

INTERNATIONAL ASSETS HOLDING CORP

Form S-4/A

August 14, 2009

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As filed with the Securities and Exchange Commission on August 14, 2009

Registration No. 333-160832

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 1
to
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.)

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Suite 2060

Altamonte Springs, Florida 32701

(407) 741-5300

(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: "

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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.

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) "

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 AUGUST 14, 2009

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 August 11, 2009 assuming no exercises of FCStone stock options prior to the merger. Upon completion of the merger, 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 August 14, 2009, the closing price of International Assets common stock was \$17.01 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 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: | For FCStone stockholders: |
|---|----------------------------|
| September 25, 2009 | September 25, 2009 |
| 10:00 a.m., local time | 9:00 a.m., local time |
| Offices of International Assets Holding Corporation | Hilton Kansas City Airport |
| 708 Third Avenue | 8801 N.W. 112th Street |
| 7th Floor | Kansas City, Missouri |
| New York, New York | |

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, please see Risk Factors beginning on page 26.

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 August 19, 2009, and is first being mailed to stockholders of International Assets and FCStone on or about August 19, 2009.

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 On September 25, 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 September 25, 2009 at 10:00 a.m., local time, at the offices of International Assets, 708 Third Avenue, 7th Floor, New York, New York, 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 August 11, 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 9,110,586 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

August 19, 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 SEPTEMBER 25, 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 September 25, 2009 at 9:00 a.m., local time, at the Hilton Kansas City Airport, 8801 NW 112th Street, Kansas City, Missouri, 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 August 11, 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 27,930,188 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

August 19, 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:

D.F. King & Co., Inc.

48 Wall Street, 22nd Floor

New York, New York 10005

Stockholders call:

(800) 659-5500 (toll-free)

All others call:

(212) 269-5550 (collect)

Email:

fcstoneproxy@dfking.com

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 September 18, 2009.

Please 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. 333-160832), 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 C: | Support Agreement between FCStone and certain International Assets Stockholders |
| Annex D: | Opinion of Houlihan Lokey Howard & Zukin Financial Advisors, Inc. |
| Annex E: | Opinion of BMO Capital Markets Corp. |
| 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 |
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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 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 and FCStone Proposal No. 1 – The Merger International Assets Reasons For the Merger and Recommendation of International Assets Board of Directors on page 57 and International Assets Proposal No. 1 and FCStone Proposal No. 1 – The Merger FCStone s Reasons For the Merger and Recommendation of FCStone s Board of Directors on page 52 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 September 25, 2009 at 9:00 a.m., local time, at the Hilton Kansas City Airport, 8801 NW 112th Street, Kansas City, Missouri.

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

A: The International Assets special meeting will be on September 25, 2009 at 10:00 a.m., local time, at the offices of International Assets, 708 Third Avenue, 7th Floor, New York, New York.

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

A: *International Assets:* All International Assets stockholders of record as of the close of business on August 11, 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.

FCStone: All FCStone stockholders of record as of the close of business on August 11, 2009, the record date for the FCStone special meeting, are entitled to receive notice of and to vote at the FCStone special meeting.

Q: How many votes do I have?

A: *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 9,110,586 outstanding shares of International Assets common stock. As of that date, 33.7% of the outstanding shares of International Assets common stock were beneficially owned by the directors and executive officers of International Assets.

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 27,930,188 outstanding shares of FCStone common stock. As of that date, 7.1% of the outstanding shares of FCStone common stock were beneficially owned by the directors and executive officers of FCStone.

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 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.

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 as soon as possible so that your shares can be voted at the special meeting of FCStone stockholders. Please provide your proxy instructions as soon as possible so that your shares can be voted at the special meeting of International Assets stockholders.

If your FCStone 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. 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.

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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 vote in person, 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 vote in person, 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 September 25, 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 September 25, 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 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 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 Consideration to be Received in the Merger 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 Management of International Assets Following the Merger on page 153.

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 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, please see International Assets Proposal No. 1 and FCStone 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 on page 108; International Assets Proposal No. 4 Amendment 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 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, please see International Assets Proposal No. 1 and FCStone Proposal No. 1 The Merger FCStone's Reasons for the Merger and Recommendation of FCStone's Board of Directors on page 61, and 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 26, which presents risks and uncertainties related to the merger, the combined company, 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 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 D.F. King & Co., Inc. to aid in FCStone's proxy solicitation process. FCStone estimates that its proxy solicitor fees will be approximately \$15,000. 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

or our proxy solicitor:

D.F. King & Co., Inc.

48 Wall Street, 22nd Floor

New York, New York 10005

Stockholders call:

(800) 659-5500 (toll-free)

All others call:

(212) 269-5550 (collect)

Email:

fcstoneproxy@dfking.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. Please 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 Parkway, 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 September 25, 2009, at the offices of International Assets, 708 Third Avenue, 7th Floor, New York, New York 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 August 11, 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 9,110,586 shares of International Assets common stock entitled to be voted at the International Assets special meeting.

Share Ownership of Management. As of August 11, 2009, the directors and executive officers of International Assets 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 2,777,584 shares are subject to the support agreement representing approximately 30.5% 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 September 25, 2009, at the Hilton Kansas City Airport, 8801 NW 112th Street, Kansas City, Missouri, 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 August 11, 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 27,930,188 shares of FCStone common stock entitled to be voted at the FCStone special meeting.

Share Ownership of Management. As of August 11, 2009, the directors and executive officers of FCStone and their affiliates beneficially owned approximately 7.1% of the shares entitled to vote at the FCStone special meeting.

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Risks Related to the Merger (Page 26)

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 Related to the Merger" on page 26.

Reasons for the Merger (Pages 57 and 61)

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. Please see "International Assets Proposal No. 1 and FCStone 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. Please see "International Assets Proposal No. 1 and FCStone Proposal No. 1 - The Merger - FCStone - s Reasons for the Merger and Recommendation of FCStone - s Board of Directors" 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., which we refer to as 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. Please see "International Assets Proposal No. 1 and FCStone Proposal No. 1 - The Merger - Opinion of International Assets - Financial Advisor" on page 62.

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.

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.

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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 an 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, have each issued 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).

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.

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The merger is subject to the reporting requirements of the Hart-Scott-Rodino Anti-Trust Improvements Act of 1976, which we refer to as the HSR Act. 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 period has been terminated or has expired. International Assets and FCStone have made the required filings under the HSR Act, and have been granted early termination by the FTC of the applicable waiting period.

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

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 183)

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

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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.

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 October 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 August 14, 2009) | \$ 18.90 | \$ 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 August 14, 2009) | \$ 5.75 | \$ 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 August 14, 2009:

| | International Assets Common Stock | FCStone Common Stock | Estimated Equivalent FCStone Per Share Price |
|-----------------|--|---------------------------------|---|
| July 1, 2009 | \$ 15.74 | \$ 4.15 | \$ 4.64 |
| August 14, 2009 | \$ 17.01 | \$ 5.04 | \$ 5.02 |

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 August 14, 2009, you would have received a number of shares of International Assets common stock worth \$5.02 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.

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, as adjusted for the effect of discontinued operations through June 30, 2009, 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 nine months ended June 30, 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 Nine Months Ended June 30, | | As of and for the Fiscal Years Ended September 30, | | | | |
|---|--|-----------|--|-----------|-----------|-----------|-----------|
| | 2009 (Unaudited) | 2008 | 2008 | 2007 | 2006 | 2005 | 2004 |
| Income Statement | | | | | | | |
| Operating revenues | \$ 77.8 | \$ 95.0 | \$ 117.0 | \$ 47.2 | \$ 35.1 | \$ 26.1 | \$ 22.0 |
| Interest expense | 6.2 | 8.3 | 11.2 | 9.3 | 2.1 | 1.3 | 3.2 |
| Non-interest expenses | 54.7 | 46.9 | 62.9 | 47.5 | 28.0 | 20.7 | 16.9 |
| Income (loss) before taxes and minority interest | 16.9 | 39.8 | 42.9 | (9.6) | 5.0 | 4.1 | 1.9 |
| Income tax expense (benefit) | 4.8 | 14.9 | 16.2 | (3.4) | 1.6 | 1.5 | 2.0 |
| Minority interest | 0.5 | (0.3) | (1.0) | (0.6) | | | |
| Income (loss) from continuing operations | 11.6 | 25.2 | 27.7 | (5.6) | 3.4 | 2.6 | (0.1) |
| Discontinued operations | 0.7 | (0.5) | (0.1) | (1.1) | (0.1) | | |
| Net income (loss) | \$ 10.9 | \$ 25.7 | \$ 27.8 | \$ (4.5) | \$ 3.5 | \$ 2.6 | \$ (0.1) |
| Earnings (loss) per share: | | | | | | | |
| - Basic | \$ 1.23 | \$ 3.06 | \$ 3.30 | \$ (0.56) | \$ 0.45 | \$ 0.36 | \$ (0.02) |
| - Diluted | \$ 1.16 | \$ 2.69 | \$ 2.95 | \$ (0.56) | \$ 0.41 | \$ 0.33 | \$ (0.02) |
| Number of shares: | | | | | | | |
| - Basic | 8,879,649 | 8,402,034 | 8,434,976 | 8,086,837 | 7,636,808 | 7,303,065 | 5,090,304 |
| - Diluted | 10,007,526 | 9,949,649 | 9,901,766 | 8,086,837 | 8,387,761 | 8,023,891 | 5,090,304 |
| Balance Sheet | | | | | | | |
| Total assets | \$ 359.6 | \$ 511.6 | \$ 438.0 | \$ 361.2 | \$ 199.9 | \$ 147.0 | \$ 67.7 |
| Total stockholders' equity | \$ 84.2 | \$ 64.5 | \$ 74.8 | \$ 35.6 | \$ 33.9 | \$ 28.1 | \$ 24.6 |
| Net book value per share outstanding | \$ 9.25 | \$ 7.53 | \$ 8.38 | \$ 4.31 | \$ 4.32 | \$ 3.78 | \$ 3.48 |

Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF FCSTONE**

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 and 2008 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. Historical per share data has been omitted for each fiscal year prior to the fiscal year 2005 because under FCStone's cooperative structure in place during those periods, earnings of the cooperative were distributed as patronage dividends to members based on the level of business conducted with the cooperative rather than to each common stockholder based on the proportionate share of underlying equity in the cooperative.

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, which are incorporated by reference into this joint proxy statement/prospectus.

| | Nine Months Ended May 31, | | | Fiscal 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 |

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| | | | | | | | |
|--|--------|------|------|------|------|-----|-----|
| 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, | | Fiscal 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(2) | | | \$ | \$ 0.28 | \$ 0.13 | \$ | |

| | May 31, | | August 31, | | | | |
|---|------------|------------|------------|------------|------------|----------|----------|
| | 2009 | 2008 | 2008 | 2007 | 2006 | 2005 | 2004 |
| 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, | | Fiscal Year Ended August 31, | | | | |
|--|------------------------------|------------|------------------------------|----------|----------|----------|----------|
| | 2009 | 2008 | 2008 | 2007 | 2006 | 2005 | 2004 |
| 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(4) | \$ 180.6 | \$ 248.2 | \$ 336.5 | \$ 257.8 | \$ 181.9 | \$ 126.8 | \$ 105.1 |
| EBITDA(4) | \$ (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 |
| Customer segregated assets, end of period | \$ 835.4 | \$ 1,386.6 | \$ 1,528.0 | \$ 997.4 | \$ 764.8 | \$ 594.7 | \$ 390.0 |

- (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) 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.
- (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) 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.

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 June 30, 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 June 30, 2009 reflect the merger and related transactions as if they had occurred on June 30, 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 191. 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 191 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 June 30, 2009 | As of and for the Fiscal Year Ended September 30, 2008 |
|---|--|---|
| Income Statement | | |
| Operating revenues | \$ 258.4 | \$ 463.8 |
| Interest expense | 9.6 | 16.9 |
| Non-interest expenses | 333.4 | 319.1 |
| (Loss) income before taxes and minority interest | (84.6) | 127.8 |
| Income tax expense (benefit) | (36.4) | 49.7 |
| Minority interest | (0.1) | 0.2 |
| (Loss) income from continuing operations | \$ (48.1) | \$ 77.9 |
| (Loss) earnings from continuing operations per share: | | |
| - Basic | \$ (2.81) | \$ 4.69 |
| - Diluted | \$ (2.81) | \$ 4.23 |
| Number of shares: | | |
| - Basic | 17,116,639 | 16,620,931 |
| - Diluted | 17,116,639 | 18,437,296 |
| Balance Sheet | | |
| Total assets | \$ 1,824.3 | |
| Total stockholders' equity | \$ 238.9 | |
| Net book value per share outstanding | \$ 13.77 | |

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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 June 30, 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 June 30, 2009. Because of different fiscal period ends, the unaudited pro forma condensed combined income statement data for the nine months ended June 30, 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 191. 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 191, and other information included in or incorporated by reference into this joint proxy statement/prospectus.

Table of Contents**International Assets**

| | Nine Months Ended June 30, 2009 | Fiscal Year Ended September 30, 2008 |
|--|---------------------------------------|--|
| Historical Per Common Share Data: | | |
| Basic net income per share | \$ 1.23 | \$ 3.30 |
| Diluted net income per share | \$ 1.16 | \$ 2.95 |
| Book value per share as of the period end(1) | \$ 9.25 | \$ 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 June 30, 2009 | Fiscal Year Ended September 30, 2008 |
|--|---------------------------------------|--|
| Unaudited Pro Forma Combined Per Common Share Data: | | |
| Basic net (loss) income per share | \$ (2.81) | \$ 4.69 |
| Diluted net (loss) income per share | \$ (2.81) | \$ 4.23 |
| Book value per share as of the period end(1) | \$ 13.77 | |

- (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 June 30, 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 June 30, 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 June 30, 2009 assuming the merger had occurred as of that date.

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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 to the extent applicable, FCStone's Quarterly Reports on Form 10-Q, 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. Please see **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 unvested 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. The merger agreement also provides that six current FCStone directors will be elected or appointed to the board of directors of International Assets as of the effective time of 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, please 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 nine months ended June 30, 2009, International Assets had net income of \$10.9 million compared to \$25.7 million for the nine months ended June 30, 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

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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 June 30, 2009, International Assets' total consolidated indebtedness to lenders and noteholders was approximately \$92.5 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 August 1, 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 reduce the scope of 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 \$0.3 billion at June 30, 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 June 30, 2009 was \$12.5 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 \$77.8 million for the first nine 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 1,940,619 outstanding shares, or 21.3% of the total shares outstanding as of August 1, 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, please 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.

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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 26 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, which 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 possibility that 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 possibility that 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 possibility that 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 forward-looking 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 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. Please 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 September 25, 2009, at the offices of International Assets, 708 Third Avenue, 7th Floor, New York, New York 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 International Assets Board of Directors

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, 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, August 11, 2009, are entitled to notice of, and to vote at, the International Assets special meeting. There were 107 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 9,110,586 shares of International Assets common stock 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. Please see Security Ownership of Certain Beneficial Owners and Management of International Assets on page 174 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 33.7% 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 2,777,584 shares of International Assets common stock, which represent approximately 30.5% 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, please see the section entitled Support Agreement on page 105.

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 September 25, 2009, at the Hilton Kansas City Airport, 8801 NW 112th Street, Kansas City, Missouri, 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, August 11, 2009, are entitled to notice of, and to vote at, the FCStone special meeting. There were approximately 194 holders of record of FCStone common stock at the close of business on the record date. There were 27,930,188 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 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 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, D.F. King & Co., Inc., to aid in the solicitation process and will pay it a fee of approximately \$15,000 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.

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.

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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. Please see *Requirements for Stockholder Proposals to be Brought Before an Annual Meeting* 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, we estimate that 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 one of the companies participating in the process, which we refer to as 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 Bank of America Securities LLC, which we refer to as 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 Mr. Dunaway 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 subsequently confirmed by delivery of its written opinion to the board of directors dated July 1, 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.

On July 1, 2009, 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 June 30, 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 is expected to diversify the revenue sources of the combined company, which is expected to 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 is expected to enable the combined company to offer additional products and services to the customers of both International Assets and FCStone. For example, the combined company expects to 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. The stock of International Assets is relatively closely-held, 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. Please see International Assets Proposal No. 1 and FCStone Proposal No. 1 - The Merger - Opinion of International Assets' Financial Advisor on page 62;

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" beginning on page 26.

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 26.

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 | | Implied Exchange Ratio | |
|------------------------|--------|------------------------|-------|
| Equity Reference Range | | Reference Range | |
| for FCStone | | 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****Implied Exchange Ratio
Reference Range****Exchange Ratio**

for FCStone
\$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 | As of June 29, 2009 |
| Market Value | | |
| International Assets | 19.2% | 55.3% |
| FCStone | 80.8% | 44.7% |

| | High / Low | Stock Price As |
|---|------------------|---------------------|
| | | of June 29, 2009 |
| Stock Price Compared to 52-Week High-Low | | |
| International Assets | \$37.74 / \$5.29 | \$15.20 |
| FCStone | \$32.25 / \$1.23 | \$ 4.16 |

- (4) Latest reported tangible book values for International Assets and FCStone were as of February 28, 2009, and March 31, 2009, respectively.

| | |
|----------------------------|-------|
| Pro Forma Ownership | |
| International Assets | 52.5% |
| FCStone | 47.5% |

Other Matters

International Assets retained two financial advisors in connection with the merger: BofA Merrill Lynch and Houlihan Lokey. BofA Merrill Lynch was retained to assist International Assets in connection with the negotiation of the terms of the merger. Houlihan Lokey was engaged by International Assets to provide an opinion to International Assets' board of directors regarding the fairness from a financial point of view of the exchange ratio in the merger. International Assets decided to engage a separate firm to render this opinion because the fee payable to BofA Merrill Lynch was contingent on the completion of the merger. International Assets engaged Houlihan Lokey based on Houlihan Lokey's experience and reputation. Houlihan Lokey is regularly engaged to render financial opinions in connection with mergers, acquisitions, divestitures, leveraged buyouts, recapitalizations, and for other purposes. Pursuant to the engagement letter, International Assets has agreed to pay Houlihan Lokey a customary fee for its services. Such amount became payable upon the delivery of Houlihan Lokey's opinion and was not contingent upon the conclusion reached therein. No portion of Houlihan Lokey's fee is contingent upon the successful completion of the merger. International Assets has also agreed to reimburse Houlihan Lokey for certain expenses and to indemnify Houlihan Lokey, its affiliates and certain related parties against certain liabilities and expenses, including certain liabilities under the federal securities laws arising out of or relating to Houlihan Lokey's engagement.

In the ordinary course of business, Houlihan Lokey and certain of its affiliates, as well as investment funds in which they may have financial interests, may acquire, hold or sell, long or short positions, or trade or otherwise effect transactions, in debt, equity, and other securities and financial instruments (including loans and other obligations) of, or investments in, International Assets, FCStone or any other party that may be involved in the merger and their respective affiliates or any currency or commodity that may be involved in the merger.

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Houlihan Lokey and certain of its affiliates may provide investment banking, financial advisory and other financial services to International Assets and FCStone and other participants in the merger and certain of their respective affiliates in the future, for which Houlihan Lokey and such affiliates may receive compensation.

Opinion of FCStone's Financial Advisor

FCStone retained BMO Capital Markets to render an opinion to the FCStone board of directors as to the fairness, from a financial point of view, to FCStone's stockholders (other than International Assets and its affiliates) of the exchange ratio of 0.2950 of a share of International Assets common stock to be paid for each outstanding share of FCStone stock under the merger agreement, which is referred to herein as the exchange ratio. On July 1, 2009, at a meeting of FCStone's board of directors held to evaluate the merger, BMO Capital Markets delivered its oral opinion, which opinion was subsequently confirmed by delivery of its written opinion dated July 1, 2009, to the effect that, as of that date and subject to the various assumptions in such opinion, the exchange ratio, was fair, from a financial point of view, to the stockholders of FCStone (other than International Assets and any of its affiliates). BMO Capital Markets does not have any obligation to update, revise or reaffirm its opinion.

The full text of BMO Capital Markets' written opinion to the FCStone board of directors, which sets forth, among other things, the procedures followed, assumptions made, matters considered and limitations on the review undertaken, is attached as Annex E to this joint proxy statement/prospectus and is incorporated into this joint proxy statement/prospectus by reference. Holders of FCStone common stock are encouraged to read the opinion carefully and in its entirety. The following summary is qualified in its entirety by reference to the full text of such opinion. BMO Capital Markets' analyses and opinion were prepared for and addressed to the FCStone board of directors and are directed only to the fairness, from a financial point of view, to the stockholders of FCStone (other than International Assets and its affiliates) of the exchange ratio. BMO Capital Markets' opinion does not constitute a recommendation to FCStone stockholders or anyone else on how to vote at any meeting held in connection with the merger. BMO Capital Markets' opinion also does not in any manner address the prices at which FCStone or International Assets common stock have traded or may trade in the future, including subsequent to the completion of the merger. The BMO Capital Markets opinion has been approved by a fairness committee of BMO Capital Markets.

In preparing its opinion to the FCStone board of directors, BMO Capital Markets performed various financial and comparative analyses, including those described below. The summary set forth below does not purport to be a complete description of the analyses underlying BMO Capital Markets' opinion or the presentation made by BMO Capital Markets to the FCStone board of directors. The preparation of a fairness opinion is a complex analytic process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, BMO Capital Markets did not attribute any particular weight to any analysis or factor considered by it, but rather made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses. Accordingly, notwithstanding the separate analyses summarized below, BMO Capital Markets believes that its analyses must be considered as a whole and that selecting portions of its analyses and factors, or focusing on information presented in tabular format, without considering all of the analyses and factors or the narrative description of the analyses, would create a misleading or incomplete view of the process underlying its opinion.

In arriving at its opinion, and performing the related financial analysis, BMO Capital Markets:

reviewed a draft of the merger agreement dated June 30, 2009;

reviewed FCStone's annual report on Form 10-K and related financial information included therein for the fiscal years ended August 31, 2008, and August 31, 2007, and FCStone's 10-Q for the quarter

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ended February 28, 2009, in addition to selected unaudited financial information for the quarter ending May 31, 2009;

reviewed International Assets' annual report on Form 10-K and related financial information included therein for the fiscal years ended September 30, 2008 and September 30, 2007, and International Assets' 10-Q for the quarter ended March 31, 2009;

reviewed certain financial and operating information relating to the business, earnings, cash flow, assets, liabilities and prospects of FCStone and International Assets, including estimated synergies expected to result from the merger, furnished to BMO Capital Markets by FCStone and International Assets;

conducted discussions with members of the senior management and other representatives of FCStone and International Assets concerning their respective operations, financial condition and prospects;

reviewed the relative contribution of earnings, cash flow, equity, and equity values of FCStone and International Assets to the resulting entity;

reviewed historical stock prices of the common stock of FCStone and International Assets;

reviewed the pro forma impact of the merger on FCStone, based on assumptions relating to transaction expenses, purchase accounting assumptions and cost savings determined by senior management of FCStone and International Assets;

performed discounted cash flow analyses for FCStone and International Assets; and

reviewed such other financial studies and performed such other analyses and investigations that took into account such other matters as BMO Capital Markets deemed appropriate.

In rendering its opinion, BMO Capital Markets assumed and relied on the accuracy and completeness of information supplied or otherwise made available to BMO Capital Markets by FCStone, International Assets or their respective representatives or advisors or obtained by BMO Capital Markets from other sources. BMO Capital Markets did not assume any responsibility for independently verifying and did not independently verify such information. BMO Capital Markets did not independently evaluate, physically inspect or appraise any of the respective assets or liabilities (contingent or otherwise) of FCStone or International Assets and was not furnished with any such valuations or appraisals. BMO Capital Markets was not asked to and did not evaluate the solvency or fair value of FCStone or International Assets. With respect to financial projections, including estimated synergies, for FCStone and International Assets, BMO Capital Markets was advised by FCStone, and assumed, without independent investigation, that they had been reasonably prepared and reflected the best currently available estimates and good faith judgments of senior management of FCStone and International Assets of the expected future competitive, operating and regulatory environments and related financial performance of FCStone and International Assets. BMO Capital Markets expresses no opinion with respect to such projections, including estimated synergies, or the assumptions on which they are based. BMO Capital Markets was not asked to and did not consider the possible effects of any litigation or other legal claims. BMO Capital Markets further assumed that the merger will qualify as a tax-free reorganization for U.S. federal income tax purposes and that the merger will be consummated in a timely manner and in accordance with the terms of the merger agreement without waiver, modification or amendment of any material term, condition or agreement and that all governmental, regulatory and other consents and approvals necessary for the consummation of the merger will be obtained without any material adverse effect on FCStone or International Assets or on the contemplated benefits of the merger.

BMO Capital Markets' opinion is necessarily based upon financial, economic, market and other conditions and circumstances as in effect on, and information made available to BMO Capital Markets as of July 1, 2009. BMO Capital Markets disclaims any undertakings or obligations to advise any person of any change in any fact or matter affecting the opinion which may come or be brought to its attention after the date of the opinion.

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BMO Capital Markets' opinion does not constitute a recommendation as to any action by the board of directors of FCStone or any stockholder of FCStone should take in connection with the merger or any aspect thereof and is not a recommendation to any person on how such person should vote with respect to the adoption of the merger agreement. BMO Capital Markets' opinion relates solely to the fairness, from a financial point of view, to stockholders of FCStone (other than International Assets and its affiliates) of the exchange ratio. BMO Capital Markets expresses no opinion as to the relative merits of the merger and any other transactions or business strategies discussed by the board of directors of FCStone as alternatives to the merger or the decision of the board of directors of FCStone to proceed with the merger, nor does BMO Capital Markets express any opinion on the structure, terms or effect of any other aspect of the merger or the other transactions contemplated by the merger agreement. BMO Capital Markets is not an expert in, and its opinion does not address, any of the legal, tax or accounting aspects of the proposed transaction, including, without limitation, whether or not the transactions contemplated by the merger agreement constitute a change of control under any contract or agreement to which FCStone, International Assets or any of their respective subsidiaries is a party. BMO Capital Markets relied solely on FCStone's legal, tax and accounting advisors for such matters.

The following is a summary of the material analyses performed by BMO Capital Markets in connection with its opinion to the FCStone board of directors dated July 1, 2009. The following summary, however, does not purport to be a complete description of the financial analyses performed by BMO Capital Markets, nor does the order of analyses described represent relative importance or weight given to those analyses by BMO Capital Markets. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before June 30, 2009 and is not necessarily indicative of current market conditions. All actual and projected financial statements for International Assets, as utilized by BMO Capital Markets, have been provided by International Assets management and have been prepared on a non GAAP basis. Some of the financial analyses summarized below include information presented in tabular format. In order to understand fully BMO Capital Markets' financial analyses, the tables must be read together with the text of the summary. The tables alone do not constitute a complete description of the financial analyses. Considering the data set forth below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of BMO Capital Markets' financial analyses.

Merger Consideration. BMO Capital Markets calculated the implied merger price per share by multiplying the exchange ratio of 0.2950 by the closing price per share of International Assets' common stock of \$14.87 on June 30, 2009. BMO Capital Markets noted that the implied \$4.39 per share merger consideration represented an 11.1% premium to the closing stock price per share of FCStone's common stock on June 30, 2009 of \$3.95. BMO Capital Markets noted that based on an exchange ratio of 0.2950 stockholders of FCStone would have approximately 47.50% of the economic ownership and voting rights of the combined company.

Historical Exchange Ratio Analysis. BMO Capital Markets analyzed the historical trading price of FCStone stock relative to International Assets' common stock based on closing prices between June 29, 2008 and June 30, 2009 and calculated the historical exchange ratios during certain periods within those dates implied by dividing the daily closing prices per share of FCStone common stock by those of International Assets' common stock, and the average of those historical trading ratios for the various periods reviewed. BMO Capital Markets reviewed exchange ratios for periods ending on October 13, 2008 and June 30, 2009. BMO Capital Markets next compared the merger exchange ratio of 0.2950 provided for in the merger agreement with historical exchange ratios for the various periods ending October 13, 2008 and June 30, 2009.

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The following table lists the implied exchange ratios for these periods:

| | Implied Exchange Ratio |
|--|---------------------------------------|
| Days Trading | |
| June 30, 2009 | 0.2660 |
| Last 30 days average | 0.2950 |
| Last three months average | 0.2790 |
| Last six months average | 0.3500 |
| FCStone / International Assets merger agreement | 0.2950 |

Relative Contribution Analysis. BMO Capital Markets analyzed the contribution of each of FCStone and International Assets to the pro forma combined company with respect to earnings before interest, taxes and depreciation, or EBITDA, net income, book value, tangible book value, and current market capitalization. BMO Capital Markets analyzed these metrics for the latest twelve-month (LTM) period ending and for projected operating results for fiscal year ending 2009 and 2010. For the latest twelve-month period ending, BMO Capital Markets utilized actual results as of May 31, 2009 provided by FCStone management and utilized three quarters of actual results ending March 31, 2009 plus projected quarter results as of June 30, 2009 as provided by management from International Assets. Projected operating results were prepared by FCStone and International Assets management respectively and assumed no cost savings or other synergies.

For purposes of the contribution analysis, BMO Capital Markets assumed that the contributions with respect to EBITDA reflected each company's contribution to the combined company's pro forma firm value. Equity value contributions were derived by adjusting firm value contributions for outstanding net debt of both companies. BMO Capital Markets noted that based on an exchange ratio of 0.2950 stockholders of FCStone's would have approximately 47.50% of the economic ownership and voting rights of the combined company.

The analyses yielded the following pro forma equity value contributions:

| | Implied Percentage Contribution | |
|-------------------------------|--|-----------------------------|
| | FCStone | International Assets |
| Pro forma combined EBITDA | | |
| LTM | 58.7% | 41.3% |
| Last Two Quarters(1) | 18.2% | 81.8% |
| 2009 FY estimate | 41.3% | 58.7% |
| 2010 FY estimate | 42.1% | 57.9% |
| Pro forma combined Net Income | | |
| LTM | 63.3% | 36.7% |
| Last Two Quarters(1) | 38.1% | 61.9% |
| 2009 FY estimate | 49.9% | 50.1% |
| 2010 FY estimate | 42.6% | 57.4% |
| Book Value | 66.0% | 34.0% |
| Tangible Book Value | 68.5% | 31.5% |
| Current market capitalization | 44.9% | 55.1% |

(1) Represents actual 5/31 & 2/28 quarters for FCStone and actual 3/31 & projected 6/30 quarters for International Assets

Accretion/Dilution Analysis. BMO Capital Markets analyzed the expected pro forma impact of the merger on FCStone's projected fiscal year 2010 (ended August 31, 2010) financial results, particularly earnings per share. For purposes of this analysis, the transaction was assumed to close on August 31, 2009. BMO Capital Markets analyzed the pro forma impact to FCStone's stockholders utilizing projections provided by FCStone and

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International Assets management teams, including potential efficiencies and operating synergies available to the combined institution. BMO Capital Markets assumed such synergies are fully realized in the first year following consummation of the merger and assumed such synergies are realized over time. The analysis indicated that the merger would be accretive to FCStone's earnings per share for its fiscal year ended August 31, 2010.

Discounted Cash Flow Analyses. BMO Capital Markets performed discounted cash flow analyses of both International Assets and FCStone as stand-alone entities to derive a range of implied equity values for each company's common stock. Using financial projections prepared by FCStone management, BMO Capital Markets calculated a range of implied equity values per share by adding the present value of FCStone projected free cash flows through August 31, 2014 and the present value of FCStone terminal value based on a range of multiples of FCStone estimated 2014 EBITDA. Using financial forecasts prepared by International Assets management, BMO Capital Markets calculated a range of implied equity values per share of International Assets common stock using the same methodology. As part of this analysis, BMO Capital Markets also analyzed the weighted average cost of capital of FCStone and International Assets, which included a sensitivity analysis of each company's weighted average cost of capital.

BMO Capital Markets estimated the terminal value of FCStone, representing the value of FCStone's projected free cash flow beyond 2014 by applying terminal multiples of revenue ranging from 4.5x to 5.5x to FCStone's EBITDA in 2014. BMO Capital Markets then discounted FCStone's unlevered free cash flows and the range of terminal values to calculate the present values as of August 31, 2009, using a range of discount rates from 14.5% to 16.0%. BMO Capital Markets utilized this range of discount rates based on analyzing and comparing the weighted average cost of capital for the selected publicly traded companies used in the analysis. This resulted in an implied equity value per share for FCStone ranging from \$7.28 to \$8.94.

BMO Capital Markets estimated the terminal value of International Assets, representing the value of International Assets' projected free cash flow beyond 2014 by applying terminal multiples of revenue ranging from 4.5x to 5.5x to International Assets' EBITDA in 2014. BMO Capital Markets then discounted International Assets' unlevered free cash flows and the range of terminal values to calculate the present values as of September 30, 2009, using a range of discount rates from 14.0% to 15.5%. BMO Capital Markets utilized this range of discount rates based on analyzing and comparing the weighted average cost of capital for the selected publicly traded companies used in the analysis. This resulted in an implied equity value per share for International Assets ranging from \$22.61 to \$26.89.

BMO Capital Markets then used the implied equity value ranges for FCStone and International Assets common stock derived from the discounted cash flow analysis to calculate the maximum range of exchange ratios implied from those implied equity value ranges. This analysis yielded a range of implied exchange ratios from 0.2706 to 0.3955, which BMO Capital Markets compared to the transaction exchange ratio of 0.2950 pursuant to the merger agreement.

Miscellaneous. In performing its analyses, BMO Capital Markets made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of BMO Capital Markets, FCStone or International Assets. Any estimates contained in the analyses performed by BMO Capital Markets are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than those suggested by such analyses. Additionally, estimates of the value of businesses or securities do not purport to be appraisals or to reflect the prices at which such businesses or securities might actually be sold. Accordingly, these analyses and estimates are inherently subject to substantial uncertainty. In addition, as described above, BMO Capital Markets' opinion was only one of several factors taken into consideration by the FCStone board of directors in making its determination to approve the merger agreement and the merger. Consequently, BMO Capital Markets' analyses should not be viewed as determinative of the decision of the FCStone board of directors or FCStone's management with respect to the fairness of the consideration provided for in the merger agreement.

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FCStone retained BMO Capital Markets as its financial advisor based upon BMO Capital Markets' experience and expertise. BMO Capital Markets is a nationally recognized investment banking and advisory firm. Pursuant to the terms of the engagement letter between FCStone and BMO Capital Markets, FCStone has agreed to pay BMO Capital Markets a transaction fee of approximately \$4.0 million, \$1.5 million of which was payable upon execution of the merger agreement and approximately \$2.5 million of which is contingent upon consummation of the transaction. FCStone also has agreed to reimburse BMO Capital Markets for reasonable expenses incurred by BMO Capital Markets in performing its services and to indemnify BMO Capital Markets and related persons and entities against liabilities, including liabilities under the U.S. federal securities laws, arising out of BMO Capital Markets' engagement.

As part of its investment banking business, BMO Capital Markets is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes. BMO Capital Markets and its affiliates have in the past provided certain banking and other services to FCStone and its affiliates, and BMO Capital Markets and its affiliates may provide banking and other services to FCStone, International Assets or their respective affiliates in the future, for which BMO Capital Markets or such affiliate may have received or will receive customary fees. In particular, BMO Capital Markets was lead underwriter on FCStone's April 2007 initial public offering of common stock and a subsequent secondary offering of common stock. Additionally, BMO Capital Markets was the Syndication Agent and a lender for FCStone's (1) \$75 million unsecured, 364 day committed revolver, which replaced a similar \$250 million facility for which BMO Capital Markets acted in a similar capacity, and (2) \$55 million subordinated debt facility. BMO Capital Markets provides a full range of financial advisory and securities services and, in the course of its normal trading activities, may from time to time effect transactions and hold securities, including derivative securities, of FCStone or International Assets for its own account and for the accounts of customers.

Financial Projections

During the course of the mutual due diligence review process undertaken in connection with the proposed merger, International Assets and FCStone each made available to the other party non-public business and financial information about their companies, including financial projections.

Differences between actual and projected results are to be expected, and actual results may be materially greater or less than those contained in the projections due to numerous risks and uncertainties, including but not limited to the important factors listed in the section of this joint proxy statement/prospectus entitled Risk Factors. All projections are forward-looking statements, and these and other forward-looking statements are expressly qualified in their entirety by the risks and uncertainties identified in the Risk Factors section beginning on page 26 and the Cautionary Statement Regarding Forward-Looking Statements section beginning on page 41.

The projections provided by International Assets were adjusted to arrive at the following estimates, or ranges or estimates, of International Assets' future financial performance in the fiscal years ending September 30, 2009 through 2011 as an independent, standalone company. They include adjustments for discontinued operations and bad debts accounted for during fiscal year 2009.

| (\$ millions) | 2009 Estimated | 2010 Estimated | 2011 Estimated |
|-------------------|------------------|----------------|----------------|
| Operating revenue | \$112.4 | \$121.4 | \$133.6 |
| EBITDA | \$40.3 to \$42.2 | \$45.4 | \$50.1 |
| Net income | \$20.1 to \$20.7 | \$25.0 | \$27.7 |

These projections reflect marked to market numbers as utilized by International Assets in the discussion and analysis of its financial results. Please see Management's Discussion and Analysis of Results of Operations and Financial Condition of International Assets appearing on page 123 of this joint proxy statement/prospectus.

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The projections provided by FCStone were adjusted to arrive at the following estimates, or ranges of estimates, of FCStone's future financial performance in the fiscal years ending August 31, 2009 through 2013 as an independent, stand-alone company. They include adjustments for bad debts and other items accounted for during fiscal 2009.

| (\$ millions) | 2009 Estimated | 2010 Estimated | 2011 Estimated | 2012 Estimated | 2013 Estimated |
|---------------|-----------------|-----------------|----------------|----------------|----------------|
| Net revenue | \$249.9 | \$241.9 | \$ 263.0 | \$ 288.8 | \$ 318.4 |
| EBITDA | \$ 25.8 to 34.2 | \$ 34.8 to 37.0 | \$ 43.5 | \$ 52.5 | \$ 62.7 |
| Net income | \$ 11.9 to 23.3 | \$18.5 | \$ 23.7 | \$ 29.2 | \$ 35.5 |

The non-public business and financial information and projections that International Assets and FCStone provided to each other during the course of the mutual due diligence review process were provided solely in connection with such due diligence review and not expressly for inclusion or incorporation by reference in any filing with the SEC or document to be provided to stockholders of either company. The estimates of future financial performance for International Assets and FCStone described above also were provided to Houlihan Lokey and BMO Capital Markets for use in their financial analysis in connection with their opinions on the exchange ratio. There is no guarantee that any projections will be realized, or that the assumptions on which they are based will prove to be correct.

International Assets and FCStone do not as a matter of course make public any projections as to future performance or earnings. The projections set forth above are included in this joint proxy statement/prospectus only because this information was provided to the other party. The projections were not prepared with a view to public disclosure or compliance with the published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants regarding projections or forecasts. The projections do not purport to present operations in accordance with GAAP.

Neither International Assets nor FCStone's independent auditors, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

Each company's internal financial forecasts, upon which the projections were based in part, are, in general, prepared solely for internal use, such as budgeting and other management decisions, and are subjective in many respects. As a result, these internal financial forecasts are susceptible to interpretations and periodic revision based on actual experience and business developments. The projections reflect numerous assumptions made by the management of International Assets and FCStone, as applicable, and general business, economic, market and financial conditions and other matters, all of which are difficult to predict and many of which are beyond the company's control. Accordingly, there can be no assurance that the assumptions made in preparing the projections will prove accurate or that any of the projections will be realized.

The inclusion of the projections herein should not be regarded as an indication that any of International Assets, FCStone, Houlihan Lokey and BMO Capital Markets or their respective affiliates or representatives considered or consider the projections to be a prediction of actual future events, and the projections should not be relied upon as such. Except as may be required by law, none of International Assets, FCStone, or any of their respective affiliates or representatives intends to update or otherwise revise the projections to reflect circumstances existing or arising after the date such projections were generated or to reflect the occurrence of future events, even in the event that any or all of the assumptions underlying the projections are shown to be in error.

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Stockholders are cautioned not to place undue reliance on the projections included in this joint proxy statement/prospectus.

Interests of International Assets Directors in the Merger

In considering the recommendation of the International Assets board of directors with respect to approving the issuance of shares of International Assets common stock, International Assets stockholders should be aware that 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 are described below. They may create an appearance of a conflict of interest. The International Assets board of directors was aware of these potential conflicts of interest during its deliberations on the merits of the merger and in making its decisions in approving the merger, the merger agreement, the issuance of shares of International Assets common stock pursuant to the merger agreement, and the related amendments to International Assets certificate of incorporation.

In connection with the negotiation of the merger agreement, International Assets and FCStone agreed on changes to the director compensation policies of International Assets. 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.

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.

Interests of FCStone s Executive Officers and Directors in the Merger

In considering the recommendation of the FCStone board of directors with respect to adopting the merger agreement, FCStone stockholders should be aware that certain members of the board of directors and executive officers of FCStone have interests in the merger that are different from, or are in addition to, their interests as FCStone stockholders. These interests may create an appearance of a conflict of interest. The FCStone board of directors was aware of these potential conflicts of interest during its deliberations on the merits of the merger and in making its decisions in approving the merger, the merger agreement and the related transactions.

Combined Company Board of Directors. The merger agreement provides that International Assets will cause Paul G. Anderson, Brent Bunte, Jack Friedman, Daryl Henze, Bruce Krehbiel and Eric Parthemore to be elected or appointed to the board of directors of International Assets as of the effective time of the merger, and they will be eligible to receive compensation from International Assets as non-employee directors, except in the case of Paul G. Anderson.

Indemnification and Insurance. The merger agreement provides that for a period of six years after the merger, FCStone, as the surviving corporation in the merger, will indemnify each current or former director and officer of FCStone from liability to the extent that applicable legal requirements permit a company to indemnify its own officers and directors. The merger agreement further provides that for a period of six years after the merger, FCStone will maintain in place the existing policy of directors and officers liability insurance (or obtain a comparable replacement policy) in favor of FCStone directors and officers covered as of the effective time of the merger under the current policy. Such policy will cover acts or omissions occurring on or before the closing of the merger and provide coverage and amounts no less favorable than in effect on July 1, 2009, except that International Assets will not be required to incur annual premium expense in excess of \$1.3 million. If the annual premium payable exceeds \$1.3 million, FCStone is obligated to obtain a policy providing the greatest coverage available at a cost not exceeding \$1.3 million.

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Accelerated Vesting of Options. Pursuant to the terms of the FCStone 2006 Equity Incentive Plan, upon the consummation of the merger, all outstanding unvested options to acquire shares of the common stock of FCStone will become fully vested, including options held by the executive officers and directors of FCStone. As of the date of the merger agreement, the executive officers of FCStone held unvested options to acquire 290,250 shares of FCStone common stock, and the non-employee directors held unvested options to acquire 141,750 shares of FCStone common stock. The exercise price of the unvested options is \$16.00 per share.

Change in Control Severance Plan. Certain of FCStone's management and executive officers, Messrs. Anderson, Dunaway and Mortensen, are participants in FCStone's Change In Control Severance Plan, which we refer to as the Severance Plan. The Severance Plan provides that if, during the two-year period following the execution of the merger agreement, a participant terminates his employment for good reason, or FCStone terminates the participant's employment other than for cause or on account of death or disability, FCStone will pay the participant, in a lump sum, as follows:

salary through the date of termination, bonus calculated as the average of the prior two fiscal years' bonus allocated for the portion of the year in which the participant was employed with FCStone, and any accrued unpaid vacation pay;

an amount equal to the product of the participant's multiple (which is 36 months in the case of Mr. Anderson and 24 months in the case of other participants) times:

the participant's highest monthly base salary during the 12-month period prior to the date of termination of employment, plus

the quotient of (a) the participant's average annualized annual incentive compensation awards to the participant during the three fiscal years immediately preceding the fiscal year in which employment is terminated, divided by (b) 12;

an amount equal to the value of any unvested employer contributions under any qualified defined contribution retirement plan; and

an amount equal to 50% of the average annualized equity compensation expense that has been recognized for financial reporting purposes for awards granted to the participant under the long-term incentive plans during the two immediately preceding fiscal years. In addition, for a period following the termination of employment of 36 months in the case of Mr. Anderson and 24 months in the case of other participants, FCStone will continue to provide the participant and his dependents with such medical, accident, disability and/or life insurance coverage as FCStone provided such persons prior to the date of such termination. Finally, FCStone will pay the participant a tax gross-up for excise tax payable by the participant under section 4999 of the Internal Revenue Code in connection with the severance benefits.

If, during the two-year period following the execution of the merger agreement, a participant terminates his employment without good reason, or FCStone terminates his employment for cause, FCStone will pay the participant, in a lump sum, his salary through the date of termination, any unpaid bonus and other compensation and benefits for the most recently completed fiscal year, any accrued unpaid vacation pay, and any other amounts or benefits to which the participant is entitled through the date of termination under any other plan, policy, or agreement.

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The following table shows the potential payments for each of the participants upon certain termination events, including termination events following a change of control of FCStone, if the termination had occurred on July 1, 2009. Fully vested benefits are not included in the table unless the form, amount or terms of the benefit would be enhanced or accelerated by the termination event.

| Benefit | Termination due to Disability, Death or Retirement | Termination w/o Cause or for Good Reason After Change in Control |
|---------------------------------------|--|--|
| <i>Paul G. (Pete) Anderson</i> | | |
| Salary and bonus severance payment(1) | | \$ 4,560,113 |
| 50% of equity compensation payment(2) | | 107,367 |
| Continuation of insurance coverage(3) | | 44,686 |
| Unvested deferred compensation(4) | \$ 499,858 | 0 |
| Total for Mr. Anderson(5) | \$ 499,858 | \$ 4,712,166 |
| <i>William J. Dunaway</i> | | |
| Salary and bonus severance payment(1) | | \$ 966,504 |
| 50% of equity compensation payment(2) | | 19,521 |
| Continuation of insurance coverage(3) | | 25,851 |
| Unvested deferred compensation(4) | \$ 115,975 | 0 |
| Total for Mr. Dunaway(5) | \$ 115,975 | \$ 1,011,876 |
| <i>Robert Mortenson</i> | | |
| Salary and bonus severance payment(1) | | \$ 432,417 |
| 50% of equity compensation payment(2) | | 19,521 |
| Continuation of insurance coverage(3) | | 11,087 |
| Unvested deferred compensation(4) | \$ 176,842 | 0 |
| Total for Mr. Mortenson(5) | \$ 176,842 | \$ 463,025 |

- (1) Represents the amount calculated pursuant to the Severance Plan equal to the product of the participant's multiple (36 months in the case of Mr. Anderson and 24 months in the case of the other participants) times the sum of:

the participant's highest monthly base salary during the 12 month period prior to termination, and

one month of the participant's average annualized incentive compensation award during the three preceding fiscal years.

- (2) Represents the amount calculated pursuant to the Severance Plan equal to 50% of average annualized equity compensation expense for long-term incentive plan awards granted during the two preceding fiscal years.
- (3) Represents the amount calculated pursuant to the Severance Plan equal to our estimated incremental cost for medical, accident, disability and/or life insurance continuation coverage following termination of employment for 36 months in the case of Mr. Anderson and 24 months in the case of the other participants.
- (4) Represents the amount calculated pursuant to our deferred compensation plans equal to the value of any unvested employer contributions made on the participant's behalf under such plans.

- (5) With the exception of the continuation of insurance coverage, all amounts would be paid to the participant in a lump sum.

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Material U.S. Federal Income Tax Consequences of the Merger

The following discussion summarizes the material U.S. federal income tax considerations of the merger of merger sub into FCStone that are expected to apply generally to U.S. Holders (as defined below) of FCStone common stock upon an exchange of their FCStone stock for International Assets common stock in the merger. This summary is based upon current provisions of the Internal Revenue Code of 1986, as amended (the Code), existing Treasury Regulations under the Code and current administrative rulings and court decisions, all of which are subject to change or different interpretation. Any change, which may or may not be retroactive, could alter the tax consequences to FCStone or the stockholders of FCStone as described in this summary. In addition, this summary assumes the truth and satisfaction of the statements and conditions described below as the basis for the tax opinions of Shutts & Bowen LLP, outside counsel to International Assets, and Stinson Morrison Hecker LLP, outside counsel to FCStone. No attempt has been made to comment on all U.S. federal income tax consequences of the merger that may be relevant to particular U.S. Holders, including holders:

who are subject to special tax rules such as dealers, brokers and traders in securities, foreign persons, mutual funds, regulated investment companies, real estate investment trusts, insurance companies, banks or other financial institutions or tax-exempt entities;

who are subject to the alternative minimum tax provisions of the Code;

who acquired their shares in connection with stock option, warrant or stock purchase plans or in other compensatory transactions;

who hold their shares as a hedge or as part of a hedging, straddle or other risk reduction strategy;

who are partnerships or other pass-through entities or investors in such pass-through entities;

who do not hold their shares as capital assets;

whose shares constitute qualified small business stock with the meaning of Section 1202 of the Code; or

who have a functional currency other than the U.S. dollar.

In addition, the following discussion does not address the tax consequences of the merger under state, local and foreign tax laws. Furthermore, the following discussion does not address any of the following:

the tax consequences of transactions effectuated before, after or at the same time as the merger, whether or not they are in connection with the merger; or

the tax consequences of the receipt of International Assets shares other than in exchange for FCStone shares.

For purposes of this discussion, a U.S. Holder means a beneficial owner of FCStone common stock who is:

an individual who is a citizen or resident of the United States;

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a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in the United States or under the laws of the United States or any subdivision thereof;

an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source; or

a trust (other than a grantor trust) if (A) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (B) it has a valid election in place to be treated as a U.S. person.

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Holders of FCStone common stock are advised and expected to consult their own tax advisors regarding the U.S. federal income tax consequences of the merger in light of their personal circumstances and the consequences of the merger under state, local and foreign tax laws.

It is a condition to the consummation of the merger that each of Shutts & Bowen LLP, outside counsel to International Assets, and Stinson Morrison Hecker LLP, outside counsel to FCStone, render a tax opinion to their respective clients to the effect that the merger will constitute a reorganization within the meaning of Section 368(a) of the Code. The tax opinion of Shutts & Bowen LLP, and the tax opinion of Stinson Morrison Hecker LLP, discussed in this section are each conditioned upon certain assumptions stated in their respective tax opinions and certain customary representations being delivered by International Assets, FCStone and merger sub.

No ruling from the IRS has been or will be requested in connection with the merger. In addition, stockholders of FCStone should be aware that the tax opinions discussed in this section are not binding on the IRS, the IRS could adopt a contrary position and a contrary position could be sustained by a court. In addition, if any of the representations or assumptions upon which the closing tax opinions of Shutts & Bowen LLP, and Stinson Morrison Hecker LLP, are based are inconsistent with the actual facts, the tax consequences of the merger could be adversely affected.

International Assets and FCStone intend that the merger will be treated as a reorganization pursuant to Section 368(a) of the Code. The discussion below assumes that the merger qualifies as a reorganization.

Exchange of FCStone Stock for International Assets Common Stock. Except as discussed below under *Cash in Lieu of Fractional Shares of International Assets Common Stock*, FCStone stockholders generally will not recognize any gain or loss upon receipt of solely International Assets common stock in exchange for their FCStone common stock.

Tax Basis and Holding Period. The tax basis of International Assets common stock received by an FCStone stockholder in the merger will be equal to such stockholder's tax basis in the FCStone stock surrendered therefor. The holding period of International Assets common stock received by an FCStone stockholder in the merger will be equal to such stockholder's holding period in the FCStone stock exchanged therefor. If an FCStone stockholder owns multiple blocks of FCStone stock, such stockholder should consult its tax advisor with respect to the proper allocation of the tax basis and holding periods of its FCStone stock among the International Assets common stock received in the merger.

Cash in Lieu of Fractional Shares of International Assets Common Stock. If an FCStone stockholder receives cash instead of a fractional share of International Assets common stock, it will recognize a taxable gain or loss based upon the difference between the amount of cash that stockholder receives with respect to such fractional share and its tax basis in the shares of FCStone stock that is allocated to such fractional share. Any gain or loss that an FCStone stockholder recognizes generally will be treated as capital gain or loss. If such stockholder's holding period in a block of its FCStone stock is greater than one year as of the consummation of the merger, then such stockholder's capital gain or loss with respect to that block will constitute long-term capital gain or loss. The use of capital losses to offset ordinary income from other sources is subject to limitations.

Treatment of International Assets and FCStone. No gain or loss will be recognized by International Assets or FCStone solely as a result of the merger. Certain FCStone stockholders may be required to attach a statement to their tax returns for the year in which the merger is consummated that contains the information listed in Treasury Regulation Section 1.368-3(b), if applicable. FCStone stockholders are urged to consult their own tax advisors with respect to the applicable reporting requirements.

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Backup Withholding. Any cash payments for fractional shares made to FCStone stockholders in connection with the merger may be subject to backup withholding on a holder's receipt of cash, unless such holder furnishes a correct taxpayer identification number and certifies that he or she is not subject to backup withholding or such stockholder is otherwise exempt from backup withholding. Any amount withheld under the backup withholding rules will generally be allowed as a refund or credit against the holder's U.S. federal income tax liability, provided the required information is furnished to the IRS.

The preceding discussion is intended only as a summary of certain U.S. federal income tax consequences of the merger and does not purport to be a complete analysis or discussion of all of the merger's potential tax effects. FCStone stockholders are urged to consult their own tax advisors as to the specific tax consequences to them of the merger, including tax return reporting requirements and the applicability and effect of federal, state, local, foreign and other applicable tax laws.

Anticipated Accounting Treatment

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.

Appraisal Rights

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, holders of International Assets common stock are not entitled to appraisal rights in connection with the merger.

Regulatory Approvals

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

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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 requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder, which we call the HSR Act. The HSR Act provides that certain transactions may not be consummated until premerger notifications and required information have been furnished to the Antitrust Division of the Department of Justice and the Federal Trade Commission, or FTC, and the relevant waiting periods have been early terminated or have expired. International Assets and FCStone have made the required filings under the HSR Act, and have been granted early termination of the applicable waiting periods by the FTC.

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

Restrictions on Resales

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. Persons who may be deemed affiliates of International Assets generally include individuals or entities that control, are controlled by or are under common control with, International Assets and may include its officers and directors as well as its principal stockholders.

Legal Proceedings Related to the Merger

On July 7, 2009, the plaintiffs in a shareholder 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 to 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.

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Vote Required

The affirmative vote of the holders of a majority of the shares of International Assets common stock voting in person or by proxy at the International Assets special meeting is required for approval of International Assets Proposal No. 1. The failure to submit a proxy card or vote at the special meeting, or an abstention, vote withheld or broker non-votes will have no effect on the outcome of International Assets Proposal No. 1.

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. Abstentions will have the same effect as negative votes on FCStone Proposal No. 1 and broker non-votes will not be counted for any purpose in determining whether FCStone Proposal No. 1 is approved.

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THE MERGER AGREEMENT

The following summary of the merger agreement is qualified in its entirety by reference to the complete text of the merger agreement, a copy of which is attached as Annex A to this joint proxy statement/prospectus and incorporated herein by reference. The rights and obligations of the parties are governed by the express terms and conditions of the merger agreement and not by this summary or any other information contained in this joint proxy statement/prospectus. We urge you to read the merger agreement carefully and in its entirety, as well as this joint proxy statement/prospectus, before making any decisions regarding the merger.

The merger agreement has been included with this joint proxy statement/prospectus to provide you additional information regarding its terms. The merger agreement sets forth the contractual rights of International Assets and FCStone, but is not intended to be a source of factual, business or operational information about International Assets or FCStone. That kind of information can be found elsewhere in this joint proxy statement/prospectus and in the other filings each of International Assets and FCStone makes with the SEC, which are available as described in Where You Can Find Additional Information.

As a stockholder, you are not a third party beneficiary of the merger agreement and therefore you may not directly enforce any of its terms or conditions. The parties' representations, warranties and covenants were made as of specific dates and only for purposes of the merger agreement and are subject to important exceptions and limitations, including a contractual standard of materiality different from that generally relevant to investors. In addition, the representations and warranties may have been included in the merger agreement for the purpose of allocating risk between International Assets and FCStone, rather than to establish matters as facts. Certain of the representations, warranties and covenants in the merger agreement are qualified by information each of International Assets and FCStone filed with the SEC prior to the date of the merger agreement, as well as by disclosure schedules each of International Assets and FCStone delivered to the other party prior to signing the merger agreement. The disclosure schedules have not been made public because, among other reasons, they include confidential or proprietary information. The parties believe, however, that all information material to a stockholder's decision to approve the merger is included or incorporated by reference in this document.

You should also be aware that none of the representations or warranties has any legal effect among the parties to the merger agreement after the effective time of the merger, nor will the parties to the merger agreement be able to assert the inaccuracy of the representations and warranties as a basis for refusing to close the transaction unless all such inaccuracies as a whole have had or would be reasonably likely to have a material adverse effect on the party that made the representations and warranties.

Furthermore, you should not rely on the covenants in the merger agreement as actual limitations on the respective businesses of International Assets and FCStone, because either party may take certain actions that are either expressly permitted in the confidential disclosure schedules to the merger agreement or as otherwise consented to by the appropriate party, which consent may be given without prior notice to the public.

Form and Effective Time of the Merger

The merger agreement contemplates that, in connection with the closing under the merger agreement, merger sub, a direct, wholly owned subsidiary of International Assets, will merge with and into FCStone, with FCStone surviving as a direct wholly owned subsidiary of International Assets.

The closing of the merger will take place in Kansas City, Missouri, on the date specified by the parties to the merger agreement, which will be within five business days following the date all of the conditions to the merger described below in Conditions to the Merger are fulfilled or waived (other than those conditions that by their nature are to be fulfilled at the closing, but subject to the fulfillment or waiver of those conditions). The merger will be effective at the time of the filing of a certificate of merger with the Delaware Secretary of State or at such other date and time as International Assets and FCStone mutually agree upon and include in the certificate of merger.

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Consideration to be Received in the Merger

In the merger, each holder of shares of FCStone common stock will have the right to receive 0.2950 shares of International Assets common stock in exchange for each share of FCStone common stock. Holders of FCStone common stock will have the right to receive cash for any fractional shares they otherwise would receive in the merger. The amount of cash for any fractional shares of International Assets common stock will be determined by multiplying any fractional share of International Assets common stock by the average daily closing prices per share of International Assets common stock, as reported on the NASDAQ Stock Market for the ten trading days immediately preceding the two trading days immediately preceding FCStone's stockholder meeting.

Cancellation of Certain Shares of FCStone Common Stock in the Merger

At the effective time of the merger, each share of FCStone common stock issued and held in FCStone's treasury or owned by International Assets (or any of their respective wholly-owned subsidiaries) will be canceled without payment of any consideration.

No Further Ownership Rights

After the effective time of the merger, each of FCStone's outstanding stock certificates or book-entry shares held by FCStone stockholders will represent only the right to receive the merger consideration. The merger consideration paid upon surrender of each certificate will be paid in full satisfaction of all rights pertaining to the shares of FCStone common stock represented by that certificate.

Adjustment to the Exchange Ratio

If, before the completion of the merger, the outstanding shares of International Assets common stock or the outstanding shares of FCStone common stock increase, decrease, change into or are exchanged for a different number or class of shares, in each case, by reason of any reclassification, recapitalization, stock split, split-up, combination or exchange of shares or a stock dividend or dividend payable in other securities is declared with a record date prior to the consummation of the merger, or any other similar transaction occurs, the merger exchange ratio will be adjusted accordingly.

Rule 16b-3 Approval

Before the completion of the merger, International Assets and FCStone shall each take all such steps as may be necessary or appropriate to cause any disposition of FCStone shares or conversion of any derivative securities in respect of such shares in connection with the consummation of the transactions contemplated by the merger agreement by each individual who is subject to the reporting requirements of Section 16(a) of the Securities Exchange Act of 1934 to be exempt from Section 16(b) under Rule 16b-3 under that act.

Cancellation of FCStone Stock Options

At the effective time of the merger, subject to the terms set forth in the merger agreement, all outstanding and unexercised employee and director stock options to purchase shares of FCStone's common stock will cease to represent options to purchase FCStone common stock and will be converted automatically into options to purchase International Assets common stock, adjusted to reflect the exchange ratio of 0.2950, and International Assets will assume each of FCStone's options in accordance with the terms of the option.

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Procedures for Exchange of Share Certificates

International Assets will choose a bank or trust company reasonably satisfactory to FCStone to act as exchange agent. International Assets will deposit with the exchange agent certificates representing its common stock to be issued pursuant to the merger agreement, as well as sufficient cash to pay cash in lieu of fractional shares of International Assets common stock in accordance with the merger agreement. Promptly after the effective time of the merger, International Assets will cause the exchange agent to mail to each holder of record of one or more certificates that, immediately prior to the effective time of the merger, represented shares of the common stock of FCStone:

a letter of transmittal (which will specify that delivery will be effected, and risk of loss and title to the certificates will pass, only upon delivery of the certificates to the exchange agent and will be in such form and have such other provisions as the exchange agent may reasonably specify); and

instructions for use in effecting the surrender of the certificates in exchange for certificates representing shares of the common stock of International Assets, any unpaid dividends and distributions on those shares and cash in lieu of any fractional shares.

Upon surrender of a certificate representing the common stock of FCStone for cancellation to the exchange agent, together with the letter of transmittal described above, duly executed and completed in accordance with the instructions that accompany the letter of transmittal, the holder of that certificate will be entitled to receive in exchange (1) a certificate representing that number of whole shares of International Assets common stock and (2) a check representing the amount of cash in lieu of fractional shares of International Assets common stock, if any, and unpaid dividends and distributions, if any, the holder has the right to receive pursuant to the provisions of the merger agreement, after giving effect to any required withholding tax. The surrendered certificate will then be canceled.

Holders of FCStone common stock in book entry form or through a broker, bank or other holder of record will not need to obtain stock certificates to submit for exchange to the exchange agent. However, holders or their brokers or other nominees will need to follow the instructions provided by the exchange agent in order to properly surrender their FCStone shares.

No interest will be paid or accrued on the cash in lieu of fractional shares and unpaid dividends and distributions, if any, payable to holders of any certificates representing shares of common stock of FCStone. Further, no dividends or other distributions declared or made after the effective time of the merger with respect to shares of International Assets common stock with a record date after the effective time of the merger will be paid to any holder of any unsurrendered certificate representing shares of common stock of FCStone with respect to the shares of International Assets common stock issuable upon the surrender of such certificate until such certificate is surrendered.

In the event of a transfer of ownership of FCStone common stock that is not registered in the transfer records of FCStone, a certificate representing the proper number of shares of International Assets common stock, together with a check for the cash to be paid in lieu of fractional shares, if any, may be issued to the transferee if the certificate representing such common stock of FCStone is presented to the exchange agent, accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable stock transfer taxes have been paid.

Any former stockholders of FCStone who have not surrendered their certificates representing FCStone common stock within two years after the effective time of the merger should only look to International Assets, not the exchange agent, for delivery of certificates representing shares of International Assets common stock and cash in lieu of any fractional shares and for any unpaid dividends and distributions on the shares of International Assets common stock deliverable to those former stockholders pursuant to the merger agreement.

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Representations and Warranties

FCStone, on the one hand, and International Assets and merger sub, on the other hand, have made various representations and warranties in the merger agreement which, in the cases of International Assets and FCStone, are substantially reciprocal. Those representations and warranties are subject to qualifications and limitations agreed to by the parties in connection with negotiating the terms of the merger agreement. Some of the more significant of these representations and warranties pertain to:

the organization, good standing and foreign qualification of the parties and the corporate authority to own, operate and lease their respective properties and to carry on their respective businesses as currently conducted;

the authorization, execution, delivery and enforceability of the merger agreement and related matters;

capitalization;

subsidiaries;

compliance with laws and possession of permits;

whether each party's execution and delivery of the merger agreement or consummation of the transactions contemplated thereby causes any:

conflict with such party's charter documents,

change of control under any material agreements or any employee benefit plans of such party,

breach or default, or the creation of any liens, under any agreements of such party, or

any violation of applicable law;

the documents and reports that the parties have filed with the SEC and other self-regulatory organizations;

litigation;

whether certain events, changes or effects have occurred since International Assets or FCStone filed their respective annual reports on Form 10-K to the date of the merger agreement;

taxes;

employee benefit plans;

labor matters;

environmental matters;

customer accounts;

regulatory requirements;

intellectual property matters;

insurance;

broker's fees and similar fees;

receipt of opinions from financial advisors;

the stockholder votes required in connection with the adoption of merger agreement;

material contracts;

anti-money laundering standards; and

title and ownership of property and equipment and related matters.

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None of these representations and warranties will survive after the effective time of the merger.

Covenants and Agreements

Interim Operations

Each of International Assets and FCStone has agreed to customary covenants that place restrictions on it and its subsidiaries until the completion of the merger. Except as set forth in the disclosure schedules provided by each of International Assets and FCStone, as expressly permitted or provided for by the merger agreement, as required by applicable laws or with the written consent of the other party, each of International Assets and FCStone has agreed that it will:

conduct its operations and cause each of its subsidiaries to conduct its operations in the usual, regular and ordinary course in substantially the same manner as previously conducted;

use its reasonable best efforts, and cause each of its subsidiaries to use its reasonable best efforts, to:

preserve intact its business organization and goodwill;

keep available the services of its officers, employees and consultants;

maintain satisfactory business relationships;

pay all applicable taxes; and

maintain all permits necessary to the conduct of its business;

not amend or propose to amend its organizational documents;

not amend any material term of any outstanding security issued by International Assets, FCStone or their respective subsidiaries;

not declare, set aside or pay any dividend or other distribution payable in cash, stock or property with respect to its capital stock;

not redeem, purchase or otherwise acquire, directly or indirectly, any of its capital stock or other securities;

not issue, sell, pledge, dispose of or encumber any:

shares of its capital stock;

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securities convertible into or exchangeable for, or options, warrants, calls, commitments or rights of any kind to acquire, any shares of its capital stock, or

other securities;

not enter into new agreements to acquire any business or any corporation, partnership, joint venture, association or other business organization or division;

not enter into any new agreements to acquire any assets, including real estate;

not amend, extend or terminate any material contracts, or waive or release any rights under such contracts;

not enter into any new material contracts;

not transfer, lease, license, sell, mortgage, pledge, encumber or subject to any lien any property or assets or cease to operate any assets;

not make certain changes to the compensation and benefit arrangements of directors, officers or other employees;

not extend the terms of a credit facility or increase the available borrowings under a credit facility;

not incur or assume any material indebtedness;

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not modify any material indebtedness or other liability in a manner that would have an adverse effect;

not assume, guarantee, endorse or otherwise become liable or responsible (whether directly, contingently or otherwise) for the obligations of any other person, except in the ordinary course of business;

not make any loans, advances or capital contributions to, or investments in, any other person other than customary loans or advances to employees and customers in accordance with past practice;

not change any accounting policies or procedures (including procedures with respect to reserves, revenue recognition, payments of accounts payable and collection of accounts receivable) used by it unless required by the party's registered independent public auditors, applicable law or GAAP;

not make any material tax election or material change in any tax election, change or consent to any change in FCStone's, International Assets' or their respective subsidiaries' method of accounting for tax purposes;

not file any amended tax return or enter into any settlement or compromise of any tax liability of FCStone, International Assets or their respective subsidiaries in an amount in excess of \$100,000;

not pay, discharge, satisfy, settle or compromise any claim, litigation or any legal proceeding;

not enter into any negotiations relating to, or adopt or amend in any respect, any collective bargaining agreement;

not adopt or amend in any respect, any work rule or practice, or any other labor-related agreement or arrangement;

not enter into any material agreement or arrangement with any of its officers, directors, employees or any affiliate or associate of any of its officers or directors (as such terms are defined in Rule 405 under the Securities Act of 1933);

not enter into any agreement, arrangement or contract to allocate, share or otherwise indemnify for taxes;

not make, authorize or agree to make any capital expenditures in an aggregate amount exceeding \$1,000,000 for each quarterly period;

not dispose of, license or permit to abandon, invalidate or lapse, any rights in, to or for the use of any material intellectual property;

not change, in any material respect, policies regarding (i) the pricing of the execution and/or clearing of trades, or (ii) the amount of interest rebated to customers on, or interest associated with, customer margin accounts;

not change, in any material respect, policies regarding the commissions paid to brokers;

not engage in hiring, firing, or redeploying of employees;

not make any material change to any credit or risk management policies, practices or procedures; and

not agree or commit to do any of the foregoing.

No Solicitation

Both parties have agreed they will not, nor will they permit any of their respective subsidiaries or officers, directors, employees, agents, advisors or representatives, directly or indirectly through another person, to:

solicit, initiate or encourage (including by way of providing information), or knowingly facilitate any inquiries, proposals or offers with respect to, or the making or completion of, any acquisition proposal;

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participate or engage in any discussions or negotiations concerning an acquisition proposal;

otherwise take any action to facilitate any effort or attempt to make or implement an acquisition proposal; or

withdraw, modify or amend the board of directors' recommendation of the merger.

In addition, both parties have agreed to notify each other within 24 hours, if they, their subsidiaries, or any of their representatives receives an acquisition proposal. The parties have also agreed to:

keep each other fully informed of the status and material terms and conditions (including any change therein) of any acquisition proposal or inquiry as to such party; and

provide each other with the identity of such person and provide a copy of such acquisition proposal, indication, inquiry or request. These provisions do not prevent FCStone or International Assets from pursuing superior acquisition proposals, and if either company's board of directors decides that its company has received a superior acquisition proposal, the board is allowed to change its recommendation that the stockholders approve this transaction.

An acquisition proposal is any offer or proposal, or any indication of interest in making an offer or proposal, made by a person or group at any time relating to:

any merger, consolidation, share exchange, business combination, recapitalization, reorganization, liquidation, dissolution or other similar transaction or series of related transactions in which a person would acquire International Assets, FCStone or any of their respective subsidiaries' securities or assets;

any direct or indirect purchase or sale, lease, exchange, transfer or other disposition of the consolidated assets (including stock of subsidiaries) of International Assets, FCStone or their respective subsidiaries taken as a whole, constituting 10% or more of the total consolidated assets of such company and its subsidiaries, taken as a whole, or accounting for 10% or more of the total consolidated revenues of such company and its subsidiaries, taken as a whole, in any one transaction or in a series of transactions; or

any direct or indirect purchase or sale of or tender offer, exchange offer or any similar transaction or series of related transactions engaged in by any person involving 10% or more of the outstanding shares of common stock of the company in question.

A superior proposal is an acquisition proposal (as defined above, but changing the references to 10% or more in the definition to 50.1%), which is determined in good faith by the board of directors of the party receiving the proposal, after consultation with its financial and legal advisers, to be more favorable to its stockholders from a financial point of view.

The merger agreement allows the board of each company to engage in negotiations with or provide information to another person if it receives a *bona fide* superior proposal, or an acquisition proposal that the board of directors in good faith determines could lead to a superior proposal, and if the board of directors, after consultation with its outside legal counsel determines that failure to act on such superior proposal could be inconsistent with the board's fiduciary duties.

The board of each company can also change its recommendation that the stockholders approve the merger in response to a material development or change in circumstances which occurs or arises after July 2, 2009, if the board in good faith (after consultation with its outside legal counsel) determines that failure to do so could be inconsistent with its fiduciary duties.

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In addition, if the board of directors of either company concludes it could be inconsistent with its fiduciary obligations to its stockholders, the board can change its recommendation to its stockholders or terminate the merger agreement if the board concludes in good faith that an unsolicited acquisition proposal might lead to a superior proposal, and the company has given the other party five days to renegotiate the merger agreement so that the unsolicited acquisition proposal is no longer a superior proposal.

The merger agreement also allows each company to take and disclose to its stockholders a position contemplated by Rule 14d-9 or Rule 14e-2(a) promulgated under the Securities Exchange Act of 1934.

Additional Agreements

Pursuant to the merger agreement, each of International Assets and FCStone also has agreed:

to prepare and file this joint proxy-statement/prospectus;

to hold a stockholders meeting as promptly as practicable, after the SEC declares the Registration Statement on form S-4 effective;

to use commercially reasonable efforts to solicit, in FCStone's case, the approval of the merger agreement, and in International Assets case, approval of the issuance of stock as contemplated by the merger agreement and the proposed amendments to its certificate of incorporation;

except as otherwise allowed by the merger agreement, to recommend the merger to its stockholders;

in the case of International Assets, to register the shares it issues pursuant to the merger with the SEC and list such shares on the NASDAQ Stock Market;

to comply in all material respects with all applicable laws and all applicable rules and regulations in connection with the execution, delivery and performance of the merger agreement and the transactions contemplated by the merger agreement;

to promptly notify the other party if:

any representation or warranty made by it becomes untrue or inaccurate;

there is a failure to comply with or satisfy in any material respect any covenant, condition or agreement under the merger agreement;

any event, fact or circumstances arises that could have a material adverse;

any notice is received alleging that a third-party consent is required in connection with the merger;

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any notice is received from any governmental entity pertaining to the merger;

any notice or other communication is received regarding any pending or threatened legal proceedings; or

any event occurs that would be reasonably likely to prevent the satisfaction of the closing conditions to the merger;

to provide reasonable access to its directors, officers, employees, representatives, properties, records, files, correspondence, audits and other information;

to hold in strict confidence all information obtained by them in accordance with a confidentiality agreement that was previously entered into between FCStone and International Assets;

to the extent permitted by law and NASDAQ rules, to consult with one another before issuing any press release or making any public statements about the merger;

to use commercially reasonable efforts to obtain any required approvals or consents;

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if any takeover statutes enacted under state or federal law become applicable to the merger, the companies and their respective boards shall grant any approvals or take any actions necessary to eliminate or minimize the effects of any takeover statute or regulation;

to cause any disposition of shares or conversion of derivative securities in respect of such shares in connection with the merger to be exempt under Rule 16b-3 of the Exchange Act; and

take all necessary action to cause as of the effective time of the merger, the board of directors of International Assets to consist of thirteen members, seven of whom will consist of the current members of the International Assets board of directors and six of whom will consist of current members of the FCStone board of directors.

Pursuant to the merger agreement and in addition to the applicable covenants of International Assets listed above, International Assets has agreed to cause FCStone, as a wholly owned subsidiary of International Assets following the effective time of the merger:

to indemnify, hold harmless and advance expenses, to the greatest extent permitted by law as of the date of the merger agreement, to each person who is, or has been at any time prior to the effective time of the merger, an officer or director of FCStone and its subsidiaries, with respect to all acts or omissions by them in their capacities as such or taken at the request of FCStone at any time prior to the effective time of the merger;

to honor all indemnification agreements, expense advancement and exculpation provisions with any of such officers or directors of FCStone or its subsidiaries (including under FCStone's certificate of incorporation or by-laws) in effect as of the date of the merger agreement;

for a period of six years after the effective time of the merger, to maintain officers' and directors' liability insurance covering the individuals who are, or at any time prior to the effective time of the merger were, covered by FCStone's existing officers' and directors' liability insurance policies on terms substantially no less advantageous to such individuals, provided that the surviving corporation will not be required to pay annual premiums in excess of 250% of the last annual premium paid by FCStone prior to the date of the merger agreement, but in such case to provide the maximum coverage that is then available for 250% of such annual premium;

in the event of a change of control of the surviving corporation, proper provisions will be made so that the successors and assigns of the surviving corporation will assume the foregoing indemnification obligations;

to honor in accordance with their terms all of FCStone's existing employment, severance, consulting and salary continuation agreements;

to employ the existing employees of FCStone and its subsidiaries immediately after the effective time of the merger, except that neither International Assets nor FCStone will have any obligation to continue employing any employee for any length of time except in accordance with any employment agreement; and

to the extent permissible under applicable benefit plans, to waive, and to cause the relevant insurance carriers and other third parties to waive, all restrictions and limitations for any existing medical condition for FCStone employees and their eligible dependents to the extent that such condition would be covered by the relevant FCStone benefit plan in effect immediately prior to the merger and to waive any waiting period limitation or evidence of insurability requirement which would otherwise be applicable to such employee to the extent the employee in question has satisfied any similar requirement while employed at FCStone prior to the effective time of the merger.

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FCStone has agreed to discontinue, upon International Assets' request, any further contributions to its employee stock ownership plan prior to the effective time of the merger, and to take any actions required to minimize or eliminate its obligations with respect to such plan. FCStone has also agreed that, upon a written request from International Assets, it will amend its benefit plans to comply with Section 409A of the Internal Revenue Code.

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Conditions to the Merger

Mutual Conditions to Each Party's Obligation to Effect the Merger

The merger agreement contains customary closing conditions, including the following conditions that apply to the obligations of each of FCStone, International Assets and merger sub:

each of International Assets and FCStone has obtained the approval of its stockholders to adopt the merger agreement;

any waiting period applicable to the completion of the merger under the Hart-Scott-Rodino Act has expired or been terminated;

there is no final or preliminary administrative order denying approval of or prohibiting the merger issued by a regulatory authority that would reasonably be expected to have a material adverse effect on International Assets or FCStone after the merger;

none of the parties to the merger agreement is subject to any decree, order or injunction of a U.S. court of competent jurisdiction that prohibits the consummation of the merger;

the SEC has declared the registration statement, of which this joint proxy statement/prospectus forms a part, to be effective, and no stop order concerning the registration statement is in effect;

the NASDAQ Stock Market has authorized for listing the shares of International Assets common stock to be issued pursuant to the merger, subject to official notice of issuance; and

the parties have obtained all required consents, except where the failure to obtain any such consent has not had and is not reasonably likely to have a material adverse effect.

For purposes of this summary of the merger agreement, the term material adverse effect means, with respect to any party, any effect, change, fact, event, occurrence, development or circumstance that, individually or together with any other effect, change, fact, event, occurrence, development or circumstance that individually or in the aggregate is, or is reasonably likely to result in, a material adverse effect on or change in the condition (financial or otherwise), properties, business, operations, results of operations, assets or liabilities of the company and its subsidiaries, taken as a whole, or that does, or is reasonably likely to, prohibit, restrict or materially impede or have a material adverse effect on the ability of the party to perform its obligations under the merger agreement or to consummate the transactions contemplated by the merger agreement, including the merger.

None of the following shall be taken into account in determining whether there has been a material adverse effect, or if a material adverse effect could reasonably be expected to occur:

changes or conditions generally affecting the economy or the financial, credit or securities markets as a whole, to the extent such changes do not affect the company and its subsidiaries, taken as a whole, in a materially disproportionate manner relative to other participants in the securities brokerage, commodities brokerage or foreign exchange industries with respect to International Assets and the commodities brokerage industry with respect to FCStone,

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political or regulatory conditions (including any changes thereto), to the extent such changes do not affect the party claiming the material adverse effect and its subsidiaries, taken as a whole, in a materially disproportionate manner relative to other participants in the securities brokerage, commodities brokerage or foreign exchange industries with respect to International Assets and the commodities brokerage industry with respect to FCStone,

with respect to International Assets changes in, or events or conditions affecting, any of the securities brokerage, commodities brokerage or foreign exchange industries, to the extent such changes do not affect International Assets and its subsidiaries, taken as a whole, in a materially disproportionate manner relative to other participants in the securities brokerage, commodities brokerage or foreign exchange industries,

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with respect to FCStone changes in, or events or conditions affecting, the commodities brokerage industry, to the extent such changes do not affect FCStone and its subsidiaries, taken as a whole, in a materially disproportionate manner relative to other participants in the commodities brokerage industry,

changes, after the date hereof, in GAAP or the accounting rules or regulations of the SEC, to the extent such changes do not affect the party claimed to have suffered a material adverse effect and its subsidiaries, taken as a whole, in a materially disproportionate manner relative to other participants in the securities brokerage, commodities brokerage or foreign exchange industries with respect to International Assets and the commodities brokerage industry with respect to FCStone,

actions expressly permitted by the merger agreement or that are taken with the prior informed written consent of the other party, or

changes in any law, to the extent such changes do not affect the company claimed to have suffered a material adverse effect and its subsidiaries, taken as a whole, in a materially disproportionate manner relative to other participants in the securities brokerage, commodities brokerage or foreign exchange industries with respect to International Assets and the commodities brokerage industry with respect to FCStone.

Additional Conditions to Each Party's Obligation to Effect the Merger

In addition to the conditions described above, neither FCStone, on the one hand, nor International Assets or merger sub, on the other hand, is obligated to effect the merger unless the following conditions are satisfied or waived by that party on or before the closing date:

no court or governmental entity has enacted, issued, promulgated, enforced or entered any law or order or taken any action which prohibits, restricts or makes illegal the consummation of the merger or the other transactions contemplated by the merger agreement;

the other party has performed in all material respects its covenants and agreements under the merger agreement;

the representations and warranties of the other party are true and correct as of the closing date (except to the extent such representations and warranties expressly relate to an earlier date, in which case as of such earlier date), except where the failure of any such representations and warranties to be true and correct, individually or in the aggregate, has not had and is not reasonably likely to have a material adverse effect on the party making the representation or warranty;

such party's tax counsel has provided the tax opinion described under Material U.S. Federal Income Tax Consequences of the Merger beginning on page 84; and

no change, event, occurrence, state of facts or development has occurred and is continuing that, individually or in the aggregate, has had or is reasonably likely to have a material adverse effect on the other party.

In addition, International Assets is not required to consummate the transaction until FCStone has closed certain accounts which are specified in FCStone's disclosure schedule.

Termination of the Merger Agreement

The board of directors of International Assets or FCStone may terminate the merger agreement at any time prior to the consummation of the merger (including after the meetings of the stockholders of International Assets and FCStone, even if the stockholders have adopted the merger agreement) by mutual written consent or if:

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the parties have not consummated the merger by December 31, 2009 (the termination date), and the party desiring to terminate the merger agreement has not failed to perform or observe in any material

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respect any of its obligations under the merger agreement in any manner that caused or resulted in the failure of the merger to occur on or before that date;

a federal or state court of competent jurisdiction or federal or state governmental, regulatory or administrative agency or commission has issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by the merger agreement and such order, decree, ruling or other action has become final and nonappealable;

the other party has breached any representation or warranty or failed to perform any covenant or agreement in the merger agreement, or any representation or warranty of the other party has become untrue, in any case such that the condition to the closing of the merger agreement related to the performance of the covenants and agreements in the merger agreement by the other party and the accuracy of the representations and warranties of the other party would not be satisfied as of the date of the termination, and the breach is not curable or, if curable, is not cured within 30 days after the party desiring to terminate the merger agreement gives written notice of the breach to the other party;

the stockholders of International Assets or FCStone hold a meeting to consider the merger agreement but do not vote to adopt the merger agreement;

the board of directors of the other party has made an adverse recommendation change;

the board of directors determines it could be inconsistent with their fiduciary duties not to pursue a superior acquisition proposal; or

if each of the stockholders of International Assets identified on Schedule I to the Support Agreement have not executed a Joinder Agreement by August 16, 2009.

Expenses and Termination Fees

Whether or not the merger is consummated, all costs and expenses incurred in connection with the merger agreement and the transactions contemplated by the merger agreement will be paid by the party incurring those expenses, except as otherwise provided in the merger agreement.

Termination Fee and Other Amounts Payable by FCStone upon Termination

If the merger agreement is terminated because FCStone's stockholders do not vote to adopt the merger agreement, then FCStone will pay International Assets at the time of termination a fee of \$4,900,000, plus International Assets' expenses associated with the merger agreement up to \$2,000,000. FCStone will not have to pay this fee if a Purchase Event has occurred.

If a Purchase Event occurs, FCStone will pay International Assets' expenses associated with the merger agreement up to \$2,000,000, in addition to International Assets' rights under the Stock Option Agreement. Please see Stock Option Agreement on page 103. A Purchase Event means any of the following events:

prior to the termination of the merger agreement, any person (other than International Assets or any subsidiary of International Assets) acquires beneficial ownership (as such term is defined in Rule 13d-3 promulgated under the Exchange Act) of or the right to acquire beneficial ownership of, shares of FCStone common stock or other voting securities representing 20% or more of the voting power of FCStone;

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any group (as such term is defined in Section 13(d)(3) of the Exchange Act), other than a group of which International Assets or its subsidiaries is a member, is formed which beneficially owns or has the right to acquire beneficial ownership of, shares of FCStone common stock or other voting securities representing 20% or more of the voting power of FCStone;

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FCStone terminates the merger agreement because it has received a superior acquisition proposal;

International Assets terminates the merger agreement because FCStone failed to recommend the merger, changed its recommendation to the stockholders or resolved to do so;

any person shall have made an acquisition proposal during the term of the merger agreement which proposal has been publicly disclosed and not withdrawn prior to the FCStone special meeting and thereafter the merger agreement is terminated because FCStone's stockholders do not approve the merger;

any person makes an acquisition proposal with respect to FCStone during the term of the merger agreement which proposal has been publicly disclosed and not withdrawn prior to the termination of the merger agreement and the merger agreement is terminated by any party because the effective time has not occurred by December 31, 2009, and, within twelve months after the termination of the merger agreement, any acquisition with respect to FCStone shall have been consummated or a definitive agreement with respect to any such acquisition shall have been entered into; or

International Assets terminates the merger agreement due to FCStone's willful breach of or willful failure to perform any of its obligations under any covenant contained in the merger agreement.

Termination Fee and Other Amounts Payable by International Assets upon Termination

International Assets will pay FCStone \$4,900,000, plus FCStone's expenses associated with the merger agreement up to \$2,000,000, if:

any person makes an acquisition proposal with respect to International Assets during the term of the merger agreement which proposal has been publicly disclosed and not withdrawn prior to the termination of the merger agreement and the merger agreement is terminated by any party because the effective time has not occurred by December 31, 2009, and, within twelve months after the termination of the merger agreement, any acquisition with respect to International Assets shall have been consummated or a definitive agreement with respect to any such acquisition shall have been entered into;

International Assets or FCStone terminates the merger agreement because International Assets held a stockholders meeting to consider the merger agreement, but International Assets' stockholders did not vote to adopt all of the International Assets Proposals;

International Assets terminates the merger agreement because it receives a superior proposal;

FCStone terminates the merger agreement because International Assets' board failed to recommend the merger or changed its recommendation; or

FCStone terminates the merger agreement because of International Assets' willful breach of or willful failure to perform any of its obligations under any covenant contained in the merger agreement.

Amendment; Extensions and Waivers

The parties may amend the merger agreement, by action taken or authorized by their boards of directors, at any time before or after approval of the merger by the stockholders of International Assets or FCStone. After the stockholders adopt the merger agreement, however, no amendment to the merger agreement may be made that by law requires the further approval of stockholders unless that further approval is obtained.

At any time prior to the effective time of the merger, each party may, by action taken by its board of directors, to the extent legally allowed:

extend the time for the performance of any of the obligations or other acts of the other parties to the merger agreement;

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waive any inaccuracies in the representations and warranties made to such party contained in the merger agreement or in any document delivered pursuant to the merger agreement; and

waive compliance with any of the agreements or conditions for the benefit of such party contained in the merger agreement.

At this time, neither company's board of directors contemplates or intends to waive any condition to the consummation of the merger. If either company's board of directors were to choose to grant a waiver, a stockholder would not have an opportunity to vote on that waiver, and that company and its stockholders would not have the benefit of the waived condition. Each company's board of directors expects that it would waive a condition to the consummation of the merger only after determining that the waiver would have no material effect on the rights and benefits that company and its stockholders expect to receive from the merger.

Governing Law

The merger agreement is governed by and will be construed and enforced in accordance with the laws of the State of Delaware without regard to the conflicts of law provisions of Delaware law that would cause the laws of other jurisdictions to apply.

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STOCK OPTION AGREEMENT

The following summary of the stock option agreement is qualified in its entirety by reference to the complete text of the stock option agreement, a copy of which is attached as Annex B to this joint proxy statement/prospectus and incorporated herein by reference. The rights and obligations of the parties are governed by the express terms and conditions of the stock option agreement and not by this summary or any other information contained in this joint proxy statement/prospectus. We urge you to read the stock option agreement carefully and in its entirety, as well as this joint proxy statement/prospectus, before making any decisions regarding the merger.

On July 2, 2009, in connection with the merger agreement, FCStone granted to International Assets an irrevocable option to purchase, under certain circumstances, newly-issued shares of FCStone common stock equal to 19.9% of its outstanding common shares at a price, subject to certain adjustments, of \$4.15 per share. The holder of the option may exercise the option, in whole or part, and from time to time, if a Purchase Event occurs.

A Purchase Event means any of the following events:

prior to the termination of the merger agreement, any person (other than International Assets or any subsidiary of International Assets) acquires beneficial ownership (as such term is defined in Rule 13d-3 promulgated under the Exchange Act) of or the right to acquire beneficial ownership of, shares of FCStone common stock or other voting securities representing 20% or more of the voting power of FCStone;

any group (as such term is defined in Section 13(d)(3) of the Exchange Act), other than a group of which International Assets or its subsidiaries is a member, is formed which beneficially owns or has the right to acquire beneficial ownership of, shares of FCStone common stock or other voting securities representing 20% or more of the voting power of FCStone;

FCStone terminates the merger agreement because it has received a superior acquisition proposal;

International Assets terminates the merger agreement because FCStone failed to recommend the merger, changed its recommendation to the stockholders or resolved to do so;

any person shall have made an acquisition proposal during the term of the merger agreement which proposal has been publicly disclosed and not withdrawn prior to the FCStone special meeting and thereafter the merger agreement is terminated because FCStone's stockholders do not approve the merger;

any person makes an acquisition proposal with respect to FCStone during the term of the merger agreement which proposal has been publicly disclosed and not withdrawn prior to the termination of the merger agreement and the merger agreement is terminated by any party because the effective time has not occurred by December 31, 2009, and, within twelve months after the termination of the merger agreement, any acquisition with respect to FCStone shall have been consummated or a definitive agreement with respect to any such acquisition shall have been entered into; or

International Assets terminates the merger agreement, due to FCStone's willful breach of or willful failure to perform any of its obligations under any covenant contained in the merger agreement.

The option agreement will terminate and be of no further full force or effect upon the earliest to occur of:

the effective time of the merger;

the termination of the merger agreement by its terms so long as a Purchase Event has not occurred and no party has made an acquisition proposal (as described in the The Merger Agreement above) with respect to FCStone;

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twelve months after the termination of the merger agreement if a person has made an acquisition proposal with respect to FCStone and no acquisition is consummated and no definitive agreement with respect to such alternative acquisition proposal is entered into; and

the date which is six months after the occurrence of a Purchase Event.

International Assets will be entitled to purchase any optioned shares with respect to which it has exercised its option to purchase in accordance with the option agreement prior to the termination of the option agreement.

The option agreement cannot be assigned without the prior written consent of the other party and is governed by Delaware law.

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SUPPORT AGREEMENT

The following summary of the support agreement is qualified in its entirety by reference to the complete text of the support agreement, a copy of which is attached as Annex C to this joint proxy statement/prospectus and incorporated herein by reference. The rights and obligations of the parties are governed by the express terms and conditions of the support agreement and not by this summary or any other information contained in this joint proxy statement/prospectus. We urge you to read the support agreement carefully and in its entirety, as well as this joint proxy statement/prospectus, before making any decisions regarding the merger.

Sean O Connor, Scott Branch and John Radziwill, each of whom is either an executive officer and/or a director of International Assets, and certain of their affiliates (consisting of St. James Trust, Barbara Branch, Goldcrown Asset Management Limited and Humble Trading Limited), have each entered into a support agreement dated July 1, 2009 with FCStone, pursuant to which these stockholders have agreed to vote all shares of International Assets common stock owned by them as of the record date in favor of adopting of the merger agreement and against any alternative transaction with respect to International Assets.

Each such party has also agreed that, before the International Assets special meeting of stockholders, they will not transfer, assign, convey or dispose of any shares of International Assets common stock, any options to purchase shares of International Assets common stock or any other International Assets securities owned by them except in certain circumstances. Approximately 2,777,584 shares in the aggregate, or 30.5% of the International Assets common stock outstanding on the record date for the International Assets special meeting, are subject to such voting agreements.

The Support Agreement will terminate upon the earlier of: (a) the consummation of the merger agreement in accordance with its terms or the effectiveness of the merger; or (b) a change in the recommendation of the International Assets board of directors with respect to the merger.

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INTERNATIONAL ASSETS PROPOSAL NO. 2

AMENDMENT TO INTERNATIONAL ASSETS CERTIFICATE OF INCORPORATION TO INCREASE THE AUTHORIZED SHARES OF INTERNATIONAL ASSETS COMMON STOCK

Overview

The International Assets board of directors has unanimously approved a proposal to amend its certificate of incorporation to increase the authorized shares of common stock of International Assets to 30,000,000 shares, subject to stockholder approval. International Assets board has declared this amendment to be advisable and recommended that this proposal be presented to International Assets stockholders for approval. The text of the form of proposed amendment to International Assets certificate of incorporation to increase the authorized shares of common stock of International Assets to 30,000,000 shares is attached to this joint proxy statement/prospectus as Annex F.

If the International Assets stockholders approve this Proposal No. 2 and the International Assets Proposal No. 1 to approve the issuance of International Assets common stock in the merger, International Assets expects to file a certificate of amendment to the International Assets certificate of incorporation with the Secretary of State of the State of Delaware to increase the number of authorized shares of common stock immediately prior to the proposed merger. Upon filing the certificate of amendment to International Assets certificate of incorporation, the number of authorized shares of common stock will increase from 17,000,000 to 30,000,000.

On August 11, 2009, the record date for the International Assets special meeting, International Assets had a total of 9,110,586 shares outstanding, approximately 1,591,587 shares of International Assets common stock were issuable pursuant to outstanding stock options and convertible notes and 1,332,526 shares of International Assets common stock were reserved for future issuance pursuant to International Assets equity incentive plans.

The primary reason for this increase in the authorized shares is to effect the merger with FCStone. If International Assets stockholders do not approve International Assets Proposal No. 1 to approve the issuance of shares of International Assets common stock in the merger, then the International Assets board of directors will, notwithstanding stockholder approval of this proposed amendment, abandon this proposed amendment.

Reasons for the Increase in Authorized Shares

The primary reason for the increase in authorized shares is to effect the merger. At present, International Assets does not have sufficient authorized shares of its common stock in order to effect the merger and to issue the International Assets common stock in the merger pursuant to the merger agreement. Additionally, approval of an increase in authorized shares of International Assets common stock is a closing condition to the obligations of the parties to consummate the merger pursuant to the merger agreement. If International Assets Proposal No. 2 is not approved by the International Assets stockholders, and the closing condition to the merger agreement is not waived, International Assets will be unable to complete the merger.

Although at present, apart from the shares to be issued pursuant to the merger and pursuant to its equity incentive plans and outstanding convertible notes, International Assets has no commitments or agreements to issue additional shares of common stock, it desires to have additional shares available to provide additional flexibility to use its capital stock for business and financial purposes in the future. In this regard, in connection with International Assets evaluation of its strategic and financing alternatives, International Assets may determine to issue additional shares of its common stock at any time following the completion of the merger. In addition, the additional shares may be used for various purposes without further stockholder approval, except as may be required by applicable law, regulations promulgated by government agencies, the rules of the NASDAQ Global Market or other market or exchange on which International Assets common stock is then listed. These purposes may include, among others:

raising capital;

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providing equity incentives to employees, officers or directors;

establishing strategic relationships with other companies; and

expanding the business of the combined company through the acquisition of other businesses or products.

The terms of additional shares of common stock will be identical to those of the currently outstanding shares of International Assets common stock. However, because holders of International Assets common stock have no preemptive rights to purchase or subscribe for any unissued stock of International Assets, the issuance of any additional shares of common stock authorized as a result of the increase in the number of authorized shares of common stock will substantially reduce the current stockholders' percentage of ownership interest in the total outstanding shares of common stock.

Effects of the Increase in Authorized Shares

The proposed increase in the authorized number of shares of common stock could have a number of effects on the stockholders of International Assets depending upon the exact nature and circumstances of any actual issuances of authorized but unissued shares. The increase could have an anti-takeover effect, in that additional shares could be issued (within the limits imposed by applicable law) in one or more transactions that could make a change in control or takeover of International Assets difficult. For example, additional shares could be issued by International Assets so as to dilute the stock ownership or voting rights of persons seeking to obtain control of International Assets. Similarly, the issuance of additional shares to certain persons allied with International Assets' management could have the effect of making it more difficult to remove International Assets' management by diluting the stock ownership or voting rights of persons seeking to cause such removal.

The proposed amendment to International Assets' certificate of incorporation to increase the number of authorized shares of common stock from 17,000,000 shares to 30,000,000 shares will be effective upon the filing of the certificate of amendment with the Secretary of State of the State of Delaware. Notwithstanding stockholder approval of this proposed amendment, International Assets' board of directors may abandon the proposed amendment without any further action by International Assets stockholders at any time prior to its effectiveness, and will abandon the proposed amendment if International Assets' stockholders do not approve Proposal No. 1 to approve the issuance of shares pursuant to the merger. International Assets expects to file such proposed amendment immediately prior to the proposed merger if International Assets stockholders approve International Assets Proposal No. 1 and this Proposal No. 2. As previously noted, the proposed amendment to International Assets' certificate of incorporation to increase the number of authorized shares of common stock is a condition to the consummation of the merger.

Vote Required; Recommendation of International Assets Board of Directors

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 to approve the proposal to amend International Assets' certificate of incorporation to increase the authorized shares of common stock of International Assets to 30,000,000 shares.

A failure to submit a proxy card or vote at the special meeting, or an abstention, vote withheld or broker non-vote will have the same effect as a vote against International Assets Proposal No. 2.

The International Assets board of directors unanimously recommends that International Assets stockholders vote FOR International Assets Proposal No. 2 to approve an amendment to International Assets' certificate of incorporation to increase the number of authorized shares of International Assets common stock to 30,000,000 shares.

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INTERNATIONAL ASSETS PROPOSAL NO. 3

AMENDMENT TO THE CERTIFICATE OF INCORPORATION OF

INTERNATIONAL ASSETS TO ESTABLISH A CLASSIFIED BOARD OF DIRECTORS INITIALLY CONSISTING OF 13 MEMBERS TO BE DIVIDED INTO THREE CLASSES, THE REDUCTION IN THE SIZE OF THE BOARD TO 11 MEMBERS IN 2012 AND TO NINE MEMBERS IN 2013, AND THE ELIMINATION OF THE CLASSIFIED BOARD IN 2013

Overview

The International Assets board of directors has unanimously approved, subject to stockholder approval, a proposal to amend the certificate of incorporation of International Assets to establish a classified board of directors initially consisting of 13 members to be divided into three classes, the reduction in the size of the board to 11 members in 2012 and to nine members in 2013, and the elimination of the classified board in 2013. The board of International Assets has declared this amendment to be advisable and recommended that this proposal be presented to International Assets stockholders for approval.

The text of the form of proposed amendment to the certificate of incorporation of International Assets is included as Annex G to this joint proxy statement/prospectus.

If the International Assets stockholders approve this Proposal No. 3, and the other conditions to the consummation of the merger are fulfilled or waived, International Assets expects to file a certificate of amendment to the International Assets certificate of incorporation with the Secretary of State of the State of Delaware to establish the classified board and otherwise implement this Proposal No. 3 immediately prior to the proposed merger.

Upon filing the certificate of amendment to the certificate, the board of International Assets will be increased to 13 members divided into three classes.

The primary reason for the proposal to establish the classified board is to effect the merger with FCStone. If International Assets stockholders do not approve International Assets Proposal No. 1 to approve the issuance of shares of International Assets common stock in the merger, or any of the other conditions to the consummation of the merger are not fulfilled or waived, then the International Assets board of directors will, notwithstanding stockholder approval of this proposed amendment, abandon this proposed amendment.

Proposed Amendment

At the present time, International Assets has a board of directors consisting of seven members, each of whom is elected to serve for a period of one year. The bylaws of International Assets provide that the number of directors will be determined from time to time by the vote of a majority of the directors then in office.

Under the proposed amendment, the certificate of incorporation of International Assets would be revised to provide for the following:

To fix the number of directors at 13 until the 2012 annual meeting of stockholders.

To reduce the number of directors to 11 commencing at the 2012 annual meeting and continuing until the 2013 annual meeting of stockholders.

To reduce the number of directors to nine commencing at the 2013 annual meeting; and to provide that number of directors will thereafter be fixed from time to time by resolution of the board of directors, provided, however that the number of directors fixed by the board of directors will be no less than five or more than twenty-five.

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To establish that the board of directors will be classified until the 2013 annual meeting, with respect to the time for which the directors severally hold office, into three classes, designated as Class I, Class II and Class III.

To provide that the number of directors in each Class shall be as follows:

Until the 2012 annual meeting, Class I will have four members, Class II will have four members; and Class III will have five members;

Commencing at the 2012 annual meeting and continuing until the 2013 annual meeting, Class I will have four members, Class II will have four members; and Class III will have three members.

To provide that the members of Class I will initially serve for a term expiring at the 2010 annual stockholders meeting, and will thereafter serve for a term expiring at the 2013 annual meeting.

To provide that the members of Class II will initially serve for a term expiring at the 2011 annual stockholders meeting, and will thereafter serve for a term expiring at the 2013 annual meeting.

To provide that the members of Class III will initially serve for a term expiring at the 2012 annual meeting, and will thereafter serve for a term expiring at the 2013 annual meeting.

To provide that commencing at the 2013 annual meeting, the board of directors will no longer be classified, and directors elected at the 2013 annual meeting or any subsequent annual meeting of stockholders will serve until the next annual meeting of stockholders, except in the event of their resignation or removal.

Background and Reasons for the Amendment

During the negotiation of the merger agreement, International Assets and FCStone agreed that the ability of the combined company to successfully integrate the businesses of International Assets and FCStone would be enhanced by the addition of six of the current directors of FCStone to the board of directors of International Assets. The addition of these directors is expected to provide the combined company with the benefit of their substantial knowledge of the operations of FCStone as well as their expertise in the commodities industry. International Assets and FCStone also agreed that the establishment of a classified board would provide assurance to the customers and employees of both companies that there would be stability and continuity in the board of directors during the period of the integration.

During these negotiations, FCStone and International Assets also agreed as follows:

That the size of the board should be reduced from 13 members to nine members over a period of approximately three years. Both companies agreed that a board of nine members would be able to make decisions more efficiently than a board of 13 members, but that the reduction in size should not occur until the integration process was expected to be completed.

That the classified board provision should be eliminated in 2013. Both companies agreed that the classified board would only be appropriate until the integration process was expected to be completed.

Effect of the Amendment

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In the event that the Proposal No. 3 is approved and the merger is consummated, International Assets will establish a classified board of thirteen members, with the 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) and the seven current directors of International Assets (currently Scott Branch, John Fowler, Robert Miller, Sean O Connor, John Radziwill, Diego Vietia and Justin Wheeler).

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It is anticipated that these directors will be appointed to the three staggered director classes of the combined company board of directors as follows:

Class I directors (expiring in 2010): Paul G. Anderson, Daryl Henze, Sean M. O'Connor and Diego J. Veitia.

Class II directors (expiring in 2011): Scott Branch, Bruce Krehbiel, Eric Parthemore and John Radziwill.

Class III directors (expiring in 2012): Brent Bunte, Jack Friedman, John M. Fowler, Robert A. Miller and Justin R. Wheeler. Delaware law provides that, if a corporation has a classified board, unless the corporation's certificate of incorporation specifically provides otherwise, the directors may only be removed by the stockholders for cause. International Assets' certificate of incorporation, as amended by the proposed classified board amendment, would not provide for removal of directors other than for cause. Therefore, if Proposal No. 3 is adopted, stockholders will be able to remove directors of International Assets for cause, but not in other circumstances. Presently, all of the directors of International Assets are elected annually and all of the directors may be removed, with or without cause, by the holders of a majority of the outstanding common stock of International Assets.

Unless a director is removed or resigns, three annual elections could be needed to replace all of the directors on the classified board of directors. The classified board amendment may, therefore, discourage an individual or entity from acquiring a significant position in International Assets stock with the intention of obtaining immediate control of the board of directors during the period prior to the 2013 annual meeting, following which the board would no longer be classified. If this proposal is adopted, these provisions will be applicable to each annual election of directors, including the elections following any change of control of International Assets.

Advantages of the Amendment

The classified board amendment is designed to assure continuity and stability in the board of directors during the expected period for the integration of International Assets and FCStone. This will ensure that, at any given time, a majority of the directors will have prior experience with International Assets and FCStone and, therefore, will be familiar with their business and operations.

The board of directors of International Assets believes that the stability in the board of directors' leadership and policies will facilitate the integration of the businesses. The board of directors also believes that the classified board amendment will assist the board of directors in protecting the interests of International Assets' stockholders in the event of an unsolicited offer for International Assets by encouraging any potential acquirer to negotiate directly with the board of directors.

Disadvantages of the Amendment

The classified board amendment may increase the amount of time required for a takeover bidder to obtain control of International Assets without the cooperation of the board of directors, even if the takeover bidder were to acquire a majority of the voting power of International Assets' outstanding common stock. Without the ability to obtain immediate control of the board of directors, a takeover bidder will not be able to take action to remove other impediments to its acquisition of International Assets. Thus, the classified board amendment could discourage certain takeover attempts, perhaps including some takeovers that stockholders may feel would be in their best interests. By potentially discouraging accumulations of large blocks of International Assets' stock and fluctuations in the market price of International Assets' stock caused by accumulations, the classified board amendment could cause stockholders to lose opportunities to sell their shares at temporarily higher prices. Further, the classified board amendment will make it more difficult for stockholders to change the majority composition of the board of directors, even if the stockholders believe such a change would be desirable. Because of the additional time required to change the control of the board of directors, the classified board amendment could be viewed as tending to perpetuate present management. These disadvantages are mitigated because the classified board provisions will expire in 2013.

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Relationship to Merger Agreement

Approval of the amendment is one of the conditions to the consummation of the merger.

If International Assets Proposal No. 3 is not approved by International Assets stockholders, and the closing condition to the merger agreement is not waived, International Assets will be unable to complete the merger.

The proposed amendment will be effective upon the filing of a certificate of amendment with the Secretary of State of the State of Delaware. Notwithstanding stockholder approval of this proposed amendment, the board of directors of International Assets may abandon the proposed amendment without any further action by International Assets stockholders at any time prior to its effectiveness, and will abandon the proposed amendment if the merger is not consummated. International Assets expects to file the proposed amendment immediately prior to the consummation of the proposed merger.

Vote Required; Recommendation of International Assets Board of Directors

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 to approve the proposed amendment.

A failure to submit a proxy card or vote at the special meeting, or an abstention, vote withheld or broker non-vote will have the same effect as a vote against International Assets Proposal No. 3.

The board of directors of International Assets unanimously recommends that International Assets stockholders vote FOR International Assets Proposal No. 3 to approve an amendment to International Assets certificate of incorporation to establish a classified board of directors initially consisting of 13 members to be divided into three classes, the reduction in size of the board to 11 members in 2012 and to nine members in 2013, and the elimination of the classified board in 2013.

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INTERNATIONAL ASSETS PROPOSAL NO. 4

AMENDMENT TO INTERNATIONAL ASSETS CERTIFICATE OF INCORPORATION TO ELIMINATE THE REQUIREMENT OF STOCKHOLDER APPROVAL TO REPLACE OR CHANGE THE CHAIRMAN OF THE BOARD

Overview

The International Assets board of directors has, subject to stockholder approval, unanimously approved a proposal to amend its certificate of incorporation to eliminate the requirement of stockholder approval to replace or change the chairman of the board. International Assets board has declared this amendment to be advisable and recommended that this proposal be presented to International Assets stockholders for approval.

The certificate of incorporation of International Assets currently provides that the chairman of the board of International Assets may only be replaced or changed with the approval of the holders of at least 75% of the outstanding shares of the common stock of International Assets.

If the International Assets stockholders approve this Proposal No. 4, International Assets expects to file a certificate of amendment to the International Assets certificate of incorporation with the Secretary of State of the State of Delaware to eliminate this provision, immediately after the special meeting of stockholders.

Reasons for the Amendment

The primary reason for the elimination of this provision is to effect the merger with FCStone. Under the terms of the merger agreement, the elimination of this provision is a closing condition to the obligations of the parties to consummate the merger. The elimination of this provision will facilitate changes in the position of chairman of the board by allowing this position to be determined by the members of the board of directors of International Assets, rather than through the affirmative vote of the holders of 75% of the common stock of International Assets.

In connection with the negotiation of the terms of the merger agreement, International Assets and FCStone agreed that the position of chairman of the board should be selected by the members of the board of International Assets based upon an annual assessment of which member would be best suited to fulfill the duties of this position.

At the present time, Diego Veitia serves as the chairman of the board of International Assets, and it is anticipated that he will continue to be the chairman after the consummation of the merger until the expiration of his term.

The board of International Assets also believes that this provision should be eliminated regardless of whether the merger is consummated. Accordingly, International Assets intends to file a certificate of amendment with the Secretary of State of the State of Delaware to eliminate this provision, even if the merger is not consummated. The board of International Assets believes that the provision interferes with the ability of the board to manage International Assets by restricting the board's ability to determine who will serve as chairman.

Relationship to Merger Agreement

Approval of the amendment is one of the conditions to the consummation of the merger.

If International Assets Proposal No. 4 is not approved by International Assets stockholders, and the closing condition to the merger agreement is not waived, International Assets will be unable to complete the merger.

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The proposed amendment will be effective upon the filing of a certificate of amendment with the Secretary of State of the State of Delaware.

Notwithstanding stockholder approval of this proposed amendment, the board of directors of International Assets may abandon the proposed amendment without any further action by International Assets stockholders at any time prior to its effectiveness. However, unlike the other proposed amendments to the certificate of incorporation, International Assets intends to file a certificate of amendment with the Secretary of State of the State of Delaware to eliminate this provision, even if the merger is not consummated.

Vote Required; Recommendation of International Assets Board of Directors

The affirmative vote of the holders of 75% of the shares of International Assets common stock outstanding on the record date for the International Assets special meeting is required to approve the proposal to eliminate the requirement in the certificate of incorporation of stockholder approval to replace or change the chairman of the board.

A failure to submit a proxy card or vote at the special meeting, or an abstention, vote withheld or broker non-vote will have the same effect as a vote against International Assets Proposal No. 4.

International Assets board of directors unanimously recommends that International Assets stockholders vote FOR International Assets Proposal No. 4 to approve an amendment to International Assets certificate of incorporation to eliminate the requirement of stockholder approval to replace or change the chairman of the board.

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INTERNATIONAL ASSETS PROPOSAL NO. 5

POSSIBLE ADJOURNMENT OF THE

INTERNATIONAL ASSETS SPECIAL MEETING

If International Assets fails to receive a sufficient number of votes to approve any of International Assets Proposal Nos. 1, 2, 3 or 4, International Assets may propose to adjourn the special meeting for a period of not more than 30 days for the purpose of soliciting additional proxies to approve any of International Assets Proposal Nos. 1, 2, 3 or 4. International Assets currently does not intend to propose adjournment at the International Assets special meeting if there are sufficient votes to approve each of International Assets Proposal Nos. 1, 2, 3 and 4.

The affirmative vote of the holders of a majority of the voting power of the shares of International Assets common stock voting in person or by proxy at the International Assets special meeting is required for approval of International Assets Proposal No. 5.

The failure to submit a proxy card or vote at the special meeting, or an abstention, vote withheld or broker non-votes will be counted towards a quorum but will have no effect on the outcome of International Assets Proposal No. 5.

International Assets board of directors unanimously recommends that 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.

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FCSTONE PROPOSAL NO. 2

POSSIBLE ADJOURNMENT OF THE

FCSTONE SPECIAL MEETING

If FCStone fails to receive a sufficient number of votes to approve FCStone Proposal No. 1, FCStone may propose to adjourn the special meeting, for a period of not more than 30 days for the purpose of soliciting additional proxies to approve FCStone Proposal No. 1. FCStone currently does not intend to propose adjournment at the FCStone special meeting if there are sufficient votes to approve FCStone Proposal No. 1.

The affirmative vote of the holders of a majority of the shares of FCStone common stock voting in person or by proxy at the FCStone special meeting is required for approval of FCStone Proposal No. 2.

The failure to submit a proxy card or vote at the special meeting, or an abstention, vote withheld or broker non-votes will be counted towards a quorum, but will have no effect on the outcome of FCStone Proposal No. 2.

The FCStone board of directors unanimously recommends that FCStone's 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.

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BUSINESS OF INTERNATIONAL ASSETS

Overview

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 was formed in October 1987 and during the 2008 fiscal year conducted operations through a number of wholly-owned operating subsidiaries and two joint ventures. As of September 30, 2008, International Assets had 195 employees located in seven countries.

International Assets' internet address is www.intlassets.com. International Assets' annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, statements of changes in beneficial ownership and press releases are available in the Investor Relations section of this website. International Assets' website also includes information regarding International Assets' corporate governance, including International Assets' Code of Ethics, which governs International Assets' directors, officers and employees.

Business Strategy

International Assets seeks to exploit niche financial markets that are not perceived as attractive to larger financial services companies and exhibit one or more of the following characteristics:

the size of the market is relatively small

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the market has limited liquidity with opaque pricing

the market is difficult to automate and contains a service component requiring manual intervention

By providing execution for International Assets' clients in these markets, International Assets is able to earn premium spreads that allow it to achieve its financial objectives.

International Assets' customers, which include major investment banks, commercial banks, brokers, institutional investors, corporations, charities, governmental organizations throughout the world and non-governmental organizations, are generally end users of the financial products which International Assets offers. These customers demand consistent, quality execution.

International Assets' management strategy is to apply a centralized and disciplined capital allocation, risk management and cost control process while delegating the execution of strategic objectives and day-to-day management to experienced individuals. This requires high quality managers, a clear communication of performance objectives and strong financial and compliance controls. International Assets believes this strategy will enable International Assets to build a scalable and significantly larger organization that embraces an entrepreneurial approach to business underpinned by strong central controls.

Each of International Assets' businesses is volatile and their financial performance can change due to a variety of factors which are both outside of management's control and not readily predictable. To address this volatility, International Assets has sought to diversify into a number of uncorrelated businesses.

Trading Revenues

In International Assets' business, purchases of individual securities, currencies, commodities or derivative instruments may be from single or multiple customers or counterparties. These purchases may be covered by a matching sale to a customer or counterparty or may be aggregated with other purchases to provide liquidity intraday, for a number of days or, in some cases, particularly the base metals business, even longer periods of time (during which market values may fluctuate). Sales of individual securities, currencies, commodities or derivative instruments may also be to single or multiple customers or counterparties. They may be made from inventory, they may be covered by a simultaneous and matching purchase in the market or they may represent a short sale and be covered by a later purchase in the market.

While International Assets is able to track the number and dollar amount of individual transactions with each customer, this information is not a reliable indicator of revenues because it is not necessarily proportional to revenues or profitability. Depending on the nature of the instrument traded, market conditions and timing of a transaction, revenues and profitability may differ widely from trade to trade and from customer to customer.

International Equities Market-Making

International Assets is a leading U.S. market-maker in unlisted ADRs and foreign common shares. International Assets conducts these activities through INTL Trading, Inc. (INTL Trading), a broker-dealer regulated by the Financial Industry Regulatory Authority (FINRA). INTL Trading provides execution services and liquidity to national broker-dealers, regional broker-dealers and institutional investors. International Assets focuses on those international equities in which International Assets can use its expertise and experience to provide customers with competitive execution and superior service. International Assets also utilizes its proprietary technology, including internet technology, to achieve these goals.

International Assets makes markets in approximately 800 ADRs and foreign ordinary shares traded in the over-the-counter (OTC) market. In addition, International Assets will, on request, make prices in more than 8,000 other ADRs and foreign common shares. As a market-maker, International Assets provides trade execution

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services by offering to buy shares from, or sell shares to, broker-dealers and institutions. International Assets displays the prices at which it is willing to buy and sell these securities and adjusts its prices in response to market conditions. When acting as principal, International Assets commits its own capital and derives revenue from the difference between the prices at which International Assets buys and sells shares. International Assets also earns commissions by executing trades on an agency basis.

While International Assets' customers are other broker-dealers and institutions, the business tends to be driven by the needs of the private clients of those broker-dealers and institutions. The size of private client trades may be uneconomical for the in-house international equities trading desks of International Assets' customers to execute. International Assets is able to provide execution of smaller trades at profitable margins.

Foreign Exchange Trading

International Assets trades over 100 currencies, with a concentration on select, illiquid currencies of developing countries. International Assets has an extensive global correspondent network that provides access to these currencies at competitive rates. International Assets' target customers are financial institutions, multi-national corporations, governmental and charitable organizations operating in and transferring funds to or from these developing countries. In addition, International Assets executes trades based on the foreign currency flows inherent in International Assets' other international activities.

International Assets primarily acts as a principal in buying and selling foreign currencies on a spot basis. International Assets derives revenue from the difference between the purchase and sale prices.

International Assets periodically holds foreign currency positions for longer periods to create liquidity for customers or to generate proprietary earnings.

International Assets' foreign exchange activities in fiscal 2008 were conducted through INTL Global Currencies Ltd., which we refer to as INTL Global Currencies, a wholly-owned subsidiary domiciled in the United Kingdom. During 2007, International Assets also established a company in Hong Kong, INTL Global Currencies (Asia) Ltd., to conduct a margin foreign exchange trading business. This company became operational in October 2007. Due to continuing losses and, in International Assets' view, little prospect of turning this business to profitability, the activities of the Hong Kong company were terminated at the end of August 2008. The losses of this company have been reported as discontinued operations in International Assets' consolidated income statements.

Commodities Trading

International Assets' commodities trading activities encompass the trading of physical metals such as gold, silver and platinum group metals as well as certain base metals, mainly lead and copper. International Assets has relationships with a number of small and medium-sized metals producers, refiners, recyclers, consumers and manufacturing entities, and provides them with a full range of physical metals trading and hedging capabilities. International Assets is also active in the acquisition of scrap metals which are refined under contract and sold to International Assets' customers.

International Assets provides customers with sophisticated option products, including combinations of buying and selling puts and calls. International Assets assists its customers in protecting the value of their future production by selling customers put options or making forward purchases on an OTC basis. International Assets mitigates its risks by effecting offsetting option trades with market counterparties or through the purchase or sale of exchange-traded commodities futures.

International Assets commits its own capital to buy and sell precious and base metals on a spot and forward basis. International Assets derives revenue from the difference between the purchase and sale prices.

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International Assets generally mitigates the price risk associated with its commodities inventory through the use of exchange-traded derivatives. This price risk mitigation does not generally qualify for hedge accounting under generally accepted accounting principles (GAAP). In such situations, 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 commodities trading earnings are subject to significant volatility. International Assets commodities trading activities are conducted through wholly owned subsidiaries, INTL Commodities, Inc., INTL Commodities DMCC, and INTL Commodities Mexico S de RL de CV (together, INTL Commodities), incorporated in the state of Delaware, Dubai and Mexico respectively. INTL Commodities has a branch office in London and has also established a trading presence in Singapore to focus on customers in that region.

International Debt Capital Markets

International Assets originates, structures and places a wide array of emerging market debt instruments in the international and domestic capital markets. These instruments include complex asset-backed securities (ABS), unsecured bond and loan issues, negotiable notes and other trade-related debt instruments used in cross-border trade finance. The transactions may be evidenced by loan agreements, bonds, notes, bills of exchange, accounts receivable and other types of debt instruments and may be placed as private or public transactions and may constitute securities in certain instances. International Assets also provides execution services for debt securities, in which it derives revenues from the difference between the purchase and sales prices.

From time to time International Assets may invest its own capital in debt instruments before selling them. These instruments are typically sold to international banks and financial institutions.

International Assets earns fees for introducing borrowers and lenders or advising borrowers on capital raising transactions.

Most of International Assets activities are conducted through INTL Trading, with non-securities transactions conducted through International Assets Holding Corporation or INTL Capital Ltd., which we refer to as INTL Capital. Local market transactions in South America are conducted through INTL Gainvest, a leading participant in the Argentine ABS market, and through Compania Inversora Bursatil Sociedad de Bolsa (CIBSA), a regulated securities brokerage business based in Argentina that was acquired in April 2009.

Asset Management

International Assets revenues in the asset management business include management and performance fees for management of third party assets and investment gains or losses on International Assets investments in registered funds or proprietary accounts managed by International Assets or independent investment managers. Total third party assets under management at June 30, 2008 amounted to approximately \$0.3 billion. The fair value of proprietary investments at June 30, 2009 was \$12.5 million.

International Assets strategy is to build the asset management business by applying an absolute return philosophy to niche markets in which International Assets has significant expertise and experience. This business is conducted through INTL Capital and INTL Gainvest.

INTL Capital is domiciled in Dubai and is authorized by the Dubai Financial Service Authority to operate from the Dubai International Financial Centre. INTL Capital manages the INTL Trade Finance Fund Limited, a Cayman Island company established to invest primarily in global trade finance-related assets.

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INTL Gainvest is authorized by the Argentina regulatory authorities to manage three locally listed mutual funds. These funds consist primarily of asset backed securities issued by Argentine companies, are domestically rated and distributed to local pension funds, corporations and individuals. In addition, INTL Gainvest manages segregated portfolios for high net worth individuals.

Prior to April 30, 2009, the asset management business of International Assets included the results of INTL Consilium LLC, a joint venture organized by International Assets and an unaffiliated third party and is consolidated as a variable interest entity in accordance with FIN 46(R). International Assets disposed of its interest in INTL Consilium LLC effective April 30, 2009.

Competition

The international financial markets are highly competitive and rapidly evolving. In addition, these markets are dominated by firms with significant capital and personnel resources that are not currently available to International Assets. International Assets expects these competitive conditions to continue in the future, although the nature of the competition may change as a result of the current global financial crisis. In addition, the crisis is likely to produce opportunities for International Assets to expand or consolidate its activities. International Assets' strategy is to focus on smaller niche markets that are less attractive to larger competitors and require specialized expertise. International Assets believes that it can compete successfully with other financial intermediaries in these markets based on International Assets' expertise and quality of service.

International Assets' activities are impacted, and will continue to be impacted, by investor interest in the markets served by International Assets. The instruments traded in these markets compete with a wide range of alternative investment instruments. International Assets seeks to counterbalance changes in demand in specified markets by undertaking activities in multiple uncorrelated markets.

Technology has increased competitive pressures on financial intermediaries by improving dissemination of information, making markets more transparent and facilitating the development of alternative execution mechanisms. In the debt trading markets, TRACE, the trade reporting system introduced by FINRA, has reduced spreads and profitability. In the equity markets, electronic communication networks, referred to as ECNs, compete with market-makers like International Assets. ECNs provide a neutral forum in which third parties display and match their orders, but do not commit capital or provide liquidity to the marketplace. ECNs and similar alternative execution mechanisms provide the greatest benefit for markets in highly liquid securities. Similar execution mechanisms also exist in the foreign exchange market. International Assets competes by focusing on niche markets for less liquid instruments and using its capital to enhance liquidity for customers.

Administration and Operations

International Assets employs operations personnel to supervise and, for certain products, complete the clearing and settlement of transactions.

INTL Trading's securities transactions are cleared through Broadcort, a division of Merrill Lynch, Pierce, Fenner & Smith, Inc. INTL Trading does not hold customer funds or directly clear or settle securities transactions.

In the foreign exchange and commodities trading businesses, International Assets records all transactions in a proprietary trading system and employs operations staff to settle all transactions. International Assets may hold customer funds in relation to these activities.

International Assets' administrative staff manages International Assets' internal financial controls, accounting functions, office services and compliance with regulatory requirements.

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Governmental Regulation

International Assets' activities, particularly in the securities markets, are subject to significant governmental regulation, both in the United States and overseas. Failure to comply with regulatory requirements could result in administrative or court proceedings, censure, fines, issuance of cease-and-desist orders, suspension or disqualification of the regulated entity, its officers, supervisors or representatives.

The regulatory environment in which International Assets operates is subject to frequent change and these changes directly impact International Assets' business and operating results. The U.S.A. Patriot Act of 2001 and the Sarbanes-Oxley Act of 2002 have placed additional regulatory burdens and compliance costs on International Assets.

The securities industry in the United States is subject to extensive regulation under federal and state securities laws. International Assets is required to comply with a wide range of requirements imposed by the SEC, state securities commissions and FINRA. These regulatory bodies are charged with safeguarding the integrity of the financial markets and with protecting the interests of investors in these markets.

The activities of INTL Trading, as a broker-dealer, are primarily regulated by FINRA and the SEC.

Net Capital Requirements

INTL Trading is subject to the net capital requirements imposed by SEC Rule 15c3-1 under the Securities Exchange Act of 1934. These requirements are intended to ensure the financial integrity and liquidity of broker-dealers. They establish both minimum levels of capital and liquid assets. The net capital requirements prohibit the payments of dividends, redemption of stock, the prepayment of subordinated indebtedness and the making of any unsecured advances or loans to any stockholder, employee or affiliate, if such payment would reduce the broker-dealer's net capital below required levels.

The net capital requirements restrict the ability of INTL Trading to make distributions to International Assets. They also restrict the ability of INTL Trading to expand its business beyond a certain point without the introduction of additional capital.

As of both June 30, 2009 and September 30, 2008, INTL Trading's net capital was \$1.5 million, which was \$0.5 million in excess of its minimum net capital requirement on each date.

Foreign Operations

International Assets operates in a number of foreign jurisdictions, including the United Kingdom, Argentina, Uruguay, Mexico, Nigeria, Dubai and Singapore. International Assets has established wholly-owned subsidiaries in Mexico and Nigeria but does not have offices or employees in those countries.

INTL Trading has a branch office in the United Kingdom. As a result, its activities are also subject to regulation by the United Kingdom Financial Services Authority.

The activities of INTL Capital Limited and INTL Commodities DMCC are subject to regulation by the Dubai Financial Services Authority and the Dubai Multi Commodities Centre, respectively.

The activities of INTL Global Currencies (Asia) Limited were subject to regulation by the Hong Kong Securities & Futures Commission until its activities were discontinued at the end of August 2008.

Business Risks

International Assets seeks to mitigate the market and credit risks arising from its financial trading activities through an active risk management program. The principal objective of this program is to limit trading risk to an acceptable level while maximizing the return generated on the risk assumed.

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International Assets has a defined risk policy which is administered by International Assets risk committee, which reports to International Assets audit committee. International Assets has established specific exposure limits for inventory positions in every business, as well as specific issuer limits and counterparty limits. These limits are designed to ensure that in a situation of unexpectedly large or rapid movements or disruptions in one or more markets, systemic financial distress, the failure of a counterparty or the default of an issuer, the potential estimated loss will remain within acceptable levels. The audit committee reviews the performance of the risk committee on a quarterly basis to monitor compliance with the established risk policy.

Properties

International Assets maintains offices in:

the United States, in New York, Altamonte Springs, Florida and Miami, Florida

Argentina, in Buenos Aires

Uruguay, in Montevideo

the United Kingdom, in London

the United Arab Emirates, in Dubai

Singapore

International Assets leases all of International Assets office space except for the space in Buenos Aires, which International Assets owns.

Legal Proceedings

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 or any of its terms, 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.

Except for the cases described above, International Assets is not currently a defendant in any legal proceedings. In light of the nature of International Assets activities, it is possible that International Assets may be involved in litigation in the future, which could have a material adverse impact on International Assets and its financial condition and results of operations.

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, as adjusted for the effect of discontinued operations through June 30, 2009, 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 nine months ended June 30, 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 Nine Months Ended June 30, | | As of and for the Fiscal Years Ended September 30, | | | | |
|---|--|-----------|--|-----------|-----------|-----------|-----------|
| | 2009 (Unaudited) | 2008 | 2008 | 2007 | 2006 | 2005 | 2004 |
| Income Statement | | | | | | | |
| Operating revenues | \$ 77.8 | \$ 95.0 | \$ 117.0 | \$ 47.2 | \$ 35.1 | \$ 26.1 | \$ 22.0 |
| Interest expense | 6.2 | 8.3 | 11.2 | 9.3 | 2.1 | 1.3 | 3.2 |
| Non-interest expenses | 54.7 | 46.9 | 62.9 | 47.5 | 28.0 | 20.7 | 16.9 |
| Income (loss) before taxes and minority interest | 16.9 | 39.8 | 42.9 | (9.6) | 5.0 | 4.1 | 1.9 |
| Income tax expense (benefit) | 4.8 | 14.9 | 16.2 | (3.4) | 1.6 | 1.5 | 2.0 |
| Minority interest | 0.5 | (0.3) | (1.0) | (0.6) | | | |
| Income (loss) from continuing operations | 11.6 | 25.2 | 27.7 | (5.6) | 3.4 | 2.6 | (0.1) |
| Discontinued operations | 0.7 | (0.5) | (0.1) | (1.1) | (0.1) | | |
| Net income (loss) | \$ 10.9 | \$ 25.7 | \$ 27.8 | \$ (4.5) | \$ 3.5 | \$ 2.6 | \$ (0.1) |
| Earnings (loss) per share: | | | | | | | |
| - Basic | \$ 1.23 | \$ 3.06 | \$ 3.30 | \$ (0.56) | \$ 0.45 | \$ 0.36 | \$ (0.02) |
| - Diluted | \$ 1.16 | \$ 2.69 | \$ 2.95 | \$ (0.56) | \$ 0.41 | \$ 0.33 | \$ (0.02) |
| Number of shares: | | | | | | | |
| - Basic | 8,879,649 | 8,402,034 | 8,434,976 | 8,086,837 | 7,636,808 | 7,303,065 | 5,090,304 |
| - Diluted | 10,007,526 | 9,949,649 | 9,901,766 | 8,086,837 | 8,387,761 | 8,023,891 | 5,090,304 |
| Balance Sheet | | | | | | | |
| Total assets | \$ 359.6 | \$ 511.6 | \$ 438.0 | \$ 361.2 | \$ 199.9 | \$ 147.0 | \$ 67.7 |
| Total stockholders' equity | \$ 84.2 | \$ 64.5 | \$ 74.8 | \$ 35.6 | \$ 33.9 | \$ 28.1 | \$ 24.6 |
| Net book value per share outstanding | \$ 9.25 | \$ 7.53 | \$ 8.38 | \$ 4.31 | \$ 4.32 | \$ 3.78 | \$ 3.48 |

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**MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS
AND FINANCIAL CONDITION OF INTERNATIONAL ASSETS**

Results of Operations for 2008, 2007 and 2006

Set forth below is International Assets' discussion of the results of its operations, as viewed by management, for the fiscal years 2008, 2007 and 2006, respectively. This discussion refers to both GAAP results and adjusted marked-to-market information.

Set forth below is a table that reflects results of operations and related financial information on a marked to market basis.

Pro Forma Adjusted Financial Information (non-GAAP) (UNAUDITED)

| (In millions, except employee count and ratios) | 2008 | 2007 | 2006 | 2005 | 2004 |
|---|----------------|----------------|----------------|---------------|---------------|
| As reported on a GAAP basis: | | | | | |
| Operating revenues | \$ 127.4 | \$ 53.6 | \$ 35.9 | \$ 26.1 | \$ 22.0 |
| Net income | \$ 27.8 | \$ (4.5) | \$ 3.5 | \$ 2.6 | \$ (0.1) |
| Income (loss) from continuing operations | \$ | \$ | \$ | \$ 2.6 | \$ (0.1) |
| Stockholders' equity | \$ 74.8 | \$ 35.6 | \$ 33.9 | \$ 28.1 | \$ 24.6 |
| Marked-to-market basis (unaudited, pro forma, non-GAAP): | | | | | |
| Adjusted operating revenues | \$ 100.5 | \$ 77.0 | \$ 43.4 | \$ 26.1 | \$ 22.0 |
| Adjusted, pro forma income from continuing operations | \$ 12.4 | \$ 10.3 | \$ 8.2 | \$ 2.6 | \$ (0.1) |
| Adjusted, pro forma net income | \$ 11.0 | \$ 10.1 | \$ 8.2 | \$ 2.6 | \$ (0.1) |
| Adjusted EBITDA | \$ 27.7 | \$ 26.7 | \$ 15.0 | \$ 5.1 | \$ 5.1 |
| Adjusted stockholders' equity | \$ 77.3 | \$ 54.9 | \$ 38.7 | \$ 28.1 | \$ 24.6 |
| Adjusted return on average equity | 16.6% | 21.7% | 24.6% | 9.9% | (0.6)% |
| The following marked-to-market adjustments were made to the GAAP basis numbers shown above (unaudited, pro forma, non-GAAP management data): | | | | | |
| Net change in unrealized fair market value gain in physical commodities inventory | \$ (28.3) | \$ 24.5 | \$ 6.0 | | |
| Other marked-to-market adjustments | 1.4 | (1.1) | 1.5 | | |
| Gross marked-to-market adjustment | (26.9) | 23.4 | 7.5 | | |
| Pro forma tax effect at 37.5% | 10.1 | (8.8) | (2.8) | | |
| After tax marked-to-market adjustment | \$ (16.8) | \$ 14.6 | \$ 4.7 | | |
| Cumulative after tax adjustment | \$ 2.5 | \$ 19.3 | \$ 4.7 | | |
| Reconciliation of net income to adjusted EBITDA (non-GAAP) | | | | | |
| Net income | \$ 27.8 | \$ (4.5) | \$ 3.5 | \$ 2.6 | \$ (0.1) |
| Minority interests | 0.4 | 0.6 | 0.1 | | |
| Income tax | 17.1 | (2.0) | 1.8 | 1.5 | 2.0 |
| Depreciation and amortization | 1.2 | 0.8 | 0.4 | 0.3 | 0.2 |
| Interest expense | 11.2 | 9.3 | 2.1 | 1.3 | 3.2 |
| Interest income | (3.1) | (0.9) | (0.4) | (0.6) | (0.2) |
| Change in unrealized fair market value gain in physical commodities inventory | (28.3) | 24.5 | 6.0 | | |
| Other marked-to-market adjustments | 1.4 | (1.1) | 1.5 | | |
| Adjusted EBITDA (non-GAAP) | \$ 27.7 | \$ 26.7 | \$ 15.0 | \$ 5.1 | \$ 5.1 |

Other Data:

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| | | | | | |
|---|-------|-------|-------|-------|-------|
| Employees (end of period) | 195 | 170 | 89 | 67 | 51 |
| Compensation and benefits / adjusted operating revenues | 39.8% | 39.5% | 38.5% | 42.1% | 38.6% |
| Leverage ratio: Total assets to equity (end of period) | 5.9 | 10.1 | 5.9 | 5.2 | 2.8 |

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For the international equities, international debt capital markets, foreign exchange trading and asset management segments, there are no differences between the GAAP results and the adjusted marked-to-market results. Only the commodities trading segment has differences between the GAAP results and the adjusted marked-to-market results. However, this means that there are differences between the GAAP basis and marked-to-market basis total operating revenues, total contribution and net income. Please note that any term below that contains the word adjusted refers to non-GAAP, marked-to-market information.

The requirements of U.S. GAAP to carry derivatives at fair market value but physical commodities inventory at the lower of cost or market value have a significant temporary impact on International Assets reported earnings. Under GAAP, gains and losses on commodities inventory and derivatives which International Assets intends to be offsetting are often recognized in different periods. Additionally, GAAP does not require International Assets to reflect changes in estimated values of forward commitments to purchase and sell commodities.

For these reasons, management assesses International Assets operating results on a marked-to-market basis. Management relies on these adjusted operating results to evaluate the performance of International Assets commodities business segment and its personnel.

Under Marked-to-market basis in the tables below are International Assets adjusted operating revenues, pro forma income from continuing operations, pro forma net income, adjusted EBITDA and adjusted stockholders equity, which have been adjusted to reflect the marked-to-market differences in International Assets commodities business during each period (in the case of operating revenues and net income) and the cumulative differences (in the case of stockholders equity). International Assets has also included the estimated tax liability which would have been incurred as a result of these adjustments, utilizing a blended tax rate of 37.5%.

Table of Contents**Pro Forma Quarterly Adjusted Financial Information (non-GAAP) (UNAUDITED)**

| (In millions) | Q4 2008 | Q3 2008 | Q2 2008 | Q1 2008 | Q4 2007 | Q3 2007 | Q2 2007 | Q1 2007 | Q4 2006 | Q3 2006 | Q2 2006 | Q1 2006 |
|---|-----------------|---------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| As reported on a GAAP basis: | | | | | | | | | | | | |
| Operating revenues | \$ 21.8 | \$ 30.9 | \$ 32.7 | \$ 42.0 | \$ 20.1 | \$ 9.5 | \$ 14.8 | \$ 9.2 | \$ 4.4 | \$ 14.1 | \$ 9.0 | \$ 8.4 |
| Income from continuing operations | \$ 2.2 | \$ 7.2 | \$ 6.7 | \$ 13.1 | \$ 0.2 | \$ (3.7) | \$ 0.6 | \$ (1.4) | \$ (2.0) | \$ 3.3 | \$ 1.1 | \$ 1.1 |
| Net income | \$ 2.1 | \$ 6.8 | \$ 6.0 | \$ 12.9 | \$ 0.1 | \$ (3.8) | \$ 0.6 | \$ (1.4) | \$ (2.0) | \$ 3.3 | \$ 1.1 | \$ 1.1 |
| Stockholders' equity | \$ 74.8 | \$ 64.5 | \$ 57.1 | \$ 49.9 | \$ 35.6 | \$ 35.3 | \$ 37.1 | \$ 35.5 | \$ 33.9 | \$ 35.9 | \$ 31.0 | \$ 29.7 |
| Marked-to-market basis (unaudited, pro forma, non-GAAP): | | | | | | | | | | | | |
| Adjusted operating revenues | \$ 18.4 | \$ 23.2 | \$ 30.2 | \$ 28.7 | \$ 24.8 | \$ 18.7 | \$ 18.1 | \$ 15.4 | \$ 11.8 | \$ 12.1 | \$ 10.3 | \$ 9.3 |
| Adjusted, pro forma income from continuing operations | \$ | \$ 2.4 | \$ 5.1 | \$ 4.9 | \$ 3.1 | \$ 2.0 | \$ 2.7 | \$ 2.5 | \$ 2.6 | \$ 2.0 | \$ 2.0 | \$ 1.6 |
| Adjusted, pro forma net income | \$ (0.1) | \$ 2.0 | \$ 4.4 | \$ 4.7 | \$ 3.0 | \$ 1.9 | \$ 2.7 | \$ 2.5 | \$ 2.6 | \$ 2.0 | \$ 2.0 | \$ 1.6 |
| Adjusted EBITDA | \$ (0.5) | \$ 6.1 | \$ 10.6 | \$ 11.5 | \$ 8.9 | \$ 6.0 | \$ 6.3 | \$ 5.5 | \$ 4.4 | \$ 4.0 | \$ 3.6 | \$ 3.0 |
| Adjusted stockholders' equity | \$ 77.3 | \$ 69.2 | \$ 66.6 | \$ 61.0 | \$ 54.9 | \$ 51.7 | \$ 47.8 | \$ 44.1 | \$ 38.6 | \$ 36.0 | \$ 32.4 | \$ 30.2 |
| Trailing twelve months on marked-to-market basis (unaudited, pro forma, non-GAAP): | | | | | | | | | | | | |
| Adjusted operating revenues | \$ 100.5 | \$ 106.9 | \$ 102.4 | \$ 90.3 | \$ 77.0 | \$ 64.0 | \$ 57.4 | \$ 49.6 | \$ 43.5 | | | |
| Adjusted, pro forma net income | \$ 11.0 | \$ 14.1 | \$ 14.0 | \$ 12.3 | \$ 10.1 | \$ 9.7 | \$ 9.8 | \$ 9.1 | \$ 8.2 | | | |
| Adjusted EBITDA | \$ 27.7 | \$ 37.1 | \$ 37.0 | \$ 32.7 | \$ 26.7 | \$ 22.2 | \$ 20.2 | \$ 17.5 | \$ 15.0 | | | |
| Adjusted return on average equity | 16.6% | 23.2% | 24.5% | 23.5% | 21.7% | 22.3% | 24.5% | 24.2% | 24.5% | | | |
| The following marked-to-market adjustments were made to the GAAP basis numbers shown above (unaudited, pro forma, non-GAAP management data): | | | | | | | | | | | | |
| Net change in unrealized fair market value gain in physical commodities inventory | \$ (2.0) | \$ (12.3) | \$ 2.3 | \$ (16.3) | \$ 7.3 | \$ 10.7 | \$ 1.6 | \$ 4.9 | \$ 6.0 | \$ (1.3) | \$ 1.1 | \$ 0.2 |
| Other marked-to-market adjustments | (1.4) | 4.6 | (4.8) | 3.0 | (2.6) | (1.5) | 1.7 | 1.3 | 1.4 | (0.7) | 0.2 | 0.7 |
| Gross marked-to-market adjustment | (3.4) | (7.7) | (2.5) | (13.3) | 4.7 | 9.2 | 3.3 | 6.2 | 7.4 | (2.0) | 1.3 | 0.9 |
| Pro forma tax effect at 37.5% | 1.2 | 2.9 | 0.9 | 5.1 | (1.8) | (3.5) | (1.2) | (2.3) | (2.8) | 0.7 | (0.4) | (0.4) |
| After tax marked-to-market adjustment | \$ (2.2) | \$ (4.8) | \$ (1.6) | \$ (8.2) | \$ 2.9 | \$ 5.7 | \$ 2.1 | \$ 3.9 | \$ 4.6 | \$ (1.3) | \$ 0.9 | \$ 0.5 |
| Cumulative after tax adjustment | \$ 2.5 | \$ 4.7 | \$ 9.5 | \$ 11.1 | \$ 19.3 | \$ 16.4 | \$ 10.7 | \$ 8.6 | \$ 4.7 | \$ 0.1 | \$ 1.4 | \$ 0.5 |
| Reconciliation of net income to adjusted EBITDA (non-GAAP) | | | | | | | | | | | | |
| Net income | \$ 2.1 | \$ 6.8 | \$ 6.0 | \$ 12.9 | \$ 0.1 | \$ (3.8) | \$ 0.6 | \$ (1.4) | \$ (2.0) | \$ 3.3 | \$ 1.1 | \$ 1.1 |
| Minority interests | (1.1) | 0.2 | 0.5 | 0.8 | 0.2 | 0.1 | 0.1 | 0.2 | 0.1 | | | |
| Income tax | | 4.6 | 4.3 | 8.2 | 0.3 | (2.0) | 0.5 | (0.8) | (1.5) | 2.0 | 0.7 | 0.5 |
| Depreciation and amortization | 0.4 | 0.3 | 0.2 | 0.3 | 0.4 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Interest expense | 2.9 | 2.5 | 2.8 | 3.0 | 3.6 | 2.5 | 1.7 | 1.5 | 0.5 | 0.6 | 0.5 | 0.5 |
| Interest income | (1.4) | (0.6) | (0.7) | (0.4) | (0.4) | (0.2) | (0.1) | (0.2) | (0.2) | | (0.1) | (0.1) |
| Change in unrealized fair market value gain in physical commodities inventory | (2.0) | (12.3) | 2.3 | (16.3) | 7.3 | 10.7 | 1.7 | 4.8 | 6.0 | (1.3) | 1.1 | 0.2 |
| Other marked-to-market adjustments | (1.4) | 4.6 | (4.8) | 3.0 | (2.6) | (1.5) | 1.7 | 1.3 | 1.4 | (0.7) | 0.2 | 0.7 |
| Adjusted EBITDA (non-GAAP) | \$ (0.5) | \$ 6.1 | \$ 10.6 | \$ 11.5 | \$ 8.9 | \$ 6.0 | \$ 6.3 | \$ 5.5 | \$ 4.4 | \$ 4.0 | \$ 3.6 | \$ 3.0 |

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Adjusted operating revenues, adjusted net income, adjusted EBITDA and adjusted stockholders' equity are financial measures that are not recognized by GAAP, and should not be considered as alternatives to operating revenues, net income or stockholders' equity calculated under GAAP or as an alternative to any other measures of performance derived in accordance with GAAP. International Assets has included these non-GAAP financial measures because it believes that they permit investors to make more meaningful comparisons of performance between the periods presented. In addition, these non-GAAP measures are used by management in evaluating International Assets' performance.

Financial Overview

The following table shows an overview of International Assets' financial results.

| (in millions) | 2008 | % Change | 2007 | % Change | 2006 |
|--|----------|-------------|---------|-------------|---------|
| Year Ended September 30, | | | | | |
| FINANCIAL OVERVIEW | | | | | |
| Adjusted total operating revenues (non-GAAP) | \$ 100.5 | 31% | \$ 77.0 | 77% | \$ 43.4 |
| Interest expense | 11.2 | 19% | 9.4 | 348% | 2.1 |
| Net revenues (non-GAAP) | 89.3 | 32% | 67.6 | 64% | 41.3 |
| Non-interest expenses | 68.6 | 37 | | | |