

BROADHEAD MICHAEL
Form 4
May 27, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
BROADHEAD MICHAEL

2. Issuer Name and Ticker or Trading Symbol
HERITAGE FINANCIAL CORP
/WA/ [HFWA]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
PO BOX 70

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
05/25/2010

____ Director
 Officer (give title below)
____ 10% Owner
____ Other (specify below)
President/Central Valley Bank

TOPPENISH, WA 98948

(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 Ownership (Instr. 4)
				(A) or (D) Price			
Common Stock	05/25/2010		A	1,333 A	40,011	D	

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

Edgar Filing: BROADHEAD MICHAEL - Form 4

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)	Amount or Number of Shares
Incentive Stock Option	\$ 11.35	02/26/2009		A	5,100	02/26/2010 ⁽²⁾ 02/26/2017	Common Stock	5,100
Incentive Stock Option	\$ 14.77	05/25/2010		A	5,196	05/25/2011 ⁽³⁾ 05/25/2020	Common Stock	5,196

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BROADHEAD MICHAEL PO BOX 70 TOPPENISH, WA 98948			President/Central Valley Bank	

Signatures

D. Michael Broadhead 05/27/2010
 **Signature of Reporting Person Date

Kaylene Lahn for D. Michael Broadhead 05/27/2010
 **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) Represents award of restricted stock award under the 2010 Omnibus Equity Plan. Vests in equal installments of 25% per year beginning on 05/25/2011.
- (2) Grant to reporting person of option to purchase shares of common stock under the issuer's 2006 stock option plan, in a transaction exempt from Rule 16b-3. One third of the option is exercisable annually beginning one year after grant and expires five years after it becomes exercisable.
- (3) Represents incentive stock options under the 2010 Omnibus Equity Plan. Vests in equal installments of 25% per year beginning on 05/25/2011.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.