120
<u>Shareholder Meetings and Recommendation of Sterling's and Umpqua's Boards of Directors</u>	125
<u>Agreement Not to Solicit Other Offers</u>	126
<u>Conditions to Complete the Merger</u>	127
<u>Termination of the Merger Agreement</u>	128
<u>Effect of Termination</u>	129
<u>Termination Fee</u>	129
<u>Expenses and Fees</u>	131
<u>Amendment, Waiver and Extension of the Merger Agreement</u>	131
<u>ACCOUNTING TREATMENT</u>	
	132
<u>UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER</u>	
	133
<u>DESCRIPTION OF CAPITAL STOCK OF UMPQUA</u>	
	136
<u>Authorized Capital Stock</u>	136
<u>Common Stock</u>	136
<u>Preferred Stock</u>	137
<u>COMPARISON OF SHAREHOLDERS' RIGHTS</u>	
	138
<u>COMPARATIVE MARKET PRICES AND DIVIDENDS</u>	
	147
<u>SECURITY OWNERSHIP OF STERLING DIRECTORS, NAMED EXECUTIVE OFFICERS AND CERTAIN BENEFICIAL OWNERS OF STERLING</u>	
	149
<u>SECURITY OWNERSHIP OF UMPQUA DIRECTORS, NAMED EXECUTIVE OFFICERS AND CERTAIN BENEFICIAL OWNERS OF UMPQUA</u>	
	152
<u>ADVISORY VOTE ON NAMED EXECUTIVE OFFICER MERGER-RELATED COMPENSATION ARRANGEMENTS</u>	
	154

	Page
<u>LEGAL MATTERS</u>	<u>155</u>
<u>EXPERTS</u>	
<u>Umpqua and FinPac</u>	<u>156</u>
<u>Sterling</u>	<u>156</u>
<u>DEADLINES FOR SUBMITTING SHAREHOLDER PROPOSALS</u>	
<u>Umpqua</u>	<u>157</u>
<u>Sterling</u>	<u>157</u>
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	
<u>ANNEX A: AGREEMENT AND PLAN OF MERGER</u>	<u>158</u>
<u>ANNEX B: INVESTOR LETTER AGREEMENT WARBURG PINCUS</u>	<u>A-1</u>
<u>ANNEX C: INVESTOR LETTER AGREEMENT THL</u>	<u>B-1</u>
<u>ANNEX D: OPINION OF SANDLER O'NEILL + PARTNERS, L.P</u>	<u>C-1</u>
<u>ANNEX E: OPINION OF J.P. MORGAN SECURITIES LLC</u>	<u>D-1</u>
<u>ANNEX F: FORM OF AMENDMENT TO RESTATED ARTICLES OF INCORPORATION OF UMPQUA</u>	<u>E-1</u>
<u>ANNEX G: CHAPTER 23B.13 OF THE WASHINGTON BUSINESS CORPORATIONS ACT DISSENTERS' RIGHTS</u>	<u>F-1</u>
	<u>G-1</u>

Table of Contents

QUESTIONS AND ANSWERS

The following are some questions that you may have about the merger and the Umpqua or Sterling special meetings, and brief answers to those questions. We urge you to read carefully the remainder of this joint proxy statement/prospectus because the information in this section does not provide all of the information that might be important to you with respect to the merger and the Umpqua or Sterling special meetings. Additional important information is also contained in the documents incorporated by reference into this joint proxy statement/prospectus. See "Where You Can Find More Information."

Unless the context otherwise requires, references in this joint proxy statement/prospectus to "Umpqua" refer to Umpqua Holdings Corporation, an Oregon corporation, and its subsidiaries, and references to "Sterling" refer to Sterling Financial Corporation, a Washington corporation, and its subsidiaries.

Q: What is the merger?

A: Umpqua and Sterling have entered into an Agreement and Plan of Merger, dated as of September 11, 2013 (which we refer to as the "merger agreement"). Under the merger agreement, Sterling will be merged with and into Umpqua, with Umpqua continuing as the surviving corporation. Immediately following the completion of the merger, Sterling's wholly owned bank subsidiary, Sterling Savings Bank, will merge with and into Umpqua's wholly owned bank subsidiary, Umpqua Bank (which we refer to as the "bank merger"). Umpqua Bank will be the surviving bank in the bank merger. A copy of the merger agreement is included in this joint proxy statement/prospectus as Annex A.

The merger cannot be completed unless, among other things, both Umpqua shareholders and Sterling shareholders approve their respective proposals to approve the merger agreement (which we refer to as the "Umpqua merger proposal" and the "Sterling merger proposal," respectively).

Q: Why am I receiving this joint proxy statement/prospectus?

A: We are delivering this document to you because it is a joint proxy statement being used by both the Umpqua and Sterling boards of directors to solicit proxies of their respective shareholders in connection with approval of the merger and related matters.

In order to approve the merger and related matters, Umpqua and Sterling have each called a special meeting of their shareholders (which we refer to as the "Umpqua special meeting" and the "Sterling special meeting," respectively). This document serves as proxy statement for the Umpqua special meeting and the Sterling special meeting and describes the proposals to be presented at the meetings.

This document is also a prospectus that is being delivered to Sterling shareholders because Umpqua is offering shares of its common stock to Sterling shareholders in connection with the merger.

This joint proxy statement/prospectus contains important information about the merger and the other proposals being voted on at the meetings. You should read it carefully and in its entirety. The enclosed materials allow you to have your shares voted by proxy without attending your meeting. Your vote is important. We encourage you to submit your proxy as soon as possible.

Table of Contents

Q: **In addition to the Umpqua merger proposal, what else are Umpqua shareholders being asked to vote on?**

A: In addition to the Umpqua merger proposal, Umpqua is soliciting proxies from its shareholders with respect to two additional proposals:

a proposal to amend the Restated Articles of Incorporation of Umpqua to increase the number of authorized shares of no par value common stock to 400,000,000 (which we refer to as the "articles amendment proposal"); and

a proposal to adjourn the Umpqua special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Umpqua merger proposal and/or the articles amendment proposal (which we refer to as the "Umpqua adjournment proposal").

Approval of the articles amendment proposal is a condition to completion of the merger and is necessary for Umpqua to have enough authorized shares to issue the stock portion of the merger consideration. Completion of the merger is not conditioned upon approval of the Umpqua adjournment proposal.

Q: **In addition to the Sterling merger proposal, what else are Sterling shareholders being asked to vote on?**

A: In addition to the Sterling merger proposal, Sterling is soliciting proxies from its shareholders with respect to two additional proposals:

a proposal to approve, on an advisory (non-binding) basis, the compensation that is tied to or based on the merger and that will or may be paid to Sterling's named executive officers in connection with the merger (which we refer to as the "Sterling compensation proposal"); and

a proposal to adjourn the Sterling special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Sterling merger proposal (which we refer to as the "Sterling adjournment proposal").

Completion of the merger is not conditioned upon approval of either of these proposals.

Q: **What will Sterling shareholders receive in the merger?**

A: If the merger is completed, Sterling shareholders will receive 1.671 shares of Umpqua common stock and \$2.18 in cash, without interest, (which we refer to as the "merger consideration") for each share of Sterling common stock held immediately prior to the merger. Umpqua will not issue any fractional shares of Umpqua common stock in the merger. Sterling shareholders who would otherwise be entitled to a fractional share of Umpqua common stock upon the completion of the merger will instead receive an amount in cash based on the average closing-sale price per share of Umpqua common stock for the ten trading days immediately preceding (but not including) the day on which the merger is completed (which we refer to as the "Umpqua closing price").

Q: **What will Umpqua shareholders receive in the merger?**

A: If the merger is completed, Umpqua shareholders will not receive any merger consideration and will continue to hold the shares of Umpqua common stock that they currently hold. Following the merger, shares of Umpqua common stock will continue to be traded on the NASDAQ Global Select Market under the symbol "UMPQ."

Table of Contents

Q: How will the merger affect Sterling stock options and restricted stock units?

A: The Sterling equity awards will be affected as follows:

Stock Options. Each option to purchase shares of Sterling common stock outstanding immediately prior to the effective time (except for certain options with an exercise price significantly in excess of the value of the merger consideration, which Sterling will use commercially reasonable efforts to cancel prior to the effective time), will be converted into an option to purchase Umpqua common stock on the same terms and conditions as were applicable prior to the merger (taking into account that, except for new equity award compensation granted prior to the effective time of the merger, the consummation of the merger and its related transactions will constitute the first trigger under equity awards that provide for "double trigger" acceleration of vesting), except that (1) the number of shares of Umpqua common stock subject to the new option will be equal to the product of the number of shares of Sterling common stock subject to the existing option and the ratio that expresses the merger consideration solely in shares of Umpqua common stock, with the cash portion of the merger consideration converted into shares based on the Umpqua closing price (which we refer to as the "equity exchange ratio") (rounding fractional shares down to the nearest whole share), and (2) the exercise price per share of Umpqua common stock under the new option will be equal to the exercise price per share of Sterling common stock of the existing option divided by the equity exchange ratio (rounded up to the nearest whole cent).

Restricted Stock Units. Each restricted stock unit with respect to Sterling common stock will be converted into a restricted stock unit with respect to a number of shares of Umpqua common stock equal to the product of the number of shares of Sterling common stock subject to the Sterling restricted stock unit and the equity exchange ratio, on the same terms and conditions as were applicable prior to the merger (taking into account that, except for new equity award compensation granted prior to the effective time of the merger, the consummation of the merger and its related transactions will constitute the first trigger under equity awards that provide for "double trigger" acceleration of vesting).

Q: Will the value of the merger consideration change between the date of this joint proxy statement/prospectus and the time the merger is completed?

A: Because the number of shares of Umpqua common stock that Sterling shareholders will receive for each share of Sterling common stock as the stock component of the merger consideration is fixed, the value of the merger consideration will fluctuate between the date of this joint proxy statement/prospectus and the completion of the merger based upon the market value for Umpqua common stock. Any fluctuation in the market price of Umpqua common stock after the date of this joint proxy statement/prospectus will change the value of the shares of Umpqua common stock that Sterling shareholders will receive.

Q: How does Umpqua's board of directors recommend that I vote at the special meeting?

A: Umpqua's board of directors unanimously recommends that you vote "FOR" the Umpqua merger proposal, "FOR" the articles amendment proposal and "FOR" the Umpqua adjournment proposal, if necessary or appropriate.

Q: How does Sterling's board of directors recommend that I vote at the annual meeting?

A: Sterling's board of directors unanimously recommends that you vote "FOR" the Sterling merger proposal, "FOR" the Sterling compensation proposal and "FOR" the Sterling adjournment proposal, if necessary or appropriate.

Table of Contents

Q: **When and where are the meetings?**

A: The Umpqua special meeting will be held at [] on [], at [] local time.

 The Sterling special meeting will be held at [] on [] &