

INTL FCSTONE INC.
Form DEF 14A
January 11, 2013

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

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No. __)
Filed by the Registrant ☒ Filed by a Party other than the Registrant ☐

Check the appropriate box:

- ☐ Preliminary Proxy Statement
☐ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
☒ Definitive Proxy Statement
☐ Definitive Additional Materials
☐ Soliciting Material Pursuant to §240.14a-12

INTL FCStone Inc.

(Name of Registrant as Specified in Its Charter)

(Name of person(s) filing proxy statement, if other than the registrant)

Payment of Filing Fee (Check the appropriate box):

- ☒ No fee required.
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-

INTL FCSTONE INC.

708 Third Avenue
Suite 1500
New York, New York 10017

January 11, 2013

Dear Shareholders:

You are cordially invited to attend the annual meeting of shareholders of INTL FCStone Inc. to be held at The University Club of New York, One West 54th Street, New York, New York on Thursday, February 21, 2013 at 10:00 a.m. (Eastern Standard Time). At the meeting, shareholders will be asked to vote on the election of nine Directors; the ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for the Company's 2013 fiscal year; the approval of the proposed 2013 Stock Option Plan, and to transact such other business as may properly come before the meeting.

Again this year we are using the "Notice and Access" method of providing proxy materials to you via the Internet. This process provides you with a convenient and quick way to access your proxy materials and vote your shares, while also conserving resources and reducing the costs of printing and mailing the proxy materials. In this regard, last year we realized a savings of approximately 33% in our first year of Notice and Access. On or about January 11, 2013, we will mail to our shareholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access our proxy statement and our 2012 Annual Report online and how to vote via the Internet. The Notice also contains instructions on how to receive a paper copy of the proxy materials and our 2012 Annual Report.

The Notice of Annual Meeting of Shareholders and the Proxy Statement that accompany this letter provide detailed information concerning the matters to be considered at the meeting.

Your vote is important. I urge you to vote as soon as possible, whether or not you plan to attend the annual meeting.

Thank you for your continued support of INTL FCStone Inc.

Sincerely,

John Radziwill

Chairman

Notice of Annual Meeting of Shareholders

Thursday, February 21, 2013

10:00 a.m. Eastern Standard Time

The University Club of New York, One West 54th Street, New York, New York

TO THE SHAREHOLDERS OF INTL FCSTONE INC.

The annual meeting of the shareholders of INTL FCStone Inc., a Delaware corporation (the "Company" or "INTL FCStone"), will be held on Thursday, February 21, 2013, at 10:00 a.m. Eastern Standard Time at The University Club of New York, One West 54th Street, New York, New York, for the following purposes:

1. To elect nine Directors;

2. To ratify the appointment of KPMG LLP as the Company's independent registered public accounting firm for the 2013 fiscal year;

3. To approve the proposed INTL FCStone Inc. 2013 Stock Option Plan; and

4. To transact such other business as may properly come before the meeting.

The Board of Directors has fixed the close of business on January 2, 2013 as the record date for the determination of shareholders entitled to notice of and to vote at the annual meeting.

Pursuant to the rules of the Securities and Exchange Commission, we have elected to provide access to our proxy materials over the Internet. Accordingly, we will mail, beginning on or about January 11, 2013, a Notice of Internet Availability of Proxy Materials to our shareholders of record and beneficial owners as of the record date. As of the date of mailing of the Notice of Internet Availability of Proxy Materials, all shareholders and beneficial owners will have the ability to access all of the Proxy Materials on a website referenced in the Notice of Internet Availability of Proxy Materials.

The Notice of Internet Availability of Proxy Materials also contains a toll-free telephone number, an e-mail address, and a website where shareholders can request a paper or e-mail copy of the Proxy Statement, our 2012 Annual Report, and a form of proxy relating to the Annual Meeting. These materials are available free of charge. The Notice also contains information on how to access and vote the form of proxy.

Even if you plan to attend the annual meeting in person, we request that you vote by one of the methods described in the proxy notification and thus ensure that your shares will be represented at the annual meeting if you are unable to attend.

If you fail to vote, the effect will be that your shares will not be counted for purposes of determining whether a quorum is present at the annual meeting. If you do attend the annual meeting and wish to vote in person, you may withdraw your proxy and vote in person.

January 11, 2013

New York, New York

By order of the Board of Directors,

SEAN M. O'CONNOR

Chief Executive Officer

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INTL FCSTONE INC.

PROXY STATEMENT

2013 Annual Meeting of Shareholders

GENERAL

The proxy is solicited on behalf of the Board of Directors of INTL FCStone Inc., a Delaware corporation (the "Company"), for use at the annual meeting of shareholders to be held on Thursday, February 21, 2013, at 10:00 a.m. (Eastern Standard Time), or at any adjournment or postponement of the meeting, for the purposes set forth in this proxy statement and in the accompanying Notice of Annual Meeting. The annual meeting will be held at The University Club of New York, One West 54th Street, New York, New York. The Company intends to mail its Notice of Internet Availability of Proxy Materials and provide access to a website as referenced within its Notice of Internet Availability on or about January 11, 2013 to all shareholders entitled to vote at the annual meeting.

QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING

When and where will the annual meeting take place?

The annual meeting will be held on February 21, 2013 at 10:00 a.m. (Eastern Standard Time), at The University Club of New York, One West 54th Street, New York, New York.

Why did I receive a notice in the mail regarding the Internet availability of proxy materials instead of a paper copy of the proxy materials?

The "Notice and Access" rules of the Securities and Exchange Commission (the "SEC") permit us to furnish proxy materials, including this proxy statement and our Annual Report, to our shareholders by providing access to such documents on the Internet instead of mailing printed copies. Most shareholders will receive a Notice of Internet Availability of Proxy Materials (the "Notice") and will not receive printed copies of the proxy materials unless they request them. The Notice will be mailed beginning on or about January 11, 2013. The Notice includes instructions on how you may access and review all of our proxy materials via the Internet. The Notice also includes instructions on how you may vote your shares. If you would like to receive a paper or e-mail copy of our proxy materials, you should follow the instructions in the notice for requesting such materials. Any request to receive proxy materials by mail or e-mail will remain in effect until you revoke it.

Can I vote my shares by filling out and returning the Notice?

No. The Notice identifies the items to be voted on at the Annual Meeting, but you cannot vote by marking the Notice and returning it. The Notice provides instructions on how to vote by Internet or how to request a paper proxy card.

Why did I receive this proxy statement?

You received this proxy statement because you held shares of the Company's common stock on January 2, 2013 (the "Record Date") and are entitled to vote at the annual meeting. The Board of Directors is soliciting your proxy to vote at the meeting.

What am I voting on?

You are being asked to vote on five items:

1. The election of nine Directors (see page 4);
2. The ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for the 2013 fiscal year (see page 23);
3. The approval of the proposed INTL FCStone Inc. 2013 Stock Option Plan (see page 26).

How do I vote?

Shareholders of Record

If you are a shareholder of record, there are four ways to vote:

By toll free telephone at 1-866-641-4276.

By internet at www.envisionreports.com/INTL

If you request printed copies of the proxy materials, you may vote by proxy by completing and returning your proxy card in the postage-paid envelope provided by the Company; or

By voting in person at the meeting.

Street Name Holders

Shares which are held in a brokerage account in the name of the broker are said to be held in "street name."

If your shares are held in street name, you should follow the voting instructions provided by your broker. If you requested printed copies of the proxy materials, you may complete and return a voting instruction card to your broker, or, in many cases, your broker may also allow you to vote via the telephone or Internet. Check your notice from your broker for more information. If you hold your shares in street name and wish to vote at the meeting, you must obtain a legal proxy from your broker and bring that proxy to the meeting.

Regardless of how your shares are registered, if you request printed copies of the proxy materials, complete and properly sign the accompanying proxy card and return it to the address indicated, it will be voted as you direct.

What is the deadline for voting via Internet or telephone?

Internet and telephone voting is available through 11:59 p.m. (Eastern Standard Time) on Wednesday, February 20, 2013 (the day before the annual meeting).

What are the voting recommendations of the Board of Directors?

The Board of Directors recommends that you vote in the following manner:

1. FOR each of the persons nominated by the Board of Directors to serve as Directors;
2. FOR the ratification of the appointment of KPMG LLP as independent registered public accounting firm for the 2013 fiscal year;
3. FOR the approval of the proposed INTL FCStone Inc. 2013 Stock Option Plan.

Unless you give contrary instructions in your proxy, the persons named as proxies will vote your shares in accordance with the recommendations of the Board of Directors.

Will any other matters be voted on?

We do not know of any other matters that will be brought before the shareholders for a vote at the annual meeting. If any other matter is properly brought before the meeting, your proxy would authorize the Chairman and the Chief Executive Officer of the Company to vote on such matters in their discretion.

Who is entitled to vote at the meeting?

Only shareholders of record at the close of business on the Record Date are entitled to receive notice of and to vote at the annual meeting. If you were a shareholder of record on that date, you will be entitled to vote all of the shares that you held on that date at the annual meeting, or any postponement or adjournment of the meeting.

How many votes do I have?

You will have one vote for each share of the Company's common stock that you owned on the Record Date.

How many votes can be cast by all shareholders?

The Company had 19,323,381 outstanding shares of common stock on the Record Date. Each of these shares is entitled to one vote. There is no cumulative voting.

How many votes must be present to hold the meeting?

The holders of a majority of the Company's common stock outstanding on the Record Date must be present at the meeting in person or by proxy in order to fulfill the quorum requirement necessary to hold the meeting. This means at least 9,661,692 shares must be present in person or by proxy.

If you vote, your shares will be part of the quorum. Abstentions and broker non-votes will also be counted in determining the quorum. A broker non-vote occurs when a bank or broker holding shares in street name submits a proxy that states that the broker does not vote for some or all of the proposals because the broker has not received instructions from the beneficial owners on how to vote on the proposals and does not have discretionary authority to vote in the absence of instructions.

We urge you to vote by proxy even if you plan to attend the meeting so that we will know as soon as possible that a quorum has been achieved.

What vote is required to approve each proposal?

For the election of Directors (Proposal No. 1), the affirmative vote of a plurality of the votes present in person or by proxy and entitled to vote at the meeting is required. A proxy that has properly withheld authority with respect to the election of one or more Directors will not be voted with respect to the Director or Directors indicated, although it will be counted for the purposes of determining whether there is a quorum.

For the ratification of the appointment of KPMG LLP (Proposal No.2), the affirmative vote of a majority of the shares represented in person or by proxy and entitled to vote at the meeting will be required for approval. An abstention with respect to this proposal will be counted for the purposes of determining the number of shares entitled to vote that are present in person or by proxy. Accordingly, an abstention will have the effect of a negative vote.

For the approval of the proposed INTL FCStone Inc. 2013 Stock Option Plan (Proposal No. 3), the affirmative vote of a majority of the shares represented in person or by proxy and entitled to vote at the meeting will be required for approval. An abstention with respect to this proposal will not be voted with respect to the amendment, although it will be counted for the purposes of determining whether there is a quorum.

Can I change my vote?

Yes. If you are stockholder of record, you may change your vote at any time before your proxy is voted at the annual meeting. You can do this in one of three ways. First, you can send a written notice stating that you would like to revoke your proxy. Second, you can submit new proxy instructions either on a new proxy card, by telephone or via the Internet. Third, you can attend the meeting, and vote in person. Your attendance alone will not revoke your proxy. If you have instructed a broker to vote your shares, you must follow directions received from your broker to change those instructions.

Who can attend the annual meeting?

Any person who was a shareholder of the Company on January 2, 2013 may attend the meeting. If you own shares in street name, you should ask your broker or bank for a legal proxy to bring with you to the meeting. If you do not receive the legal proxy in time, bring your most recent brokerage statement so that we can verify your ownership of our stock and admit you to the meeting. However, you will not be able to vote your shares at the meeting without a legal proxy.

What happens if I sign and return the proxy card but do not indicate how to vote on an issue?

If you return a proxy card without indicating your vote, your shares will be voted as follows:

FOR each of the nominees for Director named in this proxy statement;

FOR ratification of the appointment of KPMG LLP as the independent registered public accounting firm for the Company for the 2013 fiscal year;

FOR the approval of the proposed INTL FCStone Inc. 2013 Stock Option Plan.

Who can help answer my questions?

If you are an INTL FCStone Inc. shareholder, and would like additional copies, without charge, of this proxy statement or if you have questions about the annual meeting, including the procedures for voting your shares, you should contact:

David Bolte

Corporate Secretary

1251 NW Briarcliff Parkway, Suite 800

Kansas City, Missouri 64116

(515) 223-3797

PROPOSAL 1 - ELECTION OF DIRECTORS

The certificate of incorporation of the Company provides that the Company will have a Board of Directors consisting of nine members commencing at the 2013 annual meeting of shareholders, and further provides that the number of Directors may thereafter be increased or decreased by resolution of the Board Directors.

The Nominating & Governance Committee of the Company has nominated and the Board of Directors has approved the nominations of nine persons to serve as Directors until the 2014 annual meeting, or until each Director's successor is elected and qualified, or until the death or resignation of a Director. Each of the nominees has agreed to serve if elected.

The nominees are as follows:

Name of Nominee	Age	Director Since
Paul G. Anderson	60	2009
Scott J. Branch	50	2002
John Fowler	63	2005
Daryl K. Henze	69	2009
Bruce Krehbiel	59	2009
Sean M. O'Connor	50	2002
Eric Parthemore	63	2009
John Radziwill	65	2002
Diego J. Veitia	69	1987

The background of each nominee for Director is as follows:

Paul G. Anderson was elected as a Director of the Company on October 1, 2009, following the merger with FCStone Group, Inc. ("FCStone"), and was appointed President of the Company on October 5, 2009. Mr. Anderson retired as President of the Company on October 1, 2012 and continues to serve as a consultant to the Company and Vice-Chairman of the Board. Mr. Anderson had been employed by FCStone since 1987 and had served as its President and Chief Executive Officer since 1999. He also served as a Director of FCStone from 2006 until the merger with the Company. Mr. Anderson is the past President of the Kansas Cooperative Council and past founding Chairman of the Arthur Capper Cooperative Center at Kansas State University. Mr. Anderson is a Director of the Associated Benefits Corporation and is a member of National Council of Farmer Cooperatives, the National Feed and Grain Association and several other state associations.

The Board believes that Mr. Anderson's strong leadership skills and knowledge of the Company, in particular with respect to the products and services provided by the various FCStone segments, is valuable to the Board. In addition to his other skills and qualifications, Mr. Anderson's former position as President serves as a valuable link between the management, operations and vision of the Company and the Board of Directors, allowing the Board to perform its oversight role with the benefit of management's perspective on business and strategy, along with an unequaled knowledge of the core risk management services provided to a significant portion of the Company's customer base. Scott J. Branch was appointed the Chief Operating Officer of the Company in October 2009, following the merger with FCStone. From 2002 until October 2009, he served as President of the Company. He was elected to the Board of Directors in December 2002. Mr. Branch was General Manager of Standard Bank London, Ltd. from 1995 until 2002. During this period, he also served in other capacities for Standard Bank, including management of its banking and securities activities in the Eastern Mediterranean Region and management of its forfaiting and syndications group. The Board believes that Mr. Branch's strong leadership skills, extensive financial experience, and knowledge of the Company, its products and services is valuable to the Board. In 2002, Mr. Branch made a significant equity investment in the Company and since that time has been instrumental in guiding the Company's successful strategy and growth. In addition to his other skills and qualifications, Mr. Branch's position as Chief Operating Officer serves as a valuable link between the management and operations of the Company and the Board of Directors, allowing the Board to perform its oversight role with the benefit of management's perspective on business and strategy.

John M. Fowler was elected as a Director of the Company in 2005. Mr. Fowler, an attorney by training, has been a private investor since 1998 and currently serves as a private financial consultant and adviser. From 1996 to 1998, Mr. Fowler was the Chief Financial Officer, Executive Vice President and Director of Moneygram Payment Systems, Inc. He also served as an Executive Vice President of the Travelers Group, Inc. (now Citigroup, Inc.) from 1986 to 1994. Mr. Fowler has served as General

Counsel of the U.S. Department of Transportation, as a Director of Amtrak, and as a Director of and Chairman of the Compensation Committee of Air Transport International.

Mr. Fowler brings to the Board, among other skills and qualifications, significant management experience and knowledge in the areas of finance, accounting and executive compensation. His previous positions also afford him a wealth of experience in the operation and management of a public company in the financial services sector.

Daryl Henze was elected as a Director of the Company on October 1, 2009, following the merger with FCStone. From November 2006 until the merger, he served as a Director of FCStone. He also served as the chairman of the audit committee of FCStone. Mr. Henze is a consultant in the area of finance and accounting. He spent 36 years with the accounting firm KPMG LLP before his retirement in 2001, including 28 years as an audit partner. Mr. Henze serves on the Board of Directors of Wellmark, Inc. and is Lead Director, Chairman of its Audit Committee, Chairman of its Governance Committee, and a member of its Human Resources and Finance Committees. Mr. Henze also serves on the Boards of two private companies. He is a former president of the Minnesota State University-Mankato Alumni Association, on the Board of Directors of the Minnesota State University-Mankato Foundation, and is on the Iowa State University Foundation Board of Governors. He is a past president of the Iowa Society of Certified Public Accountants and served on the Iowa Accountancy Examining Board for nine years.

Mr. Henze brings to the Board, among other skills and qualifications, significant knowledge in the areas of finance, accounting, internal audit and Sarbanes-Oxley compliance. In addition, as a Board member of Wellmark, Inc., Mr. Henze is able to provide knowledge and insight into the insurance and employee benefits industry at a time when the Company's employee benefit costs are anticipated to be impacted by new health care and insurance requirements.

Bruce Krehbiel was elected as a Director of the Company on October 1, 2009, following the merger with FCStone. From 1988 until the merger, he served as a Director of FCStone, including service as its Chairman and a member of its Board's Executive Committee. Mr. Krehbiel is the manager of Kanza Cooperative Association in Iuka, Kansas, and has worked for Kanza Cooperative Association since 1986. Mr. Krehbiel has held Director positions on the boards of the Midwest Chapter of the National Society of Accountants for Cooperatives, CenKan, LLC, and Agri-Business Benefit Group.

Mr. Krehbiel brings to the Board, among other skills and qualifications, significant management experience and knowledge in the areas of accounting, risk management similar to a significant portion of the Company's existing customer base, and services sought by that customer base. In addition, as the former Chairman of the Board of FCStone, Mr. Krehbiel is able to provide knowledge, guidance and insight into the continuing integration of the multiple operations comprising the Company.

Sean M. O'Connor joined the Company in October 2002 as Chief Executive Officer. In December 2002, he was elected to the Board of Directors. From 1994 until 2002, Mr. O'Connor was Chief Executive Officer of Standard New York Securities, a division of Standard Bank. From 1999 until 2002, Mr. O'Connor also served as Executive Director of Standard Bank London, Ltd., a United Kingdom bank and subsidiary of the Standard Bank of South Africa. The Board believes that Mr. O'Connor's strong leadership skills, extensive financial experience, and knowledge of the Company, its products and services is valuable to the Board. In 2002, Mr. O'Connor made a significant equity investment in the Company and since that time has led the Company and guided its successful strategy and growth. In addition to his other skills and qualifications, Mr. O'Connor's position as Chief Executive Officer serves as a valuable link between the management and vision of the Company and the Board of Directors, allowing the Board to perform its oversight role with the benefit of management's perspective on business, strategy and opportunities.

Eric Parthemore was elected as a Director of the Company on October 1, 2009, following the merger with FCStone. He had previously served as a Director of FCStone since 1996, as Vice Chairman of FCStone since January 2007, and as a member of its Board's Executive Committee. He served as the Secretary and Treasurer of FCStone until January 2007. Mr. Parthemore is the President and Chief Executive Officer of Heritage Cooperative, Inc. in West Mansfield, Ohio. He has held that position since September 2009 and had served in the same capacity with its predecessor company since 1996. Mr. Parthemore was appointed in January 2004 to serve on the Ohio Agricultural Commodity Advisory Commission by the Secretary of Agriculture in the State of Ohio. In 2009 Mr. Parthemore was selected to serve on the National Grain Car Council of the Surface Transportation Board, an agency of the US Department of Transportation.

Mr. Parthemore brings to the Board, among other skills and qualifications, significant management experience and knowledge in the areas of risk management similar to a significant portion of the Company's existing customer base, and services sought by that customer base. In addition, as the CEO of a large grain and supply cooperative involved in multiple mergers with similar organizations, Mr. Parthemore is able to provide knowledge, guidance and insight into successfully integrating the operations of multiple organizations at a time when the Company is also in the process of integrating multiple organizations.

John Radziwill was elected as a Director of the Company in 2002. Mr. Radziwill is currently a Director of Goldcrown Group Limited, Oryx International Growth Fund Limited, Fifth Street Capital (BVI), PingTone Communications, Inc., and Vendor Safe Technologies Inc. In the past five years, he has also served as a Director of Baltimore Capital Plc, Lionheart Group, Inc.,

USA Micro Cap Value Co. Ltd, Acquisitor Plc and Acquisitor Holdings (Bermuda) Ltd. Mr. Radziwill is a member of the Bar of England and Wales.

Mr. Radziwill brings to the Board, among other skills and qualifications, significant management experience and knowledge in the areas of finance, accounting, and institutional investing, in particular in the small capitalization sector. In 2002, Mr. Radziwill, together with Mr. O'Connor and Mr. Branch, made a significant equity investment in the Company and, as an independent Director of the Company, has been closely involved in its development and growth. In addition, his background and current positions afford him the ability to bring an international perspective to the Board. This insight will be increasingly valuable as the Company continues to expand its international operations. Diego J. Veitia founded International Assets Holding Corporation (now INTL FCStone Inc.) in 1987 and served as Executive Chairman of the Board until September 30, 2006. He served as Chief Executive Officer of the Company from its inception in 1987 until October 2002. Mr. Veitia also serves as Chairman of Veitia and Associates, Inc., a private investment company.

Mr. Veitia brings to the Board, among other skills and qualifications, a unique perspective to the Board as the founder of the organization. Mr. Veitia also brings insight from a variety of long-term and institutional investors with whom he maintains contact.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" EACH NOMINEE.

THE BOARD OF DIRECTORS AND ITS COMMITTEES

The Company's Board of Directors is responsible for establishing broad corporate policies and for overseeing the overall management of the Company. In addition to considering various matters which require its approval, the Board of Directors provides advice and counsel to, and ultimately monitors the performance of, the Company's senior management.

There are three standing committees of the Board of Directors -- the Audit Committee, the Compensation Committee and the Nominating & Governance Committee. Committee assignments are re-evaluated annually and approved during the Board meeting that follows the annual meeting of shareholders. The Board of Directors has adopted charters for all of its standing Committees. Copies of these charters can be found on the Company's website at www.intlfcstone.com.

During the fiscal year ended September 30, 2012, the Board of Directors held seven meetings. Each Director attended at least 75% of the total number of regular meetings of the Board. In addition, each Director attended at least 75% of the Board committee meetings of which he was a member in 2012.

The Company has adopted a formal policy regarding attendance by members of the Board of Directors at the Company's annual meeting of shareholders and at scheduled meetings of the Board of Directors. This policy is as follows:

Attendance of Directors at Meetings

The Board of Directors currently holds regularly scheduled meetings and calls for special meetings as necessary. Meetings of the Board may be held telephonically. Directors are expected to attend all Board meetings and meetings of the Committees of the Board on which they serve and to spend the time needed and meet as frequently as necessary to properly discharge their duties.

Directors are also expected to attend the annual meeting of shareholders. The Board believes that Director attendance at shareholder meetings is appropriate and can assist Directors in carrying out their duties. When Directors attend shareholder meetings, they are able to hear directly shareholder concerns regarding the Company. It is understood that special circumstances may occasionally prevent a Director from attending a meeting.

All of the Company's current Directors attended the 2012 annual meeting of the shareholders on February 23, 2012.

Audit Committee

The Audit Committee meets at least quarterly with the Company's management and independent accountants to, among other things, review the results of the annual audit and quarterly reviews and discuss the financial statements, select and engage the independent accountants, assess the adequacy of the Company's staff, management performance and procedures in connection with financial controls and receive and consider the accountants' comments on the Company's internal controls. The members of the Audit Committee during the 2012 fiscal year were: Daryl Henze

(Chairman), John M. Fowler, Jack Friedman, Justin R. Wheeler and Bruce Krehbiel. The Audit Committee met six times during the 2012 fiscal year.

The Board has determined that at least one member of the Audit Committee who served during the Company's 2012 fiscal year, namely the Chairman of the Committee, Mr. Henze, is an "audit committee financial expert" within the meaning of Item 407(d)(5) of SEC Regulation S-K.

Compensation Committee

The Compensation Committee makes determinations concerning salaries and incentive compensation and otherwise determines compensation levels for the Company's executive officers and other key employees and performs such other functions regarding compensation as the Board may delegate. The members of the Compensation Committee during the 2012 fiscal year were: Justin R. Wheeler (Chairman), Diego J. Veitia, John M. Fowler, Bruce Krehbiel and Eric Parthemore. The Compensation Committee met four times during the 2012 fiscal year.

Nominating & Governance Committee

The Nominating & Governance Committee reviews and evaluates the effectiveness of the Company's executive development and succession planning processes, as well as providing active leadership and oversight of these processes. The Nominating & Governance Committee also evaluates and recommends nominees for membership on the Company's Board of Directors and its committees and develops and recommends to the Board a set of effective corporate governance policies and procedures.

The members of the Nominating & Governance Committee during the 2012 fiscal year were: John M. Fowler (Chairman), Eric Parthemore, Jack Friedman, Justin R. Wheeler and Diego Veitia. The Committee met four times during the 2012 fiscal year.

In September 2005, the Board of Directors adopted a formal policy concerning shareholder recommendations for candidates as nominees to the Board of Directors. The policy has been incorporated into the charter of the Nominating & Governance Committee which is posted on the Company's website. The policy is as follows:

The Nominating & Governance Committee is charged with recommending to the entire board a slate of Director nominees for election at each annual meeting of the shareholders. Candidates for Director nominees are selected for their character, judgment and business experience.

The Committee will consider recommendations from the Company's shareholders when establishing the slate of Director nominees to be submitted to the entire board. Such recommendations will be evaluated by the Committee using the same process and criteria that are used for recommendations received from Directors and executive officers. The Committee will consider issues of diversity, experience, skills, familiarity with ethical and corporate governance issues which the Company faces in the current environment, and other relevant factors. The Committee will make these determinations in the context of the perceived needs of the Company at the time.

Procedures by which Shareholders may submit Nominees for Director

For a shareholder to recommend a Director nominee to the Committee, the shareholder should send the recommendation to the Chairman of the Nominating & Governance Committee, c/o Corporate Secretary, INTL FCStone Inc., 1251 NW Briarcliff Parkway, Suite 800, Kansas City, Missouri 64116. The recommendation should include (a) the name, address and telephone number of the potential nominee; (b) a statement regarding the potential nominee's background, experience, expertise and qualifications; (c) a signed statement from the potential nominee confirming his or her willingness and ability to serve as a Director and abide by the corporate governance policies of the Company (including its Code of Ethics) and his or her availability for a personal interview with the Committee; and (d) evidence establishing that the person making the recommendation is a shareholder of the Company.

Recommendations which comply with the foregoing procedures and which are received by the Corporate Secretary before September 1 in any year will be forwarded to the Chairman of the Nominating & Governance Committee for review and consideration by the Committee for inclusion in the slate of Director nominees to be recommended to the entire Board for presentation at the annual meeting of shareholders in the following year. In evaluating Director nominees, the Nominating & Governance Committee considers the following factors:

- the appropriate size of the Company's Board of Directors;
- the needs of the Company with respect to the particular talents and experience of its Directors;
- the knowledge, skills and experience of nominees, including experience in commodities and securities markets, business, finance, administration or public service, in light of prevailing business conditions and the knowledge, skills and experience already possessed by other members of the Board;

familiarity with national and international business matters;
experience with accounting rules and practices; and

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the desire to balance the considerable benefit of continuity with the periodic injection of the fresh and diverse perspectives provided by new members.

The Nominating & Governance Committee's goal is to assemble a Board of Directors that brings to the Company a variety of perspectives and skills derived from high quality business and professional experience.

Other than the foregoing, there are no stated minimum criteria for Director nominees, although the Nominating & Governance Committee may also consider such other factors as it may deem are in the best interests of the Company and its shareholders. The Nominating & Governance Committee also believes that it is appropriate for certain key members of the Company's management to serve as Directors.

The Nominating & Governance Committee identifies nominees by first evaluating the current members of the Board of Directors who are willing to continue in service. Current members of the Board with skills and experience that are relevant to the Company's business and who are willing to continue in service are considered for re-nomination, balancing the value of continuity of service by existing members of the Board with that of obtaining a new perspective. If any member of the Board does not wish to continue in service or if the Nominating & Governance Committee or the Board decides not to re-nominate a member for re-election, the Nominating & Governance Committee identifies the desired skills and experience of a new nominee in light of the criteria above. Current members of the Nominating & Governance Committee and Board of Directors are polled for suggestions as to individuals meeting the criteria of the Nominating & Governance Committee. Research may also be performed to identify qualified individuals. In consideration of the growth of the Company and the expanded international scope of the Company, it is anticipated the Company will strive to increase the diversity on the Board of Directors in the future. To date, the Company has not engaged third parties to identify or evaluate potential nominees, although the Company reserves the right in the future to retain a third party search firm, if necessary.

Shareholder Communications with Non-Management Members of the Board

The Company has adopted a formal process for shareholder communications with the independent members of the Board. The policy, which is available on the Company's website, www.intlfcstone.com, is as follows:

Interested parties are invited to communicate with the non-management members of the Board by sending correspondence to the non-management members of the Board of Directors, c/o Corporate Secretary, INTL FCStone Inc., 1251 NW Briarcliff Parkway, Suite 800, Kansas City, Missouri 64116 or via e-mail to board@intlfcstone.com. The Corporate Secretary will review all such correspondence and forward to the non-management members of the Board a summary of all such correspondence received during the prior month and copies of all such correspondence that deals with the functions of the Board or committees thereof or that otherwise is determined to require attention of the non-management Directors. Non-management Directors may at any time review the log of all correspondence received by the Company that is addressed to the non-management members of the Board and request copies of any such correspondence. Concerns relating to accounting, internal controls or auditing matters will immediately be brought to the attention of the Chairman of the Audit Committee.

Board Leadership

A substantial majority of the members of the Board of Directors (eight of eleven) are independent Directors. The three Board committees - Audit, Nominating and Governance, and Compensation - are comprised solely of and chaired by independent Directors; and at each regularly scheduled Board meeting, the non-management Directors meet in executive session without management Directors. The position of Chairman of the Board is separated from Chief Executive Officer, and the Chairman of the Board position is held by an independent Director.

Board's Role of Risk Oversight

The Board of Directors has oversight responsibility with respect to the Company's risk management processes. This includes working with management to determine and assess the Company's philosophy and strategy towards risk management and mitigation. Management is responsible for the day-to-day management of risk, and reports regularly to the Board and to specific committees on current and emerging risks and the Company's approach to avoiding the mitigating risk exposure. The Board reviews the Company's most significant risks and whether management, including the risk department of the Company, is responding consistently within the Company's overall risk management and mitigation strategy.

The Compensation Committee of the Board monitors the compensation programs of the Company, including reviewing the relationship between the Company's risk management policies and practices and compensation arrangements. Credit losses and trading losses are considered in the calculation of variable compensation of executives and Company revenue producers, and negative balances in one period are carried forward to succeeding periods. The Company periodically changes or adapts its compensation policies to address the specific risk profile of each business unit.

Board and Committee Evaluation

The Nominating & Governance Committee annually reviews and evaluates the performance of the Board of Directors. The Committee evaluates the Board's contribution as a whole and reviews areas in which the Board or senior management believes a better contribution may be made. The purpose of the review is to increase the effectiveness of the Board, and the results are reviewed with the full Board. In addition, each committee conducts an annual self-evaluation. The committee self-evaluations review whether and how well each committee has performed the responsibilities in its charter, whether there are sufficient meetings covering the necessary topics, whether the meeting materials are effective, and other matters.

Director Education

Continuing director education is provided in conjunction with regular Board meetings and focuses on topics necessary to enable the Board to effectively evaluate issues before the Board. The education takes the form of management and key staff presentations covering timely subjects and topics, along with in-depth reviews of key business units and geographic regions serviced by the Company and its subsidiaries.

BOARD MEMBER INDEPENDENCE

The Board of Directors annually determines the independence of Directors based upon a review conducted by the Nominating & Governance Committee and the Board. No Director is considered independent if he is an executive officer or employee of the Company or has a relationship which, in the opinion of the Company's Board of Directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a Director.

The Board of Directors has determined that, in its judgment as of the date of this Proxy Statement, each of the Company's Directors, other than Sean O'Connor, Scott Branch and Paul Anderson, is an independent Director within the meaning of Rule 5600 of the NASDAQ Stock Exchange. Accordingly, all of the members of the Audit, Compensation and Nominating & Governance Committees are independent within the meaning of NASDAQ Rule 5600.

EXECUTIVE COMPENSATION -

COMPENSATION DISCUSSION AND ANALYSIS

This section contains a discussion of the Company's executive compensation program, including the objectives of the program, the policies underlying the program, the types of compensation provided by the program, and how the Company determined the compensation paid to each named executive officer.

Background

The Company's Compensation Committee has primary responsibility for the design and implementation of the Company's executive compensation program. The Committee directly determines the compensation for the Company's principal executive officers. The Committee receives recommendations from the Chief Executive Officer regarding the compensation of the President, the Chief Operating Officer, the Chief Financial Officer and the Chief Legal and Governance Officer. The Committee also supervises and reviews the compensation for the Company's other executive officers. The salaries for those officers are currently determined by one or more of the Company's principal executive officers. To date, the Compensation Committee has not utilized the services of any compensation consultants, and has no current plans to utilize consultants in the future.

The Compensation Committee has considered the results of the most recent shareholder advisory vote on executive compensation required by Section 14A of the Exchange Act in determining the Company's compensation policies and decisions. In this regard, at the Company's 2011 annual meeting, the shareholders voted on a non-binding resolution to approve the compensation awarded by the Company to the Company's named executive officers ("say-on-pay") as described in the Compensation Discussion & Analysis ("CD&A"), tabular disclosures, and other narrative executive compensation disclosures in the proxy statement for the 2011 annual meeting. At the 2011 annual meeting, approximately 91% of the votes on the say on pay proposal were voted in favor of the proposal. Based on this result, the Compensation Committee has concluded that the Company's shareholders generally support the principal elements of the compensation program adopted by the Compensation Committee. The Committee has relied in part on that conclusion in continuing the principle elements of the compensation program in 2012.

At the 2011 annual meeting, the shareholders voted on a non-binding resolution to determine whether the advisory shareholder vote on say-on-pay should occur every one, two or three years ("say-on-frequency"). Approximately 74% of the votes on the say on frequency proposal voted in favor of a vote every three years. The Company will therefore hold its next vote on the say on pay proposal at its 2014 annual meeting.

For the 2012 fiscal year, the five principal executive officers were Sean M. O'Connor, who served as the Chief Executive Officer, Paul G. Anderson, who served as the President, Scott J. Branch, who served as the Chief Operating Officer, William J. Dunaway, who served as the Chief Financial Officer, and Brian T. Sephton, who served as the Chief Legal and Governance Officer.

The Company's executive compensation program has been designed to reflect the Company's vital need to attract and retain executives with specific skills and experience in the various businesses operated by the Company. In this regard, the success of these businesses is directly dependent on the ability of the Company's executives to generate operating income with an appropriate level of risk. The Company competes with larger and better capitalized companies for individuals with the required skills and experience. As a result, the Company must have a compensation program which provides its executives with a competitive level of compensation relative to the compensation available from the Company's competitors.

The Company's executive compensation program has also been designed to reward executives based on their contribution to the Company's success. The Compensation Committee believes that a compensation program which relies heavily on performance based compensation will both maximize the efforts of the Company's executives and align the interests of executives with those of shareholders. This form of compensation also allows the Company to compete for talented individuals since it is common in the financial services industry.

Objectives of the Company's Executive Compensation Program

The Company's executive compensation program is designed to meet three principal objectives:

- to provide competitive levels of compensation in order to attract and retain talented executives,
- to provide compensation which reflects the contribution made by each executive to the Company's success, and
- to encourage long term service to the Company by awarding equity based compensation.

Attract and Retain Talented Employees

The Company's success depends on the leadership of senior executives and the skills and experience of its other executives. In order to attract and retain highly capable individuals, the Company needs to ensure that the Company's compensation program provides competitive levels of compensation. Therefore, the Compensation Committee seeks to provide executives with compensation that is similar to the compensation paid by other financial services firms.

Provide Compensation Based on Performance

The Company believes that its continued success requires it to reward individuals based upon their contribution to the Company's success. Accordingly, a substantial portion of each executive's compensation is in the form of bonuses, which are based on both objective and subjective criteria.

Encourage Long-Term Service through Equity Awards

The Company seeks to encourage long-term service by making equity awards to the Company's executives. In the case of the principal executive officers, the Compensation Committee may elect to award a portion of the executive's bonus in the form of restricted stock. In the case of other executives, the Compensation Committee offers the executives the right to receive a portion of their bonuses in the form of restricted stock.

What the Executive Compensation Program is Designed to Reward

By linking compensation opportunities to performance of the Company as a whole, the Company believes the Company's compensation program encourages and rewards:

- Efforts by each executive to enhance firm-wide productivity and profitability
- Entrepreneurial behavior by each executive to maximize long-term equity value in the interest of all shareholders

Elements of Compensation

The Company's executive compensation program provides for the following elements of compensation:

- base salary
- bonus under established bonus plans with objective criteria
- discretionary bonus based on subjective criteria
- health insurance and similar benefits

Base Salary

The Company pays each executive officer an annual base salary in order to provide the executive with a predictable level of income and enable the executive to meet living expenses and financial commitments. The Compensation Committee views base salary as a way to provide a non-performance based element of compensation that is certain and predictable. The Compensation Committee believes the base salaries paid to the Company's executive officers in 2012 were modest compared to other financial service firms.

The annual base salaries for Sean M. O'Connor, Paul G. Anderson and Scott J. Branch in 2012 were \$400,000, unchanged from 2010 and 2011. The annual base salaries for William J. Dunaway and Brian T. Sephton in 2012 were \$200,000, also unchanged from 2010 and 2011.

Executive Performance Plan

The Company adopted the current Executive Performance Plan (the "EPP") in 2012 in order to provide bonuses to designated executives based upon objective criteria. The plan is structured to satisfy the requirements for performance-based compensation within the meaning of Section 162(m) of the Internal Revenue Code so that the compensation is deductible for federal income tax purposes. The EPP permits awards to be paid in cash, restricted stock or a combination of both.

The Company utilizes the EPP to reward the Company's five principal executive officers. Bonuses paid under the EPP are objective and are based on criteria established by the Company in advance. The Compensation Committee's goal is to utilize bonuses under the EPP as the Company's principal tool for encouraging executives to maximize productivity and profitability. Awards under the plan provide executives with an incentive to focus on aspects of the Company's performance that the Compensation Committee believes are key to the Company's success.

The Compensation Committee administers the EPP and has responsibility for designations of eligible participants and establishing specific "performance targets" for each participant in the plan. The performance targets may be based on one or more of the following business criteria, or on any combination of these criteria:

- increase in share price
- adjusted return on equity
- control of fixed costs
- control of variable costs
- adjusted EBITDA growth

The targets must be established while the performance relative to the target remains substantially uncertain within the meaning of Section 162(m).

With respect to adjusted EBITDA growth, the plan provides that earnings before interest, taxes, depreciation and amortization ("EBITDA") for any year will be adjusted as follows: to the extent that any portion of the commodity inventory of the Company and its subsidiaries is valued pursuant to generally accepted accounting principles ("GAAP") at the end of any year at the lower of cost or market value, the EBITDA for such year will be increased by the amount of any unrealized gains which the Company would have recognized in that year if such commodity inventory had been valued at market in accordance with GAAP.

With respect to adjusted return on equity and adjusted EBITDA growth, the plan generally requires that adjustments be made to return on equity or EBITDA, as the case may be, when determining whether the applicable performance targets have been met, so as to eliminate, in whole or in part, in any manner specified by the Committee at the time the performance targets are established, the gain, loss, income and/or expense resulting from the following items:

- changes in accounting principles that become effective during the performance period;
- extraordinary, unusual or infrequently occurring events reported in the Company's public filings, excluding early extinguishment of debt, and
- the disposition of a business, in whole or in part.

The Committee may, however, provide at the time the performance targets are established that one or more of these adjustments will not be made as to a specific award or awards.

In addition, the Committee may determine at the time the goals are established that other adjustments will be made under the selected business criteria and applicable performance targets to take into account, in whole or in part, in any manner specified by the Committee, any one or more of the following:

- gain or loss from all or certain claims and/or litigation and insurance recoveries,

- the impact of impairment of tangible or intangible assets
- restructuring activities reported in the Company's public filings, and

- the impact of investments or acquisitions.

Each of these adjustments may relate to the Company as a whole or any part of the Company's business or operations, as determined by the Committee at the time the performance targets are established. The adjustments are to be determined in accordance with generally accepted accounting principles, unless another objective method of measurement is designated by the Committee. Finally, adjustments will be made as necessary to any business criteria related to the Company's stock to reflect changes in corporate capitalization, such as stock splits and certain reorganizations.

Concurrently with the selection of performance targets, the Committee must establish an objective formula or standard for calculating the maximum bonus payable to each participating executive officer. Under the plan, the maximum bonus for each fiscal year may not exceed \$3,000,000 for any executive.

Over the five-year term of the plan, the maximum per participant amounts are thus \$15,000,000 for each executive.

Notwithstanding this overall maximum, the Committee has sole discretion to determine, pursuant to its "negative discretion," whether to actually pay any of or the entire maximum permissible bonus or to defer payment or vesting of any bonus, subject in each case to the plan's terms and any other written commitment authorized by the Committee.

The Committee is also authorized to exercise its negative discretion by establishing additional conditions and terms of payment of bonuses, including the achievement of other financial, strategic or individual goals, which may be objective or subjective, as it deems appropriate. Although the Committee may waive these additional conditions and terms, it may not waive the basic performance target as to the business criterion chosen for any particular period. Bonuses will be paid in either cash or a combination of cash and restricted stock on a basis to be established by the Committee. In general, restricted stock is a grant of stock that is subject to forfeiture if specified vesting requirements are not satisfied.

If any portion of a bonus is payable in the form of restricted stock, then the restricted stock will be issued to the executive at a discount of 25% to the market value of the Company's common stock (determined as of the date that is 75 days following the end of the applicable performance period, or, if the committee has not determined the bonus by this date, 15 days after the amount of the bonus is determined and certified by the Committee). These shares of restricted stock will vest at the rate of one-third per year, with the first one-third to vest on the first anniversary of the award and each subsequent one-third to vest at the end of each subsequent anniversary, all as specified with greater particularity in an award agreement to be entered into in accordance with the Company's Restricted Stock Plan. In its discretion, the Committee may waive these provisions and elect to pay 100% of any bonus payable under the plan, regardless of amount, entirely in cash (for example, in the case of a participant who already holds a substantial number of shares). Likewise, in its discretion, the Committee may alter the vesting period or reduce the discount applicable to any restricted stock award.

In the event sufficient shares are not available pursuant to the Restricted Stock Plan, then the entire bonus will be payable in cash.

The performance plan may from time to time be amended, suspended or terminated, in whole or in part, by the Board of Directors or the Committee, but no amendment will be effective without Board and/or shareholder approval if such approval is required to satisfy the requirements of Section 162(m).

Application of Executive Performance Plan in 2012

For 2012, the Compensation Committee selected Sean M. O'Connor, Paul G. Anderson, Scott J. Branch, William J. Dunaway and Brian T. Sephton to be participants in the Executive Performance Plan. The potential bonuses for the participants were based on the following two performance targets: adjusted return on equity and increase in share price. In establishing the adjusted return on equity performance targets for 2012, the Compensation Committee elected to establish the target at each level based upon a premium over the one-year U.S. Treasury Bill rate ("T" in the following table), to be calculated as the average rate over the fiscal year, and determined to be 0.155% for 2012. No bonus was to be earned unless the adjusted return on equity for 2012 was at least 8.0%. Similarly, the Compensation Committee established the increase in share price target at 8.0%. No bonus was to be earned unless the share price increased by at least 8.0%.

The potential bonuses for Messrs. O'Connor, Anderson and Branch based on these performance targets are set forth in the following table. The potential bonuses for Messrs. Dunaway and Sephton were one-half of these amounts.

Executive Performance Plan - Fiscal 2012

Performance Targets

Return on Equity Premium	Adjusted Return on Equity Adjusted Return on Equity Target	Target Bonus	Increase in Share Price Increase in Share Price Target	Target Bonus	Total
T+6.0%	Less than 8.0% min. 8.0%	None \$200,000	Less than 8.0% 8.0%	None \$50,000	\$250,000
T+8.0%	8.155% For every additional 10 b.p., add	\$400,000 \$12,800	10.0% For every additional 10 b.p., add	\$100,000 \$3,200	\$500,000 \$16,000
T+10.5%	10.655% For every additional 10 b.p., add	\$720,000 \$14,400	12.5% For every additional 10 b.p., add	\$180,000 \$3,600	\$900,000 \$18,000
T+13.0%	13.155% For every additional 10 b.p., add	\$1,080,000 \$16,000	15.0% For every additional 10 b.p., add	\$270,000 \$4,000	\$1,350,000 \$20,000
T+15.5%	15.655% For every additional 10 b.p., add	\$1,480,000 \$17,600	17.5% For every additional 10 b.p., add	\$370,000 \$4,400	\$1,850,000 \$22,000
T+18.0%	18.155% For every additional 10 b.p., add	\$1,920,000 \$19,200	20.0% For every additional 10 b.p., add	\$480,000 \$4,800	\$2,400,000 \$24,000
T+20.5%	20.655% For every additional 10 b.p., add	\$2,400,000 \$20,800	22.5% For every additional 10 b.p., add	\$600,000 \$5,200	\$3,000,000 \$26,000

Bonuses Earned under Executive Performance Plan for 2012

The Company's adjusted return on equity and increase in share price during the 2012 fiscal year did not exceed either of the minimum thresholds established by the Compensation Committee and the Board of Directors. As a result, no bonuses were awarded under the EPP to the five participating executive officers.

Discretionary Bonuses

The Company may award discretionary bonuses to its executives based on a subjective evaluation of the executive's performance and the overall performance of the Company. These awards are in addition to bonuses paid under the Executive Performance Plan.

In the case of discretionary bonuses awarded to the principal executive officers, the discretionary bonuses are awarded in the form of cash, restricted stock or a combination of both, as determined by the Compensation Committee. The nominal amount of the portion of any bonus which is awarded in the form of restricted stock is issued at a 25% discount to the fair market value of the Company's common stock at the time of the award. The restricted stock vests over a period of three years.

In the case of discretionary bonuses awarded to other executive officers, the discretionary bonuses are awarded in the form of cash, unless the executive elects, prior to the end of the first quarter of each fiscal year, to receive a portion of any discretionary bonuses in the form of restricted stock. In the event that the executive makes such an election, then a portion of the nominal amount of the bonus is awarded in the form of restricted stock. As part of the restricted stock calculation, these other executive officers also elected prior to the end of the first quarter of each fiscal year whether to receive restricted stock based upon (i) the executive's first dollar of bonus or (ii) to the extent the bonus exceeds \$75,000, and then also elected whether to allocate (a) 10%, (b) 20% or (c) 30% of the elected amount to restricted stock. The restricted shares are issued at a 25% discount from the fair market value of the Company's common stock at the time of the award. The restricted stock vests over a period of three years.

In 2012, the Compensation Committee awarded discretionary bonuses to the five principal executive officers in amounts that the Compensation Committee believed were appropriate in light of each executive's contribution to the Company's success

for the 2012 fiscal year. As described in the following table, the nominal amount of the bonuses for Messrs. O'Connor, Branch and Anderson were \$400,000 and the nominal amount of the bonuses for Messrs. Dunaway and Sephton were \$200,000.

In establishing these bonuses, the Compensation Committee noted that the members of the senior management team were responsible for several major accomplishments during 2012 that were not reflected in the criteria utilized in the Executive Performance Plan for 2012. These accomplishments included the following:

- The successful acquisition and integration of the London Metals Exchange business of MF Global, which substantially increased the Company's expertise and market share in the metals business.

- The successful management of the Company's commodities futures business during a period of extraordinary industry turmoil primarily caused by the bankruptcies of MF Global and Peregrine Financial Group.

- The acquisition and integration of other significant business enterprises which have increased the size and product offerings of the Company and are expected to contribute significantly to future profitability.

The Compensation Committee also considered the relatively modest base salaries of the Company's five principal executives, and concluded that the bonus amounts, when added to the base salaries, were generally consistent with the base salaries paid by the Company's principal competitors to their senior executive officers in the form of base salary. For 2012, the Compensation Committee elected to award discretionary bonuses in the following amounts to the five principal executive officers:

Discretionary Bonuses

Name	Nominal Amount (1)	Cash Amount (2)	Restricted Shares (3)	
			(#)	Value
Sean O'Connor	\$400,000	\$330,000	5,276	\$93,332
Scott Branch	\$400,000	\$330,000	5,276	\$93,332
Paul Anderson (4)	\$400,000	\$400,000	—	\$—
William Dunaway	\$200,000	\$170,000	2,262	\$40,015
Brian Sephton	\$200,000	\$170,000	2,262	\$40,015

(1) This column sets forth the nominal amount of the discretionary bonus awarded to each executive for services rendered during 2012. A portion of this amount was paid in the form of a cash bonus and the balance was paid in the form of restricted stock valued at a discount of 25% to the market value of the Company's common stock.

(2) This column sets forth the cash amount of the discretionary bonus awarded to each executive for services rendered during 2012. These amounts were paid in fiscal 2013.

(3) This column sets forth the number of shares of restricted stock awarded to each executive and the value of the shares calculated in accordance with the Stock Compensation Topic of the Accounting Standards Codification. These shares vest over a period of three years. These shares were granted on December 14, 2012, and had a fair market value of \$17.69 per share on the date of grant.

(4) Due to Mr. Anderson's retirement on October 1, 2012 and pursuant to the terms of the Executive Performance Plan, all of Mr. Anderson's discretionary bonus was paid in cash.

Other Benefits

The Company provides medical, life insurance, disability and other similar benefits to executives and other employees. The Company intends these benefits to be generally competitive, in order to help in the Company's efforts to recruit and retain talented executives. The Company's executives participate in these benefit programs on the same basis as all of the Company's other employees. The Company's executives are also entitled to receive certain compensation in connection with the termination of their employment. See "Employment Agreements" below.

Additional Incentive Compensation

In December 2011, the Compensation Committee elected to award additional incentive compensation to four of the named executive officers. The Committee made these awards in conjunction with its annual review of the compensation program for the Company's executive officers. During this review, the Committee noted that the Company had not granted stock options or similar long term incentive compensation to the senior executives since 2008. The Committee determined that the Company should periodically make such awards to the senior executive

officers in order to provide them with incentives based upon the long term

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success of the Company. The awards consisted of stock options. No subsequent option awards have been made to the four named executive officers.

Name

	Options(#)(1)	Value \$(2)
Sean M. O'Connor	200,000	2,726,224
Scott J. Branch	200,000	2,726,224
William J. Dunaway	80,000	1,090,489
Brian T. Sephton	80,000	1,090,489

(1) This column sets forth the number of options awarded to each executive and the value of the options calculated in accordance with the Stock Compensation Topic of the Accounting Standards Codification. The stock options granted had an exercise price of \$25.91 per share which was 110% of fair market value on the date of grant, a term of ten years and vest ratably over a period of 4 years commencing on the fifth anniversary of the date of grant.

(2) This column reflects the grant date fair value of the option award.

Summary Compensation Table

The following table sets forth information concerning the compensation of the Company's (a) Principal Executive Officer, (b) Principal Financial Officer, and (c) the other three most highly compensated executive officers as specified by SEC rules (the "named executive officers") for the 2012, 2011 and 2010 fiscal years.

Name and Principal Position	Fiscal Year	Salary (\$)	Bonus \$(1)	Stock Awards \$(2)	Option Awards \$(3)	Non-Equity Incentive Plan Compensation \$(4)	Change in Pension Value and Non-qualified Deferred Compensation Earnings (5)	All Other Compensation \$(6)	Total (\$)
Sean M. O'Connor Director and Chief Executive Officer	2012	400,000	330,000	285,465	180,033	—	—	10,625	1,206,123
	2011	400,000	256,884	455,826	—	713,116	—	10,413	1,836,239
	2010	362,500	405,000	175,466	20,532	—	—	10,312	973,810
Scott J. Branch Director, Chief Operating Officer	2012	400,000	330,000	285,465	180,033	—	—	10,625	1,206,123
	2011	400,000	256,884	455,826	—	713,116	—	10,413	1,836,239
	2010	362,500	405,000	175,466	20,532	—	—	10,312	973,810
Paul G. Anderson Director, President	2012	400,000	400,000	531,504	—	—	1,063	10,625	1,343,192
	2011	400,000	256,884	455,826	—	713,116	1,502	51,400	1,878,728
	2010	470,833	405,000	—	—	—	36,930	19,943	932,706
William J. Dunaway Chief Financial Officer	2012	200,000	170,000	67,780	72,013	—	271	10,313	520,377
	2011	200,000	136,387	164,186	—	378,613	383	23,856	903,425
	2010	216,667	210,000	—	—	—	663	17,733	445,063

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Brian T. Sephton	2012	200,000	170,000	146,089	72,013	—	—	10,625	598,727
Chief Legal	2011	200,000	136,387	164,186	—	378,613	—	10,413	889,599
Officer	2010	189,167	210,000	157,727	16,325	—	—	10,312	583,531

(1) The amounts in this column reflect discretionary cash bonuses awarded to the executive officers for services rendered in each fiscal year. In each case these cash bonuses were paid in the following fiscal year.

(2) The amounts in this column represent the dollar amounts recognized by the Company for financial statement reporting purposes in each fiscal year in accordance with the Stock Compensation Topic of the Accounting Standards Codification. Pursuant to SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. For information on the valuation assumptions with respect to these awards, see Note 14 in the Company's consolidated financial statements for the fiscal year ended September 30, 2012, as set forth in the Company's Form 10-K for the 2012 fiscal year. These amounts reflect the Company's accounting expense for these awards, and do not correspond to the actual value that will be recognized by the named executive officers.

(3) The amounts in this column represent the dollar amounts recognized for financial statement reporting purposes in each fiscal year on account of stock options granted to each of the named executive officers in accordance with the Stock Compensation Topic of the Accounting Standards Codification, including expense from stock options granted in earlier years. Pursuant to SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. For information on the valuation assumptions with respect to these option grants, see Note 14 in the Company's consolidated financial statements for the fiscal year ended September 30, 2012, as set forth in the Company's Form 10-K for the 2012 fiscal year. These amounts reflect the Company's accounting expense for these awards, and do not correspond to the actual value that will be recognized by the named executive officers.

(4) The amounts in this column reflect cash bonuses earned by each executive officer in each fiscal year under the Executive Performance Plan. In each case, these bonuses were paid in the following fiscal year.

(5) The amounts in this column only reflect the actuarial increase in the present value of the named executive officer's benefits under the qualified and non-qualified pension plans of FCStone assumed by the Company in connection with the acquisition of FCStone. The increase was determined using interest rate and mortality rate assumptions consistent with those used in the Company's consolidated financial statements and includes amounts which the named executive officer may not currently be entitled to receive because such amounts are not vested.

(6) The amounts in this column represent (i) the dollar amount of matching contributions made by the Company under its 401(k) plan in 2012, 2011 and 2010, and (ii) for Messrs. Anderson and Dunaway, the value of certain Company vehicles transferred to them during 2011 as well as the incremental cost of their personal use of these vehicles prior to the transfer. For 2012, the matching contributions made by the Company under its 401(k) plan for each officer was \$10,625, except for Mr. Dunaway, for whom the maximum calendar year matching contribution was not attained prior to the end of the fiscal year. For Mr. Anderson, the value of the Company vehicle transferred to him was \$36,322 and the incremental cost of his personal use of the vehicle in 2011 was \$4,664. For Mr. Dunaway, the value of the Company vehicle transferred to him was \$10,369 and the incremental cost of his personal use of the vehicle in 2011 was \$3,074.

Grants of Plan Based Awards - 2012

The following table sets forth information on plan based awards granted in the 2012 fiscal year to each of the Company's named executive officers. There can be no assurance that the amounts disclosed below will ever be realized. The amount of these equity awards that were expensed, and the amount of the non-equity awards that were earned in 2012, are shown in the Summary Compensation Table on page 15.

Name	Grant Date	Approval Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards		Estimated Future Payouts Under Equity Incentive Plan Awards		All other Stock Awards:	All Other Option Awards:	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards (\$)
			Target (\$)	Maximum (\$)(1)	Target (\$)	Maximum (\$)	Number of Shares or Units(#)(2)	Number of Securities Underlying Options (#)(3)		
Sean M. O'Connor	12/30/2011	12/30/2011	3,000,000							
	12/15/2011	12/15/2011					17,945			440,011
	12/16/2011	12/16/2011						200,000	25.91	2,726,224
Scott J. Branch	12/30/2011	12/30/2011	3,000,000							
	12/15/2011	12/15/2011					17,945			440,011
	12/16/2011	12/16/2011						200,000	25.91	2,726,224
Paul G. Anderson	12/30/2011	12/30/2011	3,000,000							

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	12/15/2011 12/15/2011		17,945			440,011
William J. Dunaway	12/30/2011 12/30/2011	3,000,000				
	12/15/2011 12/15/2011		7,341			180,001
	12/16/2011 12/16/2011			80,000	25.91	1,090,489
Brian T. Sephton	12/30/2011 12/30/2011	3,000,000				
	12/15/2011 12/15/2011		7,341			180,001
	12/16/2011 12/16/2011			80,000	25.91	1,090,489

(1) The information in this column sets forth the maximum amount that could have been paid to each named executive officer under the Company's Executive Performance Plan for the year ended September 30, 2012. The potential payment under the plan for each named executive officer ranged from none to the maximum amount specified in the table, depending upon the achievement of the performance criteria for 2012. These criteria are described in the section entitled "Application of Executive Performance Plan in 2012" above.

(2) The information in this column consists of restricted shares issued in fiscal year 2012 under the Executive Performance Plan and under the Company's Restricted Stock Plan with respect to services rendered in fiscal year 2011.

(3) The information in this column consists of options granted in fiscal year 2012 under the Stock Option Plan.

Outstanding Equity Awards at Fiscal Year-End - 2012
The following table sets forth all outstanding equity awards held by the named executive officers as of September 30, 2012.

Name	Option Awards		Option Exercise Price (\$)	Option Expiration Date	Stock Awards	
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable			Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)(6)
Sean M. O'Connor	68,374		2.50	3/7/2013	6,666 (1)	127,054
	26,667	53,333	7.282	12/5/2014	6,855 (2)	130,656
		200,000	25.91	12/16/2021	3,584 (3)	68,311
					17,945 (4)	342,032
Scott J. Branch	26,667	53,333	7.28	12/5/2014	6,666 (1)	127,054
		200,000	25.91	12/16/2021	6,855 (2)	130,656
					3,584 (3)	68,311
					17,945 (4)	342,032
Paul G. Anderson	98,740					