

INTERNATIONAL ASSETS HOLDING CORP

Form S-4

July 27, 2009

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As filed with the Securities and Exchange Commission on July 27, 2009

Registration No.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4
REGISTRATION STATEMENT

under

the Securities Act of 1933

INTERNATIONAL ASSETS HOLDING CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

5231
(Primary Standard Industrial
Classification Code Number)
220 E. Central Parkway

59-2921318
(I.R.S. Employer
Identification No.)

Suite 2060
Altamonte Springs, Florida 32701

(407) 741-5300

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(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Brian T. Sephton, Chief Financial Officer

International Assets Holding Corporation

220 E. Central Parkway

Suite 2060

Altamonte Springs, Florida 32701

(407) 741-5300

(Name, address, including zip code and telephone number, including area code of agent for service)

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Approximate Date of Commencement of Proposed Sale to the Public: As soon as practicable after this registration statement becomes effective and all other conditions to the proposed merger described herein have been satisfied or waived.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box: "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or smaller reporting company.

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Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
 If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered(1)	Amount to be registered(2)	Proposed maximum offering price per share	Proposed maximum aggregate offering price(3)	Amount of registration fee
Common stock, \$0.01 par value	9,053,916 shares	N/A	\$144,248,842	\$8,049.09

(1) This registration statement covers the maximum number of shares of common stock, \$0.01 par value per share, of International Assets Holding Corporation, a Delaware corporation (International Assets), that may be issued as part of the proposed merger described herein to the holders of the common stock, \$0.0001 par value per share, of FCStone Group, Inc. (FCStone), and to holders of FCStone outstanding options to acquire FCStone common stock.

(2) Based on the maximum number of shares of International Assets common stock that may be issued as part of the proposed merger described herein, calculated as the product of (a) an exchange ratio of 0.2950 shares of International Assets common stock for each whole share of FCStone common stock multiplied by (b) the sum of (i) 27,930,188, the number of shares of FCStone common stock outstanding as of the close of business on July 23, 2009, and (ii) 2,761,055 shares of FCStone common stock issuable pursuant to options outstanding as of the close of business on July 23, 2009 (whether or not currently exercisable).

(3) Estimated solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act of 1933, as amended, and computed pursuant to Rule 457(c) and Rule 457(f)(1), based upon the product of: (A) 30,691,243, the estimated maximum number of shares of FCStone common stock that may be cancelled in the merger, multiplied by (B) \$4.70, the average of the high and low sale prices for shares of FCStone common stock as reported on the NASDAQ Global Select Market on July 23, 2009.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further Amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary joint proxy statement/prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary joint proxy statement/prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY SUBJECT TO COMPLETION, DATED JULY 27, 2009

[Logo of IAAC]

[Logo of FCStone]

SPECIAL MEETINGS OF STOCKHOLDERS MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

On behalf of the boards of directors of International Assets Holding Corporation and FCStone Group, Inc., we are pleased to deliver our joint proxy statement/prospectus for the combination of our two companies in a transaction structured as a merger of equals.

The combined company is expected to be a leading global provider of consulting and trade execution services, servicing more than 10,000 customers from an employee base of 650 people in eleven countries. We believe the combined company will be well positioned to achieve strong financial performance and increase stockholder value by adhering closely to our customer-centric strategies.

If the merger is consummated, FCStone stockholders will receive 0.2950 shares of common stock of International Assets for each share of FCStone common stock held as of the record date. This exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing. The stockholders of International Assets will continue to own their existing shares, which will not be affected by the merger. We estimate that International Assets will issue approximately 8,239,405 shares of its common stock to FCStone stockholders in the merger based on the exchange ratio and the number of shares of FCStone common stock outstanding on July 25, 2009 assuming no exercises of FCStone stock options prior to the merger. Upon completion of the merger, we estimate that FCStone's former stockholders will own approximately 47.5% of the common stock of International Assets.

International Assets common stock is listed on the NASDAQ Global Market under the symbol IAAC. On _____, 2009, the last trading day before the date of this joint proxy statement/prospectus, the closing price of International Assets common stock was \$ _____ per share. FCStone common stock is listed on the NASDAQ Global Select Market under the symbol FCSX.

Your vote is very important. We cannot complete the merger unless the International Assets common stockholders vote to approve the issuance of International Assets common stock in the merger and the amendments to the certificate of incorporation of International Assets, and the FCStone common stockholders vote to approve and adopt the merger agreement.

Each of International Assets and FCStone will hold a special meeting of stockholders to vote on proposals related to the merger, and in the case of International Assets, additional proposals relating to its certificate of incorporation. The meetings of stockholders will be held at the dates, times and locations set forth below. Whether or not you plan to attend your company's meeting, please take the time to submit your proxy by completing and returning the enclosed proxy card or voting instruction form or voting by telephone or the internet as instructed on the enclosed proxy card. If your shares of International Assets common stock or FCStone common stock are held in an account with a bank, broker or other nominee, you must instruct your bank, broker or other nominee how to vote those shares.

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The dates, times and places of the special meetings are as follows:

For International Assets stockholders:

, 2009

10:00 a.m., local time

The International Assets board of directors recommends that International Assets stockholders vote FOR the issuance of International Assets common stock in the merger, and FOR the amendments to the certificate of incorporation.

Sean M. O Connor

Chief Executive Officer

International Assets Holding Corporation

For a discussion of significant matters that should be considered before voting at the special meetings, see **Risk Factors** beginning on page 17.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the merger and other transactions described in this joint proxy statement/prospectus or the securities to be issued pursuant to the merger under this joint proxy statement/prospectus nor have they determined if the attached joint proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated , 2009, and is first being mailed to stockholders of International Assets and FCStone on or about , 2009.

For FCStone stockholders:

, 2009

9:00 a.m., local time

Kansas City, Missouri

The FCStone board of directors recommends that FCStone stockholders vote FOR the adoption of the merger agreement.

Paul G. Anderson

Chief Executive Officer

FCStone Group, Inc.

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INTERNATIONAL ASSETS HOLDING CORPORATION

220 E. Central Parkway

Suite 2060

Altamonte Springs, Florida 32701

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To Be Held , 2009

To the Stockholders of International Assets Holding Corporation:

On behalf of the board of directors of International Assets Holding Corporation, a Delaware corporation, we are pleased to deliver this joint proxy statement/prospectus for the proposed combination of International Assets and FCStone Group, Inc., a Delaware corporation. A special meeting of stockholders of International Assets will be held on , 2009 at 10:00 a.m., local time, at , for the following purposes:

1. To consider and vote upon the issuance of shares of International Assets common stock in the merger contemplated by the Agreement and Plan of Merger, dated as of July 1, 2009, by and among International Assets Holding Corporation, International Assets Acquisition Corp., a Delaware corporation and a wholly owned subsidiary of International Assets, and FCStone Group, Inc., a Delaware corporation;
2. To consider and vote upon a proposal to approve an amendment to International Assets certificate of incorporation to increase the number of authorized shares of International Assets common stock from 17,000,000 shares to 30,000,000 shares;
3. To consider and vote upon a proposal to approve an amendment to International Assets certificate of incorporation to establish a classified board of directors initially consisting of thirteen members to be divided into three classes, the reduction in the size of the board to eleven members in 2012 and to nine members in 2013, and the elimination of the classified board in 2013;
4. To consider and vote upon a proposal to approve an amendment to International Assets certificate of incorporation to eliminate a provision that requires the affirmative vote of the holders of 75% of the outstanding shares of International Assets common stock to remove or change the chairman of the board;
5. To consider and vote upon an adjournment of the International Assets special meeting, including if necessary, to solicit additional proxies if there are not sufficient votes in favor of any of International Assets Proposal Nos. 1, 2, 3 or 4; and
6. To transact such other business as may properly come before the special meeting or any adjournment or postponement thereof.

The board of directors of International Assets has fixed , 2009 as the record date for the determination of stockholders entitled to notice of, and to vote at, the International Assets special meeting and any adjournment or postponement thereof. Only holders of record of shares of International Assets common stock at the close of business on the record date are entitled to notice of, and to vote at, the International Assets special meeting. At the close of business on the record date, International Assets had outstanding and entitled to vote shares of common stock.

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Your vote is important. The affirmative vote of the holders of a majority of the shares voting in person or by proxy at the International Assets special meeting is required for approval of each of International Assets Proposal Nos. 1 and 5. The affirmative vote of the holders of a majority of the shares of International Assets common stock outstanding on the record date for the International Assets special meeting is required for approval of International Assets Proposal Nos. 2 and 3. The affirmative vote of the holders of 75% of the shares of the common stock of International Assets outstanding on the record date for the International Assets special meeting is required for approval of International Assets Proposal No. 4. Even if you plan to attend the International Assets

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special meeting in person, we request that you sign and return the enclosed proxy card or vote by telephone or by using the Internet as instructed on the enclosed proxy card and thus ensure that your shares will be represented at the special meeting if you are unable to attend.

If you sign, date and mail your proxy card without indicating how you wish to vote, your proxy will be counted as a vote in favor of each of International Assets Proposal Nos. 1, 2, 3, 4 and 5. If you fail to return your proxy card or vote by telephone or by using the Internet, the effect will be that your shares will not be counted for purposes of determining whether a quorum is present at the special meeting. If you do attend the International Assets special meeting and wish to vote in person, you may withdraw your proxy and vote in person.

By Order of the Board of Directors,

Sean M. O Connor

Chief Executive Officer

New York, New York

, 2009

The board of directors of International Assets has unanimously determined that each of the International Assets proposals outlined above is advisable and fair to, and in the best interests of, International Assets and its stockholders, and has approved each such proposal. The International Assets board of directors unanimously recommends that International Assets stockholders vote For each proposal.

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FCSTONE GROUP, INC.

1251 NW Briarcliff Parkway, Suite 800

Kansas City, Missouri 64116

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON _____, 2009

To the Stockholders of FCStone Group, Inc.:

On behalf of the board of directors of FCStone Group, Inc., a Delaware corporation, we are pleased to deliver this joint proxy statement/prospectus for the proposed combination of International Assets Holding Corporation, a Delaware corporation, and FCStone. A special meeting of stockholders of FCStone will be held on _____, 2009 at 9:00 a.m., local time, at _____ for the following purposes:

1. To consider and vote upon the adoption of the Agreement and Plan of Merger, dated as of July 1, 2009, by and among International Assets Holding Corporation, a Delaware corporation, International Assets Acquisition Corp., a Delaware corporation and a wholly owned subsidiary of International Assets, and FCStone Group, Inc.;
2. To consider and vote upon any adjournment of the special meeting, including if necessary, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement; and
3. To transact such other business as may properly come before the special meeting or any adjournment or postponement thereof.

The board of directors of FCStone has fixed _____, 2009 as the record date for the determination of stockholders entitled to notice of, and to vote at, the special meeting and any adjournment or postponement thereof. Only holders of record of shares of FCStone common stock at the close of business on the record date are entitled to notice of, and to vote at, the FCStone special meeting. At the close of business on the record date, FCStone had outstanding and entitled to vote _____ shares of common stock.

Your vote is important. The affirmative vote of the holders of a majority of the shares of FCStone common stock outstanding on the record date for the FCStone special meeting is required for approval of FCStone Proposal No. 1 regarding the adoption of the merger agreement. The affirmative vote of the holders of a majority of the shares voting in person or by proxy at the FCStone special meeting is required to approve FCStone Proposal No. 2 regarding an adjournment of the FCStone special meeting, including if necessary, to solicit additional proxies if there are not sufficient votes in favor of FCStone Proposal No. 1.

Even if you plan to attend the special meeting in person, we request that you sign and return the enclosed proxy card or voting instruction form, or vote by telephone or by using the Internet as instructed on the enclosed proxy card and thus ensure that your shares will be represented at the special meeting if you are unable to attend. If you sign, date and mail your proxy card or voting instruction form without indicating how you wish to vote, your proxy or voting instruction form will be counted as a vote in favor of the adoption of the merger agreement and in favor of an adjournment of the FCStone special meeting, including if necessary, to solicit additional proxies if there are not sufficient votes in favor of FCStone Proposal No. 1. If you fail to return your proxy card or voting instruction form, or vote by telephone or by using the Internet, the effect will be a vote against the adoption of the merger agreement and your shares will not be counted for purposes of determining whether a quorum is present at the FCStone special meeting. If you do attend the FCStone special meeting and wish to vote in person, you may withdraw your proxy and vote in person.

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Please do not send any certificates representing your FCStone common stock at this time.

By Order of the Board of Directors,

Paul G. Anderson

Chief Executive Officer

Kansas City, Missouri

, 2009

The board of directors of FCStone has unanimously determined that the merger agreement and the transactions contemplated by the merger agreement are advisable and fair to, and in the best interests of, FCStone and its stockholders, and unanimously recommends that FCStone stockholders vote For each proposal.

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ADDITIONAL INFORMATION

This joint proxy statement/prospectus refers to important business and financial information about FCStone that is not included in or delivered with this joint proxy statement/prospectus. This information is available for your review at the Securities and Exchange Commission's Public Reference Room located at 100 F Street, N.E., Room 1580, Washington D.C. 20549 and through the SEC's website at www.sec.gov. Such information is also available to you without charge upon written or oral request at the following address: FCStone Group, Inc., Attn: Investor Relations, 1251 NW Briarcliff Parkway, Suite 800, Kansas City, Missouri 64116 or by telephone at (800) 255-6381.

If you are an FCStone stockholder and you have questions about the merger, this joint proxy statement/prospectus, voting your shares, would like additional copies of this joint proxy statement/prospectus or need to obtain other information related to the proxy solicitation, you may contact FCStone's proxy solicitor, at the following address and telephone number:

You will not be charged for any of these documents that you request.

To obtain timely delivery, FCStone stockholders must request information or documents from FCStone or its proxy solicitor no later than five business days before the date of the FCStone special meeting, or no later than _____, 2009.

See "Where You Can Find More Information" on page 200 for a detailed description of the documents incorporated by reference into this joint proxy statement/prospectus. Information contained on the International Assets and FCStone websites is expressly not incorporated by reference into this joint proxy statement/prospectus.

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ABOUT THIS DOCUMENT

This document, which forms part of a registration statement on Form S-4 filed with the U.S. Securities and Exchange Commission by International Assets (File No. 333-), constitutes a prospectus of International Assets under Section 5 of the Securities Act of 1933, as amended, which we refer to as the Securities Act, with respect to the shares of International Assets common stock to be issued in the merger contemplated by the merger agreement.

This document also constitutes a notice of meeting and a proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act, (i) with respect to the International Assets special meeting, at which International Assets stockholders will be asked to consider and vote upon certain proposals, including a proposal to approve the issuance of shares of International Assets common stock in the merger contemplated by the merger agreement, and (ii) with respect to the FCStone special meeting, at which FCStone stockholders will be asked to consider and vote upon certain proposals, including a proposal to adopt the merger agreement.

As used in this joint proxy statement/prospectus, references to International Assets refer collectively to International Assets Holding Corporation and all of its subsidiaries unless the context requires otherwise, references to FCStone refer to FCStone Group, Inc. and all of its subsidiaries unless the context requires otherwise, and references to the combined company refer to International Assets following the consummation of the proposed merger described in this joint proxy statement/prospectus.

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Annex F:	Form of Certificate of Amendment to the Certificate of Incorporation of International Assets to Increase the Authorized Shares of International Assets Common Stock
Annex G:	Form of Certificate of Amendment to the Certificate of Incorporation of International Assets to Establish Classified Board

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**QUESTIONS AND ANSWERS ABOUT THE MERGER AND
THE STOCKHOLDER MEETINGS**

The following section provides answers to frequently asked questions about the merger and the effect of the merger on holders of International Assets common stock and FCStone common stock, the International Assets special meeting and the FCStone special meeting. This section, however, only provides summary information. International Assets and FCStone urge you to read carefully the remainder of this joint proxy statement/prospectus, including the annexes to this joint proxy statement/prospectus, because the information in this section does not provide all the information that might be important to you regarding the merger and the other matters being considered at the International Assets special meeting and the FCStone special meeting.

Q: What is the proposed transaction?

A: International Assets and FCStone have entered into an Agreement and Plan of Merger dated July 1, 2009, which is referred to in this joint proxy statement/prospectus as the merger agreement, that contains the terms and conditions of the proposed business combination of International Assets and FCStone. Under the merger agreement, International Assets Acquisition Corp., a wholly owned subsidiary of International Assets, will merge with and into FCStone, with FCStone surviving as a wholly owned subsidiary of International Assets, which transaction is referred to as the merger. The shares of International Assets common stock issued to FCStone stockholders in connection with the merger are expected to represent approximately 47.5% of the outstanding shares of International Assets common stock immediately following the consummation of the merger, based on the number of shares of International Assets common stock and FCStone common stock that were outstanding on July 1, 2009, assuming that no FCStone or International Assets stock options are exercised after July 1, 2009 and prior to the effective time of the merger. For a more complete description of the merger, please see the section entitled International Assets Proposal No. 1 and FCStone Proposal No. 1 The Merger on page 52 of this joint proxy statement/prospectus.

Q: Why are the two companies proposing to merge?

A: Both International Assets and FCStone believe that the combination will create a leading global provider of consulting and trade execution services. Management believes the combined entity will be better positioned to take advantage of market opportunities and enjoy better access to capital sources. For a discussion of the reasons for the merger, we urge you to read the information in the section entitled International Assets Proposal No. 1 The Merger International Assets Reasons For the Merger and Recommendation of International Assets Board of Directors on page 57 and FCStone Proposal No. 1 The Merger FCStone s Reasons For the Merger and Recommendation of FCStone s Board of Directors on page 61 of this joint proxy statement/prospectus.

Q: Why am I receiving this joint proxy statement/prospectus?

A: You are receiving this joint proxy statement/prospectus because you have been identified as a stockholder of either International Assets or FCStone, and thus you are entitled to vote at such company s special meeting. This document serves as both a joint proxy statement of International Assets and FCStone, used to solicit proxies for each of the company s special meetings, and as a prospectus of International Assets, used to offer shares of International Assets common stock in exchange for shares of FCStone common stock pursuant to the terms of the merger agreement. This document contains important information about the merger and the special meetings of International Assets and FCStone, and you should read it carefully.

Q: When and where will the FCStone special meeting take place?

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A: The FCStone special meeting will be held on _____, 2009 at 9:00 a.m., local time, at _____.

Q: When and where will the International Assets special meeting take place?

A: The International Assets special meeting will be on _____, 2009 at 10:00 a.m., local time, at _____.

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Q: Who can attend and vote at the stockholders meetings?

A: *FCStone:* All FCStone stockholders of record as of the close of business on _____, 2009, the record date for the FCStone special meeting, are entitled to receive notice of and to vote at the FCStone special meeting.

International Assets: All International Assets stockholders of record as of the close of business on _____, 2009, the record date for the International Assets special meeting, are entitled to receive notice of and to vote at the International Assets special meeting.

Q: How many votes do I have?

A: *FCStone:* You are entitled to one vote at the FCStone special meeting for each share of FCStone common stock that you owned as of the record date. As of the close of business on the record date, there were approximately _____ outstanding shares of FCStone common stock. As of that date, _____ % of the outstanding shares of FCStone common stock were held by the directors and executive officers of FCStone.

International Assets: You are entitled to one vote at the International Assets special meeting for each share of International Assets common stock that you owned as of the record date. As of the close of business on the record date, there were approximately _____ outstanding shares of International Assets common stock. As of that date, _____ % of the outstanding shares of International Assets common stock were held by the directors and executive officers of International Assets.

Q: What do I need to do now?

A: We urge you to read this joint proxy statement/prospectus carefully, including its annexes, and to consider how the merger affects you. If you are an FCStone stockholder, you may provide your proxy instructions in three different ways. First, you may vote by completing and signing the FCStone proxy card that accompanies this joint proxy statement/prospectus and promptly mailing it in the enclosed postage-prepaid envelope. Alternatively, you may submit your proxy to vote your shares by telephone by following the *Vote By Phone* instructions set forth on the enclosed FCStone proxy card. Finally, you may submit your proxy to vote your shares from any location in the world by following the *Vote By Internet* instructions set forth on the enclosed FCStone proxy card. Please provide your proxy instructions only once and as soon as possible so that your shares can be voted at the special meeting of FCStone stockholders.

If your FCStone shares are held for you in an FCStone benefit plan, such as the employee stock ownership plan or *ESOP*, you are receiving a voting instruction form from the plan trustee or administrator. To vote these shares, you will need to follow the specific voting instructions appearing on the voting instruction form. You must provide your completed voting instruction form by the deadline specified in such form. If your voting instructions are not received by this deadline, it is anticipated that FCStone, as the plan administrator, will direct the plan trustee to vote the shares credited to your account in accordance with the recommendation of our board of directors. You may attend the special meeting; however, you may not vote these shares in person at the meeting unless you obtain a *legal proxy* from the plan trustee.

If you are an International Assets stockholder, you may provide your proxy instructions in three different ways. First, you may vote by completing and signing the International Assets proxy card that accompanies this joint proxy statement/prospectus and promptly mailing it in the enclosed postage-prepaid envelope. Alternatively, you may submit your proxy to vote your shares by telephone by following the *Vote By Phone* instructions set forth on the enclosed International Assets proxy card. Finally, you may submit your proxy to vote your shares from any location in the world by following the *Vote By Internet* instructions set forth on the enclosed International Assets proxy card. Please provide your proxy instructions only once and as soon as possible so that your shares can be voted at the special meeting of International Assets stockholders.

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Q: What happens if I do not return a proxy card or voting instruction form or otherwise provide proxy or voting instructions?

A: If you are an International Assets stockholder, the failure to return your proxy card or otherwise provide proxy instructions could be a factor in establishing a quorum for the special meeting of International Assets stockholders, which is required to transact business at the meeting. If you are an International Assets stockholder and you do not submit a proxy card or vote at the International Assets special meeting, your shares will not be counted as present for the purpose of determining the presence of a quorum and will have no effect on the approval of International Assets Proposal Nos. 1 and 5, but would have the same effect as voting against International Assets Proposal Nos. 2, 3 and 4. Broker non-votes will similarly have no effect on the approval of International Assets Proposal Nos. 1 and 5, but would have the same effect as voting against International Assets Proposal Nos. 2, 3 and 4. If you submit a proxy card and affirmatively elect to abstain from voting, your proxy will be counted as present for the purpose of determining the presence of a quorum for the special meeting of International Assets stockholders, but will not be voted at the meeting. As a result, your abstention will have no effect on the approval of International Assets Proposal Nos. 1 and 5, but would have the same effect as voting against International Assets Proposal Nos. 2, 3, and 4.

If you are an FCStone stockholder, the failure to return your proxy card or voting instruction form or otherwise provide proxy or voting instructions will have the same effect as voting against the adoption of the merger agreement and could be a factor in establishing a quorum for the special meeting of FCStone stockholders, which is required to transact business at the meeting. The failure to submit a proxy card or voting instruction form, or to vote at the FCStone special meeting, or an abstention, vote withheld or broker non-vote will have no effect on the outcome of FCStone Proposal No. 2.

Q: May I vote in person?

A: If your shares of International Assets common stock or FCStone common stock are registered directly in your name with International Assets or FCStone's transfer agent, respectively, you are considered, with respect to those shares, the stockholder of record, and the proxy materials and proxy card are being sent directly to you by International Assets or FCStone, respectively. If you are an International Assets stockholder of record, you may attend the special meeting of International Assets stockholders to be held on _____, 2009 and vote your shares in person, rather than signing and returning your proxy card or otherwise providing proxy instructions. If you are an FCStone stockholder of record, you may attend the special meeting of FCStone stockholders to be held on _____, 2009 and vote your shares in person, rather than signing and returning your proxy card or otherwise providing proxy instructions.

If your shares of International Assets common stock or FCStone common stock are held in a brokerage account or by another nominee, including the FCStone Employee Stock Ownership Plan, or ESOP, you are considered the beneficial owner of shares held in street name, and the proxy materials are being forwarded to you together with a voting instruction card. As the beneficial owner, you are also invited to attend the special meeting of International Assets stockholders or the special meeting of FCStone stockholders, respectively. Since a beneficial owner is not the stockholder of record, you may not vote these shares in person at the applicable special meeting unless you obtain a legal proxy from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the meeting.

Q: If my shares are held in street name by my broker, will my broker vote my shares for me?

A: Your broker will not be able to vote your shares without instructions from you. You should instruct your broker to vote your shares, following the procedure provided by your broker.

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Q: May I change my vote after I have provided proxy instructions?

A: Yes. If you are stockholder of record, you may change your vote at any time before your proxy is voted at the International Assets special meeting or FCStone special meeting, as applicable. 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 International Assets special meeting or FCStone special meeting, as applicable, 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.

You may revoke your voting instructions with respect to any shares of FCStone common stock you hold in the FCStone ESOP by delivering a valid, later-dated voting instruction form by the deadline specified in the voting instructions furnished by the plan trustee or administrator.

Q: What is required to consummate the merger?

A: To consummate the merger, International Assets stockholders must approve: (1) the issuance of shares of International Assets common stock in the merger; (2) an amendment to International Assets certificate of incorporation to increase the number of authorized shares of International Assets common stock; (3) an amendment to International Assets certificate of incorporation to establish a classified board of directors; and (4) an amendment to International Assets certificate of incorporation to eliminate a provision that requires stockholder approval to remove or change the chairman of the board of International Assets.

The affirmative vote of the holders of a majority of the shares voting in person or by proxy at the International Assets special meeting is required for approval of Proposal No. 1. The affirmative vote of the holders of a majority of the shares of International Assets common stock outstanding on the record date for the International Assets special meeting is required for approval of Proposal Nos. 2 and 3. The affirmative vote of the holders of 75% of the shares of the common stock of International Assets outstanding on the record date for the International Assets special meeting is required for approval of Proposal No. 4.

In addition, FCStone stockholders must adopt the merger agreement, which adoption requires the affirmative vote of the holders of a majority of the shares of FCStone common stock outstanding on the record date for the FCStone special meeting.

In addition to the receipt of stockholder approval, each of the other closing conditions set forth in the merger agreement must be satisfied or waived. For a more complete description of the closing conditions under the merger agreement, we urge you to read the section entitled "The Merger Agreement Conditions to the Merger" on page 98 of this joint proxy statement/prospectus and the merger agreement attached to this joint proxy statement/prospectus as Annex A.

Q: Why is International Assets asking to amend its certificate of incorporation to increase the number of authorized shares of its common stock?

A: Approval of an amendment to International Assets certificate of incorporation to increase the number of authorized shares of International Assets common stock (which is the subject of International Assets Proposal No. 2) is one of the conditions to the consummation of the merger. Without an increase in the number of authorized shares of International Assets common stock, International Assets would not have a sufficient number of authorized shares to effect the merger and to issue the International Assets common stock to the FCStone stockholders in the merger pursuant to the merger agreement.

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Q: Why is International Assets asking to amend its certificate of incorporation to establish a classified board of directors initially consisting of thirteen members to be divided into three classes, the reduction in the size of the board to eleven members in 2012 and to nine members in 2013, and the elimination of the classified board in 2013?

A: Approval of an amendment to International Assets' certificate of incorporation to establish a classified board initially consisting of thirteen members, the reduction in the size of the board to eleven members in 2012 and to nine members in 2013, and the elimination of the classified board in 2013 (which is the subject of International Assets' Proposal No. 3) is one of the conditions to the consummation of the merger. The establishment of the classified board initially consisting of thirteen members is designed to accommodate the addition of six new members to be designated by FCStone to the existing seven member Board of Directors of International Assets. International Assets and FCStone have agreed that the use of the classified board would continue for a period of three years in order to facilitate an integration of the companies during this period. Commencing in 2013, the classified board would be eliminated and directors would thereafter serve for terms of one year.

Q: Why is International Assets asking to amend its certificate of incorporation to eliminate a provision that requires the affirmative vote of the holders of 75% of the outstanding shares of International Assets common stock to remove or change the chairman of the board of International Assets?

A: Approval of an amendment to International Assets' certificate of incorporation to eliminate a provision that requires stockholder approval to remove or change the chairman of the board of International Assets (which is the subject of International Assets' Proposal No. 4) is one of the conditions to the consummation of the merger. The elimination of the provision will mean that the chairman of the board of International Assets will be selected by the majority of the directors of International Assets. The board of International Assets believes that the elimination of this provision will improve corporate governance by facilitating changes in this position when considered appropriate by a majority of the directors.

Q: What will FCStone stockholders receive in the merger?

A: As a result of the merger, FCStone stockholders will receive 0.2950 shares of International Assets common stock for each share of FCStone common stock they own, which we refer to as the exchange ratio. For example, if you own 1,000 shares of FCStone common stock, you will receive 295 shares of International Assets common stock in exchange for your FCStone shares. The number of shares of International Assets common stock to be issued for each share of FCStone common stock is fixed and will not be adjusted based upon changes in the value of FCStone common stock or International Assets common stock before the merger is consummated (however, the exchange ratio is subject to adjustments for changes in the number of outstanding shares of International Assets or FCStone by reason of future stock splits, reverse stock splits, division of shares, stock dividends or other similar transactions). As a result, the value of the International Assets shares FCStone stockholders will receive in the merger will not be known before the merger, and will go up or down as the market price of International Assets common stock goes up or down. We encourage you to obtain current market quotations of FCStone common stock and International Assets common stock. No fractional shares of International Assets common stock will be issued in the merger. Instead, each FCStone stockholder otherwise entitled to a fraction of a share of International Assets common stock will be entitled to receive in cash the dollar amount determined by multiplying such fraction by the average closing price of International Assets common stock over a ten day period as specified in the merger agreement. For a more complete description of what FCStone stockholders will receive in the merger, please see the section entitled "The Merger Agreement - Consideration to be Received in the Merger" on page 90 of this joint proxy statement/prospectus.

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Q: What will FCStone option holders receive in the merger?

A: At the effective time of the merger, each FCStone stock option that is outstanding and unexercised immediately prior to the effective time will be converted into an option to purchase International Assets common stock (adjusted to give effect to the exchange ratio) and International Assets will assume such stock option in accordance with the terms of the applicable FCStone stock option plan and terms of the stock option agreement relating to such FCStone stock option, subject to adjustments to the number of shares subject to such option and the exercise price applicable to such option to reflect the exchange ratio in the merger. For more information, please see The Merger Agreement Cancellation of FCStone Stock Options on page 90.

Q: Will there be any changes to the International Assets board of directors if the merger becomes effective?

A: The merger agreement provides that the International Assets board of directors following the effective time of the merger will be increased from seven members to thirteen members, with six members to be designated by FCStone (currently expected to be Paul G. Anderson, Brent Bunte, Jack Friedman, Daryl Henze, Bruce Krehbiel and Eric Parthemore) joining the seven current directors of International Assets (currently Scott Branch, John Fowler, Robert Miller, Sean O Connor, John Radziwill, Diego J. Veitia and Justin Wheeler). For more information, please see the sections entitled Management of International Assets Following the Merger on page 152.

Q: Who will be the executive officers of International Assets immediately following the merger?

A: It is currently expected that the executive officers of International Assets following the merger will be as follows:

Sean M. O Connor	Chief Executive Officer
Paul G. Anderson	President
Scott J. Branch	Chief Operating Officer
William J. Dunaway	Chief Financial Officer
Brian T. Sephton	Chief Legal and Governance Officer
Nancey M. McMurtry	Vice President and Secretary
James W. Tivy	Group Controller

Q: How will International Assets stockholders be affected by the merger and issuance of shares of International Assets common stock?

A: After the merger, each International Assets stockholder will have the same number of shares of International Assets common stock that the stockholder held immediately prior to the effective time of the merger. However, because International Assets will be issuing new shares of International Assets common stock to FCStone stockholders in the merger, each share of International Assets common stock outstanding immediately prior to the merger will represent a smaller percentage of the aggregate number of shares of International Assets common stock outstanding after the merger. As a result of the merger, each International Assets stockholder will own a smaller percentage of the shares of common stock of a larger company with more outstanding shares and more assets. Based on the number of shares of International Assets and FCStone that were outstanding on July 1, 2009, International Assets stockholders would own in the aggregate approximately 52.5% of International Assets following the merger, assuming that no FCStone or International Assets stock options are exercised after July 1, 2009 and prior to the effective time of the merger.

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Q: What are the material federal income tax consequences of the merger to me?

A: The merger has been structured to qualify as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, and it is a closing condition to the merger that International Assets and FCStone receive opinions of their respective outside counsel regarding such qualification. As a result of the merger's anticipated qualification as a reorganization, FCStone stockholders will generally not recognize gain or loss for United States federal income tax purposes upon the exchange of shares of FCStone common stock for shares of International Assets common stock, except with respect to cash received in lieu of fractional shares of International Assets common stock.

Tax matters are very complicated, and the tax consequences of the merger to a particular stockholder will depend in part on such stockholder's circumstances. Accordingly, we urge you to consult your own tax advisor for a full understanding of the tax consequences of the merger to you, including the applicability and effect of federal, state, local and foreign income and other tax laws.

For more information, please see the section entitled "International Assets Proposal No. 1 and FCStone Proposal No. 1 – The Merger – Material U.S. Federal Income Tax Consequences of the Merger" on page 84 of this joint proxy statement/prospectus.

Q: How does International Assets' board of directors recommend that International Assets stockholders vote?

A: After careful consideration, International Assets' board of directors unanimously recommends that International Assets stockholders vote FOR International Assets Proposal No. 1 to approve the issuance of shares of International Assets common stock in the merger; FOR International Assets Proposal No. 2 to approve an amendment to International Assets' certificate of incorporation to increase its authorized shares of common stock; FOR International Assets Proposal No. 3 to approve amendments to International Assets' certificate of incorporation in order to establish a classified board of directors; FOR International Assets Proposal No. 4 to approve amendments to International Assets' certificate of incorporation in order to eliminate a provision that requires stockholder approval to remove or change the chairman of the board; and FOR International Assets Proposal No. 5 to adjourn the International Assets special meeting, including if necessary, to solicit additional proxies if there are not sufficient votes in favor of any of International Assets Proposal Nos. 1, 2, 3 or 4.

For a description of the reasons underlying the recommendations of International Assets' board, see the sections entitled "International Assets Proposal No. 1 – The Merger – International Assets' Reasons for the Merger and Recommendation of International Assets' board of directors" on page 57; "International Assets Proposal No. 2 – Amendment to International Assets' Certificate of Incorporation to Increase the Authorized Shares of International Assets Common Stock" on page 106; "International Assets Proposal No. 3 – Amendments to International Assets' Certificate of Incorporation to Establish a Classified Board of Directors" on page 108; "International Assets Proposal No. 4 – Amendments to International Assets' Certificate of Incorporation to Eliminate the Requirement of Stockholder Approval to Replace or Change the Chairman of the Board" on page 112 and the section entitled "International Assets Proposal No. 5 – Possible Adjournment of the International Assets Special Meeting" on page 114.

Q: How does the FCStone board of directors recommend that FCStone stockholders vote?

A: After careful consideration, FCStone's board of directors unanimously recommends that the FCStone stockholders vote FOR FCStone Proposal No. 1 to adopt the merger agreement and FOR FCStone Proposal No. 2 to adjourn the FCStone special meeting, including if necessary, to solicit additional proxies if there are not sufficient votes in favor of FCStone Proposal No. 1. For a description of the reasons underlying the recommendations of FCStone's board, see the sections entitled "FCStone Proposal No. 1 – The Merger – FCStone's Reasons for the Merger" on page 61, and the section entitled "FCStone Proposal No. 2 – Possible Adjournment of the FCStone Special Meeting" on page 115.

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Q: What risks should I consider in deciding whether to vote in favor of the share issuance or the adoption of the merger agreement?

A: You should carefully review the section of this joint proxy statement/prospectus entitled "Risk Factors" beginning on page 17, which presents risks and uncertainties related to the merger and risks and uncertainties related to the business and operations of each of International Assets and FCStone.

Q: When do you expect the merger to be consummated?

A: International Assets and FCStone are working to complete the merger as quickly as practicable and currently anticipate that the consummation of the merger will occur during the fall of 2009, but we cannot predict the exact timing. For more information, please see the section entitled "The Merger Agreement - Conditions to the Merger" on page 98.

Q: Should FCStone stockholders send in their stock certificates now?

A: No. If you are an FCStone stockholder, after the merger is consummated, you will receive written instructions from an exchange agent explaining how to exchange your stock certificates representing shares of FCStone common stock for certificates representing shares of International Assets common stock. You will also receive a cash payment in lieu of any fractional share of International Assets common stock. International Assets stockholders will not exchange their stock certificates in connection with the merger.

Q: Am I entitled to appraisal rights in connection with the merger?

A: No. Under Delaware law, holders of FCStone common stock are not entitled to appraisal rights in connection with the merger because the International Assets common stock is listed on the NASDAQ Global Market and the FCStone common stock is listed on the NASDAQ Global Select Market. Under Delaware law, International Assets stockholders are not entitled to appraisal rights in connection with the merger.

Q: Who is paying for this proxy solicitation?

A: International Assets and FCStone are conducting this proxy solicitation and will bear their own costs for soliciting proxies, including the preparation, assembly, printing and mailing of this joint proxy statement/prospectus, the proxy card and any additional information furnished to stockholders. FCStone has retained _____ to aid in FCStone's proxy solicitation process. FCStone estimates that its proxy solicitor fees will be approximately \$ _____. International Assets and FCStone may also reimburse brokerage houses and other custodians, nominees and fiduciaries for their costs of forwarding proxy and solicitation materials to beneficial owners.

Q: Who can help answer my questions?

A: If you are an International Assets stockholder, and would like additional copies, without charge, of this joint proxy statement/prospectus or if you have questions about the merger, including the procedures for voting your shares, you should contact:
International Assets Holding Corporation

Attn: Investor Relations

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220 E. Central Parkway

Suite 2060

Altamonte Springs, Florida 32701

Telephone: (888) 345-4685 ext. 335

Email: bsephton@intlassets.com

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If you are an FCStone stockholder, and would like additional copies, without charge, of this joint proxy statement/prospectus or if you have questions about the merger, including the procedures for voting your shares, you should contact:

FCStone Group, Inc.

Attn: Investor Relations

1251 N.W. Briarcliff Parkway

Suite 800

Kansas City, Missouri 64116

Telephone: (800) 255-6381

Email: BillD@fcstone.com

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SUMMARY

*This summary highlights selected information from this document. To understand the merger fully, you should read carefully this entire document and the documents to which we refer, including the annexes attached hereto. See *Where You Can Find More Information* on page 200. The merger agreement is attached as Annex A to this joint proxy statement/prospectus. We encourage you to read the merger agreement as it is the legal document that governs the merger. We have included page references in parentheses to direct you to a more detailed description of the topics presented in this summary.*

The Merger (Page 52)

In the merger, International Assets Acquisition Corp., a wholly owned subsidiary of International Assets, will merge with and into FCStone, and FCStone will become a wholly owned subsidiary of International Assets. Holders of FCStone common stock and options will become holders of International Assets common stock and stock options, respectively, following the merger. The shares of International Assets common stock issued to FCStone stockholders in connection with the merger are expected to represent approximately 47.5% of the outstanding shares of International Assets common stock immediately following the consummation of the merger, based on the number of shares of International Assets common stock and FCStone common stock that were outstanding on July 1, 2009, assuming that no FCStone or International Assets stock options are exercised after July 1, 2009 and prior to the effective time of the merger.

The Companies (Page 42)

International Assets Holding Corporation

220 E. Central Parkway

Suite 2060

Altamonte Springs, Florida 32701

Telephone: (407) 741-5300

International Assets and its subsidiaries form a financial services group focused on select international markets. International Assets commits its capital and expertise to market-making and dealing in financial instruments, currencies and commodities, and to asset management. International Assets activities are divided into five reportable business segments international equities market-making, foreign exchange trading, commodities trading, international debt capital markets and asset management.

International Assets common stock is traded on the NASDAQ Global Market under the symbol IAAC.

International Assets Acquisition Corp. is a wholly owned subsidiary of International Assets that was incorporated in Delaware in June 2009. International Assets Acquisition Corp. does not engage in any operations and exists solely to facilitate the merger.

FCStone Group, Inc.

1251 N.W. Briarcliff, Suite 800

Kansas City, Missouri 64116

Telephone: (816) 410-7120

FCStone is an integrated company providing risk management consulting and transaction execution services to commercial commodity intermediaries, users and producers. FCStone assists primarily middle-market customers in optimizing their profit margins and mitigating commodity price risk. In addition to its risk management consulting services, FCStone operates an independent clearing and execution platform for exchange-traded futures and options contracts. During the last twelve months, FCStone served more than 8,000

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customers and transacted more than 73.7 million contracts in the exchange-traded and over-the-counter (OTC) markets. FCStone also assists its customers with the financing, transportation and merchandising of their physical commodity inventories.

The Special Meetings

The International Assets Special Meeting (Page 44)

Time, Date and Place. A special meeting of the stockholders of International Assets will be held on _____, 2009, at _____ at 10:00 a.m., local time, to vote on: International Assets Proposal No. 1 to approve the issuance of shares of International Assets common stock in the merger; International Assets Proposal No. 2 to approve an amendment to International Assets certificate of incorporation to increase the authorized shares of its common stock; International Assets Proposal No. 3 to approve amendments to International Assets certificate of incorporation in order to establish a classified board of directors; International Assets Proposal No. 4 to approve amendments to International Assets certificate of incorporation in order to eliminate a provision that requires stockholder approval to remove or change the chairman of the board; and International Assets Proposal No. 5 to adjourn the special meeting, if necessary, if a quorum is present, to solicit additional proxies if there are not sufficient votes in favor of any of International Assets Proposal Nos. 1, 2, 3 or 4.

Record Date and Voting Power for International Assets. You are entitled to vote at the International Assets special meeting if you owned shares of International Assets common stock at the close of business on _____, 2009, the record date for the International Assets special meeting. You will have one vote at the International Assets special meeting for each share of International Assets common stock you owned at the close of business on the record date. There are _____ shares of International Assets common stock entitled to be voted at the International Assets special meeting.

Share Ownership of Management. As of _____, 2009, the directors and executive officers of International Assets and their affiliates beneficially owned approximately 33.7% of the shares entitled to vote at the International Assets special meeting. Certain directors and officers of International Assets and their affiliates have entered into a support agreement with FCStone pursuant to which they have agreed to vote their shares of International Assets common stock in favor of the issuance of shares of International Assets common stock in the merger and the related amendments to the certificate of incorporation. A total of 2,784,976 shares are subject to the support agreement representing approximately 30.6% of the shares of International Assets common stock entitled to vote at the International Assets Special Meeting.

The FCStone Special Meeting (Page 48)

Time, Date and Place. A special meeting of the stockholders of FCStone will be held on _____, 2009, at _____, at 9:00 a.m., local time, to vote on FCStone Proposal No. 1 to adopt the merger agreement and FCStone Proposal No. 2 to adjourn the FCStone special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of FCStone Proposal No. 1.

Record Date and Voting Power for FCStone. You are entitled to vote at the FCStone special meeting if you owned shares of FCStone common stock at the close of business on _____, 2009, the record date for the FCStone special meeting. You will have one vote at the FCStone special meeting for each share of FCStone common stock you owned at the close of business on the record date. There are _____ shares of FCStone common stock entitled to be voted at the FCStone special meeting.

Share Ownership of Management. As of _____, 2009, the directors and executive officers of FCStone and their affiliates beneficially owned approximately 4.1% of the shares entitled to vote at the FCStone special meeting.

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Risks Relating to the Merger (Page 17)

In evaluating the merger agreement or the issuance of shares of International Assets common stock in the merger, you should carefully read this joint proxy statement/prospectus and especially consider the factors discussed in the section entitled "Risk Factors - Risks Relating to the Merger" on page 17.

Reasons for the Merger

Both International Assets and FCStone believe that the combination will create a leading global provider of consulting and trade execution services, and that the combined entity will be better positioned to take advantage of market opportunities and enjoy better access to capital sources. In addition to the foregoing reasons, the International Assets board of directors considered in evaluating the merger a number of other factors. See the section entitled "International Assets Proposal No. 1 - The Merger - International Assets - Reasons for the Merger and Recommendation of International Assets - Board of Directors" on page 57. Also, in addition to the foregoing reasons, the FCStone board of directors considered in evaluating the merger a number of other factors. See the section entitled "FCStone Proposal No. 1 - The Merger - FCStone - Reasons for the Merger" on page 61.

Opinions of Financial Advisors

Opinion of International Assets - Financial Advisor (Page 62). On June 30, 2009, Houlihan Lokey Howard & Zukin Financial Advisors, Inc., or Houlihan Lokey, rendered an oral opinion to International Assets' board of directors, which was confirmed in writing by delivery of Houlihan Lokey's written opinion dated July 1, 2009, that, as of July 1, 2009, and based upon and subject to the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Houlihan Lokey in preparing its opinion, the exchange ratio in the merger was fair, from a financial point of view, to International Assets.

Houlihan Lokey's opinion was directed to International Assets' board of directors and only addressed the fairness from a financial point of view to International Assets of the exchange ratio in the merger and does not address any other aspect or implication of the merger. The summary of Houlihan Lokey's opinion in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of its written opinion, which is included as Annex D to this joint proxy statement/prospectus and sets forth the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Houlihan Lokey in preparing its opinion. International Assets encourages its stockholders to carefully read the full text of Houlihan Lokey's written opinion. However, neither Houlihan Lokey's opinion nor the summary of its opinion and the related analyses set forth in this joint proxy statement/prospectus are intended to be, and do not constitute, advice or a recommendation to International Assets' board of directors or any stockholder as to how to act or vote with respect to the proposed merger or related matters. See "International Assets Proposal No. 1 and FCStone Proposal No. 1 - The Merger - Opinion of International Assets - Financial Advisor".

Opinion of FCStone's Financial Advisor (Page 74). In connection with the merger, FCStone's financial advisor, BMO Capital Markets Corp., which we refer to as BMO Capital Markets, rendered to FCStone's board of directors a written opinion, dated July 1, 2009, that, as of July 1, 2009, and based upon and subject to the factors and assumptions set forth therein, the exchange ratio provided for in the merger agreement of 0.2950 of a share of International Assets common stock to be paid for each outstanding share of FCStone common stock was fair, from a financial point of view, to the holders of FCStone common stock (other than International Assets or its affiliates). The full text of the written opinion, dated July 1, 2009, of BMO Capital Markets, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex E to this joint proxy statement/prospectus and is incorporated by reference in this joint proxy statement/prospectus in its entirety. **BMO Capital Markets' opinion is directed to FCStone's**

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board of directors for the benefit and use of FCStone's board of directors in connection with and for purposes of its evaluation of the exchange ratio from a financial point of view. BMO Capital Markets' opinion does not address any other aspect of the merger and does not constitute a recommendation to any stockholder as to how to vote or act in connection with the proposed merger. FCStone encourages holders of FCStone common stock to read the opinion carefully in its entirety. Pursuant to an engagement letter between FCStone and BMO Capital Markets, FCStone has agreed to pay BMO Capital Markets a transaction fee, a principal portion of which is contingent upon completion of the transaction.

Interests of International Assets' Directors in the Merger (Page 81)

When considering the recommendations by the International Assets board of directors, you should be aware that a number of International Assets' directors have interests in the merger that are different from those of other International Assets stockholders.

Interests of FCStone's Executive Officers and Directors in the Merger (Page 81)

When considering the recommendations by the FCStone board of directors, you should be aware that a number of FCStone's executive officers and directors have interests in the merger that are different from those of other FCStone stockholders.

Restrictions on Resales (Page 87)

All shares of International Assets common stock received by FCStone stockholders in the merger will be freely tradable, except that shares of International Assets common stock received by persons who become affiliates of International Assets for purposes of Rule 144 under the Securities Act may be resold by them only in transactions permitted by Rule 144, or as otherwise permitted under the Securities Act.

Limitation on the Solicitation, Negotiation and Discussion by FCStone and International Assets of Other Acquisition Proposals (Page 94)

Each of FCStone and International Assets has agreed to a number of limitations with respect to soliciting, negotiating and discussing acquisition proposals involving persons other than FCStone and International Assets, and to certain related matters. The merger agreement does not, however, prohibit either party from considering a bona fide acquisition proposal from a third party if certain specified conditions are met.

Change of Board Recommendation (Page 101)

Subject to limited conditions, the board of directors of FCStone or International Assets may withdraw or modify its recommendation, in the case of FCStone, in support of the adoption of the merger agreement and, in the case of International Assets, in support of the issuance of shares of International Assets common stock in the merger and the amendments to International Assets' certificate of incorporation.

In the event that the board of directors of International Assets withdraws or modifies its recommendation in a manner adverse to FCStone, International Assets may be required to pay a termination fee of \$4.9 million to FCStone and reimburse up to \$2.0 million in expenses incurred by FCStone related to the merger.

In the event that the board of directors of FCStone withdraws or modifies its recommendation in a manner adverse to International Assets, the stock option granted by FCStone to International Assets will become exercisable and FCStone will reimburse up to \$2.0 million in expenses incurred by International Assets.

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Conditions to the Merger (Page 98)

The respective obligations of International Assets and FCStone to consummate the merger are subject to the satisfaction of certain conditions.

Termination of the Merger Agreement (Page 99)

Either International Assets or FCStone can terminate the merger agreement under certain circumstances, which would prevent the merger from being consummated.

Expenses and Termination Fees (Page 100)

Subject to limited exceptions, all fees and expenses incurred in connection with the merger agreement will be paid by the party incurring such expenses.

International Assets will be required to pay a termination fee of \$4.9 million to FCStone upon the termination of the merger agreement under several circumstances. Further, in these same circumstances, International Assets will be required to reimburse FCStone for expenses incurred in connection with the merger, up to a maximum of \$2.0 million.

FCStone will be required to pay a termination fee of \$4.9 million to International Assets upon the termination of the merger agreement in the event holders of a majority of the outstanding shares of FCStone common stock do not vote for the adoption of the merger agreement, unless, under the terms of the stock option agreement described below, the option becomes exercisable. Further, in these same circumstances (or if the option becomes exercisable under the stock option agreement), FCStone will be required to reimburse International Assets for expenses incurred in connection with the merger, up to a maximum of \$2.0 million.

Stock Option Agreement (Page 103)

In connection with entering into the merger agreement, International Assets and FCStone entered into a Option Agreement, pursuant to which FCStone granted International Assets the option to purchase newly-issued shares of FCStone equal to 19.9% of the total number of shares of FCStone common stock then outstanding. The option is not currently exercisable and, pursuant to the terms of the Option Agreement, will only become exercisable upon the occurrence of certain events related to a change of the recommendation of the board of directors of FCStone regarding the merger or a third-party acquisition proposal relating to FCStone. Under certain circumstances FCStone may be required to repurchase for cash the option or shares acquired pursuant to the exercise of the option. The Option Agreement is attached to this joint proxy statement/prospectus as Annex B.

Tax Matters (Page 84)

Shutts & Bowen LLP, outside counsel to International Assets, and Stinson Morrison Hecker LLP, outside counsel to FCStone, are expected to each issue a tax opinion to the effect that the merger will constitute a reorganization under Section 368(a) of the Internal Revenue Code of 1986, as amended, or the Code. In a reorganization, an FCStone stockholder generally will not recognize any gain or loss for U.S. federal income tax purposes upon the exchange of its shares of FCStone common stock for shares of International Assets common stock. However, any cash received for any fractional share will result in the recognition of gain or loss as if such stockholder sold its fractional share. An FCStone stockholder's tax basis in the shares of International Assets common stock that it receives in the merger will equal its current tax basis in its FCStone common stock (reduced by the basis allocable to any fractional share interest for which it receives cash).

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Tax matters can be complicated, and the tax consequences of the merger to you will depend on the facts of your own situation. You should consult your own tax advisors to fully understand the tax consequences of the merger to you, including the applicability and effect of federal, state, local and foreign income and other tax laws.

Regulatory Approvals (Page 86)

International Assets and FCStone have agreed to use commercially reasonable efforts to obtain as promptly as practicable all regulatory approvals that are required to complete the transactions contemplated by the merger agreement.

International Assets must comply with applicable federal and state securities laws and the rules and regulations of the NASDAQ Global Market in connection with the issuance of shares of International Assets common stock in the merger and the filing of this joint proxy statement/prospectus with the U.S. Securities and Exchange Commission, or the SEC.

The merger is subject to the reporting requirements of the Hart-Scott-Rodino Anti-Trust Improvements Act of 1976. Under this act, the merger may not be consummated until the pre-merger notifications and required information have been furnished to the Department of Justice and Federal Trade Commission and the relevant waiting periods have been terminated or have expired.

Although neither International Assets nor FCStone know of any reason why these regulatory approvals would not be obtained in a timely manner, neither International Assets nor FCStone can be certain when or if the approvals will be obtained.

Anticipated Accounting Treatment (Page 86)

For accounting purposes, International Assets is considered to be acquiring FCStone in this transaction. The unaudited pro forma condensed combined financial statements included in this joint proxy statement/prospectus have been prepared in accordance with Article 11 of Regulation S-X, and assume that the transaction will be treated as a purchase pursuant to SFAS 141. Under this method of accounting, the excess of fair values of acquired net assets over the purchase price (if any) is first allocated to reduce the carrying values of non-current assets, such as intangible and fixed assets, with any remaining balance recorded as an extraordinary gain.

However, if the transaction were to be consummated in the 2010 fiscal year of International Assets (i.e. after September 30, 2009), SFAS 141R would apply and would materially change the accounting treatment. Under SFAS 141R, the following items likely would have a material impact on accounting for the transaction: (1) the excess of fair values of acquired net assets over the purchase price (if any) would not first be allocated to reduce the carrying values of various assets, but instead, would all be recorded as an ordinary gain in the statement of operations as opposed to an extraordinary gain; (2) intangible assets, such as FCStone's customer lists and non-compete agreements, would be valued after the merger, carried on the consolidated balance sheet at fair value and amortized over the appropriate periods through the consolidated income statement; (3) acquisition-related costs would not be part of the purchase price and, as a result, the impact to the pro forma balance sheet would be to reduce the purchase price and the related excess of fair value of acquired net assets over purchase price, with a corresponding decrease to pro forma retained earnings; and (4) any restructuring costs would be expensed as incurred.

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Listing of International Assets Common Stock and Delisting and Deregistration of FCStone Common Stock

Application will be made to have the shares of International Assets common stock issued in the merger approved for listing on the NASDAQ Global Market. If the merger is completed, FCStone common stock will no longer be listed on the NASDAQ Global Select Market and will be deregistered under the Exchange Act, and FCStone will no longer file periodic reports with the SEC.

Comparative Rights of International Assets Stockholders and FCStone Stockholders (Page 182)

FCStone stockholders, whose rights are currently governed by the FCStone amended certificate of incorporation, the FCStone bylaws and Delaware law, will, upon completion of the merger, become stockholders of International Assets and their rights will be governed by the International Assets certificate of incorporation, the International Assets bylaws, and Delaware law.

Legal Proceedings Related to the Merger

On July 7, 2009, the plaintiffs in a stockholder derivative case previously filed against FCStone (solely as a nominal defendant) and its directors and certain officers and former officers in the Circuit Court of Platte County, Missouri filed a motion for leave to amend the existing case to add a purported class action claim on behalf of the holders of FCStone common stock. If amended, the complaint would allege that the defendants breached their fiduciary duties by engaging in an unfair process in connection with the contemplated merger of FCStone and International Assets. If amended, the complaint would allege that the defendants aided the other defendants' breaches of their fiduciary duties. If plaintiffs are permitted to amend the complaint, they would seek to enjoin the merger with International Assets, to rescind the merger, and recover legal fees and expenses. FCStone, to the extent it is named as a direct defendant, and the individual defendants intend to defend against the complaint vigorously.

On July 8, 2009, a purported class action complaint was filed against FCStone and its directors, International Assets and International Assets Acquisition Corp. in the Circuit Court of Clay County, Missouri by two individuals who purport to be stockholders of FCStone. Plaintiffs purport to bring this action on behalf of all stockholders of FCStone. The complaint alleges that the defendants breached their fiduciary duties by failing to maximize stockholder value in connection with the contemplated merger of FCStone and International Assets. The complaint also alleges that FCStone, International Assets, and International Assets Acquisition Corp. aided and abetted the individual defendants' alleged breach of fiduciary duties. Plaintiffs seek to permanently enjoin the merger with International Assets, monetary damages in an unspecified amount attributable to the alleged breach of duties, and legal fees and expenses. FCStone, International Assets and the individual defendants intend to defend against the complaint vigorously.

Market Price and Dividend Information (Page 39)

International Assets common stock is listed on the NASDAQ Global Market under the symbol IAAC and FCStone common stock is listed on the NASDAQ Global Select Market under the symbol FCSX. On July 1, 2009, the last full trading day prior to the public announcement of the proposed merger, International Assets common stock closed at \$15.74 and FCStone common stock closed at \$4.15. On July 24, 2009, International Assets common stock closed at \$16.40 and FCStone common stock closed at \$4.96.

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RISK FACTORS

In addition to the other information included in and incorporated by reference into this joint proxy statement/prospectus, including the matters addressed in the section entitled **Cautionary Statement Regarding Forward-Looking Statements** beginning on page 41, you should carefully consider the following risk factors before deciding whether to vote for approval of the merger proposal and the related issuance of stock, the proposals on the amendment of the certificate of incorporation of International Assets and the adjournment proposal. In addition, you should read and consider the risks associated with the business of FCStone because these risks will also affect the combined company. These risks can be found in FCStone's Annual Report on Form 10-K/A, for the fiscal year ended August 31, 2008 and its Quarterly Report on Form 10-Q for the fiscal quarter ended May 31, 2009, which are filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. You should also read and consider the other information in this joint proxy statement/prospectus and the other documents incorporated by reference into this joint proxy statement/prospectus. See the section entitled **Where You Can Find More Information** beginning on page 200.

Risks Related to the Merger

Because FCStone stockholders will receive in the merger a fixed number of shares of International Assets common stock rather than a fixed value, if the market price of International Assets common stock declines, the value of the International Assets common stock to be received by FCStone stockholders will also decline.

Upon completion of the merger, each share of FCStone common stock will be converted into merger consideration consisting of 0.2950 of a share of International Assets common stock. The market value of the merger consideration may vary from the closing price of International Assets common stock on the date the merger was announced, on the date that this document was mailed to FCStone stockholders, on the date of the special meeting of the FCStone stockholders and on the date of completion of the merger and thereafter. Any change in the market price of International Assets common stock prior to completion of the merger will affect the market value of the merger consideration that FCStone stockholders will receive upon completion of the merger. Accordingly, at the time of the special meeting, FCStone stockholders will not know or be able to calculate the market value of the merger consideration they would receive upon completion of the merger. Neither company is permitted to terminate the merger agreement or resolicit the vote of FCStone stockholders solely because of changes in the market prices of either company's stock. There will be no adjustment to the merger consideration for changes in the market price of either shares of International Assets common stock or shares of FCStone common stock. Stock price changes may result from a variety of factors, including general market and economic conditions, changes in the respective businesses, operations and prospects of International Assets and FCStone, or regulatory considerations. Many of these factors are beyond the control of International Assets and FCStone. You should obtain current market quotations for shares of International Assets common stock and for shares of FCStone common stock.

Legal proceedings in connection with the merger, the outcomes of which are uncertain, could delay or prevent the completion of the merger.

Since the announcement of the merger, a putative class action lawsuit has been filed on behalf of the stockholders of FCStone (alleging, among other things, that the merger consideration is too low from the perspective of such stockholders). The complaint seeks, among other things, class action status, an order preliminarily and permanently enjoining the proposed transaction, rescission of the transaction if it is consummated, damages, and attorneys' fees and expenses. In addition, the plaintiffs in an existing lawsuit are seeking to amend their complaint to include a putative class action claim to allege that certain directors and officers of FCStone breached their fiduciary duties by engaging in an unfair sale process in connection with the proposed merger. The plaintiffs are seeking, among other things, to enjoin the merger or to rescind the portions

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of the transactions that have been completed, and attorneys' fees. Such legal proceedings could delay or prevent the transaction from becoming effective within the agreed timeframe.

The merger agreement limits the ability of FCStone and International Assets to pursue alternatives to the merger.

The merger agreement contains no shop provisions that, subject to limited exceptions, limit the ability of FCStone and International Assets to discuss, facilitate or commit to competing third-party proposals to acquire all or a significant part of FCStone or International Assets, as well as a termination fee that is payable by FCStone and International Assets under certain circumstances. In addition, the stock option agreement provides that International Assets may acquire up to 19.9% of the common stock of FCStone under certain circumstances. These provisions might discourage a potential competing acquiror that might have an interest in acquiring all or a significant part of FCStone or International Assets from considering or proposing that acquisition even if it were prepared to pay consideration with a higher per-share market price than that proposed in the merger or might result in a potential competing acquiror proposing to pay a lower per-share price to acquire FCStone or International Assets than it might otherwise have proposed to pay.

The merger is subject to the receipt of consents and approvals from regulatory authorities that may impose conditions that could have an adverse effect on International Assets or, if not obtained, could prevent completion of the merger.

Before the merger may be completed, various approvals or consents must be obtained from securities and commodities regulatory and other authorities. In addition, these governmental authorities may impose conditions on the completion of the merger or require changes to the terms of the merger, and such conditions or changes could have the effect of delaying completion of the merger or imposing additional costs on or limiting the revenues of International Assets following the merger, any of which might have a material adverse effect on International Assets following the merger. For a full description of the regulatory clearances, consents and approvals required for the merger, please see International Assets Proposal No. 1 and FCStone Proposal No. 1 The Merger Regulatory Approvals on page 86.

Failure to complete the merger could negatively affect the stock price of FCStone and International Assets and their future business and operations.

If the merger is not completed for any reason, including as a result of an injunction granted in connection with the ongoing FCStone stockholder litigation relating to the merger (described on pages 87 and 122), FCStone and International Assets may be subject to a number of material risks, including the following:

FCStone may be required under certain circumstances to pay International Assets a termination fee of \$4.9 million and to reimburse International Assets for up to \$2.0 million in expenses;

FCStone may be required under certain circumstances to issue to International Assets shares of FCStone common stock up to 19.9% of its outstanding common stock at a price, subject to certain adjustments, of \$4.15 per share, and to reimburse International Assets for up to \$2.0 million in expenses;

International Assets may be required under certain circumstances to pay FCStone a termination fee of \$4.9 million and to reimburse FCStone for up to \$2.0 million in expenses;

the price of the common stock of FCStone and International Assets may decline; and

costs related to the merger, such as financial advisory, legal, accounting and printing fees, must be paid even if the merger is not completed.

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FCStone and International Assets could also be subject to litigation related to any failure to complete the merger or related to any enforcement proceedings commenced against FCStone or International Assets to perform their respective obligations under the merger agreement. If the merger is not completed, these risks may materialize and may adversely affect FCStone's and International Assets' business, financial results and stock price.

International Assets and FCStone may waive one or more of the conditions to the merger without re-soliciting stockholder approval for the merger.

Each of the conditions to the obligations of International Assets and FCStone to complete the merger may be waived, in whole or in part, to the extent permitted by applicable law, by agreement of International Assets and FCStone, if the condition is a condition to both parties' obligation to complete the merger, or by the party for which such condition is a condition of its obligation to complete the merger. The boards of directors of International Assets and FCStone may evaluate the materiality of any such waiver to determine whether amendment of this joint proxy statement/prospectus and re-solicitation of proxies are necessary. International Assets and FCStone, however, generally do not expect any such waiver to be significant enough to require re-solicitation of stockholders. In the event that any such waiver is not determined to be significant enough to require re-solicitation of stockholders, the companies will have the discretion to complete the merger without seeking further stockholder approval. If the closing condition requiring receipt by International Assets and FCStone of the opinions of their respective tax counsel were waived, the merger would not be completed before further approval of the FCStone stockholders was obtained following delivery of relevant additional disclosure to the stockholders.

The non-executive directors of International Assets have interests that differ from other International Assets stockholders' interests and may influence them to support and approve the merger.

Certain members of the board of directors of International Assets have interests in the merger that are different from, or are in addition to, their interests as International Assets stockholders. These interests relate to changes in the director compensation policies of International Assets to be implemented in the event that the merger is completed. These changes will be as follows:

The compensation payable to each non-executive director for service as a board member will increase from \$18,000 per year to \$50,000 per year;

The board will add a new position of vice-chairman, and the director holding this position will receive an additional \$15,000 per year; and

Each non-executive director will also receive an annual grant of restricted stock having a fair value of \$25,000 on the date of the annual meeting of stockholders.

As a result, the non-executive directors of International Assets could be more likely to vote for the proposal to approve and adopt the merger agreement and approve the merger than if they did not have these interests. International Assets stockholders should review the section titled "International Assets Proposal No. 1 and FCStone Proposal No. 1 - The Merger - Interests of International Assets' Directors in the Merger" beginning on page 81 for a more complete description of these considerations.

FCStone's directors and executive officers have interests that differ from other FCStone stockholders' interests and may influence them to support and approve the merger.

FCStone's directors and executive officers have certain interests in the merger that differ from the interests of other FCStone stockholders. First, as of the effective time of the merger, all of the outstanding options to acquire shares of the FCStone common stock that have been granted to FCStone executive officers and employees will become fully vested. Second, certain executive officers of FCStone have entered into change in

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control agreements with FCStone providing them with certain severance payments if they are terminated under certain circumstances within two years of the execution of the merger agreement. In addition, each FCStone director and officer will also be entitled to continuing indemnification from FCStone for a period of six years following the merger. As a result, FCStone directors and officers could be more likely to vote for the proposal to approve and adopt the merger agreement and approve the merger than if they did not have these interests. FCStone stockholders should review the section titled "International Assets Proposal No. 1 and FCStone Proposal No. 1 - The Merger - Interests of FCStone's Executive Officers and Directors in the Merger" beginning on page 81 for a more complete description of these considerations.

Uncertainty regarding the merger may cause clients to delay or defer decisions concerning International Assets and FCStone and adversely affect each company's ability to attract and retain key employees.

The merger will happen only if stated conditions are met, including the approval of the merger proposal by the stockholders of FCStone and International Assets, the receipt of regulatory approvals, and the absence of any material adverse effect in the businesses of FCStone and International Assets. Many of the conditions are outside the control of FCStone and International Assets, and both parties also have stated rights to terminate the merger agreement. Accordingly, there may be uncertainty regarding the completion of the merger. This uncertainty may cause clients to delay or defer decisions concerning FCStone or International Assets, which could negatively affect their respective businesses. Any delay or deferral of those decisions or changes in existing agreements could have a material adverse effect on the respective businesses of FCStone and International Assets, regardless of whether the merger is ultimately completed. Moreover, diversion of management focus and resources from the day-to-day operation of the business to matters relating to the merger could have a material adverse effect on each company's business, regardless of whether the merger is completed. Current and prospective employees of each company may experience uncertainty about their future roles with the combined company. This may adversely affect the each company's ability to attract and retain key management, sales, marketing and technical personnel.

Risks Related to the Combined Company

The failure of International Assets to operate and manage the combined company effectively could have a material adverse effect on International Assets' business, financial condition and operating results.

International Assets will need to meet significant challenges to realize the expected benefits and synergies of the merger. These challenges include:

integrating the management teams, strategies, cultures, technologies and operations of the two companies;

retaining and assimilating the key personnel of each company;

retaining existing clients of FCStone;

creating uniform standards, controls, procedures, policies and information systems; and

achieving revenue growth because of risks involving (1) the ability to retain clients in FCStone's commodities business, (2) the ability to sell the services and products of FCStone to the existing clients of International Assets, and (3) the ability to sell the services and products of International Assets to the existing clients of FCStone.

The accomplishment of these post-merger objectives will involve considerable risk, including:

the potential disruption of each company's ongoing business and distraction of their respective management teams;

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unanticipated expenses related to technology integration; and

potential unknown liabilities associated with the merger.

International Assets and FCStone have operated and, until the completion of the merger, will continue to operate, independently. It is possible that the integration process could result in the loss of the technical skills and management expertise of key employees, the disruption of each company's ongoing businesses or inconsistencies in standards, controls, procedures and policies due to possible cultural conflicts or differences of opinions on technical decisions and product road maps that adversely affect International Assets' ability to maintain relationships with clients, software developers, customers and employees or to achieve the anticipated benefits of the merger.

Failure to retain key employees could diminish the anticipated benefits of the merger.

The success of the merger will depend in part on the retention of personnel critical to the business and operations of the combined company due to, for example, their financial, technical or management expertise. Employees may experience uncertainty about their future role with FCStone and International Assets until strategies with regard to these employees are announced or executed. If FCStone and International Assets are unable to retain personnel, including FCStone's key management and risk consultants that are critical to the successful integration and future operations of the companies, the combined company could face disruptions in its operations, loss of existing customers, loss of key information, expertise or know-how, and unanticipated additional recruitment and training costs. In addition, the loss of key personnel could diminish the anticipated benefits of the merger.

As a result of the merger, the combined company will be a larger and more geographically diverse organization, and if the combined company's management is unable to manage the combined organization efficiently, its operating results will suffer.

Following the merger, the combined company will have approximately 650 employees in 28 offices in eleven countries around the world. As a result, the combined company will face challenges inherent in efficiently managing an increased number of employees over large geographic distances, including the need to implement appropriate systems, policies, benefits and compliance programs. The inability to manage successfully the geographically more diverse (including from a cultural perspective) and substantially larger combined organization could have a material adverse effect on the operating results of the combined company after the merger and, as a result, on the market price of International Assets common stock.

The market price of International Assets common stock after the merger may be affected by factors different from those affecting the shares of FCStone or International Assets currently.

The businesses of International Assets and FCStone differ in important respects and, accordingly, the results of operations of the combined company and the market price of the combined company's shares of common stock may be affected by factors different from those currently affecting the independent results of operations of International Assets and FCStone. For a discussion of the businesses of International Assets and FCStone and of certain factors to consider in connection with those businesses, see the documents incorporated by reference in this joint proxy statement/prospectus and referred to under "Where You Can Find More Information" beginning on page 200.

The market price of International Assets' common stock may decline as a result of the merger.

The market price of International Assets' common stock may decline as a result of the merger for a number of reasons, including:

the integration of FCStone by International Assets may be unsuccessful;

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International Assets may not achieve the perceived benefits of the merger as rapidly as, or to the extent, anticipated by financial or industry analysts; or

the effect of the merger on the financial results of International Assets may not be consistent with the expectations of financial or industry analysts.

These factors are, to some extent, beyond the control of International Assets.

The ownership and voting interests of International Assets stockholders will be diluted as a result of the issuance of shares of International Assets common stock to the stockholders of FCStone in the merger.

After the merger, stockholders of FCStone who receive International Assets common stock in the merger will represent approximately 47.5% of International Assets common stock as of the date of the merger, based on the number of shares of International Assets common stock and FCStone common stock that were outstanding on July 1, 2009, assuming that no FCStone or International Assets stock options are exercised after July 1, 2009 and prior to the effective time of the merger. After the merger, International Assets stockholders will have the same number of shares of International Assets common stock held immediately prior to the merger and will therefore hold a smaller percentage, approximately 52.5%, of the aggregate number of shares of International Assets common stock outstanding after the merger, based on the same assumptions as included in the previous sentence.

Risks Relating to International Assets

International Assets faces a variety of risks that could adversely impact its financial condition and results of operations. The risks faced by International Assets include the following:

International Assets does not have a consistent history of profitability, and International Assets ability to achieve consistent profitability in the future is subject to uncertainty.

During the fiscal year ended September 30, 2008, International Assets recorded net income of \$27.8 million, compared with a net loss of \$4.5 million in 2007, and net income of \$3.5 million in 2006. During the six months ended March 31, 2009, International Assets had net income of \$7.3 million compared to \$18.9 million for the six months ended March 31, 2008.

International Assets ability to achieve consistent profitability is subject to uncertainty due to the nature of its businesses and the markets in which it operates. In particular, International Assets revenues and operating results may fluctuate significantly in the future because of the following factors:

Volatility in the securities and commodities markets in which International Assets operates

Changes in the volume of International Assets market making and trading activities

Changes in the value of International Assets financial instruments, currency and commodities positions and International Assets ability to manage related risks

International Assets ability to manage personnel, overhead and other expenses

Changes in execution and clearing fees

The addition or loss of sales or trading professionals

Changes in legal requirements

General economic and political conditions

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Although International Assets is continuing its efforts to diversify the sources of its revenues, it is likely that its revenues and operating results will continue to fluctuate substantially in the future and such fluctuations could result in losses. These losses could have a material adverse effect on International Assets' business, financial condition and operating results.

The manner in which International Assets accounts for its commodities inventory and forward commitments may increase the volatility of its reported earnings in the future.

International Assets' net income is subject to volatility due to the manner in which it reports its commodities inventory. This inventory is stated at the lower of cost or market value. International Assets generally mitigates the price risk associated with its commodities inventory through the use of derivatives. This price risk mitigation does not generally qualify for hedge accounting under GAAP. In such situations, any unrealized gains in inventory are not recognized under GAAP, but unrealized gains and losses in related derivative positions are recognized under GAAP. Additionally, GAAP does not require International Assets to reflect changes in estimated values of forward commitments to purchase and sell commodities. As a result, International Assets' reported earnings from this business segment are subject to greater volatility than the earnings from its other business segments.

International Assets' substantial indebtedness could adversely affect its financial condition.

As of March 31, 2009, International Assets' total consolidated indebtedness to lenders and noteholders was approximately \$97.4 million. International Assets expects to increase its indebtedness in the future as it continues to expand its business. International Assets' indebtedness could have important consequences, including:

increasing its vulnerability to general adverse economic and industry conditions

requiring that a portion of its cash flow from operations be used for the payment of interest on its debt, thereby reducing its ability to use cash flow to fund working capital, capital expenditures, acquisitions and general corporate requirements

limiting its ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions and general corporate requirements

limiting its flexibility in planning for, or reacting to, changes in its business and the securities industry

restricting its ability to pay dividends or make other payments

placing International Assets at a competitive disadvantage to its competitors that have less indebtedness. International Assets may be able to incur additional indebtedness in the future, including secured indebtedness. If new indebtedness is added to International Assets' current indebtedness levels, the related risks that International Assets now faces could intensify.

Committed credit facilities currently available to International Assets might not be renewed.

As of July 15, 2009, International Assets had four credit facilities under which it may borrow up to \$137 million. Of these, three are committed facilities:

one for \$62 million available to International Assets' wholly-owned subsidiary, INTL Commodities, for its commodities trading activities, is committed until June 25, 2010.

one for \$35 million available to International Assets for general purposes is committed until December 31, 2010.

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one for \$25 million available to International Assets wholly-owned subsidiary, INTL Global Currencies, for its foreign exchange trading activities, is committed until December 31, 2010.

It is possible that these facilities might not be renewed at the end of their commitment periods and that International Assets will be unable to replace them with other facilities. In such an event, International Assets will be compelled to shrink its business activities, leading to reduced profitability.

International Assets faces risks associated with its market making and trading activities.

International Assets conducts its market-making and trading activities predominantly as a principal, which subjects its capital to significant risks. These activities involve the purchase, sale or short sale for customers and for its own account of financial instruments, including equity and debt securities, commodities and foreign exchange. These activities are subject to a number of risks, including risks of price fluctuations, rapid changes in the liquidity of markets and counterparty creditworthiness.

These risks may limit International Assets ability to either resell financial instruments purchased by it or to repurchase securities sold by it in these transactions. In addition, International Assets may experience difficulty borrowing financial instruments to make delivery to purchasers to whom it sold short, or lenders from whom it has borrowed. From time to time, International Assets has large position concentrations in securities of a single issuer or issuers in specific countries and markets. This concentration could result in higher trading losses than would occur if International Assets positions and activities were less concentrated.

The success of International Assets market-making activities depends on:

the price volatility of specific financial instruments, currencies and commodities

its ability to attract order flow

the skill of its personnel

the availability of capital

general market conditions

To attract market-trading and trading business, International Assets must be competitive in:

providing enhanced liquidity to its customers

the efficiency of its order execution

the sophistication of its trading technology

the quality of its customer service

In its role as a market maker and trader, International Assets attempts to derive a profit from the difference between the prices at which it buys and sells financial instruments, currencies and commodities. However, competitive forces often require International Assets to:

match the quotes other market makers display; and

hold varying amounts of financial instruments, currencies and commodities in inventory.

By having to maintain inventory positions, International Assets is subject to a high degree of risk. International Assets cannot ensure that it will be able to manage its inventory risk successfully or that it will not experience significant losses, either of which could materially adversely affect its business, financial condition and operating results.

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The current global financial crisis has adversely affected International Assets' asset management business.

International Assets incurred losses in its asset management segment during the fourth quarter of the 2008 fiscal year due to redemptions and losses in the funds managed by International Assets and losses in proprietary accounts of International Assets. As a result of these losses, total third party assets under management in this segment dropped from \$2.3 billion at June 30, 2008, \$1.2 billion at September 30, 2008 and to \$0.7 billion at March 31, 2009. Performance in the funds did not meet required hurdles and there was a clawback of performance fees previously accrued. Management fees were earned on a lower asset base. International Assets recognized marked-to-market losses in its proprietary investments (investments in registered funds and the proprietary account referred to above) of \$4.2 million during the fourth quarter of 2008. The fair value of these proprietary investments at March 31, 2009 was \$27.8 million.

The adverse developments in the asset management business were directly attributable to the global financial crisis and have led to continued dramatic shrinkage of that business, including disposition by International Assets of its ownership interest in its former subsidiary, INTL Consilium, LLC effective April 30, 2009. In the event that the financial crisis persists, then this business segment may continue to suffer and International Assets may continue to suffer losses in its proprietary accounts.

The current global financial crisis has heightened many of the risks to which International Assets is exposed.

The current financial crisis has increased many of the risks which accompany International Assets' business, including the risks of counterparty failure, inability to obtain necessary financing and absence of liquid markets. To date, International Assets has not suffered any material adverse developments from the financial crisis other than the losses in its asset management business and a decline in revenues in its debt capital markets business. However, the continuation of the crisis may affect other aspects of International Assets' businesses for a variety of reasons. A general decrease in worldwide economic activity could reduce demand for International Assets' equity market making and foreign exchange business. The substantial decline in commodities prices may affect the levels of business in the commodities trading segment. The ultimate effect of the crisis on International Assets' liquidity, financial condition and capital resources is unpredictable.

International Assets may have difficulty managing its growth.

Since October 1, 2005, International Assets has experienced significant growth in its business. International Assets' operating revenues grew from \$35.9 million in the 2006 fiscal year, to \$53.6 million in 2007, \$127.4 million in 2008 and \$56.7 for the first six months of fiscal year 2009.

This growth has required and will continue to require International Assets to increase its investment in management personnel, financial and management systems and controls, and facilities. In the absence of continued revenue growth, the costs associated with International Assets' expected growth would cause its operating margins to decline from current levels. In addition, as is common in the financial industry, International Assets is and will continue to be highly dependent on the effective and reliable operation of its communications and information systems.

The scope of procedures for assuring compliance with applicable rules and regulations has changed as the size and complexity of International Assets' business has increased. In response, International Assets has implemented and continues to revise formal compliance procedures.

It is possible that International Assets will not be able to manage its growth successfully. International Assets' inability to do so could have a material adverse effect on its business, financial condition and operating results.

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Counterparties or customers may fail to pay International Assets.

As a market-maker of OTC and listed securities, the majority of International Assets' securities transactions are conducted as principal with broker-dealer counterparties located in the United States. International Assets clears its securities transactions through an unaffiliated clearing broker. Substantially all of its equity and debt securities are held by this clearing broker. International Assets' clearing broker has the right to charge International Assets for losses that result from a counterparty's failure to fulfill its contractual obligations.

International Assets is responsible for self-clearing its foreign exchange and commodities activities and, in addition, takes principal risk to counterparties and customers in these activities. The settlement of exchange traded options is effected through clearing institutions. Any metals or other physical commodities positions are held by third party custodians.

International Assets' policy is to monitor the credit standing of the counterparties and customers with which it conducts business. Nevertheless, one or more of these counterparties or customers may default on their obligations. If any do, International Assets' business, financial condition and operating results could be materially adversely affected.

In its equity, debt and commodities trading businesses, International Assets relies on the ability of its clearing brokers to adequately discharge their obligations on a timely basis. International Assets also depends on the solvency of its clearing brokers and custodians. Any failure by a clearing broker to adequately discharge its obligations on a timely basis, or insolvency of a clearing broker or custodian, or any event adversely affecting International Assets' clearing brokers or custodians, could have a material adverse effect on International Assets' business, financial condition and operating results.

International Assets' revenues may decrease due to changes in market volume, prices or liquidity.

International Assets' revenues may decrease due to changes in market volume, prices or liquidity. Declines in the volume of securities, foreign exchange and commodities transactions and in market liquidity generally may result in lower revenues from market-making and trading activities. Changes in price levels of securities and commodities also may result in reduced trading activity and reduce International Assets' revenues from market-making transactions. Changed price levels also can result in losses from changes in the market value of securities and commodities held in inventory. Sudden sharp changes in market values of securities and commodities can result in:

illiquid markets

fair value losses arising from positions held by International Assets

the failure of buyers and sellers of securities and commodities to fulfill their settlement obligations

redemptions from funds managed in International Assets' asset management business segment and consequent reductions in management fees

reductions in accrued performance fees in International Assets' asset management business segment

increases in claims and litigation

Any change in market volume, price or liquidity or any other of these factors could have a material adverse effect on International Assets' business, financial condition and operating results.

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International Assets revenues may be impacted by diminished market activity due to adverse economic, political and market conditions.

The amount of International Assets revenues depends in part on the level of activity in the securities, foreign exchange and commodities markets in which International Assets conducts business. The level of activity in these markets is directly affected by numerous national and international factors that are beyond International Assets control, including:

economic, political and market conditions

the availability of short-term and long-term funding and capital

the level and volatility of interest rates

legislative and regulatory changes

currency values and inflation

Any one or more of these factors may reduce the level of activity in these markets, which could result in lower revenues from International Assets market-making and trading activities. Any reduction in revenues or any loss resulting from these factors could have a material adverse effect on International Assets business, financial condition and operating results.

International Assets depends significantly on a limited group of customers.

International Assets believes that a small number of customers account for a significant portion of its revenues in each of its businesses. International Assets is unable to measure the level of this concentration because its dealing activities do not permit it to quantify revenues generated by each customer. International Assets expects a significant portion of the future demand for each of its market-making and trading services to remain concentrated within a limited number of customers. None of these customers is obligated contractually to use International Assets market-making or trading services. Accordingly, these customers may direct their trading activities to other market-makers or traders at any time. The loss of or a significant reduction in demand for International Assets services from any of these customers could have a material adverse effect on International Assets business, financial condition and operating results.

International Assets depends on its ability to attract and retain key personnel.

Competition for key personnel and other highly qualified management, sales, trading, compliance and technical personnel is significant. It is possible that International Assets will be unable to retain its key personnel and to attract, assimilate or retain other highly qualified personnel in the future. The loss of the services of any of its key personnel or the inability to identify, hire, train and retain other qualified personnel in the future could have a material adverse effect on International Assets business, financial condition and operating results.

From time to time, other companies in the financial sector have experienced losses of sales and trading professionals. The level of competition to attract these professionals is intense. It is possible that International Assets will lose professionals due to increased competition or other factors in the future. The loss of a sales and trading professional, particularly a senior professional with broad industry expertise, could have a material adverse effect on International Assets business, financial condition and operating results.

International Assets depends significantly on its computer and communications systems.

International Assets market-making and trading activities depend on the integrity and performance of the computer and communications systems supporting them. Extraordinary trading volumes or other events could cause International Assets computer systems to operate at an unacceptably low speed or even fail. Any

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significant degradation or failure of International Assets' computer systems or any other systems in the trading process could cause customers to suffer delays in trading. These delays could cause substantial losses for customers and could subject International Assets to claims from customers for losses. International Assets' systems may also fail as a result of:

hurricanes, tornados, fires or other natural disasters

power or telecommunications failures

acts of God

computer hacking activities

terrorism

war

Any computer or communications system failure or decrease in computer systems performance that causes interruptions in International Assets operations could have a material adverse effect on its business, financial condition and operating results.

International Assets is subject to extensive government regulation.

The securities industry is subject to extensive regulation under federal, state and foreign laws. In addition, the SEC, FINRA and other self-regulatory organizations, commonly referred to as SROs, state securities commissions, and foreign securities regulators require strict compliance with their respective rules and regulations. These regulatory bodies are responsible for safeguarding the integrity of the financial markets and protecting the interests of participants in those markets. As a participant in various financial markets, International Assets may be subject to regulation concerning certain aspects of International Assets' business, including:

trade practices

capital structure

record retention

the conduct of International Assets' directors, officers and employees

Failure to comply with any of these laws, rules or regulations could result in adverse consequences. International Assets and certain of International Assets' officers and employees have, in the past, been subject to claims arising from acts in contravention of these laws, rules and regulations. These claims have resulted in the payment of fines and settlements. It is possible that International Assets and its officers and other employees will, in the future, be subject to similar claims. An adverse ruling against International Assets or its officers and other employees could result in International Assets' or its officers' and other employees' being required to pay a substantial fine or settlement and could result in suspension or expulsion. This could have a material adverse effect on International Assets' business, financial condition and operating results.

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The regulatory environment in which International Assets operates is subject to change. New or revised legislation or regulations imposed by the SEC, other United States or foreign governmental regulatory authorities, or FINRA or other SROs could have a material adverse effect on International Assets' business, financial condition and operating results. Changes in the interpretation or enforcement of existing laws and rules by these governmental authorities, FINRA and other SROs could also have a material adverse effect on International Assets' business, financial condition and operating results.

Additional regulation, changes in existing laws and rules, or changes in interpretations or enforcement of existing laws and rules often directly affect securities firms. International Assets cannot predict what effect any

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such changes might have. International Assets' business, financial condition and operating results may be materially affected by both regulations that are directly applicable to International Assets and regulations of general application. International Assets' level of trading and market-making activities can be affected not only by such legislation or regulations of general applicability, but also by industry-specific legislation or regulations.

International Assets is subject to net capital requirements.

The SEC, FINRA and various other regulatory agencies require International Assets' broker-dealer subsidiary, INTL Trading, to maintain specific levels of net capital. Failure to maintain the required net capital may subject this subsidiary to suspension or revocation of registration by the SEC and suspension or expulsion by FINRA and other regulatory bodies. In addition, a change in the net capital rules, the imposition of new rules or any unusually large charge against net capital could limit International Assets' operations that require the intensive use of capital. They could also restrict International Assets' ability to withdraw capital from International Assets' brokerage subsidiary. Any limitation on International Assets' ability to withdraw capital could limit International Assets' ability to pay cash dividends, repay debt and repurchase shares of International Assets' outstanding stock. A significant operating loss or any unusually large charge against net capital could adversely affect International Assets' ability to expand or even maintain International Assets' present levels of business, which could have a material adverse effect on International Assets' business, financial condition and operating results.

INTL Capital in Dubai is also subject to minimum net capital requirements.

International Assets is subject to risks relating to litigation and potential securities laws liability.

Many aspects of International Assets' business involve substantial risks of liability. A market maker is exposed to substantial liability under federal and state securities laws, other federal, state and foreign laws and court decisions, as well as rules and regulations promulgated by the SEC, FINRA and other regulatory bodies. International Assets is also subject to the risks of litigation and claims that may be without merit. As International Assets intends to defend actively any such litigation, significant legal expenses could be incurred. An adverse resolution of any future lawsuits or claims against International Assets could have a material adverse effect on its business, financial condition and operating results.

International Assets may be subject to potentially large claims for violations of environmental laws.

International Assets' base metals trading business may be subject to potential claims under certain federal, state and foreign environmental laws. This business involves the purchase and sale of base metals such as lead and other potentially hazardous materials. As part of this business, International Assets engages third parties located both in the United States and in other countries to acquire, store, transport and recycle used automotive and industrial batteries on its behalf. In the event that these third parties fail to comply with federal, state or foreign environmental laws in handling or disposing of these batteries and other hazardous substances used in or arising from the recycling of these batteries, International Assets may be exposed to claims for the cost of remediating sites impacted by such improper handling and disposal, as well as other related costs. International Assets seeks to mitigate this risk by dealing with third parties that it believes are in compliance with applicable laws and that have established reputations in the industry.

International Assets is subject to intense competition.

International Assets derives most of its revenues from market-making and trading activities. The market for these services, particularly market-making services through electronic communications gateways, is rapidly evolving and intensely competitive. International Assets expects competition to continue and intensify in the future. International Assets competes primarily with wholesale, national, and regional broker-dealers, as well as electronic communications networks. International Assets competes primarily on the basis of its expertise and quality of service.

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A number of International Assets competitors have significantly greater financial, technical, marketing and other resources than International Assets has. Some of them may:

offer alternative forms of financial intermediation as a result of superior technology and greater availability of information

offer a wider range of services and products than International Assets offers

have greater name recognition

have more extensive customer bases

These competitors may be able to respond more quickly to new or evolving opportunities and customer requirements. They may also be able to undertake more extensive promotional activities and offer more attractive terms to customers. Recent advances in computing and communications technology are substantially changing the means by which market-making services are delivered, including more direct access on-line to a wide variety of services and information. This has created demand for more sophisticated levels of customer service. Providing these services may entail considerable cost without an offsetting increase in revenues. In addition, current and potential competitors have established or may establish cooperative relationships or may consolidate to enhance their services and products. New competitors or alliances among competitors may emerge and they may acquire significant market share.

International Assets cannot assure you that it will be able to compete effectively with current or future competitors or that the competitive pressures International Assets faces will not have a material adverse effect on its business, financial condition and operating results.

Certain provisions of Delaware law and International Assets charter may adversely affect the rights of holders of International Assets common stock and make a takeover of International Assets more difficult.

International Assets is organized under the laws of the State of Delaware. Certain provisions of Delaware law may have the effect of delaying or preventing a change in control. In addition, certain provisions of International Assets certificate of incorporation may have anti-takeover effects and may delay, defer or prevent a takeover attempt that a stockholder might consider in its best interest. International Assets certificate of incorporation authorizes the board to determine the terms of International Assets unissued series of preferred stock and to fix the number of shares of any series of preferred stock without any vote or action by International Assets stockholders. As a result, the board can authorize and issue shares of preferred stock with voting or conversion rights that could adversely affect the voting or other rights of holders of International Assets common stock. In addition, the issuance of preferred stock may have the effect of delaying or preventing a change of control, because the rights given to the holders of a series of preferred stock may prohibit a merger, reorganization, sale, liquidation or other extraordinary corporate transaction.

International Assets stock price is subject to volatility.

The market price of International Assets common stock has been and can be expected to be subject to fluctuation as a result of a variety of factors, many of which are beyond International Assets control, including:

actual or anticipated variations in its results of operations

announcements of new products by International Assets or its competitors

technological innovations by International Assets or its competitors

changes in earnings estimates or buy/sell recommendations by financial analysts

the operating and stock price performance of other companies

general market conditions or conditions specific in specific markets

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conditions or trends affecting International Assets' industry or the economy generally

announcements relating to strategic relationships or acquisitions

risk factors and uncertainties set forth elsewhere in this joint proxy statement/prospectus

Because of this volatility, International Assets may fail to meet the expectations of its stockholders or of securities analysts, and the trading prices of its common stock could decline as a result. In addition, any negative change in the public's perception of the securities industry could depress the price of International Assets' stock regardless of its operating results.

Future sales by existing stockholders could depress the market price of International Assets common stock.

If International Assets' stockholders sell substantial amounts of International Assets common stock in the public market, the market price of International Assets common stock could fall. Such sales also might make it more difficult for International Assets to sell equity securities in the future at a time and price that International Assets deems appropriate.

Two of International Assets' executive officers, Sean M. O'Connor and Scott J. Branch, have agreed to restrict the sale of the shares of the common stock of International Assets owned by them. They beneficially own 1,934,619 outstanding shares, or 21.2% of the total shares outstanding as of July 15, 2009. These restrictions will expire upon the repayment of International Assets' senior subordinated convertible notes. The agreement contains several exceptions which permit each officer to sell these shares in limited amounts and/or under limited circumstances. These exceptions include the ability to sell up to 20,000 shares in each calendar quarter, plus additional shares in any period provided certain pricing or other conditions are satisfied.

Risks Relating to FCStone

For a discussion of the risks relating to FCStone, see "Risk Factors" in FCStone's Annual Report on Form 10-K, as amended, for the year ended August 31, 2008, as amended, and subsequent quarterly reports on Form 10-Q, which are incorporated by reference into this joint proxy statement/prospectus.

Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF INTERNATIONAL ASSETS**

The following tables set forth the selected historical consolidated financial data for International Assets. The selected consolidated financial data as of and for the fiscal years ended September 30, 2008, 2007 and 2006 have been derived from International Assets' audited consolidated financial statements, which are included elsewhere in this joint proxy statement/prospectus. The selected consolidated financial data as of and for the fiscal years ended September 30, 2005 and 2004 have been derived from International Assets' audited consolidated financial statements not included in this joint proxy statement/prospectus. The selected consolidated financial data as of and for the six months ended March 31, 2009 and 2008 have been derived from International Assets' unaudited condensed consolidated financial statements, which are included elsewhere in this joint proxy statement/prospectus. Historical results are not necessarily indicative of the results that may be expected for any future period.

This selected consolidated financial data should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations of International Assets appearing elsewhere in this joint proxy statement/prospectus.

(In millions, except share and per share numbers)	As of and for the Six Months Ended March 31,		As of and for the Fiscal Years Ended September 30,				
	2009 (Unaudited)	2008	2008	2007	2006	2005	2004
Income Statement							
Operating revenues	\$ 56.7	\$ 74.7	\$ 127.4	\$ 53.6	\$ 35.9	\$ 26.1	\$ 22.0
Interest expense	4.6	5.8	11.2	9.4	2.1	1.3	3.2
Non-interest expenses	41.0	35.3	68.6	49.9	28.5	20.7	16.9
Income (loss) before taxes and minority interest	11.1	33.6	47.6	(5.7)	5.3	4.1	1.9
Taxes	3.3	12.5	18.0	(2.0)	1.7	1.5	2.0
Minority interest	0.5	1.3	0.4	0.6	0.1		
Income (loss) from continuing operations	7.3	19.8	29.2	(4.3)	3.5	2.6	(0.1)
Discontinued operations		0.9	1.4	0.2			
Net income (loss)	\$ 7.3	\$ 18.9	\$ 27.8	\$ (4.5)	\$ 3.5	\$ 2.6	\$ (0.1)
Earnings (loss) per share:							
- Basic	\$ 0.82	\$ 2.26	\$ 3.30	\$ (0.56)	\$ 0.45	\$ 0.36	\$ (0.02)
- Diluted	\$ 0.78	\$ 1.97	\$ 2.95	\$ (0.56)	\$ 0.41	\$ 0.33	\$ (0.02)
Number of shares:							
- Basic	8,864,298	8,362,265	8,434,976	8,086,837	7,636,808	7,303,065	5,090,304
- Diluted	9,972,697	9,945,082	9,901,766	8,086,837	8,387,761	8,023,891	5,090,304
Balance Sheet							
Total assets	\$ 365.5	\$ 398.6	\$ 438.0	\$ 361.2	\$ 199.9	\$ 147.0	\$ 67.7
Total stockholders' equity	\$ 79.3	\$ 57.1	\$ 74.8	\$ 35.6	\$ 33.9	\$ 28.1	\$ 24.6
Net book value per share outstanding	\$ 8.78	\$ 6.68	\$ 8.38	\$ 4.31	\$ 4.32	\$ 3.78	\$ 3.48

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The following tables set forth the selected historical consolidated financial and operating data for FCStone. The selected consolidated financial and operating data as of and for the fiscal years ended August 31, 2008, 2007 and 2006 have been derived from FCStone's audited consolidated financial statements, which have been incorporated by reference into this joint proxy statement/prospectus. The selected consolidated financial and operating data as of and for the fiscal years ended August 31, 2005 and 2004 have been derived from FCStone's audited consolidated financial statements not included in this joint proxy statement/prospectus. The selected consolidated financial and operating data as of and for the nine months ended May 31, 2009 have been derived from FCStone's unaudited condensed consolidated financial statements, which are incorporated by reference into this joint proxy statement/prospectus. Historical results are not necessarily indicative of the results that may be expected for any future period.

This selected consolidated financial and operating data should be read in conjunction with FCStone's Annual Report on Form 10-K/A for the fiscal year ended August 31, 2008 and FCStone's Quarterly Report on Form 10-Q for the nine months ended May 31, 2009 incorporated by reference into this joint proxy statement/prospectus.

	Nine Months Ended May 31,		Year Ended August 31,				2004
	2009	2008	2008	2007	2006	2005	
(amounts in millions, except per share amounts)							
Statement of Operations Data:							
Revenues:							
Commissions and clearing fees	\$ 109.7	\$ 132.7	\$ 179.2	\$ 145.1	\$ 105.6	\$ 76.7	\$ 67.6
Service, consulting and brokerage fees	43.3	68.8	97.7	47.7	33.4	18.9	12.0
Interest	21.8	37.5	48.3	42.9	23.2	8.2	4.0
Other	5.6	8.3	10.4	4.5	2.6	7.4	4.5
Sales of commodities	19.3	2.0	1.9	1,101.7	1,130.0	1,290.6	1,536.2
Total revenues	199.7	249.3	337.5	1,341.9	1,294.8	1,401.8	1,624.3
Costs and expenses:							
Cost of commodities sold	19.1	1.0	1.1	1,084.2	1,112.9	1,275.1	1,519.2
Employee compensation and broker commissions	41.0	46.6	65.9	49.5	44.3	32.6	30.2
Pit brokerage and clearing fees	65.3	73.6	104.0	68.0	47.6	33.1	26.7
Introducing broker commissions	16.9	24.9	33.3	36.1	22.8	14.5	10.7
Employee benefits and payroll taxes	6.3	9.8	13.7	10.7	9.8	8.0	7.1
Interest	3.4	4.4	5.7	9.9	5.7	3.9	4.4
Depreciation and amortization	2.2	1.3	2.0	1.7	1.7	1.6	0.9
Provision for bad debts	118.2	1.9	2.0	1.6	1.9	4.1	0.7
Impairment loss on goodwill	1.9						
Other expenses	29.3	23.0	31.6	26.0	23.6	18.9	15.4
Total costs and expenses	303.6	186.5	259.3	1,287.7	1,270.3	1,391.8	1,615.3
Income (loss) from continuing operations before income tax (benefit) expense and minority interest	(103.9)	62.8	78.2	54.2	24.5	10.0	9.0
Minority interest	(0.6)		(0.1)	0.6	(0.2)	(0.5)	0.6
Income (loss) from continuing operations after minority interest and before income tax (benefit) expense	(103.2)	62.8	78.3	53.6	24.7	10.5	8.4
Income tax (benefit) expense	(42.1)	23.5	30.9	20.0	9.5	3.9	2.0
Net income (loss) from continuing operations	(61.1)	39.3	47.4	33.6	15.2	6.6	6.4

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	Nine Months Ended May 31,			Year Ended August 31,			2004
	2009	2008	2008	2007	2006	2005	
Loss from discontinued operations, net of tax	(0.1)	(6.1)	(6.8)	(0.3)			
Net income (loss)	\$ (61.2)	\$ 33.2	\$ 40.6	\$ 33.3	\$ 15.2	\$ 6.6	\$ 6.4
Basic shares outstanding(1)	27.9	27.7	27.7	24.5	21.7	19.6	
Diluted shares outstanding(1)	27.9	29.0	28.9	25.1	21.7	19.6	
Basic earnings (loss) per share:							
Continuing operations	(2.19)	1.42	\$ 1.71	\$ 1.37	\$ 0.70	\$ 0.34	
Discontinued operations		(0.22)	(0.25)	(0.01)			
Net income (loss)	(2.19)	1.20	\$ 1.46	\$ 1.36	\$ 0.70	\$ 0.34	
Diluted earnings (loss) per share:							
Continuing operations	(2.19)	1.36	\$ 1.64	\$ 1.34	\$ 0.70	\$ 0.34	
Discontinued operations		(0.21)	(0.24)	(0.01)			
Net income (loss)	(2.19)	1.15	\$ 1.40	\$ 1.33	\$ 0.70	\$ 0.34	
Cash dividends declared per share(4)			\$	\$ 0.28	\$ 0.13	\$	

	Nine Months Ended May 31,			August 31,			2004
	2009	2008	2008	2007	2006	2005	
Statement of Financial Condition Data:							
Total assets(3)	\$ 1,477.1	\$ 2,426.3	\$ 2,421.5	\$ 1,420.2	\$ 1,057.2	\$ 809.6	\$ 603.8
Notes payable and subordinated debt(3)	41.0	92.3	95.2	36.1	55.2	42.4	47.3
Obligations under capital leases(3)					3.6	4.1	4.7
Minority interest(3)	6.7	5.0	4.9		3.6	4.8	5.5
Common stock and equity	\$ 165.9	\$ 217.2	\$ 227.6	\$ 173.7	\$ 58.9	\$ 45.2	\$ 39.8

	Nine Months Ended May 31,		Year Ended August 31,				2004
	2009	2008	2008	2007	2006	2005	
Segment and Other Data:							
Income (loss) before minority interest and income tax (benefit) expense:							
Commodity and Risk Management Services	\$ 10.8	\$ 54.3	\$ 67.6	\$ 45.7	\$ 21.9	\$ 11.1	\$ 7.9
Clearing and Execution Services	(97.1)	15.0	20.2	9.6	10.9	5.2	3.4
Financial Services	0.3	1.2	1.7	1.1		0.5	(0.5)
Grain Merchandising(3)				2.1	(0.4)	(2.0)	2.2
Corporate and other	(17.9)	(7.8)	(11.2)	(4.3)	(7.9)	(4.8)	(4.0)
	\$ (103.9)	\$ 62.7	\$ 78.1	\$ 54.2	\$ 24.5	\$ 10.0	\$ 9.0
Revenues, net of cost of commodities sold(2)	\$ 180.6	\$ 248.2	\$ 336.5	\$ 257.8	\$ 181.9	\$ 126.8	\$ 105.1
EBITDA(2)	\$ (95.8)	\$ 68.5	\$ 86.0	\$ 65.3	\$ 32.1	\$ 16.0	\$ 13.7
Return on equity	(51.8)%	28.3%	20.1%	33.8%	30.1%	15.4%	16.5%
Exchange contract trading volume	51.3	77.1	98.6	61.0	47.5	36.2	29.9
OTC contract volume	0.4	1.0	1.4	0.8	0.3	0.2	.1

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Customer segregated assets, end of period	\$ 835.4	\$ 1,386.6	\$ 1,528.0	\$ 997.4	\$ 764.8	\$ 594.7	\$ 390.0
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- (1) The basic and diluted shares outstanding, for all periods, have been adjusted to reflect the three-for-one stock split effected on February 26, 2007 and the three-for-two split distributed on September 27, 2007. Additionally, the calculation of the basic and diluted shares outstanding for the year ended August 31, 2005 assumes the shares issued as a result of the restructuring, from a cooperative to a corporation, have been issued and outstanding for the full year.

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- (2) FCStone has provided a reconciliation of Revenues, net of cost of commodities sold and EBITDA to Revenues and Net Income, respectively, which FCStone believes are the most directly comparable financial measures calculated and presented in accordance with generally accepted accounting principles, in its Annual Report on Form 10-K/A for the year ended August 31, 2008 and its Quarterly Report on Form 10-Q for the nine months ended May 31, 2009 under the caption "Selected Financial Data - Non-GAAP Financial Measures," which are incorporated by reference into this joint proxy statement/prospectus.
- (3) On June 1, 2007, FCStone closed an equity purchase agreement to sell its majority interest in FGDI to Agrex, the other existing member of FGDI. Subsequent to the sale, FCStone retains a 25% interest in the equity of FGDI and account for this non-controlling interest on the equity method of accounting. Accordingly, FCStone's consolidated statements of financial condition at August 31, 2008 and 2007 do not include FGDI's assets and liabilities. Also, FCStone's consolidated statement of operations at August 31, 2007 includes FGDI's revenues and expenses for only the nine month period ended May 31, 2007. Minority interest attributable to Agrex prior to the sale of FCStone's controlling interest are reflected for the years ended August 31, 2006, 2005 and 2004, respectively. FCStone has recorded its equity interest in FGDI's operating results subsequent to the sale as other revenue.
- (4) Such information has been adjusted to reflect retroactively the three-for-one stock split effective February 26, 2007, and the three-for-two split effective on September 27, 2007. Historical dividend data has been omitted for fiscal years prior to 2005 because earnings were distributed as patronage dividends to members based on the level of business conducted.

Table of Contents**SELECTED UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION**

The following selected unaudited pro forma condensed combined income statement data for the nine months ended March 31, 2009 and fiscal year ended September 30, 2008 reflect the merger and related transactions as if they had occurred on October 1, 2007. The following selected unaudited pro forma condensed combined balance sheet data as of March 31, 2009 reflect the merger and related transactions as if they had occurred on March 31, 2009.

Such unaudited pro forma condensed combined financial data is based on the historical financial statements of International Assets and FCStone and on publicly available information and certain assumptions and adjustments as discussed in the section entitled "Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 190. This unaudited pro forma condensed combined financial information is provided for illustrative purposes only and is not necessarily indicative of what the operating results or financial position of International Assets or FCStone would have been had the merger and related transactions been completed at the beginning of the periods or on the dates indicated, nor are they necessarily indicative of any future operating results or financial position. The following should be read in connection with the section of this joint proxy statement/prospectus entitled "Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 190 and other information included in or incorporated by reference into this joint proxy statement/prospectus.

(In millions, except share and per share numbers)	As of and for the Nine Months Ended March 31, 2009	As of and for the Fiscal Year Ended September 30, 2008
Income Statement		
Operating revenues	\$ 259.0	\$ 463.8
Interest expense	10.9	16.9
Non-interest expenses	336.6	319.1
(Loss) income before taxes and minority interest	(88.5)	127.8
Income tax expense (benefit)	(37.0)	49.7
Minority interest	(1.2)	0.2
(Loss) income from continuing operations	\$ (50.3)	\$ 77.9
(Loss) earnings from continuing operations per share:		
- Basic	\$ (2.94)	\$ 4.69
- Diluted	\$ (2.94)	\$ 4.23
Number of shares:		
- Basic	17,101,288	16,620,931
- Diluted	17,101,288	18,437,296
Balance Sheet		
Total assets	\$ 1,827.4	
Total stockholders' equity	\$ 231.2	
Net book value per share outstanding	\$ 13.38	

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UNAUDITED PRO FORMA COMBINED PER SHARE INFORMATION

The following selected unaudited pro forma combined per share information for the nine months ended March 31, 2009 and fiscal year ended September 30, 2008 reflects the merger and related transactions as if they had occurred on October 1, 2007. The unaudited pro forma combined book value per common share outstanding reflects the merger and related transactions as if they had occurred on March 31, 2009. Because of different fiscal period ends, the unaudited pro forma condensed combined income statement data for the nine months ended March 31, 2009 combines International Assets' historical consolidated income statement for the nine months then ended with FCStone's historical consolidated statement of operations for the nine months ended May 31, 2009. The unaudited pro forma condensed combined income statement data for the fiscal year ended September 30, 2008 combines International Assets' historical consolidated income statement for the fiscal year then ended with FCStone's results of operations for the fiscal year ended August 31, 2008.

Such unaudited pro forma combined per share information is based on the historical financial statements of International Assets and FCStone and on publicly available information and certain assumptions and adjustments as discussed in the section entitled "Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 190. This unaudited pro forma combined per share information is provided for illustrative purposes only and is not necessarily indicative of what the operating results or financial position of International Assets or FCStone would have been had the merger and related transactions been completed at the beginning of the periods or on the dates indicated, nor are they necessarily indicative of any future operating results or financial position. The following should be read in connection with the section entitled "Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 190, and other information included in or incorporated by reference into this joint proxy statement/prospectus.

Table of Contents**International Assets**

	Nine Months Ended March 31, 2009	Fiscal Year Ended September 30, 2008
Historical Per Common Share Data:		
Basic net income per share	\$ 0.82	\$ 3.30
Diluted net income per share	\$ 0.78	\$ 2.95
Book value per share as of the period end(1)	\$ 8.78	\$ 8.38

FCStone

	Nine Months Ended May 31, 2009	Fiscal Year Ended August 31, 2008
Historical Per Common Share Data:		
Basic net (loss) income per share	\$ (2.19)	\$ 1.46
Diluted net (loss) income per share	\$ (2.19)	\$ 1.40
Book value per share as of the period end(1)	\$ 5.94	\$ 8.15

Pro Forma Combined Company

	Nine Months Ended March 31, 2009	Fiscal Year Ended September 30, 2008
Unaudited Pro Forma Combined Per Common Share Data:		
Basic net (loss) income per share	\$ (2.94)	\$ 4.69
Diluted net (loss) income per share	\$ (2.94)	\$ 4.23
Book value per share as of the period end(1)	\$ 13.38	

- (1) The historical book value per International Assets share is computed by dividing stockholders' equity by the number of shares of common stock outstanding at March 31, 2009 and September 30, 2008. The historical book value per FCStone share is computed by dividing stockholders' equity by the number of shares of common stock outstanding at May 31, 2009 and August 31, 2008. The unaudited pro forma combined book value per share as of March 31, 2008 is computed by dividing the unaudited pro forma combined stockholders' equity by the unaudited pro forma weighted average combined number of shares of International Assets common stock outstanding at March 31, 2009 assuming the merger had occurred as of that date.

Table of Contents**MARKET PRICE AND DIVIDEND INFORMATION**

International Assets common stock is listed on the NASDAQ Global Market under the symbol IAAC and FCStone common stock is listed on the NASDAQ Global Select Market under the symbol FCSX. The following tables present, for the periods indicated, the range of high and low per share sales prices for International Assets common stock and FCStone common stock as reported on these markets. Neither International Assets nor FCStone has declared or paid any cash dividend on shares of its common stock since September 1, 2006.

International Assets' fiscal year ends on September 30, and FCStone's fiscal year ends on August 31.

International Assets Common Stock

	Price Range	
	High	Low
2009:		
Fourth Quarter (through July 23, 2009)	\$ 16.75	\$ 12.50
Third Quarter	\$ 16.95	\$ 9.35
Second Quarter	\$ 11.82	\$ 6.25
First Quarter	\$ 27.50	\$ 5.29
2008:		
Fourth Quarter	\$ 37.74	\$ 18.11
Third Quarter	\$ 32.68	\$ 21.78
Second Quarter	\$ 28.77	\$ 21.48
First Quarter	\$ 31.11	\$ 24.46
2007:		
Fourth Quarter	\$ 26.79	\$ 20.41
Third Quarter	\$ 28.35	\$ 20.52
Second Quarter	\$ 29.62	\$ 15.36
First Quarter	\$ 49.53	\$ 21.41

FCStone Common Stock

	Price Range	
	High	Low
2009:		
Fourth Quarter (through July 23, 2009)	\$ 5.45	\$ 3.74
Third Quarter	\$ 4.80	\$ 1.23
Second Quarter	\$ 5.60	\$ 1.45
First Quarter	\$ 21.53	\$ 1.90
2008:		
Fourth Quarter	\$ 41.12	\$ 13.00
Third Quarter	\$ 46.18	\$ 18.39
Second Quarter	\$ 53.25	\$ 39.02
First Quarter	\$ 43.98	\$ 28.67
2007:		
Fourth Quarter	\$ 42.97	\$ 26.76
Third Quarter	\$ 34.56	\$ 18.17

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The following table presents the closing per share price of International Assets common stock as reported on the NASDAQ Global Market, and the closing price per share of FCStone common stock as reported on the NASDAQ Global Select Market and the estimated equivalent per share price (as explained below) of FCStone common stock on July 1, 2009, the last full trading day before the public announcement of the proposed merger, and on July 23, 2009:

	International Assets Common Stock	FCStone Common Stock	Estimated Equivalent FCStone Per Share Price
July 1, 2009	\$ 15.74	\$ 4.15	\$ 4.64
July 23, 2009	\$ 16.74	\$ 4.93	\$ 4.94

The estimated equivalent per share price of a share of FCStone common stock equals the exchange ratio of 0.2950 multiplied by the price of a share of International Assets common stock. You may use this calculation to estimate what your shares of FCStone common stock will be worth if the merger is consummated. If the merger had occurred on July 23, 2009, you would have received a number of shares of International Assets common stock worth \$4.94 for each share of FCStone common stock you owned. The actual equivalent per share price of a share of FCStone common stock that you will receive if the merger is consummated may be different from this price because the per share price of International Assets common stock on the NASDAQ Global Market fluctuates continuously.

Following the consummation of the merger, International Assets common stock will continue to be listed on the NASDAQ Global Market, and there will be no further market for FCStone common stock.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This joint proxy statement/prospectus contains or incorporates by reference a number of forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. Forward-looking statements include statements preceded by, followed by, or including the words could, would, should, target, plan, believe, expect, intend, anticipate, estimate, project, potential, possible or other similar terms. In particular, forward-looking statements contained in this joint proxy statement/prospectus include expectations regarding the financial conditions, results of operations, earnings outlook and prospects of International Assets, FCStone and the potential combined company and may include statements regarding the period following the completion of the merger.

The forward-looking statements involve certain risks and uncertainties and may differ materially from actual results. The ability of either International Assets or FCStone to predict results or the actual effects of its plans and strategies, or those of the combined company, is subject to inherent uncertainty. Factors that may cause actual results or earnings to differ materially from such forward-looking statements include those set forth on page 17 under "Risk Factors", as well as, among others, the following:

factors discussed and identified in public filings with the SEC made by International Assets or FCStone;

the effect of changes in domestic and global economic conditions in general;

the completion of the merger is dependent on, among other things, receipt of stockholder and regulatory approvals, the timing of which cannot be predicted with precision and which may not be received at all;

the merger may be more expensive to complete than anticipated, including as a result of unexpected factors or events;

the exposure to litigation, including the possibility that litigation relating to the merger agreement and related transactions could delay or impede the completion of the merger;

the integration of FCStone's business and operations with those of International Assets may take longer than anticipated, may be more costly than anticipated and may have unanticipated adverse results relating to FCStone's or International Assets' existing businesses; and

the attrition in key customer and other relationships relating to the merger may be greater than expected.

You are cautioned not to place undue reliance on these statements, which speak only as of the date of this joint proxy statement/prospectus or the date of any document incorporated by reference in this document. Except to the extent required by applicable law or regulation, International Assets and FCStone undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

All subsequent written and oral forward-looking statements concerning the merger or other matters addressed in this joint proxy statement/prospectus and attributable to International Assets or FCStone or any person acting on their behalf are expressly qualified in their entirety by the preceding cautionary statement.

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THE COMPANIES

International Assets

International Assets and its subsidiaries form a financial services group focused on select international markets. International Assets commits its capital and expertise to market-making and dealing in financial instruments, currencies and commodities, and to asset management. International Assets' activities are divided into five reportable business segments: international equities market-making, foreign exchange trading, commodities trading, international debt capital markets and asset management.

International Equities Market-Making. International Assets is a leading U.S. market maker in select foreign securities, including unlisted American Depository Receipts and foreign common shares. International Assets provides execution and liquidity primarily to U.S.-based wire houses, regional broker-dealers and institutional investors.

Foreign Exchange Trading. International Assets trades select illiquid currencies of developing countries. International Assets' target customers are financial institutions, multi-national corporations, and governmental and charitable organizations operating in these developing countries. In addition, International Assets executes trades based on the foreign currency flows inherent in its existing international securities activities. International Assets primarily acts as a principal in buying and selling foreign currencies on a spot basis.

Commodities Trading. International Assets provides a full range of over-the-counter precious and base metals trading and hedging capabilities to producers, consumers, recyclers and investors with a particular focus on transactions that include physical delivery. Acting as a principal, International Assets commits its capital to buy and sell the metals on a spot and forward basis.

International Debt Capital Markets. International Assets originates international debt transactions for issuers located primarily in emerging markets. This includes bond issues, syndicated loans, asset securitizations as well as forms of other negotiable debt instruments. International Assets also actively trades a wide variety of international debt instruments including both investment grade and higher yielding emerging market bonds with particular focus on smaller emerging market sovereign, corporate and bank bonds that trade worldwide on an over-the-counter basis.

Asset Management. International Assets provides asset management services through two wholly owned subsidiaries: INTL Capital Ltd. and Gainvest S.A. Sociedad Gerente de Fondos Comunes de Inversion. INTL Capital Ltd. acts as the investment adviser to INTL Trade Finance Fund Ltd. Gainvest acts as an investment adviser to three investment funds organized and traded in Argentina. International Assets common stock is traded on the NASDAQ Global Market under the symbol IAAC.

The address of International Assets' principal executive offices is 220 E. Central Parkway, Suite 2060, Altamonte Springs, Florida 32701 and its telephone number is (407) 741-5300.

Merger Sub

International Assets Acquisition Corp., or merger sub, is a wholly owned subsidiary of International Assets that was incorporated in Delaware in June 2009. Merger sub does not engage in any operations and exists solely to facilitate the merger.

FCStone

FCStone Group, Inc. is an integrated commodity risk management company providing risk management consulting and transaction execution services to commercial commodity intermediaries, end-users and producers. FCStone assists primarily middle market customers in optimizing their profit margins and mitigating their exposure to commodity price risk. In addition to its risk management consulting services, FCStone operates one of the leading independent clearing and execution platforms for exchange-traded futures and options contracts.

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FCStone serves more than 8,000 customers and in fiscal 2008, executed more than 100 million derivative contracts in the exchange-traded and over-the-counter (OTC) markets. As a complement to its commodity risk management consulting and execution services, FCStone also assists its customers with financing, transportation and merchandising of their physical commodity requirements and inventories through its financial services segment and equity affiliations.

FCStone began offering commodity risk management consulting services to grain elevators in 1968. FCStone originally operated as a member-owned cooperative that was governed by a mission to deliver professional marketing and risk management programs to enhance the profitability of its members and other customers. In 2004, FCStone converted to a stock corporation to improve its access to financial capital and to facilitate continued growth in its operations.

FCStone provides its customers with various levels of commodity risk management services, ranging from value-added consulting services delivered through its Integrated Risk Management Program (IRMP) to lower-margin clearing and execution services for exchange-traded derivative contracts. Within its Commodity and Risk Management Services (C&RM) segment, its IRMP involves providing its customers with commodity risk management consulting services that are designed to help them mitigate their exposure to commodity price risk and maximize the amount and certainty of their operating profits. In performing consulting services, FCStone educates its customers as to the commodity risks that they may encounter and how they can use the derivative markets to mitigate those risks. The IRMP forms the basis of its value-added approach, and serves as a competitive advantage in customer acquisition and retention. FCStone offers its customers access to both exchange-traded and OTC derivative markets, integrating the two platforms into a seamless product offering delivered by its 120 commodity risk management consultants.

Within its Clearing and Execution Services (CES) segment, FCStone also offers clearing and execution services to a broad array of participants in exchange-traded futures and options markets including commercial accounts, professional traders, managed futures funds, introducing brokers and retail customers. Its futures commission merchant (FCM) subsidiary holds clearing-member status at all of the major U.S. commodity futures and options exchanges. As of May 31, 2009, FCStone was the fourth largest FCM in the U.S., as measured by required customer segregated assets, not affiliated with a major financial institution or commodity producer, intermediary or end-user. Its exchange-traded futures and options transaction volumes have grown from 16.3 million contracts in fiscal year 2003 to 98.6 million contracts in fiscal 2008. As of May 31, 2009, FCStone had \$835.4 million in customer segregated assets.

To compliment its two primary segments, C&RM and CES, FCStone also operates a Financial Services segment. In its Financial Services segment, through FCStone Financial, Inc. (FCStone Financial) and FCStone Merchant Services, LLC (FCStone Merchant Services), FCStone offers financing and facilitation for its customers with respect to physical commodity inventories and operations. FCStone Financial offers financing services that help its customers finance physical grain inventories, while FCStone Merchant Services provides the same services for grain inventories, as well as other commodities. FCStone Merchant Services also provides structured commodity financing in transactions where it shares in profits with customers in commodity or commodity-related projects in exchange for financial support. The Financial Services segment, while not a primary source of revenue or profit, serves as a facilitation business for C&RM customers, enabling FCStone to provide additional value-added services to its customers. Based on current credit market conditions, FCStone's activity in this segment is expected to remain reduced throughout the remainder of fiscal 2009.

FCStone common stock is traded on the NASDAQ Global Select Market under the symbol FCSX.

The address of FCStone's principal executive offices is 1251 NW Briarcliff Parkway, Suite 800, Kansas City, Missouri 64116, and its telephone number is (816) 410-7120.

Additional information about FCStone and its subsidiaries is included in documents incorporated by reference in this joint proxy statement/prospectus. See [Where You Can Find More Information](#) beginning on page 200.

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THE INTERNATIONAL ASSETS SPECIAL MEETING

Date, Time and Place

The special meeting of International Assets stockholders will be held on _____, 2009, at _____ commencing at 10:00 a.m. local time. We are sending this joint proxy statement/prospectus to International Assets stockholders in connection with the solicitation of proxies by the International Assets board of directors for use at the International Assets special meeting and any adjournments or postponements of the special meeting.

Purposes of the International Assets Special Meeting

The purposes of the International Assets special meeting are:

1. To consider and vote upon the issuance of shares of International Assets common stock in the merger contemplated by the Agreement and Plan of Merger, dated as of July 1, 2009, by and among International Assets, International Assets Acquisition Corp., a wholly-owned subsidiary of International Assets, and FCStone;
2. To consider and vote upon a proposal to approve an amendment to International Assets certificate of incorporation to increase the number of authorized shares of International Assets common stock from 17,000,000 shares to 30,000,000 shares;
3. To consider and vote upon a proposal to approve an amendment to International Assets certificate of incorporation to establish a classified board of directors initially consisting of thirteen members to be divided into three classes, the reduction in the size of the board to eleven members in 2012 and to nine members in 2013, and the elimination of the classified board in 2013;
4. To consider and vote upon a proposal to approve an amendment to International Assets certificate of incorporation to eliminate a provision that requires the affirmative vote of the holders of 75% of the outstanding shares of International Assets common stock to remove or change the chairman of the board;
5. To consider and vote upon an adjournment of the International Assets special meeting, including if necessary, to solicit additional proxies if there are not sufficient votes in favor of any of International Assets Proposal Nos. 1, 2, 3 or 4; and
6. To transact such other business as may properly come before the special meeting or any adjournment or postponement thereof.

Recommendation of the Board of Directors of International Assets

International Assets board of directors has unanimously determined that the issuance of shares of International Assets common stock in the merger is advisable and fair to, and in the best interests of, International Assets and its stockholders and has unanimously approved such issuance. International Assets board of directors unanimously recommends that International Assets stockholders vote For International Assets Proposal No. 1 to approve the issuance of shares of International Assets common stock in the merger.

International Assets board of directors has unanimously determined that the amendment to the certificate of incorporation to increase its authorized shares of common stock to 30,000,000 shares is advisable and fair to, and in the best interests of, International Assets and its stockholders and has unanimously approved such amendment. International Assets board of directors unanimously recommends that International Assets stockholders vote For International Assets Proposal No. 2 to approve the amendment to the certificate of incorporation for this purpose.

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International Assets board of directors has unanimously determined that amendments to the certificate of incorporation to establish a classified board are advisable and fair to, and in the best interests of, International Assets and its stockholders and has unanimously approved such amendments. International Assets board of directors unanimously recommends that International Assets stockholders vote For International Assets Proposal No. 3 to approve amendments to the certificate of incorporation for these purposes.

International Assets board of directors has unanimously determined that amendments to the certificate of incorporation to eliminate the requirement of stockholder approval to change the chairman of the board, are advisable and fair to, and in the best interests of, International Assets and its stockholders and has unanimously approved such amendments. International Assets board of directors unanimously recommends that International Assets stockholders vote For International Assets Proposal No. 4 to approve amendments to the certificate of incorporation for these purposes.

International Assets board of directors has unanimously determined that the proposal to adjourn the International Assets special meeting, if necessary, if a quorum is present, to solicit additional proxies if there are not sufficient votes in favor of any of International Assets Proposal Nos. 1, 2, 3 or 4 is advisable and fair to, and in the best interests of, International Assets and its stockholders and has unanimously approved and adopted the proposal. Accordingly, International Assets board of directors unanimously recommends that all International Assets stockholders vote For International Assets Proposal No. 5 to adjourn the International Assets special meeting, if necessary, if a quorum is present, to solicit additional proxies if there are not sufficient votes in favor of any of International Assets Proposal Nos. 1, 2, 3 or 4.

Record Date and Voting Power

Only holders of record of International Assets common stock at the close of business on the record date, _____, 2009, are entitled to notice of, and to vote at, the International Assets special meeting. There were approximately _____ holders of record of International Assets common stock at the close of business on the record date. Because many of such shares are held by brokers and other institutions on behalf of stockholders, International Assets is unable to estimate the total number of stockholders represented by these record holders. There were _____ shares of International Assets common stock issued and outstanding at the close of business on the record date. Each share of International Assets common stock entitles the holder thereof to one vote on each matter submitted for stockholder approval. See Security Ownership of Certain Beneficial Owners and Management of International Assets for information regarding persons known to the management of International Assets to be the beneficial owners of more than 5% of the outstanding shares of International Assets common stock.

Voting and Revocation of Proxies

The proxy accompanying this joint proxy statement/prospectus is solicited on behalf of the board of directors of International Assets for use at the International Assets special meeting.

If you are a stockholder of record of International Assets as of the record date referred to above, you may vote in person at the International Assets special meeting or vote by proxy over the Internet, by telephone or using the enclosed proxy card. Whether or not you plan to attend the International Assets special meeting, International Assets urges you to vote by proxy to ensure your vote is counted. You may still attend the International Assets special meeting and vote in person if you have already voted by proxy.

If your shares are registered directly in your name, you may deliver your proxy to vote your shares in one of the following ways or you may vote in person at the International Assets special meeting.

You may submit your proxy to vote by mail. You may vote by completing and signing the proxy card that accompanies this joint proxy statement/prospectus and promptly mailing it in the enclosed postage-prepaid envelope. You do not need to put a stamp on the enclosed envelope if you mail it in

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the United States. The shares you own will be voted according to the instructions on the proxy card you submit.

You may submit your proxy to vote over the Internet. If you have Internet access, you may submit your proxy to vote your shares from any location in the world by following the *Vote By Internet* instructions set forth on the enclosed proxy card.

You may submit your proxy to vote by telephone. You may submit your proxy to vote your shares by telephone by following the *Vote By Phone* instructions set forth on the enclosed proxy card.

If your shares are held in *street name* for your account by a bank, broker or other nominee, you may vote:

By mail. You will receive instructions from your broker or other nominee explaining how to vote your shares.

Over the internet or by telephone. You will receive instructions from your broker or other nominee if you are permitted to vote over the Internet or by telephone.

In person at the meeting. Contact the bank, broker or other nominee that holds your shares to obtain a broker's proxy card and bring it with you to the meeting. **A broker's proxy is not the form of proxy enclosed with this joint proxy statement/prospectus. You will not be able to vote shares you hold in street name at the meeting unless you have a proxy from your broker issued in your name giving you the right to vote the shares.**

All properly executed proxies that are not revoked will be voted at the International Assets special meeting and at any adjournments or postponements of the special meeting in accordance with the instructions contained in the proxy. If a holder of International Assets common stock executes and returns a proxy and does not specify otherwise, the shares represented by that proxy will be voted *FOR* each of International Assets Proposal Nos. 1, 2, 3, 4 and 5 in accordance with the recommendation of the International Assets board of directors.

An International Assets stockholder who has submitted a proxy may revoke it at any time before it is voted at the International Assets special meeting by executing and returning a proxy bearing a later date, providing proxy instructions via the telephone or the Internet (your latest telephone or Internet proxy is counted), filing written notice of revocation with the Corporate Secretary of International Assets stating that the proxy is revoked or attending the special meeting and voting in person.

Required Vote

The presence, in person or by proxy, at the International Assets special meeting of the holders of a majority of the shares of International Assets common stock outstanding and entitled to vote at the International Assets special meeting is necessary to constitute a quorum at the meeting. If International Assets stockholders do not vote by proxy or in person at the International Assets special meeting, the shares of common stock of such stockholders will not be counted as present for the purpose of determining a quorum. Abstentions and broker non-votes will be counted towards a quorum.

The affirmative vote of the holders of a majority of the shares of common stock voting in person or by proxy at the International Assets special meeting is required for approval of each of International Assets Proposal Nos. 1 and 5. The affirmative vote of the holders of a majority of the shares of common stock outstanding on the record date for the International Assets special meeting is required for approval of International Assets Proposal Nos. 2 and 3. The affirmative vote of the holders of 75% of the shares of common stock outstanding on the record date for the International Assets special meeting is required for approval of International Assets Proposal No. 4.

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For International Assets Proposal Nos. 1 and 5, a failure to submit a proxy card or vote at the International Assets special meeting, or an abstention, vote withheld or broker non-votes will have no effect on the outcome of such proposals. For International Assets Proposal Nos. 2, 3 and 4, a failure to submit a proxy card or vote at the International Assets special meeting, or an abstention, vote withheld or broker non-vote for such proposal, will have the same effect as a vote against the approval of International Assets Proposal Nos. 2, 3 and 4.

Voting by International Assets Officers and Directors

As of the record date for the International Assets special meeting, the directors and executive officers of International Assets owned approximately % of the outstanding shares of International Assets common stock entitled to vote at the International Assets special meeting. Sean O Connor, Scott Branch and John Radziwill, each of whom is either an officer and/or a director of International Assets, and certain of their affiliates have each entered into a support agreement dated July 1, 2009 with FCStone, pursuant to which they have agreed to vote all shares of International Assets common stock owned by them as of the record date in favor of the issuance of shares of International Assets common stock in the merger and the related amendments to International Assets certificate of incorporation. Approximately 2,784,976 shares of International Assets common stock, which represent approximately 30.6% of the outstanding shares of International Assets common stock as of the record date, are subject to the support agreement. For more information regarding the support agreement, see the section entitled Support Agreement.

Solicitation of Proxies

In addition to solicitation by mail, the directors, officers, employees and agents of International Assets may solicit proxies from International Assets stockholders by personal interview, telephone, telegram or otherwise. International Assets will bear the cost of the solicitation of proxies. Arrangements will also be made with brokerage firms and other custodians, nominees and fiduciaries who are record holders of International Assets common stock for the forwarding of solicitation materials to the beneficial owners of International Assets common stock. International Assets will reimburse these brokers, custodians, nominees and fiduciaries for the reasonable out-of-pocket expenses they incur in connection with the forwarding of solicitation materials.

Other Matters

As of the date of this joint proxy statement/prospectus, the International Assets board of directors does not know of any business to be presented at the International Assets special meeting other than as set forth in the notice accompanying this joint proxy statement/prospectus. If any other matters should properly come before the special meeting, it is intended that the shares represented by proxies will be voted with respect to such matters in accordance with the judgment of the persons voting the proxies.

Stockholder Proposals for International Assets 2009 Annual Meeting

If an International Assets stockholder intends to submit a proposal for inclusion in the proxy statement and proxy card for the 2010 annual meeting of International Assets, the stockholder must follow the procedures outlined in Rule 14a-8 under the Securities Exchange Act of 1934, as amended. International Assets must receive any proposals intended for inclusion in the proxy statement at its principal executive offices, International Assets Holding Corporation, 220 E. Central Parkway, Suite 2060, Altamonte Springs, Florida 32701, Attention: Corporate Secretary, no later than September 1, 2009.

If a stockholder wishes to present a proposal at the 2010 annual meeting of International Assets, but does not wish to have the proposal considered for inclusion in its proxy statement and proxy card, the stockholder must also give written notice to International Assets at the address noted above. International Assets must receive this notice by December 1, 2009.

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THE FCSTONE SPECIAL MEETING

Date, Time and Place

The special meeting of FCStone stockholders will be held on _____, 2009, at the _____, commencing at 9:00 a.m. local time. We are sending this joint proxy statement/prospectus to FCStone stockholders in connection with the solicitation of proxies by the FCStone board of directors for use at the FCStone special meeting and any adjournments or postponements of the FCStone special meeting.

Purposes of the FCStone Special Meeting

The purposes of the FCStone special meeting are:

to consider and vote upon FCStone Proposal No. 1 to adopt the merger agreement;

to consider and vote on FCStone Proposal No. 2 to adjourn the FCStone special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of FCStone Proposal No. 1; and

to transact such other business as may properly come before the special meeting or any adjournments or postponements of the FCStone special meeting.

Recommendations of FCStone's Board of Directors

FCStone's board of directors has unanimously determined that the merger agreement and the transactions contemplated thereby are advisable and fair to, and in the best interests of, FCStone and its stockholders and has unanimously approved the merger and the merger agreement. FCStone's board of directors unanimously recommends that FCStone stockholders vote For FCStone Proposal No. 1 to adopt the merger agreement.

FCStone's board of directors has unanimously determined that the proposal to adjourn the FCStone special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of FCStone Proposal No. 1 is advisable to, and in the best interests of, FCStone and its stockholders and has unanimously approved and adopted the proposal. Accordingly, FCStone's board of directors unanimously recommends that FCStone stockholders vote For FCStone Proposal No. 2 to adjourn the FCStone special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of FCStone Proposal No. 1.

Record Date and Voting Power

Only holders of record of FCStone common stock at the close of business on the record date, _____, 2009, are entitled to notice of, and to vote at, the FCStone special meeting. There were approximately _____ holders of record of FCStone common stock at the close of business on the record date. There were _____ shares of FCStone common stock issued and outstanding at the close of business on the record date. Because many of such shares are held by brokers and other institutions on behalf of stockholders, FCStone is unable to estimate the total number of stockholders represented by these record holders. Each share of FCStone common stock entitles the holder thereof to one vote on each matter submitted for stockholder approval.

Voting and Revocation of Proxies

The proxy accompanying this joint proxy statement/prospectus is solicited on behalf of the board of directors of FCStone for use at the FCStone special meeting.

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If you are a stockholder of record of FCStone as of the record date referred to above, you may vote in person at the FCStone special meeting or vote by proxy over the Internet, by telephone or using the enclosed proxy card. Whether or not you plan to attend the FCStone special meeting, FCStone urges you to vote by proxy to ensure your vote is counted. You may still attend the special meeting and vote in person if you have already voted by proxy.

Voting by Proxy Card. All shares entitled to vote and represented by properly executed proxy cards received prior to the FCStone special meeting, and not revoked, will be voted at the FCStone special meeting in accordance with the instructions indicated on those proxy cards. If no instructions are indicated on a properly executed proxy card, the shares represented by that proxy card will be voted as recommended by the board of directors. If any other matters are properly presented for consideration at the FCStone special meeting, the persons named in the enclosed proxy card and acting thereunder will have discretion to vote on those matters in accordance with their best judgment.

Voting by Telephone or the Internet. If you are a registered stockholder, you may vote your shares by calling the toll-free number indicated on the enclosed proxy card and following the recorded instructions or by accessing the website indicated on the enclosed proxy card and following the instructions provided. If your shares are registered in the name of a bank or brokerage firm, you may be able to vote your shares electronically over the Internet or by telephone; if so, your voting form will provide instructions. If your voting form does not reference Internet or telephone information, please complete and return the paper proxy card in the self-addressed postage paid envelope provided. When a stockholder votes via the Internet or by telephone, his or her vote is recorded immediately. FCStone encourages its stockholders to vote using these methods whenever possible.

Voting by Attending the Meeting. A stockholder may vote his or her shares in person at the FCStone special meeting. A stockholder planning to attend the FCStone special meeting should bring proof of identification for entrance to the FCStone special meeting. If a stockholder attends the FCStone special meeting, he or she may submit his or her vote in person, and any previous votes that were submitted by the stockholder, whether by Internet, telephone or mail, will be superseded by the vote that such stockholder casts at the FCStone special meeting.

Changing Vote; Revocability of Proxies. If a stockholder has voted by telephone, over the Internet or by returning a proxy card, such stockholder may change his or her vote before the FCStone special meeting.

A stockholder who has voted by telephone or over the Internet may later change his or her vote by making a timely and valid telephone or Internet vote, as the case may be, or by following the procedures in the following paragraph.

A stockholder may revoke any proxy given pursuant to this solicitation at any time before it is voted by: (1) filing with the Secretary of FCStone, at or before the taking of the vote at the FCStone special meeting, a written notice of revocation or a duly executed proxy card, in either case dated later than the prior proxy relating to the same shares, or (2) attending the FCStone special meeting and voting in person (although attendance at the FCStone special meeting will not by itself revoke a proxy). Any written notice of revocation or subsequent proxy card must be received by the Secretary of FCStone prior to the taking of the vote at the FCStone special meeting. Such written notice of revocation or subsequent proxy card should be hand delivered to the Secretary of FCStone or should be sent to FCStone Group, Inc., 1251 NW Briarcliff Parkway, Suite 800, Kansas City, MO 64116, Attention: Secretary.

Shares Held in FCStone Company Benefit Plans. If your shares are held for you in the FCStone employee stock ownership plan, or ESOP, you are receiving a voting instruction form from the plan trustee or administrator. To vote these shares, you will need to follow the specific voting instructions appearing on the voting instruction form. We must receive your completed voting instruction form by the deadline specified in such form. If your voting instructions are not received by this deadline, it is anticipated that FCStone, as the plan

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administrator, will direct the plan trustee to vote the shares credited to your account in accordance with the recommendation of FCStone's board of directors. You may attend the special meeting; however, you may not vote these shares in person at the meeting unless you obtain a legal proxy from the plan trustee.

Required Vote

The presence, in person or by proxy, at the FCStone special meeting of the holders of a majority of the shares of FCStone common stock outstanding and entitled to vote at the FCStone special meeting is necessary to constitute a quorum at the FCStone special meeting. Approval of FCStone Proposal No. 1 requires the affirmative vote of the holders of a majority of the voting power of the shares of FCStone common stock outstanding on the record date for the FCStone special meeting. Approval of FCStone Proposal No. 2 requires the affirmative vote of holders of a majority of the shares voting in person or by proxy at the FCStone special meeting. Abstentions will be counted towards a quorum and will have the same effect as negative votes on FCStone Proposal No. 1, but will not be counted for any purpose in determining whether FCStone Proposal No. 2 is approved. Broker non-votes will be counted towards a quorum, but will not be counted for any purpose in determining whether either proposal is approved.

Solicitation of Proxies

In addition to solicitation by mail, the directors, officers, employees and agents of FCStone may solicit proxies from FCStone stockholders by personal interview, telephone, telegram or otherwise. FCStone will bear the costs of the solicitation of proxies from its stockholders. Arrangements will also be made with brokerage firms and other custodians, nominees and fiduciaries who are record holders of FCStone common stock for the forwarding of solicitation materials to the beneficial owners of FCStone common stock. FCStone will reimburse these brokers, custodians, nominees and fiduciaries for the reasonable out-of-pocket expenses they incur in connection with the forwarding of solicitation materials. In connection with this joint proxy statement/prospectus, FCStone has retained a proxy solicitation firm, _____, to aid in the solicitation process and will pay it a fee of approximately \$ _____ for its services, plus any reasonable expenses incurred in connection with the solicitation.

Other Matters

As of the date of this joint proxy statement/prospectus, the FCStone board of directors does not know of any business to be presented at the FCStone special meeting other than as set forth in the notice accompanying this joint proxy statement/prospectus. If any other matters should properly come before the special meeting, it is intended that the shares represented by proxies will be voted with respect to such matters in accordance with the judgment of the persons voting the proxies.

Procedure for Submitting Stockholder Proposals

If the merger is completed, FCStone will not have public stockholders and there will be no public participation in any future meeting of FCStone stockholders. However, if the merger is not completed or if FCStone is otherwise required to do so under applicable law, FCStone will hold a 2010 annual meeting of its stockholders.

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Requirements for Stockholder Proposals to be Considered for Inclusion in FCStone's Proxy Materials. Stockholders may propose actions for consideration at the 2010 annual meeting either by presenting them for inclusion in FCStone's proxy statement or by undertaking the solicitation of votes independent of FCStone's proxy statement. Any stockholder who intends to present a proposal at the 2010 annual meeting must deliver the proposal to FCStone Group, Inc., 1251 NW Briarcliff Parkway, Suite 800, Kansas City, MO 64116, Attention Secretary by the applicable deadline below:

If the stockholder proposal is intended for inclusion in FCStone's proxy materials for that meeting pursuant to SEC Rule 14a-8, FCStone must receive the proposal no later than August 10, 2009. Such proposal must also comply with the other requirements of the proxy solicitation rules of the SEC.

If the stockholder proposal is to be presented without inclusion in FCStone's proxy materials for that meeting, FCStone's bylaws require that FCStone receive notice of the proposal no later than August 10, 2009. In addition, the stockholder must comply with the other advance notice provisions of FCStone's bylaws. See *Requirements for Stockholder Proposals* below.

Proxies solicited in connection with FCStone's 2010 annual meeting of stockholders will confer on the appointed proxies discretionary voting authority to vote on stockholder proposals that are not presented for inclusion in the proxy materials unless the proposing stockholder notifies FCStone by August 10, 2009 that such proposal will be made at the meeting.

Requirements for Stockholder Proposals to be Brought Before an Annual Meeting. FCStone's bylaws provide that advance notice of stockholder nominations for the election of directors or other business must be given. Notice of nominations or other business to be brought before FCStone's annual meetings of stockholders must be delivered to FCStone Group, Inc., 1251 NW Briarcliff Parkway, Suite 800, Kansas City, MO 64116, Attention Secretary not less than 120 calendar days prior to the date of FCStone's proxy statement released in connection with the preceding year's annual meeting of stockholders. In the event that the date of the annual meeting of stockholders is changed by more than 30 days from the date contemplated at the time of the previous year's proxy statement, such notice instead must be so delivered by the close of business on the later of (i) the 120th day prior to such annual meeting or (ii) the 10th day following the date on which public announcement of the date of such meeting is first made. The stockholder's notice must contain the information required by Section 2.12 of FCStone's bylaws, including the name and address of the stockholder and, if applicable, of each person to be nominated, a description of any other business proposed for consideration at the meeting and of any material interest of the stockholder in such business, a description of the class and number of shares of FCStone's common stock owned beneficially and of record by the stockholder, and all other information regarding each nominee or other business proposed by the stockholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the SEC, as then in effect, if FCStone's board of directors were soliciting proxies for such proposal. We urge you to examine FCStone's bylaws for the advance notice provisions, including a complete listing of the information required to be included in any such notice. You may request a copy of FCStone's bylaws by writing to FCStone's corporate secretary, David A. Bolte, at FCStone Group, Inc., 1251 NW Briarcliff Parkway, Suite 800, Kansas City, MO 64116.

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INTERNATIONAL ASSETS PROPOSAL NO. 1 AND FCSTONE

PROPOSAL NO. 1

THE MERGER

General Description of the Merger

At the effective time of the merger, International Assets Acquisition Corp., or merger sub, will be merged with and into FCStone. FCStone will be the surviving corporation and will continue as a wholly owned subsidiary of International Assets. In the merger, each share of FCStone common stock outstanding at the effective time will automatically be converted into the right to receive 0.2950 shares of International Assets common stock. Each FCStone stockholder who would otherwise be entitled to receive a fraction of a share of International Assets common stock (after aggregating all fractional shares to be received by such stockholder) will instead of such fraction be paid in cash the dollar amount (rounded to the nearest whole cent), without interest, determined by multiplying such fraction by the average closing price of a share of International Assets common stock on the NASDAQ Global Market for the ten most recent days that International Assets common stock has traded ending on the trading day two days prior to the date the merger becomes effective.

Based on the number of shares of International Assets common stock and FCStone common stock that were outstanding as of the record date, 8,239,405 shares of International Assets common stock will be issuable to the holders of FCStone stock pursuant to the merger agreement, representing approximately 47.5% of the total International Assets common stock to be outstanding after such issuance. This assumes that no FCStone or International Assets stock options are exercised after the record date and prior to the effective time of the merger.

Background of the Merger

Beginning during the fall of 2008, FCStone faced the effects of the global financial crisis, including an exceedingly difficult macro-economic environment and unprecedented volatility in commodity and foreign exchange markets. In particular, rapidly tightening credit markets made it difficult for many of FCStone's customers to carry and hold commodity positions, resulting in a deleveraging of commodities accounts during a time of volatile markets. FCStone senior management also believed that strategic acquisition opportunities would be available during this time as smaller, less capitalized companies were stressed by the crisis. In response to these conditions, FCStone senior management and board of directors began consideration of a range of options to enhance its liquidity and capital position. At a special board meeting held on September 8, 2008, senior management reviewed with the board of directors of FCStone the potential process of identifying sources of additional capital and other strategic alternatives. At this meeting, management discussed the condition of the credit markets and their impact on customers and the need for additional capital if FCStone desired to pursue business development and acquisition opportunities. The board of directors authorized senior management to proceed with its analysis of a potential equity partner and develop in greater detail management's future business development plans.

On September 22, 2008, FCStone formally engaged BMO Capital Markets Corp. ("BMO") to render certain financial advisory and investment banking services, including soliciting interest from select strategic partners and potential financial investors regarding the investment of new capital. BMO was instructed to focus its efforts on the process of raising additional capital for FCStone. At a meeting of the FCStone board of directors held on September 25, 2008, Mr. Anderson reported that BMO would be contacting potential parties for short-term and long-term capital ventures or strategic investments.

In late September and early October 2008, FCStone management became increasingly concerned about the significant decline in the underlying value of an energy trading account owned by a clearing and execution customer. The customer indicated that it was not in a position to cover further losses on the account. Due to the very large size of the positions held in the account, the long-tenored nature of the positions, and the lack of liquidity in the marketplace, FCStone could not immediately liquidate the account without incurring a very

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substantial loss. These same factors also made it difficult to determine the true value of this account and the associated potential bad debt reserve. Therefore, FCStone engaged a nationally recognized independent consultant to assist FCStone with the estimation of the potential loss associated with the energy trading account. In light of these developments, senior management of FCStone instructed BMO to accelerate the process, with a focus on obtaining an investment from a financially strong partner that could reassure FCStone's customer base, further validate FCStone's core business model and enhance FCStone's capital and liquidity position.

During October 2008, BMO contacted eleven strategic and financial participants and requested their preliminary indications of interest by early November. Of the eleven parties contacted, six met with FCStone management and three parties conducted due diligence on FCStone. At special meetings held on October 9 and October 20, 2008, the board of directors of FCStone was updated on the progress of the contacts with potential buyers and investors by management and BMO. At the October 20 meeting, BMO informed the board of directors and management of FCStone that the contacted parties expressed varying degrees of interest in providing a minority capital investment. Certain parties indicated a preference for a change of control transaction, but also expressed concerns regarding FCStone's potential exposure to the energy trading account, risk management procedures and the outlook for short-term operating results.

On October 24, 2008, based on FCStone's view of its financial condition, prospects, and capital needs, the board of directors of FCStone instructed BMO to inform the remaining interested parties that it preferred a transaction structured as a minority investment. At a special meeting held on October 29, 2008, the FCStone board of directors was updated on the progress of the discussions with potential buyers and investors by management and BMO.

Of the three bidders remaining in the process, there were two strategic parties, which we refer to as Company A and Company B, respectively, and one financial sponsor, which we refer to as Investor A. Company A and Company B initially expressed interest due to their knowledge of the business and a perceived strategic fit, but both exited the process by the end of October 2008 expressing concerns regarding the ongoing risks associated with the energy trading account and the risk management requirements of FCStone's business. Investor A continued in the process and began negotiating a minority investment term sheet with FCStone. On November 1, 2008, representatives of Investor A indicated to BMO that they had concerns with the anticipated deterioration of FCStone's financial performance.

On November 4, 2008, after receiving a report by the third party consultant on the nature of the energy trading account's positions, FCStone publicly announced that it would record a pre-tax bad debt expense of \$25 million related to three trading accounts, with the energy trading account noted above representing \$20 million of the total bad debt expense. In connection with that announcement, FCStone also confirmed that there could be additional losses on the energy trading account.

In early November 2008, Investor A terminated its negotiations with FCStone. In late November, FCStone was contacted by another company, which we refer to as Company C, regarding a potential strategic merger. The parties conducted several meetings between November 2008 and January 2009 to further discuss the merits and structure of a potential transaction. These discussions did not result in any agreements.

In late January 2009, FCStone had growing concerns regarding the energy trading account which, together with the continued deterioration in overall business conditions in the market, heightened FCStone's interest in raising additional capital or looking for other alternatives. On January 21, 2009, FCStone engaged Winhall LLC, an independent third party consultant, to review the energy trading account and consult with the board of directors and management of FCStone regarding alternatives to mitigate or eliminate the risk associated with the energy account.

On January 13, 2009, BMO provided the executive committee of the board of directors of FCStone with a summary of strategic alternatives to date. At that same meeting, the committee (a) reviewed the available options

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to FCStone, (b) discussed the partners that could either provide a minority investment, enter into a change of control transaction or enter into a merger of equals transaction, and (c) discussed how the ongoing risk associated with the energy trading account could effect the timing and outcome of identifying a suitable partner for FCStone.

On February 4, 2009, at a meeting of the board of directors of FCStone, representatives of Winhall LLC provided an extensive analysis and report on the energy trading account. At the same meeting, BMO further discussed the strategic alternatives process with the board. On February 12, 2009, the FCStone board authorized senior management to continue negotiations with potential capital investors, strategic alliances or acquisition partners.

From January 23 to March 19, 2009, BMO contacted seventeen parties, including Investor A, Company B, Company C and International Assets. Eight parties expressed preliminary interest and signed confidentiality agreements, and conducted due diligence.

On February 24, 2009, FCStone publicly announced that it expected to incur in the second fiscal quarter of 2009 an additional bad debt provision associated with the energy trading account estimated at \$60 to \$80 million.

During February 2009, Winhall, LLC informed FCStone that it believed that it was possible to transfer substantially all of the positions and liability related to the energy trading customer account to a third party. FCStone instructed Winhall, LLC to pursue the possibility of that transfer.

On March 12, 2009, FCStone announced the transfer of substantially all of the positions in the energy account, bringing the total loss on the account to approximately \$110 million on a pretax basis.

On March 19, 2009, five parties, including International Assets and Company C, submitted preliminary indications of interest regarding a strategic transaction with FCStone. At a special meeting held on March 24, 2009, the board of directors of FCStone was updated by BMO on the preliminary indications of interest received. Subsequently, FCStone continued discussions with four of the five parties, including International Assets and Company C.

In early April, Company C withdrew from the process after being advised by FCStone that the terms of its proposal, which required FCStone to arrange and satisfy its own ongoing capital and liquidity needs, were not acceptable. Also in early April 2009, FCStone was contacted by a financial investor, which we refer to as Investor B, who indicated an interest in providing capital to FCStone in the form of a minority investment. Based on the merits of the proposals from Investor B, the board of directors of FCStone decided to permit Investor B to participate in the process and on April 22, 2009, Investor B and FCStone entered into a confidentiality agreement.

By April 2009, FCStone had become increasingly concerned that its \$250 million margin credit facility might not be renewed at necessary levels or on acceptable terms before it expired on July 22, 2009. On April 9, 2009, FCStone disclosed these concerns in its quarterly report for the second quarter of 2009, and indicated that it had begun discussions with current and potential lenders to refinance the margin credit facility. FCStone noted in its disclosure that any refinancing, to the extent available to FCStone, would be on terms reflective of the distressed capital markets, and further indicated as a result of the economic environment FCStone might not have access to the amount of capital that was required, on favorable terms or even at all.

Following further due diligence on April 21, FCStone received a revised indication of interest from Company D, which was structured as a stock-for-stock transaction with an implied price per share of FCStone common stock of approximately \$2.43 (FCStone stock closed that day at \$3.31 per share). FCStone's board of directors decided at its April 22, 2009 board meeting to terminate conversations with Company D.

At a special meeting held on April 27, 2009, the board of directors of FCStone was updated on progress of the discussions with the remaining bidders and Investor B by management and BMO.

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On May 1, 2009, BMO was informed by one of the remaining bidders, which we refer to as Company E, that Company E would only contemplate the potential business combination with FCStone on the basis of an asset purchase transaction. In addition, Company E was not in a position to provide an implied purchase price, required an exclusivity period to complete its remaining due diligence, and demanded that FCStone agree to termination fees and transaction expense reimbursement in the event that a transaction with Company E was not consummated. The board of directors subsequently decided to cease discussions with Company E.

On May 5 and 6, 2009, Messrs. O Connor, Branch, and Sephton of International Assets and representatives of Merrill Lynch, Pierce, Fenner & Smith Incorporated (BofA Merrill Lynch), International Assets' financial advisor, met with representatives of FCStone and BMO in Kansas City, Missouri, and in Chicago, Illinois, to continue business and financial due diligence on FCStone.

On May 6, 2009, based on progress made in negotiations, FCStone entered into an expense reimbursement agreement (which did not include an exclusivity agreement) with Investor B, whereby FCStone agreed to reimburse Investor B up to \$500,000 of due diligence expenses in connection with its consideration of an investment in FCStone. During May 2009, Investor B conducted an extensive due diligence review of FCStone. Also at this time, there were renewed discussions with Company C, but Company C again withdrew from the process shortly thereafter.

At special meetings held on May 11 and May 14, the board of directors of FCStone was updated on progress of the discussions with International Assets and Investor B by management and BMO. On May 20, 2009, Mr. Sean O Connor, Mr. Scott Branch and BofA Merrill Lynch met with the board of directors of FCStone to discuss the merits of a merger of equals transaction with International Assets.

On May 21, International Assets provided FCStone with a revised indication of interest letter that, among other things, provided for a stock-for-stock merger, with FCStone stockholders receiving International Asset stock that would result in an approximately 45% ownership stake of the combined company. At the time of the delivery of the letter, the offer represented a market value transaction to FCStone stockholders, in that FCStone's aggregate common stock market value represented approximately 45% of the combined market value of the two companies at that time.

At meetings held on May 28 and May 29, 2009, the board of directors of FCStone was updated on the progress of the discussions with International Assets and Investor B by management and BMO. The board of directors continued to deliberate the options for FCStone which, based on all the alternatives explored to date, consisted of three options: (1) new capital in the form of a minority investment, (2) a stock-for-stock merger of equals transaction, or (3) a discontinuation of efforts to raise capital. The board of directors deliberated the options at length, and determined that FCStone should continue its efforts to raise capital and explore options to enter into a merger of equals transaction. The board considered the desirability of additional capital to support its operations going forward to (a) increase the likelihood that FCStone's credit facilities would be renewed at acceptable levels and on acceptable terms, (b) enable FCStone to operate with a greater margin for error in light of the recent volatility in the commodity markets, (c) satisfy its needs in connection with its current and future regulatory requirements, and (d) enable FCStone to pursue growth opportunities. The board discussed obtaining additional capital either through a minority investment or through a merger with a better-capitalized party.

Based on the state of discussions and the proposals received from both International Assets and Investor B, the board of directors determined that a strategic stock-for-stock merger of equals transaction was the best option for maximizing stockholder value. The board discussed the advantages of a transaction with International Assets over a minority investment, including (a) the ability for FCStone to gain access to the capital it deemed necessary to prudently operate its business, (b) to become part of a broader, more diversified company with substantial revenue, earnings, capital, and liquidity, (c) to enable FCStone to capitalize on organic growth opportunities as well as pursue external acquisition candidates, (d) to increase its overall access to capital sources, and (e) to avoid a sale transaction at a time when market valuations were at relatively low levels. By contrast, the FCStone

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board believed that a minority investment would result in substantial stockholder dilution without many of the benefits of the strategic combination.

On June 2, 2009, FCStone signed an exclusivity and standstill agreement with International Assets for a period continuing until June 16, 2009. From June 2, 2009 through the execution of the merger agreement, FCStone, International Assets, their respective legal and financial advisors, auditors and consultants conducted substantial due diligence (including access to data rooms, and meetings both in person and telephonically) on their respective businesses and prospects.

On June 6, 2008, FCStone and Stinson Morrison Hecker LLP, its outside legal counsel, distributed a draft merger agreement to International Assets. On June 8 and 9, 2009, representatives of FCStone and International Assets, together with their respective financial advisors, met in New York as part of the ongoing diligence discussions. On June 11, 2009, the board of directors of FCStone was updated on progress of the due diligence review of International Asset conducted to date. On June 13, 2009, Shutts and Bowen LLP, counsel for International Assets, distributed a revised merger agreement.

On June 16, 2009, Messrs. O Connor and Sephton, and a representative from BofA Merrill Lynch met with Messrs. Dunaway and Nessler, and other FCStone personnel along with representatives of BMO at FCStone's offices in Kansas City to conclude diligence discussions.

On June 22, 2009, based on the progress made in the negotiations, FCStone and International Assets extended the exclusivity period until June 30, 2009.

On June 24, 2009, FCStone's \$250 million margin credit line was renewed for \$75 million with two of the original four banks participating.

On June 25, 2009, FCStone's board of directors held a special meeting to receive an update from FCStone management on the proposed terms and conditions to the merger agreement being negotiated by the management teams of International Assets and FCStone. Representatives of BMO and Stinson Morrison Hecker also participated in the meeting at the request of the board. Mr. Anderson updated the board on the proposed acquisition, and representatives of BMO provided the board with an overview of the history and operations of International Assets. The FCStone board engaged in a discussion of the status of the negotiations and the risks and benefits of the proposed transaction. The board authorized Mr. Anderson to continue the negotiations with International Assets, instructing him to revisit with International Assets the exchange ratio, believing that the 45% ownership interest was inadequate based on market developments, and to conclude the discussions regarding composition of the board of directors of the combined company.

On June 25, 2009, the board of directors of International Assets participated in an informational conference call to review the status of the negotiations with FCStone. During this conference call, management provided the board with a summary of the proposed terms and conditions of the merger agreement. Representatives of BofA Merrill Lynch and Shutts & Bowen also participated in the conference call. Representatives of BofA Merrill Lynch reviewed the financial terms of the proposed transaction with the board, while Shutts & Bowen presented an update on the negotiation of the terms of the merger agreement. The board discussed the status of the negotiations and the risks and benefits of the proposed transaction. The board unanimously authorized management to continue the negotiations with FCStone.

On June 26, 2009, Messrs. Anderson and O Connor discussed the proposed terms and conditions of the merger agreement at which point Mr. Anderson indicated, among other topics, that FCStone's board of directors would likely be willing to proceed with the merger only if the exchange ratio were adjusted so the existing FCStone stockholders would receive 47.5% ownership interest in the combined company rather than 45%. Messrs. Anderson and O Connor reached agreement on this issue, subject to both companies' board approval.

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On June 27, 2009, FCStone's board of directors held a special meeting to receive an update on the status of negotiations and the proposed terms and conditions of the merger agreement. Mr. Anderson updated the board on the proposed terms of the merger. The board authorized Mr. Anderson to continue the negotiations with International Assets on terms that the existing FCStone stockholders would maintain an ownership interest in the combined company of at least 47.5%.

On June 30, 2009, International Assets' board of directors held a special meeting to consider the proposed merger and the proposed terms and conditions of the merger agreement that had been negotiated by the management teams of International Assets and FCStone. All of the directors of International Assets attended the meeting. Representatives from BofA Merrill Lynch provided an update on the status of the negotiations and summarized the financial terms of the proposed transaction to the board of directors. Representatives of Shutts & Bowen summarized their legal diligence, key legal terms of the merger agreement and risks associated with the transaction. Representatives of Houlihan Lokey delivered their oral opinion that as of June 30, 2009 and based on and subject to the matters to be described in the written opinion of Houlihan Lokey, the exchange ratio provided for in the merger agreement was fair, from a financial point of view, to International Assets. The International Assets board of directors then discussed the valuation analysis and the terms of the merger agreement. After deliberation, the International Assets board of directors voted unanimously to approve the merger agreement and recommended that the stockholders of International Assets vote in favor of the issuance of International Assets common stock in the merger as well as the related amendments to the International Assets' certificate of incorporation.

On July 1, 2009, FCStone's board of directors held a special meeting to consider and approve the proposed merger and the proposed terms and conditions of the merger agreement that had been negotiated by the management teams of International Assets and FCStone. Representatives of BMO discussed the financial analysis of the proposed transaction and delivered its oral opinion to the board of directors, which was subsequently confirmed by delivery of its written opinion to the board of directors dated July 1, 2009, that, as of the date of the opinion and based on and subject to the assumptions, limitations, qualifications and other matters set forth therein, the exchange ratio provided for in the merger agreement was fair, from a financial point of view, to FCStone's stockholders (other than International Assets or its affiliates). Representatives of Stinson Morrison Hecker provided an update on the status of the negotiations and summarized the terms of the merger agreement. The FCStone board of directors then discussed the valuation analysis and the terms of the merger agreement. After deliberation, the FCStone board unanimously approved the merger agreement, determined that the terms of the merger were fair and advisable and in the best interests of FCStone and its stockholders, and recommended that the stockholders of FCStone vote in favor of the adoption of the merger agreement.

Prior to the opening of the market on July 2, 2009, following approval of the merger agreement by the boards of directors of both companies, the two chief executive officers signed the merger agreement and signature pages were exchanged. On the morning of July 2, 2009, the parties publicly announced the execution of the merger agreement, and the two chief executive officers held a conference call to discuss the merger.

International Assets' Reasons for the Merger and Recommendation of International Assets' Board of Directors

The International Assets board of directors, at a special meeting held on July 1, 2009, determined that the merger agreement and the transactions contemplated by the merger agreement were advisable to, and in the best interests of, International Assets and its stockholders, and approved the merger agreement and the transactions contemplated thereby. **The International Assets board of directors unanimously recommends that International Assets stockholders vote For the issuance of shares of International Assets common stock in the merger.**

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Strategic and Business Considerations

The board of directors of International Assets identified and considered the following key strategic and business factors in evaluating the merger:

Revenue Diversification. The combination will diversify the revenue sources of the combined company, which will enhance its ability to achieve more consistent earnings. One of the key goals of International Assets has been to acquire and operate niche businesses that have uncorrelated operating results. The agricultural, energy and other so-called “soft commodities” businesses operated by FCStone would meet these criteria because they do not overlap with International Assets’ current activities.

Additional Product Offerings. The combination will enable the combined company to offer additional products and services to the customers of both International Assets and FCStone. For example, the combined company will be able to offer the current customers of International Assets FCStone’s exchange-based platform for most commodities, as well as the more extensive services and advice provided by FCStone’s CR&M business.

Creation of Critical Mass. The combination will create an entity with substantially greater assets, capital and managerial resources. This critical mass is expected to have the following potential long term benefits for the combined company in light of current adverse market conditions:

to provide assurance to large customers, resulting in continued and possibly increased business with the combined company;

to permit the combined company to increase its risk exposure to important customers and thereby do more business with them; and

to facilitate access to additional bank funding due to the larger asset and capital base.

Enhanced Geographic Footprint. The combination is expected to enhance the strength of the geographic footprint of the combined company. On a relative basis, International Assets generates more revenues outside of the United States than does FCStone, which has a large domestic customer base. It is expected that each of International Assets and FCStone will benefit from the other’s established teams in a variety of jurisdictions.

Expanded Shareholder Base and Liquidity in the Stock. International Assets is a relatively closely-held stock with limited float and liquidity. The combination is expected to create a more widely-held stock with greater liquidity and a more efficient market for the company’s stock, which is expected to benefit the stockholders and provide better access to the capital markets and enhance the company’s ability to use stock in future acquisitions.

Experienced Management Team. It is expected that the combined company will be led by a combination of experienced senior management from both International Assets and FCStone, which will provide management continuity to support the integration of the two companies. Additionally, the combined company is expected to benefit from the substantial experience of International Assets’ management in capital allocation and risk management.

In addition to considering the strategic factors outlined above, the International Assets board of directors consulted with senior management, outside legal counsel and its financial advisor, reviewed a significant amount of information, and considered the following factors in reaching its conclusion to approve the merger and to recommend that the International Assets stockholders approve the issuance of shares of International Assets common stock in the merger and the related amendments to International Assets’ certificate of incorporation, all of which it viewed as generally supporting its decision to approve the business combination with FCStone:

the complementary nature of International Assets' and FCStone's businesses;

the board's and management's assessment that the merger and FCStone's operating strategy are consistent with International Assets' long-term strategic objectives to grow into new markets;

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the competitive and market environments in which International Assets and FCStone operate, and the potential for the merger to enhance the combined company's ability to compete effectively in those environments, particularly given current adverse economic conditions;

historical and current information about each of the combining companies and their businesses, prospects, financial performance and condition, operations, technology, management and competitive position, before and after giving effect to the merger and the merger's potential effect on stockholder value, including public reports filed with the SEC, analyst estimates, market data and management's knowledge of the industry;

the financial analysis reviewed by Houlihan Lokey with International Assets' board of directors based on the financial information provided by International Assets and FCStone.

the potential improvement in the share price of International Assets common stock as a result of improved operating results and net asset value per share, thus enhancing stockholder value; and

the results of the due diligence review of FCStone's business and operations by International Assets' management and legal advisors.

Terms of the Merger Agreement and Merger Consideration

In reaching its decision to approve the merger agreement, the International Assets board of directors considered the following factors relating to the terms of the merger agreement and the merger consideration:

the determination that an exchange ratio that is fixed and not subject to adjustment is appropriate to reflect the strategic purpose of the merger and consistent with market practice for a merger of this type and that a fixed exchange ratio fairly captures the respective ownership interests of the International Assets and FCStone stockholders in the combined company based on valuations of International Assets and FCStone at the time of the board's approval of the merger agreement and avoids fluctuations caused by near-term market volatility;

the oral opinion of Houlihan Lokey to International Assets' board of directors, which was confirmed in writing by delivery of Houlihan Lokey's written opinion dated July 1, 2009, that, as of July 1, 2009, the exchange ratio in the merger was fair, from a financial point of view, to International Assets, based upon and subject to the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Houlihan Lokey in preparing its opinion. See International Assets Proposal No. 1 and FCStone Proposal No. 1 The Merger Opinion of International Assets' Financial Advisor ;

the reciprocal requirement that the merger agreement be submitted to a vote of the stockholders of FCStone and that the issuance of shares of International Assets common stock in the merger and the related amendments to International Assets' certificate of incorporation be submitted to a vote of the stockholders of International Assets;

the fact that the merger agreement is not subject to termination solely as a result of any change in the trading price of the stock of either International Assets or FCStone between signing of the merger agreement and consummation of the merger;

the nature of the conditions to FCStone's obligation to consummate the merger and the limited risk of non-satisfaction of such conditions;

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the no-solicitation provisions governing FCStone's ability to engage in negotiations with, provide any confidential information or data to, and otherwise have discussions with, any person relating to an alternative acquisition proposal;

the limited ability of the parties to terminate the merger agreement;

the possible effects of the provisions regarding termination fees and expenses;

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the possible benefits to be derived from the stock option to acquire shares of FCStone in connection with the termination of the merger agreement;

the likelihood that the merger will be consummated on a timely basis; and

the likelihood of retaining key International Assets and FCStone employees to help manage the combined entity.

Risks and Challenges of the Merger

The International Assets board of directors also considered the following potential risks and challenges related to the merger, but concluded that the anticipated benefits from the merger with FCStone were likely to outweigh these risks and challenges:

the risks, challenges and costs inherent in combining the operations of two major companies and the substantial expenses to be incurred in connection with the merger, including the possibility that delays or difficulties in completing the integration could adversely affect the combined company's operating results and preclude the achievement of some benefits anticipated from the merger;

the possible volatility, at least in the short term, of the trading price of International Assets' common stock resulting from the merger announcement;

the possible loss of key management, technical or other personnel of either of the combining companies as a result of the management and other changes that will be implemented in integrating the businesses;

the risk of diverting management's attention from other strategic priorities to implement merger integration efforts;

the potential loss of customers of either company as a result of any such customer's unwillingness to do business with the combined company;

the possibility that the reactions of existing and potential competitors to the combination of the two businesses could adversely impact the competitive environment in which the companies operate;

risks related to FCStone's current business and operations including pending litigation against FCStone and its directors;

the risk that the merger might not be consummated in a timely manner or at all;

the risk to International Assets' business, revenues, operations and financial results in the event that the merger is not consummated;

the potential incompatibility of business cultures; and

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various other applicable risks associated with the combined company and the merger, including those described in the section of this joint proxy statement/prospectus entitled Risk Factors.

The foregoing information and factors considered by the International Assets board of directors are not intended to be exhaustive but are believed to include all of the material factors considered by the International Assets board of directors. In view of the wide variety of factors considered in connection with its evaluation of the merger and the complexity of these matters, the International Assets board of directors did not find it useful, and did not attempt, to quantify, rank or otherwise assign relative weights to these factors. In considering the factors described above, individual members of the International Assets board of directors may have given different weight to different factors. The International Assets board of directors conducted an overall analysis of the factors described above, including thorough discussions with, and questioning of, its management and its legal and financial advisors, and considered the factors overall to be favorable to, and to support, its determination.

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FCStone's Reasons for the Merger and Recommendation of FCStone's Board of Directors

The FCStone board of directors, at a special meeting held on July 1, 2009, determined that the merger agreement and the transactions contemplated by the merger agreement were fair to, advisable and in the best interests of FCStone and its stockholders, and approved the merger agreement and the transactions contemplated thereby. **The FCStone board of directors unanimously recommends that FCStone stockholders vote For the adoption of the merger agreement.**

Strategic and Business Considerations

The board of directors of FCStone identified and considered the following key strategic and business factors in evaluating the merger:

The combination of International Assets and FCStone is expected to create a leading global trade and execution platform enhancing the companies' ability to serve their clients;

The companies share an operating strategy that emphasizes service to customers and avoiding directional investments in the market;

International Assets' international equities market-making, international debt capital markets, foreign exchange trading, commodities trading (primarily in hard commodities such as precious and base metals) and asset management is expected to provide diversity with FCStone's current operations, which focus on agricultural, energy and other so-called soft commodities;

While adequate to meet its current regulatory requirements, FCStone's capital position leaves little flexibility for growth and, if macro-economic conditions worsen or additional significant bad debt events occur, could become too restrictive to support FCStone's business and regulatory requirements;

FCStone's diminished ability to obtain bank financing as a stand-alone company due to recent losses and macro-economic conditions places limitations on current business operations;

International Assets has established that it could contribute significant capital to FCStone and its subsidiaries or support capital-raising activities by FCStone and its subsidiaries to enable such companies to pursue growth opportunities;

International Assets' focus on international markets provides diversity with FCStone's strong domestic market share, while providing opportunities to accelerate the development of FCStone's international opportunities;

The diverse markets served by the companies are expected to create significant opportunities to expand product offerings to existing customers;

The combined resources of FCStone and International Assets provide additional capital to pursue opportunities arising in the current financial environment and increase market share;

The combined company will utilize the risk management protocols developed by International Assets, based on its executives' strong banking and risk management expertise; and

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The merger will create a company with a larger market capitalization that is expected to have more liquidity in its common stock and better access to capital markets, which should provide more financial flexibility.

Terms of the Merger Agreement and Merger Consideration

In reaching its decision to approve the merger agreement, the FCStone board of directors considered the following factors relating to the terms of the merger agreement and the merger consideration:

the form of merger consideration, consisting of a fixed number of shares of International Assets common stock, which is expected to provide greater market capitalization and related liquidity for the combined company common stock;

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the analysis and oral opinion of BMO Capital Markets, subsequently confirmed in writing, that as of July 1, 2009 and based upon and subject to the assumptions made, matters considered, qualifications, and limitations set forth in its written opinion, that the exchange ratio was fair, from a financial point of view, to the holders of FCStone common stock;

the terms of the merger agreement that permit FCStone to furnish information to, and conduct negotiations with, a third party in connection with an unsolicited proposal for an alternative business combination, and that permit the FCStone board of directors to withdraw its recommendation of the merger to FCStone stockholders and terminate the merger agreement if FCStone receives a superior offer, in each case subject to certain specific conditions set forth in the merger agreement, including in certain circumstances International Assets having an option, for a period of six months, to purchase a number of shares equal to 19.9% of the outstanding shares of FCStone common stock at a price of \$4.15 per share;

the governance agreements of the combined company post-merger, including a 13-member board to consist of seven current International Assets directors and six current FCStone directors; and

other terms and conditions of the merger agreement, including the likelihood that the merger would be completed in a timely manner, taking into account regulatory and other approvals required in connection with the merger.

Risks and Challenges of the Merger

The FCStone board of directors also considered the following potential risks and challenges related to the merger, but concluded that the anticipated benefits from the merger with International Assets were likely to outweigh these risks and challenges:

the significant risks inherent in combining and integrating two companies, including that the companies may not be successfully integrated, and that successful integration of the companies will require the dedication of significant management resources, which will temporarily detract attention from the day-to-day businesses of the combined company;

the capital requirements necessary to achieve the expected growth of the combined company's businesses will be significant, and there can be no assurance that the combined company will be able to fund all of its capital requirements from operating cash flows;

the merger may not be completed as a result of a failure to satisfy the conditions to the merger agreement; and

certain other matters described under *Risk Factors* beginning on page 17.

Opinion of International Assets Financial Advisor

On June 30, 2009, Houlihan Lokey rendered an oral opinion to the International Assets board of directors, which was confirmed in writing by delivery of Houlihan Lokey's written opinion dated July 1, 2009, to the effect that, as of July 1, 2009, and based upon and subject to the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Houlihan Lokey in preparing its opinion, the exchange ratio in the merger was fair, from a financial point of view, to International Assets.

Houlihan Lokey's opinion was directed to the International Assets board of directors and only addresses the fairness from a financial point of view to International Assets of the exchange ratio in the merger and does not address any other aspect or implication of the merger. The summary of Houlihan Lokey's opinion in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of its written opinion, which is included as Annex D to this joint proxy statement/prospectus and sets

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forth the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Houlihan Lokey in preparing its opinion. We encourage International Assets stockholders to carefully read the full text of Houlihan Lokey's written opinion. However, neither Houlihan Lokey's opinion nor the summary of its opinion and the related analyses set forth in this joint proxy statement/prospectus are intended to be, and do not constitute advice or a recommendation to International Assets board of directors or any stockholder as to how to act or vote with respect to the merger or related matters.

In arriving at its opinion, Houlihan Lokey, among other things, took the following actions:

reviewed the following agreements and documents:

Execution copy of the merger agreement;

Execution copy of the support agreement;

Form of stock option agreement; and

Form of amended and restated certificate of incorporation of International Assets (as proposed to be amended);

reviewed certain publicly available business and financial information relating to International Assets and FCStone that Houlihan Lokey deemed to be relevant;

reviewed certain information relating to the historical, current and future operations, financial condition and prospects of International Assets and FCStone made available to Houlihan Lokey by International Assets and FCStone, including (a) financial projections (and adjustments thereto) prepared by or discussed with the managements of International Assets and FCStone relating to International Assets for the fiscal years ending 2009 through 2011, and relating to FCStone for the fiscal years ending 2009 through 2013, including projections relating to FCStone's underfunded pension obligations, and (b) certain forecasts and estimates of potential cost savings expected to result from the merger, as prepared by the management of International Assets;

spoke with certain members of the managements of International Assets and FCStone regarding the respective businesses, operations, financial condition and prospects of International Assets and FCStone, the merger and related matters;

compared the financial and operating performance of International Assets and FCStone with that of other public companies that Houlihan Lokey deemed to be relevant;

considered the publicly available financial terms of certain transactions that Houlihan Lokey deemed to be relevant;

reviewed the current and historical market prices for International Assets common stock and FCStone common stock, and the historical market prices and certain financial data of the publicly traded securities of certain other companies that Houlihan Lokey deemed to be relevant;

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compared the relative contributions of FCStone and International Assets to certain financial statistics of the combined company on a pro forma basis;

reviewed certain potential pro forma financial effects of the merger on earnings per share of International Assets; and

conducted such other financial studies, analyses and inquiries and considered such other information and factors as Houlihan Lokey deemed appropriate.

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Houlihan Lokey relied upon and assumed, without independent verification, the accuracy and completeness of all data, material and other information furnished, or otherwise made available, to Houlihan Lokey, discussed with or reviewed by Houlihan Lokey, or publicly available, and did not assume any responsibility with respect to such data, material and other information. In addition, the managements of International Assets and FCStone advised Houlihan Lokey, and Houlihan Lokey assumed, that the financial projections reviewed by Houlihan Lokey were reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of such management as to the future financial results and condition of International Assets and FCStone, including the assumption that each company's outstanding indebtedness will be refinanced on substantially similar terms to its existing indebtedness, and Houlihan Lokey expressed no opinion with respect to such projections or the assumptions on which they were based. Furthermore, upon the advice of the management of International Assets, Houlihan Lokey assumed that the estimated synergies reviewed by Houlihan Lokey were reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of the management of International Assets and that the synergies will be realized in the amounts and the time periods indicated thereby, and Houlihan Lokey expressed no opinion with respect to such synergies or the assumptions on which they were based. Houlihan Lokey relied upon and assumed, without independent verification, that there was no change in the business, assets, liabilities, financial condition, results of operations, cash flows or prospects of International Assets or FCStone since the date of the most recent financial statements provided to Houlihan Lokey that would be material to its analyses or the opinion, and that there was no information or any facts that would make any of the information reviewed by Houlihan Lokey incomplete or misleading. Houlihan Lokey did not consider any aspect or implication of any transaction to which either of International Assets or FCStone may be a party (other than as specifically described herein with respect to the merger). Houlihan Lokey is not an expert in the evaluation of provisions for bad debts and did not independently verify such provisions of FCStone or examine any individual extensions of credit. Houlihan Lokey assumed, with the consent of International Assets, that the aggregate provision for bad debts set forth in the financial statements of FCStone is adequate to cover such losses and comply fully with applicable law and regulatory policy as of the date of such financial statements.

With respect to outstanding litigation involving FCStone, Houlihan Lokey has, at the instruction of International Assets, relied, without independent verification, solely upon the judgment of the management of International Assets and its counsel as to the outcome of the litigation and its effect on the financial condition and results of operations of FCStone.

Houlihan Lokey relied upon and assumed, without independent verification, that (a) the representations and warranties of all parties to the agreements identified in the first bullet point above and all other related documents and instruments that are referred to therein were true and correct, (b) each party to all such agreements and such other related documents and instruments would fully and timely perform all of the covenants and agreements required to be performed by such party, (c) all conditions to the consummation of the merger would be satisfied without waiver thereof, and (d) the merger would be consummated in a timely manner in accordance with the terms described in the agreements and documents provided to Houlihan Lokey, without any amendments or modifications thereto. Houlihan Lokey also assumed, with the consent of International Assets, that the merger will be treated as a tax-free transaction. Houlihan Lokey also relied upon and assumed, without independent verification, that (i) the merger would be consummated in a manner that complies in all respects with all applicable federal and state statutes, rules and regulations, and (ii) all governmental, regulatory, and other consents and approvals necessary for the consummation of the merger would be obtained and that no delay, limitations, restrictions or conditions would be imposed or amendments, modifications or waivers made that would result in the disposition of any material portion of the assets of International Assets or FCStone, or otherwise have an effect on International Assets or FCStone or any expected benefits of the merger that would be material to Houlihan Lokey's analyses or its opinion. In addition, Houlihan Lokey relied upon and assumed, without independent verification, that the final forms of any draft documents identified above would not differ in any respect from the drafts of said documents.

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Furthermore, in connection with its opinion, Houlihan Lokey was not requested to make, and did not make, any physical inspection or independent appraisal or evaluation of any of the assets, properties or liabilities (fixed, contingent, derivative, off-balance-sheet or otherwise) of International Assets or FCStone or any other party, nor was Houlihan Lokey provided with any such appraisal or evaluation. Houlihan Lokey did not estimate, and expressed no opinion regarding, the liquidation value of any entity. Houlihan Lokey did not undertake any independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims or other contingent liabilities, to which International Assets or FCStone are or may be a party or are or may be subject, or of any governmental investigation of any possible unasserted claims or other contingent liabilities to which International Assets or FCStone are or may be a party or are or may be subject.

Houlihan Lokey was not requested to, and did not, (a) initiate or participate in any discussions or negotiations with, or solicit any indications of interest from, third parties with respect to the merger, the assets, businesses or operations of International Assets or any other party, or any alternatives to the merger, (b) negotiate the terms of the merger, or (c) advise the board of directors of International Assets or any other party with respect to alternatives to the merger. The opinion was necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to Houlihan Lokey as of July 1, 2009. Houlihan Lokey has not undertaken, and is under no obligation, to update, revise, reaffirm or withdraw its opinion, or otherwise comment on or consider events occurring after July 1, 2009. Houlihan Lokey did not express any opinion as to what the value of International Assets common stock actually will be when issued in connection with the merger or the price or range of prices at which International Assets common stock or FCStone common stock may be purchased or sold at any time.

The opinion was furnished for the use and benefit of the board of directors of International Assets in connection with its consideration of the merger and was not intended to be used for any other purpose without Houlihan Lokey's prior written consent. Houlihan Lokey's opinion should not be construed as creating any fiduciary duty on Houlihan Lokey's part to any party. The opinion was not intended to be, and does not constitute, a recommendation to the board of directors of International Assets, any security holder or any other person as to how to act or vote with respect to any matter relating to the merger.

Houlihan Lokey was not requested to opine as to, and its opinion did not express an opinion as to or otherwise address, among other things: (i) the underlying business decision of International Assets, its security holders or any other party to proceed with or effect the merger, (ii) the terms of any arrangements, understandings, agreements or documents related to, or the form or any other portion or aspect of, the merger or otherwise (other than the exchange ratio to the extent expressly specified herein), (iii) the fairness of any portion or aspect of the merger to the holders of any class of securities, creditors or other constituencies of International Assets or FCStone or to any other party, except as expressly set forth in the last sentence of the opinion, (iv) the relative merits of the merger as compared to any alternative business strategies that might exist for International Assets, FCStone or any other party or the effect of any other transaction in which International Assets, FCStone or any other party might engage, (v) the fairness of any portion or aspect of the merger to any one class or group of International Assets, FCStone or any other party's security holders vis-à-vis any other class or group of International Assets, FCStone or such other party's security holders (including, without limitation, the allocation of any consideration amongst or within such classes or groups of security holders), (vi) whether or not International Assets, FCStone, their respective security holders or any other party is receiving or paying reasonably equivalent value in the merger, (vii) the solvency, creditworthiness or fair value of International Assets, FCStone or any other participant in the merger under any applicable laws relating to bankruptcy, insolvency, fraudulent conveyance or similar matters, or (viii) the fairness, financial or otherwise, of the amount or nature of any compensation to or consideration payable to or received by any officers, directors or employees of any party to the merger, any class of such persons or any other party, relative to the exchange ratio or otherwise. Furthermore, no opinion, counsel or interpretation is intended in matters that require legal, regulatory, accounting, insurance, tax or other similar professional advice. It was assumed that such opinions, counsel or interpretations were or would be obtained from the appropriate professional sources. Furthermore, Houlihan Lokey relied, with the consent of International Assets, on the assessments by International Assets and its

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advisers, as to all legal, regulatory, accounting, insurance and tax matters with respect to International Assets, FCStone and the merger.

In preparing its opinion to the board of directors of International Assets, Houlihan Lokey performed a variety of analyses, including those described below. The summary of Houlihan Lokey's analyses is not a complete description of the analyses underlying Houlihan Lokey's opinion. The preparation of a fairness opinion is a complex process involving various quantitative and qualitative judgments and determinations with respect to the financial, comparative and other analytical methods employed and the adaptation and application of these methods to the unique facts and circumstances presented. As a consequence, neither a fairness opinion nor its underlying analyses is readily susceptible to summary description. Houlihan Lokey arrived at its opinion based on the results of all analyses undertaken by it and assessed as a whole and did not draw, in isolation, conclusions from or with regard to any individual analysis, methodology or factor. Accordingly, Houlihan Lokey believes that its analyses and the following summary must be considered as a whole and that selecting portions of its analyses, methodologies and factors or focusing on information presented in tabular format, without considering all analyses, methodologies and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying Houlihan Lokey's analyses and opinion. Each analytical technique has inherent strengths and weaknesses, and the nature of the available information may further affect the value of particular techniques.

In performing its analyses, Houlihan Lokey considered general business, economic, industry and market conditions, financial and otherwise, and other matters as they existed on, and could be evaluated as of, the date of the opinion. Houlihan Lokey's analyses involved judgments and assumptions with regard to industry performance, general business, economic, regulatory, market and financial conditions and other matters, many of which are beyond the control of International Assets and FCStone, such as the impact of competition on the business of International Assets and FCStone and on the industry generally, industry growth and the absence of any adverse material change in the financial condition and prospects of International Assets or FCStone or the industry or in the markets generally. No company, transaction or business used in Houlihan Lokey's analyses for comparative purposes is identical to either International Assets or FCStone or the proposed merger and an evaluation of the results of those analyses is not entirely mathematical. Houlihan Lokey believes that mathematical derivations (such as determining average and median) of financial data are not by themselves meaningful and should be considered together with qualities, judgments and informed assumptions. The estimates contained in International Assets' and FCStone's analyses and the implied reference range values indicated by Houlihan Lokey's analyses are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by the analyses. In addition, any analyses relating to the value of assets, businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold, which may depend on a variety of factors, many of which are beyond the control of International Assets or FCStone. Much of the information used in, and accordingly the results of, Houlihan Lokey's analyses are inherently subject to substantial uncertainty.

Houlihan Lokey's opinion was provided to the board of directors of International Assets in connection with its consideration of the proposed merger and was only one of many factors considered by International Assets' board of directors in evaluating the proposed merger. Neither Houlihan Lokey's opinion nor its analyses were determinative of the exchange ratio or of the views of the board of directors or its management with respect to the merger or the exchange ratio. The type and amount of consideration payable in the merger were determined through negotiation between International Assets and FCStone, and the decision to enter into the merger was solely that of International Assets' board of directors.

The following is a summary of the material analyses reviewed by Houlihan Lokey with International Assets' board of directors on June 30, 2009 in connection with Houlihan Lokey's written opinion rendered on July 1, 2009. The order of the analyses does not represent relative importance or weight given to those analyses by Houlihan Lokey. The analyses summarized below include information presented in tabular format. The tables alone do not constitute a complete description of the analyses. Considering the data in the tables below without

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considering the full narrative description of the analyses, as well as the methodologies underlying, and the assumptions, qualifications and limitations affecting, each analysis, could create a misleading or incomplete view of Houlihan Lokey's analyses.

For purposes of its analyses, Houlihan Lokey reviewed a number of financial metrics, including:

Equity value calculated as the value of the relevant company's outstanding equity securities (taking into account its outstanding warrants and other convertible securities) based on the relevant company's closing stock price, or equity value, as of a specified date.

Earnings adjusted for certain non-recurring items, or adjusted net income.

Stockholder's equity less intangible assets, or net book value.

In addition, Houlihan Lokey performed a financial analysis of International Assets. Although Houlihan Lokey used the International Assets common stock price of \$15.20, as of June 29, 2009, to evaluate the implied exchange ratio reference range, as more fully described below, Houlihan Lokey performed a separate financial analysis of International Assets in light of its relatively small market capitalization, limited volume of trading of its common stock and lack of research analyst coverage.

Unless the context indicates otherwise, equity values derived from the selected companies analysis described below were calculated using the closing price of International Assets common stock and FCStone common stock and the common stock of the selected institutional brokerage companies listed below as of June 29, 2009, and transaction values for the target companies derived from the selected transactions analysis described below were calculated as of the announcement date of the relevant transaction based on the estimated purchase prices paid in the selected transactions. Accordingly, this information may not reflect current or future market conditions. Estimates for each of adjusted net income for the next fiscal year for which financial information has not been made public, or NFY adjusted net income, and adjusted net income for the fiscal year following the next fiscal year for which financial information has not been made public, or NFY+1 adjusted net income, for International Assets and FCStone were based on estimates provided by the managements of International Assets and FCStone, respectively. Estimates of NFY adjusted net income and NFY+1 adjusted net income for the selected institutional brokerage companies listed below were based on certain publicly available estimates for those institutional brokerage companies.

Selected Companies Analysis

Houlihan Lokey calculated multiples of the equity value based on certain financial data for International Assets, FCStone and certain companies in the institutional brokerage industry (the "Selected Companies"). Houlihan Lokey selected publicly traded U.S. and European institutional brokerage companies that did not have significant asset management or lending businesses. The calculated multiples included (i) equity market value as a multiple of adjusted net income for the most recent twelve months for which financial information has been made public, or LTM adjusted net income, and (ii) equity market value as a multiple of NFY adjusted net income.

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The list of Selected Companies and the related financial data are set forth below.

Selected Company	Equity Market Value		Equity Market Value to Adjusted Net Income			Equity Market Value to Net Book Value	
	(\$USD in Millions)	FYE(1)	LTM	NFY	NFY+1	FYE(1)	LTM
BCG Partners, Inc.	\$ 747.6	NMF(2)	23.4x	10.5x	8.7x	6.94x	3.37x
GFI Group Inc.	\$ 801.5	11.4x	17.7x	18.9x	13.7x	3.59x	3.48x
Tullett Prebon plc	\$ 1,043.2	5.9x	5.9x	7.8x	7.3x	NMF	NMF
Compagnie Financiere Tradition	\$ 613.9	7.5x	7.5x	7.7x	7.2x	3.66x	3.66x
TradeStation Group Inc.	\$ 356.4	11.6x	13.2x	18.3x	15.2x	2.16x	2.13x
ICAP plc	\$ 4,724.4	16.3x	16.3x	15.3x	13.7x	NMF	NMF
MF Global Ltd.	\$ 707.4	8.4x	8.4x	11.2x	5.9x	NMF	NMF
Penson Worldwide Inc.	\$ 236.7	22.2x	NMF	10.3x	7.8x	1.61x	0.89x
Investment Technology Group Inc.	\$ 895.8	7.8x	9.4x	12.9x	10.3x	2.46x	2.38x
LaBranche & Co. Inc.	\$ 236.5	NMF	NMF	10.9x	8.0x	0.71x	0.80x
Knight Capital Group Inc.	\$ 1,659.0	9.3x	9.5x	15.3x	9.6x	2.35x	2.27x
optionsXpress Holdings, Inc.	\$ 923.5	10.2x	11.5x	15.9x	12.7x	4.22x	4.28x
Van der Moolen Holding N.V.	\$ 88.8	2.6x	2.6x	NA(3)	NA	1.99x	1.99x
Viel & Cie SA	\$ 257.6	2.8x	2.8x	NA	NA	2.97x	2.97x
International Assets	\$ 143.7	4.9x	8.4x	6.9x	5.7x	2.20x	2.12x
FCStone	\$ 116.2	2.5x	3.1x	5.0x	6.3x	0.54x	0.68x

(1) FYE refers to the most recently completed fiscal year for which financial information has been made public.

(2) NMF refers to not meaningful.

(3) NA refers to not available.

The calculated multiple range and averages were as follows:

Multiple Description	Multiple Range and Averages			
	Low	High	Median	Mean
Equity Market Value as a multiple of:				
FYE Adjusted Net Income	2.6x	22.2x	8.9x	9.7x
LTM Adjusted Net Income	2.6x	23.4x	9.5x	10.7x
NFY Adjusted Net Income	7.7x	18.9x	12.1x	12.9x
NFY+1 Adjusted Net Income	5.9x	15.2x	9.1x	10.0x
Equity Market Value as a multiple of:				
FYE Net Book Value	0.71x	6.94x	2.46x	2.97x
LTM Net Book Value	0.80x	4.28x	2.38x	2.57x
<u>International Assets</u>				

Houlihan Lokey applied the following selected multiple ranges derived from the selected companies analysis to corresponding financial data for International Assets. The selected companies analysis indicated the following implied equity value reference ranges for International Assets:

Multiple Description

Selected Multiple Range

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	Low	High	Selected Equity Value Range (in millions)	
LTM Adjusted Net Income	7.5x	8.5x	\$ 129.0	\$146.2
NFY Adjusted Net Income	6.5x	7.5x	\$ 134.6	\$155.3

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Houlihan Lokey adjusted the equity value reference range to arrive at an implied per share reference range by assuming there were 9.5 million shares outstanding of International Assets common stock on a diluted basis, based on public filings as of May 7, 2009.

The selected companies analysis based on LTM adjusted net income indicated the following implied per share reference range for International Assets, which range overlapped with International Assets per share market price as of June 29, 2009:

Implied Per Share			
Equity Reference Range for			
International Assets		Per Share Market Price	
\$13.65	\$15.47	\$	15.20

The selected companies analysis based on NFY adjusted net income indicated the following implied per share reference range for International Assets, which range overlapped with International Assets per share market price as of June 29, 2009:

Implied Per Share			
Equity Reference Range for			
International Assets		Per Share Market Price	
\$14.24	\$16.43	\$	15.20

FCStone

Houlihan Lokey applied the following selected multiple ranges derived from the selected companies analysis to corresponding financial data for FCStone. The selected companies analysis indicated the following implied equity value reference ranges for FCStone:

Multiple Description	Selected Multiple Range		Selected Equity Value Range (in millions)	
	Low	High		
LTM Adjusted Net Income	3.5x	5.5x	\$ 101.8	\$186.5
NFY Adjusted Net Income	5.5x	7.5x	\$ 99.1	\$155.7

Houlihan Lokey made several adjustments to this selected equity value reference range to arrive at an implied per share reference range. These adjustments included assuming outstanding common shares of 27.9 million, based on public filings as of April 8, 2009, together with subtracting estimated potential litigation liabilities of FCStone of between \$5 million and \$15 million and a potential pension funding deficit liability of \$14 million from the selected equity value reference range.

The selected companies analysis based on LTM adjusted net income indicated the following (i) implied per share reference range for FCStone, and (ii) implied exchange ratio reference range (based on the closing price of International Assets common stock on June 29, 2009 of \$15.20), as compared to the proposed exchange ratio:

Implied Per Share				
Equity Reference Range				
for FCStone		Implied Exchange Ratio Reference Range		Exchange Ratio
\$3.64	\$6.68	0.24	0.44	0.295

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The selected companies analysis based on NFY adjusted net income indicated the following (i) implied per share reference range for FCStone, and (ii) implied exchange ratio reference range (based on the closing price of International Assets common stock on June 29, 2009 of \$15.20), as compared to the proposed exchange ratio:

Implied Per Share**Equity Reference Range**

for FCStone		Implied Exchange Ratio Reference Range		Exchange Ratio
\$3.55	\$5.57	0.23	0.37	0.295

Selected Transactions Analysis

Houlihan Lokey calculated multiples of equity value and per share equity value based on the estimated purchase prices paid in certain publicly announced institutional brokerage transactions. Houlihan Lokey selected transactions announced within three years prior to the announcement of the proposed merger that involved institutional brokerage firms that did not have significant asset management or lending businesses. The calculated multiples included implied equity value of the target company as a multiple of LTM adjusted net income, which for the selected transactions were based on available LTM adjusted net income as of the announcement date of the relevant transaction.

The list of selected transactions and the related multiples and certain financial data are set forth below:

Announced	Target	Acquiror	Equity Value	Equity Value / Net Income	Price / Gross BV	Price / Tangible BV
01/08/2009	Thinkorswim Group Inc.	TD Ameritrade Holding Corporation	\$ 578.9	10.3x	2.6x	NMF
12/19/2008	International Derivatives Clearing Group, LLC.	NASDAQ OMX Group, Inc.	\$ 104.4	NA	NA	NA
10/30/2008	The Clearing Corporation	Intercontinental Exchange, Inc.	\$ 39.0	NA	NA	NA
07/14/2008	E*Trade Canada Securities Corporation	The Bank Of Nova Scotia	\$ 442.0	NA	NA	NA
06/03/2008	Creditex Group, Inc.	Intercontinental Exchange, Inc.	\$ 522.0	40.4x	6.5x	18.3x
04/07/2008	Link Asset & Securities Co. Ltd.	ICAP plc	\$ 311.0	11.8x	6.8x	NMF
03/17/2008	Primex Energy Brokers Ltd.	Tullett Prebon plc	\$ 26.0	NA	NA	NA
08/01/2007	IWL Ltd.	Commonwealth Bank of Australia	\$ 304.4	21.9x	3.7x	9.9x
06/08/2007	Redsky Financial LLC	Investment Technology Group	\$ 21.1	NA	NA	NA
05/30/2007	BGC Division (Cantor Fitzgerald)	eSpeed	\$ 1,305.1	NMF	18.0x	163.0x
01/24/2007	Xpress Trade LLC	OptionXpress Holdings	\$ 37.0	8.3x	NA	NA
09/14/2006	New York Board of Trade, Inc.	Intercontinental Exchange, Inc	\$ 1,066.4	80.6x	0.0x	0.0x
09/07/2006	Amerex Energy-North American Operations	GFI Group	\$ 86.0	NA	NA	NA

The calculated multiple range and averages were as follows:

Multiple Description	Multiple Range and Averages			
	Low	High	Median	Mean
Implied Equity Value as a multiple of:				
Net Income	8.3x	80.6x	16.9x	28.9x
Implied Equity Value as a multiple of:				
Gross Book Value	2.6x	18.0x	6.5x	7.5x
Tangible Book Value	9.9x	163.0x	18.3x	63.7x

International Assets

Houlihan Lokey applied the following selected multiple ranges derived from the selected transactions analysis to corresponding financial data for International Assets. The selected transactions analysis indicated the following implied equity value reference range for International Assets:

Multiple Description	Selected Multiple Range		Selected Equity Value Range (\$USD in millions)	
	Low	High		
LTM Adjusted Net Income	8.0x	9.0x	\$ 137.6	\$154.8

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Houlihan Lokey made the per share adjustment for International Assets described above to arrive at an implied per share reference range. The selected transactions analysis indicated the following implied per share reference range for International Assets, which range overlapped with International Assets per share market price as of June 29, 2009:

Implied Per Share		Per Share Market Price	
Equity Reference Range			
for International Assets			
\$14.56	\$16.38	\$	15.20

FCStone

Houlihan Lokey applied the following selected multiple ranges derived from the selected transactions analysis to corresponding financial data for FCStone. The selected transactions analysis indicated the following implied equity value reference range for FCStone:

Multiple Description	Selected Multiple Range		Selected Equity Value Range (in millions)	
	Low	High		
LTM Adjusted Net Income	4.0x	6.0x	\$ 120.4	\$205.2

Houlihan Lokey made the equity value adjustments described above relating to FCStone to arrive at an implied per share reference range. The selected transactions analysis indicated the following (i) implied per share reference range for FCStone, and (ii) implied exchange ratio reference range (based on the closing price of International Assets common stock on June 29, 2009 of \$15.20), as compared to the proposed exchange ratio:

Implied Per Share		Implied Exchange Ratio Reference Range		Exchange Ratio
Equity Reference Range				
for FCStone				
\$4.31	\$7.35	0.28	0.48	0.295

Discounted Cash Flow Analysis**International Assets**

Houlihan Lokey calculated the estimated present value of the standalone, after-tax free cash flows that International Assets could generate over the remaining three-months of fiscal year 2009, and fiscal years 2010 and 2011, based on estimates of the future financial performance of International Assets provided by the management of International Assets. Houlihan Lokey then calculated a range of estimated terminal values based on a range of multiples of 6.0x to 8.0x of International Assets estimated net income for the fiscal year ending 2011. The estimated after-tax free cash flows and terminal values were then discounted using a mid-year convention to the present value using discount rates ranging from 23.0% to 25.0%.

The discounted cash flow analysis indicated the following implied per share equity reference range for International Assets, which range was above International Assets per share market price as of June 29, 2009:

Implied Per Share		Per Share Market Price	
Equity Reference Range			

for International Assets			
\$15.41	\$19.57	\$	15.20

Table of Contents**FCStone**

Houlihan Lokey calculated the estimated net present value of the standalone, after-tax free cash flows that FCStone could generate over the remaining three-months of fiscal year 2009, and fiscal years 2010 through 2013, based on estimates for the future financial performance of FCStone provided by FCStone's management. Houlihan Lokey then calculated a range of estimated terminal values based on a range of multiples of 5.0x to 7.0x of FCStone's estimated net income for the fiscal year ending 2013. The estimated after-tax free cash flows and terminal values were then discounted using a mid-year convention to the present value using discount rates ranging from 16.0% to 18.0%.

The discounted cash flow analysis indicated the following (i) implied per share equity reference range for FCStone, and (ii) implied exchange ratio reference range (based on the closing price of International Assets common stock on June 29, 2009 of \$15.20), as compared to the proposed exchange ratio:

Implied Per Share		Implied Exchange		Exchange Ratio
Equity Reference Range		Ratio Reference Range		
for FCStone				
\$7.11	\$10.28	0.47	0.68	0.295

Contribution Analysis

Houlihan Lokey analyzed the respective pro forma contributions of International Assets and FCStone based upon the revenue, earnings before interest, taxes, depreciation and amortization, commonly referred to as EBITDA, and net income for the fiscal year 2008, and estimated revenue, EBITDA and net income for fiscal years 2009 and 2010, based on estimates provided by the managements of International Assets and FCStone. The analysis was based on the following assumptions:

2009 and 2010 fiscal years for International Assets correspond to the fiscal years ending September 30, 2009 and 2010, respectively;

2009 and 2010 fiscal years for FCStone correspond to the fiscal years ending August 31, 2009 and 2010, respectively; and

International Assets revenues were operating revenues and FCStone revenues were net revenues.

The analysis indicated the following relative contributions of International Assets and FCStone, as compared to the pro forma outstanding ownership percentage for the stockholders of each company (as of May 31, 2009 in the case of FCStone; as of June 30, 2009 in the case of International Assets), based on the exchange ratio:

	Relative Contributions		
	2008	2009E	2010E
Revenue			
International Assets	21.1%	31.0%	33.4%
FCStone	78.9%	69.0%	66.6%
EBITDA			
International Assets	26.5%	54.1%	56.6%
FCStone	73.5%	45.9%	43.4%
Net Income			
International Assets	18.5%	47.1%	57.4%
FCStone	81.5%	52.9%	42.6%
Pro Forma Ownership			

International Assets	52.5%
FCStone	47.5%

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Houlihan Lokey also analyzed the respective contributions of International Assets and FCStone on the basis of each company's tangible book values, as well as their current market values and current stock price in relation to their 52-week high and low trading prices.

The analysis indicated the following relative contributions and relative values of International Assets and FCStone:

	Relative Contribution	
	As of June 15, 2008	Latest Reported(4)
Tangible Book Value		
International Assets	19.4%	28.1%
FCStone	80.6%	71.9%

Relative Value
As of June 15, 2008