

FIRST INTERSTATE BANCSYSTEM INC

Form S-4/A

January 16, 2019

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As filed with the Securities and Exchange Commission on January 16, 2019

Registration No. 333-228575

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

PRE-EFFECTIVE AMENDMENT NO. 1

TO THE

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

FIRST INTERSTATE BANCSYSTEM, INC.

(Exact name of registrant as specified in its charter)

Montana
**(State or other jurisdiction of
incorporation or organization)**

6022
**(Primary Standard Industrial
Classification Code Number)**

81-0331430
(I.R.S. Employer

Identification Number)

401 North 31st Street

Billings, Montana 59101

(406) 255-5390

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

Kevin P. Riley

President and Chief Executive Officer

401 North 31st Street

Billings, Montana 59116

(406) 255-5390

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

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First Interstate BancSystem, Inc.

401 North 31st Street

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Phone: (703) 883-1100

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective and upon completion of the merger.

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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, 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.

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

Large accelerated filer	Accelerated filer
Non-accelerated filer	Smaller reporting company
	Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

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)

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per share	Proposed maximum aggregate offering price	Amount of registration fee
Class A Common Stock, no par value per share	492,069 shares ⁽¹⁾	N/A	\$20,481,190 ⁽²⁾	\$2,483 ⁽³⁾

- (1) Represents the estimated maximum number of shares of First Interstate BancSystem, Inc. (First Interstate) Class A common stock estimated to be issuable upon the completion of the merger of described herein. This number is based on the product of (a) the number of shares of Community 1st Bank (CMYF) common stock outstanding (including shares reserved for issuance under existing options), and (b) 0.3784, which represents the amount of First Interstate Class A common stock that CMYF stockholders will be entitled to receive in exchange for each such share of CMYF common stock, pursuant to the terms of the Agreement and Plan of Merger, dated as of October 11, 2018, by and among First Interstate, First Interstate Bank (a wholly-owned subsidiary of First

- Interstate) and CMYF, which is attached to the proxy statement/prospectus as Annex A.
- (2) The proposed maximum aggregate offering price of First Interstate's Class A common stock was calculated based upon the market value of shares of CMYF common stock in accordance with Rules 457(c) and 457(f) under the Securities Act as follows: (i) the product of (A) \$15.75, the average of the high and low sales prices of the common stock of CMYF on November 26, 2018 and (B) 1,300,393, the estimated maximum number of shares of CMYF common stock that may be exchanged for the merger consideration (including shares reserved for issuance under existing options).
 - (3) Registration fee was previously paid.

This registration statement shall hereafter become effective in accordance with the provisions of Section 8(a) of the Securities Act of 1933.

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Information contained in this proxy statement/prospectus is subject to completion or amendment. A registration statement relating to the shares of First Interstate BancSystem, Inc. Class A common stock to be issued in the merger has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted before the time the registration statement becomes effective. This proxy statement/prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale is not permitted or would be unlawful before registration or qualification under the securities laws of any such jurisdiction.

**PRELIMINARY PROXY STATEMENT/PROSPECTUS,
SUBJECT TO COMPLETION, DATED JANUARY 16, 2019**

MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

Dear Community 1st Bank Shareholder:

On October 11, 2018, First Interstate BancSystem, Inc. (which we refer to as First Interstate), First Interstate Bank and Community 1st Bank (which we refer to as CMYF) entered into an Agreement and Plan of Merger (which we refer to as the merger agreement) under which CMYF will merge with and into First Interstate Bank, with First Interstate Bank remaining as the surviving entity. This transaction is referred to in this document as the merger. Before the merger can be completed, the shareholders of CMYF must approve the merger agreement.

If the merger is completed, CMYF shareholders will be entitled to receive 0.3784 shares of First Interstate Class A common stock for each share of CMYF common stock they own. The maximum number of shares of First Interstate Class A common stock estimated to be issuable upon completion of the merger is 492,069. Based on First Interstate s closing price of \$44.62 on October 11, 2018, which was the last trading date preceding the public announcement of the proposed merger, each share of CMYF common stock exchanged for 0.3784 shares of First Interstate Class A common stock would have a value of \$16.88, or approximately \$21.0 million in the aggregate. Based on First Interstate s closing price of \$37.90 on January 14, 2019, which is the most recent practicable trading day before the printing of this document, each share of CMYF common stock exchanged for 0.3784 shares of First Interstate Class A common stock would have a value of \$14.34. The common stock of First Interstate trades on the Nasdaq Global Select Market under the symbol FIBK. The Class A common stock of CMYF trades on the OTC Market s Pink Market Place under the symbol CMYF. The market price of both First Interstate Class A common stock and CMYF common stock will fluctuate before the completion of the merger. Therefore, you are urged to obtain current market quotations for First Interstate Class A common stock and CMYF common stock.

Although the number of shares of First Interstate Class A common stock that holders of CMYF common stock will be entitled to receive is fixed, the market value of the stock consideration will fluctuate with the market price of First Interstate Class A common stock and will not be known at the time CMYF shareholders vote on the merger. CMYF

has the right to terminate the merger agreement if, at any time during a five-day period commencing on the fifth day before closing, the average closing price of First Interstate Class A common stock over the 20 consecutive trading days ending on and including the fifth day before closing (1) is less than \$36.54 and (2) underperforms the KBW Regional Banking Index by more than 20% during the same time period. If CMYF elects to exercise this termination right, then First Interstate has the option to increase the exchange ratio to a level that would eliminate the ability of CMYF to exercise this termination right.

The affirmative vote of two-thirds of the outstanding shares of CMYF common stock is required to approve the merger agreement. CMYF shareholders will vote to approve the merger agreement at a special meeting of shareholders to be held at 5:30 p.m., local time, on March 27, 2019 at 707 N. Post Street, Post Falls, Idaho 83854.

CMYF's board of directors unanimously recommends that CMYF shareholders vote FOR the approval of the merger agreement.

This document contains information that you should consider in evaluating the proposed merger. **In particular, you should carefully read the section captioned Risk Factors beginning on page 13 for a discussion of certain risk factors relating to the merger. You can also obtain information about First Interstate from documents filed with the Securities and Exchange Commission.**

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As always, we appreciate your support and look forward to seeing you at the shareholders meeting and we appreciate your continued support.

/s/ David P. Bobbitt
David P. Bobbitt
Chairman and Chief Executive Officer
Community 1st Bank

The shares of First Interstate Class A common stock to be issued in the merger are not deposits or savings accounts or other obligations of any bank or savings association and are not insured by the FDIC or any other governmental agency.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the merger described in this document or the First Interstate Class A common stock to be issued in the merger, or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offense.

The date of this proxy statement/prospectus is [], 2019, and it is first being mailed or otherwise delivered to shareholders of CMYF on or about [], 2019.

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ABOUT THIS DOCUMENT

This proxy statement/prospectus, which we refer to as this document, forms part of a registration statement on Form S-4 filed with the Securities and Exchange Commission (which we refer to as the SEC) by First Interstate and constitutes a prospectus of First Interstate with respect to the shares of First Interstate Class A common stock to be issued to CMYF shareholders, as required by the merger agreement. This document also constitutes a proxy statement and a notice of meeting with respect to the special meeting of shareholders of CMYF.

You should only rely on the information contained in this document. No one has been authorized to provide you with information that is different from the information contained in this document. This document is dated [], 2019. You should not assume that the information contained in this document is accurate as of any date other than that date. Neither the mailing of this document to CMYF shareholders nor the issuance by First Interstate of its Class A 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. Information contained in this document regarding First Interstate has been provided by First Interstate, and the information contained in this document regarding CMYF has been provided by CMYF.

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COMMUNITY 1st BANK

707 North Post Street

Post Falls, Idaho 83854

Notice of Special Meeting of Shareholders to be held on March 27, 2019

To the Shareholders of Community 1st Bank:

Community 1st Bank (which we refer to as CMYF) will hold a special meeting of shareholders (which we refer to as the CMYF special meeting) at 5:30 p.m., local time, on March 27, 2019, at 707 N. Post Street, Post Falls, Idaho 83854, to consider and vote on the following matters:

1. a proposal to approve the merger agreement, dated as of October 11, 2018, by and among First Interstate BancSystem, Inc., First Interstate Bank and CMYF and the merger, pursuant to which CMYF will merge with and into First Interstate Bank. A copy of the merger agreement is included as Annex A to the accompanying proxy statement/prospectus; and
2. a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit the further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement (which we refer to as the CMYF adjournment proposal).

Both of these items are described in more detail in the accompanying proxy statement/prospectus and its annexes. We urge you to read these materials carefully and in their entirety. The enclosed document forms a part of this notice.

CMYF's board of directors unanimously recommends that CMYF shareholders vote FOR both of the proposals.

CMYF shareholders of record as of the close of business on January 28, 2019 are entitled to notice of, and to vote at, the CMYF special meeting and any adjournments or postponements of the CMYF special meeting.

CMYF shareholders have the right to dissent from the merger and obtain payment of the cash appraisal fair value of their CMYF shares under applicable provisions of Idaho law. A copy of the provisions regarding dissenters' rights is attached as Annex B to the accompanying proxy statement/prospectus. For details of your dissenter's rights and how to exercise them, please see the discussion under *Description of the Merger Dissenters' Rights of Appraisal*.

Your vote is very important. Your proxy is being solicited by CMYF's board of directors. For the proposed merger to be completed, the proposal to approve the merger agreement must be approved by the affirmative vote of at least two-thirds of the outstanding shares of CMYF common stock. The CMYF adjournment proposal will be approved if a majority of the votes cast on such proposal at the CMYF special meeting are voted in favor of such proposal.

Whether or not you plan to attend the CMYF special meeting, we urge you to vote. Shareholders of record may vote:

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By mail complete, sign, date and mail your proxy card in the envelope provided as soon as possible; or

In person vote your shares in person by attending the CMYF special meeting.

If you hold your stock in street name through a banker or broker, please follow the instructions on the voting instruction card furnished by the record holder.

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If you have any questions or need assistance voting your shares, please contact Jerry C. Lyon, President and Operating Officer, at (208) 457-9610.

By Order of the Board of Directors,

/s/ William R. Basom

William R. Basom

Corporate Secretary

Post Falls, Idaho

[], 2019

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REFERENCES TO AVAILABLE INFORMATION

This document incorporates important business and financial information about First Interstate from documents filed with the SEC that have not been included in or delivered with this document. You may read and copy these documents at the SEC's public reference room located at 100 F Street, NE, Washington, DC 20549. Copies of these documents also can be obtained at prescribed rates by writing to the Public Reference Section of the SEC, at 100 F Street, NE, Washington, DC 20549 or by calling 1-800-SEC-0330 for additional information on the operation of the public reference facilities. This information is also available at the Internet site the SEC maintains at <http://www.sec.gov>. See *Where You Can Find More Information* on page 82.

You also may request orally or in writing copies of these documents at no cost by contacting First Interstate at:

First Interstate BancSystem, Inc.

401 North 31st Street

Billings, Montana 59101

Attention: Kirk D. Jensen, General Counsel

Telephone: (406) 255-5304

If you are a CMYF shareholder and would like to request documents from First Interstate, please do so by March 20, 2019 to receive them before the CMYF special meeting.

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QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE CMYF SPECIAL MEETING

The following are answers to certain questions that you may have regarding the merger and the CMYF special meeting. We urge you to read carefully the remainder of this document because the information in this section may not provide all the information that might be important to you in determining how to vote. Additional important information is also contained in the annexes to, and the documents incorporated by reference in, this document.

Q: WHY AM I RECEIVING THIS DOCUMENT?

A: You are receiving this document because you are a shareholder of CMYF as of January 28, 2019, the record date for the CMYF special meeting. This document is being used by the board of directors of CMYF to solicit proxies from the CMYF shareholders for approval of the merger agreement and related matters. This document also serves as the prospectus for shares of First Interstate Class A common stock to be issued in exchange for shares of CMYF common stock in the merger.

To approve the merger agreement, CMYF has called a special meeting of its shareholders (which we refer to as the CMYF special meeting). This document also serves as a notice of the CMYF special meeting, and describes the proposals to be presented at the CMYF special meeting.

You should read this document carefully and in its entirety. The enclosed materials allow you to have your shares voted by proxy without attending the special meeting. **Your vote is important.** We encourage you to submit your proxy as soon as possible.

Q: WHAT AM I BEING ASKED TO VOTE ON?

A: You are being asked to vote on the approval of a merger agreement that provides for the merger of CMYF with and into First Interstate Bank. You are also being asked to vote on a proposal to adjourn the shareholders meeting to a later date or dates, if necessary, to permit the further solicitation of proxies if there are not sufficient votes at the meeting to approve the merger agreement (which we refer to as the CMYF adjournment proposal).

Q: WHAT VOTE DOES CMYF S BOARD OF DIRECTORS RECOMMEND?

A: CMYF s board of directors has determined that the proposed merger is in the best interests of CMYF shareholders, has unanimously approved the merger agreement and unanimously recommends that CMYF shareholders vote FOR the approval of the merger agreement and FOR the CMYF adjournment proposal. See the section entitled *Description of the Merger CMYF s Reasons for the Merger and Recommendation of the Board of Directors* beginning on page 30 of this document.

Q: WHAT WILL CMYF SHAREHOLDERS RECEIVE IN THE MERGER?

A: If the merger is completed, CMYF shareholders will receive 0.3784 shares of First Interstate Class A common stock (which we refer to as the merger consideration) for each share of CMYF common stock held immediately before the merger.

Q: WHAT HAPPENS IF I AM ELIGIBLE TO RECEIVE A FRACTION OF A SHARE OF FIRST INTERSTATE CLASS A COMMON STOCK AS PART OF THE MERGER CONSIDERATION?

A: First Interstate will not issue any fractional shares of First Interstate Class A common stock in the merger. If the aggregate number of shares of First Interstate Class A common stock that you are entitled to receive as part of the merger consideration includes a fraction of a share of First Interstate Class A common stock, you will receive cash instead of that fractional share. First Interstate will pay to each former CMYF shareholder who holds fractional shares an amount in cash determined by multiplying the average of the closing sale

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prices of First Interstate Class A common stock for the 20 consecutive trading days ending on and including the fifth day preceding the closing date of the merger, which we refer to as the average closing price, by the fraction of a share (rounded to the nearest cent) of First Interstate Class A common stock that such shareholder would otherwise be entitled to receive. See the section entitled *Description of the Merger Consideration to be Received in the Merger* beginning on page 27 of this document.

Q: HOW WILL THE MERGER AFFECT CMYF STOCK OPTIONS?

A: At the effective time of the merger, each outstanding CMYF stock option, whether or not vested, will be converted into the right to receive cash equal to the product of (1) the number of shares of CMYF common stock subject to the stock option and (2) the amount by which the value of the merger consideration exceeds the exercise price. For purposes of this calculation, the value of the merger consideration is the product of 0.3784 and the average closing price of First Interstate Class A common stock.

Q: FIRST INTERSTATE AND FIRST INTERSTATE BANK ARE ALSO ACQUIRING IDAHO INDEPENDENT BANK, SIMULTANEOUSLY WITH THE MERGER. WHAT IMPACT WILL THE IDAHO INDEPENDENT BANK MERGER HAVE ON FIRST INTERSTATE S AND FIRST INTERSTATE BANK S MERGER WITH CMYF?

First Interstate and First Interstate Bank entered into a merger agreement to acquire Idaho Independent Bank (IIBK) on the same date that it entered into the merger agreement with CMYF. The completion of CMYF s merger is not conditioned upon or subject to the completion of the merger with IIBK (the IIBK Merger). However, since First Interstate and First Interstate Bank will be required to obtain the necessary regulatory approvals for two transactions rather than one, it is possible that the IIBK Merger will lengthen the amount of time that would otherwise be needed to obtain all regulatory approvals of the merger if CMYF were the only banking institution being acquired by First Interstate and First Interstate Bank. See Risk Factors Risks Related to the Merger First Interstate and First Interstate Bank are also acquiring IIBK in the IIBK Merger and the conditions to completing that merger may result in delays in completing the CMYF merger, or make it more difficult or time consuming than expected for a discussion of the impact that the IIBK acquisition would have on First Interstate s and First Interstate Bank s business and operations if both the CMYF and IIBK acquisitions are completed.

Q: WHAT EQUITY STAKE WILL CMYF SHAREHOLDERS HOLD IN FIRST INTERSTATE IMMEDIATELY FOLLOWING THE MERGER?

A: Immediately following completion of the merger, CMYF shareholders will own approximately 1.2% of the outstanding shares of First Interstate Class A common stock and 0.8% of the aggregate outstanding shares of First Interstate Class A common stock and First Interstate Class B common stock, which we refer to collectively in this document as First Interstate common stock, which equates to 0.3% of the voting power of First Interstate common stock. Following the completion of the merger and taking into account the closing of the IIBK Merger, CMYF shareholders will own approximately 10.2% of the outstanding shares of First Interstate Class A common stock and 6.7% of the aggregate outstanding shares of First Interstate common stock, which equates to 2.8% of the voting power of First Interstate common stock.

Q: HOW DO CMYF SHAREHOLDERS EXCHANGE THEIR STOCK CERTIFICATES?

A: Shortly after the merger, First Interstate's exchange agent will send instructions to you on how and where to surrender your CMYF stock certificates after the merger is completed. **Please do not send your CMYF stock certificates with your proxy card.**

Q: ARE CMYF'S SHAREHOLDERS ENTITLED TO APPRAISAL RIGHTS?

A: Yes. If you vote against the merger, and take certain other actions required by Idaho law, you will have dissenter's rights under Section 26-909 of the Idaho Code. Exercise of these rights will result in the

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purchase of your shares at fair value, as determined in accordance with Idaho law. Please read the section entitled *Description of the Merger Dissenters Rights of Appraisal* on page 67 of this document and review Annex B to this document for additional information.

Q: IS COMPLETION OF THE MERGER SUBJECT TO ANY CONDITIONS BESIDES CMYF SHAREHOLDER APPROVAL?

A: Yes. The merger must receive the required regulatory approvals, and there are other customary closing conditions that must be satisfied. For more information about the conditions to the completion of the merger, see *Description of the Merger Conditions to Completing the Merger* on page 55 of this document.

Q: WHEN IS THE MERGER EXPECTED TO BE COMPLETED?

A: We will complete the merger as soon as possible. Before that happens, the merger agreement must be approved by CMYF's shareholders and we must obtain the necessary regulatory approvals, among other conditions. Assuming timely receipt of regulatory and shareholder approvals, we expect to complete the merger in the first half of 2019.

Q: ARE THERE RISKS THAT I SHOULD CONSIDER IN DECIDING WHETHER TO VOTE TO APPROVE THE MERGER AGREEMENT?

A: Yes. You should consider the risk factors set forth in the section entitled *Risk Factors* beginning on page 13 of this document.

Q: WHAT VOTE IS REQUIRED TO APPROVE THE MATTERS TO BE CONSIDERED AT THE SPECIAL MEETING?

A: The proposal to approve the merger agreement must be approved by the affirmative vote of two-thirds of the outstanding shares of CMYF common stock. Consequently, abstentions and broker non-votes will effectively act as votes AGAINST such proposal.

Approval of the CMYF adjournment proposal requires that the votes cast in favor of the proposal exceed the votes cast against. Abstentions and broker non-votes will not affect the outcome of the vote on the CMYF adjournment proposal.

Q: WHAT IS THE QUORUM REQUIREMENT FOR THE SPECIAL MEETING?

A:

The presence at the CMYF special meeting, in person or by proxy, of shareholders representing a majority of the outstanding shares of CMYF common stock will constitute a quorum. Abstentions and broker non-votes, if any, will be included in determining the number of shares present at the meeting for determining the presence of a quorum.

Q: WHEN AND WHERE IS THE SPECIAL MEETING?

A: The CMYF special meeting is scheduled to take place at 707 N. Post Street, Post Falls, Idaho 83854, at 5:30 p.m., local time, on March 27, 2019.

Q: WHO IS ENTITLED TO VOTE AT THE SPECIAL MEETING?

A: Holders of shares of CMYF common stock at the close of business on January 28, 2019 are entitled to vote at the CMYF special meeting. As of the record date, [] shares of CMYF common stock were outstanding and entitled to vote.

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Q: IF I PLAN TO ATTEND THE SPECIAL MEETING IN PERSON, SHOULD I STILL RETURN MY PROXY?

A: Yes. Whether or not you plan to attend the special meeting, you should promptly submit your proxy so that your shares will be voted at the special meeting. The failure of a shareholder to vote in person or by proxy will have the same effect as a vote AGAINST the merger agreement.

Q: WHAT DO I NEED TO DO NOW TO VOTE MY SHARES OF COMMON STOCK?

A: If you are a shareholder of record, you can vote your shares as follows:

by completing and returning the proxy card that is enclosed; or

by voting in person at the special meeting.

If you hold your stock in street name through a banker or broker, please refer to the specific instructions set forth on the proxy or voting instruction card.

Q: HOW CAN I CHANGE MY VOTE AFTER I HAVE SUBMITTED MY PROXY?

A: You may change your vote at any time before your proxy is voted at the special meeting by: (1) filing with the Corporate Secretary a duly executed revocation of proxy; (2) submitting a new proxy card with a later date; or (3) voting in person at the meeting (your attendance at the meeting will not by itself revoke your proxy). The CMYF Corporate Secretary's mailing address is 707 N. Post Street, Post Falls, Idaho 83854.

If you hold your shares of CMYF common stock in street name through a bank or broker, you should contact your bank or broker to change your vote or revoke your proxy.

Your last vote will be the vote that is counted.

Q: IF MY SHARES ARE HELD IN STREET NAME BY MY BROKER, BANK OR OTHER NOMINEE, WILL MY BROKER, BANK OR OTHER NOMINEE AUTOMATICALLY VOTE MY SHARES FOR ME?

A: No. Your broker, bank or other nominee will not be able to vote your shares of common stock on the proposal to approve the merger agreement or on the adjournment proposal unless you provide instructions on how to vote. Please instruct your broker, bank or other nominee how to vote your shares, following the directions that your broker, bank or other nominee provides. If you do not provide instructions to your broker, bank or other nominee, your shares will not be voted, and this will have the effect of voting AGAINST the merger agreement. Please

review the instructions from your broker, bank or other nominee to see if your broker, bank or other nominee offers telephone or internet voting.

Q: WHAT IS THE DEADLINE FOR VOTING?

A: You may vote by mail at any time before the meeting as long as your proxy is received before the time of the special meeting.

If your shares are held in street name, you must vote your shares according to the voting instruction form by the deadline set by your broker, bank or other nominee.

Q: WHAT ARE THE TAX CONSEQUENCES OF THE MERGER TO CMYF SHAREHOLDERS?

A: It is a condition to the completion of the merger that First Interstate and CMYF receive written opinions from their respective counsel to the effect that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, which we refer to in this

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document as the Internal Revenue Code. Subject to the limitations and qualifications described in the section entitled *Description of the Merger Material U.S. Federal Income Tax Consequences of the Merger*, if you are a United States holder of CMYF common stock, generally you will not recognize any gain or loss with respect to the exchange of shares of CMYF common stock for shares of First Interstate Class A common stock in the merger. However, CMYF shareholders generally will recognize gain or loss with respect to cash received instead of fractional shares of First Interstate Class A common stock that the CMYF shareholders would otherwise be entitled to receive.

You should read *Description of the Merger Material U.S. Federal Income Tax Consequences of the Merger* beginning on page 49 of this document for more information about the United States federal income tax consequences of the merger. Tax matters can be complicated and the tax consequences of the merger will depend on your particular tax situation. **You should consult your tax advisor to determine the tax consequences of the merger to you.**

Q: IF I AM AN CMYF SHAREHOLDER, SHOULD I SEND IN MY CMYF STOCK CERTIFICATES NOW?

A: No. Please do not send in your CMYF stock certificates with your proxy. Promptly following the completion of the merger, an exchange agent will send you instructions for exchanging CMYF stock certificates for the merger consideration. See *Description of the Merger Surrender of Stock Certificates* beginning on page 49.

Q: WHAT SHOULD I DO IF I HOLD MY SHARES OF CMYF COMMON STOCK IN BOOK-ENTRY FORM?

A: You are not required to take any additional actions if your shares of CMYF common stock are held in book-entry form. Promptly following the completion of the merger, shares of CMYF common stock held in book-entry form automatically will be exchanged for shares of First Interstate Class A common stock in book-entry form and cash to be paid in exchange for fractional shares, if any.

Q: WHOM MAY I CONTACT IF I CANNOT LOCATE MY CMYF STOCK CERTIFICATE(S)?

A: If you are unable to locate your original CMYF stock certificate(s), you should contact CMYF at (208) 457-9610.

Q: WHO CAN ANSWER MY OTHER QUESTIONS?

A: If you have more questions about the merger, the shareholders meeting or how to submit your proxy, or if you need additional copies of this document or a proxy card you should contact:

Jerry C. Lyon

President and Chief Operating Officer

Community 1st Bank

707 N. Post Street

Post Falls, Idaho 83854

(208) 457-9610

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SUMMARY

This summary highlights selected information in this document and may not contain all of the information important to you. To understand the merger more fully, you should read this entire document carefully, including the annexes and the documents attached to or incorporated by reference into this document.

The Companies

First Interstate BancSystem, Inc.

401 North 31st Street

Billings, Montana 59101

(406) 255-5304

First Interstate, a Montana corporation, is a bank holding company headquartered in Billings, Montana. It is the parent company of First Interstate Bank, a Montana-chartered bank. First Interstate Bank is a community bank operating over 140 banking offices, including online and mobile banking services, throughout Idaho, Montana, Oregon, South Dakota, Washington, and Wyoming. First Interstate Class A common stock is listed on the Nasdaq Global Select Market under the symbol FIBK. At September 30, 2018, First Interstate had total assets of \$13.35 billion, total deposits of \$10.85 billion and shareholders' equity of \$1.65 billion.

Community 1st Bank

707 N. Post Street

Post Falls, Idaho 83854

(208) 457-9610

CMYF is an Idaho-chartered bank headquartered in Post Falls, Idaho. Established in 2007, CMYF was the first chartered community bank in Post Falls, Idaho in over 104 years. CMYF serves customers throughout North Idaho with three full-service branch locations in Post Falls and Coeur d'Alene. At September 30, 2018, CMYF had total assets of \$133.1 million, total deposits of \$118.7 million and shareholders' equity of \$13.8 million.

Pending Acquisition of Idaho Independent Bank

On October 11, 2018, First Interstate and First Interstate Bank also entered into an agreement to acquire IIBK. Pursuant to the IIBK merger agreement, IIBK will merge with and into First Interstate Bank, with First Interstate Bank as the surviving entity. The IIBK Merger was approved by the boards of directors of each of First Interstate, First Interstate Bank and IIBK and