

**Policy Against Insider Trading  
of Ferrellgas, Inc.,  
as the general partner of Ferrellgas Partners, L.P.**

**Purpose of the Policy Against Insider Trading**

During the normal course of performing your duties for Ferrellgas, Inc. (the “Company”), and in its capacity as the general partner of Ferrellgas Partners, L.P. (the “Partnership”), you may come into possession of material nonpublic information about the Company, the Partnership or a company with whom the Company does business. This information is Company “property” that has been entrusted to you for use in connection with Company business. Company policy and the law prohibit you from seeking to profit (or to avoid a loss) from the information by buying or selling Partnership common units (“MLP Units”) or any other company’s securities yourself or from passing on the information to others to enable them to profit (or to avoid a loss). In addition to having serious legal ramifications, the foregoing activities would seriously undermine and damage the Company’s reputation for integrity and ethical conduct. For these reasons, the Company has adopted this policy to address these concerns.

**Liability under Federal Law for Insider Trading**

Insider trading is a crime. Moreover, insider trading by an officer, director or employee exposes that person and the Company (and, possibly, other company employees) to civil liability. Federal law imposes severe civil liability and fines and criminal penalties on persons engaged in insider trading, including the following:

- Civil fines of up to three (3) times the amount of the profits realized or losses avoided and possible injunctions against future violations;
- Criminal penalties for willful violations of up to \$1 million, ten (10) years in prison, or both;
- Civil liability to third parties who traded in the MLP Units at the time that the director, officer or Covered Employee (see definition, following) traded while in possession of the material nonpublic information; and
- Civil liability to the Company for the amount of the profits realized or losses avoided.

The Company and other controlling persons (such supervisory personnel) are also at risk under the federal insider trading laws because they may, among other things, face penalties of up to the greater of \$1,000,000 or three (3) times the profits made (or losses avoided) by the trader if they recklessly failed to take preventive steps to prevent insider trading.

**What is “Insider Trading”**

General speaking, a person is involved in insider trading if that person trades (i.e., buys or sells) MLP Units or other companies’ securities while in possession of “material nonpublic information” concerning the issuer of those securities. A person is also involved in insider trading if the person discloses material nonpublic information to another person who uses that information to trade in the company’s securities. A person does not have to make a profit in the trade to be guilty of insider trading; using material nonpublic information to avoid or minimize a loss is also insider trading.

## **What is “Material Nonpublic Information”**

“Material nonpublic information” means any information concerning the Company, the Partnership, any of their subsidiaries or a company with whom the Company does business, which is not publicly known and which a reasonable investor would consider important in deciding whether to buy, sell or hold the Company’s, the Partnership’s or that other company’s securities. It includes any information which, if publicly disclosed, could be expected to affect the price of the Company’s, the Partnership’s or another company’s securities. As a general rule of thumb, if you learn of nonpublic information that prompts you to want to buy or sell the Company’s, the Partnership’s or another company’s securities, that information is probably “material” information. For example, if you learned that the Company or the Partnership was about to enter into a very important contract with another company that had not been publicly announced, you would be in possession of material nonpublic information, and you should not trade in the Company’s, the Partnership’s or the other company’s securities. Similarly, you would possess material nonpublic information if you learned what the Company’s or the Partnership’s earnings were going to be for a particular period before the Company or the Partnership released those earnings to the press. When in doubt, you should error on the side of treating the information as being material nonpublic information.

**If you are unsure whether information in your possession constitutes material nonpublic information, you should contact Investor Relations at (913) 661-1528.**

## **Trading Policy**

The Company’s general policy is that you may not:

- trade MLP Units while in possession of material nonpublic information;
- make any unauthorized disclosure (i.e., no “tipping”) of any material nonpublic information to any other person;
- speculate in the MLP Units by “in-and-out” trading or by engaging in short sales or trades in puts, calls or other options on the MLP Units; all investments in MLP Units should be on a “buy and hold” basis; or
- trade in any security of any other company with whom the Company does business (such as suppliers and customers) while in possession of material nonpublic information concerning that other company that was obtained during the course of performing your duties for the Company.

## **Who is Covered by the Policy**

This policy applies to all officers and directors of the Company and all Company employees who have or may have access to material nonpublic information (“Covered Employees”) and any person or company that they control. Officers, directors and Covered Employees are responsible for ensuring that the members of their respective immediate families and households abide by the terms of this policy since family member are considered by law to be “insiders.”

## **General Trading Guidance**

Generally, the Company expects that trading will be permitted during the following time periods:

- During the ten (10) business days following the second business day after the date on which the Company releases its quarterly Form 10-Q or annual 10-K earnings results (i.e., if the Company releases its earnings on a Monday, the 10-day “window” would begin on Wednesday).
- During a 30-day (not 30 business days) period commencing one week after the Company’s annual report has been mailed to its stockholders and otherwise broadly circulated (provided that no new major undisclosed developments occur within that 30-day period).
- During a reasonable period following the wide dissemination of information on the status of the Company and current results, such as by the Company’s circulation of a proxy statement or prospectus (the length of the trading period being dependent upon the nature of the information being disclosed).
- During periods of relative stability in the Company’s operations and the market for the MLP Units.
- Through a periodic investment program through which the officer, director or Covered Employee makes regular purchases under an established program administered by a broker where the timing of the purchase is outside the control of the officer, director or Covered Employee.

Because these time periods are merely guidelines, we strongly suggest that you contact investor relations prior to any commencing any trading activity in the MLP Units.

## **Directors, Executive Officers and Equity Holders of Greater Than 10%**

**If you are a director, executive officer or person directly or indirectly holding more than 10% of any MLP Common Units you are initially required to file your holdings 10 days after becoming one of the aforementioned insiders. You are required to file subsequent transactions electronically with the SEC before the end of the second business day following the day on which the subject transaction was executed.**

Note that directors and executive officers may not trade MLP Units they receive under any equity program during an administrative “blackout” period affecting any plan under which MLP Units are issuable pursuant to which a majority of the Company’s employees are restricted from trading MLP Units or transferring funds into or out of any applicable MLP Unit fund, subject to any legal or regulatory restrictions.

### **Notice of Trades**

Because of the immediacy of notification of any trade in MLP Units, it would be helpful to notify the Company prior to the date on which you or a member of your immediate family or household desires to execute a trade in MLP Units by reporting the expected date and nature of such transaction (e.g., number of shares bought or sold and the purchase or selling price). In no event should such notification be made later than immediately after such execution. Notification should be provided to the Company's Investor Relations Department at (913) 661-1528. The Company will use its reasonable best efforts to assist you with your reporting requirements with the Securities and Exchange Commission and New York Stock Exchange.

### **Violation of Policy**

The violation of this policy could subject you to civil and, possibly, criminal liability (including potential liability to the Company). Any person who violates this policy will be subject to disciplinary action by the Company, including possible termination of employment by the Company.