

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: September 21, 2007

Re: **FCStone Group Inc. (FCSX/QGD) - 3 for 2 Stock Split**

In an effort to avoid rounding strike prices, The Securities Committee has decided to employ a new adjustment methodology. The contract adjustment described below utilizes the new method of contract adjustment wherein strike prices, number of contracts, and premium/strike multipliers are unchanged for certain kinds of stock splits and stock dividends. It is important that option investors be aware that it will be necessary to calculate the current market value of the adjusted option deliverable to correctly determine the option's in-the-money status.

FCStone Group Inc. (QGD/FCSX) has declared a 3 for 2 stock split payable to shareholders of record on Monday, September 17, 2007. Distribution date for the stock split will be Thursday, September 27, 2007. **Ex-distribution date for the stock split will be Friday, September 28, 2007.**

Adjusted Date: **Friday, September 28, 2007**
 Symbol(s): **QGD becomes FSJ**
 Strike Price: **No Change**
 Pos/Exercise Limit: **75,000 contracts until January 2008 expiration; where limits revert to 50,000 contracts**
 Multiplier: **100 (e.g., Premium of 1.00 = \$100)**
 New Deliverable: **1) 150 FCStone Group Inc. (FCSX) Common Shares**

The resulting list of adjusted strike prices and symbols is as shown on the following pages:

FCStone Group Inc. (FCSX/QGD) (Before 9/28/2007) (100 shrs FCSX)					FCStone Group Inc. (FCSX/FSJ) (Beginning 9/28/2007) (See new deliverable above)				
			Calls	Puts			Calls	Puts	
QGD	OCT	35	JG	VG	FSJ	OCT	35	JG	VG
QGD	OCT	40	JH	VH	FSJ	OCT	40	JH	VH
QGD	OCT	45	JI	VI	FSJ	OCT	45	JI	VI
QGD	OCT	50	JJ	VJ	FSJ	OCT	50	JJ	VJ
QGD	OCT	55	JK	VK	FSJ	OCT	55	JK	VK
QGD	OCT	60	JL	VL	FSJ	OCT	60	JL	VL
QGD	OCT	65	JM	VM	FSJ	OCT	65	JM	VM
QGD	OCT	70	JN	VN	FSJ	OCT	70	JN	VN
QGD	OCT	75	JO	VO	FSJ	OCT	75	JO	VO
QGD	OCT	80	JP	VP	FSJ	OCT	80	JP	VP
QGD	OCT	85	JQ	VQ	FSJ	OCT	85	JQ	VQ
QGD	OCT	90	JR	VR	FSJ	OCT	90	JR	VR
QGD	NOV	45	KI	WI	FSJ	NOV	45	KI	WI
QGD	NOV	50	KJ	WJ	FSJ	NOV	50	KJ	WJ
QGD	NOV	55	KK	WK	FSJ	NOV	55	KK	WK
QGD	JAN	30	AF	MF	FSJ	JAN	30	AF	MF
QGD	JAN	35	AG	MG	FSJ	JAN	35	AG	MG
QGD	JAN	40	AH	MH	FSJ	JAN	40	AH	MH
QGD	JAN	45	AI	MI	FSJ	JAN	45	AI	MI
QGD	JAN	50	AJ	MJ	FSJ	JAN	50	AJ	MJ
QGD	JAN	55	AK	MK	FSJ	JAN	55	AK	MK

QGD	JAN	60	AL	ML	FSJ	JAN	60	AL	ML
QGD	JAN	65	AM	MM	FSJ	JAN	65	AM	MM
QGD	JAN	70	AN	MN	FSJ	JAN	70	AN	MN
QGD	JAN	75	AO	MO	FSJ	JAN	75	AO	MO
QGD	JAN	80	AP	MP	FSJ	JAN	80	AP	MP
QGD	JAN	85	AQ	MQ	FSJ	JAN	85	AQ	MQ
QGD	JAN	90	AR	MR	FSJ	JAN	90	AR	MR
QGD	APR	30	DF	PF	FSJ	APR	30	DF	PF
QGD	APR	35	DG	PG	FSJ	APR	35	DG	PG
QGD	APR	40	DH	PH	FSJ	APR	40	DH	PH
QGD	APR	45	DI	PI	FSJ	APR	45	DI	PI
QGD	APR	50	DJ	PJ	FSJ	APR	50	DJ	PJ
QGD	APR	55	DK	PK	FSJ	APR	55	DK	PK
QGD	APR	60	DL	PL	FSJ	APR	60	DL	PL
QGD	APR	65	DM	PM	FSJ	APR	65	DM	PM
QGD	APR	70	DN	PN	FSJ	APR	70	DN	PN
QGD	APR	75	DO	PO	FSJ	APR	75	DO	PO
QGD	APR	80	DP	PP	FSJ	APR	80	DP	PP
QGD	APR	85	DQ	PQ	FSJ	APR	85	DQ	PQ
QGD	APR	90	DR	PR	FSJ	APR	90	DR	PR

Any additional QGD series that are added prior to the ex-date will also be adjusted in the manner described above.

With this new method of adjustment, it is no longer possible to determine if an adjusted option is in- or out-of-the-money by simply comparing the stock price to the option strike price. When the new method is used, the stock price must always be adjusted by the appropriate factor(s) in order to correctly determine in-the-money amounts or premiums. Option investors must be aware of the number of shares (and possible cash amounts) in the deliverable and the fact that the multiplier used for premium and strike dollar extensions remains unchanged.

The new QGD option contracts representing 100 shares of FCSX, will be admitted to trading on Monday, October 1, 2007. Strike prices and expiration months will be announced on a separate release prior to that date.

Customers should be advised that Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the ex-distribution date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-1508.