

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into by and among the Plaintiffs, on behalf of themselves and all Class Members as defined herein, and Ferrellgas Partners, L.P., Ferrellgas, Inc., and Ferrellgas, LP (collectively, “Ferrellgas”).

1. RECITALS

1.1. Multiple class actions were filed in various state and federal courts beginning on June 4, 2009 against Ferrellgas, and against AmeriGas Propane, Inc., AmeriGas Partners, L.P., AmeriGas Propane, L.P. (collectively “AmeriGas”), alleging on a nationwide basis, claims for, *inter alia*, violations of federal and state antitrust statutes and state consumer protection statutes.

1.2. The various class actions generally claimed that AmeriGas and Ferrellgas reduced the amount of propane gas in the 20-pound pre-filled cylinders they sold to their customers without a corresponding reduction in price, and without the reduced volume being visible from an examination of the propane cylinder and/or failed to fill propane cylinders to proper levels and misrepresented or failed to disclose the actual net weight and level of the propane in the cylinders to retail customers. The actions seek to recover the money that Plaintiffs and the classes may have been overcharged due to Defendants’ conduct.

1.3. On October 6, 2009, the Judicial Panel on Multi-District Litigation transferred the multiple federal cases for coordination and consolidation to the Western District of Missouri before the Honorable Gary A. Fenner.

1.4. On December 11, 2009, the Court appointed Hagens Berman Sobol Shapiro LLP, Kaplan Fox & Kilsheimer LLP, Girard Gibbs LLP, and Stueve Siegel Hanson LLP as Class Counsel and Liaison Counsel (collectively, “Class Counsel”) on behalf of the putative Ferrellgas classes. On March 11, 2010, the Court appointed the same law firms as Settlement Class Counsel with respect to the AmeriGas matter.

1.5. Subsequently, on October 6, 2010, the Court granted final approval to a settlement reached between certain Plaintiffs and AmeriGas on behalf of a settlement class pursuant to Fed. R. Civ. P. 23(e).

1.6. On February 22, 2010, Class Counsel filed a Consolidated Complaint on behalf of all actions transferred into the MDL, alleging claims for violations of federal and state antitrust law, state consumer protection law and unjust enrichment.

1.7. Since the inception of the MDL, Class Counsel has conducted document discovery of Ferrellgas, including receipt and analysis of more than 45,000 documents and transactional data, and conducting meet and confers and discovery conferences with the Court. In response to 27 third-party subpoenas, Class Counsel has received and analyzed more than 25,000 pages and transactional data. Class Counsel has conducted multiple depositions to explore the basis for their claims, and consulted with experts. Plaintiffs have also responded to written discovery, and appeared for depositions taken by Ferrellgas.

1.8. Class Counsel have: (a) made a thorough investigation of the facts and circumstances surrounding the allegations asserted in the Litigation; (b) engaged in, and continue to engage in, investigation and discovery of the claims asserted in the Litigation, including but not limited to (i) researching, reviewing and analyzing industry data, information, and public reports; (ii) interviewing and/or deposing third-party AmeriGas's witnesses, and Ferrellgas's employees; (iii) reviewing and analyzing AmeriGas's and Ferrellgas's documents; (iv) reviewing and analyzing documents and data produced by third-party retailers in response to subpoenas; (v) investigating the law applicable to the claims asserted in the Litigation, including the defenses that Ferrellgas has asserted; and (v) engaging in motion practice before the Court.

1.9. Class Counsel believe that the Litigation has merit and that the evidence developed to date supports Plaintiffs' claims. Class Counsel recognize and acknowledge, however, the expense and length of continued proceedings to prosecute the Litigation through fact and expert discovery, class certification, dispositive motions, trial and appeals.

1.10. Class Counsel have concluded that it is in the best interests of the Class as a whole that the claims asserted in the Litigation be resolved on the terms and conditions set forth in this Agreement. Class Counsel reached that conclusion after considering the factual and legal issues presented in the Litigation, the substantial benefits that Class Members will receive as a

result of the Settlement, the risks and uncertainties of continued litigation, the expense that would be necessary to prosecute the Litigation through trial and any appeals that might be taken, and the likelihood of success at trial.

1.11. Ferrellgas has denied vigorously, and continues to deny vigorously, each and every allegation of liability, wrongdoing, and damages, and asserts that it has substantial factual and legal defenses to all claims alleged in the Litigation. Ferrellgas has maintained and continues to maintain that it has acted in accordance with governing law. Nonetheless, Ferrellgas has concluded that continuation of the Litigation would be protracted and expensive, and that it is desirable that the Litigation be fully and finally settled in the manner and upon the terms set forth in this Agreement.

1.12. Without admitting any liability or wrongdoing whatsoever, Ferrellgas agrees to the terms of this Agreement, provided that all Released Claims are settled and compromised, in order to fully resolve all issues relating to the subject matter of the Litigation.

NOW, THEREFORE, for and in consideration of the mutual understandings contained herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Plaintiffs, on behalf of the Class, and Ferrellgas agree as follows:

2. DEFINITIONS

As used herein, the following terms have the meanings set forth below.

2.1. “Agreement” means this Settlement Agreement, including all exhibits thereto.

2.2. “AmeriGas” means AmeriGas Propane, Inc., AmeriGas Partners, L.P., and AmeriGas Propane, L.P.

2.3. “Attorneys’ Fees and Expenses” means fees and expenses allowed by the Court that are sought by Plaintiffs’ Counsel in the prosecution of the Litigation.

2.4. “Award” means a claimant’s payment under the Settlement pursuant to the Plan of Allocation.

2.5. “CAFA Notices” means the notice of this settlement to be served upon State and Federal regulatory authorities as required by the Class Action Fairness Act of 2005, 28 U.S.C. § 1715.

2.6. “Claim Deadline” means 180 days from the date that the Court grants approval of the Settlement, and said date shall be specified in the Class Notice and Summary Notice.

2.7. “Claim Form” means a document substantially in the form of Exhibit A hereto, which must be postmarked by U.S. Mail by the Claim Deadline in order to obtain benefits under the Settlement, as described below.

2.8. “Claims Administrator” means a qualified third party appointed by the Court for the oversight and/or dissemination of Class Notice, the processing and fulfillment of claims in connection with this Settlement, and ensuring that claims fulfillment is properly implemented.

2.9. “Class Counsel” means Hagens Berman Sobol Shapiro LLP, Girard Gibbs LLP, Kaplan Fox and Kilsheimer LLP, and Stueve Siegel Hanson LLP.

2.10. “Class Member Payment List” means the list of class members who have been determined by the Claims Administrator to be eligible to receive settlement payments under the Plan of Allocation described in paragraph 4.

2.11. “Class Notice” means the Court-approved forms of notice to Settlement Class Members, in substantially the same form as Exhibits B (“Summary Notice”) and C (“Long Form Notice”), which will notify Settlement Class Members of the preliminary approval of the Settlement, and scheduling of the Final Approval Hearing, among other things.

2.12. “Class Period” means the period of time from June 15, 2005 through the date of the Preliminary Approval Order.

2.13. “Court” means the United States District Court for the Western District of Missouri.

2.14. “Days” means calendar days, except that, when computing any period of time prescribed or allowed by this Agreement, the day of the act, event, or default from which the designated period of time begins to run shall not be included. Further, when computing any

period of time prescribed or allowed by this Agreement, the last day of the period so computed shall be included, unless it is a Saturday, a Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday, or legal holiday.

2.15. “Defense Counsel” means Ferrellgas’s counsel of record in the Litigation, Bryan Cave LLP.

2.16. “Effective Date” means the date the Judgment in this case becomes Final within the meaning of section 2.19.

2.17. “Fairness Hearing” means the hearing held by the Court to determine whether the terms of this Agreement are fair, reasonable and adequate for the Settlement Class as a whole, whether the Settlement should be granted final approval, and whether the Judgment should be entered.

2.18. “Ferrellgas” means Ferrellgas Partners, L.P., Ferrellgas, Inc., and Ferrellgas, LP.

2.19. “Final” with respect to the Judgment or to any award of Attorneys’ Fees and Expenses (hereafter Fee Award) means that the time for appeal or writ review has expired or, if an appeal or petition for review is taken and dismissed or the Settlement (or Fee Award) is affirmed, the time period during which further petition for hearing, appeal, or writ of certiorari can be taken has expired. If the Judgment is set aside, materially modified, or overturned by the Court or on appeal, and is not fully reinstated on further appeal, the Judgment shall not become Final.

2.20. “Final Approval” means the court order approving the Settlement after the Fairness Hearing is conducted.

2.21. “Incentive Awards” means compensation for the Named Plaintiffs in the Litigation who are members of the Settlement Class for their time and effort undertaken in this Litigation.

2.22. “Judgment” means the judgment to be entered by the Court pursuant to the Settlement.

2.23. “Litigation” means the actions comprising this multi-district litigation proceeding known as *In re: Pre-Filled Propane Tank Marketing and Sales Practices Litig.*, Master Case No. 09-2086-MD-W-GAF, MDL 2086 (W.D. Mo.), and *Bauer v. Ferrellgas Partners, L.P.*, Case No. 2009CV677 (Douglas County, KS).

2.24. “Notice And Administrative Costs” means the reasonable and authorized costs and expenses of disseminating and publishing the Class Notice in accordance with the Preliminary Approval Order, and all reasonable and authorized costs and expenses incurred by the Claims Administrator in administering the Settlement, including but not limited to costs and expenses associated with assisting Class Members, processing claims, escrowing funds and issuing and mailing Settlement Payments, paying taxes and tax expenses, and other reasonable and authorized fees and expenses of the Claims Administrator.

2.25. “Notice Date” means the first day on which the Claims Administrator or its designee publishes or otherwise disseminates the Class Notice.

2.26. “Notice Program” means the plan approved by the Court for disseminating the Class Notice directly and by publication to the Settlement Class.

2.27. “Opt-Out and Objection Date” means the date, to be set by the Court, by which a Request for Exclusion must be filed with the Claims Administrator in order for a Settlement Class Member to be excluded from the Settlement Class, and the date by which Settlement Class Members must file objections, if any, to the Settlement.

2.28. “Parties” means Plaintiffs and Ferrellgas.

2.29. “Pay Day” means the day the claims would begin to be paid.

2.30. “Person” means an individual, corporation, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, any business or legal entity, and such individual’s or entity’s spouse, heirs, predecessors, successors, representatives, and assignees.

2.31. “Plaintiffs” means all named plaintiffs and class representatives in the actions comprising the Litigation.

2.32. “Plaintiffs’ Counsel” means court-appointed Class Counsel and other counsel representing named Plaintiffs in the Litigation.

2.33. “Preliminary Approval Order” means an order substantially in the form of Exhibit D hereto, providing for, among other things, preliminary approval of the Settlement; dissemination and publication of the Notice to the Class; and finding that the means of Notice set forth in the Preliminary Approval Order are reasonably calculated to apprise the Class Members of the pendency of the Action, the material terms of the proposed Settlement, and Class Members’ options with respect thereto.

2.34. “Release” means the document and process pursuant to which, upon the Effective Date, the Releasing Persons (defined below in Paragraph 2.36) hereby fully, finally, and forever release, relinquish, and discharge the Released Persons (defined directly below in Paragraph 2.35) from any and all liabilities, claims, rights, suits, and causes of action, of any kind whatsoever, that the Releasing Persons may have or may have had, whether in arbitration, administrative, or judicial proceedings, whether as individual claims or as claims asserted on a class basis or on behalf of the general public, whether known or unknown, suspected or unsuspected, threatened, asserted, or unasserted, actual or contingent, liquidated or unliquidated, at law or in equity, including specifically, but not limited to, claims for restitution, disgorgement, or any other form of monetary relief, damages, costs, or penalties, that were or could have been sought or alleged in the Litigation related to the filling, purchase, sale or exchange of Ferrellgas’s 20-pound propane gas cylinders (“Released Claims”). Released Claims shall not include any claims on behalf of persons that filled, purchased or exchanged Ferrellgas’s propane gas cylinders for purposes of resale, or claims for personal injury, or the right of any Plaintiffs, Class Counsel, Class Member, or Releasing Person to enforce the provisions of this Agreement.

2.35. “Released Persons” means Ferrellgas Partners, L.P., Ferrellgas, Inc., and Ferrellgas, LP, and each of their respective predecessors, successors, affiliates, parents, subsidiaries, assigns, officers, directors, employees, partners, agents, and attorneys.

2.36. “Releasing Persons” means Plaintiffs, on behalf of themselves and all Class Members; each of the Class Members; and their respective heirs, administrators, representatives, agents, partners, successors and assigns.

2.37. “Settlement” means the settlement set forth in this Agreement.

2.38. “Settling Parties” means, collectively, the Released Persons, the Releasing Persons, and all Class Members.

2.39. “Settlement Class” or “Class” means all people who purchased or exchanged one or more of Ferrellgas’s pre-filled propane gas cylinders in the United States not for resale, between June 15, 2005 and the date of Preliminary Approval. Excluded from the Settlement Class are: Ferrellgas, Ferrellgas’s affiliates, subsidiaries, and parent and each of their respective directors, officers, and employees; legal representatives, successors, and assigns; any other entity in which Ferrellgas has a controlling interest; persons who purchased for purposes of resale; any Judge to whom the Action is assigned and all members of his or her immediate family; and all Persons who timely and validly request exclusion from the Settlement Class pursuant to the Class Notice disseminated in accordance with the Preliminary Approval Order.

2.40. “Settlement Class Member” means a Person who falls within the definition of the Settlement Class set forth in paragraph 2.38.

2.41. “Valid Proof of Purchase,” for purposes of this Settlement, means verifiable contemporaneous documentation of a transaction that specifically reflects the purchase or exchange of a Ferrellgas pre-filled propane cylinder during the Class Period. Examples may include but are not limited to: store receipts, credit card receipts, propane tank UPC code, store records, self-serve exchange records, or any other contemporaneous record of purchase that is objectively verifiable.

2.42. The plural of any defined term includes the singular, and the singular of any defined term includes the plural, as the case may be.

3. SETTLEMENT CONSIDERATION, BENEFITS AND PLAN OF ALLOCATION

3.1. Settlement Consideration. Ferrellgas agrees to pay up to twenty-five million dollars (\$25,000,000.00), exclusive of Notice and Administrative Costs, Attorneys' Fees and Expenses, and Incentive Awards, pursuant to the terms and conditions set forth below, provided that all Released Claims are settled and compromised, to fully resolve the Litigation.

3.2. The Settlement Consideration described in paragraph 3.1 shall be paid as follows:

3.2.1. Establishment of Settlement Fund. Within seven (7) calendar days of Final Approval of this Settlement, Ferrellgas will wire transfer the sum of ten million (\$10,000,000.00) U.S. dollars into an interest-bearing bank account designated by the Claims Administrator. The above deposited sum, plus accrued interest, will constitute the Settlement Fund. Any interest that accrues on the Settlement Fund before the Settlement Fund is distributed shall be retained by the Settlement Fund. Prior to the Effective Date, all funds in the Settlement Account shall be invested and reinvested in short-term United States Agency or Treasury Securities of a duration to maturity of twelve months or less from the date of purchase.

3.2.2. No later than fourteen (14) business days after the Effective Date, the Claims Administrator will distribute the Settlement Fund as set forth in Paragraph 3.2.3.

3.2.3. Distribution of the Settlement Fund. Disbursements from the Settlement Fund will be made in the following order:

3.2.3.1. To pay any valid Category A claims and Category B claims, as provided in paragraph 3.3.

3.2.3.2. If the amounts paid under paragraph 3.2.3.1 do not exhaust the Settlement Fund, then Ferrellgas shall receive a credit in the form of reimbursement from the Settlement Fund for the lesser of (a) an amount that exhausts the Settlement Fund or (b) the amount owed in taxes on the Settlement Fund, and related tax preparation expenses and, in this case, the calculation specified under paragraph 3.2.3.3 should be made;

3.2.3.3. If the amounts paid under paragraphs 3.2.3.1 and 3.2.3.2 do not exhaust the Settlement Fund, Ferrellgas shall receive a credit in the form of reimbursement

from the Settlement Fund for the lesser of (a) an amount that exhausts the Settlement Fund or (b) the amount Ferrellgas paid for notice and administration of the Settlement and, in this case, the calculation specified under paragraph 3.2.3.4 should be made;

3.2.3.4. If the amounts paid under paragraphs 3.2.3.1, 3.2.3.2, and 3.2.3.3 collectively do not exhaust the Settlement Fund, a *cy pres* payment shall be made to up to ten state or local LIHEAPs (Low Income Home Energy Assistance Program)¹ to be agreed upon by the parties which to the extent reasonably feasible shall utilize the funds provided first to assist eligible Ferrellgas customers, and then, other low income individuals or families who are eligible for LIHEAP payments. The amount of the total *cy pres* payment shall be for the lesser of (a) an amount that exhausts the Settlement Fund, or (b) \$750,000.00 and, in this case, the calculation specified under paragraph 3.2.3.5 should be made;

3.2.3.5. If the amounts paid under paragraphs 3.2.3.1, 3.2.3.2, 3.2.3.3, and 3.2.3.4 collectively do not exhaust the Settlement Fund, Ferrellgas shall receive a credit in the form of reimbursement from the Settlement Fund for the lesser of (a) an amount that exhausts the Settlement Fund, or (b) the amount Ferrellgas pays in incentive awards to the Named Plaintiffs as defined in paragraphs 2.21 and 14.2 and, in this case, the calculation specified under paragraph 3.2.3.6 should be made;

3.2.3.6. If the amounts paid under paragraphs 3.2.3.1, 3.2.3.2, 3.2.3.3, 3.2.3.4, and 3.2.3.5 collectively do not exhaust the Settlement Fund, Ferrellgas shall receive a credit in the form of reimbursement from the Settlement Fund for the lesser of (a) an amount that exhausts the Settlement Fund, or (b) the amount paid in Attorneys' Fees and Expenses and, in this case, the calculation specified under paragraph 3.2.3.7 should be made;

¹ LIHEAP is designed to help eligible low-income households pay for winter energy services. LIHEAP is funded by the U.S. Department of Health and Human Services and various states, including, among others, Illinois, Pennsylvania, Florida, and Texas. LIHEAP will provide a one time benefit to eligible households to be used for energy bills. The amount of the benefit is determined by the income, household size, fuel type and geographic location.

3.2.3.7. If the amounts paid under paragraphs 3.2.3.1, 3.2.3.2, 3.2.3.3, 3.2.3.4, 3.2.3.5, and 3.2.3.6 collectively do not exhaust the Settlement Fund, the balance of the Settlement Fund shall be distributed to the *cy pres* recipients described in paragraph 3.2.3.4.

3.2.4. Payment of Additional Funds For Claims and Taxes.

3.2.4.1. In addition to the Settlement Fund as provided for in paragraph 3.2.1, Ferrellgas agrees to make an additional payment of up to fifteen million (\$15,000,000.00) U.S. Dollars (“the Additional Funds”) if and only if, and only to the extent that, the Settlement Fund is not sufficient to make the Settlement Payments described in paragraph 3.2.3.1.

3.2.4.2. In no event shall Ferrellgas be required to pay more than a total of twenty-five million (\$25,000,000.00) U.S. Dollars to make the Settlement Payments required by paragraphs 3.2.3.1 and 3.2.3.2.

3.2.4.3. If the timely and valid Claims exceed \$25,000,000.00, the Claims shall be reduced pro rata so that all Claims and costs may be paid from the Settlement Fund plus the Additional Funds, and no *cy pres* payments shall be made. Ferrellgas shall: (A) not make the payment described in paragraphs 3.2.3.4 and 3.2.3.7; and (B) shall independently pay the costs described in paragraph 3.2.3.3, 3.2.3.5, and 3.2.3.6.

3.3. SETTLEMENT PAYMENTS. Subject to the limitations in paragraph 3.2, Ferrellgas agrees to provide the following benefits to Class Members:

3.3.1. Category A Claim. Each Class Member, with at least one Valid Proof of Purchase per transaction as described below, who files a valid, timely and sworn Claim Form shall be entitled to a cash Settlement Payment of \$7.50 for each propane cylinder purchased or exchanged during the Class Period, up to a maximum of one hundred and fifty (\$150.00) U.S. Dollars (“Category A Claim”).

3.3.2. Category B Claim. Each Class Member, without Valid Proof of Purchase, who files a valid, sworn and timely Claim Form, shall be entitled to a one-time cash Settlement Payment of \$7.50 (“Category B Claim”).

3.3.3. Audit Rights. Ferrellgas retains the right to audit Category A and B Claims at any time during or after the Claims Process and in the event that Ferrellgas believes, in good faith, that claims received are not from Class Members, do not contain a Valid Proof of Purchase (Category A Claims), are not timely, are duplicative or otherwise are fraudulent, inconsistent with the terms of this Agreement, or are otherwise invalid, Ferrellgas may propose to Class Counsel and the Class Administrator that certain Claims be rejected and shall specify the reasons for rejection in writing to Class Counsel and the Administrator. Class Counsel may respond in writing to any such request for rejection. Any disputes between Plaintiffs and Ferrellgas regarding claims administration or the payment of a claim shall be resolved by the Claims Administrator, but in the event that either Ferrellgas or the Class Counsel dispute the determination of the Claims Administrator with respect to its determination of claims amounting to more than twenty five thousand dollars (\$25,000), then such party may present the matter to the Court for resolution and the Court shall be free to refer the matter to a Master or Magistrate as appropriate.

3.4. Claim Form.

3.4.1. To make a Category A Claim or Category B Claim, the Class Member must complete and submit a timely, valid, and sworn Claim Form. If submitted by U.S. Mail, the Claim Form must be postmarked no later than the Claim Deadline and will be subject to verification. If submitted on-line or via electronic mail, the Claim Form must be received no later than the Claim Deadline.

3.4.2. After the expiration of the Claim Deadline, the Claims Administrator will review and evaluate each Claim for timeliness, validity, and completeness.

3.4.3. If, in the determination of the Claims Administrator, the Class Member submits a timely but incomplete Claim (e.g. the Claim Form is not signed; there is no Proof of

Purchase when it appears that the claimant intended to provide one or more Proofs of Purchase), the Claims Administrator may, in its exercise of reasonable discretion, give the Class Member notice of the deficiencies and the Class Member shall have thirty (30) days from the date of the Claims Administrator's written notice to cure the deficiencies.

3.4.4. If within the time provided, the Class Member cures the deficiencies identified by the Claims Administrator, and the Claims Administrator thereafter determines that the Class Member's Claim is complete, the Claims Administrator shall include the Class Member in the list of class members who have been determined by the Claims Administrator to be eligible to receive Settlement Payments under the Plan of Allocation described in paragraph 4 (hereafter the "Class Member Payment List" described with greater particularity in section 4.1.1).

3.4.5. Notwithstanding anything herein to the contrary, the Claims Administrator shall not begin paying claims unless: (i) it has provided the Class Member Payment List to counsel for the Parties at least forty five days prior to the Pay Day, and (ii) has not received notice that one of the Parties desires to audit or protest the payment of certain claims on the Class Member Payment List at least five business days before the Pay Day. In the event the Claims Administrator does receive timely notice of a desire to audit or protest the payment of certain claims, the Claims Administrator shall not pay such claims until the claims are finally resolved pursuant to the procedures set out in section 3.3.3 and 3.4.4, but it can proceed to pay all other claims on the Class Member Payment List not timely protested or challenged.

4. PLAN OF ALLOCATION OF SETTLEMENT PAYMENTS

4.1. After the Claim Deadline and after all deadlines for correcting deficiencies in the Claim Form have passed, the Claims Administrator will provide to Class Counsel and Defense Counsel a report containing all of the following:

4.1.1. The names and addresses of each eligible Class Member who submitted valid Claims for Settlement Payments and have been determined by the Claims Administrator to

be entitled to a Settlement Payment in an amount equal to or more than \$7.50 U.S. Dollars and equal to or less than \$150.00 U.S. Dollars (“Category A Claimants”) and the amount of such claims, and each eligible Class Member who submitted valid Claims for settlement payments and have been determined by the Claims Administrator to be entitled to a settlement payment in an amount equal to \$7.50 U.S. Dollars (“Category B Claimants”). The list of such eligible class members described above shall be known as the Class Member Payment List;

4.1.2. The aggregate amount due all Category A Claimants;

4.1.3. The aggregate amount due all Category B Claimants; and

4.1.4. The total amount due all Category A and Category B Claimants, collectively (“Settlement Payment Total”), using the assumptions and calculations specified in paragraphs 3.3.1 and 3.3.2 above.

4.2. If the Settlement Payment Total provided in paragraph 4.1.4 above does not exceed the amount of the funds in the Settlement Fund, the Claims Administrator will send, pursuant to the terms of sections 3.2.2 and 3.4.5, by first-class mail, checks in the appropriate amounts to eligible Category A Claimants and Category B Claimants, identified in the Claims Administrator’s report. Amounts remaining in the Settlement Fund, if any, after all Settlement Payments are paid and all other costs and expenses the claims administration process has concluded shall be disbursed as set forth in paragraph 3.2.3 above.

4.3. If the Settlement Payment Total provided in paragraph 4.1.4 above exceeds the amount of the funds remaining in the Settlement Fund but, together with the costs set forth in paragraph 3.2.3.2, does not exceed the total of the Additional Funds, Ferrellgas will wire transfer to the Claims Administrator the amount necessary to satisfy the remaining amounts due to satisfy the Settlement Payment Total and the costs set forth in paragraph 3.2.3.2 within ten (10) days of the request for funding by the Claims Administrator. The Claims Administrator will thereafter send, pursuant to the terms of sections 3.2.2 and 3.4.5, by first-class mail, a check in the appropriate amounts to each eligible Category A Claimant and each eligible Category B Claimant identified in the Claims Administrator’s report.

4.4. If the Settlement Payment Total provided in paragraph 4.1.4, above, together with all expenses identified in paragraph 3.2.3.2 above, exceeds the amount of the Settlement Fund, the *Cy Pres* fund shall be allocated to pay eligible Category A and Category B Claimants and all expenses identified in 3.2.3.2.

4.5. If the Settlement Payment Total provided in paragraph 4.1.4, above, and all expenses identified in paragraph 3.2.3.2 above, exceeds the amount of the funds in the Settlement Fund and the Additional Funds, the Settlement Payment allocated to each eligible Category A Claimant and each Category B Claimant described in paragraphs 3.3.1 and 3.3.2 will be reduced, after payment of all expenses identified in 3.2.3.2, on a pro rata basis so that the Settlement Payment Total does not exceed the Settlement Fund and the Additional Funds, collectively. Ferrellgas will, on or before ten (10) days after receiving the report from the Claims Administrator pursuant to Paragraph 4.1, send by wire transfer to the Claims Administrator all funds necessary to pay Settlement Payments on said pro rata basis. The Claims Administrator will thereafter send, pursuant to the terms of sections 3.2.2 and 3.4.5, by first-class mail: (a) to each eligible Category A Claimant, a check equal to the sum of the Settlement Payment specified in paragraph 3.3.1 minus the amount of the pro rata reduction applicable to Category A Claimants; and (b) to each eligible Category B Claimant, a check equal to the sum of the Settlement Payment specified in paragraph 3.3.2 minus the amount of the pro rata reduction applicable to Category B Claimants.

5. INJUNCTIVE AND EQUITABLE RELIEF

5.1. Ferrellgas agrees to comply with the following terms for a period of three years from the Effective Date:

5.1.1.1. Ferrellgas will show the net weight of the propane contained in its cylinders on a label or the sleeve of the cylinder;

5.1.1.2. Ferrellgas will place banners which state the net weight of propane in the cylinders being sold on, above or next to the cages in which Ferrellgas cylinders are sold;

- 5.1.1.3. Ferrellgas will not use or suggest in its communications to the public that a cylinder is “full”, or will be “filled to capacity”, or that the cylinder is at maximum capacity, unless that is the case; and
- 5.1.1.4. Ferrellgas will use reasonable commercial efforts to have its retail partners comply with the terms of this Injunction; and
- 5.1.1.5. Ferrellgas shall implement the disclosures referenced above, if they have not been implemented already, no later than 30 days following the Effective Date.

5.2. Ferrellgas agrees to retain an outside law firm that will provide additional antitrust compliance training to (a) all officers of Ferrellgas, and (b) other employees whose positions entail contacts with Blue Rhino’s competitors and/or who have sales, marketing, or pricing responsibilities with respect to Blue Rhino’s distributors or current or prospective retail accounts. Such antitrust compliance training will be completed within six months of the Effective Date. Ferrellgas will provide certification of compliance with this provision to Class Counsel within 30 days of completion of the training.

6. CHARITABLE CONTRIBUTION

6.1. If the amounts paid from the Settlement Fund pursuant to paragraphs 3.2.3.1, 3.2.3.2, 3.2.3.3, and 3.2.3.3 do not exhaust the Settlement Fund, a *cy pres* payment shall be made to up to ten state or local LIHEAPs to be agreed upon by the parties which, to the extent reasonably feasible, shall utilize the funds provided first to assist eligible Ferrellgas customers, and then, other low income individuals or families who are eligible for LIHEAP payments. The *cy pres* payment shall be for a sum equal to the lesser of (a) an amount that exhausts the Settlement Fund, or (b) \$750,000.00 pursuant to paragraph 3.2.3.4.

6.2. If the amounts paid under paragraphs 3.2.3.1 through 3.2.3.6 collectively do not exhaust the Settlement Fund, the balance of the Settlement Fund shall be distributed to the *cy pres* recipients described in paragraph 3.2.3.4.

7. NOTICE AND ADMINISTRATIVE COSTS

7.1. All Notice and Administrative Costs, as provided in the Preliminary Approval Order and in paragraphs 2.24 and 10, will be paid by Ferrellgas.

7.2. All costs associated with the implementation and provision of the notifications, disclosures, and other injunctive or equitable relief required by the Settlement will be paid for separately by Ferrellgas.

7.3. Under no circumstances will Plaintiffs, Class Counsel, or any Settlement Class Member have any liability for Notice and Administrative Costs, Ferrellgas's defense of the Litigation, or Ferrellgas's discharge of its obligations under the Settlement.

8. TAX TREATMENT OF SETTLEMENT FUND; CONSEQUENCES OF TERMINATION

8.1. The Parties will treat the bank account containing the Settlement Fund as a "qualified settlement fund" within the meaning of Treasury Regulations 1.468B-1 through 1.468B-5, 26 C.F.R. 1.468B-1 through 1.468B-5 (1992). They will treat the Settlement Account as a qualified settlement fund for all reporting purposes under the federal tax laws. In addition, the Escrow Agent and, as required, Ferrellgas will jointly and timely make the "relation-back election" (as defined in Treasury Regulation 1.468B-1) back to the earliest permitted date. Such election will be made in compliance with the procedures and requirements contained in such regulations. It will be the responsibility of the Escrow Agent to timely and properly prepare and deliver the necessary documentation for signature by all necessary parties, and thereafter to cause the appropriate filing to occur.

8.2. The Claims Administrator will be the Escrow Agent within the meaning of section 468B of the Internal Revenue Code of 1986 and Treasury Regulation 1.468B for the Settlement Account. The Escrow Agent will timely and properly file all informational and other tax returns necessary or advisable with respect to the Settlement Fund (including without limitation the returns described in Treasury Regulation 1.468B-2(k)). Such returns (as well as the election described in paragraph 8.1) will be consistent with this paragraph and paragraph 8.1 and

in any event will reflect that all taxes (including any estimated taxes, interest or penalties) on the income earned by the Settlement Fund will be paid out of the Settlement Fund or with the Additional Funds.

8.3. All (a) taxes (including any estimated taxes, interest or penalties) arising with respect to the income earned by the Settlement Fund (inclusive of the Additional Funds) (“Taxes”) and (b) expenses and costs incurred in connection with the operation and implementation of paragraph 3.2.1 (including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and expenses relating to filing (or failing to file) the returns) (“Tax Expenses”), will be paid out of the Settlement Fund or with the Additional Funds; in no event will Ferrellgas have any liability or responsibility for the Taxes, the Tax Expenses, or the filing of any tax returns or other documents with the Internal Revenue Service or any other state or local taxing authority. The Escrow Agent and the Settlement Fund will indemnify and hold Ferrellgas and Defense Counsel harmless for Taxes and Tax Expenses (including, without limitation, Taxes payable by reason of any such indemnification). Furthermore, Taxes and Tax Expenses will be timely paid by the Escrow Agent out of the Settlement Fund without prior Court order, and the Escrow Agent will be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to Claimants any funds necessary to pay such amounts (as well as any amounts that may be required to be withheld under Treasury Regulation 1.468B-2(1)-(2)); Ferrellgas is not responsible for and will have no liability therefore, or for any reporting requirements that may relate thereto. The Parties agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this paragraph and paragraphs 8.1 and 8.2.

8.4. If this Agreement is not approved by the Court or the Settlement is terminated or fails to become effective in accordance with the terms of this Agreement, the balance remaining in the Settlement Fund, less (a) amounts paid, incurred, or due and owing in connection with Taxes or Tax Expenses and (b) amounts, paid, incurred, or due and owing for Notice And

Administrative Costs, will be refunded to Ferrellgas. In such event, neither any Plaintiff nor Class Counsel nor any Settlement Class Member will have any obligation to repay Ferrellgas for any such amounts paid, incurred, or due and owing.

9. RELEASES

9.1. Upon the Effective Date, the Releasing Persons hereby fully, finally, and forever release, relinquish, and discharge the Released Persons from any and all liabilities, claims, rights, suits, and causes of action, of any kind whatsoever, that the Releasing Persons may have or may have had, whether in arbitration, administrative, or judicial proceedings, whether as individual claims or as claims asserted on a class basis or on behalf of the general public, whether known or unknown, suspected or unsuspected, threatened, asserted, or unasserted, actual or contingent, liquidated or unliquidated, at law or in equity, including specifically, but not limited to, claims for restitution, disgorgement, or any other form of monetary relief, damages, costs, or penalties, that were or could have been sought or alleged in the Litigation related to the filling, purchase, sale or exchange of Ferrellgas's 20-pound propane gas cylinders ("Released Claims"). Released Claims shall not include any claims on behalf of persons that filled, purchased or exchanged Ferrellgas's propane gas cylinders for purposes of resale, or claims for personal injury, or the right of any Representative Plaintiff, Class Counsel, Settlement Class Member, or Releasing Person to enforce the provisions of this Agreement.

9.2. Releasing Persons hereby waive any and all provisions, rights and benefits conferred by section 1542 of the California Civil Code or any comparable statutory or common law provision of any other jurisdiction. Section 1542 reads as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Although the releases granted under this Agreement are not general releases, the Releasing Persons nonetheless expressly acknowledge that they are waiving the protections of California

Civil Code section 1542 and of any comparable statutory or common law provision of any other jurisdiction.

9.3. Upon the Effective Date and in exchange for the releases provided, Ferrellgas on behalf of itself and its direct and indirect parents, subsidiaries, affiliates, predecessors-in-interest, successors-in-interest, (“Ferrellgas’s Affiliates”), hereby fully, finally, and forever releases, relinquishes, and discharges Plaintiffs, Class Counsel, and all Settlement Class Members from all claims, causes of action, or liabilities that Ferrellgas or any of Ferrellgas’s Affiliates may have or may have had, whether in arbitration, administrative, or judicial proceedings, whether known or unknown, suspected or unsuspected, threatened, asserted or unasserted, actual or contingent, liquidated or unliquidated, at law or in equity, including specifically, but not limited to, claims for restitution, disgorgement, or any other form of monetary relief, damages, costs, or penalties, arising from the initiation, prosecution, assertion, litigation, settlement, or resolution of the Litigation, or the claims asserted therein, with the exception of any liability arising out of the tax treatment of the Settlement Fund. Any and all liability arising out of tax treatment will be governed by paragraph 8 of this Agreement.

10. CLAIMS ADMINISTRATOR

10.1. The Parties will agree to a Claims Administrator, and will request that the Court appoint the Claims Administrator. The Claims Administrator will be approved by the Court, will be an agent of the Court, and will be subject to the Court’s supervision and direction as circumstances may require. The Claims Administrator will administer the Notice Program and Claims process, and oversee the distribution of Awards to Settlement Class Members in accordance with the terms of the Settlement and orders of the Court.

10.2. The Claims Administrator shall administer the monetary relief for Settlement Class Members pursuant to the terms of this Agreement and shall seek to resolve Claims in a cost effective and timely manner. The Claims Administrator may request the assistance of the parties to identify Class Members; to facilitate providing notice directly or by publication; and to

accomplish such other purposes as may be approved by Ferrellgas and Class Counsel; and the parties shall reasonably cooperate with such requests.

10.3. The Claims Administrator shall maintain records of all Claims submitted. The Claims Administrator shall maintain all such records, until the later of, 120 days after either the Effective Date or the date all Claims have been finally resolved, and such records will be made available upon request to Class Counsel and Defense Counsel. Claim Forms and supporting documentation will be kept confidential by the Claims Administrator, but may also be provided to the Court upon request and to Class Counsel and Defense Counsel to the extent necessary to resolve claims determination issues pursuant to Paragraph 3.4.5. The Claims Administrator also shall provide such reports and such other information to the Court as it may require.

10.4. The Claims Administrator will review and validate all Claims submitted by Settlement Class Members. The Claims Administrator shall have the discretion to review Claims with the objectives of efficiency and effecting substantial justice to the Parties and the Settlement Class Members. The inability of a Settlement Class Member to provide precise dates of purchase, price paid, or the identity of the selling retailer may not per se invalidate a Category B Claim, depending upon the quality and detail of the total information provided. Issues regarding the validity of Claims that cannot be resolved by the Claims Administrator shall be submitted to Defense Counsel and Class Counsel for resolution and, if no resolution is reached, to the Court.

10.5. The Claims Administrator shall, among other duties, cause the website located at www.propanesettlement.com to be updated to provide information and relevant documents related to this Settlement, including but not limited to, all applicable deadlines; Class Notice; a downloadable Claim Form that may be submitted by U.S. Mail or by electronic mail; FAQs and answers; orders of the Court pertaining to the Settlement; this Agreement; a toll-free telephone number; and contact addresses for the Claims Administrator for e-mail and U.S. mail. The cost of creating and maintaining this website shall be a compensable cost of Claims Administration pursuant to section 7.1. The interactive portions of the website may be rendered inactive at

Ferrellgas's sole discretion three (3) days after the Claims Deadline has passed. The Parties shall agree on all information and documents to be posted on this website.

11. SETTLEMENT NOTICE, OBJECTIONS AND OPT-OUT RIGHTS

11.1. Upon Preliminary Approval of the Settlement, as the Court may direct, the Claims Administrator shall cause the Class Notice to be disseminated to potential Settlement Class Members as provided herein. Class Notice shall be disseminated pursuant to the Notice Program on or before the Notice Date. Copies of the proposed forms of Class Notice are attached as Exhibits B and C.

11.2. The Class Notice shall:

11.2.1. contain a short, plain statement of the background of the Litigation and the proposed Settlement;

11.2.2. describe the proposed Settlement relief as set forth in this Agreement;

11.2.3. inform Settlement Class Members that, if they do not exclude themselves from the Settlement Class, they may be eligible to receive relief and will release their claims;

11.2.4. describe the procedures for participating in the Settlement and advise Settlement Class Members of their rights, including their right to file a Claim to receive an Award under the Settlement, to opt out of same, or object thereto;

11.2.5. explain the impact of the proposed Settlement on any existing litigation, arbitration or other proceeding;

11.2.6. state that any Award to Settlement Class Members under the Settlement is contingent on the Court's final approval of the proposed Settlement;

11.2.7. explain that neither Counsel for the Parties, nor the Claims Administrator may advise on the tax consequences of participating or not participating in the Settlement;

11.2.8. explain the procedures for opting out of the Settlement;

11.2.9. specify that so-called "mass" or "class" opt outs shall not be allowed; and

11.2.10. provide that any objection to the Settlement and any papers submitted in support of said objection will be considered only if the Settlement Class Member

making an objection has filed timely notice of his or her intention to do so, with the grounds for the objection, and has filed copies of such papers he or she proposes to submit at the Final Approval Hearing with the Clerk of the Court and served copies of such papers on Class Counsel and Defense Counsel on or before the Opt Out and Objection Date, as approved by the Court and specified in the Class Notice. A Class Member who fails to follow the procedures and deadlines set forth in the Class Notice for submitting his or her comments to the proposed Settlement, and who does not obtain leave of Court to excuse the failure, will waive their right to be heard by the Court and will waive their right to appeal.

11.3. Any Settlement Class Member who intends to object must do so on or before the Opt Out and Objection Date. In order to object, the Settlement Class Member must include in the objection submitted to the Court and served on Class Counsel and Defense Counsel: (a) the name, address, telephone number of the Person objecting and, if represented by counsel, of his/her counsel; and (b) proof of purchase, exchange or acquisition of a Ferrellgas propane cylinder. An objecting Settlement Class Member must state, specifically and in writing, all objections and the basis for any such objections, and provide a statement of whether he/she intends to appear at the Final Approval Hearing, either with or without counsel. Any Settlement Class Member who fails to file and serve timely a written objection and notice of his or her intent to appear at the Final Approval Hearing pursuant to this Paragraph, as detailed in the Class Notice, shall not be permitted to object to the approval of the Settlement at the Final Approval Hearing and shall be foreclosed from seeking any review of the Settlement or the terms of the Agreement by appeal or other means.

11.4. Prior to the Final Approval Hearing, the Claims Administrator shall provide to the Court documentation that Class Notice was provided in accordance with the Notice Program.

11.5. A Settlement Class Member who wishes to opt out of the Settlement Class must do so on or before the Opt Out and Objection Date. In order to opt out, a Settlement Class Member must complete and send to the Claims Administrator a Request For Exclusion that is post-marked no later than the Opt Out and Objection Date. The Request for Exclusion must be

personally signed by the Settlement Class Member requesting exclusion and contain a statement that indicates a desire to be excluded from the Settlement Class. So-called “mass” or “class” opt-outs shall not be allowed.

11.6. Except for those Settlement Class Members who timely and properly file a Request for Exclusion, all other Settlement Class Members will be deemed to be Settlement Class Members for all purposes under the Agreement, and upon the Effective Date, will be bound by its terms, regardless of whether they file a Claim or receive any monetary relief.

11.7. Any Settlement Class Member who properly opts out of the Settlement Class shall not: (a) be bound by any orders or judgments entered in the Representative or Related Actions relating to the Settlement; (b) be entitled to relief under, or be affected by, the Agreement; (c) gain any rights by virtue of the Agreement; or (d) be entitled to object to any aspect of the Settlement.

11.8. The Claims Administrator shall provide Class Counsel and Defense Counsel with a list of all timely Requests For Exclusion within five (5) business days after the Opt Out and Objection Date.

11.9. Pursuant to an agreement to be filed under seal, if the number of Settlement Class Members who properly and timely exercise their right to opt out of the Settlement Class exceeds the number agreed to by the Parties, the Parties stipulate and agree that Ferrellgas shall have the right to terminate this Agreement without penalty or sanction.

12. SETTLEMENT APPROVAL

12.1. The Parties will apply to the Court for entry of the proposed Preliminary Approval Order and setting of a Fairness Hearing.

12.2. Within ten (10) days of entry of the Preliminary Approval Order, Ferrellgas will serve notices of the Settlement on State and Federal regulatory authorities as required by the Class Action Fairness Act of 2005, 28 U.S.C. 1715 (“CAFA Notices”).

12.3. Not later than ten (10) days before the Fairness Hearing, the Claims Administrator will provide Ferrellgas, Class Counsel, and Defense Counsel with an affidavit or declaration by a

competent affiant or declarant, attesting that the Class Notice has been disseminated and published in accordance with the Preliminary Approval Order. Class Counsel will file the affidavit or declaration with the Court prior to the Fairness Hearing.

12.4. The Parties will brief the issue of Final Approval of the Settlement in accordance with the Preliminary Approval Order or such other or further order of the Court.

12.5. At the Fairness Hearing, the Parties will move for Final Approval of the Settlement and entry of the proposed Judgment and present their arguments in support thereof.

12.6. Promptly after the date on which all appellate rights with respect to the Judgment entered at the Fairness Hearing have expired or have been exhausted in such manner as to affirm and make final the Judgment, Plaintiffs and Settlement Class Members shall dismiss with prejudice all actions comprising the Litigation. The dismissal with prejudice of all actions comprising the Litigation is a condition precedent to disbursement of the consideration specified in this Agreement.

13. CERTIFICATION OF CONDITIONAL NATIONWIDE SETTLEMENT CLASS

13.1. In applying for entry of the Preliminary Approval Order, Plaintiffs will also apply for conditional certification of a nationwide Class for purposes of the Settlement. In moving for Final Approval of the Settlement and entry of Judgment, Plaintiffs will also request that certification of said nationwide Class for purposes of Settlement be made final.

13.2. Ferrellgas will not object solely for purposes of this Settlement that the Action may proceed as a nationwide class. Ferrellgas's failure to so object shall not constitute, in this or any other proceeding, an admission by Ferrellgas of any kind or any determination that certification of a nationwide class for trial purposes is appropriate. If the Settlement is not granted final approval, or this Agreement is otherwise terminated or rendered null and void, the certification of the above-described nationwide Class shall be automatically vacated and shall not constitute evidence or a binding determination that the requirements for certification of a nationwide class for trial purposes in this or any other action are satisfied; in such circumstances, Ferrellgas reserves all rights to challenge certification of a nationwide Class for trial purposes in

the Litigation, or in any other action, on all available grounds as if no nationwide class had been certified.

14. ATTORNEYS' FEES, EXPENSES AND REPRESENTATIVE PLAINTIFFS' INCENTIVE AWARDS

14.1. Ferrellgas agrees not to oppose an application for the award of Attorneys' Fees and Expenses in this Action not to exceed a total of \$7,250,000. Within seven (7) calendar days of Final Approval of this Settlement, Ferrellgas will wire transfer the amount awarded in Attorneys' Fees and Expenses into an interest bearing escrow account designated by Class Counsel. Such Attorneys' Fees and Expenses, plus accrued interest, will be paid from this escrow account by wire transfer within ten (10) business days after the date on which all appellate rights with respect to the Final Approval Order and/or the Judgment entered at the Fairness Hearing have expired or have been exhausted. This amount of Attorneys' Fees and Expenses includes any award for attorneys' fees in connection with securing final approval of this Agreement by the Court at the Fairness Hearing or other activities required by this Agreement. Class Counsel and Plaintiffs agree not to seek, accept, or enforce, on behalf of themselves, any others, or any combination of themselves and any others, any award of attorneys' fees and expenses that in the aggregate exceeds \$7,250,000 plus interest as provided herein.

14.2. Ferrellgas agrees to pay, and not to object to applications for, \$1,500 to each of the Plaintiffs in the Litigation who were deposed, the amount of such Incentive Award, if any, as may be approved by the Court. Ferrellgas also agrees to pay, and not to object to applications for, \$750 to each of the Plaintiffs in the Litigation who were not deposed, the amount of such Incentive Award, if any, as may be approved by the Court. This amount is in addition to and separate from the amounts Ferrellgas will pay to Class Members under the Settlement.

14.3. The procedure for and the grant or denial or allowance or disallowance by the Court of the Attorneys' Fees and Expenses and Incentive Awards are to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of

the Settlement, and any order or proceedings relating to the applications for Attorneys' Fees and Expenses and Incentive Awards, or any appeal from any order relating thereto or reversal or modification thereof, will not operate to terminate or cancel this Agreement, or affect or delay the finality of Judgment approving the Agreement and the Settlement, provided the amounts the Court awards for Attorneys' Fees and Expenses and Incentive Awards do not exceed the limits set forth in Paragraphs 14.1 and 14.3.

15. TERMINATION AND EFFECT THEREOF

15.1. Upon the Effective Date, Ferrellgas no longer has any claim, title, or ownership right to or any legal or equitable interest in any amount of the Settlement Fund except as provided in Paragraph 3.2.3.

15.2. If this Agreement is not approved by the Court or the Settlement is terminated or fails to become effective in accordance with the terms of this Agreement, the Settling Parties will be restored to their respective positions in the Litigation as of the date of preliminary approval. In such event, the terms and provisions of this Agreement, with the exception of paragraphs 7.1, 7.2, 7.3, 8.4 and 10.5, will have no further force and effect with respect to the Parties and will not be used in the Litigation, or in any other proceeding for any purpose, and any Judgment or order entered by the Court in accordance with the terms of this Agreement will be treated as vacated, *nunc pro tunc*. No order of the Court or modification or reversal on appeal of any order of the Court concerning any Attorneys' Fees and Expenses award to Class Counsel or Incentive Awards to the Plaintiffs will constitute grounds for cancellation or termination of this Agreement. Pursuant to paragraphs 7.1, 7.2, 7.3, 8.4 and 10.5, if the Court does not approve this Agreement or the Settlement is terminated, Ferrellgas still shall be responsible for all costs incurred, including Notice and Administrative Costs.

16. NOTICES

16.1. All Notices (other than the Class Notice and CAFA Notices) required by the Agreement shall be made in writing and communicated by fax and mail to the following addresses:

All Notices to Class Counsel shall be sent to Class Counsel, c/o:

STUEVE SIEGEL HANSON LLP
Norman E. Siegel
460 Nichols Road, Suite 200
Kansas, City, MO 64112
Telephone: (816) 714-7100
Facsimile: (816) 714-7101

All Notices to Defense Counsel provided herein shall be sent to Defense Counsel, c/o:

BRYAN CAVE LLP
Peter W. Herzog III
211 N. Broadway, Suite 3600
St. Louis, MO 63102
Telephone: (314) 259-2000
Facsimile: (314) 259-2020

16.2. The notice recipients and addresses designated above may be changed by written notice.

16.3. Upon the request of any of the Parties, the Parties agree to promptly provide each other with copies of comments, objections, requests for exclusion, or other documents or filings received as a result of the Class Notice.

17. MISCELLANEOUS PROVISIONS

17.1. The Parties acknowledge that it is their intent to consummate this Agreement, and they agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of this Agreement and to exercise their best efforts to accomplish the foregoing terms and conditions of this Agreement.

17.2. The Parties intend the Settlement to be a final and complete resolution of all disputes between them with respect to the Litigation. The Settlement compromises claims that are contested and will not be deemed an admission by any Settling Party as to the merits of any claim or defense. The Parties agree that the consideration provided to the Class and the other terms of the Settlement were negotiated in good faith by the Parties, and reflect a settlement that was reached voluntarily after consultation with competent legal counsel.

17.3. Neither this Agreement nor the Settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the Settlement is or may be deemed to be or may be used as an admission or evidence of the validity of any Released Claims, or of any wrongdoing or liability of Ferrellgas; or is or may be deemed to be or may be used as an admission of, or evidence of, any fault, omission, wrongdoing or liability of Ferrellgas in any civil, criminal, or administrative proceeding in any court, administrative agency or other tribunal. Ferrellgas may file this Agreement and/or the Judgment in any action that may be brought against it in order to support any defense or counterclaim, including without limitation those based on principles of res judicata, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion, issue preclusion, or similar defense or counterclaim.

17.4. All agreements made and orders entered during the course of the Action relating to the confidentiality of information will survive this Agreement.

17.5. All of the Exhibits to this Agreement are material and integral parts hereof and are fully incorporated herein by this reference.

17.6. This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties or their respective successors-in-interest.

17.7. This Agreement and the Exhibits attached hereto constitute the entire agreement among the Parties, and no representations, warranties, or inducements have been made to any Party concerning this Agreement or its Exhibits other than the representations, warranties, and covenants covered and memorialized herein. Except as otherwise provided herein, the Parties will bear their own respective costs.

17.8. Class Counsel, on behalf of the Settlement Class, are expressly authorized by Plaintiffs to take all appropriate action required or permitted to be taken by the Class pursuant to this Agreement to effectuate its terms, and are expressly authorized to enter into any modifications or amendments to this Agreement on behalf of the Class that Class Counsel deem appropriate.

17.9. Each counsel or other person executing this Agreement or any of its Exhibits on behalf of any Party hereby warrants that such person has the full authority to do so.

17.10. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument. A complete set of counterparts will be submitted to the Court.

17.11. This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Settling Parties.

17.12. The Court will retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all Parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement.

17.13. None of the Settling Parties, or their respective counsel, will be deemed the drafter of this Agreement or its Exhibits for purposes of construing the provisions thereof. The language in all parts of this Agreement and its Exhibits will be interpreted according to its fair meaning, and will not be interpreted for or against any Settling Party as the drafter thereof.

17.14. The Parties shall agree on language announcing the Settlement Agreement and shall respond to any inquiries from the press or third parties with the statement that the case was resolved to the mutual satisfaction of the parties. The Parties may make additional disclosures as necessary to comply with applicable law, existing contract, or ongoing business relationships (e.g., disclosures to the Securities and Exchange Commission, debt raters, or current or prospective debt holders), or to obtain or defend approval of the Settlement. Plaintiffs' Counsel may refer to the settlement in neutral terms on their respective websites and otherwise communicate with class members regarding the settlement.

17.15. Class Counsel represent and warrant that they are fully authorized to execute this Agreement on behalf of all plaintiffs named in the Consolidated Class Action Complaint, and to execute and legally bind those plaintiffs to this Agreement. Class Counsel further represent and warrant that they know of no other attorney who has appeared on any document filed on behalf of any of the Plaintiffs in any of the actions comprising the Litigation, and know of no other

attorney who has participated in any of the actions comprising the Litigation, who has any claim for attorneys' fees arising from the Litigation separate from those fees to be awarded pursuant to this Agreement. Class Counsel agree that if so requested by Ferrellgas, Class Counsel will make reasonable efforts to join Ferrellgas in opposing any request for fees in excess of the Attorneys' Fees and Expenses provided under this Agreement.

17.16. Plaintiffs represent and warrant that no portion of any claim, right, demand, action, or cause of action against Ferrellgas, that Plaintiffs, or any of them, have or may have arising out of any allegations made in any of the actions comprising the Litigation or pertaining to any of the Released Claims, and no portion of any recovery or settlement to which Plaintiffs, or any of them, may be entitled, has been assigned, transferred, or conveyed by or for Plaintiffs, or any of them, in any manner; and no person other than Plaintiffs has any legal or equitable interest in the claims, demands, actions, or causes of action referred to in this Agreement as those of Plaintiffs.


17.17. The Parties stipulate to stay all proceedings in the Litigation until the approval of this Agreement has been finally determined, except the stay of proceedings shall not prevent the filing of any motions, affidavits, and other matters necessary to obtain and preserve final judicial approval of this Agreement.

17.18. Within 60 days after the Effective Date, documents, electronically stored information, testimony, or other information produced by Ferrellgas in the Litigation shall be returned to Ferrellgas, or alternatively, Class Counsel shall destroy such documents, electronically stored information, testimony, or other information and shall so certify in writing.

IN WITNESS WHEREOF, the Parties have executed and caused this Agreement to be executed by their duly authorized attorneys below.

Plaintiffs:

HAGENS BERMAN SOBOL & SHAPIRO LLP

By:  by PTK
Elizabeth A. Fegan, Esq.

1144 W. Lake Street, Suite 400
Oak Park, IL 60301
Telephone: (708) 628-4949
Facsimile: (708) 628-4960

GIRARD GIBBS LLP

By: _____
Eric H. Gibbs, Esq.


601 California Street, Suite 1400
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Telephone: (415) 981-4800
Facsimile: (415) 981-4846

KAPLAN FOX & KILSHEIMER LLP

By: _____
Laurence D. King, Esq.

350 Sansome Street, Suite 400
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Telephone: (415) 772-4700
Facsimile: (415) 772-4707

STUEVE SIEGEL HANSON LLP

By: 
Norman E. Siegel, Esq.

460 Nichols Road, Suite 200
Kansas City, MO 64112
Telephone: (816) 714-7100
Facsimile: (816) 714-7101

Class Counsel


Plaintiffs:

HAGENS BERMAN SOBOL & SHAPIRO LLP

By: _____
Elizabeth A. Fegan, Esq.

1144 W. Lake Street, Suite 400
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460 Nichols Road, Suite 200
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Facsimile: (816) 714-7101

Class Counsel

Plaintiffs:

HAGENS BERMAN SOBOL & SHAPIRO LLP

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Norman E. Siegel, Esq.

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Telephone: (816) 714-7100
Facsimile: (816) 714-7101

Class Counsel

Ferrellgas:

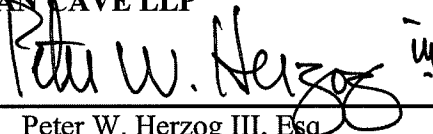
Ferrellgas Partners, L.P., Ferrellgas, Inc., and Ferrellgas, LP

By: 
Stephen L. Wambold [Name]

Its: President and Chief Executive Officer

Approved as to form:

BRYAN CAVE LLP

By: 
Peter W. Herzog III, Esq.
211 N. Broadway, Suite 3600
St. Louis, MO 63102
Telephone: (314) 259-2000
Facsimile: (314) 259-2020

Defense Counsel