

CBOE Research Circular #RS17-301

Date: May 31, 2017

To: Permit Holders

From: Scott Speer

RE: Cascade Bancorp ("CACB") Merger COMPLETED
with First Interstate BancSystem, Inc. ("FIBK")

Shareholders of Cascade Bancorp ("CACB") voted on Wednesday, May 24, 2017, and approved a proposed Merger between CACB and First Interstate BancSystem, Inc. ("FIBK"). Pursuant to the terms of the Merger, each share of CACB Common Stock outstanding immediately prior to the consummation of the Merger will be converted into the right to receive **0.14864 of a share** of FIBK Common Stock, plus \$1.91 cash. **The Merger became effective on Tuesday, May 30, 2017.**

Contract Adjustments

Pursuant to Article VI, Section 11 and 11A, of OCC's By-Laws, all outstanding CACB options shall be adjusted as follows. **On Wednesday, May 31, 2017, each adjusted Cascade Bancorp contract will require the receipt or delivery of: (A) 14 shares of FIBK Common Stock; plus (B) \$191.00 cash; plus (C) cash in lieu of 0.864 fractional share of FIBK Common Stock.** Premiums for the adjusted Cascade Bancorp options will continue to be calculated on the basis of a multiplier of 100, i.e., for premium and strike-price extensions, 1.00 will equal \$100. The Cascade Bancorp option symbol will change to FIBK1. [Any FLEX series that may exist will be adjusted in a similar manner to the standardized option.]

Settlement

The FIBK component of the FIBK1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the FIBK1 deliverable until the cash in lieu of fractional FIBK shares is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

Questions regarding this memo can be addressed to Options Industry Services at 1-888-OPTIONS (1-888-678-4667). CBOE contract adjustment memos can also be accessed from CBOE.com at the following web address:

<http://www.cboe.com/ContractAdjustments>