

Part II Organizational Action (continued)


17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ 354; 356; 358; 368; 1001; 1221.

18 Can any resulting loss be recognized? ▶ SEE ATTACHED

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ SEE ATTACHED

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 4/15/2013

Print your name ▶ STEVEN KAPLAN Title ▶ CHIEF TAX OFFICER

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			

JEFFERIES GROUP LLC (F/K/A JEFFERIES GROUP, INC.)
95-4719745
ATTACHMENT TO FORM 8937

Part II – Question 14 - Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action:

Jefferies Group LLC (formerly known as Jefferies Group, Inc.) (“Jefferies”), a Delaware corporation, was a party to two mergers (separately “First Merger” and “Second Merger”, collectively the “Mergers”), with the Second Merger being concluded on March 1, 2013.

Immediately prior to the First Merger, JSP Holdings, Inc., a Delaware corporation (“New Jefferies”) was a direct, wholly-owned subsidiary of Jefferies, and Jasper Merger Sub, Inc., a Delaware corporation (“Merger Sub One”) was a direct, wholly-owned subsidiary of JSP Holdings, Inc. Pursuant to the First Merger, Merger Sub One merged with and into Jefferies, with Jefferies as the surviving entity.

Upon completion of the First Merger, each share of Jefferies common stock, par value \$0.0001 per share, issued and outstanding immediately prior to the First Merger was automatically converted into and became a validly issued, fully paid and non-assessable share of common stock or portion thereof, par value \$0.001 per share, of New Jefferies.

Immediately following the First Merger, Jefferies now a direct, wholly-owned subsidiary of New Jefferies, was converted into a Delaware limited liability company, and changed its name.

Pursuant to the Second Merger, New Jefferies merged with and into Limestone Merger Sub, LLC, a Delaware limited liability company (“Merger Sub Two”) and a direct, wholly-owned subsidiary of Leucadia National Corporation, a New York corporation (“Leucadia”), with Limestone Merger Sub, LLC as the surviving entity.

Upon completion of the Second Merger, each share of New Jefferies common stock, par value \$0.001 per share, issued and outstanding immediately prior to the Second Merger was automatically converted into and became the right to receive 0.81 (the “Common Exchange Ratio”) fully paid and non-assessable shares of Leucadia common stock. Each holder of the right to receive Leucadia common stock, has received, from the exchange agent, the number of full shares of Leucadia common stock to which they were entitled under the Common Exchange Ratio. Each holder of the right to receive Leucadia common stock has received, from the exchange agent, a cash payment in lieu of any fraction of a full share of Leucadia common stock to which they were entitled under the Common Exchange Ratio.

Part II – Question 15 - Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis:

The aggregate tax basis of the common shares of New Jefferies received by a holder were the same as a holder's aggregate tax basis in the common shares of Jefferies that were surrendered in the First Merger. The per share tax basis of the New Jefferies common shares were the same as the per share tax basis of the Jefferies common shares prior to the First Merger.

The aggregate tax basis of the common shares of Leucadia received by a holder is the same as a holder's aggregate tax basis in the common shares of New Jefferies that were surrendered in exchange for the right to receive shares of Leucadia common stock at the Common Exchange Ratio decreased by the basis allocated to fractional shares, if any, for which a holder received cash in lieu thereof. On a per tax lot basis, the per share tax basis of the Leucadia common shares is determined by dividing the aggregate tax basis of the common shares for each tax lot by the number of Leucadia common shares received in exchange therefor.

Part II – Question 16 - Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates:

The per share merger consideration under the First Merger was 1 share of New Jefferies common stock for each converted share of Jefferies common stock ("First Merger Conversion Ratio"). The per share tax basis of the common shares of New Jefferies received by a holder in exchange for each share of Jefferies common stock was equal to the holder's per share tax basis in each converted share of Jefferies common stock.

The per share merger consideration under the Second Merger at the Common Exchange Ratio was 0.81 shares of Leucadia common stock for each exchanged share of New Jefferies common stock. The per share tax basis of the common shares of Leucadia received or deemed to be received by a holder in exchange for each share of New Jefferies common stock is equal to the product of the holder's basis in each share of New Jefferies common stock, and 1.23457 ("Leucadia Per Share Tax Basis"). The tax basis of any fractional share of Leucadia stock deemed to be received by a holder is equal to the product of the fraction of one share as it bears to a whole share of Leucadia common stock, and the Leucadia Per Share Tax Basis.

For example if a holder owned 75 shares of Jefferies with a per share basis of \$12, their basis in each Leucadia common share received would be \$14.81 (rounded).

First Merger

Number of shares of Jefferies stock:	75 shares
First Merger Conversion Ratio:	1 New Jefferies share/ Jefferies share
Number of shares of New Jefferies stock (75 shares X 1):	75 shares
Per share basis in Jefferies stock:	\$12/share
Conversion factor (1/First Merger Conversion Ratio):	1
Per share basis in New Jefferies stock (\$12 X 1):	\$12/share

Second Merger

Number of shares of New Jefferies stock:	75 shares
Common Exchange Ratio:	0.81 Leucadia shares/New Jefferies shares
Number of shares of Leucadia stock (75 shares X 0.81):	60.75 shares (60 whole + 0.75 fractional)
Per share basis in New Jefferies stock:	\$12/share
Conversion factor (1/ Common Exchange Ratio):	1.23457
Leucadia Per Share Tax Basis (\$12 X 1.23457):	\$14.81/share (rounded)
Basis in fractional (0.75) share deemed received: (0.75 deemed share X Leucadia Per Share Tax Basis)	\$11.11 (rounded)

Part II – Question 18 - Can any resulting loss be recognized?:

Generally, no gain or loss should be recognized as the result of this organizational action with the exception of any gain or loss recognized with respect to any cash payment received in lieu of any fraction of a full share of Leucadia common stock to which a holder was entitled under the Common Exchange Ratio.

The holders who received cash in lieu of a fractional common share of Leucadia will be deemed as having received such fractional common share pursuant to the Second Merger and then as having sold that fractional common share for the cash received. The amount of any gain or loss recognized as a result of the deemed sale of such fractional common share will be equal to the difference between the holder's basis in the fractional common share and the cash received in lieu thereof. Such gain or loss generally will constitute capital gain or loss and will be long-term capital gain or loss if the holder's holding period for the Jefferies stock exchanged by such holder is greater than one year. The deductibility of capital losses is subject to limitations.

Part II – Question 19 – Provide any other information necessary to implement the adjustment, such as the reportable tax year:

The Second Merger occurred on March 1, 2013, therefore any gain or loss recognized with respect to any cash payment received in lieu of any fraction of a full share of Leucadia common stock to which a holder was entitled under the Common Exchange Ratio should be recognized in the holder's tax year which includes that date.

For any additional information please also refer to the Jefferies and Leucadia Joint Proxy Statement/Prospectus dated January 28, 2013.

This Report of Organizational Actions Affecting Basis of Securities ("Report") is based upon the Internal Revenue Code of 1986 (the "Code"), as amended, the Treasury Regulations promulgated thereunder (the "Regulations"), other published administrative guidance and court and administrative rulings and decisions, all in effect as of the date this Report was first posted for the purpose of public reporting.

This Report addresses U.S. holders who held their shares as "capital assets" as the term is used in the Code and the Regulations, for U.S. Federal income tax purposes. The tax consequences of the Transactions will depend on a holder's specific situation. Each holder should consult with their own tax advisor as to the tax consequences of the Transactions in their particular circumstances, including the applicability and effect of the alternative minimum tax and any state, local or other tax laws and of changes in those laws.

The information in this Report or any attachment thereto does not constitute tax advice and is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.