

## AGREEMENT

Ferrellgas and the Attorney General of Iowa agree to the following, which shall apply only to Ferrellgas' residential customers in Iowa:

1. Fee and price disclosures. Ferrellgas will provide each customer a summary sheet with information about Ferrellgas propane pricing, including all mandatory and other possible fees under all of its pricing programs, including customers who contract for Keep Full service or Will Call service, or who receive Keep Full or Will Call service from Ferrellgas without having first signed a written contract for the service. The information shall be provided to consumers at least annually and will be provided in an easily understood format. Ferrellgas will also provide each customer a general description of how prices vary among its different customer and service types. The summary sheet shall be provided in response to any request received by Ferrellgas from a customer or prospective customer who requests Ferrellgas' pricing information and will be posted on Ferrellgas' Internet website.

2. Price per gallon.  
a) Will Call orders:

For Will Call customers without a contracted price per gallon, Ferrellgas will disclose the price per gallon to be charged in response to all orders and via the same medium as the order is placed. For live telephone orders from Will Call customers without a contracted price per gallon, the price per gallon will be disclosed during the telephone call placing the order. The annual fee disclosure will provide clear instructions on how Will Call customers may obtain the price per gallon to be charged prior to the delivery of the fuel. For orders placed by e-mail, an automated e-mail response message

from Ferrellgas will include clear instructions on how the customer may obtain the price per gallon to be charged prior to the delivery of the fuel, or Ferrellgas must attempt to respond by telephone to the e-mail order to provide the price per gallon. The automated e-mail response or telephone response must be activated by January 1, 2011.

b) Either Will Call or Keep Full orders, with contracted-for gallons to expire upon the next delivery, resulting in imposition of the Ferrellgas non-contract price:

Ferrellgas will provide a notice on the customer's prior Ferrellgas statement or notification in some other manner:

- 1) that the customer's contracted-for gallons may expire upon the next delivery;
- 2) the number of gallons contracted-for and the number of gallons remaining on the contract; and
- 3) that any gallons delivered over that limit will be at the Ferrellgas non-contract price and instructions on how the customer may find the Ferrellgas non-contract price in effect at the time the customer seeks the price.

In addition, for gallons delivered in excess of the contracted-for limit, in lieu of imposing the non-contract per-gallon price, Ferrellgas, may honor the contract price for the remaining gallons delivered or may contact the customer prior to the delivery and reach agreement with the customer for continuation of the contracted-for price per gallon or for some other price per gallon.

c) In the event Ferrellgas makes a claim of guaranteed lowest price, or similar claims regarding offering lowest prices, Ferrellgas will disclose everywhere the claims appear the full context of the claim including all material conditions or limitations. Ferrellgas

further will disclose that the claim is a price-matching claim, if true. All disclosures required by this paragraph shall be made clearly and conspicuously and directly adjacent to each such claim.

d) A “Will Call” customer is one who receives individual propane deliveries by placing an order with Ferrellgas.

e) A “Keep Full” customer is one who receives propane deliveries pursuant to an agreement with Ferrellgas, whereby Ferrellgas delivers to the customer based on a routing and predictive demand system without contact from the customer in advance.

3. If Ferrellgas imposes any mandatory surcharges in propane sales in addition to the price per gallon, Ferrellgas will clearly and conspicuously disclose the existence and dollar amount of any such surcharge in any pricing contract and anytime a customer requests a Will Call delivery (i.e., “we will fill your tank at \$\_\_\_ per gallon, plus a company charge of \$\_\_\_ for [purpose of surcharge]”). In addition, Ferrellgas will disclose in all of its contracts with customers that the mandatory surcharges are company-generated and are not government-imposed.

5. Ferrellgas will not use the word “market” to describe its non-contract price in its advertising, customer agreements and written communications to residential customers distributed to customers after the date of this agreement and Ferrellgas will not otherwise imply that its non-contract price is in any way reflective of average market prices or prices of other vendors, unless true. Inadvertent use of the term “market” by Ferrellgas will not be considered to be a violation of this agreement.

6. Beginning November 1, 2010, the Attorney General will send any written complaints received by the Attorney General against Ferrellgas from consumers or from other

sources to Ferrellgas for a written response. The Attorney General will review each such complaint and Ferrellgas' response and will thereafter advise Ferrellgas of any resolution the Attorney General proposes. If the Attorney General and Ferrellgas agree that Ferrellgas has violated Iowa law in the context of a complaint, Ferrellgas will take the action necessary to comply, including a refund if applicable. If Ferrellgas disagrees with a determination by the Attorney General that Ferrellgas has violated Iowa law, Ferrellgas may set out its reasoning in writing to the Attorney General. The Attorney General will consider Ferrellgas' reasoning and will inform Ferrellgas whether the Attorney General's determination of a violation has changed. If the Attorney General's determination remains that Ferrellgas violated Iowa law, the Attorney General may file an original action alleging a violation of applicable law. If the issues raised in a complaint are not covered herein, but the Attorney General determines that a refund or other remedial action is required because Ferrellgas' conduct otherwise violated section 714.16, the Attorney General will notify Ferrellgas of the Attorney General's determination. If Ferrellgas disagrees with the Attorney General's determination it may state its reasoning in writing to the Attorney General. If the Attorney General's determination of a violation does not change, the Attorney General may file an original action against Ferrellgas pursuant to section 714.16. The Attorney General's determinations pursuant to this paragraph are not binding on complaining consumers. The process set forth in this paragraph and the remaining terms of this agreement will expire on December 31, 2013.

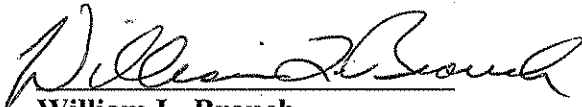
7. Ferrellgas has agreed to make a payment of \$ 25,000.00 to the Attorney General for the Attorney General's costs in reviewing these matters and to fund future complaint handling. This payment is made pursuant to Iowa Code section 714.16C.

**For Ferrellgas:**

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**Date Signed:** \_\_\_\_\_

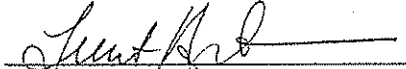
**For Attorney General of Iowa:**



**William L. Brauch**  
**Special Assistant Attorney General**  
**Director-Consumer Protection Division**

**Date Signed:** 10-27-2010

For Ferrellgas:

  
TRENT HAMPTON

Date Signed: October 27 2010

For Attorney General of Iowa:

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William L. Brauch  
Special Assistant Attorney General  
Director-Consumer Protection Division

Date Signed: \_\_\_\_\_