

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended January 31, 2008

or

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____

Commission file numbers: 001-11331, 333-06693, 000-50182 and 000-50183

Ferrellgas Partners, L.P.
Ferrellgas Partners Finance Corp.
Ferrellgas, L.P.
Ferrellgas Finance Corp.

(Exact name of registrants as specified in their charters)

Delaware	43-1698480
Delaware	43-1742520
Delaware	43-1698481
Delaware	14-1866671

(States or other jurisdictions of
incorporation or organization)

(I.R.S. Employer Identification Nos.)

7500 College Boulevard, Suite 1000, Overland Park, KS 66210

(Address of principal executive offices) (Zip Code)

(913) 661-1500

(Registrants' telephone number, including area code)

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Ferrellgas Partners, L.P.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Ferrellgas Partners Finance Corp., Ferrellgas, L.P. and Ferrellgas Finance Corp.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Exchange Act).

Ferrellgas Partners, L.P. and Ferrellgas, L.P. Yes No

Ferrellgas Partners Finance Corp. and Ferrellgas Finance Corp. Yes No

At February 29, 2008, the registrants had common units or shares of common stock outstanding as follows:

Ferrellgas Partners, L.P.	62,958,674	Common Units
Ferrellgas Partners Finance Corp.	1,000	Common Stock
Ferrellgas, L.P.	n/a	n/a
Ferrellgas Finance Corp.	1,000	Common Stock

EACH OF FERRELLGAS PARTNERS FINANCE CORP. AND FERRELLGAS FINANCE CORP. MEET THE CONDITIONS SET FORTH IN GENERAL INSTRUCTION (H)(1) (A) AND (B) OF FORM 10-Q AND ARE THEREFORE, WITH RESPECT TO EACH SUCH REGISTRANT, FILING THIS FORM 10-Q WITH THE REDUCED DISCLOSURE FORMAT.

FERRELLGAS PARTNERS, L.P.
FERRELLGAS PARTNERS FINANCE CORP.
FERRELLGAS, L.P.
FERRELLGAS FINANCE CORP.
For the quarterly period ended January 31, 2008
FORM 10-Q QUARTERLY REPORT
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PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (unaudited)

FERRELLGAS PARTNERS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except unit data)
(unaudited)

	January 31, 2008	July 31, 2007
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 37,018	\$ 20,685
Accounts and notes receivable, net	169,074	118,320
Inventories	181,421	113,807
Prepaid expenses and other current assets	26,727	16,772
Total current assets	<u>414,240</u>	<u>269,584</u>
Property, plant and equipment, net	696,586	720,190
Goodwill	249,145	249,481
Intangible assets, net	235,644	246,283
Other assets, net	19,636	17,865
Total assets	<u>\$1,615,251</u>	<u>\$1,503,403</u>
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities:		
Accounts payable	\$ 135,302	\$ 62,103
Short-term borrowings	128,052	57,779
Other current liabilities	100,430	107,199
Total current liabilities	<u>363,784</u>	<u>227,081</u>
Long-term debt	1,017,865	1,011,751
Other liabilities	23,481	22,795
Contingencies and commitments (Note H)	—	—
Minority interest	4,834	5,119
Partners' capital:		
Common unitholders (62,958,674 and 62,957,674 units outstanding at January 31, 2008 and July 31, 2007, respectively)	261,153	289,075
General partner (635,946 and 635,936 units outstanding at January 31, 2008 and July 31, 2007, respectively)	(57,435)	(57,154)
Accumulated other comprehensive income	1,569	4,736
Total partners' capital	<u>205,287</u>	<u>236,657</u>
Total liabilities and partners' capital	<u>\$1,615,251</u>	<u>\$1,503,403</u>

See notes to condensed consolidated financial statements.

FERRELLGAS PARTNERS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(in thousands, except per unit data)
(unaudited)

	For the three months ended		For the six months ended	
	January 31,		January 31,	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenues:				
Propane and other gas liquids sales	\$684,456	\$581,997	\$1,043,391	\$ 926,916
Other	79,512	80,776	115,493	112,270
Total revenues	<u>763,968</u>	<u>662,773</u>	<u>1,158,884</u>	<u>1,039,186</u>
Costs and expenses:				
Cost of product sold — propane and other gas liquids sales	504,524	380,009	757,043	614,695
Cost of product sold — other	48,422	55,301	59,382	69,921
Operating expense	91,020	99,844	181,479	189,855
Depreciation and amortization expense	21,075	22,035	42,440	43,691
General and administrative expense	11,115	9,963	22,908	21,048
Equipment lease expense	6,143	6,454	12,494	13,098
Employee stock ownership plan compensation charge	3,072	2,739	6,246	5,580
Loss on disposal of assets and other	3,680	3,492	6,067	6,495
Operating income	74,917	82,936	70,825	74,803
Interest expense	(22,851)	(22,329)	(45,137)	(44,709)
Interest income	181	920	998	1,890
Earnings before income taxes and minority interest	52,247	61,527	26,686	31,984
Income tax expense (benefit)	464	1,672	(2,024)	1,882
Minority interest	585	666	412	426
Net earnings	51,198	59,189	28,298	29,676
Net earnings available to general partner unitholder	3,657	6,257	283	297
Net earnings available to common unitholders	<u>\$ 47,541</u>	<u>\$ 52,932</u>	<u>\$ 28,015</u>	<u>\$ 29,379</u>
Basic and diluted net earnings available per common unit	<u>\$ 0.76</u>	<u>\$ 0.84</u>	<u>\$ 0.44</u>	<u>\$ 0.47</u>

See notes to condensed consolidated financial statements.

FERRELLGAS PARTNERS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF PARTNERS' CAPITAL
(in thousands)
(unaudited)

	Number of units		Common unitholders	General partner unitholder	Accumulated other comprehensive income			Total partners' capital
	Common unitholders	General partner unitholder			Risk management	Currency translation adjustments	Pension liability	
July 31, 2007	62,957.7	635.9	\$ 289,075	\$(57,154)	\$ 5,055	\$ 30	\$ (349)	\$236,657
Contributions in connection with ESOP and stock-based compensation charges	—	—	7,003	71	—	—	—	7,074
Common unit distribution	—	—	(62,959)	(635)	—	—	—	(63,594)
Common unit options exercised	1.0	—	19	—	—	—	—	19
Comprehensive income (loss):								
Net earnings	—	—	28,015	283	—	—	—	28,298
Other comprehensive income (loss):								
Net earnings on risk management derivatives	—	—	—	—	(5,055)	—	—	
Reclassification of derivatives to earnings	—	—	—	—	1,856	—	—	
Foreign currency translation adjustment	—	—	—	—	—	(12)	—	
Tax effect on foreign currency translation adjustment	—	—	—	—	—	5	—	
Pension liability adjustment	—	—	—	—	—	—	39	(3,167)
Comprehensive income								25,131
January 31, 2008	<u>62,958.7</u>	<u>635.9</u>	<u>\$ 261,153</u>	<u>\$(57,435)</u>	<u>\$ 1,856</u>	<u>\$ 23</u>	<u>\$ (310)</u>	<u>\$205,287</u>

See notes to condensed consolidated financial statements.

FERRELLGAS PARTNERS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	For the six months ended	
	January 31,	
	2008	2007
Cash flows from operating activities:		
Net earnings	\$ 28,298	\$ 29,676
Reconciliation of net earnings to net cash provided by operating activities		
Depreciation and amortization expense	42,440	43,691
Employee stock ownership plan compensation charge	6,246	5,580
Stock-based compensation charge	900	666
Loss on disposal of assets	2,015	2,464
Minority interest	412	426
Loss on transfer of accounts receivable related to the accounts receivable securitization	5,815	5,784
Deferred tax expense (benefit)	(2,381)	483
Other	4,959	785
Changes in operating assets and liabilities, net of effects from business acquisitions:		
Accounts and notes receivable, net of securitization	(156,542)	(105,264)
Inventories	(70,000)	14,396
Prepaid expenses and other current assets	(12,848)	(5,203)
Accounts payable	72,253	22,638
Accrued interest expense	(2,857)	(1,500)
Other current liabilities	(3,835)	(22,097)
Other liabilities	159	1,166
Accounts receivable securitization:		
Proceeds from new accounts receivable securitizations	103,000	93,000
Proceeds from collections reinvested in revolving period accounts receivable securitizations	671,536	622,251
Remittances of amounts collected as servicer of accounts receivable securitizations	(675,536)	(632,251)
Net cash provided by operating activities	<u>14,034</u>	<u>76,691</u>
Cash flows from investing activities:		
Business acquisitions, net of cash acquired	(187)	(30,910)
Capital expenditures	(15,289)	(18,202)
Proceeds from sale of assets	6,250	5,506
Other	(203)	(2,641)
Net cash used in investing activities	<u>(9,429)</u>	<u>(46,247)</u>
Cash flows from financing activities:		
Distributions	(63,594)	(63,482)
Issuance of common units, net of issuance costs of \$226	—	44,319
Proceeds from increase in long-term debt	97,527	51,176
Reductions in long-term debt	(91,721)	(59,592)
Net additions to short-term borrowings	70,273	3,124
Cash paid for financing costs	—	(59)
Minority interest activity	(769)	(768)
Proceeds from exercise of common unit options	19	875
Cash contribution from general partner	—	470
Net cash provided by (used in) financing activities	<u>11,735</u>	<u>(23,937)</u>
Effect of exchange rate changes on cash	(7)	(116)
Increase in cash and cash equivalents	16,333	6,391
Cash and cash equivalents — beginning of year	20,685	16,525
Cash and cash equivalents — end of period	<u>\$ 37,018</u>	<u>\$ 22,916</u>

See notes to condensed consolidated financial statements.

FERRELLGAS PARTNERS, L.P. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
January 31, 2008
(Dollars in thousands, except per unit data, unless otherwise designated)
(unaudited)

A. Partnership organization and formation

Ferrellgas Partners, L.P. ("Ferrellgas Partners") is a publicly traded limited partnership, owning an approximate 99% limited partner interest in Ferrellgas, L.P. (the "operating partnership"). Ferrellgas Partners and the operating partnership are collectively referred to as "Ferrellgas." Ferrellgas, Inc. (the "general partner"), a wholly-owned subsidiary of Ferrell Companies, Inc. ("Ferrell Companies"), has retained a 1% general partner interest in Ferrellgas Partners and also holds an approximate 1% general partner interest in the operating partnership, representing an effective 2% general partner interest in Ferrellgas on a combined basis. As general partner, it performs all management functions required by Ferrellgas. At January 31, 2008 Ferrell Companies beneficially owns 20.3 million of Ferrellgas Partners' outstanding common units.

Ferrellgas Partners is a holding entity that conducts no operations and has two subsidiaries, Ferrellgas Partners Finance Corp. and the operating partnership. Ferrellgas Partners owns a 100% equity interest in Ferrellgas Partners Finance Corp., whose only business activity is to act as the co-issuer and co-obligor of any debt issued by Ferrellgas Partners. The operating partnership is the only operating subsidiary of Ferrellgas Partners.

The condensed consolidated financial statements of Ferrellgas reflect all adjustments that are, in the opinion of management, necessary for a fair presentation of the interim periods presented. All adjustments to the condensed consolidated financial statements were of a normal, recurring nature. The information included in this Quarterly Report on Form 10-Q should be read in conjunction with (i) the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," and (ii) the consolidated financial statements and accompanying notes, each as set forth in Ferrellgas' Annual Report on Form 10-K for fiscal 2007.

B. Summary of significant accounting policies

(1) Nature of operations:

The operating partnership is engaged primarily in the distribution of propane and related equipment and supplies in the United States. The propane distribution market is seasonal because propane is used primarily for heating in residential and commercial buildings. Therefore, the results of operations for the six months ended January 31, 2008 and 2007 are not necessarily indicative of the results to be expected for a full fiscal year. We have approximately 1 million customers. These customers include residential, industrial/commercial, portable tank exchange, agricultural and other customers in all 50 states, the District of Columbia and Puerto Rico.

(2) Accounting estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates. Significant estimates impacting the condensed consolidated financial statements include accruals that have been established for contingent liabilities, pending claims and legal actions arising in the normal course of business, useful lives of property, plant and equipment assets, residual values of tanks, capitalization of customer tank installation costs, amortization methods of intangible assets, and valuation methods

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used to value sales returns and allowances, allowance for doubtful accounts, derivative commodity contracts and stock and unit-based compensation calculations.

(3) Supplemental cash flow information:

	For the six months ended	
	January 31,	
	2008	2007
CASH PAID FOR:		
Interest	\$46,978	\$45,024
Income taxes	\$ 1,279	\$ 1,765
NON-CASH INVESTING ACTIVITIES:		
Issuance of common units in connection with acquisitions	\$ 0	\$ 2,751
Assumption of liabilities in connection with acquisitions	\$ 0	\$ 2,331
Property, plant and equipment additions	\$ 2,132	\$ 1,718

(4) New accounting standards:

Statement of Financial Accounting Standards ("SFAS") No. 157, "Fair Value Measurements" defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. This statement is effective for fiscal years beginning after November 15, 2007. Ferrellgas is currently evaluating the potential impact of this statement.

SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities," provides entities the irrevocable option to elect to carry most financial assets and liabilities at fair value with changes in fair value recorded in earnings. This statement is effective for fiscal years beginning after November 15, 2007. Ferrellgas is currently evaluating the potential impact of this statement.

FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes — an interpretation of FASB Statement No. 109" provides a recognition threshold and measurement attribute for the recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on derecognition, classification, treatment of interest and penalties, and disclosure. The adoption of this interpretation during fiscal 2008 did not have a significant impact to Ferrellgas.

SFAS No. 141(R) "Business Combinations" (a replacement of SFAS No. 141, "Business Combinations") establishes principles and requirements for how the acquirer in a business combination recognizes and measures the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree, how the acquirer recognizes and measures goodwill or a gain from a bargain purchase (formerly negative goodwill) and how the acquirer determines what information to disclose. This statement is effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. Ferrellgas is currently evaluating the potential impact of this statement.

SFAS No. 160 "Noncontrolling Interests in Consolidated Financial Statements" establishes accounting and reporting standards for the noncontrolling interest (formerly minority interest) in a subsidiary and for the deconsolidation of a subsidiary and it clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity. This Statement is effective for fiscal years beginning on or after December 15, 2008. Ferrellgas is currently evaluating the potential impact of this statement.

[Table of Contents](#)*(5) Income taxes:*

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
Current expense	\$ 670	\$ 1,418	\$ 357	\$ 1,399
Deferred expense (benefit)	(206)	254	(2,381)	483
Income tax expense (benefit)	<u>\$ 464</u>	<u>\$ 1,672</u>	<u>\$ (2,024)</u>	<u>\$ 1,882</u>

Deferred taxes consisted of the following:

	January 31, 2008	July 31, 2007
Deferred tax assets	\$ 4,722	\$ 1,718
Deferred tax liabilities	(4,618)	(4,000)

During the first quarter of fiscal 2008 the Governor of the State of Michigan signed into law a one time credit for a previously passed Michigan Business Tax law. The passing of this new tax law caused Ferrellgas to recognize a one time deferred tax benefit of \$2.8 million during fiscal 2008.

C. Supplemental financial statement information

Inventories consist of:

	January 31, 2008	July 31, 2007
Propane gas and related products	\$ 160,791	\$ 89,769
Appliances, parts and supplies	20,630	24,038
	<u>\$ 181,421</u>	<u>\$ 113,807</u>

In addition to inventories on hand, Ferrellgas enters into contracts primarily to buy propane for supply procurement purposes. Most of these contracts have terms of less than one year and call for payment based on market prices at the date of delivery. All fixed price contracts have terms of fewer than 24 months. As of January 31, 2008, Ferrellgas had committed, for supply procurement purposes, to take net delivery of approximately 21.0 million gallons of propane at fixed prices.

Loss on disposal of assets and other consist of:

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
Loss on disposal of assets	\$ 912	\$ 810	\$ 2,015	\$ 2,464
Loss on transfer of accounts receivable related to the accounts receivable securitization	3,947	3,770	5,815	5,784
Service income related to the accounts receivable securitization	(1,179)	(1,088)	(1,763)	(1,753)
	<u>\$ 3,680</u>	<u>\$ 3,492</u>	<u>\$ 6,067</u>	<u>\$ 6,495</u>

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Shipping and handling expenses are classified in the following condensed consolidated statements of earnings line items:

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
Operating expense	\$ 46,571	\$46,153	\$83,021	\$77,395
Depreciation and amortization expense	1,236	1,336	2,532	2,725
Equipment lease expense	5,686	5,748	11,531	11,659
	<u>\$ 53,493</u>	<u>\$53,237</u>	<u>\$97,084</u>	<u>\$91,779</u>

Other current liabilities consist of:

	January 31, 2008	July 31, 2007
Accrued interest	\$ 20,590	\$ 23,447
Accrued payroll	12,155	16,680
Accrued Insurance	12,224	11,602
Customer deposits and advances	20,735	21,018
Other	34,726	34,452
	<u>\$100,430</u>	<u>\$107,199</u>

D. Accounts receivable securitization

The operating partnership transfers certain of its trade accounts receivable to Ferrellgas Receivables, LLC ("Ferrellgas Receivables"), a wholly-owned unconsolidated, special purpose entity, and retains an interest in a portion of these transferred receivables. As these transferred receivables are subsequently collected and the funding from the accounts receivable securitization facility is reduced, the operating partnership's retained interest in these receivables is reduced. The accounts receivable securitization facility consisted of the following:

	January 31, 2008	July 31, 2007
Retained interest	\$ 37,256	\$14,022
Accounts receivable transferred	\$200,000	\$76,250

The retained interest was classified as accounts and notes receivable on the condensed consolidated balance sheets. The operating partnership had fully utilized the accounts receivable securitization facility's capacity as of January 31, 2008.

Other accounts receivable securitization disclosures consist of the following items:

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
Net non-cash activity	\$2,768	\$965	\$4,052	\$1,582
Bad debt expense	\$ —	\$ 61	\$ —	\$ 202

The net non-cash activity reported in the condensed consolidated statements of earnings approximates the financing cost of issuing commercial paper backed by these accounts receivable plus an allowance for doubtful accounts associated with the outstanding receivables transferred to Ferrellgas Receivables. The weighted average discount rate used to value the retained interest in the transferred receivables was 5.2% and 5.3% as of January 31, 2008 and July 31, 2007, respectively.

E. Long-term debt

Long-term debt consists of:

	January 31, 2008	July 31, 2007
Senior notes		
Fixed rate, Series C-E, ranging from 7.12% to 7.42% due 2008-2013	\$ 204,000	\$ 204,000
Fixed rate, 8.75%, due 2012, net of unamortized premium	269,661	269,851
Fixed rate, Series C, 8.87%, due 2009	73,000	163,000
Fixed rate, 6.75% due 2014, net of unamortized discount	249,439	249,391
Credit facilities , variable interest rates, expiring 2009 and 2010 (net of \$128.1 million and \$57.8 million classified as short-term borrowings at January 31, 2008 and July 31, 2007 respectively)	217,548	120,021
Notes payable , due 2008 to 2016, net of unamortized discount	6,936	8,395
Capital lease obligations	39	50
	<u>1,020,623</u>	<u>1,014,708</u>
Less: current portion, included in other current liabilities on the condensed consolidated balance sheets	2,758	2,957
	<u>\$1,017,865</u>	<u>\$1,011,751</u>

During August 2007, Ferrellgas made scheduled principal payments of \$90.0 million of the 8.78% Series B senior notes using proceeds from borrowings on the unsecured bank credit facilities.

Unsecured bank credit facilities

As of January 31, 2008, Ferrellgas had total borrowings outstanding under the unsecured bank credit facilities of \$345.6 million. Ferrellgas classified \$128.1 million of this amount as short term borrowings since it was used to fund working capital needs that management intends to pay down within the next 12 months. These borrowings have a weighted average interest rate of 6.77%. As of July 31, 2007, Ferrellgas had total borrowings outstanding under the unsecured bank credit facilities of \$177.8 million. Ferrellgas classified \$57.8 million of this amount as short term borrowings since it was used to fund working capital needs that management had intended to pay down within the following 12 months. These borrowings had a weighted average interest rate of 7.21%.

F. Partners' capital

Partnership distributions

Ferrellgas Partners has paid the following distributions:

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
Public common unit holders	\$19,169	\$19,113	\$38,339	\$38,227
Ferrell Companies (1)	10,040	10,040	20,081	20,081
FCI Trading Corp. (2)	98	98	196	196
Ferrell Propane, Inc. (3)	26	26	51	51
James E. Ferrell (4)	2,146	2,146	4,292	4,292
General partner	318	318	635	635
	<u>\$31,797</u>	<u>\$31,741</u>	<u>\$63,594</u>	<u>\$63,482</u>

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- (1) Ferrell Companies is the owner of the general partner and a 32% owner of Ferrellgas' common units and thus a related party.
- (2) FCI Trading Corp. ("FCI Trading") is an affiliate of the general partner and thus a related party.
- (3) Ferrell Propane, Inc. ("Ferrell Propane") is controlled by the general partner and thus a related party.
- (4) James E. Ferrell ("Mr. Ferrell") is the Chairman and Chief Executive Officer of the general partner and thus a related party.

On February 26, 2008, Ferrellgas Partners declared a cash distribution of \$0.50 per common unit for the three months ended January 31, 2008, which is expected to be paid on March 14, 2007. Included in this cash distribution are the following amounts expected to be paid to related parties:

Ferrell Companies	\$10,040
FCI Trading Corp.	98
Ferrell Propane, Inc.	26
James E. Ferrell	2,157
General partner	318

See additional discussions about transactions with related parties in Note G — Transactions with related parties.

G. Transactions with related parties

Reimbursable costs

Ferrellgas has no employees and is managed and controlled by its general partner. Pursuant to Ferrellgas' partnership agreements, the general partner is entitled to reimbursement for all direct and indirect expenses incurred or payments it makes on behalf of Ferrellgas, and all other necessary or appropriate expenses allocable to Ferrellgas or otherwise reasonably incurred by its general partner in connection with operating Ferrellgas' business. These costs primarily include compensation and benefits paid to employees of the general partner who perform services on Ferrellgas' behalf and are reported in the condensed consolidated statements of earnings as follows:

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
Operating expense	\$46,494	\$54,186	\$91,923	\$103,511
General and administrative expense	6,436	5,586	13,432	11,297

See additional discussions about transactions with related parties in Note F — Partners' capital.

H. Contingencies

Ferrellgas' operations are subject to all operating hazards and risks normally incidental to handling, storing, transporting and otherwise providing for use by consumers of combustible liquids such as propane. As a result, at any given time, Ferrellgas is threatened with or named as a defendant in various lawsuits arising in the ordinary course of business. Currently, Ferrellgas is not a party to any legal proceedings other than various claims and lawsuits arising in the ordinary course of business. It is not possible to determine the ultimate disposition of these matters; however, management is of the opinion that there are no known claims or contingent claims that are reasonably expected to have a material adverse effect on the condensed consolidated financial condition, results of operations and cash flows of Ferrellgas.

I. Earnings per common unit

Below is a calculation of the basic and diluted earnings per common unit in the condensed consolidated statements of earnings for the periods indicated. In accordance with EITF 03-6, "Participating Securities and the Two-Class Method under FASB Statement No. 128, *Earnings per Share*" ("EITF 03-6"), Ferrellgas calculates net earnings per limited partner unit for each period presented according to distributions declared and participation rights in undistributed earnings, as if all of the earnings for the period had been distributed. In periods with undistributed earnings above certain levels, the calculation according to the two-class method results in an increased allocation of undistributed earnings to the general partner and a dilution of the earnings to the limited partners. Due to the seasonality of the propane business, the dilution effect of EITF 03-6 on net earnings per limited partner unit will typically impact the three months ending January 31. The dilutive effect of EITF 03-6 on basic and diluted net earnings available per common unit was \$0.05 and \$0.09 for the three months ended January 31, 2008 and 2007, respectively. EITF 03-6 did not result in a dilutive effect for the six months ended January 31, 2008 and 2007.

In periods with year-to-date net losses the allocation of the net losses to the limited partners and the general partner will be determined based on the same allocation basis specified in the Ferrellgas Partners' partnership agreement that would apply to periods in which there were no undistributed earnings. Ferrellgas typically incurs net losses in the three month period ended October 31.

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
Net earnings available to common unitholders	\$ 47,541	\$ 52,932	\$ 28,015	\$ 29,379
Weighted average common units outstanding (<i>in thousands</i>)	62,958.7	62,884.2	62,958.7	62,561.4
Dilutive securities	12.6	15.7	13.3	18.1
Weighted average common units outstanding plus dilutive securities	62,971.3	62,899.9	62,972.0	62,579.5
Basic and diluted net earnings available per common unit	\$ 0.76	\$ 0.84	\$ 0.44	\$ 0.47

FERRELLGAS PARTNERS FINANCE CORP.
(A wholly-owned subsidiary of Ferrellgas Partners, L.P.)

CONDENSED BALANCE SHEETS
(in dollars)
(unaudited)

	January 31, 2008	July 31, 2007
ASSETS		
Cash	\$ 1,000	\$ 1,000
Total assets	<u>\$ 1,000</u>	<u>\$ 1,000</u>
STOCKHOLDER'S EQUITY		
Common stock, \$1.00 par value; 2,000 shares authorized; 1,000 shares issued and outstanding	\$ 1,000	\$ 1,000
Additional paid in capital	4,262	4,157
Accumulated deficit	(4,262)	(4,157)
Total stockholder's equity	<u>\$ 1,000</u>	<u>\$ 1,000</u>

CONDENSED STATEMENTS OF EARNINGS
(in dollars)
(unaudited)

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
General and administrative expense	\$ 60	\$ —	\$ 105	\$ 45
Net loss	<u>\$ (60)</u>	<u>\$ —</u>	<u>\$ (105)</u>	<u>\$ (45)</u>

See note to condensed financial statements.

FERRELLGAS PARTNERS FINANCE CORP.
(A wholly-owned subsidiary of Ferrellgas Partners, L.P.)
CONDENSED STATEMENTS OF CASH FLOWS
(in dollars)
(unaudited)

	For the six months ended January 31,	
	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Net loss	\$ (105)	\$ (45)
Cash used in operating activities	<u>(105)</u>	<u>(45)</u>
Cash flows from financing activities:		
Capital contribution	105	45
Cash provided by financing activities	<u>105</u>	<u>45</u>
Change in cash	—	—
Cash — beginning of period	1,000	1,000
Cash — end of period	<u>\$ 1,000</u>	<u>\$ 1,000</u>

See note to condensed financial statements.

NOTE TO CONDENSED FINANCIAL STATEMENTS
JANUARY 31, 2008
(unaudited)

A. Formation

Ferrellgas Partners Finance Corp. (the "Finance Corp."), a Delaware corporation, was formed on March 28, 1996, and is a wholly-owned subsidiary of Ferrellgas Partners, L.P (the "Partnership").

The condensed financial statements reflect all adjustments that are, in the opinion of management, necessary for a fair statement of the interim periods presented. All adjustments to the condensed financial statements were of a normal, recurring nature.

The Finance Corp. has nominal assets, does not conduct any operations, has no employees and serves as co-issuer and co-obligor for debt securities of the Partnership.

FERRELLGAS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)
(unaudited)

	January 31, 2008	July 31, 2007
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 36,860	\$ 20,407
Accounts and notes receivable, net	169,074	118,320
Inventories	181,421	113,807
Prepaid expenses and other current assets	26,058	16,103
Total current assets	413,413	268,637
Property, plant and equipment, net	696,586	720,190
Goodwill	249,145	249,481
Intangible assets, net	235,644	246,283
Other assets, net	17,447	15,360
Total assets	<u>\$1,612,235</u>	<u>\$1,499,951</u>
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities:		
Accounts payable	\$ 135,302	\$ 62,103
Short-term borrowings	128,052	57,779
Other current liabilities	97,179	104,018
Total current liabilities	360,533	223,900
Long-term debt	748,204	741,900
Other liabilities	23,481	22,795
Contingencies and commitments (Note H)	—	—
Partners' capital		
Limited partner	473,614	501,501
General partner	4,834	5,119
Accumulated other comprehensive income	1,569	4,736
Total partners' capital	480,017	511,356
Total liabilities and partners' capital	<u>\$1,612,235</u>	<u>\$1,499,951</u>

See notes to condensed consolidated financial statements.

FERRELLGAS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(in thousands)
(unaudited)

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
Revenues:				
Propane and other gas liquids sales	\$684,456	\$581,997	\$1,043,391	\$ 926,916
Other	79,512	80,776	115,493	112,270
Total revenues	<u>763,968</u>	<u>662,773</u>	<u>1,158,884</u>	<u>1,039,186</u>
Costs and expenses:				
Cost of product sold — propane and other gas liquids sales	504,524	380,009	757,043	614,695
Cost of product sold — other	48,422	55,301	59,382	69,921
Operating expense	90,958	99,782	181,354	189,730
Depreciation and amortization expense	21,075	22,035	42,440	43,691
General and administrative expense	11,115	9,963	22,908	21,048
Equipment lease expense	6,143	6,454	12,494	13,098
Employee stock ownership plan compensation charge	3,072	2,739	6,246	5,580
Loss on disposal of assets and other	3,680	3,492	6,067	6,495
Operating income	74,979	82,998	70,950	74,928
Interest expense	(16,917)	(16,403)	(33,277)	(32,809)
Interest income	181	920	998	1,890
Earnings before income taxes	58,243	67,515	38,671	44,009
Income tax expense (benefit)	389	1,672	(2,099)	1,882
Net earnings	<u>\$ 57,854</u>	<u>\$ 65,843</u>	<u>\$ 40,770</u>	<u>\$ 42,127</u>

See notes to condensed consolidated financial statements.

FERRELLGAS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF PARTNERS' CAPITAL
(in thousands)
(unaudited)

	Limited partner	General partner	Accumulated other comprehensive income			Total partners' capital
			Risk management	Currency translation adjustments	Pension liability	
July 31, 2007	\$501,501	\$ 5,119	\$ 5,055	\$ 30	\$ (349)	\$511,356
Contributions in connection with ESOP and stock-based compensation charges	7,074	72	—	—	—	7,146
Distribution	(75,319)	(769)	—	—	—	(76,088)
Comprehensive income (loss):						
Net earnings	40,358	412	—	—	—	40,770
Other comprehensive income (loss):						
Net earnings on risk management derivatives	—	—	(5,055)	—	—	
Reclassification of derivatives to earnings	—	—	1,856	—	—	
Foreign currency translation adjustment	—	—	—	(12)	—	
Tax effect on foreign currency translation adjustment	—	—	—	5	—	
Pension liability adjustment	—	—	—	—	39	(3,167)
Comprehensive income						37,603
January 31, 2008	<u>\$473,614</u>	<u>\$ 4,834</u>	<u>\$ 1,856</u>	<u>\$ 23</u>	<u>\$ (310)</u>	<u>\$480,017</u>

See notes to condensed consolidated financial statements.

FERRELLGAS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	For the six months ended	
	January 31,	
	2008	2007
Cash flows from operating activities:		
Net earnings	\$ 40,770	\$ 42,127
Reconciliation of net earnings to net cash provided by operating activities:		
Depreciation and amortization expense	42,440	43,691
Employee stock ownership plan compensation charge	6,246	5,580
Stock-based compensation charge	900	666
Loss on disposal of assets	2,015	2,464
Loss on transfer of accounts receivable related to the accounts receivable securitization	5,815	5,784
Deferred tax expense (benefit)	(2,381)	483
Other	4,833	659
Changes in operating assets and liabilities, net of effects from business acquisitions:		
Accounts and notes receivable, net of securitization	(156,542)	(105,264)
Inventories	(70,000)	14,396
Prepaid expenses and other current assets	(12,848)	(5,203)
Accounts payable	72,253	22,638
Accrued interest expense	(2,857)	(1,501)
Other current liabilities	(3,905)	(22,189)
Other liabilities	159	1,166
Accounts receivable securitization:		
Proceeds from new accounts receivable securitizations	103,000	93,000
Proceeds from collections reinvested in revolving period accounts receivable securitizations	671,536	622,251
Remittances of amounts collected as servicer of accounts receivable securitizations	(675,536)	(632,251)
Net cash provided by operating activities	<u>25,898</u>	<u>88,497</u>
Cash flows from investing activities:		
Business acquisitions, net of cash acquired	(187)	(30,937)
Capital expenditures	(15,289)	(18,202)
Proceeds from asset sales	6,250	5,506
Other	(203)	(2,640)
Net cash used in investing activities	<u>(9,429)</u>	<u>(46,273)</u>
Cash flows from financing activities:		
Distributions	(76,088)	(75,975)
Contributions from partners	—	46,570
Proceeds from increase in long-term debt	97,527	51,176
Reductions in long-term debt	(91,721)	(59,592)
Net additions to short-term borrowings	70,273	3,124
Cash paid for financing costs	—	(15)
Net cash used in financing activities	<u>(9)</u>	<u>(34,712)</u>
Effect of exchange rate changes on cash	(7)	(116)
Increase in cash and cash equivalents	16,453	7,396
Cash and cash equivalents — beginning of period	20,407	14,875
Cash and cash equivalents — end of period	<u>\$ 36,860</u>	<u>\$ 22,271</u>

See notes to condensed consolidated financial statements.

FERRELLGAS, L.P. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
January 31, 2008
(Dollars in thousands, unless otherwise designated)
(unaudited)

A. Partnership organization and formation

Ferrellgas, L.P. is a limited partnership that owns and operates propane distribution and related assets. Ferrellgas Partners, L.P. ("Ferrellgas Partners"), a publicly traded limited partnership, owns an approximate 99% limited partner interest in, and consolidates, Ferrellgas, L.P. Ferrellgas, Inc. (the "general partner"), a wholly-owned subsidiary of Ferrell Companies, Inc. ("Ferrell Companies"), holds an approximate 1% general partner interest in Ferrellgas, L.P. and performs all management functions required by Ferrellgas, L.P.

Ferrellgas, L.P. owns a 100% equity interest in Ferrellgas Finance Corp. whose only business activity is to act as the co-issuer and co-obligor of any debt issued by Ferrellgas, L.P.

The condensed consolidated financial statements of Ferrellgas, L.P. and subsidiaries reflect all adjustments, that are, in the opinion of management, necessary for a fair statement of the interim periods presented. All adjustments to the condensed consolidated financial statements were of a normal, recurring nature. The information included in this Quarterly Report on Form 10-Q should be read in conjunction with (i) the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and (ii) the consolidated financial statements and accompanying notes, each as set forth in Ferrellgas, L.P.'s Annual Report on Form 10-K for fiscal 2007.

B. Summary of significant accounting policies

(1) Nature of operations:

Ferrellgas, L.P. is engaged primarily in the distribution of propane and related equipment and supplies in the United States. The propane distribution market is seasonal because propane is used primarily for heating in residential and commercial buildings. Therefore, the results of operations for the six months ended January 31, 2008 and 2007 are not necessarily indicative of the results to be expected for a full fiscal year. We have approximately 1 million customers. These customers include residential, industrial/commercial, portable tank exchange, agricultural and other customers in all 50 states, the District of Columbia and Puerto Rico.

(2) Accounting estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates. Significant estimates impacting the condensed consolidated financial statements include accruals that have been established for contingent liabilities, pending claims and legal actions arising in the normal course of business, useful lives of property, plant and equipment assets, residual values of tanks, capitalization of customer tank installation costs, amortization methods of intangible assets, and valuation methods used to value sales returns and allowances, allowance for doubtful accounts, derivative commodity contracts and stock and unit-based compensation calculations.

[Table of Contents](#)*(3) Supplemental cash flow information:*

	For the six months ended	
	January 31,	
	2008	2007
CASH PAID FOR:		
Interest	\$35,244	\$33,299
Income taxes	\$ 1,279	\$ 1,765
NON-CASH INVESTING ACTIVITIES:		
Assets contributed from Ferrellgas Partners in connection with acquisitions	\$ 0	\$ 2,009
Issuance of liabilities in connection with acquisitions	\$ 0	\$ 2,331
Property, plant and equipment additions	\$ 2,132	\$ 1,718

(4) New accounting standards:

Statement of Financial Accounting Standards ("SFAS") No. 157, "Fair Value Measurements" defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. This statement is effective for fiscal years beginning after November 15, 2007. Ferrellgas, L.P. is currently evaluating the potential impact of this statement.

SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities," provides entities the irrevocable option to elect to carry most financial assets and liabilities at fair value with changes in fair value recorded in earnings. This statement is effective for fiscal years beginning after November 15, 2007. Ferrellgas, L.P. is currently evaluating the potential impact of this statement.

FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes — an interpretation of FASB Statement No. 109" provides a recognition threshold and measurement attribute for the recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on derecognition, classification, treatment of interest and penalties, and disclosure. The adoption of this interpretation during fiscal 2008 did not have a significant impact to Ferrellgas, L.P.

SFAS No. 141(R) "Business Combinations" (a replacement of SFAS No. 141, "Business Combinations") establishes principles and requirements for how the acquirer in a business combination recognizes and measures the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree, how the acquirer recognizes and measures goodwill or a gain from a bargain purchase (formerly negative goodwill) and how the acquirer determines what information to disclose. This statement is effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. Ferrellgas, L.P. is currently evaluating the potential impact of this statement.

SFAS No. 160 "Noncontrolling Interests in Consolidated Financial Statements" establishes accounting and reporting standards for the noncontrolling interest (formerly minority interest) in a subsidiary and for the deconsolidation of a subsidiary and it clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity. This Statement is effective for fiscal years beginning on or after December 15, 2008. Ferrellgas, L.P. is currently evaluating the potential impact of this statement.

[Table of Contents](#)*(5) Income taxes:*

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
Current expense	\$ 595	\$ 1,418	\$ 282	\$ 1,399
Deferred expense (benefit)	(206)	254	(2,381)	483
Income tax expense (benefit)	<u>\$ 389</u>	<u>\$ 1,672</u>	<u>\$ (2,099)</u>	<u>\$ 1,882</u>

Deferred taxes consisted of the following:

	January 31, 2008	July 31, 2007
Deferred tax assets	\$ 4,722	\$ 1,718
Deferred tax liabilities	(4,618)	(4,000)

During the first quarter of fiscal 2008 the Governor of the State of Michigan signed into law a one time credit for a previously passed Michigan Business Tax law. The passing of this new tax law caused Ferrellgas, L.P. to recognize a one time deferred tax benefit of \$2.8 million during fiscal 2008.

C. Supplemental financial statement information

Inventories consist of:

	January 31, 2008	July 31, 2007
Propane gas and related products	\$ 160,791	\$ 89,769
Appliances, parts and supplies	20,630	24,038
	<u>\$ 181,421</u>	<u>\$ 113,807</u>

In addition to inventories on hand, Ferrellgas, L.P. enters into contracts primarily to buy propane for supply procurement purposes. Most of these contracts have terms of less than one year and call for payment based on market prices at the date of delivery. All fixed price contracts have terms of fewer than 24 months. As of January 31, 2008, Ferrellgas, L.P. had committed, for supply procurement purposes, to take net delivery of approximately 21.0 million gallons of propane at fixed prices.

Loss on disposal of assets and other consists of:

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
Loss on disposal of assets	\$ 912	\$ 810	\$ 2,015	\$ 2,464
Loss on transfer of accounts receivable related to the accounts receivable securitization	3,947	3,770	5,815	5,784
Service income related to the accounts receivable securitization	(1,179)	(1,088)	(1,763)	(1,753)
	<u>\$ 3,680</u>	<u>\$ 3,492</u>	<u>\$ 6,067</u>	<u>\$ 6,495</u>

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Shipping and handling expenses are classified in the following condensed consolidated statements of earnings line items:

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
Operating expense	\$ 46,571	\$46,153	\$83,021	\$77,395
Depreciation and amortization expense	1,236	1,336	2,532	2,725
Equipment lease expense	5,686	5,748	11,531	11,659
	<u>\$ 53,493</u>	<u>\$53,237</u>	<u>\$97,084</u>	<u>\$91,779</u>

Other current liabilities consist of:

	January 31, 2008	July 31, 2007
Accrued interest	\$ 17,594	\$ 20,451
Accrued payroll	12,155	16,680
Accrued Insurance	12,224	11,602
Customer deposits and advances	20,735	21,018
Other	34,471	34,267
	<u>\$ 97,179</u>	<u>\$104,018</u>

D. Accounts receivable securitization

Ferrellgas, L.P. transfers certain of its trade accounts receivable to Ferrellgas Receivables, LLC ("Ferrellgas Receivables"), a wholly-owned unconsolidated, special purpose entity, and retains an interest in a portion of these transferred receivables. As these transferred receivables are subsequently collected and the funding from the accounts receivable securitization facility is reduced, Ferrellgas, L.P.'s retained interest in these receivables is reduced. The accounts receivable securitization facility consisted of the following:

	January 31, 2008	July 31, 2007
Retained interest	\$ 37,256	\$14,022
Accounts receivable transferred	\$200,000	\$76,250

The retained interest was classified as accounts and notes receivable on the condensed consolidated balance sheets. Ferrellgas, L.P. had fully utilized the accounts receivable securitization facility's capacity as of January 31, 2008.

Other accounts receivable securitization disclosures consist of the following items:

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
Net non-cash activity	\$2,768	\$965	\$4,052	\$1,582
Bad debt expense	\$ —	\$ 61	\$ —	\$ 202

The net non-cash activity reported in the condensed consolidated statements of earnings approximates the financing cost of issuing commercial paper backed by these accounts receivable plus an allowance for doubtful accounts associated with the outstanding receivables transferred to Ferrellgas Receivables. The weighted average discount rate used to value the retained interest in the transferred receivables was 5.2% and 5.3% as of January 31, 2008 and July 31, 2007, respectively.

E. Long-term debt

Long-term debt consists of:

	January 31, 2008	July 31, 2007
Senior notes		
Fixed rate, Series C-E, ranging from 7.12% to 7.42% due 2008-2013	\$ 204,000	\$204,000
Fixed rate, Series C, 8.87%, due 2009	73,000	163,000
Fixed rate, 6.75% due 2014, net of unamortized discount	249,439	249,391
Credit facilities , variable interest rates, expiring 2009 and 2010 (net of \$128.1 million and \$57.8 million classified as short-term borrowings at January 31, 2008 and July 31, 2007 respectively)	217,548	120,021
Notes payable , due 2008 to 2016, net of unamortized discount	6,936	8,395
Capital lease obligations	39	50
	\$ 750,962	\$ 744,857
Less: current portion, included in other current liabilities on the condensed consolidated balance sheets	2,758	2,957
	<u>\$ 748,204</u>	<u>\$ 741,900</u>

During August, 2007, Ferrellgas, L.P. made scheduled principal payments of \$90.0 million of the 8.78% Series B Senior Notes using proceeds from borrowings on the unsecured bank credit facilities.

Unsecured bank credit facilities

As of January 31, 2008, Ferrellgas L.P. had total borrowings outstanding under the unsecured bank credit facilities of \$345.6 million. Ferrellgas L.P. classified \$128.1 million of this amount as short term borrowings since it was used to fund working capital needs that management intends to pay down within the next 12 months. These borrowings have a weighted average interest rate of 6.77%. As of July 31, 2007, Ferrellgas L.P. had total borrowings outstanding under the unsecured bank credit facilities of \$177.8 million. Ferrellgas L.P. classified \$57.8 million of this amount as short term borrowings since it was used to fund working capital needs that management had intended to pay down within the following 12 months. These borrowings had a weighted average interest rate of 7.21%.

F. Partners' capital

Partnership distributions paid

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
Ferrellgas Partners	\$43,522	\$43,466	\$75,319	\$75,207
General partner	444	444	769	768
	<u>\$43,966</u>	<u>\$43,910</u>	<u>\$76,088</u>	<u>\$75,975</u>

On February 26, 2008, Ferrellgas L.P. declared distributions to Ferrellgas Partners and the general partner of \$31.8 million and \$0.3 million, respectively.

See additional discussions about transactions with related parties in Note G — Transactions with related parties.

G. Transactions with related parties

Reimbursable costs

Ferrellgas, L.P. has no employees and is managed and controlled by its general partner. Pursuant to Ferrellgas, L.P.'s partnership agreement, the general partner is entitled to reimbursement for all direct and indirect expenses incurred or payments it makes on behalf of Ferrellgas, L.P., and all other necessary or appropriate expenses allocable to Ferrellgas, L.P. or otherwise reasonably incurred by its general partner in connection with operating Ferrellgas, L.P.'s business. These costs primarily include compensation and benefits paid to employees of the general partner who perform services on Ferrellgas, L.P.'s behalf and are reported in the condensed consolidated statements of earnings as follows:

	For the three months ended January 31,		For the six months ended January 31,	
	2008	2007	2008	2007
Operating expense	\$46,494	\$54,186	\$91,923	\$103,511
General and administrative expense	6,436	5,586	13,432	11,297

See additional discussions about transactions with related parties in Note F — Partners' capital

H. Contingencies

Ferrellgas, L.P.'s operations are subject to all operating hazards and risks normally incidental to handling, storing, transporting and otherwise providing for use by consumers of combustible liquids such as propane. As a result, at any given time, Ferrellgas, L.P. is threatened with or named as a defendant in various lawsuits arising in the ordinary course of business. Currently, Ferrellgas, L.P. is not a party to any legal proceedings other than various claims and lawsuits arising in the ordinary course of business. It is not possible to determine the ultimate disposition of these matters; however, management is of the opinion that there are no known claims or contingent claims that are reasonably expected to have a material adverse effect on the condensed consolidated financial condition, results of operations and cash flows of Ferrellgas, L.P.

FERRELLGAS FINANCE CORP.
(A wholly-owned subsidiary of Ferrellgas, L.P.)

CONDENSED BALANCE SHEETS
(in dollars)
(unaudited)

	<u>January 31,</u> <u>2008</u>	<u>July 31,</u> <u>2007</u>
ASSETS		
Cash	\$ 1,100	\$ 1,000
Total assets	<u>\$ 1,100</u>	<u>\$ 1,000</u>
STOCKHOLDER'S EQUITY		
Common stock, \$1.00 par value; 2,000 shares authorized; 1,000 shares issued and outstanding	\$ 1,000	\$ 1,000
Additional paid in capital	2,425	2,220
Accumulated deficit	(2,325)	(2,220)
Total stockholder's equity	<u>\$ 1,100</u>	<u>\$ 1,000</u>

CONDENSED STATEMENTS OF EARNINGS
(in dollars)
(unaudited)

	<u>For the three months</u> <u>ended January 31,</u>		<u>For the six months ended</u> <u>January 31,</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
General and administrative expense	\$ 105	\$ —	\$ 105	\$ —
Net loss	<u>\$ (105)</u>	<u>\$ —</u>	<u>\$ (105)</u>	<u>\$ —</u>

See note to condensed financial statements.

FERRELLGAS FINANCE CORP.
(A wholly-owned subsidiary of Ferrellgas, L.P.)
CONDENSED STATEMENTS OF CASH FLOWS
(in dollars)
(unaudited)

	For the six months ended	
	January 31,	
	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Net loss	\$ (105)	\$ —
Cash used in operating activities	<u>(105)</u>	<u>—</u>
Cash flows from financing activities:		
Capital contribution	205	—
Cash provided by financing activities	<u>205</u>	<u>—</u>
Change in cash	100	—
Cash — beginning of period	1,000	1,000
Cash — end of period	<u><u>\$ 1,100</u></u>	<u><u>\$ 1,000</u></u>

See note to condensed financial statements.

NOTE TO CONDENSED FINANCIAL STATEMENTS
JANUARY 31, 2008
(unaudited)

A. Formation

Ferrellgas Finance Corp. (the "Finance Corp."), a Delaware corporation, was formed on January 16, 2003 and is a wholly-owned subsidiary of Ferrellgas, L.P (the "Partnership").

The condensed financial statements reflect all adjustments that are, in the opinion of management, necessary for a fair statement of the interim periods presented. All adjustments to the condensed financial statements were of a normal, recurring nature.

The Finance Corp. has nominal assets, does not conduct any operations, has no employees and serves as co-issuer and co-obligor for debt securities of the Partnership.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our management's discussion and analysis of financial condition and results of operations relates to Ferrellgas Partners, L.P. and Ferrellgas, L.P.

Ferrellgas Partners Finance Corp. and Ferrellgas Finance Corp. have nominal assets, do not conduct any operations and have no employees. Ferrellgas Partners Finance Corp. serves as co issuer and co-obligor for debt securities of Ferrellgas Partners and Ferrellgas Finance Corp. serves as co-issuer and co-obligor for debt securities of Ferrellgas, L.P. Accordingly, and due to the reduced disclosure format, a discussion of the results of operations, liquidity and capital resources of Ferrellgas Partners Finance Corp. and Ferrellgas Finance Corp. is not presented in this section.

In this Quarterly Report on Form 10-Q, unless the context indicates otherwise:

- "us," "we," "our," or "ours" are references exclusively to Ferrellgas Partners, L.P. together with its consolidated subsidiaries, including Ferrellgas Partners Finance Corp., Ferrellgas, L.P. and Ferrellgas Finance Corp., except when used in connection with "common units" in which case these terms refer to Ferrellgas Partners, L.P. without its consolidated subsidiaries;
- "Ferrellgas Partners" refers to Ferrellgas Partners, L.P. itself, without its consolidated subsidiaries;
- the "operating partnership" refers to Ferrellgas, L.P., together with its consolidated subsidiaries, including Ferrellgas Finance Corp.;
- our "general partner" refers to Ferrellgas, Inc.;
- "Ferrell Companies" refers to Ferrell Companies, Inc., the sole shareholder of our general partner;
- "unitholders" refers to holders of common units of Ferrellgas Partners;
- "customers" refers to customers other than our wholesale customers or our other bulk propane distributors and marketers;
- "propane sales volumes" refers to the volume of propane sold to our customers and excludes any volumes of propane sold to our wholesale customers and other bulk propane distributors or marketers; and
- "Notes" refers to the notes to the condensed consolidated financial statements of Ferrellgas Partners or the operating partnership, as applicable.

Ferrellgas Partners is a holding entity that conducts no operations and has two direct subsidiaries, Ferrellgas Partners Finance Corp. and the operating partnership. Ferrellgas Partners' only significant assets are its approximate 99% limited partnership interest in the operating partnership and its 100% equity interest in Ferrellgas Partners Finance Corp. The common units of Ferrellgas Partners are listed on the New York Stock Exchange and our activities are substantially conducted through the operating partnership.

The operating partnership was formed on April 22, 1994, and accounts for substantially all of our consolidated assets, sales and operating earnings, except for interest expense related to \$268.0 million in the aggregate principal amount of 8 3/4% senior notes due 2012 co-issued by Ferrellgas Partners and Ferrellgas Partners Finance Corp.

Our general partner performs all management functions for us and our subsidiaries and holds a 1% general partner interest in Ferrellgas Partners and an approximate 1% general partner interest in the operating partnership. The parent company of our general partner, Ferrell Companies, beneficially owns approximately 32% of our outstanding common units. Ferrell Companies is owned 100% by an employee stock ownership trust.

We file annual, quarterly, and other reports and other information with the SEC. You may read and download our SEC filings over the internet from several commercial document retrieval services as well

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as at the SEC's website at www.sec.gov. You may also read and copy our SEC filings at the SEC's public reference room at, 100 F Street N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information concerning the public reference room and any applicable copy charges. Because our common units are traded on the New York Stock Exchange, under the ticker symbol of "FGP," we also provide our SEC filings and particular other information to the New York Stock Exchange. You may obtain copies of these filings and this other information at the offices of the New York Stock Exchange at 11 Wall Street, New York, New York 10005. In addition, our SEC filings are available on our website at www.ferrellgas.com at no cost as soon as reasonably practicable after our electronic filing or furnishing thereof with the SEC. Please note that any internet addresses provided in this Quarterly Report on Form 10-Q are for informational purposes only and are not intended to be hyperlinks. Accordingly, no information found and/or provided at such internet addresses is intended or deemed to be incorporated by reference herein.

Overview

We are a leading distributor of propane and related equipment and supplies to customers primarily in the United States. We believe that we are the second largest retail marketer of propane in the United States, including the largest national provider of propane by portable tank exchange as measured by our propane sales volumes in fiscal 2007. We have approximately 1 million customers. These customers include residential, industrial/commercial, propane tank exchange, agricultural and other customers in all 50 states, the District of Columbia and Puerto Rico. We've realized some customer losses associated with our ongoing efforts to improve individual customer profitability. Our operations primarily include the distribution and sale of propane and related equipment and supplies with concentrations in the Midwest, Southeast, Southwest and Northwest regions of the country.

The market for propane is seasonal because of increased demand during the winter months primarily for the purpose of providing heating in residential and commercial buildings. Consequently, sales and operating profits are concentrated in our second and third fiscal quarters, which are during the winter heating season of November through March. However, our propane by portable tank exchanges sales volume provides us increased operating profits during our first and fourth fiscal quarters due to its counter-seasonal business activities. It also provides us the ability to better utilize our seasonal resources at our retail distribution locations. Other factors affecting our results of operations include competitive conditions, volatility in energy commodity prices, demand for propane, timing of acquisitions and general economic conditions in the United States.

We use information on temperatures to understand how our results of operations are affected by temperatures that are warmer or colder than normal. We use the definition of "normal" temperatures based on information published by the National Oceanic and Atmospheric Administration ("NOAA"). Based on this information, we calculate a ratio of actual heating degree days to normal heating degree days. Heating degree days are a general indicator of weather impacting propane usage.

Weather conditions have a significant impact on demand for propane for heating purposes during the winter heating season of November through March. Accordingly, the volume of propane used by our customers for this purpose is directly affected by the severity of the winter weather in the regions we serve and can vary substantially from year to year. In any given region, sustained warmer-than-normal temperatures will tend to result in reduced propane use, while sustained colder-than-normal temperatures will tend to result in greater use. Although there is a direct correlation between weather and customer usage, there is a natural time lag between the onset of cold weather and increased sales to customers. Nationwide temperatures during the fiscal second quarter were approximately 8% cooler than a year ago but 3% warmer than normal.

Our gross margin from the distribution of propane is primarily based on the cents-per-gallon difference between the sales price we charge our customers and our costs to purchase and deliver propane to our propane distribution locations. Our residential customers and portable tank exchange customers typically provide us a greater cents-per-gallon margin than our industrial/commercial,

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agricultural and other customers. The wholesale propane price per gallon is subject to various market conditions and may fluctuate based on changes in demand, supply and other energy commodity prices, primarily crude oil and natural gas as propane prices tend to correlate with the fluctuations of these underlying commodities. We employ risk management activities that attempt to mitigate risks related to the purchasing, selling, storing and transporting of propane. These activities include propane sales commitments to a portion of our retail customers which provide for a fixed or capped propane sales price for a specified period of time. These commitments can expose us to product price risk if not immediately hedged with an offsetting propane purchase commitment. During the current winter heating season we did not, through our risk management activity, immediately hedge our exposure to a portion of these propane sales commitments. Due to the unprecedented increase in propane costs during the current winter heating season, this unhedged portion of the sales commitment caused a negative impact on our risk management performance and its related contribution to Cost of product sold — propane and other gas liquids sales.

We continue to pursue the following business strategies:

- maximize operating efficiencies through utilization of our technology platform;
- capitalize on our national presence and economies of scale;
- expand our operations through disciplined acquisitions and internal growth; and
- align employee interests with our investors through significant employee ownership.

Forward-looking statements

Statements included in this report include forward-looking statements. These forward-looking statements are identified as any statement that does not relate strictly to historical or current facts. These statements often use words such as “anticipate,” “believe,” “intend,” “plan,” “projection,” “forecast,” “strategy,” “position,” “continue,” “estimate,” “expect,” “may,” “will” or the negative of those terms or other variations of them or comparable terminology. These statements often discuss plans, strategies, events or developments that we expect or anticipate will or may occur in the future and are based upon the beliefs and assumptions of our management and on the information currently available to them. In particular, statements, expressed or implied, concerning future operating results, or our ability to generate sales, income or cash flow are forward-looking statements.

Forward-looking statements are not guarantees of performance. You should not put undue reliance on any forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause our actual results to differ materially from those expressed in or implied by these forward-looking statements. Many of the factors that will affect our future results are beyond our ability to control or predict.

Some of our forward-looking statements include the following:

- whether the operating partnership will have sufficient funds to meet its obligations, including its obligations under its debt securities, and to enable it to distribute to Ferrellgas Partners sufficient funds to permit Ferrellgas Partners to meet its obligations with respect to its existing debt and equity securities;
- whether Ferrellgas Partners and the operating partnership will continue to meet all of the quarterly financial tests required by the agreements governing their indebtedness; and
- the expectation that higher propane prices will continue and that temperatures for the remaining winter heating season will be normal causing revenues — propane and other gas liquids sales, cost of product sold — propane and other gas liquids sales to increase during the remainder of fiscal 2008 compared to our prior fiscal year.

Forward-looking statements can also be found in the section of our Annual Report on Form 10-K for our fiscal 2007 entitled “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations.” When considering any forward-looking statement, you should also keep in mind

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the risk factors set forth in the section of our Annual Report on Form 10-K for our fiscal 2007 entitled "Item 1A. Risk Factors." Any of these risks could impair our business, financial condition or results of operations. Any such impairment may affect our ability to make distributions to our unitholders or pay interest on the principal of any of our debt securities. In addition, the trading price, if any, of our securities could decline as a result of any such impairment.

Except for our ongoing obligations to disclose material information as required by federal securities laws, we undertake no obligation to update any forward-looking statements or risk factors after the date of this quarterly report.

The following is a discussion of our historical financial condition and results of operations and should be read in conjunction with our historical condensed consolidated financial statements and accompanying notes thereto included elsewhere in this Quarterly Report on Form 10-Q.

The discussions set forth in the "Results of Operations" and "Liquidity and Capital Resources" sections generally refer to Ferrellgas Partners and its consolidated subsidiaries. However, in these discussions there exists two material differences between Ferrellgas Partners and the operating partnership. Those two material differences are:

- because Ferrellgas Partners issued \$268.0 million in aggregate principal amount of 8 3/4% senior secured notes due fiscal 2012 during fiscal 2004 and 2003, the two partnerships incur different amounts of interest expense on their outstanding indebtedness; see the statements of earnings in their respective condensed consolidated financial statements; and
- Ferrellgas Partners issued common units in several transactions during fiscal 2007.

Results of Operations

Three months ended January 31, 2008 compared to January 31, 2007

(amounts in thousands)

Three months ended January 31,	2008	2007	Favorable (unfavorable) Variance	
Propane sales volumes (gallons)	266,525	275,915	(9,390)	(3)%
Propane and other gas liquids sales	\$684,456	\$581,997	102,459	18%
Gross margin from propane and other gas liquids sales (a)	179,932	201,988	(22,056)	(11)%
Operating income	74,917	82,936	(8,019)	(10)%
Interest expense	22,851	22,329	(522)	(2)%

(a) Gross margin from propane and other gas liquids sales represents Propane and other gas liquids sales less Cost of product sold — propane and other gas liquids sales.

Propane sales volume during the three months ended January 31, 2008 decreased 9.4 million gallons compared to the prior year period. Although temperatures during the quarter were 8% colder than the prior year period, we believe the increasing propane prices have led to lower gallon usage and conservation. The wholesale market price has increased 63% since the second quarter of fiscal 2007. The wholesale market price at one of the major supply points, Mt. Belvieu, Texas averaged \$1.53 and \$.94 per gallon during the three months ended January 31, 2008 and 2007, respectively. Additionally, we believe our propane sales volume decreases are due in part to customer losses associated with our ongoing efforts to improve customer profitability.

Propane and other gas liquids sales increased \$102.5 million compared to the prior year period. Approximately \$97.4 million of this increase was due to the effect of increased sales price per gallon and

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\$21.9 million related to an increase in lower-margin wholesale and other third-party sales. These increases were partially offset by the impact of lower propane sales volumes, as discussed above.

Gross margin from propane and other gas liquids sales decreased \$22.1 million compared to the prior year period. This decrease was primarily due to the impact of lower propane sales volumes as discussed above. Additionally, approximately \$8.6 million of this decrease is due to a decrease in gross margin per gallon and approximately \$6.8 million is due to a decrease in the profit from our risk management activities, as discussed in the "Overview" section above.

Operating income decreased \$8.0 million compared to the prior year period primarily due to the previously mentioned \$22.1 million decrease in gross margin from propane and other gas liquids sales which was partially offset by an \$8.8 million decrease in operating expense and a \$5.6 million increase in gross margin from other revenue. Operating expense decreased primarily due to a \$4.5 million decrease in incentive and other compensation expense, a \$4.3 million decrease in labor expense and a \$2.0 million decrease in expense for worker's compensation and general liability. These decreases were partially offset by \$2.0 million of increased fuel costs and \$2.3 million of increased bad debt expense. Gross margin from other revenue increased primarily due to \$3.8 million of increased miscellaneous fees billed to customers.

Interest expense increased \$0.5 million due to increased borrowings on our unsecured credit facilities to fund the retirement of a portion of our fixed rate senior notes on August 1, 2007 and other working capital needs.

Interest expense of the operating partnership

Interest expense increased \$0.5 million due to increased borrowings on our unsecured credit facilities to fund the retirement of a portion of our fixed rate senior notes on August 1, 2007 and other working capital needs.

Six months ended January 31, 2008 compared to January 31, 2007

(amounts in thousands)

<u>Six months ended January 31,</u>	<u>2008</u>	<u>2007</u>	<u>Favorable (unfavorable) Variance</u>	
Propane sales volumes (gallons)	407,670	437,160	(29,490)	(7)%
Propane and other gas liquids sales	1,043,391	\$926,916	116,475	13%
Gross margin from propane and other gas liquids sales (a)	286,348	312,221	(25,873)	(8)%
Operating income	70,825	74,803	(3,978)	(5)%
Interest expense	45,137	44,709	(428)	(1)%

(a) Gross margin from propane and other gas liquids sales represents Propane and other gas liquids sales less Cost of product sold — propane and other gas liquids sales.

Propane sales volume during the six months ended January 31, 2008 decreased 29.5 million gallons from that of the prior year period. Although temperatures during the period were 1% colder than the prior year period, we believe the increasing propane prices have led to lower gallon usage and conservation. The wholesale market price of propane has increased 42% since the second quarter six month average of fiscal 2007. The wholesale market price at one of the major supply points, Mt. Belvieu, Texas averaged \$1.41 and \$.99 per gallon during the six months ended January 31, 2008 and 2007, respectively. Additionally, we believe our propane sales volumes decreases are due in part to customer losses associated with our ongoing efforts to improve customer profitability

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Propane and other gas liquids sales increased \$116.5 million compared to the prior year period. Approximately \$123.3 million of this increase was due to the effect of increased sales price per gallon and \$47.5 million related to an increase in lower-margin wholesale and other third-party sales. These increases were partially offset by the impact of lower propane sales volumes, as discussed above.

Gross margin from propane and other gas liquids sales decreased \$25.9 million compared to the prior year period. This decrease was primarily due to the impact of lower propane sales volumes as discussed above. Additionally, approximately \$4.1 million of this decrease is due to a decrease in the profit from our risk management activities as discussed in the "Overview" section above and approximately \$2.2 million of this decrease is due to a decrease in gross margin per gallon.

Operating income decreased \$4.0 million compared to the prior year period primarily due to the previously mentioned \$25.9 million decrease in gross margin from propane and other gas liquids sales which was partially offset by a \$13.8 million increase in gross margin from other revenue and an \$8.4 million decrease in operating expense. Gross margin from other revenue increased primarily due to \$7.4 million of increased miscellaneous fees billed to customers. Operating expense decreased primarily due to a \$8.9 million decrease in labor expense and a \$4.9 million decrease in incentive and other compensation expense. These decreases were partially offset a \$3.7 million increase in bad debt expense and a \$3.2 million increase in expense for worker's compensation and general liability.

Interest expense increased \$0.4 million due to increased borrowings on our unsecured credit facilities to fund the retirement of a portion of our fixed rate senior notes on August 1, 2007 and other working capital needs.

Interest expense of the operating partnership

Interest expense increased \$0.5 million due to increased borrowings on our unsecured credit facilities to fund the retirement of a portion of our fixed rate senior notes on August 1, 2007 and other working capital needs.

Forward-looking statements

We expect revenues — propane and other gas liquids sales, cost of product sold — propane and other gas liquids sales to increase during the remainder of fiscal 2008 compared to the prior fiscal year based upon:

- our belief that higher propane prices will continue and that temperatures for the remaining winter heating season will be normal.

Liquidity and Capital Resources

General

Our cash requirements include working capital requirements, debt service payments, the minimum quarterly common unit distribution, acquisition and capital expenditures. The minimum quarterly distribution of \$0.50 expected to be paid on March 14, 2008 to all common units that were outstanding on March 7, 2008, represents the fifty fourth consecutive minimum quarterly distribution paid to our common unitholders dating back to October 1994. Our working capital requirements are subject to, among other things, the price of propane, delays in the collection of receivables, volatility in energy commodity prices, liquidity imposed by insurance providers, downgrades in our credit ratings, decreased trade credit, significant acquisitions, the weather and other changes in the demand for propane. Relatively colder weather or higher propane prices during the winter heating season are factors that could significantly increase our working capital requirements.

Our ability to satisfy our obligations is dependent upon our future performance, which will be subject to prevailing economic, financial, business, weather conditions and other factors, many of which are

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beyond our control. Due to the seasonality of the retail propane distribution business, a significant portion of our cash flow from operations is generated during the winter heating season, which occurs during our second and third fiscal quarters. Our net cash provided by operating activities primarily reflects earnings from our business activities adjusted for depreciation and amortization and changes in our working capital accounts. Historically, we generate significantly lower net cash from operating activities in our first and fourth fiscal quarters as compared to the second and third fiscal quarters because fixed costs generally exceed revenues and related costs and expenses during the non-peak heating season. Subject to meeting the financial tests discussed below, our general partner believes that the operating partnership will have sufficient funds available to meet its obligations, and to distribute to Ferrellgas Partners sufficient funds to permit Ferrellgas Partners to meet its obligations for the remainder of fiscal 2008 and in fiscal 2009. In addition, our general partner believes that the operating partnership will have sufficient funds available to distribute to Ferrellgas Partners sufficient cash to pay the minimum quarterly distribution on all of its common units for the remainder of fiscal 2008 and in fiscal 2009.

Our bank credit facilities, public debt, private debt and accounts receivable securitization facility contain several financial tests and covenants restricting our ability to pay distributions, incur debt and engage in certain other business transactions. In general, these tests are based on our debt-to-cash flow ratio and cash flow-to-interest expense ratio. Our general partner currently believes that the most restrictive of these tests are debt incurrence limitations under the terms of our bank credit and accounts receivable securitization facilities and limitations on the payment of distributions within our 8 3/4% senior notes due 2012. The bank credit and accounts receivable securitization facilities generally limit the operating partnership's ability to incur debt if it exceeds prescribed ratios of either debt to cash flow or cash flow to interest expense. Our 8 3/4% senior notes restrict payments if a minimum ratio of cash flow to interest expense is not met, assuming certain exceptions to this ratio limit have previously been exhausted. This restriction places limitations on our ability to make restricted payments such as the payment of cash distributions to our unitholders. The cash flow used to determine these financial tests generally is based upon our most recent cash flow performance giving pro forma effect for acquisitions and divestitures made during the test period. Our bank credit facilities, public debt, private debt and accounts receivable securitization facility do not contain early repayment provisions related to a potential decline in our credit rating. On December 19, 2007, Standard & Poor's Rating Service affirmed our 'B+' corporate credit rating.

As of January 31, 2008, we met all the required quarterly financial tests and covenants. Based upon current estimates of our cash flow, our general partner believes that we will be able to continue to meet all of the required quarterly financial tests and covenants for the remainder of fiscal 2008 and in fiscal 2009. However, we may not meet the applicable financial tests in future quarters if we were to experience:

- significantly warmer than normal winter temperatures;
- a continued volatile energy commodity cost environment;
- an unexpected downturn in business operations; or
- a general economic downturn in the United States.

This failure could have a materially adverse effect on our operating capacity and cash flows and could restrict our ability to incur debt or to make cash distributions to our unitholders, even if sufficient funds were available. Depending on the circumstances, we may consider alternatives to permit the incurrence of debt or the continued payment of the quarterly cash distribution to our unitholders. No assurances can be given, however, that such alternatives can or will be implemented with respect to any given quarter.

We expect our future capital expenditures and working capital needs to be provided by a combination of cash generated from future operations, existing cash balances, the bank credit facilities or the accounts receivable securitization facility. See additional information about the accounts receivable securitization facility in "Operating Activities — Accounts receivable securitization." In order to reduce existing indebtedness, fund future acquisitions and expansive capital projects, we may obtain funds from

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our facilities, we may issue additional debt to the extent permitted under existing financing arrangements or we may issue additional equity securities, including, among others, common units.

Toward this purpose, the following registration statements were effective upon filing or declared effective by the SEC:

- a shelf registration statement for the periodic sale of common units, debt securities and/or other securities. Ferrellgas Partners Finance Corp. may, at our election, be the co-issuer and co-obligor on any debt securities issued by Ferrellgas Partners under this shelf registration statement;
- an "acquisition" shelf registration statement for the periodic sale of up to \$250.0 million of common units to fund acquisitions. As of February 29, 2008 we had \$240.0 million available under this shelf agreement; and
- a shelf registration statement for the periodic sale of up to \$200.0 million of common units in connection with the Ferrellgas Partners' direct purchase and distribution reinvestment plan. As of February 29, 2008 we had \$200.0 million available under this shelf agreement.

Operating Activities

Net cash provided by operating activities was \$14.0 million for the six months ended January 31, 2008, compared to net cash provided by operating activities of \$76.7 million for the prior year period. This decrease in cash provided by operating activities was primarily due to a \$76.8 million increase in working capital requirements which was partially offset by a \$16.0 million increase in cash flow from the utilization of our accounts receivable securitization facility. The increase in working capital requirements was primarily due to \$84.4 million from the timing and increasing cost per gallon of inventory purchases and \$51.3 million from the timing and increasing sales price per gallon on accounts receivable collections. These increases in working capital requirements were partially offset by \$49.6 million from the timing and increasing purchase price per gallon on accounts payable disbursements, a \$13.9 million increase in cash flow from the timing of customer's uses of their deposits and advances, and a \$5.7 million increase in cash flow from the timing of payments made for miscellaneous taxes and insurance.

Accounts receivable securitization

Cash flows from our accounts receivable securitization facility increased \$16.0 million. We received net funding of \$99.0 million from this facility during the six months ended January 31, 2008 as compared to \$83.0 million in the prior year period.

Our strategy for obtaining liquidity at the lowest cost of capital is to initially utilize the accounts receivable securitization facility before borrowings under the operating partnership's bank credit facilities. See additional discussion about the operating partnership's bank credit facilities in "Financing Activities — Bank credit facilities." Our utilization of the accounts receivable securitization facility is limited by the amount of accounts receivable that we are permitted to transfer according to the facility agreement. This arrangement allows for the proceeds of up to \$160.0 million from the sale of accounts receivable, depending on the available undivided interests in our accounts receivable from certain customers. We renewed this facility effective May 31, 2007, for a 364-day commitment with JPMorgan Chase Bank, N.A. and Fifth Third Bank. At January 31, 2008, we had transferred 160.0 million of our trade accounts receivable to the accounts receivable securitization facility. As our trade accounts receivable increase during the winter heating season, the securitization facility permits us to transfer additional trade accounts receivable to the facility, thereby providing additional cash for working capital needs. This transaction is reflected in our condensed consolidated financial statements as a sale of accounts receivable and a retained interest in transferred accounts receivable.

The operating partnership

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Net cash provided by operating activities was \$25.9 million for the six months ended January 31, 2008, compared to net cash provided by operating activities of \$88.5 million for the prior year period. This decrease in cash provided by operating activities was primarily due to a \$76.8 million increase in working capital requirements which was partially offset by a \$16.0 million increase in cash flow from the utilization of our accounts receivable securitization facility. The increase in working capital requirements was primarily due to \$84.4 million from the timing and increasing cost per gallon of inventory purchases and \$51.3 million from the timing and increasing sales price per gallon on accounts receivable collections. These increases in working capital requirements were partially offset by \$49.6 million from the timing and increasing purchase price per gallon on accounts payable disbursements, a \$13.9 million increase in cash flow from the timing of customer's uses of their deposits and advances, and a \$5.7 million increase in cash flow from the timing of payments made for miscellaneous taxes and insurance.

Investing Activities

During the six months ended January 31, 2008, net cash used in investing activities was \$9.4 million, compared to \$46.2 million for the prior year period. This decrease in cash used in investing activities is primarily due to decreased acquisition and capital expenditures activities.

Capital expenditures

We made cash capital expenditures of \$15.3 million during the six months ended January 31, 2008 as compared to \$18.2 million in the prior year period primarily due to maintenance and growth capital expenditures.

Acquisition

During the six months ended January 31, 2008, we used \$0.2 million in cash for costs associated with prior year acquisitions as compared to \$30.9 million in cash used in eight acquisitions in the prior year period.

Financing Activities

During the six months ended January 31, 2008, net cash provided by financing activities was \$11.7 million compared to net cash used in financing activities of \$23.9 million for the prior year period. This increase in cash provided by financing activities was primarily due to \$81.4 million of increased cash inflows from the net utilization of long and short term debt, which was somewhat offset by \$44.3 million of cash inflows from the issuance of common units in the prior year period that was not repeated during the current year period.

Distributions

Ferrellgas Partners paid a \$.50 per unit quarterly distribution on all common units, as well as the related general partner distributions, totaling \$63.6 million during the six months ended January 31, 2008 in connection with the distributions declared for the three months ended July 31 and October 31, 2007. The quarterly distribution on all common units and the related general partner distributions for the three months ended January 31, 2008 of \$31.8 million are expected to be paid on March 14, 2008 to holders of record on March 7, 2008.

Bank credit facilities

At January 31, 2008, \$345.6 million of borrowings and \$42.7 million of letters of credit were outstanding under our unsecured bank credit facilities. \$95.0 million of these borrowings will mature on August 1, 2009 while the remaining \$293.3 million of borrowings and letters of credit will mature on April 22, 2010. Letters of credit are currently used to cover obligations primarily relating to requirements for insurance coverage and, to a lesser extent, risk management activities and product purchases. At

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January 31, 2008, we had \$136.7 million of available capacity for working capital, acquisition, capital expenditure and general partnership purposes under these unsecured bank credit facilities.

All borrowings under our unsecured bank credit facilities bear interest, at our option, at a rate equal to either:

- a base rate, which is defined as the higher of the federal funds rate plus 0.50% or Bank of America's prime rate (as of January 31, 2008, the federal funds rate and Bank of America's prime rate were 3.22% and 6.0%, respectively); or
- the Eurodollar Rate plus a margin varying from 1.50% to 2.50% (as of January 31, 2008, the one-month and three-month Eurodollar Rates were 3.15% and 3.15%, respectively).

In addition, an annual commitment fee is payable on the daily unused portion of our unsecured bank credit facilities at a per annum rate varying from 0.375% to 0.500% (as of January 31, 2008, the commitment fee per annum rate was 0.375%).

We believe that the liquidity available from our unsecured bank credit facilities and the accounts receivable securitization facility will be sufficient to meet our working capital expenditures working capital, debt service and letter of credit requirements for the remainder of fiscal 2008 and fiscal 2009. See "Operating Activities" for discussion about our accounts receivable securitization facility. However, if we were to experience an unexpected significant increase in these requirements, our needs could exceed our immediately available resources. Events that could cause increases in these requirements include, but are not limited to the following:

- a significant increase in the wholesale cost of propane;
- a significant delay in the collections of accounts receivable;
- increased volatility in energy commodity prices related to risk management activities;
- increased liquidity requirements imposed by insurance providers;
- a significant downgrade in our credit rating;
- decreased trade credit; or
- a significant acquisition.

If one or more of these or other events caused a significant use of available funding, we may consider alternatives to provide increased liquidity and capital funding. No assurances can be given, however, that such alternatives would be available, or, if available, could be implemented.

The operating partnership

The financing activities discussed above also apply to the operating partnership except for cash flows related to distributions, as discussed below.

Distributions

The operating partnership paid cash distributions of \$76.1 million during the six months ended January 31, 2008. The operating partnership expects to make cash distributions of \$32.1 million on March 14, 2008.

Disclosures about Effects of Transactions with Related Parties

We have no employees and are managed and controlled by our general partner. Pursuant to our partnership agreement, our general partner is entitled to reimbursement for all direct and indirect expenses incurred or payments it makes on our behalf, and all other necessary or appropriate expenses allocable to us or otherwise reasonably incurred by our general partner in connection with operating our business. These reimbursable costs, which totaled \$105.4 million for the six months ended January 31,

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2008, include operating expenses such as compensation and benefits paid to employees of our general partner who perform services on our behalf, as well as related general and administrative expenses.

Related party common unitholder information consisted of the following:

	Common unit ownership at January 31, 2008	Distributions paid during the six months ended January 31, 2008
Ferrell Companies (1)	20,081	\$20,081
FCI Trading Corp. (2)	196	196
Ferrell Propane, Inc. (3)	51	51
James E. Ferrell (4)	4,314	4,292

- (1) Ferrell Companies is the sole shareholder of our general partner.
- (2) FCI Trading Corp. is an affiliate of the general partner and is wholly-owned by Ferrell Companies.
- (3) Ferrell Propane, Inc. is wholly-owned by our general partner.
- (4) James E. Ferrell ("Mr. Ferrell") is the Chairman and Chief Executive Officer of our general partner.

During the six months ended January 31, 2008, Ferrellgas Partners paid our general partner distributions of \$0.6 million.

See "Financing Activities" for additional information regarding transactions with related parties.

We believe these related party transactions were under terms that were no less favorable to us than those available with third parties.

We have had no material changes in our contractual obligations that were outside the ordinary course of business since our disclosure in our Annual Report on Form 10-K for our fiscal 2007.

See Note B — Summary of significant accounting policies — in our condensed consolidated financial statements for discussion regarding the adoption of new accounting standards in the current fiscal year.

We have had no other material changes to our critical accounting policies and estimates since our disclosure in our Annual Report on Form 10-K for our fiscal 2007.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our risk management trading activities include the use of energy commodity forward contracts, swaps and options traded on the over-the-counter financial markets and futures and options traded on the New York Mercantile Exchange. These risk management activities are conducted primarily to offset the effect of market price fluctuations on propane inventory and purchase commitments and to mitigate the price risk on sale commitments to our customers.

Our risk management trading activities are intended to generate a profit, which we then apply to reduce our cost of product sold. The results of our risk management activities directly related to the delivery of propane to our customers, which include our supply procurement, storage and transportation activities, are presented in our discussion of margins and are accounted for at cost. The results, if any, of our other risk management activities are presented separately in our discussion of gross margin found in "Management's Discussion and Analysis of Financial Condition and Results of Operations — Results of Operations" as risk management trading activities and are accounted for at fair value.

Market risks associated with energy commodities are monitored daily by senior management for compliance with our commodity risk management policy. This policy includes an aggregate dollar loss limit and limits on the term of various contracts. We also utilize volume limits for various energy

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commodities and review our positions daily where we remain exposed to market risk, so as to manage exposures to changing market prices.

We did not enter into any significant risk management trading activities during the six months ended January 31, 2008. Our remaining market risk sensitive instruments and positions have been determined to be "other than trading".

Commodity Price Risk

Our risk management activities primarily attempt to mitigate risks related to the purchasing, storing and transporting of propane. We generally purchase propane in the contract and spot markets from major domestic energy companies on a short-term basis. Our costs to purchase and distribute propane fluctuate with the movement of market prices. This fluctuation subjects us to potential price risk, which we attempt to minimize through the use of risk management activities.

Our risk management activities include the use of forward contracts, futures, swaps and options to seek protection from adverse price movements and to minimize potential losses. Our hedging strategy involves taking positions in the forward or financial markets that are equal and opposite to our positions in the physical product markets in order to minimize the risk of financial loss from an adverse price change. Our hedging strategy is successful when our gains or losses in the physical product markets are offset by our losses or gains in the forward or financial markets. Due to the volatility in propane prices at the time we entered into our current year propane sales commitments with a portion of our retail customers we chose not to fully deploy this hedging strategy. This unhedged position caused a negative impact on our risk management performance and its related contribution to Cost of product sold — propane and other gas liquids sales.

Market risks associated with energy commodities are monitored daily by senior management for compliance with our commodity risk management policy. This policy includes an aggregate dollar loss limit and limits on the term of various contracts. We also utilize volume limits for various energy commodities and review our positions daily where we remain exposed to market risk, so as to manage exposures to changing market prices.

We have prepared a sensitivity analysis to estimate the exposure to market risk of our energy commodity positions. Forward contracts, futures, swaps and options outstanding as of January 31, 2008 and July 31, 2007, that were used in our risk management activities were analyzed assuming a hypothetical 10% adverse change in prices for the delivery month for all energy commodities. The potential loss in future earnings from these positions due to a 10% adverse movement in market prices of the underlying energy commodities was estimated at \$3.1 million and \$0.8 million as of January 31, 2008 and July 31, 2007, respectively. The preceding hypothetical analysis is limited because changes in prices may or may not equal 10%, thus actual results may differ.

Our sensitivity analysis includes designated hedging and the anticipated transactions associated with these hedging transactions. These hedging transactions are anticipated to be 100% effective; therefore, there is no effect on our sensitivity analysis from these hedging transactions. To the extent option contracts are used as hedging instruments for anticipated transactions we have included the offsetting effect of the anticipated transactions, only to the extent the option contracts are in the money, or would become in the money as a result of the 10% hypothetical movement in prices. All other anticipated transactions for risk management activities have been excluded from our sensitivity analysis.

Interest Rate Risk

At January 31, 2008 and July, 31, 2007, we had \$345.6 million and \$177.8 million, respectively, in variable rate bank credit facilities borrowings. Thus, assuming a one percent increase in our variable interest rate, our interest rate risk related to the borrowings on our variable rate bank credit facilities would result in a loss in future earnings of \$3.5 million for the twelve months ending January 31, 2008. The preceding hypothetical analysis is limited because changes in interest rates may or may not equal one percent, thus actual results may differ.

ITEM 4. CONTROLS AND PROCEDURES

An evaluation was performed by the management of Ferrellgas Partners, L.P., Ferrellgas Partners Finance Corp., Ferrellgas, L.P., and Ferrellgas Finance Corp., with the participation of the principal executive officer and principal financial officer of our general partner, of the effectiveness of our disclosure controls and procedures. Based on that evaluation, our management, including our principal executive officer and principal financial officer, concluded that our disclosure controls and procedures, as defined in Rules 13a-15(e) or 15d-15(e) under the Exchange Act, were designed to be and were adequate and effective as of January 31, 2008.

The management of Ferrellgas Partners, L.P., Ferrellgas Partners Finance Corp., Ferrellgas, L.P., and Ferrellgas Finance Corp. does not expect that our disclosure controls and procedures will prevent all errors and all fraud. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Based on the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the above mentioned Partnerships and Corporations have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple errors or mistakes. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events. Therefore, a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Our disclosure controls and procedures are designed to provide such reasonable assurances of achieving our desired control objectives, and the principal executive officer and principal financial officer of our general partner have concluded, as of January 31, 2008, that our disclosure controls and procedures are effective in achieving that level of reasonable assurance.

During the most recent fiscal quarter ended January 31, 2008, there have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) or Rule 15d-15(f) of the Exchange Act) that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Our operations are subject to all operating hazards and risks normally incidental to handling, storing, transporting and otherwise providing for use by consumers of combustible liquids such as propane. As a result, at any given time, we are threatened with or named as a defendant in various lawsuits arising in the ordinary course of business. Currently, we are not a party to any legal proceedings other than various claims and lawsuits arising in the ordinary course of business. It is not possible to determine the ultimate disposition of these matters; however, management is of the opinion that there are no known claims or contingent claims that are reasonably expected to have a material adverse effect on our financial condition, results of operations and cash flows.

ITEM 1A. RISK FACTORS

There have been no material changes from the risk factors as previously disclosed in our Annual Report on Form 10-K for our fiscal 2007.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

On March 5, 2008, the members of the Board of Directors Compensation Committee authorized us and our general partner to enter into a Amended and Restated Change In Control Agreement with each of the following executive officers:

- Stephen L. Wambold, President and Chief Operating Officer,
- Tod D. Brown, Vice President, Blue Rhino.
- Eugene D. Caresia, Vice President, Human Resources,
- Kevin T. Kelly, Senior Vice President and Chief Financial Officer,
- George L. Koloroutis, Vice President, Ferrell North America, and
- Patrick J. Walsh, Regional Vice President

Under the terms of the original Change in Control Agreements, if any of the above mentioned executive officer's employment with us is terminated as a result of a change in control (as defined in the agreement) that executive officer will be entitled to i) a payment equal to two times his annual base salary; ii) a payment equal to two times his target bonus and iii) for two years shall be entitled to receive reimbursement for group medical coverage for himself and his dependents.

In addition to the benefits above, the Amended and Restated Change in Control Agreement i) provides the executive with professional outplacement services for a period of not more than 12 months following a termination; ii) adds a material diminution in authority, duty or responsibilities or a breach of the agreement by our general partner as potential "good reason" for an executive to terminate his employment after a change in control and iii) clarifies the timing of benefit payments for Internal Revenue Code Section 409A purposes. In addition, an executive must give notice of the occurrence of an event that constitutes good reason within 180 days of the event and our general partner will have 30 days to cure such event. Termination for good reason then does not occur unless the executive resigns from employment for good reason within the term of the agreement.

On March 5, 2008, the members of the Board of Directors Compensation Committee authorized us and our general partner to enter into a Change In Control Agreement with each of the following executive officers with the same terms as the Amended and Restated Change in Control Agreements described above:

- Richard V. Mayberry, Vice President of Operations, and
- James R. VanWinkle, Vice President, Finance and Corporate Development; Secretary.

ITEM 6. EXHIBITS

The exhibits listed below are furnished as part of this Quarterly Report on Form 10-Q. Exhibits required by Item 601 of Regulation S-K of the Securities Act, which are not listed, are not applicable.

Exhibit Number	Description
3.1	Fourth Amended and Restated Agreement of Limited Partnership of Ferrellgas Partners, L.P., dated as of February 18, 2003. Incorporated by reference to Exhibit 4.3 to our Current Report on Form 8-K filed February 18, 2003.
3.2	First Amendment to the Fourth Amended and Restated Agreement of Limited Partnership of Ferrellgas Partners, L.P., dated as of March 8, 2003. Incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K filed March 8, 2005.
3.3	Second Amendment to the Fourth Amended and Restated Agreement of Limited Partnership of Ferrellgas Partners, L.P., dated as of June 29, 2005. Incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed June 30, 2005.
3.4	Third Amendment to the Fourth Amended and Restated Agreement of Limited Partnership of Ferrellgas Partners, L.P., dated as of October 11, 2006. Incorporated by reference to Exhibit 3.4 to our Annual Report on Form 10-K filed October 12, 2006.
3.5	Certificate of Incorporation for Ferrellgas Partners Finance Corp. Incorporated by reference to Exhibit 3.2 to our Quarterly Report on Form 10-Q filed December 16, 1996.
3.6	Bylaws of Ferrellgas Partners Finance Corp. Incorporated by reference to Exhibit 3.3 to our Quarterly Report on Form 10-Q filed June 13, 1997.
3.7	Third Amended and Restated Agreement of Limited Partnership of Ferrellgas, L.P., dated as of April 7, 2004. Incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K filed April 22, 2004.
3.8	Certificate of Incorporation of Ferrellgas Finance Corp. Incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K of Ferrellgas Partners, L.P. filed February 18, 2003.
3.9	Bylaws of Ferrellgas Finance Corp. Incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K of Ferrellgas Partners, L.P. filed February 18, 2003.
4.1	Specimen Certificate evidencing Common Units representing Limited Partner Interests. Incorporated by reference to Exhibit A of Exhibit 4.3 to the Current Report on Form 8-K of Ferrellgas Partners, L.P. filed February 18, 2003.
4.2	Indenture dated as of September 24, 2002, with form of Note attached, among Ferrellgas Partners, L.P., Ferrellgas Partners Finance Corp., and U.S. Bank National Association, as trustee, relating to \$170,000,000 aggregate principal amount of the Registrant's 8 3/4% Senior Notes due 2012. Incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed September 24, 2002.

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<u>Exhibit Number</u>	<u>Description</u>
4.3	Indenture dated as of April 20, 2004, with form of Note attached, among Ferrellgas Escrow LLC and Ferrellgas Finance Escrow Corporation and U.S. Bank National Association, as trustee, relating to 6 ³ / ₄ % Senior Notes due 2014. Incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed April 22, 2004.
4.4	Ferrellgas, L.P. Note Purchase Agreement, dated as of July 1, 1998, relating to: \$109,000,000 6.99% Senior Notes, Series A, due August 1, 2005, \$37,000,000 7.08% Senior Notes, Series B, due August 1, 2006, \$52,000,000 7.12% Senior Notes, Series C, due August 1, 2008, \$82,000,000 7.24% Senior Notes, Series D, due August 1, 2010, and \$70,000,000 7.42% Senior Notes, Series E, due August 1, 2013. Incorporated by reference to Exhibit 4.4 to our Annual Report on Form 10-K filed October 29, 1998.
4.5	Ferrellgas, L.P. Note Purchase Agreement, dated as of February 28, 2000, relating to: \$21,000,000 8.68% Senior Notes, Series A, due August 1, 2006, \$90,000,000 8.78% Senior Notes, Series B, due August 1, 2007, and \$73,000,000 8.87% Senior Notes, Series C, due August 1, 2009. Incorporated by reference to Exhibit 4.2 to our Quarterly Report on Form 10-Q filed March 16, 2000.
4.6	Registration Rights Agreement dated as of December 17, 1999, by and between Ferrellgas Partners, L.P. and Williams Natural Gas Liquids, Inc. Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K filed December 29, 1999.
4.7	First Amendment to the Registration Rights Agreement dated as of March 14, 2000, by and between Ferrellgas Partners, L.P. and Williams Natural Gas Liquids, Inc. Incorporated by reference to Exhibit 4.1 to our Quarterly Report on Form 10-Q filed March 16, 2000.
4.8	Second Amendment to the Registration Rights Agreement dated as of April 6, 2001, by and between Ferrellgas Partners, L.P. and The Williams Companies, Inc. Incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K filed April 6, 2001.
4.9	Third Amendment to the Registration Rights Agreement dated as of June 29, 2005, between JEF Capital Management, Inc. and Ferrellgas Partners, L.P. Incorporated by reference to Exhibit 10.1 to our Current Report of Form 8-K filed June 30, 2005.
10.1	Fifth Amended and Restated Credit Agreement dated as of April 22, 2005, by and among Ferrellgas, L.P. as the borrower, Ferrellgas, Inc. as the general partner of the borrower, Bank of America N.A., as administrative agent and swing line lender, and the lenders and L/C issuers party hereto. Incorporated by reference to Exhibit 10.5 to our Quarterly Report on Form 10-Q filed June 8, 2005.
10.2	Credit Agreement dated as of May 1, 2007, by and among Ferrellgas, L.P. as the borrower, Ferrellgas, Inc. as the general partner of the borrower, Bank of America N.A., as administrative agent. Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed May 4, 2007.

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<u>Exhibit Number</u>	<u>Description</u>
10.3	Lender Addendum dated as of June 6, 2006, by and among Deutsche Bank Trust Company Americas as the new lender, Ferrellgas, L.P. as the borrower, Ferrellgas, Inc. and Bank of America, N.A., as Administrative Agent. Incorporated by reference to Exhibit 10.2 to our Annual Report on Form 10-K filed October 12, 2006.
10.4	Commitment Increase Agreement dated as of August 28, 2006, by and among Fifth Third Bank as the lender, Ferrellgas, L.P. as the borrower, Ferrellgas, Inc. and Bank of America, N.A. as Administrative Agent. Incorporated by reference to Exhibit 10.3 to our Annual Report on Form 10-K filed October 12, 2006.
10.5	Amended and Restated Receivable Interest Sale Agreement dated June 7, 2005 between Ferrellgas, L.P., as originator, and Ferrellgas Receivables, L.L.C., as buyer. by reference to Exhibit 10.9 to our Quarterly Report on Form 10-Q filed June 8, 2005.
10.6	Amendment No. 1 to the Amended and Restated Receivable Interest Sale Agreement and Subordinated Note dated June 6, 2006 between Ferrellgas, L.P., as originator, and Ferrellgas Receivables, LLC, as buyer. Incorporated by reference to Exhibit 10.11 to our Quarterly Report on Form 10-Q filed on June 8, 2006.
10.7	Amendment No. 2 to the Amended and Restated Receivable Interest Sale Agreement dated June 6, 2006 between Ferrellgas, L.P., as originator, and Ferrellgas Receivables, LLC, as buyer. Incorporated by reference to Exhibit 10.6 to our Annual Report on Form 10-K filed October 12, 2006.
10.8	Amendment No. 3 to the Amended and Restated Receivable Interest Sale Agreement dated May 31, 2007 between Ferrellgas, L.P., as originator, and Ferrellgas Receivables, LLC, as buyer. Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K Filed June 1, 2007.
10.9	Second Amended and Restated Receivables Purchase Agreement dated as of June 6, 2006, by and among Ferrellgas Receivables, L.L.C., as seller, Ferrellgas, L.P., as servicer, Jupiter Securitization Corporation, the financial institutions from time to time party hereto, Fifth Third Bank and JPMorgan Chase Bank, NA, as agent. Incorporated by reference to Exhibit 10.19 to our Quarterly Report on Form 10-Q filed June 8, 2006.
10.10	Amendment No. 1 to Second Amended and Restated Receivables Purchase Agreement dated August 18, 2006, by and among Ferrellgas Receivables, LLC, as seller, Ferrellgas, L.P., as servicer, Jupiter Securitization Corporation, the financial institutions from time to time party hereto, Fifth Third Bank and JPMorgan Chase Bank, NA, as agent. Incorporated by reference to Exhibit 99.2 to our Current Report on Form 8-K filed August 18, 2006.
10.11	Amendment No. 2 to Second Amended and Restated Receivables Purchase Agreement dated May 31, 2007, by and among Ferrellgas Receivables, LLC, as seller, Ferrellgas, L.P., as servicer, Jupiter Securitization Corporation, the financial institutions from time to time party hereto, Fifth Third Bank and JPMorgan Chase Bank, NA, as agent. Incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed June 1, 2007.
# 10.12	Ferrell Companies, Inc. Supplemental Savings Plan, restated January 1, 2000. Incorporated by reference to Exhibit 99.1 to our Current Report on Form 8-K filed February 18, 2003.

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	<u>Exhibit Number</u>	<u>Description</u>
#	10.13	Second Amended and Restated Ferrellgas Unit Option Plan. Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed June 5, 2001.
#	10.14	Ferrell Companies, Inc. 1998 Incentive Compensation Plan, as amended and restated effective October 11, 2004. Incorporated by reference to Exhibit 10.23 to our Annual Report on Form 10-K filed October 13, 2004.
#	10.15	Employment Agreement between James E. Ferrell and Ferrellgas, Inc., dated July 31, 1998. Incorporated by reference to Exhibit 10.13 to our Annual Report on Form 10-K filed October 29, 1998.
#	10.16	Waiver to Employment, Confidentiality, and Non-Compete Agreement by and among Ferrell Companies, Inc., Ferrellgas, Inc., James E. Ferrell and Greatbanc Trust Company, dated as of December 19, 2006. Incorporated by reference to Exhibit 10.19 to our Quarterly Report on Form 10-Q filed March 9, 2007.
#	10.17	Amended and Restated Employment Agreement dated October 11, 2004, by and among Ferrellgas, Inc., Ferrell Companies, Inc. and Billy D. Prim. Incorporated by reference to Exhibit 10.25 to our Annual Report on Form 10-K filed October 13, 2004.
#	10.18	Separation Agreement and Release dated March 9, 2006 between Timothy E. Scronce and Ferrellgas, Inc. Incorporated by reference to Exhibit 10.28 to our Quarterly Report on Form 10-Q filed March 10, 2006.
#	10.19	Agreement and Release dated as of May 11, 2006 by and among Jeffrey B. Ward, Ferrellgas, Inc., Ferrell Companies, Inc., Ferrellgas Partners, L.P. and Ferrellgas, L.P. Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed June 22, 2006.
#	10.20	Agreement and Release dated as of August 15, 2006 by and among Kenneth A. Heinz, Ferrellgas, Inc., Ferrell Companies, Inc., Ferrellgas Partners, L.P. and Ferrellgas, L.P. Incorporated by reference to Exhibit 99.1 to our Current Report on Form 8-K filed August 18, 2006.
#*	10.21	Amended and Restated Change In Control Agreement dated as of March 5, 2008 by and between Stephen L. Wambold and Ferrellgas, Inc.
#*	10.22	Amended and Restated Change In Control Agreement dated as of March 5, 2008 by and between Eugene D. Caresia and Ferrellgas, Inc.
#*	10.23	Amended and Restated Change In Control Agreement dated as of March 5, 2008 by and between Kevin T. Kelly and Ferrellgas, Inc.
#*	10.24	Amended and Restated Change In Control Agreement dated as of March 5, 2008 by and between George L. Koloroutis and Ferrellgas, Inc.
#*	10.25	Amended and Restated Change In Control Agreement dated as of March 5, 2008 by and between Patrick J. Walsh and Ferrellgas, Inc.
#*	10.26	Amended and Restated Change In Control Agreement dated as of March 5, 2008 by and between Tod D. Brown and Ferrellgas, Inc.
#*	10.27	Change In Control Agreement dated as of March 5, 2008 by and between James R. VanWinkle and Ferrellgas, Inc.

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	<u>Exhibit Number</u>	<u>Description</u>
#*	10.28	Change In Control Agreement dated as of March 5, 2008 by and between Richard V. Mayberry and Ferrellgas, Inc
#	10.29	Change In Control Agreement dated as of October 9, 2006 by and between James E. Ferrell and Ferrellgas, Inc. Incorporated by reference to Exhibit 10.30 to our Annual Report on Form 10-K filed October 12, 2006.
#	10.30	Agreement and release dated as of December 4, 2007 by and among Brian J. Kline, Ferrellgas, Inc., Ferrell Companies, Inc., Ferrellgas Partners L.P. and Ferrellgas L.P. Incorporated by reference to Exhibit 10.33 to our Quarterly Report on Form 10-Q filed December 6, 2007.
*	31.1	Certification of Ferrellgas Partners, L.P. pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act.
*	31.2	Certification of Ferrellgas Partners Finance Corp. pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act.
*	31.3	Certification of Ferrellgas, L.P. pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act.
*	31.4	Certification of Ferrellgas Finance Corp. pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act.
*	32.1	Certification of Ferrellgas Partners, L.P. pursuant to 18 U.S.C. Section 1350.
*	32.2	Certification of Ferrellgas Partners Finance Corp. pursuant to 18 U.S.C. Section 1350.
*	32.3	Certification of Ferrellgas, L.P. pursuant to 18 U.S.C. Section 1350.
*	32.4	Certification of Ferrellgas Finance Corp. pursuant to 18 U.S.C. Section 1350.

* Filed herewith

Management contracts or compensatory plans.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FERRELLGAS PARTNERS, L.P.

By Ferrellgas, Inc. (General Partner)

Date: March 7, 2008

By /s/ Kevin T. Kelly
Kevin T. Kelly
Senior Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

FERRELLGAS PARTNERS FINANCE CORP.

Date: March 7, 2008

By /s/ Kevin T. Kelly
Kevin T. Kelly
Senior Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

FERRELLGAS, L.P.

By Ferrellgas, Inc. (General Partner)

Date: March 7, 2008

By /s/ Kevin T. Kelly
Kevin T. Kelly
Senior Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

FERRELLGAS FINANCE CORP.

Date: March 7, 2008

By /s/ Kevin T. Kelly
Kevin T. Kelly
Senior Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit Index

<u>Exhibit Number</u>	<u>Description</u>
3.1	Fourth Amended and Restated Agreement of Limited Partnership of Ferrellgas Partners, L.P., dated as of February 18, 2003. Incorporated by reference to Exhibit 4.3 to our Current Report on Form 8-K filed February 18, 2003.
3.2	First Amendment to the Fourth Amended and Restated Agreement of Limited Partnership of Ferrellgas Partners, L.P., dated as of March 8, 2003. Incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K filed March 8, 2005.
3.3	Second Amendment to the Fourth Amended and Restated Agreement of Limited Partnership of Ferrellgas Partners, L.P., dated as of June 29, 2005. Incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed June 30, 2005.
3.4	Third Amendment to the Fourth Amended and Restated Agreement of Limited Partnership of Ferrellgas Partners, L.P. dated as of October 11, 2006. Incorporated by reference to Exhibit 3.4 to our Annual Report on Form 10-K filed October 12, 2006.
3.5	Certificate of Incorporation for Ferrellgas Partners Finance Corp. Incorporated by reference to Exhibit 3.2 to our Quarterly Report on Form 10-Q filed December 16, 1996.
3.6	Bylaws of Ferrellgas Partners Finance Corp. Incorporated by reference to Exhibit 3.3 to our Quarterly Report on Form 10-Q filed June 13, 1997.
3.7	Third Amended and Restated Agreement of Limited Partnership of Ferrellgas, L.P., dated as of April 7, 2004. Incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K filed April 22, 2004.
3.8	Certificate of Incorporation of Ferrellgas Finance Corp. Incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K of Ferrellgas Partners, L.P. filed February 18, 2003.
3.9	Bylaws of Ferrellgas Finance Corp. Incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K of Ferrellgas Partners, L.P. filed February 18, 2003.
4.1	Specimen Certificate evidencing Common Units representing Limited Partner Interests. Incorporated by reference to Exhibit A of Exhibit 4.3 to the Current Report on Form 8-K of Ferrellgas Partners, L.P. filed February 18, 2003.
4.2	Indenture dated as of September 24, 2002, with form of Note attached, among Ferrellgas Partners, L.P., Ferrellgas Partners Finance Corp., and U.S. Bank National Association, as trustee, relating to \$170,000,000 aggregate principal amount of the Registrant's 8 3/4% Senior Notes due 2012. Incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed September 24, 2002.

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<u>Exhibit Number</u>	<u>Description</u>
4.3	Indenture dated as of April 20, 2004, with form of Note attached, among Ferrellgas Escrow LLC and Ferrellgas Finance Escrow Corporation and U.S. Bank National Association, as trustee, relating to 6 ³ / ₄ % Senior Notes due 2014. Incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed April 22, 2004.
4.4	Ferrellgas, L.P. Note Purchase Agreement, dated as of July 1, 1998, relating to: \$109,000,000 6.99% Senior Notes, Series A, due August 1, 2005, \$37,000,000 7.08% Senior Notes, Series B, due August 1, 2006, \$52,000,000 7.12% Senior Notes, Series C, due August 1, 2008, \$82,000,000 7.24% Senior Notes, Series D, due August 1, 2010, and \$70,000,000 7.42% Senior Notes, Series E, due August 1, 2013. Incorporated by reference to Exhibit 4.4 to our Annual Report on Form 10-K filed October 29, 1998.
4.5	Ferrellgas, L.P. Note Purchase Agreement, dated as of February 28, 2000, relating to: \$21,000,000 8.68% Senior Notes, Series A, due August 1, 2006, \$90,000,000 8.78% Senior Notes, Series B, due August 1, 2007, and \$73,000,000 8.87% Senior Notes, Series C, due August 1, 2009. Incorporated by reference to Exhibit 4.2 to our Quarterly Report on Form 10-Q filed March 16, 2000.
4.6	Registration Rights Agreement dated as of December 17, 1999, by and between Ferrellgas Partners, L.P. and Williams Natural Gas Liquids, Inc. Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K filed December 29, 1999.
4.7	First Amendment to the Registration Rights Agreement dated as of March 14, 2000, by and between Ferrellgas Partners, L.P. and Williams Natural Gas Liquids, Inc. Incorporated by reference to Exhibit 4.1 to our Quarterly Report on Form 10-Q filed March 16, 2000.
4.8	Second Amendment to the Registration Rights Agreement dated as of April 6, 2001, by and between Ferrellgas Partners, L.P. and The Williams Companies, Inc. Incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K filed April 6, 2001.
4.9	Third Amendment to the Registration Rights Agreement dated as of June 29, 2005, between JEF Capital Management, Inc. and Ferrellgas Partners, L.P. Incorporated by reference to Exhibit 10.1 to our Current Report of Form 8-K filed June 30, 2005.
10.1	Fifth Amended and Restated Credit Agreement dated as of April 22, 2005, by and among Ferrellgas, L.P. as the borrower, Ferrellgas, Inc. as the general partner of the borrower, Bank of America N.A., as administrative agent and swing line lender, and the lenders and L/C issuers party hereto. Incorporated by reference to Exhibit 10.5 to our Quarterly Report on Form 10-Q filed June 8, 2005.
10.2	Credit Agreement dated as of May 1, 2007, by and among Ferrellgas, L.P. as the borrower, Ferrellgas, Inc. as the general partner of the borrower, Bank of America N.A., as administrative agent. Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed May 4, 2007.

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<u>Exhibit Number</u>	<u>Description</u>
10.3	Lender Addendum dated as of June 6, 2006, by and among Deutsche Bank Trust Company Americas as the new lender, Ferrellgas, L.P. as the borrower, Ferrellgas, Inc. and Bank of America, N.A., as Administrative Agent. Incorporated by reference to Exhibit 10.2 to our Annual Report on Form 10-K filed October 12, 2006.
10.4	Commitment Increase Agreement dated as of August 28, 2006, by and among Fifth Third Bank as the lender, Ferrellgas, L.P. as the borrower, Ferrellgas, Inc. and Bank of America, N.A. as Administrative Agent. Incorporated by reference to Exhibit 10.3 to our Annual Report on Form 10-K filed October 12, 2006.
10.5	Amended and Restated Receivable Interest Sale Agreement dated June 7, 2005 between Ferrellgas, L.P., as originator, and Ferrellgas Receivables, L.L.C., as buyer. by reference to Exhibit 10.9 to our Quarterly Report on Form 10-Q filed June 8, 2005.
10.6	Amendment No. 1 to the Amended and Restated Receivable Interest Sale Agreement and Subordinated Note dated June 6, 2006 between Ferrellgas, L.P., as originator, and Ferrellgas Receivables, LLC, as buyer. Incorporated by reference to Exhibit 10.11 to our Quarterly Report on Form 10-Q filed on June 8, 2006.
10.7	Amendment No. 2 to the Amended and Restated Receivable Interest Sale Agreement dated June 6, 2006 between Ferrellgas, L.P., as originator, and Ferrellgas Receivables, LLC, as buyer. Incorporated by reference to Exhibit 10.6 to our Annual Report on Form 10-K filed October 12, 2006.
10.8	Amendment No. 3 to the Amended and Restated Receivable Interest Sale Agreement dated May 31, 2007 between Ferrellgas, L.P., as originator, and Ferrellgas Receivables, LLC, as buyer. Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K Filed June 1, 2007.
10.9	Second Amended and Restated Receivables Purchase Agreement dated as of June 6, 2006, by and among Ferrellgas Receivables, L.L.C., as seller, Ferrellgas, L.P., as servicer, Jupiter Securitization Corporation, the financial institutions from time to time party hereto, Fifth Third Bank and JPMorgan Chase Bank, NA, as agent. Incorporated by reference to Exhibit 10.19 to our Quarterly Report on Form 10-Q filed June 8, 2006.
10.10	Amendment No. 1 to Second Amended and Restated Receivables Purchase Agreement dated August 18, 2006, by and among Ferrellgas Receivables, LLC, as seller, Ferrellgas, L.P., as servicer, Jupiter Securitization Corporation, the financial institutions from time to time party hereto, Fifth Third Bank and JPMorgan Chase Bank, NA, as agent. Incorporated by reference to Exhibit 99.2 to our Current Report on Form 8-K filed August 18, 2006.
10.11	Amendment No. 2 to Second Amended and Restated Receivables Purchase Agreement dated May 31, 2007, by and among Ferrellgas Receivables, LLC, as seller, Ferrellgas, L.P., as servicer, Jupiter Securitization Corporation, the financial institutions from time to time party hereto, Fifth Third Bank and JPMorgan Chase Bank, NA, as agent. Incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed June 1, 2007.
# 10.12	Ferrell Companies, Inc. Supplemental Savings Plan, restated January 1, 2000. Incorporated by reference to Exhibit 99.1 to our Current Report on Form 8-K filed February 18, 2003.

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	<u>Exhibit Number</u>	<u>Description</u>
#	10.13	Second Amended and Restated Ferrellgas Unit Option Plan. Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed June 5, 2001.
#	10.14	Ferrell Companies, Inc. 1998 Incentive Compensation Plan, as amended and restated effective October 11, 2004. Incorporated by reference to Exhibit 10.23 to our Annual Report on Form 10-K filed October 13, 2004.
#	10.15	Employment Agreement between James E. Ferrell and Ferrellgas, Inc., dated July 31, 1998. Incorporated by reference to Exhibit 10.13 to our Annual Report on Form 10-K filed October 29, 1998.
#	10.16	Waiver to Employment, Confidentiality, and Non-Compete Agreement by and among Ferrell Companies, Inc., Ferrellgas, Inc., James E. Ferrell and Greatbanc Trust Company, dated as of December 19, 2006. Incorporated by reference to Exhibit 10.19 to our Quarterly Report on Form 10-Q filed March 9, 2007.
#	10.17	Amended and Restated Employment Agreement dated October 11, 2004, by and among Ferrellgas, Inc., Ferrell Companies, Inc. and Billy D. Prim. Incorporated by reference to Exhibit 10.25 to our Annual Report on Form 10-K filed October 13, 2004.
#	10.18	Separation Agreement and Release dated March 9, 2006 between Timothy E. Scronce and Ferrellgas, Inc. Incorporated by reference to Exhibit 10.28 to our Quarterly Report on Form 10-Q filed March 10, 2006.
#	10.19	Agreement and Release dated as of May 11, 2006 by and among Jeffrey B. Ward, Ferrellgas, Inc., Ferrell Companies, Inc., Ferrellgas Partners, L.P. and Ferrellgas, L.P. Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed June 22, 2006.
#	10.20	Agreement and Release dated as of August 15, 2006 by and among Kenneth A. Heinz, Ferrellgas, Inc., Ferrell Companies, Inc., Ferrellgas Partners, L.P. and Ferrellgas, L.P. Incorporated by reference to Exhibit 99.1 to our Current Report on Form 8-K filed August 18, 2006.
#*	10.21	Amended and Restated Change In Control Agreement dated as of March 5, 2008 by and between Stephen L. Wambold and Ferrellgas, Inc.
#*	10.22	Amended and Restated Change In Control Agreement dated as of March 5, 2008 by and between Eugene D. Caresia and Ferrellgas, Inc.
#*	10.23	Amended and Restated Change In Control Agreement dated as of March 5, 2008 by and between Kevin T. Kelly and Ferrellgas, Inc.
#*	10.24	Amended and Restated Change In Control Agreement dated as of March 5, 2008 by and between George L. Koloroutis and Ferrellgas, Inc.
#*	10.25	Amended and Restated Change In Control Agreement dated as of March 5, 2008 by and between Patrick J. Walsh and Ferrellgas, Inc.
#*	10.26	Amended and Restated Change In Control Agreement dated as of March 5, 2008 by and between Tod D. Brown and Ferrellgas, Inc.
#*	10.27	Change In Control Agreement dated as of March 5, 2008 by and between James R. VanWinkle and Ferrellgas, Inc.

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	Exhibit Number	Description
#*	10.28	Change In Control Agreement dated as of March 5, 2008 by and between Richard V. Mayberry and Ferrellgas, Inc
#	10.29	Change In Control Agreement dated as of October 9, 2006 by and between James E. Ferrell and Ferrellgas, Inc. Incorporated by reference to Exhibit 10.30 to our Annual Report on Form 10-K filed October 12, 2006.
#	10.30	Agreement and release dated as of December 4, 2007 by and among Brian J. Kline, Ferrellgas, Inc., Ferrell Companies, Inc., Ferrellgas Partners L.P. and Ferrellgas L.P. Incorporated by reference to Exhibit 10.33 to our Quarterly Report on Form 10-Q filed December 6, 2007.
*	31.1	Certification of Ferrellgas Partners, L.P. pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act.
*	31.2	Certification of Ferrellgas Partners Finance Corp. pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act.
*	31.3	Certification of Ferrellgas, L.P. pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act.
*	31.4	Certification of Ferrellgas Finance Corp. pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act.
*	32.1	Certification of Ferrellgas Partners, L.P. pursuant to 18 U.S.C. Section 1350.
*	32.2	Certification of Ferrellgas Partners Finance Corp. pursuant to 18 U.S.C. Section 1350.
*	32.3	Certification of Ferrellgas, L.P. pursuant to 18 U.S.C. Section 1350.
*	32.4	Certification of Ferrellgas Finance Corp. pursuant to 18 U.S.C. Section 1350.

* Filed herewith

Management contracts or compensatory plans.

AMENDED AND RESTATED CHANGE IN CONTROL AGREEMENT

THIS AMENDED AND RESTATED AGREEMENT ("Agreement"), made and entered into this 5th day of March, 2008 (the "Effective Date"), by and between Ferrellgas, Inc. (the "Company") and Stephen L. Wambold (the "Executive");

WITNESSETH THAT:

WHEREAS, the Company and the Executive are parties to a Change in Control Agreement dated as of October 10, 2006 (the "Prior Agreement");

WHEREAS, the Company wishes to continue to assure itself of the continuity of the Executive's service in the event of a Change in Control (as defined below);

WHEREAS, the Company and the Executive now desire to amend the Prior Agreement to reflect certain changes in law and to make certain other changes; and

WHEREAS, the Company and the Executive accordingly desire to enter into this Agreement on the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, IT IS HEREBY AGREED by and between the parties as follows:

1. **Agreement Term**. The "Agreement Term" shall begin on the Effective Date and shall continue through December 31, 2008, subject to the following:

- (a) As of December 31, 2008, and on each December 31 thereafter, the Agreement Term shall automatically be extended for one additional year unless, not later than the preceding June 30, either party shall have given notice that such party does not wish to extend the Agreement Term.
- (b) If a Change in Control occurs during the Agreement Term (as it may be extended from time to time), the Agreement Term shall continue for a period of twenty-four calendar months beyond the calendar month in which such Change in Control occurs and, following an extension in accordance with this subparagraph (b), no further extensions shall occur under subparagraph 1(a).

2. **Certain Definitions**. In addition to terms otherwise defined herein, the following capitalized terms used in this Agreement shall have the meanings specified:

- (a) **Board**. The term "Board" means the Board of Directors of the Company.
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(b) Cause. The term "Cause" means:

- (i) the willful and continued failure by the Executive to substantially perform his duties for the Company (other than any such failure resulting from the Executive's being disabled) within a reasonable period of time after a written demand for substantial performance is delivered to the Executive by the Board, which demand specifically identifies the manner in which the Board believes that the Executive has not substantially performed his duties;
- (ii) the willful engaging by the Executive in conduct which is demonstrably and materially injurious to the Company, monetarily or otherwise; or
- (iii) the engaging by the Executive in egregious misconduct involving serious moral turpitude to the extent that, in the reasonable judgment of the Board, the Executive's credibility and reputation no longer conform to the standard of the Company's executives.

For purposes of this Agreement, no act, or failure to act, on the Executive's part shall be deemed "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company.

(c) Change in Control. The term "Change in Control" means the first to occur of any of the following that occurs after the Effective Date:

- (i) any merger or consolidation of the Company in which the Company is not the survivor;
- (ii) any sale of all or substantially all of the common stock of Ferrell Companies, Inc. by the Ferrell Companies, Inc. Employee Stock Ownership Trust;
- (iii) a sale of all or substantially all of the common stock of the Company;
- (iv) a replacement of the Company as the General Partner of Ferrellgas Partners, L.P.;
- (v) a public sale of at least 51 percent of the equity of Ferrell Companies, Inc.; or
- (vi) such other transaction designated as a Change in Control by the Board.

- (d) COBRA. The term "COBRA" means continuing group health coverage required by section 4980B of the Code or sections 601 et. seq. of the Employee Retirement Income Security Act of 1974, as amended.
 - (e) Code. The term "Code" means the Internal Revenue Code of 1986, as amended.
 - (f) Covered Termination. The Executive will incur a "Covered Termination" upon his Termination Date if the Termination Date occurs (i) during the Agreement Term, (ii) upon or following a Change in Control, and (iii) on account of termination of employment by the Executive for Good Reason or by Company for reasons other than for Cause.
 - (g) Good Reason. The term "Good Reason" means any of the following:
 - (a) A reduction in excess of 10% in the Executive's base salary or target incentive potential as compared to his base salary or target incentive in effect immediately prior to the Change in Control;
 - (b) A material diminution in the Executive's authority, duties or responsibilities as compared to his authority, duties or responsibilities immediately prior to the Change in Control;
 - (c) The relocation of the Executive's principal office location to a location which is more than 50 highway miles from the location of the Executive's principal office location immediately prior to the Change in Control; or
 - (d) The Company's material breach of any material term of this Agreement.
- Notwithstanding any other provision of this Agreement to the contrary, the Executive's Termination Date shall not be considered to be on account of Good Reason unless the Executive provides notice of the event or condition that the Executive believes to constitute Good Reason within 180 days of the date on which the event first occurs or the condition first exists, the Company does not cure such event or condition within 30 days following the date the Executive provides notice and the Executive resigns his employment with the Company and its affiliates for Good Reason within the Agreement Term.
- (h) Termination Date. The term "Termination Date" with respect to the Executive means the date on which the Executive's employment with the Company and its affiliates terminates for any reason, including voluntary resignation. If the Executive becomes employed by the entity into which the Company is merged, or the purchaser of substantially all of the assets of the Company, or a successor to such entity or purchaser, the Executive's Termination Date shall not be treated as having occurred for

purposes of this Agreement until such time as the Executive terminates employment with the successor and its affiliates (including, without limitation, the merged entity or purchaser). If the Executive is transferred to employment with an affiliate (including a successor to the Company, and regardless of whether before, on, or after a Change in Control), such transfer shall not constitute the Executive's Termination Date for purposes of this Agreement.

3. **Payments and Benefits.** If the Executive's Termination Date occurs as the result of a Covered Termination, the Executive shall be entitled to the following payments and benefits:

- (a) The Executive will be entitled to a payment equal to two times the Executive's annual base salary in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (b) The Executive will be entitled to a payment equal to two times the Executive's target bonus, at his target bonus rate in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (c) For the two year period following the Termination Date, the Executive shall be entitled to receive continuing group medical coverage for himself and his dependents (on a non-taxable basis, including if necessary, payment of any gross-up payments necessary to result in net non-taxable benefits), which coverage is not materially less favorable to the Executive than the group medical coverage which was provided to the Executive by the Company or its affiliates immediately prior to the Change in Control. To the extent applicable and to the extent permitted by law, any continuing coverage provided to the Executive and/or his dependents pursuant to this subparagraph (c) shall be considered part of, and not in addition to, any coverage required under COBRA.
- (d) The Executive will be provided with professional outplacement services for a period of not more than 12 months following the Termination Date, at a level customary for an executive, to be provided by a firm mutually acceptable to the Company and the Executive.

Subject to the terms and conditions of this Agreement, payments pursuant to subparagraphs (a) and (b) next above shall be made in substantially equal monthly installments beginning within five days following the Termination Date. To the extent that the Company is required to make any gross-up payments to the Executive in order to provide the benefits described in subparagraph (c) on a non-taxable basis, such payments shall be made in the month that the Executive otherwise has taxable income as a result of such benefits, but in no event later than the end of the year in which the Executive pays the related taxes.

4. Mitigation. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise. None of the Company or any of its affiliates shall be entitled to set off against the amounts payable to the Executive under this Agreement any amounts owed to the Company or any of its affiliates by the Executive, any amounts earned by the Executive in other employment after his Termination Date, or any amounts which might have been earned by the Executive in other employment had he sought such other employment.

5. Tax Payments. If:

- (a) any payment or benefit to which the Executive is entitled from the Company, any affiliate, or trusts established by the Company or by any affiliate (the "Payments," which shall include, without limitation, the vesting of an option or other non-cash benefit or property) are subject to the tax imposed by section 4999 of the Code or any successor provision to that section; and
- (b) reduction of the Payments to the amount necessary to avoid the application of such tax would result in the Executive retaining an amount that is greater than the amount he would retain if the Payments were made without such reduction but after the reduction for the amount of the tax imposed by section 4999;

then the Payments shall be reduced to the extent required to avoid application of the tax imposed by section 4999. The Executive shall be entitled to select the order in which payments are to be reduced in accordance with the preceding sentence. Determination of whether Payments would result in the application of the tax imposed by section 4999, and the amount of reduction that is necessary so that no such tax would be applied, shall be made, at the Company's expense, by the independent accounting firm employed by the Company immediately prior to the occurrence of the Change in Control. Notwithstanding the foregoing, in no event shall the Executive be entitled to exercise any discretion with respect to the reduction of payments that are subject to section 409A of the Code and any such payments shall be reduced, if applicable, in the order in which they would otherwise be paid or provided (with the payments to be made first being reduced first) and cash payments shall be reduced prior to any non-cash payments or benefits.

6. Other Benefits. Except as may be otherwise specifically provided in an amendment of this Agreement adopted in accordance with paragraph 10, in the event of a Covered Termination, the Executive shall not be eligible to receive any benefits that may be otherwise payable to or on behalf of the Executive pursuant to the terms of any severance pay arrangement of the Company (or any affiliate of the Company), including any arrangement of the Company (or any

affiliate of the Company) providing benefits upon involuntary termination of employment.

7. Withholding. All payments to the Executive under this Agreement will be subject to all applicable withholding of applicable taxes.

8. Assistance with Claims. The Executive agrees that, for the period beginning on the Effective Date, and continuing for a reasonable period after the Executive's Termination Date, the Executive will assist the Company and its affiliates in defense of any claims that may be made against the Company or its affiliates and will assist the Company and its affiliates in the prosecution of any claims that may be made by the Company or its affiliates, to the extent that such claims may relate to services performed by the Executive for the Company or its affiliates. The Executive agrees to promptly inform the Company if he becomes aware of any lawsuits involving such claims that may be filed against the Company or its affiliates. The Company agrees to provide legal counsel to the Executive in connection with such assistance (to the extent legally permitted), and to reimburse the Executive for all of his reasonable out-of-pocket expenses associated with such assistance, including travel expenses. For periods after the Executive's employment with the Company terminates, the Company agrees to provide reasonable compensation to the Executive for such assistance. The Executive also agrees to promptly inform the Company if he is asked to assist in any investigation of the Company or its affiliates (or their actions) that may relate to services performed by the Executive for the Company or its affiliates, regardless of whether a lawsuit has then been filed against the Company or its affiliates with respect to such investigation. Any compensation payable to the Executive pursuant to this paragraph 8 for services provided to the Company shall be paid within ten days after the Executive provides the applicable services. To the extent that any reimbursements to be provided pursuant to this paragraph 8 are taxable to the Executive, such reimbursements shall be paid to the Executive only if (a) the expenses are incurred and reimbursable pursuant to a reimbursement plan that provides an objectively determinable nondiscretionary definition of the expenses that are eligible for reimbursement and (b) the expenses are incurred within two years following the Termination Date. With respect to any expenses that are reimbursable pursuant to the preceding sentence, the amount of the expenses that are eligible for reimbursement during one calendar year may not affect the amount of reimbursements to be provided in any subsequent calendar year, the reimbursement of an eligible expense shall be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, and the right to reimbursement of the expenses shall not be subject to liquidation or exchange for any other benefit.

9. Nonalienation. The interests of the Executive under this Agreement are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Executive or the Executive's beneficiary.

10. Amendment. This Agreement may be amended or canceled only by mutual agreement of the parties in writing without the consent of any other person. So long as the Executive lives, no person, other than the parties hereto, shall have any rights under or interest in this Agreement or the subject matter hereof.

11. Applicable Law. The provisions of this Agreement shall be construed in accordance with the laws of the State of Kansas, without regard to the conflict of law provisions of any state.

12. Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, and this Agreement will be construed as if such invalid or unenforceable provision were omitted (but only to the extent that such provision cannot be appropriately reformed or modified).

13. Obligation of Company. Except as otherwise specifically provided in this Agreement, nothing in this Agreement shall be construed to affect the Company's right to modify the Executive's position or duties, compensation, or other terms of employment, or to terminate the Executive's employment. Nothing in this Agreement shall be construed to require the Company or any other person to take steps or not take steps (including, without limitation, the giving or withholding of consents) that would result in a Change in Control.

14. Waiver of Breach. No waiver by any party hereto of a breach of any provision of this Agreement by any other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party of any similar or dissimilar provisions and conditions at the same or any prior or subsequent time. The failure of any party hereto to take any action by reason of such breach will not deprive such party of the right to take action at any time while such breach continues.

15. Successors, Assumption of Contract. This Agreement is personal to the Executive and may not be assigned by the Executive without the written consent of the Company. However, to the extent that rights or benefits under this Agreement otherwise survive the Executive's death, the Executive's heirs and estate shall succeed to such rights and benefits pursuant to the Executive's will or the laws of descent and distribution; provided that the Executive shall have the right at any time and from time to time, by notice delivered to the Company, to designate or to change the beneficiary or beneficiaries with respect to such benefits. This Agreement shall be binding upon and inure to the benefit of the Company and any successor of the Company, subject to the following:

(a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to expressly assume and agree to

perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

- (b) After a successor assumes this Agreement in accordance with this paragraph 15, only such successor shall be liable for amounts payable after such assumption, and no other companies (including, without limitation, the Company and any other predecessors) shall have liability for amounts payable after such assumption.
- (c) If the successor is required to assume the obligations of this Agreement under subparagraph (a), the successor shall execute and deliver to the Executive a written acknowledgment of the assumption of the Agreement.

16. Notices. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid (provided that international mail shall be sent via overnight or two-day delivery), or sent by facsimile or prepaid overnight courier to the parties at the addresses set forth below. Such notices, demands, claims and other communications shall be deemed given:

- (a) in the case of delivery by overnight service with guaranteed next day delivery, the next day or the day designated for delivery;
- (b) in the case of certified or registered U.S. mail, five days after deposit in the U.S. mail; or
- (c) in the case of facsimile, the date upon which the transmitting party received confirmation of receipt by facsimile, telephone or otherwise;

provided, however, that in no event shall any such communications be deemed to be given later than the date they are actually received. Communications that are to be delivered by the U.S. mail or by overnight service or two-day delivery service are to be delivered to the addresses set forth below:

to the Company:

Gene Caresia
Vice President, Human Resources
7500 College Blvd., Suite 1000
Overland Park, Kansas 66210

or to the Executive:

Stephen L. Wambold
15405 Knox
Overland Park, KS 66221

Each party, by written notice furnished to the other party, may modify the applicable delivery address, except that notice of change of address shall be effective only upon receipt.

17. Arbitration of All Disputes. Any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by final, binding and non-appealable arbitration in Overland Park, Kansas by three arbitrators. Except as otherwise expressly provided in this paragraph 17, the arbitration shall be conducted in accordance with the rules of the American Arbitration Association (the "Association") then in effect. One of the arbitrators shall be appointed by the Company, one shall be appointed by the Executive, and the third shall be appointed by the first two arbitrators. If the first two arbitrators cannot agree on the third arbitrator within 30 days of the appointment of the second arbitrator, then the third arbitrator shall be appointed by the Association.

18. Survival of Agreement. Except as otherwise expressly provided in this Agreement, the rights and obligations of the parties to this Agreement shall survive the termination of the Executive's employment with the Company.

19. Entire Agreement. Except as otherwise provided herein, this Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior or contemporaneous agreements, if any, between the parties relating to the subject matter hereof, including, but not limited to, the Prior Agreement; provided, however, that nothing in this Agreement shall be construed to limit any policy or agreement that is otherwise applicable relating to confidentiality, rights to inventions, copyrightable material, business and/or technical information, trade secrets, solicitation of employees, interference with relationships with other businesses, competition, and other similar policies or agreement for the protection of the business and operations of the Company and its affiliates.

20. Code Section 409A. Notwithstanding any other provision of this Agreement to the contrary, if any payment or benefit hereunder is subject to section 409A of the Code and if such payment or benefit is to be paid or provided on account of the Executive's separation from service (within the meaning of section 409A of the Code) and if the Executive is a specified employee (within the meaning of section 409A(a)(2)(B) of the Code), such payment or benefit shall be paid or provided on the later of (a) the first day of the seventh month following the Executive's separation from service or (b) the date on which such payment or benefit would otherwise be paid or provided pursuant to the terms of this Agreement. To the extent that any payments or benefits under the Agreement are subject to section 409A of the Code and are paid or provided on account of the Executive's termination of employment or service, the determination as to whether the Executive has had a termination of employment or service shall be made in accordance with section 409A of the Code and the guidance issued thereunder.

21. Counterparts. This Agreement may be executed in two or more counterparts, any one of which shall be deemed the original without reference to the others.

IN WITNESS THEREOF, the Executive has hereunto set his hand, and the Company has caused these presents to be executed in its name and on its behalf, all as of the Effective Date.

EXECUTIVE

FERRELLGAS, INC.

By _____

Its _____

AMENDED AND RESTATED CHANGE IN CONTROL AGREEMENT

THIS AMENDED AND RESTATED AGREEMENT ("Agreement"), made and entered into this 5th day of March, 2008 (the "Effective Date"), by and between Ferrellgas, Inc. (the "Company") and Eugene D. Caresia (the "Executive");

WITNESSETH THAT:

WHEREAS, the Company and the Executive are parties to a Change in Control Agreement dated as of October 10, 2006 (the "Prior Agreement");

WHEREAS, the Company wishes to continue to assure itself of the continuity of the Executive's service in the event of a Change in Control (as defined below);

WHEREAS, the Company and the Executive now desire to amend the Prior Agreement to reflect certain changes in law and to make certain other changes; and

WHEREAS, the Company and the Executive accordingly desire to enter into this Agreement on the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, IT IS HEREBY AGREED by and between the parties as follows:

1. Agreement Term. The "Agreement Term" shall begin on the Effective Date and shall continue through December 31, 2008, subject to the following:

- (a) As of December 31, 2008, and on each December 31 thereafter, the Agreement Term shall automatically be extended for one additional year unless, not later than the preceding June 30, either party shall have given notice that such party does not wish to extend the Agreement Term.
- (b) If a Change in Control occurs during the Agreement Term (as it may be extended from time to time), the Agreement Term shall continue for a period of twenty-four calendar months beyond the calendar month in which such Change in Control occurs and, following an extension in accordance with this subparagraph (b), no further extensions shall occur under subparagraph 1(a).

2. Certain Definitions. In addition to terms otherwise defined herein, the following capitalized terms used in this Agreement shall have the meanings specified:

- (a) Board. The term "Board" means the Board of Directors of the Company.
-

(b) Cause. The term "Cause" means:

- (i) the willful and continued failure by the Executive to substantially perform his duties for the Company (other than any such failure resulting from the Executive's being disabled) within a reasonable period of time after a written demand for substantial performance is delivered to the Executive by the Board, which demand specifically identifies the manner in which the Board believes that the Executive has not substantially performed his duties;
- (ii) the willful engaging by the Executive in conduct which is demonstrably and materially injurious to the Company, monetarily or otherwise; or
- (iii) the engaging by the Executive in egregious misconduct involving serious moral turpitude to the extent that, in the reasonable judgment of the Board, the Executive's credibility and reputation no longer conform to the standard of the Company's executives.

For purposes of this Agreement, no act, or failure to act, on the Executive's part shall be deemed "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company.

(c) Change in Control. The term "Change in Control" means the first to occur of any of the following that occurs after the Effective Date:

- (i) any merger or consolidation of the Company in which the Company is not the survivor;
- (ii) any sale of all or substantially all of the common stock of Ferrell Companies, Inc. by the Ferrell Companies, Inc. Employee Stock Ownership Trust;
- (iii) a sale of all or substantially all of the common stock of the Company;
- (iv) a replacement of the Company as the General Partner of Ferrellgas Partners, L.P.;
- (v) a public sale of at least 51 percent of the equity of Ferrell Companies, Inc.; or
- (vi) such other transaction designated as a Change in Control by the Board.

- (d) COBRA. The term "COBRA" means continuing group health coverage required by section 4980B of the Code or sections 601 et. seq. of the Employee Retirement Income Security Act of 1974, as amended.
- (e) Code. The term "Code" means the Internal Revenue Code of 1986, as amended.
- (f) Covered Termination. The Executive will incur a "Covered Termination" upon his Termination Date if the Termination Date occurs (i) during the Agreement Term, (ii) upon or following a Change in Control, and (iii) on account of termination of employment by the Executive for Good Reason or by Company for reasons other than for Cause.
- (g) Good Reason. The term "Good Reason" means any of the following:
- (a) A reduction in excess of 10% in the Executive's base salary or target incentive potential as compared to his base salary or target incentive in effect immediately prior to the Change in Control;
 - (b) A material diminution in the Executive's authority, duties or responsibilities as compared to his authority, duties or responsibilities immediately prior to the Change in Control;
 - (c) The relocation of the Executive's principal office location to a location which is more than 50 highway miles from the location of the Executive's principal office location immediately prior to the Change in Control; or
 - (d) The Company's material breach of any material term of this Agreement.
- Notwithstanding any other provision of this Agreement to the contrary, the Executive's Termination Date shall not be considered to be on account of Good Reason unless the Executive provides notice of the event or condition that the Executive believes to constitute Good Reason within 180 days of the date on which the event first occurs or the condition first exists, the Company does not cure such event or condition within 30 days following the date the Executive provides notice and the Executive resigns his employment with the Company and its affiliates for Good Reason within the Agreement Term.
- (h) Termination Date. The term "Termination Date" with respect to the Executive means the date on which the Executive's employment with the Company and its affiliates terminates for any reason, including voluntary resignation. If the Executive becomes employed by the entity into which the Company is merged, or the purchaser of substantially all of the assets of the Company, or a successor to such entity or purchaser, the Executive's Termination Date shall not be treated as having occurred for

purposes of this Agreement until such time as the Executive terminates employment with the successor and its affiliates (including, without limitation, the merged entity or purchaser). If the Executive is transferred to employment with an affiliate (including a successor to the Company, and regardless of whether before, on, or after a Change in Control), such transfer shall not constitute the Executive's Termination Date for purposes of this Agreement.

3. **Payments and Benefits.** If the Executive's Termination Date occurs as the result of a Covered Termination, the Executive shall be entitled to the following payments and benefits:

- (a) The Executive will be entitled to a payment equal to two times the Executive's annual base salary in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (b) The Executive will be entitled to a payment equal to two times the Executive's target bonus, at his target bonus rate in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (c) For the two year period following the Termination Date, the Executive shall be entitled to receive continuing group medical coverage for himself and his dependents (on a non-taxable basis, including if necessary, payment of any gross-up payments necessary to result in net non-taxable benefits), which coverage is not materially less favorable to the Executive than the group medical coverage which was provided to the Executive by the Company or its affiliates immediately prior to the Change in Control. To the extent applicable and to the extent permitted by law, any continuing coverage provided to the Executive and/or his dependents pursuant to this subparagraph (c) shall be considered part of, and not in addition to, any coverage required under COBRA.
- (d) The Executive will be provided with professional outplacement services for a period of not more than 12 months following the Termination Date, at a level customary for an executive, to be provided by a firm mutually acceptable to the Company and the Executive.

Subject to the terms and conditions of this Agreement, payments pursuant to subparagraphs (a) and (b) next above shall be made in substantially equal monthly installments beginning within five days following the Termination Date. To the extent that the Company is required to make any gross-up payments to the Executive in order to provide the benefits described in subparagraph (c) on a non-taxable basis, such payments shall be made in the month that the Executive otherwise has taxable income as a result of such benefits, but in no event later than the end of the year in which the Executive pays the related taxes.

4. Mitigation. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise. None of the Company or any of its affiliates shall be entitled to set off against the amounts payable to the Executive under this Agreement any amounts owed to the Company or any of its affiliates by the Executive, any amounts earned by the Executive in other employment after his Termination Date, or any amounts which might have been earned by the Executive in other employment had he sought such other employment.

5. Tax Payments. If:

- (a) any payment or benefit to which the Executive is entitled from the Company, any affiliate, or trusts established by the Company or by any affiliate (the "Payments," which shall include, without limitation, the vesting of an option or other non-cash benefit or property) are subject to the tax imposed by section 4999 of the Code or any successor provision to that section; and
- (b) reduction of the Payments to the amount necessary to avoid the application of such tax would result in the Executive retaining an amount that is greater than the amount he would retain if the Payments were made without such reduction but after the reduction for the amount of the tax imposed by section 4999;

then the Payments shall be reduced to the extent required to avoid application of the tax imposed by section 4999. The Executive shall be entitled to select the order in which payments are to be reduced in accordance with the preceding sentence. Determination of whether Payments would result in the application of the tax imposed by section 4999, and the amount of reduction that is necessary so that no such tax would be applied, shall be made, at the Company's expense, by the independent accounting firm employed by the Company immediately prior to the occurrence of the Change in Control. Notwithstanding the foregoing, in no event shall the Executive be entitled to exercise any discretion with respect to the reduction of payments that are subject to section 409A of the Code and any such payments shall be reduced, if applicable, in the order in which they would otherwise be paid or provided (with the payments to be made first being reduced first) and cash payments shall be reduced prior to any non-cash payments or benefits.

6. Other Benefits. Except as may be otherwise specifically provided in an amendment of this Agreement adopted in accordance with paragraph 10, in the event of a Covered Termination, the Executive shall not be eligible to receive any benefits that may be otherwise payable to or on behalf of the Executive pursuant to the terms of any severance pay arrangement of the Company (or any affiliate of the Company), including any arrangement of the Company (or any

affiliate of the Company) providing benefits upon involuntary termination of employment.

7. Withholding. All payments to the Executive under this Agreement will be subject to all applicable withholding of applicable taxes.

8. Assistance with Claims. The Executive agrees that, for the period beginning on the Effective Date, and continuing for a reasonable period after the Executive's Termination Date, the Executive will assist the Company and its affiliates in defense of any claims that may be made against the Company or its affiliates and will assist the Company and its affiliates in the prosecution of any claims that may be made by the Company or its affiliates, to the extent that such claims may relate to services performed by the Executive for the Company or its affiliates. The Executive agrees to promptly inform the Company if he becomes aware of any lawsuits involving such claims that may be filed against the Company or its affiliates. The Company agrees to provide legal counsel to the Executive in connection with such assistance (to the extent legally permitted), and to reimburse the Executive for all of his reasonable out-of-pocket expenses associated with such assistance, including travel expenses. For periods after the Executive's employment with the Company terminates, the Company agrees to provide reasonable compensation to the Executive for such assistance. The Executive also agrees to promptly inform the Company if he is asked to assist in any investigation of the Company or its affiliates (or their actions) that may relate to services performed by the Executive for the Company or its affiliates, regardless of whether a lawsuit has then been filed against the Company or its affiliates with respect to such investigation. Any compensation payable to the Executive pursuant to this paragraph 8 for services provided to the Company shall be paid within ten days after the Executive provides the applicable services. To the extent that any reimbursements to be provided pursuant to this paragraph 8 are taxable to the Executive, such reimbursements shall be paid to the Executive only if (a) the expenses are incurred and reimbursable pursuant to a reimbursement plan that provides an objectively determinable nondiscretionary definition of the expenses that are eligible for reimbursement and (b) the expenses are incurred within two years following the Termination Date. With respect to any expenses that are reimbursable pursuant to the preceding sentence, the amount of the expenses that are eligible for reimbursement during one calendar year may not affect the amount of reimbursements to be provided in any subsequent calendar year, the reimbursement of an eligible expense shall be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, and the right to reimbursement of the expenses shall not be subject to liquidation or exchange for any other benefit.

9. Nonalienation. The interests of the Executive under this Agreement are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Executive or the Executive's beneficiary.

10. Amendment. This Agreement may be amended or canceled only by mutual agreement of the parties in writing without the consent of any other person. So long as the Executive lives, no person, other than the parties hereto, shall have any rights under or interest in this Agreement or the subject matter hereof.

11. Applicable Law. The provisions of this Agreement shall be construed in accordance with the laws of the State of Kansas, without regard to the conflict of law provisions of any state.

12. Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, and this Agreement will be construed as if such invalid or unenforceable provision were omitted (but only to the extent that such provision cannot be appropriately reformed or modified).

13. Obligation of Company. Except as otherwise specifically provided in this Agreement, nothing in this Agreement shall be construed to affect the Company's right to modify the Executive's position or duties, compensation, or other terms of employment, or to terminate the Executive's employment. Nothing in this Agreement shall be construed to require the Company or any other person to take steps or not take steps (including, without limitation, the giving or withholding of consents) that would result in a Change in Control.

14. Waiver of Breach. No waiver by any party hereto of a breach of any provision of this Agreement by any other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party of any similar or dissimilar provisions and conditions at the same or any prior or subsequent time. The failure of any party hereto to take any action by reason of such breach will not deprive such party of the right to take action at any time while such breach continues.

15. Successors, Assumption of Contract. This Agreement is personal to the Executive and may not be assigned by the Executive without the written consent of the Company. However, to the extent that rights or benefits under this Agreement otherwise survive the Executive's death, the Executive's heirs and estate shall succeed to such rights and benefits pursuant to the Executive's will or the laws of descent and distribution; provided that the Executive shall have the right at any time and from time to time, by notice delivered to the Company, to designate or to change the beneficiary or beneficiaries with respect to such benefits. This Agreement shall be binding upon and inure to the benefit of the Company and any successor of the Company, subject to the following:

(a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to expressly assume and agree to

perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

- (b) After a successor assumes this Agreement in accordance with this paragraph 15, only such successor shall be liable for amounts payable after such assumption, and no other companies (including, without limitation, the Company and any other predecessors) shall have liability for amounts payable after such assumption.
- (c) If the successor is required to assume the obligations of this Agreement under subparagraph (a), the successor shall execute and deliver to the Executive a written acknowledgment of the assumption of the Agreement.

16. Notices. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid (provided that international mail shall be sent via overnight or two-day delivery), or sent by facsimile or prepaid overnight courier to the parties at the addresses set forth below. Such notices, demands, claims and other communications shall be deemed given:

- (a) in the case of delivery by overnight service with guaranteed next day delivery, the next day or the day designated for delivery;
- (b) in the case of certified or registered U.S. mail, five days after deposit in the U.S. mail; or
- (c) in the case of facsimile, the date upon which the transmitting party received confirmation of receipt by facsimile, telephone or otherwise;

provided, however, that in no event shall any such communications be deemed to be given later than the date they are actually received. Communications that are to be delivered by the U.S. mail or by overnight service or two-day delivery service are to be delivered to the addresses set forth below:

to the Company:

Gene Caresia
Vice President, Human Resources
7500 College Blvd., Suite 1000
Overland Park, Kansas 66210

or to the Executive:

Eugene D. Caresia
13403 W. 138th Terrace
Overland Park, KS 66221

Each party, by written notice furnished to the other party, may modify the applicable delivery address, except that notice of change of address shall be effective only upon receipt.

17. Arbitration of All Disputes. Any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by final, binding and non-appealable arbitration in Overland Park, Kansas by three arbitrators. Except as otherwise expressly provided in this paragraph 17, the arbitration shall be conducted in accordance with the rules of the American Arbitration Association (the "Association") then in effect. One of the arbitrators shall be appointed by the Company, one shall be appointed by the Executive, and the third shall be appointed by the first two arbitrators. If the first two arbitrators cannot agree on the third arbitrator within 30 days of the appointment of the second arbitrator, then the third arbitrator shall be appointed by the Association.

18. Survival of Agreement. Except as otherwise expressly provided in this Agreement, the rights and obligations of the parties to this Agreement shall survive the termination of the Executive's employment with the Company.

19. Entire Agreement. Except as otherwise provided herein, this Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior or contemporaneous agreements, if any, between the parties relating to the subject matter hereof, including, but not limited to, the Prior Agreement; provided, however, that nothing in this Agreement shall be construed to limit any policy or agreement that is otherwise applicable relating to confidentiality, rights to inventions, copyrightable material, business and/or technical information, trade secrets, solicitation of employees, interference with relationships with other businesses, competition, and other similar policies or agreement for the protection of the business and operations of the Company and its affiliates.

20. Code Section 409A. Notwithstanding any other provision of this Agreement to the contrary, if any payment or benefit hereunder is subject to section 409A of the Code and if such payment or benefit is to be paid or provided on account of the Executive's separation from service (within the meaning of section 409A of the Code) and if the Executive is a specified employee (within the meaning of section 409A(a)(2)(B) of the Code), such payment or benefit shall be paid or provided on the later of (a) the first day of the seventh month following the Executive's separation from service or (b) the date on which such payment or benefit would otherwise be paid or provided pursuant to the terms of this Agreement. To the extent that any payments or benefits under the Agreement are subject to section 409A of the Code and are paid or provided on account of the Executive's termination of employment or service, the determination as to whether the Executive has had a termination of employment or service shall be made in accordance with section 409A of the Code and the guidance issued thereunder.

21. Counterparts. This Agreement may be executed in two or more counterparts, any one of which shall be deemed the original without reference to the others.

IN WITNESS THEREOF, the Executive has hereunto set his hand, and the Company has caused these presents to be executed in its name and on its behalf, all as of the Effective Date.

EXECUTIVE

FERRELLGAS, INC.

By _____
Its _____

AMENDED AND RESTATED CHANGE IN CONTROL AGREEMENT

THIS AMENDED AND RESTATED AGREEMENT ("Agreement"), made and entered into this 5th day of March, 2008 (the "Effective Date"), by and between Ferrellgas, Inc. (the "Company") and Kevin T. Kelly (the "Executive");

WITNESSETH THAT:

WHEREAS, the Company and the Executive are parties to a Change in Control Agreement dated as of October 10, 2006 (the "Prior Agreement");

WHEREAS, the Company wishes to continue to assure itself of the continuity of the Executive's service in the event of a Change in Control (as defined below);

WHEREAS, the Company and the Executive now desire to amend the Prior Agreement to reflect certain changes in law and to make certain other changes; and

WHEREAS, the Company and the Executive accordingly desire to enter into this Agreement on the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, IT IS HEREBY AGREED by and between the parties as follows:

1. Agreement Term. The "Agreement Term" shall begin on the Effective Date and shall continue through December 31, 2008, subject to the following:

- (a) As of December 31, 2008, and on each December 31 thereafter, the Agreement Term shall automatically be extended for one additional year unless, not later than the preceding June 30, either party shall have given notice that such party does not wish to extend the Agreement Term.
- (b) If a Change in Control occurs during the Agreement Term (as it may be extended from time to time), the Agreement Term shall continue for a period of twenty-four calendar months beyond the calendar month in which such Change in Control occurs and, following an extension in accordance with this subparagraph (b), no further extensions shall occur under subparagraph 1(a).

2. Certain Definitions. In addition to terms otherwise defined herein, the following capitalized terms used in this Agreement shall have the meanings specified:

- (a) Board. The term "Board" means the Board of Directors of the Company.
-

(b) Cause. The term "Cause" means:

- (i) the willful and continued failure by the Executive to substantially perform his duties for the Company (other than any such failure resulting from the Executive's being disabled) within a reasonable period of time after a written demand for substantial performance is delivered to the Executive by the Board, which demand specifically identifies the manner in which the Board believes that the Executive has not substantially performed his duties;
- (ii) the willful engaging by the Executive in conduct which is demonstrably and materially injurious to the Company, monetarily or otherwise; or
- (iii) the engaging by the Executive in egregious misconduct involving serious moral turpitude to the extent that, in the reasonable judgment of the Board, the Executive's credibility and reputation no longer conform to the standard of the Company's executives.

For purposes of this Agreement, no act, or failure to act, on the Executive's part shall be deemed "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company.

(c) Change in Control. The term "Change in Control" means the first to occur of any of the following that occurs after the Effective Date:

- (i) any merger or consolidation of the Company in which the Company is not the survivor;
- (ii) any sale of all or substantially all of the common stock of Ferrell Companies, Inc. by the Ferrell Companies, Inc. Employee Stock Ownership Trust;
- (iii) a sale of all or substantially all of the common stock of the Company;
- (iv) a replacement of the Company as the General Partner of Ferrellgas Partners, L.P.;
- (v) a public sale of at least 51 percent of the equity of Ferrell Companies, Inc.; or
- (vi) such other transaction designated as a Change in Control by the Board.

- (d) COBRA. The term "COBRA" means continuing group health coverage required by section 4980B of the Code or sections 601 et. seq. of the Employee Retirement Income Security Act of 1974, as amended.
- (e) Code. The term "Code" means the Internal Revenue Code of 1986, as amended.
- (f) Covered Termination. The Executive will incur a "Covered Termination" upon his Termination Date if the Termination Date occurs (i) during the Agreement Term, (ii) upon or following a Change in Control, and (iii) on account of termination of employment by the Executive for Good Reason or by Company for reasons other than for Cause.
- (g) Good Reason. The term "Good Reason" means any of the following:
 - (a) A reduction in excess of 10% in the Executive's base salary or target incentive potential as compared to his base salary or target incentive in effect immediately prior to the Change in Control;
 - (b) A material diminution in the Executive's authority, duties or responsibilities as compared to his authority, duties or responsibilities immediately prior to the Change in Control;
 - (c) The relocation of the Executive's principal office location to a location which is more than 50 highway miles from the location of the Executive's principal office location immediately prior to the Change in Control; or
 - (d) The Company's material breach of any material term of this Agreement.

Notwithstanding any other provision of this Agreement to the contrary, the Executive's Termination Date shall not be considered to be on account of Good Reason unless the Executive provides notice of the event or condition that the Executive believes to constitute Good Reason within 180 days of the date on which the event first occurs or the condition first exists, the Company does not cure such event or condition within 30 days following the date the Executive provides notice and the Executive resigns his employment with the Company and its affiliates for Good Reason within the Agreement Term.

- (h) Termination Date. The term "Termination Date" with respect to the Executive means the date on which the Executive's employment with the Company and its affiliates terminates for any reason, including voluntary resignation. If the Executive becomes employed by the entity into which the Company is merged, or the purchaser of substantially all of the assets of the Company, or a successor to such entity or purchaser, the Executive's Termination Date shall not be treated as having occurred for

purposes of this Agreement until such time as the Executive terminates employment with the successor and its affiliates (including, without limitation, the merged entity or purchaser). If the Executive is transferred to employment with an affiliate (including a successor to the Company, and regardless of whether before, on, or after a Change in Control), such transfer shall not constitute the Executive's Termination Date for purposes of this Agreement.

3. **Payments and Benefits.** If the Executive's Termination Date occurs as the result of a Covered Termination, the Executive shall be entitled to the following payments and benefits:

- (a) The Executive will be entitled to a payment equal to two times the Executive's annual base salary in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (b) The Executive will be entitled to a payment equal to two times the Executive's target bonus, at his target bonus rate in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (c) For the two year period following the Termination Date, the Executive shall be entitled to receive continuing group medical coverage for himself and his dependents (on a non-taxable basis, including if necessary, payment of any gross-up payments necessary to result in net non-taxable benefits), which coverage is not materially less favorable to the Executive than the group medical coverage which was provided to the Executive by the Company or its affiliates immediately prior to the Change in Control. To the extent applicable and to the extent permitted by law, any continuing coverage provided to the Executive and/or his dependents pursuant to this subparagraph (c) shall be considered part of, and not in addition to, any coverage required under COBRA.
- (d) The Executive will be provided with professional outplacement services for a period of not more than 12 months following the Termination Date, at a level customary for an executive, to be provided by a firm mutually acceptable to the Company and the Executive.

Subject to the terms and conditions of this Agreement, payments pursuant to subparagraphs (a) and (b) next above shall be made in substantially equal monthly installments beginning within five days following the Termination Date. To the extent that the Company is required to make any gross-up payments to the Executive in order to provide the benefits described in subparagraph (c) on a non-taxable basis, such payments shall be made in the month that the Executive otherwise has taxable income as a result of such benefits, but in no event later than the end of the year in which the Executive pays the related taxes.

4. Mitigation. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise. None of the Company or any of its affiliates shall be entitled to set off against the amounts payable to the Executive under this Agreement any amounts owed to the Company or any of its affiliates by the Executive, any amounts earned by the Executive in other employment after his Termination Date, or any amounts which might have been earned by the Executive in other employment had he sought such other employment.

5. Tax Payments. If:

- (a) any payment or benefit to which the Executive is entitled from the Company, any affiliate, or trusts established by the Company or by any affiliate (the "Payments," which shall include, without limitation, the vesting of an option or other non-cash benefit or property) are subject to the tax imposed by section 4999 of the Code or any successor provision to that section; and
- (b) reduction of the Payments to the amount necessary to avoid the application of such tax would result in the Executive retaining an amount that is greater than the amount he would retain if the Payments were made without such reduction but after the reduction for the amount of the tax imposed by section 4999;

then the Payments shall be reduced to the extent required to avoid application of the tax imposed by section 4999. The Executive shall be entitled to select the order in which payments are to be reduced in accordance with the preceding sentence. Determination of whether Payments would result in the application of the tax imposed by section 4999, and the amount of reduction that is necessary so that no such tax would be applied, shall be made, at the Company's expense, by the independent accounting firm employed by the Company immediately prior to the occurrence of the Change in Control. Notwithstanding the foregoing, in no event shall the Executive be entitled to exercise any discretion with respect to the reduction of payments that are subject to section 409A of the Code and any such payments shall be reduced, if applicable, in the order in which they would otherwise be paid or provided (with the payments to be made first being reduced first) and cash payments shall be reduced prior to any non-cash payments or benefits.

6. Other Benefits. Except as may be otherwise specifically provided in an amendment of this Agreement adopted in accordance with paragraph 10, in the event of a Covered Termination, the Executive shall not be eligible to receive any benefits that may be otherwise payable to or on behalf of the Executive pursuant to the terms of any severance pay arrangement of the Company (or any affiliate of the Company), including any arrangement of the Company (or any

affiliate of the Company) providing benefits upon involuntary termination of employment.

7. Withholding. All payments to the Executive under this Agreement will be subject to all applicable withholding of applicable taxes.

8. Assistance with Claims. The Executive agrees that, for the period beginning on the Effective Date, and continuing for a reasonable period after the Executive's Termination Date, the Executive will assist the Company and its affiliates in defense of any claims that may be made against the Company or its affiliates and will assist the Company and its affiliates in the prosecution of any claims that may be made by the Company or its affiliates, to the extent that such claims may relate to services performed by the Executive for the Company or its affiliates. The Executive agrees to promptly inform the Company if he becomes aware of any lawsuits involving such claims that may be filed against the Company or its affiliates. The Company agrees to provide legal counsel to the Executive in connection with such assistance (to the extent legally permitted), and to reimburse the Executive for all of his reasonable out-of-pocket expenses associated with such assistance, including travel expenses. For periods after the Executive's employment with the Company terminates, the Company agrees to provide reasonable compensation to the Executive for such assistance. The Executive also agrees to promptly inform the Company if he is asked to assist in any investigation of the Company or its affiliates (or their actions) that may relate to services performed by the Executive for the Company or its affiliates, regardless of whether a lawsuit has then been filed against the Company or its affiliates with respect to such investigation. Any compensation payable to the Executive pursuant to this paragraph 8 for services provided to the Company shall be paid within ten days after the Executive provides the applicable services. To the extent that any reimbursements to be provided pursuant to this paragraph 8 are taxable to the Executive, such reimbursements shall be paid to the Executive only if (a) the expenses are incurred and reimbursable pursuant to a reimbursement plan that provides an objectively determinable nondiscretionary definition of the expenses that are eligible for reimbursement and (b) the expenses are incurred within two years following the Termination Date. With respect to any expenses that are reimbursable pursuant to the preceding sentence, the amount of the expenses that are eligible for reimbursement during one calendar year may not affect the amount of reimbursements to be provided in any subsequent calendar year, the reimbursement of an eligible expense shall be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, and the right to reimbursement of the expenses shall not be subject to liquidation or exchange for any other benefit.

9. Nonalienation. The interests of the Executive under this Agreement are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Executive or the Executive's beneficiary.

10. Amendment. This Agreement may be amended or canceled only by mutual agreement of the parties in writing without the consent of any other person. So long as the Executive lives, no person, other than the parties hereto, shall have any rights under or interest in this Agreement or the subject matter hereof.

11. Applicable Law. The provisions of this Agreement shall be construed in accordance with the laws of the State of Kansas, without regard to the conflict of law provisions of any state.

12. Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, and this Agreement will be construed as if such invalid or unenforceable provision were omitted (but only to the extent that such provision cannot be appropriately reformed or modified).

13. Obligation of Company. Except as otherwise specifically provided in this Agreement, nothing in this Agreement shall be construed to affect the Company's right to modify the Executive's position or duties, compensation, or other terms of employment, or to terminate the Executive's employment. Nothing in this Agreement shall be construed to require the Company or any other person to take steps or not take steps (including, without limitation, the giving or withholding of consents) that would result in a Change in Control.

14. Waiver of Breach. No waiver by any party hereto of a breach of any provision of this Agreement by any other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party of any similar or dissimilar provisions and conditions at the same or any prior or subsequent time. The failure of any party hereto to take any action by reason of such breach will not deprive such party of the right to take action at any time while such breach continues.

15. Successors, Assumption of Contract. This Agreement is personal to the Executive and may not be assigned by the Executive without the written consent of the Company. However, to the extent that rights or benefits under this Agreement otherwise survive the Executive's death, the Executive's heirs and estate shall succeed to such rights and benefits pursuant to the Executive's will or the laws of descent and distribution; provided that the Executive shall have the right at any time and from time to time, by notice delivered to the Company, to designate or to change the beneficiary or beneficiaries with respect to such benefits. This Agreement shall be binding upon and inure to the benefit of the Company and any successor of the Company, subject to the following:

(a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to expressly assume and agree to

perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

- (b) After a successor assumes this Agreement in accordance with this paragraph 15, only such successor shall be liable for amounts payable after such assumption, and no other companies (including, without limitation, the Company and any other predecessors) shall have liability for amounts payable after such assumption.
- (c) If the successor is required to assume the obligations of this Agreement under subparagraph (a), the successor shall execute and deliver to the Executive a written acknowledgment of the assumption of the Agreement.

16. Notices. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid (provided that international mail shall be sent via overnight or two-day delivery), or sent by facsimile or prepaid overnight courier to the parties at the addresses set forth below. Such notices, demands, claims and other communications shall be deemed given:

- (a) in the case of delivery by overnight service with guaranteed next day delivery, the next day or the day designated for delivery;
- (b) in the case of certified or registered U.S. mail, five days after deposit in the U.S. mail; or
- (c) in the case of facsimile, the date upon which the transmitting party received confirmation of receipt by facsimile, telephone or otherwise;

provided, however, that in no event shall any such communications be deemed to be given later than the date they are actually received. Communications that are to be delivered by the U.S. mail or by overnight service or two-day delivery service are to be delivered to the addresses set forth below:

to the Company:

Gene Caresia
Vice President, Human Resources
7500 College Blvd., Suite 1000
Overland Park, Kansas 66210

or to the Executive:

Kevin T. Kelly
11302 West 139th Terrace
Overland Park, KS 66221

Each party, by written notice furnished to the other party, may modify the applicable delivery address, except that notice of change of address shall be effective only upon receipt.

17. Arbitration of All Disputes. Any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by final, binding and non-appealable arbitration in Overland Park, Kansas by three arbitrators. Except as otherwise expressly provided in this paragraph 17, the arbitration shall be conducted in accordance with the rules of the American Arbitration Association (the "Association") then in effect. One of the arbitrators shall be appointed by the Company, one shall be appointed by the Executive, and the third shall be appointed by the first two arbitrators. If the first two arbitrators cannot agree on the third arbitrator within 30 days of the appointment of the second arbitrator, then the third arbitrator shall be appointed by the Association.

18. Survival of Agreement. Except as otherwise expressly provided in this Agreement, the rights and obligations of the parties to this Agreement shall survive the termination of the Executive's employment with the Company.

19. Entire Agreement. Except as otherwise provided herein, this Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior or contemporaneous agreements, if any, between the parties relating to the subject matter hereof, including, but not limited to, the Prior Agreement; provided, however, that nothing in this Agreement shall be construed to limit any policy or agreement that is otherwise applicable relating to confidentiality, rights to inventions, copyrightable material, business and/or technical information, trade secrets, solicitation of employees, interference with relationships with other businesses, competition, and other similar policies or agreement for the protection of the business and operations of the Company and its affiliates.

20. Code Section 409A. Notwithstanding any other provision of this Agreement to the contrary, if any payment or benefit hereunder is subject to section 409A of the Code and if such payment or benefit is to be paid or provided on account of the Executive's separation from service (within the meaning of section 409A of the Code) and if the Executive is a specified employee (within the meaning of section 409A(a)(2)(B) of the Code), such payment or benefit shall be paid or provided on the later of (a) the first day of the seventh month following the Executive's separation from service or (b) the date on which such payment or benefit would otherwise be paid or provided pursuant to the terms of this Agreement. To the extent that any payments or benefits under the Agreement are subject to section 409A of the Code and are paid or provided on account of the Executive's termination of employment or service, the determination as to whether the Executive has had a termination of employment or service shall be made in accordance with section 409A of the Code and the guidance issued thereunder.

21. Counterparts. This Agreement may be executed in two or more counterparts, any one of which shall be deemed the original without reference to the others.

IN WITNESS THEREOF, the Executive has hereunto set his hand, and the Company has caused these presents to be executed in its name and on its behalf, all as of the Effective Date.

EXECUTIVE

FERRELLGAS, INC.

By _____
Its _____

AMENDED AND RESTATED CHANGE IN CONTROL AGREEMENT

THIS AMENDED AND RESTATED AGREEMENT ("Agreement"), made and entered into this 5th day of March, 2008 (the "Effective Date"), by and between Ferrellgas, Inc. (the "Company") and George L. Koloroutis (the "Executive");

WITNESSETH THAT:

WHEREAS, the Company and the Executive are parties to a Change in Control Agreement dated as of October 10, 2006 (the "Prior Agreement");

WHEREAS, the Company wishes to continue to assure itself of the continuity of the Executive's service in the event of a Change in Control (as defined below);

WHEREAS, the Company and the Executive now desire to amend the Prior Agreement to reflect certain changes in law and to make certain other changes; and

WHEREAS, the Company and the Executive accordingly desire to enter into this Agreement on the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, IT IS HEREBY AGREED by and between the parties as follows:

1. **Agreement Term**. The "Agreement Term" shall begin on the Effective Date and shall continue through December 31, 2008, subject to the following:

- (a) As of December 31, 2008, and on each December 31 thereafter, the Agreement Term shall automatically be extended for one additional year unless, not later than the preceding June 30, either party shall have given notice that such party does not wish to extend the Agreement Term.
- (b) If a Change in Control occurs during the Agreement Term (as it may be extended from time to time), the Agreement Term shall continue for a period of twenty-four calendar months beyond the calendar month in which such Change in Control occurs and, following an extension in accordance with this subparagraph (b), no further extensions shall occur under subparagraph 1(a).

2. **Certain Definitions**. In addition to terms otherwise defined herein, the following capitalized terms used in this Agreement shall have the meanings specified:

- (a) **Board**. The term "Board" means the Board of Directors of the Company.
-

(b) Cause. The term "Cause" means:

- (i) the willful and continued failure by the Executive to substantially perform his duties for the Company (other than any such failure resulting from the Executive's being disabled) within a reasonable period of time after a written demand for substantial performance is delivered to the Executive by the Board, which demand specifically identifies the manner in which the Board believes that the Executive has not substantially performed his duties;
- (ii) the willful engaging by the Executive in conduct which is demonstrably and materially injurious to the Company, monetarily or otherwise; or
- (iii) the engaging by the Executive in egregious misconduct involving serious moral turpitude to the extent that, in the reasonable judgment of the Board, the Executive's credibility and reputation no longer conform to the standard of the Company's executives.

For purposes of this Agreement, no act, or failure to act, on the Executive's part shall be deemed "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company.

(c) Change in Control. The term "Change in Control" means the first to occur of any of the following that occurs after the Effective Date:

- (i) any merger or consolidation of the Company in which the Company is not the survivor;
- (ii) any sale of all or substantially all of the common stock of Ferrell Companies, Inc. by the Ferrell Companies, Inc. Employee Stock Ownership Trust;
- (iii) a sale of all or substantially all of the common stock of the Company;
- (iv) a replacement of the Company as the General Partner of Ferrellgas Partners, L.P.;
- (v) a public sale of at least 51 percent of the equity of Ferrell Companies, Inc.; or
- (vi) such other transaction designated as a Change in Control by the Board.

- (d) COBRA. The term "COBRA" means continuing group health coverage required by section 4980B of the Code or sections 601 et. seq. of the Employee Retirement Income Security Act of 1974, as amended.
- (e) Code. The term "Code" means the Internal Revenue Code of 1986, as amended.
- (f) Covered Termination. The Executive will incur a "Covered Termination" upon his Termination Date if the Termination Date occurs (i) during the Agreement Term, (ii) upon or following a Change in Control, and (iii) on account of termination of employment by the Executive for Good Reason or by Company for reasons other than for Cause.
- (g) Good Reason. The term "Good Reason" means any of the following:
 - (a) A reduction in excess of 10% in the Executive's base salary or target incentive potential as compared to his base salary or target incentive in effect immediately prior to the Change in Control;
 - (b) A material diminution in the Executive's authority, duties or responsibilities as compared to his authority, duties or responsibilities immediately prior to the Change in Control;
 - (c) The relocation of the Executive's principal office location to a location which is more than 50 highway miles from the location of the Executive's principal office location immediately prior to the Change in Control; or
 - (d) The Company's material breach of any material term of this Agreement.

Notwithstanding any other provision of this Agreement to the contrary, the Executive's Termination Date shall not be considered to be on account of Good Reason unless the Executive provides notice of the event or condition that the Executive believes to constitute Good Reason within 180 days of the date on which the event first occurs or the condition first exists, the Company does not cure such event or condition within 30 days following the date the Executive provides notice and the Executive resigns his employment with the Company and its affiliates for Good Reason within the Agreement Term.

- (h) Termination Date. The term "Termination Date" with respect to the Executive means the date on which the Executive's employment with the Company and its affiliates terminates for any reason, including voluntary resignation. If the Executive becomes employed by the entity into which the Company is merged, or the purchaser of substantially all of the assets of the Company, or a successor to such entity or purchaser, the Executive's Termination Date shall not be treated as having occurred for

purposes of this Agreement until such time as the Executive terminates employment with the successor and its affiliates (including, without limitation, the merged entity or purchaser). If the Executive is transferred to employment with an affiliate (including a successor to the Company, and regardless of whether before, on, or after a Change in Control), such transfer shall not constitute the Executive's Termination Date for purposes of this Agreement.

3. **Payments and Benefits.** If the Executive's Termination Date occurs as the result of a Covered Termination, the Executive shall be entitled to the following payments and benefits:

- (a) The Executive will be entitled to a payment equal to two times the Executive's annual base salary in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (b) The Executive will be entitled to a payment equal to two times the Executive's target bonus, at his target bonus rate in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (c) For the two year period following the Termination Date, the Executive shall be entitled to receive continuing group medical coverage for himself and his dependents (on a non-taxable basis, including if necessary, payment of any gross-up payments necessary to result in net non-taxable benefits), which coverage is not materially less favorable to the Executive than the group medical coverage which was provided to the Executive by the Company or its affiliates immediately prior to the Change in Control. To the extent applicable and to the extent permitted by law, any continuing coverage provided to the Executive and/or his dependents pursuant to this subparagraph (c) shall be considered part of, and not in addition to, any coverage required under COBRA.
- (d) The Executive will be provided with professional outplacement services for a period of not more than 12 months following the Termination Date, at a level customary for an executive, to be provided by a firm mutually acceptable to the Company and the Executive.

Subject to the terms and conditions of this Agreement, payments pursuant to subparagraphs (a) and (b) next above shall be made in substantially equal monthly installments beginning within five days following the Termination Date. To the extent that the Company is required to make any gross-up payments to the Executive in order to provide the benefits described in subparagraph (c) on a non-taxable basis, such payments shall be made in the month that the Executive otherwise has taxable income as a result of such benefits, but in no event later than the end of the year in which the Executive pays the related taxes.

4. Mitigation. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise. None of the Company or any of its affiliates shall be entitled to set off against the amounts payable to the Executive under this Agreement any amounts owed to the Company or any of its affiliates by the Executive, any amounts earned by the Executive in other employment after his Termination Date, or any amounts which might have been earned by the Executive in other employment had he sought such other employment.

5. Tax Payments. If:

- (a) any payment or benefit to which the Executive is entitled from the Company, any affiliate, or trusts established by the Company or by any affiliate (the "Payments," which shall include, without limitation, the vesting of an option or other non-cash benefit or property) are subject to the tax imposed by section 4999 of the Code or any successor provision to that section; and
- (b) reduction of the Payments to the amount necessary to avoid the application of such tax would result in the Executive retaining an amount that is greater than the amount he would retain if the Payments were made without such reduction but after the reduction for the amount of the tax imposed by section 4999;

then the Payments shall be reduced to the extent required to avoid application of the tax imposed by section 4999. The Executive shall be entitled to select the order in which payments are to be reduced in accordance with the preceding sentence. Determination of whether Payments would result in the application of the tax imposed by section 4999, and the amount of reduction that is necessary so that no such tax would be applied, shall be made, at the Company's expense, by the independent accounting firm employed by the Company immediately prior to the occurrence of the Change in Control. Notwithstanding the foregoing, in no event shall the Executive be entitled to exercise any discretion with respect to the reduction of payments that are subject to section 409A of the Code and any such payments shall be reduced, if applicable, in the order in which they would otherwise be paid or provided (with the payments to be made first being reduced first) and cash payments shall be reduced prior to any non-cash payments or benefits.

6. Other Benefits. Except as may be otherwise specifically provided in an amendment of this Agreement adopted in accordance with paragraph 10, in the event of a Covered Termination, the Executive shall not be eligible to receive any benefits that may be otherwise payable to or on behalf of the Executive pursuant to the terms of any severance pay arrangement of the Company (or any affiliate of the Company), including any arrangement of the Company (or any

affiliate of the Company) providing benefits upon involuntary termination of employment.

7. Withholding. All payments to the Executive under this Agreement will be subject to all applicable withholding of applicable taxes.

8. Assistance with Claims. The Executive agrees that, for the period beginning on the Effective Date, and continuing for a reasonable period after the Executive's Termination Date, the Executive will assist the Company and its affiliates in defense of any claims that may be made against the Company or its affiliates and will assist the Company and its affiliates in the prosecution of any claims that may be made by the Company or its affiliates, to the extent that such claims may relate to services performed by the Executive for the Company or its affiliates. The Executive agrees to promptly inform the Company if he becomes aware of any lawsuits involving such claims that may be filed against the Company or its affiliates. The Company agrees to provide legal counsel to the Executive in connection with such assistance (to the extent legally permitted), and to reimburse the Executive for all of his reasonable out-of-pocket expenses associated with such assistance, including travel expenses. For periods after the Executive's employment with the Company terminates, the Company agrees to provide reasonable compensation to the Executive for such assistance. The Executive also agrees to promptly inform the Company if he is asked to assist in any investigation of the Company or its affiliates (or their actions) that may relate to services performed by the Executive for the Company or its affiliates, regardless of whether a lawsuit has then been filed against the Company or its affiliates with respect to such investigation. Any compensation payable to the Executive pursuant to this paragraph 8 for services provided to the Company shall be paid within ten days after the Executive provides the applicable services. To the extent that any reimbursements to be provided pursuant to this paragraph 8 are taxable to the Executive, such reimbursements shall be paid to the Executive only if (a) the expenses are incurred and reimbursable pursuant to a reimbursement plan that provides an objectively determinable nondiscretionary definition of the expenses that are eligible for reimbursement and (b) the expenses are incurred within two years following the Termination Date. With respect to any expenses that are reimbursable pursuant to the preceding sentence, the amount of the expenses that are eligible for reimbursement during one calendar year may not affect the amount of reimbursements to be provided in any subsequent calendar year, the reimbursement of an eligible expense shall be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, and the right to reimbursement of the expenses shall not be subject to liquidation or exchange for any other benefit.

9. Nonalienation. The interests of the Executive under this Agreement are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Executive or the Executive's beneficiary.

10. Amendment. This Agreement may be amended or canceled only by mutual agreement of the parties in writing without the consent of any other person. So long as the Executive lives, no person, other than the parties hereto, shall have any rights under or interest in this Agreement or the subject matter hereof.

11. Applicable Law. The provisions of this Agreement shall be construed in accordance with the laws of the State of Kansas, without regard to the conflict of law provisions of any state.

12. Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, and this Agreement will be construed as if such invalid or unenforceable provision were omitted (but only to the extent that such provision cannot be appropriately reformed or modified).

13. Obligation of Company. Except as otherwise specifically provided in this Agreement, nothing in this Agreement shall be construed to affect the Company's right to modify the Executive's position or duties, compensation, or other terms of employment, or to terminate the Executive's employment. Nothing in this Agreement shall be construed to require the Company or any other person to take steps or not take steps (including, without limitation, the giving or withholding of consents) that would result in a Change in Control.

14. Waiver of Breach. No waiver by any party hereto of a breach of any provision of this Agreement by any other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party of any similar or dissimilar provisions and conditions at the same or any prior or subsequent time. The failure of any party hereto to take any action by reason of such breach will not deprive such party of the right to take action at any time while such breach continues.

15. Successors, Assumption of Contract. This Agreement is personal to the Executive and may not be assigned by the Executive without the written consent of the Company. However, to the extent that rights or benefits under this Agreement otherwise survive the Executive's death, the Executive's heirs and estate shall succeed to such rights and benefits pursuant to the Executive's will or the laws of descent and distribution; provided that the Executive shall have the right at any time and from time to time, by notice delivered to the Company, to designate or to change the beneficiary or beneficiaries with respect to such benefits. This Agreement shall be binding upon and inure to the benefit of the Company and any successor of the Company, subject to the following:

(a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to expressly assume and agree to

perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

- (b) After a successor assumes this Agreement in accordance with this paragraph 15, only such successor shall be liable for amounts payable after such assumption, and no other companies (including, without limitation, the Company and any other predecessors) shall have liability for amounts payable after such assumption.
- (c) If the successor is required to assume the obligations of this Agreement under subparagraph (a), the successor shall execute and deliver to the Executive a written acknowledgment of the assumption of the Agreement.

16. Notices. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid (provided that international mail shall be sent via overnight or two-day delivery), or sent by facsimile or prepaid overnight courier to the parties at the addresses set forth below. Such notices, demands, claims and other communications shall be deemed given:

- (a) in the case of delivery by overnight service with guaranteed next day delivery, the next day or the day designated for delivery;
- (b) in the case of certified or registered U.S. mail, five days after deposit in the U.S. mail; or
- (c) in the case of facsimile, the date upon which the transmitting party received confirmation of receipt by facsimile, telephone or otherwise;

provided, however, that in no event shall any such communications be deemed to be given later than the date they are actually received. Communications that are to be delivered by the U.S. mail or by overnight service or two-day delivery service are to be delivered to the addresses set forth below:

to the Company:

Gene Caresia
Vice President, Human Resources
7500 College Blvd., Suite 1000
Overland Park, Kansas 66210

or to the Executive:

George L. Koloroutis
13986 West 157th St
Olathe, KS 66062

Each party, by written notice furnished to the other party, may modify the applicable delivery address, except that notice of change of address shall be effective only upon receipt.

17. Arbitration of All Disputes. Any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by final, binding and non-appealable arbitration in Overland Park, Kansas by three arbitrators. Except as otherwise expressly provided in this paragraph 17, the arbitration shall be conducted in accordance with the rules of the American Arbitration Association (the "Association") then in effect. One of the arbitrators shall be appointed by the Company, one shall be appointed by the Executive, and the third shall be appointed by the first two arbitrators. If the first two arbitrators cannot agree on the third arbitrator within 30 days of the appointment of the second arbitrator, then the third arbitrator shall be appointed by the Association.

18. Survival of Agreement. Except as otherwise expressly provided in this Agreement, the rights and obligations of the parties to this Agreement shall survive the termination of the Executive's employment with the Company.

19. Entire Agreement. Except as otherwise provided herein, this Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior or contemporaneous agreements, if any, between the parties relating to the subject matter hereof, including, but not limited to, the Prior Agreement; provided, however, that nothing in this Agreement shall be construed to limit any policy or agreement that is otherwise applicable relating to confidentiality, rights to inventions, copyrightable material, business and/or technical information, trade secrets, solicitation of employees, interference with relationships with other businesses, competition, and other similar policies or agreement for the protection of the business and operations of the Company and its affiliates.

20. Code Section 409A. Notwithstanding any other provision of this Agreement to the contrary, if any payment or benefit hereunder is subject to section 409A of the Code and if such payment or benefit is to be paid or provided on account of the Executive's separation from service (within the meaning of section 409A of the Code) and if the Executive is a specified employee (within the meaning of section 409A(a)(2)(B) of the Code), such payment or benefit shall be paid or provided on the later of (a) the first day of the seventh month following the Executive's separation from service or (b) the date on which such payment or benefit would otherwise be paid or provided pursuant to the terms of this Agreement. To the extent that any payments or benefits under the Agreement are subject to section 409A of the Code and are paid or provided on account of the Executive's termination of employment or service, the determination as to whether the Executive has had a termination of employment or service shall be made in accordance with section 409A of the Code and the guidance issued thereunder.

21. Counterparts. This Agreement may be executed in two or more counterparts, any one of which shall be deemed the original without reference to the others.

IN WITNESS THEREOF, the Executive has hereunto set his hand, and the Company has caused these presents to be executed in its name and on its behalf, all as of the Effective Date.

EXECUTIVE

FERRELLGAS, INC.

By _____
Its _____

AMENDED AND RESTATED CHANGE IN CONTROL AGREEMENT

THIS AMENDED AND RESTATED AGREEMENT ("Agreement"), made and entered into this 5th day of March, 2008 (the "Effective Date"), by and between Ferrellgas, Inc. (the "Company") and Patrick J. Walsh (the "Executive");

WITNESSETH THAT:

WHEREAS, the Company and the Executive are parties to a Change in Control Agreement dated as of October 10, 2006 (the "Prior Agreement");

WHEREAS, the Company wishes to continue to assure itself of the continuity of the Executive's service in the event of a Change in Control (as defined below);

WHEREAS, the Company and the Executive now desire to amend the Prior Agreement to reflect certain changes in law and to make certain other changes; and

WHEREAS, the Company and the Executive accordingly desire to enter into this Agreement on the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, IT IS HEREBY AGREED by and between the parties as follows:

1. Agreement Term. The "Agreement Term" shall begin on the Effective Date and shall continue through December 31, 2008, subject to the following:

- (a) As of December 31, 2008, and on each December 31 thereafter, the Agreement Term shall automatically be extended for one additional year unless, not later than the preceding June 30, either party shall have given notice that such party does not wish to extend the Agreement Term.
- (b) If a Change in Control occurs during the Agreement Term (as it may be extended from time to time), the Agreement Term shall continue for a period of twenty-four calendar months beyond the calendar month in which such Change in Control occurs and, following an extension in accordance with this subparagraph (b), no further extensions shall occur under subparagraph 1(a).

2. Certain Definitions. In addition to terms otherwise defined herein, the following capitalized terms used in this Agreement shall have the meanings specified:

- (a) Board. The term "Board" means the Board of Directors of the Company.
-

(b) Cause. The term "Cause" means:

- (i) the willful and continued failure by the Executive to substantially perform his duties for the Company (other than any such failure resulting from the Executive's being disabled) within a reasonable period of time after a written demand for substantial performance is delivered to the Executive by the Board, which demand specifically identifies the manner in which the Board believes that the Executive has not substantially performed his duties;
- (ii) the willful engaging by the Executive in conduct which is demonstrably and materially injurious to the Company, monetarily or otherwise; or
- (iii) the engaging by the Executive in egregious misconduct involving serious moral turpitude to the extent that, in the reasonable judgment of the Board, the Executive's credibility and reputation no longer conform to the standard of the Company's executives.

For purposes of this Agreement, no act, or failure to act, on the Executive's part shall be deemed "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company.

(c) Change in Control. The term "Change in Control" means the first to occur of any of the following that occurs after the Effective Date:

- (i) any merger or consolidation of the Company in which the Company is not the survivor;
- (ii) any sale of all or substantially all of the common stock of Ferrell Companies, Inc. by the Ferrell Companies, Inc. Employee Stock Ownership Trust;
- (iii) a sale of all or substantially all of the common stock of the Company;
- (iv) a replacement of the Company as the General Partner of Ferrellgas Partners, L.P.;
- (v) a public sale of at least 51 percent of the equity of Ferrell Companies, Inc.; or
- (vi) such other transaction designated as a Change in Control by the Board.

- (d) COBRA. The term "COBRA" means continuing group health coverage required by section 4980B of the Code or sections 601 et. seq. of the Employee Retirement Income Security Act of 1974, as amended.
- (e) Code. The term "Code" means the Internal Revenue Code of 1986, as amended.
- (f) Covered Termination. The Executive will incur a "Covered Termination" upon his Termination Date if the Termination Date occurs (i) during the Agreement Term, (ii) upon or following a Change in Control, and (iii) on account of termination of employment by the Executive for Good Reason or by Company for reasons other than for Cause.
- (g) Good Reason. The term "Good Reason" means any of the following:
 - (a) A reduction in excess of 10% in the Executive's base salary or target incentive potential as compared to his base salary or target incentive in effect immediately prior to the Change in Control;
 - (b) A material diminution in the Executive's authority, duties or responsibilities as compared to his authority, duties or responsibilities immediately prior to the Change in Control;
 - (c) The relocation of the Executive's principal office location to a location which is more than 50 highway miles from the location of the Executive's principal office location immediately prior to the Change in Control; or
 - (d) The Company's material breach of any material term of this Agreement.

Notwithstanding any other provision of this Agreement to the contrary, the Executive's Termination Date shall not be considered to be on account of Good Reason unless the Executive provides notice of the event or condition that the Executive believes to constitute Good Reason within 180 days of the date on which the event first occurs or the condition first exists, the Company does not cure such event or condition within 30 days following the date the Executive provides notice and the Executive resigns his employment with the Company and its affiliates for Good Reason within the Agreement Term.

- (h) Termination Date. The term "Termination Date" with respect to the Executive means the date on which the Executive's employment with the Company and its affiliates terminates for any reason, including voluntary resignation. If the Executive becomes employed by the entity into which the Company is merged, or the purchaser of substantially all of the assets of the Company, or a successor to such entity or purchaser, the Executive's Termination Date shall not be treated as having occurred for

purposes of this Agreement until such time as the Executive terminates employment with the successor and its affiliates (including, without limitation, the merged entity or purchaser). If the Executive is transferred to employment with an affiliate (including a successor to the Company, and regardless of whether before, on, or after a Change in Control), such transfer shall not constitute the Executive's Termination Date for purposes of this Agreement.

3. **Payments and Benefits.** If the Executive's Termination Date occurs as the result of a Covered Termination, the Executive shall be entitled to the following payments and benefits:

- (a) The Executive will be entitled to a payment equal to two times the Executive's annual base salary in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (b) The Executive will be entitled to a payment equal to two times the Executive's target bonus, at his target bonus rate in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (c) For the two year period following the Termination Date, the Executive shall be entitled to receive continuing group medical coverage for himself and his dependents (on a non-taxable basis, including if necessary, payment of any gross-up payments necessary to result in net non-taxable benefits), which coverage is not materially less favorable to the Executive than the group medical coverage which was provided to the Executive by the Company or its affiliates immediately prior to the Change in Control. To the extent applicable and to the extent permitted by law, any continuing coverage provided to the Executive and/or his dependents pursuant to this subparagraph (c) shall be considered part of, and not in addition to, any coverage required under COBRA.
- (d) The Executive will be provided with professional outplacement services for a period of not more than 12 months following the Termination Date, at a level customary for an executive, to be provided by a firm mutually acceptable to the Company and the Executive.

Subject to the terms and conditions of this Agreement, payments pursuant to subparagraphs (a) and (b) next above shall be made in substantially equal monthly installments beginning within five days following the Termination Date. To the extent that the Company is required to make any gross-up payments to the Executive in order to provide the benefits described in subparagraph (c) on a non-taxable basis, such payments shall be made in the month that the Executive otherwise has taxable income as a result of such benefits, but in no event later than the end of the year in which the Executive pays the related taxes.

4. Mitigation. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise. None of the Company or any of its affiliates shall be entitled to set off against the amounts payable to the Executive under this Agreement any amounts owed to the Company or any of its affiliates by the Executive, any amounts earned by the Executive in other employment after his Termination Date, or any amounts which might have been earned by the Executive in other employment had he sought such other employment.

5. Tax Payments. If:

- (a) any payment or benefit to which the Executive is entitled from the Company, any affiliate, or trusts established by the Company or by any affiliate (the "Payments," which shall include, without limitation, the vesting of an option or other non-cash benefit or property) are subject to the tax imposed by section 4999 of the Code or any successor provision to that section; and
- (b) reduction of the Payments to the amount necessary to avoid the application of such tax would result in the Executive retaining an amount that is greater than the amount he would retain if the Payments were made without such reduction but after the reduction for the amount of the tax imposed by section 4999;

then the Payments shall be reduced to the extent required to avoid application of the tax imposed by section 4999. The Executive shall be entitled to select the order in which payments are to be reduced in accordance with the preceding sentence. Determination of whether Payments would result in the application of the tax imposed by section 4999, and the amount of reduction that is necessary so that no such tax would be applied, shall be made, at the Company's expense, by the independent accounting firm employed by the Company immediately prior to the occurrence of the Change in Control. Notwithstanding the foregoing, in no event shall the Executive be entitled to exercise any discretion with respect to the reduction of payments that are subject to section 409A of the Code and any such payments shall be reduced, if applicable, in the order in which they would otherwise be paid or provided (with the payments to be made first being reduced first) and cash payments shall be reduced prior to any non-cash payments or benefits.

6. Other Benefits. Except as may be otherwise specifically provided in an amendment of this Agreement adopted in accordance with paragraph 10, in the event of a Covered Termination, the Executive shall not be eligible to receive any benefits that may be otherwise payable to or on behalf of the Executive pursuant to the terms of any severance pay arrangement of the Company (or any affiliate of the Company), including any arrangement of the Company (or any

affiliate of the Company) providing benefits upon involuntary termination of employment.

7. Withholding. All payments to the Executive under this Agreement will be subject to all applicable withholding of applicable taxes.

8. Assistance with Claims. The Executive agrees that, for the period beginning on the Effective Date, and continuing for a reasonable period after the Executive's Termination Date, the Executive will assist the Company and its affiliates in defense of any claims that may be made against the Company or its affiliates and will assist the Company and its affiliates in the prosecution of any claims that may be made by the Company or its affiliates, to the extent that such claims may relate to services performed by the Executive for the Company or its affiliates. The Executive agrees to promptly inform the Company if he becomes aware of any lawsuits involving such claims that may be filed against the Company or its affiliates. The Company agrees to provide legal counsel to the Executive in connection with such assistance (to the extent legally permitted), and to reimburse the Executive for all of his reasonable out-of-pocket expenses associated with such assistance, including travel expenses. For periods after the Executive's employment with the Company terminates, the Company agrees to provide reasonable compensation to the Executive for such assistance. The Executive also agrees to promptly inform the Company if he is asked to assist in any investigation of the Company or its affiliates (or their actions) that may relate to services performed by the Executive for the Company or its affiliates, regardless of whether a lawsuit has then been filed against the Company or its affiliates with respect to such investigation. Any compensation payable to the Executive pursuant to this paragraph 8 for services provided to the Company shall be paid within ten days after the Executive provides the applicable services. To the extent that any reimbursements to be provided pursuant to this paragraph 8 are taxable to the Executive, such reimbursements shall be paid to the Executive only if (a) the expenses are incurred and reimbursable pursuant to a reimbursement plan that provides an objectively determinable nondiscretionary definition of the expenses that are eligible for reimbursement and (b) the expenses are incurred within two years following the Termination Date. With respect to any expenses that are reimbursable pursuant to the preceding sentence, the amount of the expenses that are eligible for reimbursement during one calendar year may not affect the amount of reimbursements to be provided in any subsequent calendar year, the reimbursement of an eligible expense shall be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, and the right to reimbursement of the expenses shall not be subject to liquidation or exchange for any other benefit.

9. Nonalienation. The interests of the Executive under this Agreement are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Executive or the Executive's beneficiary.

10. Amendment. This Agreement may be amended or canceled only by mutual agreement of the parties in writing without the consent of any other person. So long as the Executive lives, no person, other than the parties hereto, shall have any rights under or interest in this Agreement or the subject matter hereof.

11. Applicable Law. The provisions of this Agreement shall be construed in accordance with the laws of the State of Kansas, without regard to the conflict of law provisions of any state.

12. Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, and this Agreement will be construed as if such invalid or unenforceable provision were omitted (but only to the extent that such provision cannot be appropriately reformed or modified).

13. Obligation of Company. Except as otherwise specifically provided in this Agreement, nothing in this Agreement shall be construed to affect the Company's right to modify the Executive's position or duties, compensation, or other terms of employment, or to terminate the Executive's employment. Nothing in this Agreement shall be construed to require the Company or any other person to take steps or not take steps (including, without limitation, the giving or withholding of consents) that would result in a Change in Control.

14. Waiver of Breach. No waiver by any party hereto of a breach of any provision of this Agreement by any other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party of any similar or dissimilar provisions and conditions at the same or any prior or subsequent time. The failure of any party hereto to take any action by reason of such breach will not deprive such party of the right to take action at any time while such breach continues.

15. Successors, Assumption of Contract. This Agreement is personal to the Executive and may not be assigned by the Executive without the written consent of the Company. However, to the extent that rights or benefits under this Agreement otherwise survive the Executive's death, the Executive's heirs and estate shall succeed to such rights and benefits pursuant to the Executive's will or the laws of descent and distribution; provided that the Executive shall have the right at any time and from time to time, by notice delivered to the Company, to designate or to change the beneficiary or beneficiaries with respect to such benefits. This Agreement shall be binding upon and inure to the benefit of the Company and any successor of the Company, subject to the following:

(a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to expressly assume and agree to

perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

- (b) After a successor assumes this Agreement in accordance with this paragraph 15, only such successor shall be liable for amounts payable after such assumption, and no other companies (including, without limitation, the Company and any other predecessors) shall have liability for amounts payable after such assumption.
- (c) If the successor is required to assume the obligations of this Agreement under subparagraph (a), the successor shall execute and deliver to the Executive a written acknowledgment of the assumption of the Agreement.

16. Notices. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid (provided that international mail shall be sent via overnight or two-day delivery), or sent by facsimile or prepaid overnight courier to the parties at the addresses set forth below. Such notices, demands, claims and other communications shall be deemed given:

- (a) in the case of delivery by overnight service with guaranteed next day delivery, the next day or the day designated for delivery;
- (b) in the case of certified or registered U.S. mail, five days after deposit in the U.S. mail; or
- (c) in the case of facsimile, the date upon which the transmitting party received confirmation of receipt by facsimile, telephone or otherwise;

provided, however, that in no event shall any such communications be deemed to be given later than the date they are actually received. Communications that are to be delivered by the U.S. mail or by overnight service or two-day delivery service are to be delivered to the addresses set forth below:

to the Company:

Gene Caresia
Vice President, Human Resources
7500 College Blvd., Suite 1000
Overland Park, Kansas 66210

or to the Executive:

Patrick J. Walsh
5257 N Baltimore
Gladstone, MO 64118

Each party, by written notice furnished to the other party, may modify the applicable delivery address, except that notice of change of address shall be effective only upon receipt.

17. Arbitration of All Disputes. Any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by final, binding and non-appealable arbitration in Overland Park, Kansas by three arbitrators. Except as otherwise expressly provided in this paragraph 17, the arbitration shall be conducted in accordance with the rules of the American Arbitration Association (the "Association") then in effect. One of the arbitrators shall be appointed by the Company, one shall be appointed by the Executive, and the third shall be appointed by the first two arbitrators. If the first two arbitrators cannot agree on the third arbitrator within 30 days of the appointment of the second arbitrator, then the third arbitrator shall be appointed by the Association.

18. Survival of Agreement. Except as otherwise expressly provided in this Agreement, the rights and obligations of the parties to this Agreement shall survive the termination of the Executive's employment with the Company.

19. Entire Agreement. Except as otherwise provided herein, this Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior or contemporaneous agreements, if any, between the parties relating to the subject matter hereof, including, but not limited to, the Prior Agreement; provided, however, that nothing in this Agreement shall be construed to limit any policy or agreement that is otherwise applicable relating to confidentiality, rights to inventions, copyrightable material, business and/or technical information, trade secrets, solicitation of employees, interference with relationships with other businesses, competition, and other similar policies or agreement for the protection of the business and operations of the Company and its affiliates.

20. Code Section 409A. Notwithstanding any other provision of this Agreement to the contrary, if any payment or benefit hereunder is subject to section 409A of the Code and if such payment or benefit is to be paid or provided on account of the Executive's separation from service (within the meaning of section 409A of the Code) and if the Executive is a specified employee (within the meaning of section 409A(a)(2)(B) of the Code), such payment or benefit shall be paid or provided on the later of (a) the first day of the seventh month following the Executive's separation from service or (b) the date on which such payment or benefit would otherwise be paid or provided pursuant to the terms of this Agreement. To the extent that any payments or benefits under the Agreement are subject to section 409A of the Code and are paid or provided on account of the Executive's termination of employment or service, the determination as to whether the Executive has had a termination of employment or service shall be made in accordance with section 409A of the Code and the guidance issued thereunder.

21. Counterparts. This Agreement may be executed in two or more counterparts, any one of which shall be deemed the original without reference to the others.

IN WITNESS THEREOF, the Executive has hereunto set his hand, and the Company has caused these presents to be executed in its name and on its behalf, all as of the Effective Date.

EXECUTIVE

FERRELLGAS, INC.

By _____
Its _____

AMENDED AND RESTATED CHANGE IN CONTROL AGREEMENT

THIS AMENDED AND RESTATED AGREEMENT ("Agreement"), made and entered into this 5th day of March, 2008 (the "Effective Date"), by and between Ferrellgas, Inc. (the "Company") and Tod Brown (the "Executive");

WITNESSETH THAT:

WHEREAS, the Company and the Executive are parties to a Change in Control Agreement dated as of October 10, 2006 (the "Prior Agreement");

WHEREAS, the Company wishes to continue to assure itself of the continuity of the Executive's service in the event of a Change in Control (as defined below);

WHEREAS, the Company and the Executive now desire to amend the Prior Agreement to reflect certain changes in law and to make certain other changes; and

WHEREAS, the Company and the Executive accordingly desire to enter into this Agreement on the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, IT IS HEREBY AGREED by and between the parties as follows:

1. **Agreement Term**. The "Agreement Term" shall begin on the Effective Date and shall continue through December 31, 2008, subject to the following:

- (a) As of December 31, 2008, and on each December 31 thereafter, the Agreement Term shall automatically be extended for one additional year unless, not later than the preceding June 30, either party shall have given notice that such party does not wish to extend the Agreement Term.
- (b) If a Change in Control occurs during the Agreement Term (as it may be extended from time to time), the Agreement Term shall continue for a period of twenty-four calendar months beyond the calendar month in which such Change in Control occurs and, following an extension in accordance with this subparagraph (b), no further extensions shall occur under subparagraph 1(a).

2. **Certain Definitions**. In addition to terms otherwise defined herein, the following capitalized terms used in this Agreement shall have the meanings specified:

- (a) **Board**. The term "Board" means the Board of Directors of the Company.
-

(b) Cause. The term "Cause" means:

- (i) the willful and continued failure by the Executive to substantially perform his duties for the Company (other than any such failure resulting from the Executive's being disabled) within a reasonable period of time after a written demand for substantial performance is delivered to the Executive by the Board, which demand specifically identifies the manner in which the Board believes that the Executive has not substantially performed his duties;
- (ii) the willful engaging by the Executive in conduct which is demonstrably and materially injurious to the Company, monetarily or otherwise; or
- (iii) the engaging by the Executive in egregious misconduct involving serious moral turpitude to the extent that, in the reasonable judgment of the Board, the Executive's credibility and reputation no longer conform to the standard of the Company's executives.

For purposes of this Agreement, no act, or failure to act, on the Executive's part shall be deemed "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company.

(c) Change in Control. The term "Change in Control" means the first to occur of any of the following that occurs after the Effective Date:

- (i) any merger or consolidation of the Company in which the Company is not the survivor;
- (ii) any sale of all or substantially all of the common stock of Ferrell Companies, Inc. by the Ferrell Companies, Inc. Employee Stock Ownership Trust;
- (iii) a sale of all or substantially all of the common stock of the Company;
- (iv) a replacement of the Company as the General Partner of Ferrellgas Partners, L.P.;
- (v) a public sale of at least 51 percent of the equity of Ferrell Companies, Inc.; or
- (vi) such other transaction designated as a Change in Control by the Board.

- (d) COBRA. The term "COBRA" means continuing group health coverage required by section 4980B of the Code or sections 601 et. seq. of the Employee Retirement Income Security Act of 1974, as amended.
- (e) Code. The term "Code" means the Internal Revenue Code of 1986, as amended.
- (f) Covered Termination. The Executive will incur a "Covered Termination" upon his Termination Date if the Termination Date occurs (i) during the Agreement Term, (ii) upon or following a Change in Control, and (iii) on account of termination of employment by the Executive for Good Reason or by Company for reasons other than for Cause.
- (g) Good Reason. The term "Good Reason" means any of the following:
 - (a) A reduction in excess of 10% in the Executive's base salary or target incentive potential as compared to his base salary or target incentive in effect immediately prior to the Change in Control;
 - (b) A material diminution in the Executive's authority, duties or responsibilities as compared to his authority, duties or responsibilities immediately prior to the Change in Control;
 - (c) The relocation of the Executive's principal office location to a location which is more than 50 highway miles from the location of the Executive's principal office location immediately prior to the Change in Control; or
 - (d) The Company's material breach of any material term of this Agreement.

Notwithstanding any other provision of this Agreement to the contrary, the Executive's Termination Date shall not be considered to be on account of Good Reason unless the Executive provides notice of the event or condition that the Executive believes to constitute Good Reason within 180 days of the date on which the event first occurs or the condition first exists, the Company does not cure such event or condition within 30 days following the date the Executive provides notice and the Executive resigns his employment with the Company and its affiliates for Good Reason within the Agreement Term.

- (h) Termination Date. The term "Termination Date" with respect to the Executive means the date on which the Executive's employment with the Company and its affiliates terminates for any reason, including voluntary resignation. If the Executive becomes employed by the entity into which the Company is merged, or the purchaser of substantially all of the assets of the Company, or a successor to such entity or purchaser, the Executive's Termination Date shall not be treated as having occurred for

purposes of this Agreement until such time as the Executive terminates employment with the successor and its affiliates (including, without limitation, the merged entity or purchaser). If the Executive is transferred to employment with an affiliate (including a successor to the Company, and regardless of whether before, on, or after a Change in Control), such transfer shall not constitute the Executive's Termination Date for purposes of this Agreement.

3. **Payments and Benefits.** If the Executive's Termination Date occurs as the result of a Covered Termination, the Executive shall be entitled to the following payments and benefits:

- (a) The Executive will be entitled to a payment equal to two times the Executive's annual base salary in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (b) The Executive will be entitled to a payment equal to two times the Executive's target bonus, at his target bonus rate in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (c) For the two year period following the Termination Date, the Executive shall be entitled to receive continuing group medical coverage for himself and his dependents (on a non-taxable basis, including if necessary, payment of any gross-up payments necessary to result in net non-taxable benefits), which coverage is not materially less favorable to the Executive than the group medical coverage which was provided to the Executive by the Company or its affiliates immediately prior to the Change in Control. To the extent applicable and to the extent permitted by law, any continuing coverage provided to the Executive and/or his dependents pursuant to this subparagraph (c) shall be considered part of, and not in addition to, any coverage required under COBRA.
- (d) The Executive will be provided with professional outplacement services for a period of not more than 12 months following the Termination Date, at a level customary for an executive, to be provided by a firm mutually acceptable to the Company and the Executive.

Subject to the terms and conditions of this Agreement, payments pursuant to subparagraphs (a) and (b) next above shall be made in substantially equal monthly installments beginning within five days following the Termination Date. To the extent that the Company is required to make any gross-up payments to the Executive in order to provide the benefits described in subparagraph (c) on a non-taxable basis, such payments shall be made in the month that the Executive otherwise has taxable income as a result of such benefits, but in no event later than the end of the year in which the Executive pays the related taxes.

4. Mitigation. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise. None of the Company or any of its affiliates shall be entitled to set off against the amounts payable to the Executive under this Agreement any amounts owed to the Company or any of its affiliates by the Executive, any amounts earned by the Executive in other employment after his Termination Date, or any amounts which might have been earned by the Executive in other employment had he sought such other employment.

5. Tax Payments. If:

- (a) any payment or benefit to which the Executive is entitled from the Company, any affiliate, or trusts established by the Company or by any affiliate (the "Payments," which shall include, without limitation, the vesting of an option or other non-cash benefit or property) are subject to the tax imposed by section 4999 of the Code or any successor provision to that section; and
- (b) reduction of the Payments to the amount necessary to avoid the application of such tax would result in the Executive retaining an amount that is greater than the amount he would retain if the Payments were made without such reduction but after the reduction for the amount of the tax imposed by section 4999;

then the Payments shall be reduced to the extent required to avoid application of the tax imposed by section 4999. The Executive shall be entitled to select the order in which payments are to be reduced in accordance with the preceding sentence. Determination of whether Payments would result in the application of the tax imposed by section 4999, and the amount of reduction that is necessary so that no such tax would be applied, shall be made, at the Company's expense, by the independent accounting firm employed by the Company immediately prior to the occurrence of the Change in Control. Notwithstanding the foregoing, in no event shall the Executive be entitled to exercise any discretion with respect to the reduction of payments that are subject to section 409A of the Code and any such payments shall be reduced, if applicable, in the order in which they would otherwise be paid or provided (with the payments to be made first being reduced first) and cash payments shall be reduced prior to any non-cash payments or benefits.

6. Other Benefits. Except as may be otherwise specifically provided in an amendment of this Agreement adopted in accordance with paragraph 10, in the event of a Covered Termination, the Executive shall not be eligible to receive any benefits that may be otherwise payable to or on behalf of the Executive pursuant to the terms of any severance pay arrangement of the Company (or any affiliate of the Company), including any arrangement of the Company (or any

affiliate of the Company) providing benefits upon involuntary termination of employment.

7. Withholding. All payments to the Executive under this Agreement will be subject to all applicable withholding of applicable taxes.

8. Assistance with Claims. The Executive agrees that, for the period beginning on the Effective Date, and continuing for a reasonable period after the Executive's Termination Date, the Executive will assist the Company and its affiliates in defense of any claims that may be made against the Company or its affiliates and will assist the Company and its affiliates in the prosecution of any claims that may be made by the Company or its affiliates, to the extent that such claims may relate to services performed by the Executive for the Company or its affiliates. The Executive agrees to promptly inform the Company if he becomes aware of any lawsuits involving such claims that may be filed against the Company or its affiliates. The Company agrees to provide legal counsel to the Executive in connection with such assistance (to the extent legally permitted), and to reimburse the Executive for all of his reasonable out-of-pocket expenses associated with such assistance, including travel expenses. For periods after the Executive's employment with the Company terminates, the Company agrees to provide reasonable compensation to the Executive for such assistance. The Executive also agrees to promptly inform the Company if he is asked to assist in any investigation of the Company or its affiliates (or their actions) that may relate to services performed by the Executive for the Company or its affiliates, regardless of whether a lawsuit has then been filed against the Company or its affiliates with respect to such investigation. Any compensation payable to the Executive pursuant to this paragraph 8 for services provided to the Company shall be paid within ten days after the Executive provides the applicable services. To the extent that any reimbursements to be provided pursuant to this paragraph 8 are taxable to the Executive, such reimbursements shall be paid to the Executive only if (a) the expenses are incurred and reimbursable pursuant to a reimbursement plan that provides an objectively determinable nondiscretionary definition of the expenses that are eligible for reimbursement and (b) the expenses are incurred within two years following the Termination Date. With respect to any expenses that are reimbursable pursuant to the preceding sentence, the amount of the expenses that are eligible for reimbursement during one calendar year may not affect the amount of reimbursements to be provided in any subsequent calendar year, the reimbursement of an eligible expense shall be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, and the right to reimbursement of the expenses shall not be subject to liquidation or exchange for any other benefit.

9. Nonalienation. The interests of the Executive under this Agreement are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Executive or the Executive's beneficiary.

10. Amendment. This Agreement may be amended or canceled only by mutual agreement of the parties in writing without the consent of any other person. So long as the Executive lives, no person, other than the parties hereto, shall have any rights under or interest in this Agreement or the subject matter hereof.

11. Applicable Law. The provisions of this Agreement shall be construed in accordance with the laws of the State of Kansas, without regard to the conflict of law provisions of any state.

12. Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, and this Agreement will be construed as if such invalid or unenforceable provision were omitted (but only to the extent that such provision cannot be appropriately reformed or modified).

13. Obligation of Company. Except as otherwise specifically provided in this Agreement, nothing in this Agreement shall be construed to affect the Company's right to modify the Executive's position or duties, compensation, or other terms of employment, or to terminate the Executive's employment. Nothing in this Agreement shall be construed to require the Company or any other person to take steps or not take steps (including, without limitation, the giving or withholding of consents) that would result in a Change in Control.

14. Waiver of Breach. No waiver by any party hereto of a breach of any provision of this Agreement by any other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party of any similar or dissimilar provisions and conditions at the same or any prior or subsequent time. The failure of any party hereto to take any action by reason of such breach will not deprive such party of the right to take action at any time while such breach continues.

15. Successors, Assumption of Contract. This Agreement is personal to the Executive and may not be assigned by the Executive without the written consent of the Company. However, to the extent that rights or benefits under this Agreement otherwise survive the Executive's death, the Executive's heirs and estate shall succeed to such rights and benefits pursuant to the Executive's will or the laws of descent and distribution; provided that the Executive shall have the right at any time and from time to time, by notice delivered to the Company, to designate or to change the beneficiary or beneficiaries with respect to such benefits. This Agreement shall be binding upon and inure to the benefit of the Company and any successor of the Company, subject to the following:

(a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to expressly assume and agree to

perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

- (b) After a successor assumes this Agreement in accordance with this paragraph 15, only such successor shall be liable for amounts payable after such assumption, and no other companies (including, without limitation, the Company and any other predecessors) shall have liability for amounts payable after such assumption.
- (c) If the successor is required to assume the obligations of this Agreement under subparagraph (a), the successor shall execute and deliver to the Executive a written acknowledgment of the assumption of the Agreement.

16. Notices. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid (provided that international mail shall be sent via overnight or two-day delivery), or sent by facsimile or prepaid overnight courier to the parties at the addresses set forth below. Such notices, demands, claims and other communications shall be deemed given:

- (a) in the case of delivery by overnight service with guaranteed next day delivery, the next day or the day designated for delivery;
- (b) in the case of certified or registered U.S. mail, five days after deposit in the U.S. mail; or
- (c) in the case of facsimile, the date upon which the transmitting party received confirmation of receipt by facsimile, telephone or otherwise;

provided, however, that in no event shall any such communications be deemed to be given later than the date they are actually received. Communications that are to be delivered by the U.S. mail or by overnight service or two-day delivery service are to be delivered to the addresses set forth below:

to the Company:

Gene Caresia
Vice President, Human Resources
7500 College Blvd., Suite 1000
Overland Park, Kansas 66210

or to the Executive:

Tod Brown
3760 Burbank Lane
Winston Salem, NC 27106

Each party, by written notice furnished to the other party, may modify the applicable delivery address, except that notice of change of address shall be effective only upon receipt.

17. Arbitration of All Disputes. Any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by final, binding and non-appealable arbitration in Overland Park, Kansas by three arbitrators. Except as otherwise expressly provided in this paragraph 17, the arbitration shall be conducted in accordance with the rules of the American Arbitration Association (the "Association") then in effect. One of the arbitrators shall be appointed by the Company, one shall be appointed by the Executive, and the third shall be appointed by the first two arbitrators. If the first two arbitrators cannot agree on the third arbitrator within 30 days of the appointment of the second arbitrator, then the third arbitrator shall be appointed by the Association.

18. Survival of Agreement. Except as otherwise expressly provided in this Agreement, the rights and obligations of the parties to this Agreement shall survive the termination of the Executive's employment with the Company.

19. Entire Agreement. Except as otherwise provided herein, this Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior or contemporaneous agreements, if any, between the parties relating to the subject matter hereof, including, but not limited to, the Prior Agreement; provided, however, that nothing in this Agreement shall be construed to limit any policy or agreement that is otherwise applicable relating to confidentiality, rights to inventions, copyrightable material, business and/or technical information, trade secrets, solicitation of employees, interference with relationships with other businesses, competition, and other similar policies or agreement for the protection of the business and operations of the Company and its affiliates.

20. Code Section 409A. Notwithstanding any other provision of this Agreement to the contrary, if any payment or benefit hereunder is subject to section 409A of the Code and if such payment or benefit is to be paid or provided on account of the Executive's separation from service (within the meaning of section 409A of the Code) and if the Executive is a specified employee (within the meaning of section 409A(a)(2)(B) of the Code), such payment or benefit shall be paid or provided on the later of (a) the first day of the seventh month following the Executive's separation from service or (b) the date on which such payment or benefit would otherwise be paid or provided pursuant to the terms of this Agreement. To the extent that any payments or benefits under the Agreement are subject to section 409A of the Code and are paid or provided on account of the Executive's termination of employment or service, the determination as to whether the Executive has had a termination of employment or service shall be made in accordance with section 409A of the Code and the guidance issued thereunder.

21. Counterparts. This Agreement may be executed in two or more counterparts, any one of which shall be deemed the original without reference to the others.

IN WITNESS THEREOF, the Executive has hereunto set his hand, and the Company has caused these presents to be executed in its name and on its behalf, all as of the Effective Date.

EXECUTIVE

FERRELLGAS, INC.

By _____
Its _____

CHANGE IN CONTROL AGREEMENT

THIS AGREEMENT ("Agreement"), made and entered into this 5th day of March, 2008 (the "Effective Date"), by and between Ferrellgas, Inc. (the "Company") and James R. VanWinkle (the "Executive");

WITNESSETH THAT:

WHEREAS, the Company wishes to assure itself of the continuity of the Executive's service in the event of a Change in Control (as defined below); and

WHEREAS, the Company and the Executive accordingly desire to enter into this Agreement on the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, IT IS HEREBY AGREED by and between the parties as follows:

1. Agreement Term. The "Agreement Term" shall begin on the Effective Date and shall continue through December 31, 2008, subject to the following:

- (a) As of December 31, 2008, and on each December 31 thereafter, the Agreement Term shall automatically be extended for one additional year unless, not later than the preceding June 30, either party shall have given notice that such party does not wish to extend the Agreement Term.
- (b) If a Change in Control occurs during the Agreement Term (as it may be extended from time to time), the Agreement Term shall continue for a period of twenty-four calendar months beyond the calendar month in which such Change in Control occurs and, following an extension in accordance with this subparagraph (b), no further extensions shall occur under subparagraph 1(a).

2. Certain Definitions. In addition to terms otherwise defined herein, the following capitalized terms used in this Agreement shall have the meanings specified:

- (a) Board. The term "Board" means the Board of Directors of the Company.
 - (b) Cause. The term "Cause" means:
 - (i) the willful and continued failure by the Executive to substantially perform his duties for the Company (other than any such failure resulting from the Executive's being disabled) within a reasonable period of time after a written demand for substantial performance is delivered to the Executive by the Board, which demand specifically
-

identifies the manner in which the Board believes that the Executive has not substantially performed his duties;

- (ii) the willful engaging by the Executive in conduct which is demonstrably and materially injurious to the Company, monetarily or otherwise; or
- (iii) the engaging by the Executive in egregious misconduct involving serious moral turpitude to the extent that, in the reasonable judgment of the Board, the Executive's credibility and reputation no longer conform to the standard of the Company's executives.

For purposes of this Agreement, no act, or failure to act, on the Executive's part shall be deemed "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company.

(c) Change in Control. The term "Change in Control" means the first to occur of any of the following that occurs after the Effective Date:

- (i) any merger or consolidation of the Company in which the Company is not the survivor;
- (ii) any sale of all or substantially all of the common stock of Ferrell Companies, Inc. by the Ferrell Companies, Inc. Employee Stock Ownership Trust;
- (iii) a sale of all or substantially all of the common stock of the Company;
- (iv) a replacement of the Company as the General Partner of Ferrellgas Partners, L.P.;
- (v) a public sale of at least 51 percent of the equity of Ferrell Companies, Inc.; or
- (vi) such other transaction designated as a Change in Control by the Board.

(d) COBRA. The term "COBRA" means continuing group health coverage required by section 4980B of the Code or sections 601 et. seq. of the Employee Retirement Income Security Act of 1974, as amended.

(e) Code. The term "Code" means the Internal Revenue Code of 1986, as amended.

- (f) Covered Termination. The Executive will incur a "Covered Termination" upon his Termination Date if the Termination Date occurs (i) during the Agreement Term, (ii) upon or following a Change in Control, and (iii) on account of termination of employment by the Executive for Good Reason or by Company for reasons other than for Cause.
- (g) Good Reason. The term "Good Reason" means any of the following:
- (a) A reduction in excess of 10% in the Executive's base salary or target incentive potential as compared to his base salary or target incentive in effect immediately prior to the Change in Control;
 - (b) A material diminution in the Executive's authority, duties or responsibilities as compared to his authority, duties or responsibilities immediately prior to the Change in Control;
 - (c) The relocation of the Executive's principal office location to a location which is more than 50 highway miles from the location of the Executive's principal office location immediately prior to the Change in Control; or
 - (d) The Company's material breach of any material term of this Agreement.

Notwithstanding any other provision of this Agreement to the contrary, the Executive's Termination Date shall not be considered to be on account of Good Reason unless the Executive provides notice of the event or condition that the Executive believes to constitute Good Reason within 180 days of the date on which the event first occurs or the condition first exists, the Company does not cure such event or condition within 30 days following the date the Executive provides notice and the Executive resigns his employment with the Company and its affiliates for Good Reason within the Agreement Term.

- (h) Termination Date. The term "Termination Date" with respect to the Executive means the date on which the Executive's employment with the Company and its affiliates terminates for any reason, including voluntary resignation. If the Executive becomes employed by the entity into which the Company is merged, or the purchaser of substantially all of the assets of the Company, or a successor to such entity or purchaser, the Executive's Termination Date shall not be treated as having occurred for purposes of this Agreement until such time as the Executive terminates employment with the successor and its affiliates (including, without limitation, the merged entity or purchaser). If the Executive is transferred to employment with an affiliate (including a successor to the Company, and regardless of whether before, on, or after a Change in Control), such

transfer shall not constitute the Executive's Termination Date for purposes of this Agreement.

3. Payments and Benefits. If the Executive's Termination Date occurs as the result of a Covered Termination, the Executive shall be entitled to the following payments and benefits:

- (a) The Executive will be entitled to a payment equal to two times the Executive's annual base salary in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (b) The Executive will be entitled to a payment equal to two times the Executive's target bonus, at his target bonus rate in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (c) For the two year period following the Termination Date, the Executive shall be entitled to receive continuing group medical coverage for himself and his dependents (on a non-taxable basis, including if necessary, payment of any gross-up payments necessary to result in net non-taxable benefits), which coverage is not materially less favorable to the Executive than the group medical coverage which was provided to the Executive by the Company or its affiliates immediately prior to the Change in Control. To the extent applicable and to the extent permitted by law, any continuing coverage provided to the Executive and/or his dependents pursuant to this subparagraph (c) shall be considered part of, and not in addition to, any coverage required under COBRA.
- (d) The Executive will be provided with professional outplacement services for a period of not more than 12 months following the Termination Date, at a level customary for an executive, to be provided by a firm mutually acceptable to the Company and the Executive.

Subject to the terms and conditions of this Agreement, payments pursuant to subparagraphs (a) and (b) next above shall be made in substantially equal monthly installments beginning within five days following the Termination Date. To the extent that the Company is required to make any gross-up payments to the Executive in order to provide the benefits described in subparagraph (c) on a non-taxable basis, such payments shall be made in the month that the Executive otherwise has taxable income as a result of such benefits, but in no event later than the end of the year in which the Executive pays the related taxes.

4. Mitigation. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise. None of the Company or any of its affiliates shall be entitled to set off against the amounts payable to the Executive under this

Agreement any amounts owed to the Company or any of its affiliates by the Executive, any amounts earned by the Executive in other employment after his Termination Date, or any amounts which might have been earned by the Executive in other employment had he sought such other employment.

5. Tax Payments. If:

- (a) any payment or benefit to which the Executive is entitled from the Company, any affiliate, or trusts established by the Company or by any affiliate (the "Payments," which shall include, without limitation, the vesting of an option or other non-cash benefit or property) are subject to the tax imposed by section 4999 of the Code or any successor provision to that section; and
- (b) reduction of the Payments to the amount necessary to avoid the application of such tax would result in the Executive retaining an amount that is greater than the amount he would retain if the Payments were made without such reduction but after the reduction for the amount of the tax imposed by section 4999;

then the Payments shall be reduced to the extent required to avoid application of the tax imposed by section 4999. The Executive shall be entitled to select the order in which payments are to be reduced in accordance with the preceding sentence. Determination of whether Payments would result in the application of the tax imposed by section 4999, and the amount of reduction that is necessary so that no such tax would be applied, shall be made, at the Company's expense, by the independent accounting firm employed by the Company immediately prior to the occurrence of the Change in Control. Notwithstanding the foregoing, in no event shall the Executive be entitled to exercise any discretion with respect to the reduction of payments that are subject to section 409A of the Code and any such payments shall be reduced, if applicable, in the order in which they would otherwise be paid or provided (with the payments to be made first being reduced first) and cash payments shall be reduced prior to any non-cash payments or benefits.

6. Other Benefits. Except as may be otherwise specifically provided in an amendment of this Agreement adopted in accordance with paragraph 10, in the event of a Covered Termination, the Executive shall not be eligible to receive any benefits that may be otherwise payable to or on behalf of the Executive pursuant to the terms of any severance pay arrangement of the Company (or any affiliate of the Company), including any arrangement of the Company (or any affiliate of the Company) providing benefits upon involuntary termination of employment.

7. Withholding. All payments to the Executive under this Agreement will be subject to all applicable withholding of applicable taxes.

8. Assistance with Claims. The Executive agrees that, for the period beginning on the Effective Date, and continuing for a reasonable period after the Executive's Termination Date, the Executive will assist the Company and its affiliates in defense of any claims that may be made against the Company or its affiliates and will assist the Company and its affiliates in the prosecution of any claims that may be made by the Company or its affiliates, to the extent that such claims may relate to services performed by the Executive for the Company or its affiliates. The Executive agrees to promptly inform the Company if he becomes aware of any lawsuits involving such claims that may be filed against the Company or its affiliates. The Company agrees to provide legal counsel to the Executive in connection with such assistance (to the extent legally permitted), and to reimburse the Executive for all of his reasonable out-of-pocket expenses associated with such assistance, including travel expenses. For periods after the Executive's employment with the Company terminates, the Company agrees to provide reasonable compensation to the Executive for such assistance. The Executive also agrees to promptly inform the Company if he is asked to assist in any investigation of the Company or its affiliates (or their actions) that may relate to services performed by the Executive for the Company or its affiliates, regardless of whether a lawsuit has then been filed against the Company or its affiliates with respect to such investigation. Any compensation payable to the Executive pursuant to this paragraph 8 for services provided to the Company shall be paid within ten days after the Executive provides the applicable services. To the extent that any reimbursements to be provided pursuant to this paragraph 8 are taxable to the Executive, such reimbursements shall be paid to the Executive only if (a) the expenses are incurred and reimbursable pursuant to a reimbursement plan that provides an objectively determinable nondiscretionary definition of the expenses that are eligible for reimbursement and (b) the expenses are incurred within two years following the Termination Date. With respect to any expenses that are reimbursable pursuant to the preceding sentence, the amount of the expenses that are eligible for reimbursement during one calendar year may not affect the amount of reimbursements to be provided in any subsequent calendar year, the reimbursement of an eligible expense shall be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, and the right to reimbursement of the expenses shall not be subject to liquidation or exchange for any other benefit.

9. Nonalienation. The interests of the Executive under this Agreement are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Executive or the Executive's beneficiary.

10. Amendment. This Agreement may be amended or canceled only by mutual agreement of the parties in writing without the consent of any other person. So long as the Executive lives, no person, other than the parties hereto, shall have any rights under or interest in this Agreement or the subject matter hereof.

11. Applicable Law. The provisions of this Agreement shall be construed in accordance with the laws of the State of Kansas, without regard to the conflict of law provisions of any state.

12. Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, and this Agreement will be construed as if such invalid or unenforceable provision were omitted (but only to the extent that such provision cannot be appropriately reformed or modified).

13. Obligation of Company. Except as otherwise specifically provided in this Agreement, nothing in this Agreement shall be construed to affect the Company's right to modify the Executive's position or duties, compensation, or other terms of employment, or to terminate the Executive's employment. Nothing in this Agreement shall be construed to require the Company or any other person to take steps or not take steps (including, without limitation, the giving or withholding of consents) that would result in a Change in Control.

14. Waiver of Breach. No waiver by any party hereto of a breach of any provision of this Agreement by any other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party of any similar or dissimilar provisions and conditions at the same or any prior or subsequent time. The failure of any party hereto to take any action by reason of such breach will not deprive such party of the right to take action at any time while such breach continues.

15. Successors, Assumption of Contract. This Agreement is personal to the Executive and may not be assigned by the Executive without the written consent of the Company. However, to the extent that rights or benefits under this Agreement otherwise survive the Executive's death, the Executive's heirs and estate shall succeed to such rights and benefits pursuant to the Executive's will or the laws of descent and distribution; provided that the Executive shall have the right at any time and from time to time, by notice delivered to the Company, to designate or to change the beneficiary or beneficiaries with respect to such benefits. This Agreement shall be binding upon and inure to the benefit of the Company and any successor of the Company, subject to the following:

- (a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.
- (b) After a successor assumes this Agreement in accordance with this paragraph 15, only such successor shall be liable for amounts payable

after such assumption, and no other companies (including, without limitation, the Company and any other predecessors) shall have liability for amounts payable after such assumption.

- (c) If the successor is required to assume the obligations of this Agreement under subparagraph (a), the successor shall execute and deliver to the Executive a written acknowledgment of the assumption of the Agreement.

16. Notices. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid (provided that international mail shall be sent via overnight or two-day delivery), or sent by facsimile or prepaid overnight courier to the parties at the addresses set forth below. Such notices, demands, claims and other communications shall be deemed given:

- (a) in the case of delivery by overnight service with guaranteed next day delivery, the next day or the day designated for delivery;
- (b) in the case of certified or registered U.S. mail, five days after deposit in the U.S. mail; or
- (c) in the case of facsimile, the date upon which the transmitting party received confirmation of receipt by facsimile, telephone or otherwise;

provided, however, that in no event shall any such communications be deemed to be given later than the date they are actually received. Communications that are to be delivered by the U.S. mail or by overnight service or two-day delivery service are to be delivered to the addresses set forth below:

to the Company:

Gene Caresia
Vice President, Human Resources
7500 College Blvd., Suite 1000
Overland Park, Kansas 66210

or to the Executive:

Ryan VanWinkle
5907 Beechwood Court
Parkville, MO 64152

Each party, by written notice furnished to the other party, may modify the applicable delivery address, except that notice of change of address shall be effective only upon receipt.

17. Arbitration of All Disputes. Any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by final, binding and non-appealable arbitration in Overland Park, Kansas by three arbitrators. Except as otherwise expressly provided in this paragraph 17, the arbitration shall be conducted in accordance with the rules of the American Arbitration Association (the "Association") then in effect. One of the arbitrators shall be appointed by the Company, one shall be appointed by the Executive, and the third shall be appointed by the first two arbitrators. If the first two arbitrators cannot agree on the third arbitrator within 30 days of the appointment of the second arbitrator, then the third arbitrator shall be appointed by the Association.

18. Survival of Agreement. Except as otherwise expressly provided in this Agreement, the rights and obligations of the parties to this Agreement shall survive the termination of the Executive's employment with the Company.

19. Entire Agreement. Except as otherwise provided herein, this Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior or contemporaneous agreements, if any, between the parties relating to the subject matter hereof, including, but not limited to, the Prior Agreement; provided, however, that nothing in this Agreement shall be construed to limit any policy or agreement that is otherwise applicable relating to confidentiality, rights to inventions, copyrightable material, business and/or technical information, trade secrets, solicitation of employees, interference with relationships with other businesses, competition, and other similar policies or agreement for the protection of the business and operations of the Company and its affiliates.

20. Code Section 409A. Notwithstanding any other provision of this Agreement to the contrary, if any payment or benefit hereunder is subject to section 409A of the Code and if such payment or benefit is to be paid or provided on account of the Executive's separation from service (within the meaning of section 409A of the Code) and if the Executive is a specified employee (within the meaning of section 409A(a)(2) (B) of the Code), such payment or benefit shall be paid or provided on the later of (a) the first day of the seventh month following the Executive's separation from service or (b) the date on which such payment or benefit would otherwise be paid or provided pursuant to the terms of this Agreement. To the extent that any payments or benefits under the Agreement are subject to section 409A of the Code and are paid or provided on account of the Executive's termination of employment or service, the determination as to whether the Executive has had a termination of employment or service shall be made in accordance with section 409A of the Code and the guidance issued thereunder.

21. Counterparts. This Agreement may be executed in two or more counterparts, any one of which shall be deemed the original without reference to the others.

IN WITNESS THEREOF, the Executive has hereunto set his hand, and the Company has caused these presents to be executed in its name and on its behalf, all as of the Effective Date.

EXECUTIVE

FERRELLGAS, INC.

By _____
Its _____

CHANGE IN CONTROL AGREEMENT

THIS AGREEMENT ("Agreement"), made and entered into this 5th day of March, 2008 (the "Effective Date"), by and between Ferrellgas, Inc. (the "Company") and Richard V. Mayberry (the "Executive");

WITNESSETH THAT:

WHEREAS, the Company wishes to assure itself of the continuity of the Executive's service in the event of a Change in Control (as defined below); and

WHEREAS, the Company and the Executive accordingly desire to enter into this Agreement on the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, IT IS HEREBY AGREED by and between the parties as follows:

1. Agreement Term. The "Agreement Term" shall begin on the Effective Date and shall continue through December 31, 2008, subject to the following:

- (a) As of December 31, 2008, and on each December 31 thereafter, the Agreement Term shall automatically be extended for one additional year unless, not later than the preceding June 30, either party shall have given notice that such party does not wish to extend the Agreement Term.
- (b) If a Change in Control occurs during the Agreement Term (as it may be extended from time to time), the Agreement Term shall continue for a period of twenty-four calendar months beyond the calendar month in which such Change in Control occurs and, following an extension in accordance with this subparagraph (b), no further extensions shall occur under subparagraph 1(a).

2. Certain Definitions. In addition to terms otherwise defined herein, the following capitalized terms used in this Agreement shall have the meanings specified:

- (a) Board. The term "Board" means the Board of Directors of the Company.
 - (b) Cause. The term "Cause" means:
 - (i) the willful and continued failure by the Executive to substantially perform his duties for the Company (other than any such failure resulting from the Executive's being disabled) within a reasonable period of time after a written demand for substantial performance is delivered to the Executive by the Board, which demand specifically
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identifies the manner in which the Board believes that the Executive has not substantially performed his duties;

- (ii) the willful engaging by the Executive in conduct which is demonstrably and materially injurious to the Company, monetarily or otherwise; or
- (iii) the engaging by the Executive in egregious misconduct involving serious moral turpitude to the extent that, in the reasonable judgment of the Board, the Executive's credibility and reputation no longer conform to the standard of the Company's executives.

For purposes of this Agreement, no act, or failure to act, on the Executive's part shall be deemed "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company.

(c) Change in Control. The term "Change in Control" means the first to occur of any of the following that occurs after the Effective Date:

- (i) any merger or consolidation of the Company in which the Company is not the survivor;
- (ii) any sale of all or substantially all of the common stock of Ferrell Companies, Inc. by the Ferrell Companies, Inc. Employee Stock Ownership Trust;
- (iii) a sale of all or substantially all of the common stock of the Company;
- (iv) a replacement of the Company as the General Partner of Ferrellgas Partners, L.P.;
- (v) a public sale of at least 51 percent of the equity of Ferrell Companies, Inc.; or
- (vi) such other transaction designated as a Change in Control by the Board.

(d) COBRA. The term "COBRA" means continuing group health coverage required by section 4980B of the Code or sections 601 et. seq. of the Employee Retirement Income Security Act of 1974, as amended.

(e) Code. The term "Code" means the Internal Revenue Code of 1986, as amended.

(f) Covered Termination. The Executive will incur a "Covered Termination" upon his Termination Date if the Termination Date occurs (i) during the Agreement Term, (ii) upon or following a Change in Control, and (iii) on account of termination of employment by the Executive for Good Reason or by Company for reasons other than for Cause.

(g) Good Reason. The term "Good Reason" means any of the following:

- (a) A reduction in excess of 10% in the Executive's base salary or target incentive potential as compared to his base salary or target incentive in effect immediately prior to the Change in Control;
- (b) A material diminution in the Executive's authority, duties or responsibilities as compared to his authority, duties or responsibilities immediately prior to the Change in Control;
- (c) The relocation of the Executive's principal office location to a location which is more than 50 highway miles from the location of the Executive's principal office location immediately prior to the Change in Control; or
- (d) The Company's material breach of any material term of this Agreement.

Notwithstanding any other provision of this Agreement to the contrary, the Executive's Termination Date shall not be considered to be on account of Good Reason unless the Executive provides notice of the event or condition that the Executive believes to constitute Good Reason within 180 days of the date on which the event first occurs or the condition first exists, the Company does not cure such event or condition within 30 days following the date the Executive provides notice and the Executive resigns his employment with the Company and its affiliates for Good Reason within the Agreement Term.

(h) Termination Date. The term "Termination Date" with respect to the Executive means the date on which the Executive's employment with the Company and its affiliates terminates for any reason, including voluntary resignation. If the Executive becomes employed by the entity into which the Company is merged, or the purchaser of substantially all of the assets of the Company, or a successor to such entity or purchaser, the Executive's Termination Date shall not be treated as having occurred for purposes of this Agreement until such time as the Executive terminates employment with the successor and its affiliates (including, without limitation, the merged entity or purchaser). If the Executive is transferred to employment with an affiliate (including a successor to the Company, and regardless of whether before, on, or after a Change in Control), such

transfer shall not constitute the Executive's Termination Date for purposes of this Agreement.

3. Payments and Benefits. If the Executive's Termination Date occurs as the result of a Covered Termination, the Executive shall be entitled to the following payments and benefits:

- (a) The Executive will be entitled to a payment equal to two times the Executive's annual base salary in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (b) The Executive will be entitled to a payment equal to two times the Executive's target bonus, at his target bonus rate in effect immediately prior to the Change in Control (without regard to any reduction thereof in contemplation of the Change in Control).
- (c) For the two year period following the Termination Date, the Executive shall be entitled to receive continuing group medical coverage for himself and his dependents (on a non-taxable basis, including if necessary, payment of any gross-up payments necessary to result in net non-taxable benefits), which coverage is not materially less favorable to the Executive than the group medical coverage which was provided to the Executive by the Company or its affiliates immediately prior to the Change in Control. To the extent applicable and to the extent permitted by law, any continuing coverage provided to the Executive and/or his dependents pursuant to this subparagraph (c) shall be considered part of, and not in addition to, any coverage required under COBRA.
- (d) The Executive will be provided with professional outplacement services for a period of not more than 12 months following the Termination Date, at a level customary for an executive, to be provided by a firm mutually acceptable to the Company and the Executive.

Subject to the terms and conditions of this Agreement, payments pursuant to subparagraphs (a) and (b) next above shall be made in substantially equal monthly installments beginning within five days following the Termination Date. To the extent that the Company is required to make any gross-up payments to the Executive in order to provide the benefits described in subparagraph (c) on a non-taxable basis, such payments shall be made in the month that the Executive otherwise has taxable income as a result of such benefits, but in no event later than the end of the year in which the Executive pays the related taxes.

4. Mitigation. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise. None of the Company or any of its affiliates shall be entitled to set off against the amounts payable to the Executive under this

Agreement any amounts owed to the Company or any of its affiliates by the Executive, any amounts earned by the Executive in other employment after his Termination Date, or any amounts which might have been earned by the Executive in other employment had he sought such other employment.

5. Tax Payments. If:

- (a) any payment or benefit to which the Executive is entitled from the Company, any affiliate, or trusts established by the Company or by any affiliate (the "Payments," which shall include, without limitation, the vesting of an option or other non-cash benefit or property) are subject to the tax imposed by section 4999 of the Code or any successor provision to that section; and
- (b) reduction of the Payments to the amount necessary to avoid the application of such tax would result in the Executive retaining an amount that is greater than the amount he would retain if the Payments were made without such reduction but after the reduction for the amount of the tax imposed by section 4999;

then the Payments shall be reduced to the extent required to avoid application of the tax imposed by section 4999. The Executive shall be entitled to select the order in which payments are to be reduced in accordance with the preceding sentence. Determination of whether Payments would result in the application of the tax imposed by section 4999, and the amount of reduction that is necessary so that no such tax would be applied, shall be made, at the Company's expense, by the independent accounting firm employed by the Company immediately prior to the occurrence of the Change in Control. Notwithstanding the foregoing, in no event shall the Executive be entitled to exercise any discretion with respect to the reduction of payments that are subject to section 409A of the Code and any such payments shall be reduced, if applicable, in the order in which they would otherwise be paid or provided (with the payments to be made first being reduced first) and cash payments shall be reduced prior to any non-cash payments or benefits.

6. Other Benefits. Except as may be otherwise specifically provided in an amendment of this Agreement adopted in accordance with paragraph 10, in the event of a Covered Termination, the Executive shall not be eligible to receive any benefits that may be otherwise payable to or on behalf of the Executive pursuant to the terms of any severance pay arrangement of the Company (or any affiliate of the Company), including any arrangement of the Company (or any affiliate of the Company) providing benefits upon involuntary termination of employment.

7. Withholding. All payments to the Executive under this Agreement will be subject to all applicable withholding of applicable taxes.

8. Assistance with Claims. The Executive agrees that, for the period beginning on the Effective Date, and continuing for a reasonable period after the Executive's Termination Date, the Executive will assist the Company and its affiliates in defense of any claims that may be made against the Company or its affiliates and will assist the Company and its affiliates in the prosecution of any claims that may be made by the Company or its affiliates, to the extent that such claims may relate to services performed by the Executive for the Company or its affiliates. The Executive agrees to promptly inform the Company if he becomes aware of any lawsuits involving such claims that may be filed against the Company or its affiliates. The Company agrees to provide legal counsel to the Executive in connection with such assistance (to the extent legally permitted), and to reimburse the Executive for all of his reasonable out-of-pocket expenses associated with such assistance, including travel expenses. For periods after the Executive's employment with the Company terminates, the Company agrees to provide reasonable compensation to the Executive for such assistance. The Executive also agrees to promptly inform the Company if he is asked to assist in any investigation of the Company or its affiliates (or their actions) that may relate to services performed by the Executive for the Company or its affiliates, regardless of whether a lawsuit has then been filed against the Company or its affiliates with respect to such investigation. Any compensation payable to the Executive pursuant to this paragraph 8 for services provided to the Company shall be paid within ten days after the Executive provides the applicable services. To the extent that any reimbursements to be provided pursuant to this paragraph 8 are taxable to the Executive, such reimbursements shall be paid to the Executive only if (a) the expenses are incurred and reimbursable pursuant to a reimbursement plan that provides an objectively determinable nondiscretionary definition of the expenses that are eligible for reimbursement and (b) the expenses are incurred within two years following the Termination Date. With respect to any expenses that are reimbursable pursuant to the preceding sentence, the amount of the expenses that are eligible for reimbursement during one calendar year may not affect the amount of reimbursements to be provided in any subsequent calendar year, the reimbursement of an eligible expense shall be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, and the right to reimbursement of the expenses shall not be subject to liquidation or exchange for any other benefit.

9. Nonalienation. The interests of the Executive under this Agreement are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Executive or the Executive's beneficiary.

10. Amendment. This Agreement may be amended or canceled only by mutual agreement of the parties in writing without the consent of any other person. So long as the Executive lives, no person, other than the parties hereto, shall have any rights under or interest in this Agreement or the subject matter hereof.

11. Applicable Law. The provisions of this Agreement shall be construed in accordance with the laws of the State of Kansas, without regard to the conflict of law provisions of any state.

12. Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, and this Agreement will be construed as if such invalid or unenforceable provision were omitted (but only to the extent that such provision cannot be appropriately reformed or modified).

13. Obligation of Company. Except as otherwise specifically provided in this Agreement, nothing in this Agreement shall be construed to affect the Company's right to modify the Executive's position or duties, compensation, or other terms of employment, or to terminate the Executive's employment. Nothing in this Agreement shall be construed to require the Company or any other person to take steps or not take steps (including, without limitation, the giving or withholding of consents) that would result in a Change in Control.

14. Waiver of Breach. No waiver by any party hereto of a breach of any provision of this Agreement by any other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party of any similar or dissimilar provisions and conditions at the same or any prior or subsequent time. The failure of any party hereto to take any action by reason of such breach will not deprive such party of the right to take action at any time while such breach continues.

15. Successors, Assumption of Contract. This Agreement is personal to the Executive and may not be assigned by the Executive without the written consent of the Company. However, to the extent that rights or benefits under this Agreement otherwise survive the Executive's death, the Executive's heirs and estate shall succeed to such rights and benefits pursuant to the Executive's will or the laws of descent and distribution; provided that the Executive shall have the right at any time and from time to time, by notice delivered to the Company, to designate or to change the beneficiary or beneficiaries with respect to such benefits. This Agreement shall be binding upon and inure to the benefit of the Company and any successor of the Company, subject to the following:

- (a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.
- (b) After a successor assumes this Agreement in accordance with this paragraph 15, only such successor shall be liable for amounts payable

after such assumption, and no other companies (including, without limitation, the Company and any other predecessors) shall have liability for amounts payable after such assumption.

- (c) If the successor is required to assume the obligations of this Agreement under subparagraph (a), the successor shall execute and deliver to the Executive a written acknowledgment of the assumption of the Agreement.

16. Notices. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid (provided that international mail shall be sent via overnight or two-day delivery), or sent by facsimile or prepaid overnight courier to the parties at the addresses set forth below. Such notices, demands, claims and other communications shall be deemed given:

- (a) in the case of delivery by overnight service with guaranteed next day delivery, the next day or the day designated for delivery;
- (b) in the case of certified or registered U.S. mail, five days after deposit in the U.S. mail; or
- (c) in the case of facsimile, the date upon which the transmitting party received confirmation of receipt by facsimile, telephone or otherwise;

provided, however, that in no event shall any such communications be deemed to be given later than the date they are actually received. Communications that are to be delivered by the U.S. mail or by overnight service or two-day delivery service are to be delivered to the addresses set forth below:

to the Company:

Gene Caresia
Vice President, Human Resources
7500 College Blvd., Suite 1000
Overland Park, Kansas 66210

or to the Executive:

Richard Mayberry
9507 W 161st Terrace
Overland Park, KS 66085

Each party, by written notice furnished to the other party, may modify the applicable delivery address, except that notice of change of address shall be effective only upon receipt.

17. Arbitration of All Disputes. Any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by final, binding and non-appealable arbitration in Overland Park, Kansas by three arbitrators. Except as otherwise expressly provided in this paragraph 17, the arbitration shall be conducted in accordance with the rules of the American Arbitration Association (the "Association") then in effect. One of the arbitrators shall be appointed by the Company, one shall be appointed by the Executive, and the third shall be appointed by the first two arbitrators. If the first two arbitrators cannot agree on the third arbitrator within 30 days of the appointment of the second arbitrator, then the third arbitrator shall be appointed by the Association.

18. Survival of Agreement. Except as otherwise expressly provided in this Agreement, the rights and obligations of the parties to this Agreement shall survive the termination of the Executive's employment with the Company.

19. Entire Agreement. Except as otherwise provided herein, this Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior or contemporaneous agreements, if any, between the parties relating to the subject matter hereof, including, but not limited to, the Prior Agreement; provided, however, that nothing in this Agreement shall be construed to limit any policy or agreement that is otherwise applicable relating to confidentiality, rights to inventions, copyrightable material, business and/or technical information, trade secrets, solicitation of employees, interference with relationships with other businesses, competition, and other similar policies or agreement for the protection of the business and operations of the Company and its affiliates.

20. Code Section 409A. Notwithstanding any other provision of this Agreement to the contrary, if any payment or benefit hereunder is subject to section 409A of the Code and if such payment or benefit is to be paid or provided on account of the Executive's separation from service (within the meaning of section 409A of the Code) and if the Executive is a specified employee (within the meaning of section 409A(a)(2) (B) of the Code), such payment or benefit shall be paid or provided on the later of (a) the first day of the seventh month following the Executive's separation from service or (b) the date on which such payment or benefit would otherwise be paid or provided pursuant to the terms of this Agreement. To the extent that any payments or benefits under the Agreement are subject to section 409A of the Code and are paid or provided on account of the Executive's termination of employment or service, the determination as to whether the Executive has had a termination of employment or service shall be made in accordance with section 409A of the Code and the guidance issued thereunder.

21. Counterparts. This Agreement may be executed in two or more counterparts, any one of which shall be deemed the original without reference to the others.

IN WITNESS THEREOF, the Executive has hereunto set his hand, and the Company has caused these presents to be executed in its name and on its behalf, all as of the Effective Date.

EXECUTIVE

FERRELLGAS, INC.

By _____
Its _____

CERTIFICATIONS
FERRELLGAS PARTNERS, L.P.

I, James E. Ferrell, certify that:

1. I have reviewed this report on Form 10-Q for the three months ended January 31, 2008 of Ferrellgas Partners, L.P. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons forming the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: March 7, 2008

/s/ James E. Ferrell
James E. Ferrell
Chairman and Chief Executive Officer of Ferrellgas,
Inc., general partner of the Registrant

**CERTIFICATIONS
FERRELLGAS PARTNERS, L.P.**

I, Kevin T. Kelly, certify that:

1. I have reviewed this report on Form 10-Q for the three months ended January 31, 2008 of Ferrellgas Partners, L.P. ("the Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons forming the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: March 7, 2008

/s/ Kevin T. Kelly

Kevin T. Kelly
Senior Vice President and Chief
Financial Officer of Ferrellgas, Inc.,
general partner of the Registrant

CERTIFICATIONS
FERRELLGAS PARTNERS FINANCE CORP.

I, James E. Ferrell, certify that:

1. I have reviewed this report on Form 10-Q for the three months ended January 31, 2008 of Ferrellgas Partners Finance Corp. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons forming the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: March 7, 2008

/s/ James E. Ferrell
James E. Ferrell
Chief Executive Officer

CERTIFICATIONS
FERRELLGAS PARTNERS FINANCE CORP.

I, Kevin T. Kelly, certify that:

1. I have reviewed this report on Form 10-Q for the three months ended January 31, 2008 of Ferrellgas Partners Finance Corp. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons forming the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: March 7, 2008

/s/ Kevin T. Kelly
Kevin T. Kelly
Senior Vice President and
Chief Financial Officer

**CERTIFICATIONS
FERRELLGAS, L.P.**

I, James E. Ferrell, certify that:

1. I have reviewed this report on Form 10-Q for the three months ended January 31, 2008 of Ferrellgas, L.P. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons forming the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: March 7, 2008

/s/ James E. Ferrell

James E. Ferrell
Chairman and Chief Executive
Officer of Ferrellgas, Inc., general
partner of the Registrant

**CERTIFICATIONS
FERRELLGAS, L.P.**

I, Kevin T. Kelly, certify that:

1. I have reviewed this report on Form 10-Q for the three months ended January 31, 2008 of Ferrellgas, L.P. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light the of circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons forming the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: March 7, 2008

/s/ Kevin T. Kelly

Kevin T. Kelly
Senior Vice President and Chief
Financial Officer of Ferrellgas, Inc.,
general partner of the Registrant

**CERTIFICATIONS
FERRELLGAS FINANCE CORP.**

I, James E. Ferrell, certify that:

1. I have reviewed this report on Form 10-Q for the three months ended January 31, 2008 of Ferrellgas Finance Corp. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons forming the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: March 7, 2008

/s/ James E. Ferrell

James E. Ferrell
Chief Executive Officer

**CERTIFICATIONS
FERRELLGAS FINANCE CORP.**

I, Kevin T. Kelly, certify that:

1. I have reviewed this report on Form 10-Q for the three months ended January 31, 2008 of Ferrellgas Finance Corp. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons forming the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: March 7, 2008

/s/ Kevin T. Kelly
Kevin T. Kelly
Senior Vice President and
Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. 1350,
AS ADOPTED PURSUANT TO
SECTION 906
OF THE
SARBANES-OXLEY ACT OF 2002**

In connection with the accompanying Quarterly Report on Form 10-Q of Ferrellgas Partners, L.P. (the "Partnership") for the three months ended January 31, 2008, as filed with the Securities and Exchange Commission (the "SEC") on the date hereof (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certify pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership at the dates and for the periods indicated within the Report.

The foregoing certification is made solely for purposes of 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and is subject to the "knowledge" and "willfulness" qualifications contained in 18 U.S.C. 1350(c).

This certification is being furnished to the SEC and is not to be deemed "filed" with the SEC for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of Section 18. In addition, this certification is not to be incorporated by reference into any registration statement of the Partnership or other filing of the Partnership made pursuant to the Exchange Act or Securities Act of 1933, as amended, unless specifically identified as being incorporated therein by reference.

Dated: March 7, 2008

/s/ James E. Ferrell

James E. Ferrell
Chairman and Chief Executive Officer of
Ferrellgas, Inc., the Partnership's general partner

/s/ Kevin T. Kelly

Kevin T. Kelly
Senior Vice President and Chief Financial Officer of
Ferrellgas, Inc., the Partnership's general partner

***As required by 18 U.S.C. 1350, a signed original of this written statement has been provided to the Partnership.**

**CERTIFICATION PURSUANT TO
18 U.S.C. 1350,
AS ADOPTED PURSUANT TO
SECTION 906
OF THE
SARBANES-OXLEY ACT OF 2002**

In connection with the accompanying Quarterly Report on Form 10-Q of Ferrellgas Partners Finance Corp. for the three months ended January 31, 2008, as filed with the Securities and Exchange Commission (the "SEC") on the date hereof (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certify pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Ferrellgas Partners Finance Corp. at the dates and for the periods indicated within the Report.

The foregoing certification is made solely for purposes of 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and is subject to the "knowledge" and "willfulness" qualifications contained in 18 U.S.C. 1350(c).

This certification is being furnished to the SEC and is not to be deemed "filed" with the SEC for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of Section 18. In addition, this certification is not to be incorporated by reference into any registration statement of Ferrellgas Partners Finance Corp. or other filing of Ferrellgas Partners Finance Corp. made pursuant to the Exchange Act or Securities Act of 1933, as amended, unless specifically identified as being incorporated therein by reference.

Dated: March 7, 2008

/s/ James E. Ferrell
James E. Ferrell
Chief Executive Officer

/s/ Kevin T. Kelly
Kevin T. Kelly
Senior Vice President and Chief Financial Officer

***As required by 18 U.S.C. 1350, a signed original of this written statement has been provided to Ferrellgas Partners Finance Corp.**

**CERTIFICATION PURSUANT TO
18 U.S.C. 1350,
AS ADOPTED PURSUANT TO
SECTION 906
OF THE
SARBANES-OXLEY ACT OF 2002**

In connection with the accompanying Quarterly Report on Form 10-Q of Ferrellgas, L.P. ("the Partnership") for the three months ended January 31, 2008, as filed with the Securities and Exchange Commission (the "SEC") on the date hereof (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certify pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Ferrellgas, L.P. at the dates and for the periods indicated within the Report.

The foregoing certification is made solely for purposes of 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and is subject to the "knowledge" and "willfulness" qualifications contained in 18 U.S.C. 1350(c).

This certification is being furnished to the SEC and is not to be deemed "filed" with the SEC for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of Section 18. In addition, this certification is not to be incorporated by reference into any registration statement of the Partnership or other filing of the Partnership made pursuant to the Exchange Act or Securities Act of 1933, as amended, unless specifically identified as being incorporated therein by reference.

Dated: March 7, 2008

/s/ James E. Ferrell
James E. Ferrell
Chairman and Chief Executive Officer of
Ferrellgas, Inc., the Partnership's general partner

/s/ Kevin T. Kelly
Kevin T. Kelly
Senior Vice President and Chief Financial Officer of
Ferrellgas, Inc., the Partnership's general partner

***As required by 18 U.S.C. 1350, a signed original of this written statement has been provided to the Partnership**

**CERTIFICATION PURSUANT TO
18 U.S.C. 1350,
AS ADOPTED PURSUANT TO
SECTION 906
OF THE
SARBANES-OXLEY ACT OF 2002**

In connection with the accompanying Quarterly Report on Form 10-Q of Ferrellgas Finance Corp. for the three months ended January 31, 2008, as filed with the Securities and Exchange Commission (the "SEC") on the date hereof (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certify pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Ferrellgas Finance Corp. at the dates and for the periods indicated within the Report.

The foregoing certification is made solely for purposes of 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and is subject to the "knowledge" and "willfulness" qualifications contained in 18 U.S.C. 1350(c).

This certification is being furnished to the SEC and is not to be deemed "filed" with the SEC for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of Section 18. In addition, this certification is not to be incorporated by reference into any registration statement of Ferrellgas Finance Corp. or other filing of Ferrellgas Finance Corp. made pursuant to the Exchange Act or Securities Act of 1933, as amended, unless specifically identified as being incorporated therein by reference.

Dated: March 7, 2008

/s/ James E. Ferrell
James E. Ferrell
Chief Executive Officer

/s/ Kevin T. Kelly
Kevin T. Kelly
Senior Vice President and Chief Financial Officer

***As required by 18 U.S.C. 1350, a signed original of this written statement has been provided to Ferrellgas Finance Corp.**