

SHERMAN R BROOKS
Form 4
November 09, 2010

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
SHERMAN R BROOKS

(Last) (First) (Middle)
TWO BRUSH CREEK
BOULEVARD, SUITE 200
(Street)

KANSAS CITY, MO 64112

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
INERGY L P [NRGY]

3. Date of Earliest Transaction
(Month/Day/Year)
11/05/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
EVP/CFO

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)			
			Code	V	Amount	(A) or (D)	Price			
Common Units	11/05/2010		A		400,412	A	<u>1</u>	400,412	I	See Footnote (2)
Common Units	11/05/2010		A		203,604	A	<u>6</u>	260,904	D	
Common Units								1,020.2731	I	See Footnote (3)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount Number of Shares
Class B Units	(4)	11/05/2010		A	266,941	(4) (4)	Common Units 266,941
Options	\$ 9.74	11/05/2010		A	46,200	06/20/2008 06/19/2015	Common Units 46,200

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SHERMAN R BROOKS TWO BRUSH CREEK BOULEVARD, SUITE 200 KANSAS CITY, MO 64112			EVP/CFO	

Signatures

/s/ Michael K. Post (attorney-in-fact) for R. Brooks
Sherman, Jr.

11/09/2010

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- Acquired pursuant to the First Amended and Restated Agreement and Plan of Merger, dated as of September 3, 2010 (the "Merger Agreement"), by and among Inergy, L.P. ("Inergy"), Inergy GP, LLC, Inergy Holdings, L.P. ("Holdings"), Inergy Holdings GP, LLC, NRG Limited Partner, LLC and NRG MS, LLC. Acquired 266,941 Class B Units in Inergy and 400,412 Common Units representing
- (1) limited partner interests in Inergy on November 5, 2010 pursuant to the Merger Agreement in exchange for 866,693 Holdings common units. On the effective date of the merger, the closing sales price of Holdings common units on the NYSE was \$30.71, and the closing sales price of Inergy common units on the NYSE was \$39.95 per unit.
 - (2) Mr. Sherman is the trustee of the R. Brooks Sherman, Jr. Revocable Trust dated 1/15/2008, as amended from time to time.
 - (3) Represents Common Units held in Inergy Employee Unit Purchase Plan ("EUPP"). Contributions to the EUPP are used to purchase Inergy Common Units at the end of each quarter.
 - (4)

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The Class B Units will convert automatically into Common Units on a one-for-one basis, with 50% of the outstanding Class B Units converting into Common Units following the payment date of the fourth quarterly distribution following the closing of the merger and the remaining outstanding Class B Units converting into Common Units following the payment date of the eighth quarterly distribution following the closing of the merger.

- (5) Acquired pursuant to the Merger Agreement in exchange for options to purchase 60,000 Holdings common units at \$7.50 per unit.
- (6) Includes Inergy restricted units acquired pursuant to the Merger Agreement in exchange for Holdings restricted units.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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