

INTL FCSTONE INC.  
Form DEF 14A  
January 17, 2014

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)

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- No fee required.
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- 2) Aggregate number of securities to which transaction applies:
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- 3) Filing Party:
- 4) Date Filed:

INTL FCSTONE INC.

708 Third Avenue  
Suite 1500  
New York, New York 10017

January 17, 2014

Dear Shareholders:

You are cordially invited to attend the annual meeting of shareholders of INTL FCStone Inc. to be held at the Courtyard by Marriott Kansas City at Briarcliff, 4000 N. Mulberry Drive, Kansas City, Missouri on Thursday, February 27, 2014 at 10:00 a.m. (Central Standard Time). At the meeting, shareholders will be asked to vote on the election of eight Directors; the ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for the Company's 2014 fiscal year; an advisory vote on executive compensation; 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. On or about January 17, 2014, 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 2013 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 2013 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

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Notice of Annual Meeting of Shareholders

Thursday, February 27, 2014

10:00 a.m. Central Standard Time

The Courtyard by Marriott Kansas City at Briarcliff, 4000 N. Mulberry Drive, Kansas City, Missouri  
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 27, 2014, at 10:00 a.m. Central Standard Time at the Courtyard by Marriott Kansas City at Briarcliff, 4000 N. Mulberry Drive, Kansas City, Missouri, for the following purposes:

1. to elect eight Directors;
2. to ratify the appointment of KPMG LLP as the Company's independent registered public accounting firm for the 2014 fiscal year;
3. to consider an advisory vote on executive compensation; 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, 2014 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 17, 2014, 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 2013 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 17, 2014

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

2014 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 27, 2014, at 10:00 a.m. (Central 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 Courtyard by Marriott Kansas City at Briarcliff, 4000 N. Mulberry Drive, Kansas City, Missouri. 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 17, 2014 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 27, 2014 at 10:00 a.m. (Central Standard Time), at the Courtyard by Marriott Kansas City at Briarcliff, 4000 N. Mulberry Drive, Kansas City, Missouri.

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 17, 2014. 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, 2014 (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 three items:

1. The election of eight Directors (see page 7);
2. The ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for the 2014 fiscal year (see page 25); and
3. An advisory vote on compensation of our named executive officers (see page 27).

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 1-800-652-8683.

By internet at [www.envisionreports.com/INFC](http://www.envisionreports.com/INFC)

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. (Central Standard Time) on Wednesday, February 26, 2014 (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 2014 fiscal year; and
3. FOR the Company's compensation of its named executive officers as disclosed in the Compensation Discussion and Analysis section and accompanying compensation tables contained in this Proxy Statement.

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 19,183,599 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 to fulfill the quorum requirement necessary to hold the meeting. This means at least 9,591,800 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 advisory vote on executive compensation (Proposal No. 3), the resolution will be approved if a majority of the shares represented in person or by proxy and entitled to vote at the meeting are cast in favor of the compensation. Because your vote is advisory, it will not be binding on the Board or the Company. However, the Board will review the voting results and take them into consideration when making future decisions regarding executive compensation.

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 may attend the annual meeting?

Any person who was a shareholder of the Company on January 2, 2014 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 2014 fiscal year; and

FOR the Company's compensation of the Company's named executive officers as disclosed in the Compensation Discussion and Analysis section and accompanying compensation tables contained in this Proxy Statements.

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

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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 of Directors.

In October 2013, Diego J. Veitia notified the Chairman of the Nominating & Governance Committee that he would be retiring from the Board at the 2014 annual meeting of shareholders. Mr. Veitia was the founder of the Company and longtime member and Chairman of the Board of Directors. The Nominating & Governance Committee decided that there was insufficient time to identify and interview potential candidates, and thus select, a nominee to fill the vacancy created by Mr. Veitia's retirement and to present such nomination at the 2014 annual meeting of shareholders.

Therefore, the Board of Directors has decreased by resolution the size of the Board to eight members, effective at the 2014 annual meeting of shareholders. The Nominating & Governance Committee will be evaluating the size and composition of the Board of Directors during fiscal year 2014.

The Nominating & Governance Committee of the Company has nominated and the Board of Directors has approved the nominations of eight persons to serve as Directors until the 2015 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	61	2009
Scott J. Branch	51	2002
John Fowler	64	2005
Daryl K. Henze	71	2009
Bruce Krehbiel	60	2009
Sean M. O'Connor	51	2002
Eric Parthemore	64	2009
John Radziwill	66	2002

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 Vice-Chairman of the Board. Mr. Anderson served as a consultant to the Company during fiscal year 2013. 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 member of the 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 President of the Company in May 2013. Prior to that he served as Chief Operating Officer of the Company following the merger with FCStone in October 2009. 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 President 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.

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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, as Chairman and Chief Executive Officer of Gulf Insurance Co., as a Director of Transatlantic Re (a reinsurance company), 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, legal 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, as well as substantial experience in regulatory affairs and governmental relations.

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

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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. 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](http://www.intlfcstone.com).

During the fiscal year ended September 30, 2013, the Board of Directors held six 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 2013.

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 2013 annual meeting of the shareholders on February 21, 2013.

##### 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 2013 fiscal year were: Daryl Henze (Chairman), Bruce Krehbiel and Diego Veitia. The Audit Committee met six times during the 2013 fiscal year.

The Board has determined that at least one member of the Audit Committee who served during the Company's 2013 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.

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#### 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 2013 fiscal year were: John M. Fowler (Chairman), Diego J. Veitia and Eric Parthemore. The Compensation Committee met five times during the 2013 fiscal year.

#### Nominating & Governance Committee

The Nominating & Governance Committee reviews and evaluates the effectiveness of the Company's executive development and succession planning processes, and also provides active leadership and oversight of these processes. Additionally, the Nominating & Governance Committee 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 2013 fiscal year were: Eric Parthemore (Chairman), John M. Fowler and Bruce Krehbiel. The Committee met six times during the 2013 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
- 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

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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](http://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](mailto: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 (six of nine) 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 and 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

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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 Financial Officer, the Chief Legal and Governance Officer and the Executive Vice President-Commodities. 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 2013.

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 is holding its

next vote on the say on pay proposal at this year's annual meeting.

For the 2013 fiscal year, the five principal executive officers were Sean M. O'Connor, who served as the Chief Executive Officer, Scott J. Branch, who served as the Chief Operating Officer through April 2013 and as President thereafter, William J. Dunaway, who served as the Chief Financial Officer, Brian T. Sephton, who served as the Chief Legal and Governance Officer,

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and Peter J. Nessler, Jr., who served as Executive Vice President-Commodities.

The Company designed its executive compensation program to reflect its 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 also designed its executive compensation program 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 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 has elected 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 an established bonus plan 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 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 2013 were modest compared to other financial service firms.

The annual base salaries for Sean M. O'Connor and Scott J. Branch in 2013 were \$400,000, unchanged since 2010. The annual base salaries for William J. Dunaway and Brian T. Sephton were increased in 2013 to \$275,000, after remaining unchanged at \$200,000 for fiscal years 2010 - 2012. The annual base salary in 2013 for Peter J. Nessler, Jr. was \$325,000.

#### Executive Performance Plan

The Company adopted the current Executive Performance Plan (the "EPP") in 2012 to provide bonuses to designated executives based upon objective criteria. The plan's structure satisfies 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") are adjusted for any year 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 disposal 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 asset;

- 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,

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as determined by the Committee when it establishes the performance targets. The Committee determines the adjustments in accordance with generally accepted accounting principles, unless the Committee designates another objective method of measurement. 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 may also 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 on each of the first, second and third anniversaries of the award, 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 2013

For 2013, the Compensation Committee selected Sean M. O'Connor, Scott J. Branch, William J. Dunaway, Brian T. Sephton and Peter J. Nessler, Jr. to be participants in the Executive Performance Plan. Three additional executives are also 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 2013, 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 daily rate over the fiscal year, and determined to be 0.1367% for 2013. No bonus was to be earned under the Plan unless the adjusted return on equity for 2013 was at least 6.1367%. Similarly, the Compensation Committee established the increase in share price minimum target at 8.0%. No bonus was to be earned under the Plan unless the share price increased by at least 8.0%.

The potential bonuses for Messrs. O'Connor and Branch based on these performance targets are set forth in the following table. The potential bonuses for Messrs. Dunaway, Sephton and Nessler were a pro-rata portion of these amounts, based upon targets established by the Compensation Committee.



## Executive Performance Plan - Fiscal 2013

## Performance Targets

Return on Equity Premium	Adjusted Return on Equity Target	Target Bonus	Increase in Share Price Target	Target Bonus	Total
T+6.0%	Less than 6.0% min. 6.1367%	None \$200,000	Less than 8.0% 8.0%	None \$50,000	\$250,000
	For every additional 10 b.p., add	\$10,000	For every additional 10 b.p., add	\$2,500	\$12,500
T+8.0%	8.1367%	\$400,000	10.0%	\$100,000	\$500,000
	For every additional 10 b.p., add	\$12,800	For every additional 10 b.p., add	\$3,200	\$16,000
T+10.5%	10.6367%	\$720,000	12.5%	\$180,000	\$900,000
	For every additional 10 b.p., add	\$14,400	For every additional 10 b.p., add	\$3,600	\$18,000
T+13.0%	13.1367%	\$1,080,000	15.0%	\$270,000	\$1,350,000
	For every additional 10 b.p., add	\$16,000	For every additional 10 b.p., add	\$4,000	\$20,000
T+15.5%	15.6367%	\$1,480,000	17.5%	\$370,000	\$1,850,000
	For every additional 10 b.p., add	\$17,600	For every additional 10 b.p., add	\$4,400	\$22,000
T+18.0%	18.1367%	\$1,920,000	20.0%	\$480,000	\$2,400,000
	For every additional 10 b.p., add	\$19,200	For every additional 10 b.p., add	\$4,800	\$24,000
T+20.5%	20.6367%	\$2,400,000	22.5%	\$600,000	\$3,000,000
	For every additional 10 b.p., add	\$31,200	For every additional 10 b.p., add	\$7,800	\$39,000

## Bonuses Earned under Executive Performance Plan for 2013

The Company's adjusted return on equity and increase in share price during the 2013 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. Such awards are independent of 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 2013, 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 performance for the 2013 fiscal year. As described in the following table, the nominal amount of the bonuses for Messrs. O'Connor and Branch were \$500,000, the nominal amount of the bonus for Mr. Dunaway was \$240,000, the nominal amount of the bonus for Mr. Sephton was \$225,000, and the nominal amount of the bonus for Mr. Nessler was \$300,000.

In establishing these bonuses, the Compensation Committee noted that the members of the senior management team were responsible for several major accomplishments during 2013 that were not reflected in the criteria utilized in the Executive Performance Plan for 2013. These accomplishments included the following:

The successful management of the Company's commodities futures business during a period of extraordinary drought conditions in the United States, which significantly impacted the Company's core agricultural activity.

- The reduction in fixed expenses despite the increased costs of regulation.

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The successful modification of the Company's capital structure by expanding the Company's credit facility and initiating the Company's first long-term debt issuance.

The evaluation and exit from the physical base metals business.

The increase in customer base and product offerings of the Company, 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 2013, 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	\$500,000	\$405,000	6,173	\$126,670
Scott Branch	\$500,000	\$405,000	6,173	\$126,670
William Dunaway	\$240,000	\$202,000	2,470	\$50,684
Brian Sephton	\$225,000	\$190,000	2,275	\$46,683
Peter Nessler, Jr.	\$300,000	\$250,000	3,249	\$66,669

(1) This column sets forth the nominal amount of the discretionary bonus awarded to each executive for services rendered during 2013. 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 2013. These amounts were paid in fiscal 2014.

(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, 2013, and had a fair market value of \$20.52 per share on the date of grant.

#### 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 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 the five 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 to provide them with incentives based upon the long term success of the Company. The awards consisted of stock options. No subsequent option awards have been made to the five named executive officers.

#### 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 2013, 2012 and 2011 fiscal years.

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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	2013	400,000	405,000	93,332	—	—	—	10,937	909,269
	2012	400,000	330,000	440,011	2,726,224	—	—	11,458	3,907,693
	2011	400,000	256,884	126,682	—	713,116	—	9,479	1,506,161
Scott J. Branch Director, Chief Operating Officer	2013	400,000	405,000	93,332	—	—	—	10,937	909,269
	2012	400,000	330,000	440,011	2,726,224	—	—	11,458	3,907,693
	2011	400,000	256,884	126,682	—	713,116	—	9,479	1,506,161
William J. Dunaway Chief Financial Officer	2013	262,500	202,000	40,015	—	—	—	13,438	517,953
	2012	200,000	170,000	180,001	1,090,490	—	271	10,312	1,651,074
	2011	200,000	136,387	53,340	50,707	378,613	383	23,756	843,186
Brian T. Sephton Chief Legal and Governance Officer	2013	262,500	190,000	40,015	—	—	—	13,438	505,953
	2012	200,000	170,000	180,001	1,090,490	—	—	10,468	1,650,959
	2011	200,000	136,387	53,340	—	378,613	—	9,896	778,236
Peter J. Nessler, Jr. Executive Vice President-Commodities	2013	333,200	250,000	53,335	—	—	—	10,937	647,472
	2012	—	—	—	—	—	—	—	—
	2011	—	—	—	—	—	—	—	—

(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) Stock awards in this column are reported at the aggregate grant date fair value in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 718. Assumptions used in the calculation of these amounts are included in Note 15 in the Company's consolidated financial statements for the fiscal year ended September 30, 2013, as set forth in the Company's Form 10-K for the 2013 fiscal year.

(3) Option awards in this column are reported at the aggregate grant date fair value in accordance with FASB ASC Topic 718. Assumptions used in the calculation of these amounts are included in Note 15 in the Company's consolidated financial statements for the fiscal year ended September 30, 2013, as set forth in the Company's Form 10-K for the 2013 fiscal year. Option awards in fiscal year 2012 consisted of 200,000 shares to Mr. O'Connor and Mr. Branch, and 80,000 shares to Mr. Dunaway and Mr. Sephton. These options vest in equal tranches on each of the fifth, sixth, seventh, eighth and ninth anniversaries of the grant date of December 16, 2011 and expire on December 16, 2021.

(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 fiscal years 2013, 2012 and 2011, and (ii) for Mr. Dunaway, the value of certain Company vehicles transferred to him during 2011 as well as the incremental cost of his personal use of the vehicle prior to the transfer. The variation between fiscal year matching contributions and calendar year contribution limits is due to contributions made during a fiscal year's first quarter which act as a contribution catch-up for the corresponding calendar year. For 2013, the matching contributions made by the Company under its 401(k) plan for each officer was \$10,937, except for Mr. Dunaway and Mr. Sephton, who had additional matching contributions during fiscal year 2013 for calendar year 2012. 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.

(7) Mr. Nessler became a named executive officer of the Company as of October 1, 2012 upon the retirement of Paul G. Anderson.

Grants of Plan Based Awards - 2013

The following table sets forth information on plan based awards granted in the 2013 fiscal year to each of the Company's

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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 2013, are shown in the Summary Compensation Table on page 19.

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 (\$)	Maximum (\$)(1)	Target Maximum (\$)	Maximum (\$)	Number of Shares or Units(#)(2)	Number of Securities Underlying Options (#)		
Sean M. O'Connor	12/14/2012	12/14/2012	3,000,000				5,276			93,332
Scott J. Branch	12/14/2012	12/14/2012	3,000,000				5,276			93,332
William J. Dunaway	12/14/2012	12/14/2012	3,000,000				2,262			40,015
Brian T. Sephton	12/14/2012	12/14/2012	3,000,000				2,262			40,015
Peter J. Nessler, Jr.	12/14/2012	12/14/2012	3,000,000				3,015			53,335

(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, 2013. 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 2013. These criteria are described in the section entitled "Application of Executive Performance Plan in 2013" above.

(2) The information in this column consists of restricted shares issued in fiscal year 2013 under the Executive Performance Plan and under the Company's Restricted Stock Plan with respect to services rendered in fiscal year 2012.

#### Outstanding Equity Awards at Fiscal Year-End - 2013

The following table sets forth all outstanding equity awards held by the named executive officers as of September 30, 2013.

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Name	Option Awards			Option Expiration Date	Stock Awards		
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)		Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	
Sean M. O'Connor	53,333	26,667	7.28	12/5/2014	3,333 (1)	68,460	
		200,000	25.91	12/16/2021	1,792 (2)	36,808	
						11,963 (3)	245,720
						5,276 (4)	108,369
Scott J. Branch	53,333	26,667	7.28	12/5/2014	3,333 (1)	68,460	
		200,000	25.91	12/16/2021	1,792 (2)	36,808	
						11,963 (3)	245,720
						5,276 (4)	108,369
William J. Dunaway	9,735		18.64	6/13/2016	754 (2)	15,487	
	13,275		54.23	3/16/2017	4,894 (3)	100,523	
	2,666	1,334	23.49	11/30/2014	2,262 (4)	46,461	
		80,000	25.91	12/16/2021			
Brian T. Sephton	40,000	20,000	6.62	12/5/2014	2,500 (1)	51,350	
		80,000	25.91	12/16/2021	754 (2)	15,487	
						4,894 (3)	100,523
						2,262 (4)	46,461
Peter J. Nessler, Jr.	4,425		18.64	6/13/2016	4,894 (3)	100,523	
	15,930		54.23	3/16/2017	3,015 (4)	61,928	
	2,000	1,000	23.49	11/30/2014	4 (5)	82	
		80,000	25.91	12/16/2021	88 (6)	1,808	
				136 (7)	2,793		
				250 (8)	5,135		

(1) These shares vested on December 5, 2013.

(2) These shares vested on December 14, 2013.

(3) These shares vest equally on December 15, 2013 and 2014.

(4) These shares vest equally on December 14, 2013, 2014 and 2015.

(5) These shares vest on January 31, 2014.

(6) These shares vest on April 29, 2014.

(7) These shares vest on July 29, 2014.

(8) These shares vest on October 31, 2014.

(9) Based on the closing price of the Company's common stock on September 30, 2013.

Options Exercised and Stock Vested- 2013 Fiscal Year

The following table sets forth the number of shares of common stock acquired during 2013 by each named executive officer upon the exercise of options or through the vesting of restricted stock.



Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)
Sean M. O'Connor	68,374	862,417	17,962	322,129
Scott J. Branch	—	—	17,962	322,129
William J. Dunaway	—	—	3,202	57,085
Brian T. Sephton	—	—	9,516	170,599
Peter J. Nessler, Jr.	—	—	2,802	50,167

(1) These amounts reflect the exercise of 68,374 options at an exercise price of \$2.50 per share.

#### Pension Plans

On September 30, 2009, the Company assumed the FCStone qualified noncontributory defined benefit pension plan in connection with the acquisition of FCStone. The plan was frozen to new employees prior to the acquisition.

Additionally, prior to the acquisition, the plan was amended to freeze all future benefit accruals, and accordingly no additional benefits accrue for active participants under the plan. The Company's funding policy as it relates to this plan is to fund amounts that are intended to provide for benefits attributed to service to date. Mr. Dunaway and Mr. Nessler are the only named executive officers who are participants in the plan.

The table below shows the actuarial present value of accumulated benefits payable to Mr. Dunaway and Mr. Nessler, determined using interest rate and mortality rate assumptions consistent with those used in the Company's consolidated financial statements, the number of years of service credited to each such named executive officer under the plan, and the payments made during the 2013 fiscal year to each such named executive officer.

Name	Plan Name	Number of Years Credited Service (#)	Present Value of Accumulated Benefit (\$)	Payments During Last Fiscal Year (\$)
William J. Dunaway	Qualified noncontributory defined benefit plan	8	52,416	—
Peter J. Nessler, Jr.	Qualified noncontributory defined benefit plan	26	933,458	61,437

#### Nonqualified Deferred Compensation

On September 30, 2009, the Company assumed the obligations of FCStone under two deferred compensation plans, consisting of an individual non-qualified compensation plan for Mr. Dunaway and a mutual commitment compensation plan for Mr. Dunaway and Mr. Nessler.

The following table sets forth information with respect to Mr. Dunaway and Mr. Nessler concerning contributions, earnings and distributions under the two former FCStone plans in the 2013 fiscal year, as well as the fiscal year-end balances as of September 30, 2013.

Name	Plan Name	Executive Contributions in Last Fiscal Year (\$)	Registrant Contributions in Last Fiscal Year (\$)	Aggregate Earnings in Last Fiscal Year (\$)	Aggregate Withdrawals/Distributions (\$)	Aggregate Balance at Last Fiscal Year-End (\$)
William J. Dunaway	Mutual Commitment Compensation Plan			38	29,559	68,287
	Individual Deferred Compensation Plan			—	126,980	—

Peter J. Nessler, Jr.	Mutual Commitment Compensation Plan	236,710	135,493	372,202
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Mutual Commitment Compensation Plan. Under the FCStone mutual commitment compensation plan, participants were eligible to receive deferred compensation awards. Deferred compensation was credited to the participant within 60 days after the end of each fiscal year in an amount targeted to equal a percentage of the participant's annual base salary for such fiscal year. Each contribution to the plan vests after five years. Mr. Dunaway and Mr. Nessler are the only named executives officer who participate in the plan. Mr. Nessler's earnings reflect deferred compensation awards from prior years which vested in 2013. No awards were made to Mr. Dunaway or Mr. Nessler under the plan in 2013. If either of Mr. Dunaway or Mr. Nessler leave the Company due to

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his total disability, death or retirement, and he is not in violation of his employment agreement, his deferred compensation will continue to vest. If Mr. Dunaway or Mr. Nessler leave the Company for any other reason, he will be entitled only to the vested portion of his deferred compensation and will lose the right to any unvested amounts. Individual Deferred Compensation Plan. Under the FCStone individual deferred compensation plan, for Mr. Dunaway, in 2008, FCStone awarded deferred compensation in the amount of \$501,072 to Mr. Dunaway. The plan was adopted to replace the awards earned in 2008 by Mr. Dunaway under FCStone's Executive Long Term Incentive Plan. The plan provides that the deferred amounts will be paid in four equal annual installments, commencing on November 5, 2009. The amount of each payment also includes an amount equal to interest that would have accrued on the principal balance at a benchmark rate specified in the plan. To receive the payment, the participant must be an employee on the date of the payment or have received a vested right to the payment based on the criteria set forth in the Executive Long Term Incentive Plan.

#### Employment Agreements

The Company previously entered into employment agreements with Sean M. O'Connor and Scott J. Branch. Those agreements have expired.

#### Employment Agreement with Brian T. Sephton

The employment agreement for Brian T. Sephton currently has a term of one year, and is automatically renewed for an additional term of one year unless either party elects to terminate the agreement.

Under the agreement, Mr. Sephton is entitled to an annual base salary. The 2013 base salary for Mr. Sephton was \$275,000.

Under the agreement, Mr. Sephton is entitled to an annual bonus in an amount to be determined by the Board of Directors and to participate in all benefit plans generally available to other senior executives.

The agreement prohibits Mr. Sephton from soliciting any customers and employees of the Company during the 12 months immediately following any termination of his employment.

The agreement provides that Mr. Sephton is entitled to receive severance in the event of the termination of his employment. In the event of termination for cause or voluntary resignation, he is entitled to payment of his base salary for a period of 30 days. In the event of termination without cause, Mr. Sephton is entitled to payment of his base salary for four months.

If Mr. Sephton had been terminated for cause or voluntary resignation as of September 30, 2013, he would have been entitled to a termination payment in the amount of \$22,917. If Mr. Sephton had been terminated by the Company without cause as of September 30, 2013, he would have been entitled to a termination payment in the amount of \$91,667. These amounts would be payable in a lump sum.

The Company reserves the right to make additional payments to terminated employees if the Company determines that such payments are in the Company's best interests. The Company also has the right to fully vest executives in their equity awards upon retirement and in certain other termination of services circumstances.

#### Potential Payments upon Change of Control

Messrs. O'Connor, Branch, Dunaway, Sephton and Nessler are not entitled to any benefits, including acceleration of equity awards, upon a change in control of the Company.

#### REPORT OF THE COMPENSATION COMMITTEE ON EXECUTIVE COMPENSATION

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with management. Based on our review and discussion with management, the Compensation Committee recommended to the Board of Directors, and the Board has approved, that the Compensation Discussion and Analysis be included in the Proxy Statement.

#### THE COMPENSATION COMMITTEE

John M. Fowler, Chairman

Eric Parthemore

Diego J. Veitia



The Compensation Committee report in this proxy statement shall not be deemed incorporated by reference into any other filing by the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, except to the extent that the Company specifically incorporates this information by reference, and shall not otherwise be deemed filed under such Acts.

#### DIRECTOR COMPENSATION

The Board of Directors has retained the oversight of Director compensation and has not delegated that function to any of its committees. The Board periodically reviews its non-executive Director compensation to determine if any adjustments are necessary for the Company to attract and retain qualified Directors.

For the 2013 fiscal year, the Company's non-executive Directors received the following amounts:

\$70,000 per year for service as a Director.

\$28,000 per year for service as chairman of the Board.

\$15,000 per year for service as vice-chairman of the Board.

\$10,000 per year for service as chairperson of the Audit Committee.

\$5,000 per year for service as chairperson of the Compensation Committee.

\$5,000 per year for service as chairperson of the Nominating & Governance Committee.

▲ grant of restricted stock having a fair value of \$30,000.

The compensation to be paid to the Company's non-executive Directors for the 2014 fiscal year is expected to be the same as for 2013.

No Director who serves as an employee of the Company receives compensation for services rendered as a Director. Mr. Anderson, who served as a consultant to the Company in 2013, did not receive compensation for services rendered as a Director in 2013.

The Company reimburses non-executive Directors for reasonable out-of-pocket expenses incurred in attending meetings of the Board of Directors or any committee of the Board of Directors. In addition, all non-executive Directors are reimbursed for out-of-pocket expenses incurred in the performance of their services for the Company. The Company also extends coverage to Directors under the Company's directors' and officers' indemnity insurance policies.

During the 2013 fiscal year, each non-executive Director was given the option to participate in the Company's restricted stock program which operates in conjunction with the Restricted Stock Plan. Five of the non-executive Directors, Messrs. Fowler, Henze, Krehbiel, Parthemore and Radziwill, elected to participate fully in fiscal 2013. Two of the non-executive Directors, Mr. Friedman and Mr. Wheeler, elected to participate during a portion of fiscal 2013 until their retirement from the Board. Participants in the Restricted Stock Plan were allowed to choose the percentage (10%, 20% or 30%) of their compensation payable to them to be exchanged for shares of restricted stock.

The following chart summarizes the 2013 compensation for the Company's non-executive Directors for the fiscal year ended September 30, 2013.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$) <sup>(1)</sup> <sup>(2)</sup>	All Other Compensation (\$)	Total (\$)
John M. Fowler	52,500	60,089		112,589
Jack Friedman (3)	22,361	14,022		36,383
Daryl Henze	60,000	56,750		116,750
Bruce Krehbiel	49,000	58,083		107,083
Eric Parthemore	51,625	59,085		110,710
John Radziwill	68,600	69,325		137,925
Diego J. Veitia	70,000	30,000		100,000
Justin R. Wheeler (4)	29,583	7,511		37,094

(1) The amounts in this column represent the fair value of restricted stock awards granted to each non-executive Director in fiscal 2013. Fair value is calculated using the closing price of the Company's stock on the date of grant.

For additional information, refer to Note 14 to the Company's consolidated financial statements for the fiscal year ended September 30, 2013, set forth in the Company's Form 10-K for the 2013 fiscal year. These amounts reflect the Company's accounting expense for these

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awards, and do not correspond to the actual value that will be recognized by the named Directors. All non-executive Directors are eligible to participate in the Company's restricted stock program which operates in conjunction with the Restricted Stock Plan. Each non-executive Director may exchange a portion of his Director's fees for shares of restricted stock valued at a discount of 25% to the fair market value on the date of grant.

(2) As of September 30, 2013, the number of shares underlying outstanding stock options and restricted stock held by each of our non-executive Directors were as follows:

Name	Aggregate Number	Aggregate Number
	of Shares	of Shares
	Underlying	Underlying
	Outstanding Stock	Outstanding
	Options	Restricted Stock
John M. Fowler	1,666	6,055
Jack Friedman	19,314	—
Daryl Henze	2,728	5,434
Bruce Krehbiel	24,927	5,399
Eric Parthemore	18,872	5,456
John Radziwill	5,000	6,726
Diego J. Veitia	3,333	3,843

(3) Mr. Friedman retired from the Board of Directors effective as of February 21, 2013 and participated in the Company's restricted stock plan until his retirement.

(4) Mr. Wheeler retired from the Board of Directors effective as of February 21, 2013 and participated in the Company's restricted stock plan until December 31, 2012.

#### Compensation Committee Interlocks and Insider Participation

During our 2013 fiscal year, the members of the Compensation Committee were John M. Fowler (Chairman), Diego J. Veitia and Eric Parthemore. None of the members of our Compensation Committee is currently a company officer or employee. Mr. Fowler and Mr. Parthemore have never been an officer or employee of the Company, whereas Mr. Veitia formerly served as Chief Executive Officer of the Company from its inception in 1987 until October 2002. There are no Compensation Committee interlocks and no insider participation in compensation decisions that are required to be reported under the SEC's rules and regulations.

#### PROPOSAL 2 - RATIFICATION OF APPOINTMENT OF INDEPENDENT ACCOUNTANTS

Shareholders are being asked to ratify and approve the appointment of KPMG LLP ("KPMG") as our independent registered public accounting firm for the 2014 fiscal year. The appointment of KPMG was made by the Audit Committee of our Board of Directors. KPMG has served as the Company's independent accounting firm since fiscal year 2010, and served as the independent accounting firm of FCStone Group, Inc. and its predecessor firm since 1980. In connection with the audit of our 2014 fiscal year consolidated financial statements, the Company entered into an engagement agreement with KPMG which sets forth the terms by which KPMG will perform audit services for the Company. That agreement is subject to alternative dispute resolution procedures. The ratification and approval by shareholders of the appointment of KPMG effectively would also be a ratification of that agreement.

Audit services provided by KPMG for our 2013 fiscal year included the examination of the consolidated financial statements of the Company and its subsidiaries and services related to our periodic filings with the SEC. The services provided by KPMG are more fully described in this proxy statement under the captions "Audit Committee Report" and "Independent Auditor Fees."

Representatives of KPMG are expected to be present at the 2014 annual meeting (either in person or by teleconference), will have an opportunity to make a statement if they so desire, and will be available to respond to appropriate questions.

Shareholder ratification of the appointment of KPMG as the Company's independent registered public accountants is not required by the Company's bylaws or otherwise. However, the Board is submitting the appointment of KPMG to the shareholders for ratification as a matter of good corporate practice. If the shareholders fail to ratify the appointment, the Audit Committee will reconsider whether or not to retain that firm. Even if the appointment is ratified, the Audit Committee in its discretion may appoint a different independent accounting firm at any time during the year if the Audit Committee determines that such a change would be in the best interests of the Company and its shareholders.

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THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF KPMG LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM.

## AUDIT COMMITTEE REPORT

### Audit Committee Report

The role of the Audit Committee is to assist the Board of Directors in its oversight of the Company's financial reporting process. Management has the primary responsibility for the consolidated financial statements and the reporting process, including the system of internal controls. The Company's independent registered public accountants are responsible for auditing the Company's consolidated financial statements and expressing an opinion as to their conformity to accounting principles generally accepted in the United States.

The Audit Committee operates under a written charter approved by the Board, a copy of which may be found on the Company's website, [www.intlfcstone.com](http://www.intlfcstone.com). The Charter provides, among other things, that the Audit Committee has full authority to engage the independent auditor, independent advisors, and consultants.

In the performance of its oversight function, the Audit Committee has reviewed and discussed with management and the independent accountants the Company's audited consolidated financial statements. The Audit Committee also has discussed with the independent accountants the matters required to be discussed by PCAOB Rule 3200T regarding "Communication with Audit Committees." This review included a discussion with management and the independent auditor of the quality (not merely the acceptability) of the Company's accounting principles, the reasonableness of significant estimates and judgments, and the disclosures in the Company's consolidated financial statements, including the disclosures relating to critical accounting policies. In addition, the Audit Committee has received from the independent accountants the written disclosures and letter required by the applicable requirements of the PCAOB for independent auditor communications with audit committees concerning independence, has discussed with the independent accountants their independence from the Company and its management, and has considered whether the independent accountants' provision of non-audit services to the Company is compatible with maintaining the accountants' independence.

The Audit Committee discussed with the Company's independent accountants the overall scope and plans for their audits. The Audit Committee met with the independent accountants, with and without management present, to discuss the results of their examinations, their evaluations of the Company's internal controls and the overall quality of the Company's financial reporting. In addition, the Audit Committee met with the Chief Executive Officer and Chief Financial Officer of the Company to discuss the processes that they have undertaken to evaluate the accuracy and fair presentation of the Company's consolidated financial statements and the effectiveness of the Company's systems of disclosure controls, including the clarity of the disclosures, and procedures and internal control over financial reporting. Based on the reviews and discussions referred to above, the Audit Committee has recommended to the Board of Directors, and the Board has approved, that the Company's audited consolidated financial statements be included in the Company's Annual Report on Form 10-K for the year ended September 30, 2013 for filing with the Securities and Exchange Commission and appointed KPMG LLP to serve as the Company's independent auditors for 2014.

Respectfully submitted,

THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

Daryl Henze (Chairman)

Diego Veitia

Bruce Krehbiel

The Audit Committee report in this proxy statement shall not be deemed incorporated by reference into any other filing by the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that the Company specifically incorporates this information by reference, and shall not otherwise be deemed filed under such Acts.

Independent Auditor Fees

KPMG, the Company's independent registered public accountants for the fiscal years ending September 30, 2013 and 2012, performed the review of each of the Company's quarterly reports for the 2013 and 2012 fiscal years and the audit of the Company's consolidated financial statements for the years ended September 30, 2013 and 2012.

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The following table sets forth information regarding fees for professional services rendered by KPMG with respect to the 2013 and 2012 fiscal years.

	Fiscal Year 2013	Fiscal Year 2012
Audit Fees (1)	\$2,776,478	\$1,912,227
Audit Related Fees (2)	\$4,050	\$24,500
Tax Fees (3)	\$30,068	\$37,500
All Other Fees	\$8,068	\$17,600
<b>Total</b>	<b>\$2,818,664</b>	<b>\$1,991,827</b>

(1) Audit Fees consist of fees billed, or expected to be billed, for professional services rendered for the audit of the Company's consolidated annual financial statements and review of the interim consolidated financial statements included in quarterly reports and services normally provided in connection with regulatory filings or engagements.

(2) Audit-Related Fees consist of fees for assurance and related services rendered during the fiscal year that are reasonably related to the performance of the audit or review of the Company's consolidated financial statements and are not reported under "Audit Fees," as well as fees for the audit of a certain employee benefit plan.

(3) Tax Fees consist of fees rendered during the fiscal year for assistance in responding to inquiries with respect to previous tax years during which KPMG acted as the tax preparer.

The Audit Committee's policy is to pre-approve all audit and non-audit services provided by the Company's independent auditor. These services may include audit services, audit-related services, tax services and other services. Pre-approval is generally provided for up to one year and any pre-approval is detailed as to the particular service or category of services and is generally subject to a specific budget. During the 2013 fiscal year, 100% of the audit and non-audit services were pre-approved by the Audit Committee.

### PROPOSAL 3 - ADVISORY (NON-BINDING) VOTE ON EXECUTIVE COMPENSATION

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act enacted in July 2010 (the "Dodd-Frank Act"), the shareholders of the Company are entitled to vote at the annual meeting on the compensation of the Company's named executive officers, as disclosed in the Compensation Discussion and Analysis section and accompanying compensation tables contained in this Proxy Statement. Pursuant to the Dodd-Frank Act, the shareholder vote on executive compensation is an advisory vote only, and it is not binding on the Company or the Board of Directors. Although the vote is non-binding, the Compensation Committee and the Board value the opinions of the shareholders and will consider the outcome of the vote when making future compensation decisions.

As described more fully in the Compensation Discussion and Analysis section contained in this Proxy Statement, the Company's executive compensation program is designed to attract, motivate and retain individuals with the skills required to formulate and drive the Company's strategic direction and achieve annual and long-term performance goals necessary to create shareholder value. The program seeks to align executive compensation with shareholder value on an annual and long-term basis through a combination of base salary, bonuses under established bonus plans with objective criteria, discretionary bonuses based on subjective criteria, health insurance and similar benefits. The bonus payments under the established bonus plan are based upon one or more of the following business criteria: change in share price, adjusted return on equity, control of fixed costs, control of variable costs, and adjusted EBITDA growth. Further indicative of the alignment between executive compensation and shareholder value is the fact that bonuses may be paid in a combination of cash and restricted stock on a basis to be established by the Compensation Committee.

The executive management team of the Company has been focused on creating and building a customer-centric, growth oriented global company during a volatile and challenging period in the financial services industry. The management team has made progress in positioning the Company for growth while also making the Company's operations more efficient. To that end, fiscal year 2013 accomplishments include, among other things, the following:

- The successful management of the Company's commodities futures business during a period of extraordinary drought conditions in the United States, which significantly impacted the Company's core agricultural activity.
- The reduction in fixed expenses despite the increased costs of regulation.



The successful modification of the Company's capital structure by expanding the Company's credit facility and initiating the Company's first long-term debt issuance.

The critical evaluation of business segments within the Company and the exit from marginally profitable businesses.

The increase in customer-base and product offerings of the Company, expected to contribute significantly to future profitability.

The Compensation Committee also considers the total compensation of the Company's five principal executives to be generally consistent with the base salaries paid by the Company's principal competitors to their senior executive officers.

The advisory vote regarding the compensation of the named executive officers shall be approved if the votes cast in favor of the proposal exceed the votes cast against the proposal. Abstentions will not be counted as either votes cast for or against the proposal.

THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS VOTE "FOR" THE APPROVAL OF THE COMPENSATION OF THE NAMED EXECUTIVE OFFICERS AS DISCLOSED IN THE COMPENSATION DISCUSSION AND ANALYSIS SECTION AND ACCOMPANYING COMPENSATION TABLES CONTAINED IN THIS PROXY STATEMENT.

#### PROPOSAL 4 - OTHER MATTERS

The Board of Directors does not know of any other matters that will be presented for consideration at the 2014 annual meeting. If any other matters are properly brought before the 2014 annual meeting, the persons appointed as proxies will vote on such matters in accordance with their best judgment.

#### MANAGEMENT

The following table lists certain information about the executive officers of the Company:

Name	Age	Director Since	Executive Officer Since	Position with the Company
Sean M. O'Connor	51	2002	2002	Director and Chief Executive Officer
Scott J. Branch	51	2002	2002	Director and President
William J. Dunaway	42	—	2009	Chief Financial Officer
Brian T. Sephton	56	—	2004	Chief Legal and Governance Officer
Peter J. Nessler, Jr.	56	—	2012	Executive Vice President-Commodities
Aaron Schroeder	38	—	2012	Group Controller

The background of each of the Company's executive officers who also serve as a Director is set forth in Proposal 1 - Election of Directors. The backgrounds of Mr. Dunaway, Mr. Sephton, Mr. Nessler and Mr. Schroeder are set forth below.

William J. Dunaway was appointed Chief Financial Officer of the Company on October 5, 2009 following the merger with FCStone. From January 2008 until the merger, Mr. Dunaway was the Chief Financial Officer of FCStone.

Mr. Dunaway has over 18 years of industry experience with FCStone and its predecessor companies, including service as the Executive Vice President and Treasurer.

Brian T. Sephton was appointed Chief Legal and Governance Officer of the Company on October 5, 2009 following the merger with FCStone. Mr. Sephton joined the Company in December 2004 as its Executive Vice President and was appointed Chief Financial Officer effective January 1, 2005. From 1999 until 2004, Mr. Sephton served as Senior Vice President of Standard New York Securities in Miami, Florida, with responsibilities for managing the activities of an office specializing in Latin American investment banking and investment advisory businesses. Mr. Sephton qualified as both a chartered accountant and an attorney in South Africa.

Peter J. Nessler, Jr. was appointed as Executive Vice President-Commodities of the Company in May 2012. Mr. Nessler served as Senior Vice President of FCStone Group, Inc. from 2008 to 2010. In October 2010, Mr. Nessler became



President of FCStone, LLC. In September 2012, Mr. Nessler also became CEO of FCStone, LLC and President/CEO of FCStone Group, Inc. Mr. Nessler has been with FCStone since 1982 and served as a risk manager for nearly 30 years.

Aaron Schroeder was appointed as Group Controller in November 2012. Mr. Schroeder has been with the Company and FCStone for nearly 11 years. Mr. Schroeder has been Chief Accounting Officer of FCStone since January 2008, and prior to appointment was Director of Accounting, Group Controller and Assistant Treasurer of FCStone and its subsidiaries. Before coming to work for FCStone, Mr. Schroeder worked as a Senior Associate at the accounting firm, KPMG LLP.

#### Code of Ethics

The Company has adopted a Code of Ethics which applies to the Company's officers, Directors and employees. A copy of the Company's Code of Ethics is available on the Company's website [www.intlfcstone.com](http://www.intlfcstone.com).

The Code of Ethics governs the behavior of all the Company's employees, officers and Directors, including the named executive officers. The Code of Ethics provides that no employee shall engage in any transaction involving the Company if the employee or a member of his or her immediate family has a substantial interest in the transaction or can benefit directly or indirectly from the transaction (other than through the employee's normal compensation), unless the transaction or potential benefit and the interest have been disclosed to and approved by the Company. If one of the Company's executive officers has the opportunity to invest or otherwise participate in such a transaction, the policy requires the executive to contact the President and the Chairman of the Audit Committee. Any such transaction must be approved by the Audit Committee.

The Code of Ethics has been adopted by the Board of Directors and any exceptions to the policies set forth in the Code of Ethics must be requested in writing addressed to the Audit Committee of the Board of Directors. If an executive officer requests an exception, the request must be delivered to the Chairman of the Audit Committee and no exceptions shall be effective unless approved by the Audit Committee.

#### SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information concerning the beneficial ownership of the Company's common stock as of December 31, 2013, by:

- each person known by the Company to own more than 5% of the Company's common stock,
  - each Director and nominee for Director of the Company,
  - each of the Company's executive officers named in the "Summary Compensation Table" and
  - all of the Company's executive officers and Directors of the Company as a group.
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Name	Number of Shares		
	Beneficially Owned (1) (2)	Percent of Class	
<b>Institutions and Funds</b>			
Bares Capital Management, Inc. (3)	3,029,210	15.79	%
Royce & Associates, LLC (4)	1,284,827	6.70	%
Columbia Management Investment Advisers, LLC (5)	993,644	5.18	%
<b>Officers and Directors</b>			
Sean M. O'Connor (6) (7) (8)	1,182,654	6.14	%
Scott J. Branch (9) (10) (11)	1,144,985	5.94	%
John Radziwill (12) (13) (14)	868,808	4.53	%
Paul G. Anderson (15)	210,053	1.09	%
Bruce Krehbiel (16)	186,993	*	
Brian T. Sephton (17)	164,768	*	
John M. Fowler (18)	49,162	*	
Eric Parthemore (19)	50,528	*	
William J. Dunaway (20)	42,938	*	
Peter J. Nessler, Jr. (21)	38,022	*	
Diego J. Veitia (22) (23)	30,377	*	
Daryl Henze (24)	14,111	*	
Aaron M. Schroeder (25)	10,506	*	
All Directors and executive officers as a group (13 persons) (26)	3,993,905	20.29	%

\*Less than 1.0%

- (1) Except as otherwise noted, all shares were owned directly with sole voting and investment power.
- (2) Includes shares of common stock that can be acquired under vested stock options within 60 days from December 31, 2013 and unvested restricted shares granted through December 31, 2013.
- (3) The address of Bares Capital Management, Inc. is 221 W 6th Street, Suite 1225 Austin, TX 78701.
- (4) The address of Royce & Associates, LLC is 745 5<sup>th</sup> Avenue, New York, New York 10151.
- (5) The address of Columbia Management Investment Advisers, LLC is 225 Franklin Street, Boston, MA 02110.
- (6) The address of Sean M. O'Connor is 708 Third Avenue, 15th Floor, New York, New York 10017.
- (7) Includes 780,434 shares held by Darseaker Limited Trust. Family members of Mr. O'Connor may become beneficiaries of the Trust.
- (8) Includes 80,000 shares that Mr. O'Connor may acquire under vested stock options and 15,671 unvested restricted shares. 193,246 of these shares were held in margin accounts as of December 31, 2012.
- (9) Scott J. Branch's address is 708 Third Avenue, 15th Floor, New York, New York 10017.
- (10) Includes 367,647 shares owned by Mr. Branch's spouse, Barbara Branch.
- (11) Includes 80,000 shares that Mr. Branch may acquire under vested stock options and 15,671 unvested restricted shares.
- (12) Includes 6,453 unvested restricted shares and 5,000 shares issuable upon the exercise of vested stock options.
- (13) Includes 569,853 shares owned by Goldcrown Asset Management Limited. Mr. Radziwill is a Director and a beneficial owner of more than 10% of Goldcrown Asset Management Limited.
- (14) Includes 282,514 shares owned by Humble Trading Limited. Mr. Radziwill is affiliated with Humble Trading Limited but disclaims beneficial ownership of these shares. 110,172 of these shares were held in a margin account as of December 31, 2013.
- (15) Includes 171,752 shares that Mr. Anderson may acquire under vested stock options and 575 unvested restricted shares.

- (16) Includes 24,927 shares that Mr. Krehbiel may acquire under vested stock options, 5,510 unvested restricted shares and 150,000 shares held by Kanza Cooperative Association, of which Mr. Krehbiel is manager.
- (17) Includes 6,230 unvested restricted shares and 60,000 shares that Mr. Sephton may acquire under vested stock options. 91,738 of these shares were held in a margin account as of December 31, 2013.
- (18) Includes 5,712 unvested restricted shares, 3,200 shares owned by Mr. Fowler's spouse and 1,666 shares that Mr. Fowler may acquire under vested stock options.
- (19) Includes 18,872 shares that Mr. Parthemore may acquire under vested stock options, 5,592 unvested restricted shares and 21,243 shares held by Heritage Cooperative, Inc., of which Mr. Parthemore is president and chief executive officer.
- (20) Includes 27,010 shares that Mr. Dunaway may acquire under vested stock options and 6,425 unvested restricted shares.
- (21) Includes 23,355 shares that Mr. Nessler may acquire under vested stock options and 8,184 unvested restricted shares.
- (22) Includes 20,209 shares held by The Diego J. Veitia Family Trust (the "Veitia Family Trust"). Mr. Veitia is the settlor, sole trustee and primary beneficiary of the Veitia Family Trust. Also includes 6,835 shares individually and in Veitia and Associates, of which Mr. Veitia is the sole owner. 20,176 of these shares were held in a margin account as of December 31, 2013.
- (23) Includes 3,126 unvested restricted shares and 3,333 shares that Mr. Veitia may acquire under vested stock options.
- (24) Includes 2,728 shares that Mr. Henze may acquire under vested stock options and 5,483 unvested restricted shares.
- (25) Includes 6,710 shares that Mr. Schroeder may acquire under vested stock options.
- (26) Includes 505,353 shares issuable upon the exercise of currently vested stock options and 84,632 unvested restricted stock shares.

#### Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act requires the Company's executive officers and Directors, and persons who own more than 10% of the Company's common stock, to file reports of ownership and changes in ownership of the common stock with the Securities and Exchange Commission.

Based solely on the review of such reports, the Company is not aware of any reports which were not filed on a timely basis during the 2013 fiscal year.

#### CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Two of the Company's Directors, Bruce Krehbiel and Eric Parthemore, are executive officers of cooperatives that utilize the services of FCStone. Each of these Directors previously served as Directors of FCStone. The following table sets forth the amounts paid by these stockholder cooperatives for our services during the 2013 fiscal year.

Board Member	Board Member's Cooperative	Amounts Paid by Cooperative to the Company for Services
Bruce Krehbiel	Kanza Cooperative Association	\$91,642
Eric Parthemore	Heritage Cooperative Inc.	\$172,005

In addition, one of the Company's Directors, Paul G. Anderson, served as a consultant to the Company. Mr. Anderson was paid \$200,000 for his services during the 2013 fiscal year.

The Company's policy is that all transactions between the Company and its officers, Directors and/or five percent stockholders must be on terms that are no more favorable to those related parties than the terms provided to our other customers.

#### GENERAL INFORMATION

Shareholder Proposals

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Proposals of shareholders of the Company that are intended to be presented by such shareholders at the Company's 2015 annual meeting of shareholders and that shareholders desire to have included in the Company's proxy materials relating to such meeting must be received by the Company at its corporate offices no later than September 19, 2014, which is 120 calendar days prior to the first anniversary of this year's mailing date. Upon timely receipt of any such proposal, the Company will determine whether or not to include such proposal in the proxy statement and proxy in accordance with applicable regulations governing the solicitation of proxies.

If a shareholder wishes to present a proposal at the Company's 2015 annual meeting or to nominate one or more Directors and the proposal is not intended to be included in the Company's proxy statement relating to that meeting, the shareholder must give advance written notice to the Company by December 3, 2014, as required by SEC Rule 14a-4(c)(1).

Any shareholder filing a written notice of nomination for Director must describe various matters regarding the nominee and the shareholder, including such information as name, address, occupation and shares held. Any shareholder filing a notice to bring other business before a shareholder meeting must include in such notice, among other things, a brief description of the proposed business and the reasons for the business, and other specified matters. Copies of those requirements will be forwarded to any shareholder upon written request.

#### Solicitation

The Company will bear the entire cost of solicitation of proxies, including preparation, assembly, printing and mailing of this proxy statement, the proxy card and any additional information furnished to shareholders. Copies of solicitation materials will be furnished to banks, brokerage houses, fiduciaries and custodians holding in their names shares of common stock beneficially owned by others to forward to such beneficial owners. The Company may reimburse persons representing beneficial owners of common stock for their costs of forwarding solicitation materials to such beneficial owners. Original solicitation of proxies by mail may be supplemented by telephone, telegram or personal solicitation by Directors, officers or other regular employees of the Company. No additional compensation will be paid to Directors, officers or other regular employees for such services.

#### Availability of Form 10-K

The Company will provide the Company's Annual Report on Form 10-K for the 2013 fiscal year to shareholders, without charge, upon written request. Such requests should be submitted to INTL FCStone Inc., 1251 NW Briarcliff Parkway, Suite 800, Kansas City, Missouri 64116. Exhibits to Form 10-K will also be provided upon specific request.

John Radziwill

Chairman

January 17, 2014







