

PART II

ITEM 8 Financial Statements and Supplementary Data

See *Additional Information of INTL FCStone Financial Related to Customer Segregated and Secured Funds* further below for additional information regarding INTL FCStone Financial's calculation of segregated and secured customer funds.

The Company's subsidiaries Sterne, Agee & Leach, Inc., Sterne Agee Clearing, Inc. and Sterne Agee Financial Services, Inc. are subject to the SEC Uniform Net Capital Rule 15c3-1 under the Securities Exchange Act of 1934.

The Company's subsidiary INTL FCStone Ltd is regulated by the Financial Conduct Authority ("FCA"), the regulator of the financial services industry in the United Kingdom, as a Financial Services Firm under part IV of the Financial Services and Markets Act 2000. The regulations impose regulatory capital, as well as conduct of business, governance, and other requirements. The conduct of business rules include those that govern the treatment of customer money and

All subsidiaries of the Company are in compliance with all of their regulatory requirements as of September 30, 2016, as follows:

<i>(in millions)</i> Subsidiary	Regulatory Authority	Requirement Type	As of September 30, 2016	
			Actual	Minimum Requirement
INTL FCStone Financial Inc.	SEC and CFTC	Net capital	\$ 140.8	\$ 81.7
INTL FCStone Financial Inc.	CFTC	Segregated funds	\$ 2,177.9	\$ 2,126.4
INTL FCStone Financial Inc.	CFTC	Secured funds	\$ 107.7	\$ 91.3
Sterne Agee Clearing Inc.	SEC	Net capital	\$ 1.0	\$ 0.1
Sterne, Agee & Leach, Inc.	SEC	Net capital	\$ 29.0	\$ 2.0
Sterne Agee Financial Services, Inc.	SEC	Net capital	\$ 3.3	\$ 0.3
INTL FCStone Ltd	FCA (United Kingdom)	Net capital	\$ 136.9	\$ 84.9
INTL FCStone Ltd	FCA (United Kingdom)	Segregated funds	\$ 54.8	\$ 49.5
INTL Netherlands BV	FCA (United Kingdom)	Net capital	\$ 136.1	\$ 85.0
INTL FCStone DTVM Ltda.	Brazilian Central Bank and Securities and Exchange Commission of Brazil	Capital adequacy	\$ 2.5	\$ 0.5
INTL Gainvest S.A.	National Securities Commission ("CNV")	Capital adequacy	\$ 7.7	\$ 0.1
INTL Gainvest S.A.	CNV	Net capital	\$ 3.6	\$ 0.1
INTL Capital S.A.	General Inspector of Justice (Argentina)	Net capital	\$ 15.3	\$ 12.6
INTL CIBSA S.A.	CNV	Capital adequacy	\$ 7.1	\$ 1.1
INTL CIBSA S.A.	CNV	Net capital	\$ 10.9	\$ 0.6

Certain other non-U.S. subsidiaries of the Company are also subject to capital adequacy requirements promulgated by authorities of the countries in which they operate. As of September 30, 2016, these subsidiaries were in compliance with their local capital adequacy requirements.

Additional Information of INTL FCStone Financial Related to Customer Segregated and Secured Funds

Pursuant to the requirements of the Commodity Exchange Act, funds deposited by customers of INTL FCStone Financial relating to futures and options on futures positions in regulated commodities

other assets which under certain circumstances for certain classes of customer must be segregated from the firm's own assets.

The Company's subsidiary INTL FCStone Pty Ltd is regulated by the Australian Securities and Investment Commission and is subject to a net tangible asset capital requirement. INTL FCStone Pty Ltd is also regulated by New Zealand Clearing Limited, and is subject to a capital adequacy requirement.

FCStone Commodity Services (Europe), Ltd. is domiciled in Ireland and subject to regulation by the Central Bank of Ireland, and is subject to a net capital requirement.

INTL FCStone DTVM Ltda. ("INTL FCStone DTVM") is a registered broker-dealer and regulated by the Brazilian Central Bank and Securities and Exchange Commission of Brazil, and is subject to a capital adequacy requirement.

must be carried in separate accounts which are designated as segregated customers' accounts. Certain amounts in the accompanying table reflect reclassifications and eliminations required for regulatory filing.

Funds deposited by customers and other assets, which have been segregated as belonging to the commodity customers as of September 30, 2016 and 2015, are as follows:

<i>(in millions)</i>	September 30, 2016	September 30, 2015
Cash, at banks - segregated	\$ 383.6	\$ 126.9
Securities representing investments of customers' funds, at banks	595.4	492.5
Securities held for customers in lieu of cash, at banks	1.8	0.9
Deposits with and receivables from:		
Exchange-clearing organizations, including securities, net of omnibus eliminations	1,173.9	1,237.8
Securities held for customers in lieu of cash	23.2	22.1
Total customer-segregated funds	2,177.9	1,880.2
Amount required to be segregated	2,126.4	1,830.9
Excess funds in segregation	\$ 51.5	\$ 49.3