
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, 2008

Sterling Financial Corporation

(Exact name of registrant as specified in its charter)

Pennsylvania

0-16276

23-2449551

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

101 North Pointe Boulevard, Lancaster, Pennsylvania

17601-4133

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

717-581-6030

Not Applicable

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 obligation 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 (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 3.01 Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

As previously reported, because Sterling Financial Corporation (the "Corporation") has not filed its Quarterly Report on Form 10-Q for the quarters ended March 31, 2007, June 30, 2007, and September 30, 2007, it is not in compliance with the continued listing requirements set forth in Nasdaq Marketplace Rule 4310(c)(14). Based on a plan for regaining compliance with this requirement, the Corporation presented a plan to the Nasdaq Listing Qualifications Panel (the "Panel") on June 28, 2007. The Panel, on August 14, 2007, granted the Corporation's request for continued listing of its common stock on the Nasdaq Global Select Market until November 12, 2007. On October 3, 2007, the Nasdaq Listing and Hearing Review Council (the "Council") called the Corporation's case for review. Because the Corporation was not able to satisfy the terms of its plan for regaining compliance by November 12, the Panel, on November 13, 2007, issued a decision to delist the Corporation's common stock from the Nasdaq Stock Market. However, during the pending review of the Corporation's case by the Council, the delisting decision was stayed and the Corporation's common stock continues to be listed and traded on the Nasdaq Global Select Market. On January 22, 2008, the Council granted an extension for delisting the Corporation's common stock until March 24, 2008, at which time the Corporation must be compliant with the Nasdaq continued listing requirements, or its common stock will be delisted as of March 26, 2008.

On January 28, 2008, the Corporation issued a press release reporting the receipt of the Council's decision. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated into this Current Report on Form 8-K.

Item 5.05 Amendments to the Registrant's Code of Ethics, or Waiver of a Provision of the Code of Ethics.

On January 22, 2008, the Board of Directors of the Corporation, upon the recommendation of the Corporation's Corporate Governance and Nominating Committee, approved a revised Code of Ethics. The revised Code fulfills one of the Board's remedial actions to review and revise the Code, as appropriate, following the report of the independent investigation into financial irregularities at its subsidiary, Equipment Finance, LLC. The revised Code of Ethics is intended to replace the Corporation's existing Code of Ethics and is effective immediately. A copy of the Corporation's new Code of Ethics is attached to this Current Report on Form 8-K as Exhibit 14.1 and will be posted on the Corporation's website.

Item 8.01 Other Events.

As previously reported, the Corporation has entered into a definitive merger agreement with The PNC Financial Services Group Inc. The parties expect the transaction to close in the first quarter of 2008.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

14.1 Sterling Financial Corporation Revised Code of Ethics

99.1 Sterling Financial Corporation press release dated January 28, 2008

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.

January 28, 2008

Sterling Financial Corporation

By: J. Roger Moyer, Jr.

Name: J. Roger Moyer, Jr.

Title: President and Chief Executive Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
14.1	Sterling Financial Corporation Revised Code of Ethics
99.1	Sterling Financial Corporation press release dated January 28, 2008

Sterling Financial Corporation
Code of Ethics

Purpose and Application

This Code of Ethics is a codification of standards that is reasonably designed to deter wrongdoing and to promote:

1. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; and
2. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by Sterling Financial Corporation (“Sterling”) and in other public communications made by Sterling; and
3. Compliance with all applicable governmental rules and regulations; and
4. The prompt internal reporting of code violations to an appropriate person or persons identified in this Code of Ethics; and
5. Accountability for adherence to this Code of Ethics; and
6. A culture of honesty and accountability.

This Code of Ethics shall apply to all directors, officers and employees of Sterling and each of its subsidiaries (each a “Person”). In addition, certain provisions of this Code of Ethics shall apply to specific officers of Sterling, as defined in Section 406 of the Sarbanes-Oxley Act, including but not limited to Sterling’s principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions (each a “Principal Person”). Sterling may designate other Persons to be Principal Persons from time to time.

Ethical Principles

Fair Dealing

1. Each Person shall act at all times in good faith, responsibly, with honesty and integrity, and with due care, competence and diligence, without misrepresenting material facts or allowing such Person’s independent judgment to be subordinated.
2. No Person shall take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of facts, or any other unfair dealing.
3. Each Person shall at all times proactively promote ethical behavior as a responsible partner among peers in the Person’s work environment, and shall not tolerate any form of harassment, whether based on race, color, religion, gender, national origin, age, disability, veteran status, pregnancy, or sexual orientation.

Conflicts of Interest

4. Each Person shall avoid at all times actual or apparent conflicts of interest between personal and professional relationships. A conflict of interest occurs when an individual’s private interest is different from the interests of Sterling as a whole. Conflict situations include:
 - When a director, officer or employee, or a member of his or her family, will benefit personally from something the director, officer or employee does or fails to do that is not in the best interests of Sterling;
 - When a director, officer or employee takes actions or has interests that may make it difficult to perform his or her work for Sterling objectively and effectively; and
 - When a director, officer or employee, or a member of his or her family, receives personal benefits from someone other than Sterling as a result of his or her position in the company.
5. No Person or any member of his immediate family shall at any time enter into employment positions, consulting arrangements, ownership interests, or other activity that may create any actual or apparent conflict of interest between his personal interests and either (a) the interests of Sterling, or (b) his ability to perform his duties and responsibilities for Sterling.
6. No Person or any member of her immediate family shall solicit or accept any personal benefit from any outside concern from which Sterling secures goods or services, which is a customer of Sterling, or which is a competitor of Sterling, or which is a regulatory agency having jurisdiction over Sterling, except only loans from financial institutions on the same terms available generally and entertainment appropriate to the business relationship, extended in the ordinary course of business, in accordance with Sterling’s Conflicts of Interest Policy, and not intended to influence the actions of the Person or Sterling.
7. Each Person shall comply at all times with all conflict of interest policies adopted by Sterling from time to time, including but not limited to Sterling’s Conflict of Interest Policy, as may be amended from time to time.
8. Each Principal Person shall immediately disclose to the Chairman of the Corporate Governance and Nominating Committee any material transaction or relationship that reasonably could be expected to give rise to any conflict of interest, whether real or perceived.

Company Information and Confidentiality

9. Any information disclosed by each Person in performance of his or her duties shall be full, fair, complete, accurate, objective, relevant, timely, understandable, and not misleading. Each Person shall share at all times important and relevant knowledge (a) with persons to whom such Person reports, and (b) as is appropriate with persons reporting to such Person.
10. Each Person shall maintain at all times the confidentiality of information acquired in the course of his work except when authorized by Sterling or otherwise legally obligated to disclose. No confidential information acquired in the course of work shall be used by any Person for any personal advantage, whether real or perceived. All Persons shall comply with all confidentiality policies adopted by Sterling from time to time, and with all confidentiality provisions in agreements to which they or Sterling are parties.
11. Each Person shall document and report all business and financial transactions in accordance with Sterling's internal control procedures. No Person shall create misleading records or falsify or improperly destroy Sterling documents.

Compliance with Laws, Rules and Regulations (Including Insider Trading Laws)

12. Each Person shall comply at all times with all rules and regulations of federal, state, and local governments, and other appropriate private and public regulatory agencies, including but not limited to regulations promulgated by the U.S. Securities and Exchange Commission ("SEC") and any other governmental agencies ("Laws"). In the event that the Person is ever unsure of any such Laws, the Person shall consult with the General Counsel of Sterling prior to taking any action.
13. Each Person and every member of her immediate family shall not at any time buy or sell any security of Sterling while aware of any material, non-public information relating to Sterling or the security. Each Principal Person and all members of his or her immediate family shall refrain from any trading in any Sterling security during black-out periods and shall comply with all Sterling policies and SEC requirements relating to the trading of Sterling securities during non black-out periods. All Persons shall comply with all Sterling securities trading policies adopted by Sterling from time to time, including but not limited to Sterling's Insider Trading Policy, as it may be amended or replaced from time to time. All Principal Persons shall comply with Sterling's securities trading blackout periods for key company personnel, as may be amended or replaced from time to time.
14. All Persons shall cooperate fully with the people responsible for preparing reports filed with the SEC and all other materials that are made available to the investing public to make sure those people are aware in a timely manner of all information that might have to be disclosed in those reports or other materials or that might affect the way in which information is disclosed in them.

Corporate Opportunities

15. Directors, officers and employees owe a duty to Sterling to advance its legitimate interests when the opportunity to do so arises. No Person shall:
 - take for himself or herself personally any opportunity of which he or she becomes aware, or to which he or she obtains access, through the use of corporate property, information or position;
 - make it possible for someone other than Sterling to take advantage of an opportunity in any of Sterling's areas of business of which the director, officer or employee becomes aware in the course of his or her activities on behalf of Sterling, unless Sterling has expressly decided not to attempt to take advantage of the opportunity;
 - otherwise use corporate property, information, or position for personal gain; or
 - compete with Sterling generally or with regard to specific transactions or opportunities.

Improper Use of Corporate Funds or Assets

16. Each Person shall achieve at all times responsible use of and control over all assets and resources employed or entrusted to such Person.
17. Each Person shall safeguard against theft, loss or misuse any and all property of Sterling in the custody or possession of such Person.
18. The following uses of corporate funds or assets are prohibited:
 - Direct or indirect payments, gifts, contributions or offers, or promises of anything of value in the nature of bribes, gratuities, payoffs or kickbacks to domestic or foreign governments, government agencies, business organizations or individuals, or any other effort to obtain favors, including but not limited to inducements to procure orders for the sales of Sterling's goods or services. The giving of lawful customer discounts and allowances in the ordinary course of business are not prohibited by this Code of Ethics provided such discounts and allowances are properly approved and documented.
 - Excessive gifts or gratuities per individual recipient are prohibited without the express consent of a Person's immediate supervisor (or in the case of the CEO or a Director, the approval of a majority of the Board of Directors). All gifts and gratuities shall be made in the ordinary course of business and in accordance with the guidelines set forth in Sterling's Conflicts of Interest Policy.
 - Commissions, fees or similar payments which are not reasonably related in value to the services rendered; or commissions, fees, or similar payments made in exchange for services that are illegal, improper, or violations of this code in any manner.
 - Direct or indirect contributions of money, property or resources to the campaign of a candidate for office in the federal government or in any U.S. political party, other than as permitted by law. Because the laws of various states and foreign countries vary as to the legality of corporate political contributions, all requests for such contributions shall be referred to the General Counsel of Sterling. It is legal and appropriate for individual Persons to make political contributions with their personal funds and on their own behalf; however, such contributions shall not be reimbursed directly or indirectly by Sterling.

- Use of assets, funds or resources of Sterling by Persons or members of their family, which is personal, or not in the furtherance of the business of Sterling, or payment by Sterling of personal expenses of Persons or members of their family, without the express consent of one's immediate supervisor (or in the case of the CEO or a Director, the approval of a majority of the Board of Directors).
19. The use of brokers, consultants, distributors, and agents to assist or counsel in the procurement of contracts and the payment of reasonable fees for their services are within the bounds of ordinary business practice and are not contrary to this Code of Ethics. However, such brokers, consultants, distributors and agents must perform a bona fide function and actually render bona fide services for Sterling. Such individuals are not to be directly or indirectly related to or subject to the control of a customer, prospective customer, or its managing agents or employees.

Compliance and Enforcement

20. Each Person shall be held accountable to full compliance with this Code of Ethics. In the event that any Person is determined to have violated this Code of Ethics, such violation shall be reported to the Chief Executive Officer and, if the Person is a Principal Person, to the Board of Directors of Sterling, and that Person shall be subject to all disciplinary action available, including but not limited to immediate termination of employment by Sterling for cause and possible legal prosecution.
21. Any Person, upon receipt of any information of a possible violation of this Code of Ethics, shall immediately report the same. Possible violations may be reported verbally or in writing and may be reported anonymously. Failure to report a violation can lead to disciplinary action against the Person who failed to report the violation, which may be as severe as the disciplinary action against the Person who committed the violation.
22. Normally, a possible violation of this Code by an employee other than a Principal Person should be reported to the supervisor of the employee who commits the violation. That supervisor shall inform the General Counsel and the Chief Executive Officer of such report. However, any employee may report any possible violation to the Chief Executive Officer, the Chief Financial Officer, the Chief People Officer, the General Counsel or the Chief Risk Officer (collectively, the "Code of Ethics Committee"). Any member of the Code of Ethics Committee may convene the Committee to investigate and evaluate possible violations of this Code. All reports of a possible violation of this Code by a Principal Person shall be investigated and evaluated by the Committee and a recommendation regarding appropriate action shall be made to the Audit Committee for approval. If a Person believes that in a particular situation it would not be appropriate to report a possible violation to any member of the Code of Ethics Committee, the Person may report the possible violation to the Chairman of the Audit Committee of the Board of Directors, or to any other director to whom the Person believes it would be appropriate to report the possible violation.
23. The identity of the Person who reports a possible violation of this Code of Ethics by another Person will be kept confidential, except to the extent the reporting Person consents to be identified or the identification of that reporting Person is required by law, rule or regulation or is in the best interests of Sterling.
24. Sterling shall not allow retaliation for reports of possible violations made in good faith.
25. If doubt exists as to the scope or applicability of this Code of Ethics in any particular future instance, the matter shall be reviewed in advance with the manager or supervisor who has the overall responsibility for the operation in which the question arises, or if the request comes from a Principal Person, the matter shall be reviewed in advance with the Code of Ethics Committee. Any manager or supervisor receiving such a request shall refer the matter in writing to an immediate supervisor or the Code of Ethics Committee. The person making the request shall be advised what action, if any, is appropriate under the circumstances.
26. Any director, officer or employee who becomes aware of any existing or potential violation of this Code is required to notify any member of the Code of Ethics Committee or Audit Committee promptly. Failure to do so is itself a violation of this Code.
27. Each Principal Person shall execute this Code of Ethics annually prior to the annual meeting of shareholders of Sterling and all Persons shall annually participate in an appropriate training session regarding the prevention of violations of this Code.

Change in or Waiver of the Code of Ethics

28. Any waiver of any provision of this Code of Ethics must be approved:
- With regard to any Principal Person, by the Board of Directors, or if a significant number of its members will be personally affected by the waiver, by a committee of the Board of Directors consisting entirely of directors who will not be personally affected by the waiver;
 - With regard to any employee who is not a Principal Person, by the Audit Committee after the Code of Ethics Committee has conducted an appropriate evaluation and has made a recommendation to the Audit Committee to waive such provisions, with a report thereof provided to the Board of Directors at their next regularly scheduled meeting.
29. No waiver of any provision of this Code of Ethics with respect to a Principal Person will be effective until that waiver has been reported to the person responsible for the preparation and filing of Sterling reports on Form 8-K (or any successor to that form) in sufficient detail to enable that person to prepare a report on Form 8-K containing any required disclosure with regard to the waiver. Sterling will promptly disclose on Form 8-K, by means of the filing of such form and dissemination on Sterling's website at www.sterlingfi.com or by other electronic means as required by the SEC, any change in or waiver of this Code of Ethics.
30. Any change in or waiver of provisions of this Code of Ethics will be reported in filings with the SEC and otherwise reported to Sterling's shareholders to the full extent required by the rules of the SEC and by any applicable rules of any securities exchange or securities quotation system on which Sterling's securities are listed or quoted.

Execution of Certificate by Principal Persons

In my role as a Principal Person of Sterling, I certify to each of Sterling and the Audit Committee of the Board of Directors of Sterling, that I have and continue to adhere to and advocate the above principles and responsibilities governing my professional and ethical conduct.

Date: ____

Signature: ____

Financial:
Tito Lima
Chief Financial Officer
717-735-4547 or tlima@sterlingfi.com

Media:
Mike Lambert
Director of Communications
717-735-5558 or mwlambert@sterlingfi.com

FOR IMMEDIATE RELEASE

Nasdaq Determination Regarding Continued Listing of Sterling Financial Corporation of Lancaster, Pa.

LANCASTER, PA. (January 28, 2008) – Sterling Financial Corporation (NASDAQ: SLFI) announced today that on January 22, 2008, the Nasdaq Listing and Hearing Review Council determined to exercise its discretionary authority to grant Sterling an exception to demonstrate compliance with all of the Global Select Market continued listing requirements until March 24, 2008. If Sterling is not in compliance with the continued listing requirements by the close of business on March 24, 2008, Sterling's common stock will be suspended at the opening of business on March 26, 2008. Sterling's common stock will remain listed and will be traded on The Nasdaq Stock Market until at least March 26, 2008.

Sterling's non-compliance with Nasdaq's filing requirements is due to the necessity to prepare restated financial statements as a result of the fraud scheme at its affiliate, Equipment Finance LLC. Sterling is committing all necessary resources to complete its financial restatement.

On July 19, 2007, Sterling announced a definitive agreement to merge with The PNC Financial Services Group, Inc., (NYSE: PNC). The Federal Reserve has approved the merger, stating that the application met conditions of the Bank Holding Company Act and would require no branch divestitures. The companies continue to expect the transaction to close by the end of the first quarter of 2008.

Sterling Financial Corporation (NASDAQ: SLFI) is a diversified financial services company based in Lancaster, Pa. Sterling Banking Services Group affiliates offer a full range of banking services in south-central Pennsylvania, northern Maryland and northern Delaware. The group also offers correspondent banking services in the mid-Atlantic region to other companies within the financial services industry, and banking related insurance services. Sterling Financial Services Group affiliates provide specialty commercial financing; fleet and equipment leasing; and investment, trust and brokerage services. Visit www.sterlingfi.com for more information.

Banking Services Group — Banks: Pennsylvania: Bank of Lancaster County*; Bank of Lebanon County*; PennSterling Bank*; and Pennsylvania State Bank*Pennsylvania and Maryland: Bank of Hanover*. Maryland: Bay First Bank*. Delaware: Delaware Sterling Bank & Trust Company. Correspondent banking services: Correspondent Services Group (provider of Sterling services to other financial institutions). Insurance services: Lancaster Insurance Group, LLC (independent insurance agency) and Sterling Financial Settlement Services, LLC (title insurance agency).

*Divisions of BLC Bank, N.A.

Financial Services Group — Specialty commercial financing: Equipment Finance LLC* (commercial financing company for the soft pulp logging and land clearing industries, serving primarily the paper industry in the southeastern United States). Fleet and equipment leasing: Town & Country Leasing, LLC* (nationwide fleet and equipment leasing/financing company). Trust, investment and brokerage services: Sterling Financial Trust Company* (trust and investment services), Church Capital Management, LLC (registered investment advisor) and Bainbridge Securities Inc. (securities broker/dealer).

Forward-Looking Statements

This filing contains forward-looking statements made pursuant to the safe-harbor provisions of the Private Securities Litigation Act of 1995. These include statements as to the proposed benefits of the merger between Sterling and PNC (the "Merger"), including future financial and operating results, cost savings, enhanced revenues and the accretion/dilution to reported earnings that may be realized from the Merger as well as other statements of expectations regarding the Merger and any other statements regarding future results or expectations. These statements involve risks and uncertainties that may cause results to differ materially from those set forth in these statements. Sterling cautions readers that results and events subject to forward-looking statements could differ materially due to the following factors, among others: the risk that the businesses of Sterling and PNC in connection with the Merger will not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected; expected revenue synergies and cost savings from the Merger may not be fully realized or realized within the expected time frame; revenues following the Merger may be lower than expected; customer and employee relationships and business operations may be disrupted by the Merger; the ability to obtain required governmental and stockholder approvals, and the ability to complete the Merger on the expected timeframe; possible changes in economic and business conditions; the existence or exacerbation of general geopolitical instability and uncertainty; the ability of Sterling and PNC to integrate recent acquisitions and attract new customers; possible changes in monetary and fiscal policies, and laws and regulations; the effects of easing of restrictions on participants in the financial services industry; the cost and other effects of legal and administrative cases; possible changes in the credit worthiness of customers and the possible impairment of collectibility of loans; the effects of changes in interest rates and other risks and factors identified in each company's filings with the SEC. Sterling does not undertake any obligation to update any forward-looking statement, whether written or oral, relating to the matters discussed in this filing.

Additional Information About this Transaction

The PNC Financial Services Group, Inc. and Sterling Financial Corporation will be filing a proxy statement/prospectus and other relevant documents concerning the merger with the United States Securities and Exchange Commission (the "SEC"). WE URGE INVESTORS TO READ THE PROXY STATEMENT/PROSPECTUS AND ANY OTHER DOCUMENTS TO BE FILED WITH THE SEC IN CONNECTION WITH THE MERGER OR INCORPORATED BY REFERENCE IN THE PROXY STATEMENT/PROSPECTUS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors will be able to obtain these documents free of charge at the SEC's web site (www.sec.gov). In addition, documents filed with the SEC by The PNC Financial Services Group, Inc. will be available free of charge from Shareholder Relations at (800) 843-2206. Documents filed with the SEC by Sterling Financial Corporation will be available free of charge from Sterling Financial Corporation by contacting Shareholder Relations at (877) 248-6420.

The directors, executive officers, and certain other members of management and employees of Sterling Financial Corporation are participants in the solicitation of proxies in favor of the merger from the shareholders of Sterling Financial Corporation. Information about the directors and executive officers of Sterling Financial Corporation is set forth in the proxy statement for its 2007 annual meeting of stockholders, which was filed with the SEC on April 2, 2007. Additional information regarding the interests of such participants will be included in the proxy statement/prospectus and the other relevant documents filed with the SEC when they become available.

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