

KINDER MORGAN, INC.
Form 424B5
October 26, 2015

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The information in this preliminary prospectus supplement is incomplete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are part of an effective registration statement filed with the Securities and Exchange Commission. This preliminary prospectus supplement and the accompanying prospectus are not offers to sell nor solicitations of offers to buy these securities in any jurisdiction where such offer or sale is not permitted.

Subject to completion
Preliminary Prospectus Supplement dated October 26, 2015

PROSPECTUS SUPPLEMENT
(To Prospectus dated October 26, 2015)

32,000,000 Depositary Shares

Representing a 1/20th Interest in a Share of % Series A Mandatory Convertible Preferred Stock

We are offering 32,000,000 depositary shares, each of which represents a 1/20th interest in a share of our % Series A Mandatory Convertible Preferred Stock, \$0.01 par value per share, which we refer to in this prospectus supplement as our mandatory convertible preferred stock. The shares of mandatory convertible preferred stock will be deposited with Computershare Trust Company, N.A., as depositary, pursuant to a deposit agreement. Holders of the depositary shares will be entitled to a proportional fractional interest in the rights and preferences of the mandatory convertible preferred stock, including conversion, dividend, liquidation and voting rights, subject to the provisions of such deposit agreement.

Dividends on our mandatory convertible preferred stock will be payable on a cumulative basis when, as and if declared by our board of directors, or an authorized committee of our board of directors, at an annual rate of % on the liquidation preference of \$1,000 per share. We may pay declared dividends in cash or, subject to certain limitations, in shares of our Class P common stock, par value \$0.01 per share (our "common stock"), or in any combination of cash and common stock, on January 26, April 26, July 26 and October 26 of each year, commencing on January 26, 2016 and ending on, and including, October 26, 2018.

Each share of our mandatory convertible preferred stock has a liquidation preference of \$1,000 (and, correspondingly, each depositary share represents a liquidation preference of \$50). Unless earlier converted, each share of our mandatory convertible preferred stock will automatically convert on the third business day immediately following the last trading day of the final averaging period into between and shares of our common stock, subject to anti-dilution adjustments. The number of shares of our common stock issuable upon conversion will be determined based on the average VWAP (as defined herein) of our common stock over the 20 trading day period beginning on, and including, the 23rd scheduled trading day prior to November 1, 2018, which we refer to herein as the "final averaging period." At any time prior to November 1, 2018, a holder of 20 depositary shares may cause the depositary to convert one share of our mandatory convertible preferred stock, on such holder's behalf, into a number of shares of our common stock equal to the minimum conversion rate of , subject to anti-dilution adjustments. If a holder of 20 depositary shares causes the depositary to convert one share of our mandatory convertible preferred stock on such holder's behalf during a specified period beginning on the effective date of a fundamental change (as described herein), the conversion rate will be adjusted under certain circumstances, and such holder will also be entitled to a make-whole dividend amount (as described herein).

Prior to this offering, there has been no public market for the depositary shares. We intend to apply to list the depositary shares on The New York Stock Exchange under the symbol "KMLPRA." Our common stock is listed on The New York Stock Exchange under the symbol "KML."

Investing in the depositary shares involves risks. Please see "Risk Factors" beginning on page S-11 for more information regarding risks you should consider before investing in the depositary shares.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement and the accompanying prospectus to which it relates. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	\$	\$
Underwriting discount	\$	\$

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Proceeds, before expenses, to Kinder Morgan, Inc. \$ \$

We have granted the underwriters an option to purchase, exercisable within 30 days from the date of this prospectus supplement, up to an additional 4,800,000 depositary shares to cover over-allotments, if any, at the public offering price, less the underwriting discount.

The underwriters expect to deliver the depositary shares to investors on or about October , 2015.

Joint Book-Running Managers

Citigroup

BofA Merrill Lynch

Morgan Stanley

The date of this prospectus supplement is October , 2015.

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This document is in two parts. The first part is the prospectus supplement, which provides a brief description of our business and the specific terms of this offering. The second part, the accompanying prospectus, gives more general information, some of which may not apply to this offering. If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus, any related free writing prospectus prepared by us or on our behalf or any other information to which we have referred you. Neither we nor the underwriters have authorized anyone to provide you with different information. This prospectus supplement and the accompanying prospectus may only be used where it is legal to offer or sell the offered securities. You should not assume that the information in this prospectus supplement, the accompanying prospectus or any related free writing prospectus is accurate as of any date other than the respective date on the front cover of those documents. You should not assume that the information incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate as of any date other than the date the respective information was filed with the Securities and Exchange Commission (the "SEC"). Our business, financial condition, results of operations and prospects may have changed since those dates.

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SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement and the accompanying prospectus. It does not contain all of the information that you should consider before making an investment decision. We urge you to read the entire prospectus supplement, the accompanying prospectus, any related free writing prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus carefully, including the historical financial statements and notes to those financial statements incorporated by reference in this prospectus supplement and the accompanying prospectus. Please read "Risk Factors" beginning on page S-11 and "Risk Factors" and "Information Regarding Forward-Looking Statements" in our Annual Report on Form 10-K for the year ended December 31, 2014, as updated by our subsequently filed Securities Exchange Act of 1934, as amended ("Exchange Act"), reports for more information about important risks that you should consider before investing in the depositary shares. As used in this prospectus supplement and the accompanying prospectus, the terms "we," "us" and "our" mean Kinder Morgan, Inc. and, unless the context otherwise indicates, include its consolidated subsidiaries.

Kinder Morgan, Inc.

Our Business

We are a publicly traded Delaware corporation, with our common stock traded on The New York Stock Exchange under the symbol "KMI." We are the largest energy infrastructure and the third largest energy company in North America with an enterprise value of approximately \$110 billion. We own an interest in or operate approximately 84,000 miles of pipelines and 165 terminals. Our pipelines transport natural gas, refined petroleum products, crude oil, condensate, carbon dioxide ("CO₂") and other products, and our terminals transload and store petroleum products, ethanol and chemicals, and handle such products as coal, petroleum coke and steel. We are also the leading producer and transporter of CO₂, which is utilized for enhanced oil recovery projects in North America.

Offices

The address of our principal executive offices is 1001 Louisiana Street, Suite 1000, Houston, Texas 77002, and our telephone number at this address is (713) 369-9000.

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The Offering

The summary below describes the principal terms of the depositary shares and our mandatory convertible preferred stock. Certain of the terms and conditions described below are subject to important limitations and exceptions. Refer to the section of the accompanying prospectus entitled "Description of Our Capital Stock Preferred Stock," as supplemented by the "Description of Mandatory Convertible Preferred Stock" section of this prospectus supplement, for a more detailed description of the terms of the mandatory convertible preferred stock. As used in this section, the terms "us," "we," or "our" refer to Kinder Morgan, Inc. and not any of its subsidiaries. Capitalized terms used but not defined in this section have the meaning set forth in "Description of Mandatory Convertible Preferred Stock."

Issuer	Kinder Morgan, Inc.
Securities we are offering	32,000,000 depositary shares, each of which represents a 1/20th interest in a share of our % Series A Mandatory Convertible Preferred Stock, \$0.01 par value per share, which we refer to in this prospectus supplement as our mandatory convertible preferred stock. Each depositary share entitles the holder of such depositary share, through the depositary, to a proportional fractional interest in the rights and preferences of such share of mandatory convertible preferred stock, including conversion, dividend, liquidation and voting rights, subject to the terms of the deposit agreement.
Underwriters' option	We have granted the underwriters a 30-day option to purchase up to 4,800,000 additional depositary shares to cover over-allotments, if any, at the public offering price, less the underwriting discount.
Public offering price	\$ per depositary share.
Liquidation preference	\$1,000 per share of our mandatory convertible preferred stock (equivalent to \$50 per depositary share).
Dividends	% of the Liquidation Preference of \$1,000 per share of our mandatory convertible preferred stock per year. Dividends will accumulate from the first original issue date and, to the extent that we are legally permitted to pay dividends and our board of directors, or an authorized committee thereof, declares a dividend payable with respect to our mandatory convertible preferred stock, we will pay such dividends in cash or, subject to certain limitations, by delivery of shares of our common stock or through any combination of cash and shares of our common stock, as determined by us in our sole discretion; <i>provided</i> that any unpaid dividends will continue to accumulate. Dividends that are declared will be payable on the Dividend Payment Dates (as described below) to holders of record on the January 11, April 11, July 11 or October 11, as the case may be, immediately preceding the relevant Dividend Payment Date (each, a "Record Date"), whether or not such holders convert their depositary shares, or such depositary shares are automatically converted, after a Record Date and on or prior to the immediately succeeding Dividend Payment Date. The expected dividend payable on the first Dividend Payment Date is approximately \$ per share of our

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mandatory convertible preferred stock (equivalent to \$ per depositary share). Each subsequent dividend is expected to be approximately \$ per share of our mandatory convertible preferred stock (equivalent to \$ per depositary share). See "Description of Mandatory Convertible Preferred Stock Dividends."

If we elect to make any such payment of a declared dividend, or any portion thereof, in shares of our common stock, such shares shall be valued for such purpose at the Average VWAP per share (as defined under "Description of Mandatory Convertible Preferred Stock Definitions") of our common stock over the five consecutive Trading Day period ending on the second Trading Day immediately preceding the applicable Dividend Payment Date (the "Five-Day Average Price"), *multiplied by 99%*. Notwithstanding the foregoing, in no event will the number of shares of our common stock delivered in connection with any declared dividend exceed a number equal to the total dividend payment *divided by* \$, which amount represents approximately 35% of the Initial Price (as defined below), subject to adjustment in a manner inversely proportional to any adjustment to each fixed conversion rate (such dollar amount, as adjusted, the "Floor Price"). To the extent that the amount of the declared dividend as to which we have elected to deliver shares of common stock in lieu of cash exceeds the product of the number of shares of common stock delivered in connection with such declared dividend and 99% of the Five-Day Average Price, we will, if we are legally able to do so, notwithstanding any notice by us to the contrary, pay such excess amount in cash.

The "Initial Price" is \$, which equals the closing price of our common stock on October , 2015.

Dividend payment dates January 26, April 26, July 26 and October 26 of each year, commencing on January 26, 2016 and ending on, and including, October 26, 2018.

No redemption Neither the depositary shares nor our mandatory convertible preferred stock is redeemable.

Mandatory conversion date The third business day immediately following the last Trading Day of the Final Averaging Period (as defined below). The Mandatory Conversion Date is expected to be October 26, 2018.

Mandatory conversion On the Mandatory Conversion Date, each outstanding share of our mandatory convertible preferred stock, unless previously converted, will automatically convert into a number of shares of our common stock equal to the conversion rate as described below, and each depositary share will automatically convert into a number of shares of common stock equal to a proportionate fractional interest in such shares of common stock.

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Conversion rate

If we declare a dividend for the dividend period ending on October 26, 2018, we will pay such dividend to the holders of record on the applicable Record Date, as described above. If, on or prior to October 11, 2018, we have not declared all or any portion of all accumulated and unpaid dividends on the mandatory convertible preferred stock, the conversion rate will be adjusted so that holders receive an additional number of shares of common stock equal to the amount of accumulated and unpaid dividends that have not been declared (the "Additional Conversion Amount"), *divided by* the greater of (i) the Floor Price and (ii) 99% of the Five-Day Average Price. To the extent that the Additional Conversion Amount exceeds the product of such number of additional shares and 99% of the Five-Day Average Price, we will, if we are legally able to do so, declare and pay such excess amount in cash.

Upon conversion on the Mandatory Conversion Date, the conversion rate per share of our mandatory convertible preferred stock will be not more than shares of common stock and not less than shares of common stock (and, correspondingly, the conversion rate per depositary share will not be more than shares of common stock and not less than shares of common stock), depending on the Applicable Market Value of our common stock, as described below.

The "Applicable Market Value" of our common stock is the Average VWAP per share of our common stock over the Final Averaging Period. The "Final Averaging Period" is the 20 consecutive Trading Day period beginning on, and including, the 23rd Scheduled Trading Day immediately preceding October 26, 2018. The conversion rate will be calculated as described under "Description of Mandatory Convertible Preferred Stock Mandatory Conversion." The following table illustrates the conversion rate per share of our mandatory convertible preferred stock, subject to certain anti-dilution adjustments.

Applicable market value of our common stock	Conversion rate per share of mandatory convertible preferred stock
Greater than \$	shares of common stock
Equal to or less than \$ but greater than or equal to \$	Between and shares of common stock, determined by dividing \$1,000 by the Applicable Market Value
Less than \$	shares of common stock

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The following table illustrates the conversion rate per depositary share, subject to certain anti-dilution adjustments:

Applicable market value of our common stock	Conversion rate per depositary share
Greater than \$	shares of common stock
Equal to or less than \$ but greater than or equal to \$	Between and shares of common stock, determined by dividing \$50 by the Applicable Market Value
Less than \$	shares of common stock

Conversion at the option of the holder

Other than during a Fundamental Change Conversion Period (as defined below), a holder may, at any time prior to October 26, 2018, elect to convert such holder's shares of our mandatory convertible preferred stock, in whole or in part, at the Minimum Conversion Rate of shares of common stock per share of mandatory convertible preferred stock (equivalent to shares of common stock per depositary share) as described under "Description of Mandatory Convertible Preferred Stock Conversion at the Option of the Holder." This Minimum Conversion Rate is subject to certain anti-dilution and other adjustments. Because each depositary share represents a 1/20th fractional interest in a share of our mandatory convertible preferred stock, a holder of depositary shares may convert its depositary shares only in lots of 20 depositary shares.

If, as of the Effective Date of any early conversion (the "Early Conversion Date"), we have not declared all or any portion of all accumulated and unpaid dividends for all full dividend periods ending on the Dividend Payment Date prior to such Early Conversion Date, the conversion rate will be adjusted so that converting holders receive an additional number of shares of common stock equal to such amount of accumulated and unpaid dividends that have not been declared for such full dividend periods (the "Early Conversion Additional Conversion Amount"), *divided by* the greater of (i) the Floor Price and (ii) the Average VWAP per share of our common stock over the 20 consecutive Trading Day period ending on, and including, the third Trading Day immediately preceding the Early Conversion Date (the "Early Conversion Average Price"). To the extent that the Early Conversion Additional Conversion Amount exceeds the product of such number of additional shares and the Early Conversion Average Price, we will not have any obligation to pay the shortfall in cash.

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Conversion at the option of the holder upon a Fundamental Change; Fundamental Change Dividend Make-Whole Amount

If a Fundamental Change (as defined under "Description of Mandatory Convertible Preferred Stock Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount") occurs on or prior to October 26, 2018, holders will have the right to convert their shares of mandatory convertible preferred stock, in whole or in part, into shares of common stock at the "Fundamental Change Conversion Rate" during the period beginning on, and including, the Effective Date of such Fundamental Change and ending on, and including, the date that is 20 calendar days after such Effective Date (or, if later, the date that is 20 calendar days after holders receive notice of such Fundamental Change, but in no event later than October 26, 2018). The Fundamental Change Conversion Rate will be determined based on the Effective Date of the Fundamental Change and the price paid (or deemed paid) per share of our common stock in such Fundamental Change. Holders who convert shares of our mandatory convertible preferred stock within that timeframe will also receive (1) a "Fundamental Change Dividend Make-Whole Amount" equal to the present value (calculated using a discount rate of % per annum) of all dividend payments on such shares for all remaining full dividend periods beginning on the Dividend Payment Date immediately following the Effective Date of the Fundamental Change and for the partial dividend period from, and including, the Effective Date to, but excluding, the next Dividend Payment Date, and (2) any accumulated and unpaid dividends for any dividend period ending prior to the Effective Date of the Fundamental Change and any accumulated dividends for the partial dividend period, if any, from the Dividend Payment Date immediately preceding the Effective Date to, but excluding, the Effective Date (collectively, the "Accumulated Dividend Amount" and clauses (1) and (2), the "Make-Whole Dividend Amounts"), in the case of clauses (1) and (2), subject to our right to deliver shares of our common stock in lieu of all or part of such Make-Whole Dividend Amounts; *provided* that if the Effective Date or the conversion date falls after the Record Date for a declared dividend and prior to the next Dividend Payment Date, such dividend will be paid on such Dividend Payment Date to the holders as of such Record Date, and will not be included in the Accumulated Dividend Amount, and the Fundamental Change Dividend Make-Whole Amount will not include the present value of the payment of such dividend. Because each depositary share represents a 1/20th fractional interest in a share of our mandatory convertible preferred stock, a holder of depositary shares may convert its depositary shares upon a Fundamental Change only in lots of 20 depositary shares.

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If we elect to pay the Make-Whole Dividend Amounts, or any portion thereof, in shares of our common stock, such shares shall be valued for such purpose at 99% of the price paid (or deemed paid) per share of our common stock in the Fundamental Change. Notwithstanding the foregoing, with respect to any conversion of mandatory convertible preferred stock, in no event will the number of shares of our common stock that we deliver in lieu of paying all or any portion of the Make-Whole Dividend Amounts in cash exceed a number equal to the sum of such Make-Whole Dividend Amounts, *divided by* the greater of (i) the Floor Price and (ii) 99% of the price paid (or deemed paid) per share of our common stock in the Fundamental Change. To the extent that the sum of such Make-Whole Dividend Amounts exceeds the product of the number of shares of common stock delivered in respect of such Make-Whole Dividend Amounts and 99% of the price paid (or deemed paid) per share of our common stock in the Fundamental Change, we will, if we are legally able to do so, notwithstanding any notice by us to the contrary, pay such excess amount in cash.

In addition, if we are prohibited from paying or delivering, as the case may be, the Make-Whole Dividend Amounts (whether in cash or in shares of our common stock), in whole or in part, due to limitations of applicable Delaware law, the Fundamental Change Conversion Rate will instead be increased by a number of shares of common stock equal to the cash amount of the aggregate unpaid and undelivered Make-Whole Dividend Amounts, *divided by* the greater of (i) the Floor Price and (ii) 99% of the price paid (or deemed paid) per share of our common stock in the Fundamental Change. To the extent that the cash amount of the aggregate unpaid and undelivered Make-Whole Dividend Amounts exceeds the product of such number of additional shares and 99% of the price paid (or deemed paid) per share of our common stock in the Fundamental Change, we will not have any obligation to pay the shortfall in cash.

See "Description of Mandatory Convertible Preferred Stock Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount."

Anti-dilution adjustments

The conversion rate may be adjusted in the event of, among other things: (1) stock dividends or distributions; (2) certain distributions to holders of our common stock of rights, options or warrants to purchase our common stock; (3) subdivisions or combinations of our common stock; (4) certain distributions to holders of our common stock of evidences of our indebtedness, shares of capital stock, securities, rights to acquire our capital stock, cash or other assets; (5) distributions to holders of our common stock of cash; and (6) certain tender or exchange offers by us or one of our subsidiaries for

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Voting rights

our common stock, in each case subject to certain exceptions. See "Description of Mandatory Convertible Preferred Stock Anti-dilution Adjustments."

Except as specifically required by Delaware law or our Amended and Restated Certificate of Incorporation, which will include the certificate of designations for the mandatory convertible preferred stock, the holders of mandatory convertible preferred stock will have no voting rights. Whenever dividends on shares of mandatory convertible preferred stock have not been declared and paid for six or more dividend periods (including, for the avoidance of doubt, the dividend period beginning on, and including, the first original issue date of the mandatory convertible preferred stock and ending on, but excluding, January 26, 2016), whether or not consecutive, the holders of mandatory convertible preferred stock, voting together as a single class with holders of all other preferred stock of equal rank having similar voting rights, will be entitled at our next special or annual meeting of stockholders to vote for the election of a total of two additional members of our board of directors, subject to certain limitations.

We will not, without the affirmative vote or consent of holders of at least two-thirds of the outstanding shares of mandatory convertible preferred stock and all other preferred stock of equal rank having similar voting rights, voting together as a single class (1) issue, authorize or create, or increase the issued or authorized amount of, any specific class or series of stock ranking senior to the mandatory convertible preferred stock; (2) amend or alter the provisions of our Amended and Restated Certificate of Incorporation so as to authorize or create, or increase the authorized amount of, any specific class or series of stock ranking senior to the mandatory convertible preferred stock; (3) amend, alter or repeal the provisions of our Amended and Restated Certificate of Incorporation so as to adversely affect the special rights, preferences, privileges or voting powers of the mandatory convertible preferred stock; or (4) consummate a binding share exchange or reclassification involving shares of mandatory convertible preferred stock or a merger or consolidation of us with another entity unless the mandatory convertible preferred stock remains outstanding or is replaced by preference securities with terms not materially less favorable to holders, in each case subject to certain exceptions.

See "Description of Mandatory Convertible Preferred Stock Voting Rights" and "Description of Depositary Shares Voting the Mandatory Convertible Preferred Stock."

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Ranking	<p>The mandatory convertible preferred stock will rank with respect to dividend rights and/or rights upon our liquidation, winding-up or dissolution, as applicable:</p> <p>senior to all of our common stock and to each other class of capital stock issued in the future unless the terms of that stock expressly provide that it ranks senior to, or on a parity with, the mandatory convertible preferred stock;</p> <p>on a parity with any class of capital stock issued in the future the terms of which expressly provide that it will rank on a parity with the mandatory convertible preferred stock;</p> <p>junior to each class of capital stock issued in the future the terms of which expressly provide that such capital stock or preferred stock will rank senior to the mandatory convertible preferred stock; and</p> <p>junior to all of our existing and future indebtedness (including trade payables). In addition, the mandatory convertible preferred stock, with respect to dividend rights and rights upon our liquidation, winding-up or dissolution, will be structurally subordinated to existing and future indebtedness of our subsidiaries as well as the capital stock of our subsidiaries held by third parties.</p> <p>As of September 30, 2015, we had total consolidated debt of approximately \$42.8 billion and no outstanding shares of preferred stock. As of September 30, 2015, as adjusted to give effect to this offering and our expected use of the net proceeds, our total consolidated debt would have been \$ billion.</p>
Use of proceeds	<p>We estimate that we will receive approximately \$ million from the sale of the depositary shares in this offering, after deducting the underwriting discount and our estimated expenses of the offering (or \$ million if the underwriters exercise their option to purchase additional depositary shares in full). We expect to use the net proceeds from the sale of the depositary shares to repay borrowings under our revolving credit facility and commercial paper debt and for general corporate purposes. See "Use of Proceeds."</p>
Material U.S. federal tax consequences	<p>The material U.S. federal income tax consequences of purchasing, owning and disposing of the depositary shares and any common stock received upon their conversion are described in "Material U.S. Federal Income Tax Consequences."</p>
Listing	<p>We intend to apply to list the depositary shares on The New York Stock Exchange under the symbol "KML.PRA." Our common stock is listed on The New York Stock Exchange under the symbol "KML."</p>

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Depository, transfer agent and registrar	Computershare Trust Company, N.A. is the depository for the depository shares and the transfer agent and registrar for the mandatory convertible preferred stock and our common stock.
Risk factors	See "Risk Factors" beginning on page S-11 of this prospectus supplement for a discussion of risks you should carefully consider before deciding to invest in the depository shares.

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RISK FACTORS

An investment in the depositary shares involves risks. You should consider carefully the risks described below, in addition to the other information contained or incorporated by reference in this prospectus supplement and accompanying prospectus. Specifically, please read "Risk Factors" and "Information Regarding Forward-Looking Statements" in our Annual Report on Form 10-K for the year ended December 31, 2014, and our subsequently filed Exchange Act reports. Realization of any of those risks or adverse results from any of the listed matters could have a material adverse effect on our business, financial condition, cash flows and results of operations, and you might lose all or part of your investment. Capitalized terms used but not defined in this section have the meaning set forth in "Description of Mandatory Convertible Preferred Stock."

Risks Related to the Depositary Shares and Our Mandatory Convertible Preferred Stock

You will bear the risk of a decline in the market price of our common stock between the pricing date for the depositary shares and the Mandatory Conversion Date.

The number of shares of our common stock that you would receive upon mandatory conversion of our mandatory convertible preferred stock (and the related conversion of the depositary shares) is not fixed, but instead will depend on the Applicable Market Value, which is the Average VWAP per share of our common stock over the Final Averaging Period, which is the 20 consecutive Trading Day period beginning on, and including, the 23rd Scheduled Trading Day immediately preceding October 26, 2018. The aggregate market value of the shares of our common stock that you would receive upon mandatory conversion may be less than the aggregate Liquidation Preference of the mandatory convertible preferred stock represented by your depositary shares. Specifically, if the Applicable Market Value of our common stock is less than the Initial Price of \$ (which equals the closing price of our common stock on October , 2015), subject to certain anti-dilution adjustments, the market value of the shares of our common stock that you would receive upon mandatory conversion of each share of mandatory convertible preferred stock will be less than the \$1,000 Liquidation Preference per share of mandatory convertible preferred stock (and, accordingly the market value of shares of our common stock that you would receive upon mandatory conversion of each depositary share will be less than the \$50 Liquidation Preference per depositary share), and an investment in the depositary shares would result in a loss. Accordingly, you will bear the entire risk of a decline in the market price of our common stock. Any such decline could be substantial.

In addition, because the number of shares delivered to you upon mandatory conversion will be based upon the Applicable Market Value, which is the Average VWAP per share of our common stock over the Final Averaging Period, the shares of common stock you receive upon mandatory conversion may be worth less than the shares of common stock you would have received had the Applicable Market Value been equal to the VWAP per share of our common stock on the Mandatory Conversion Date or the Average VWAP of our common stock over a different period of days.

Purchasers of the depositary shares may not realize any or all of the benefit of an increase in the market price of shares of our common stock.

The aggregate market value of the shares of our common stock that you will receive upon mandatory conversion of each share of our mandatory convertible preferred stock (and the related conversion of the depositary shares) on the Mandatory Conversion Date will only exceed the Liquidation Preference of \$1,000 per share of mandatory convertible preferred stock (and the Liquidation Preference of \$50 per depositary share) if the Applicable Market Value of our common stock exceeds the Threshold Appreciation Price of \$, subject to certain anti-dilution adjustments. The Threshold Appreciation Price represents an appreciation of approximately % over the Initial Price. If the Applicable Market Value of our common stock exceeds the Threshold Appreciation Price,

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you will receive on the Mandatory Conversion Date approximately $\frac{\text{Initial Price}}{\text{Threshold Appreciation Price}}$ % (which percentage is equal to the Initial Price *divided by* the Threshold Appreciation Price) of the value of our common stock that you would have received if you had made a direct investment in our common stock on the date of this prospectus supplement. This means that the opportunity for equity appreciation provided by an investment in the depositary shares (and the underlying mandatory convertible preferred stock) is less than that provided by a direct investment in shares of our common stock.

In addition, if the market value of our common stock appreciates and the Applicable Market Value of our common stock is equal to or greater than the Initial Price but less than or equal to the Threshold Appreciation Price, the aggregate market value of the shares of our common stock that you would receive upon mandatory conversion will only be equal to the aggregate Liquidation Preference of the mandatory convertible preferred stock (and, correspondingly, the aggregate market value of our common stock that you would receive upon the related mandatory conversion of the depositary shares will only be equal to the aggregate Liquidation Preference of the depositary shares), and you will realize no equity appreciation on our common stock.

The market price of our common stock, which may fluctuate significantly, will directly affect the market price for the depositary shares.

We expect that, generally, the market price of our common stock will affect the market price of the depositary shares more than any other single factor. This may result in greater volatility in the market price of the depositary shares than would be expected for nonconvertible preferred stock or depositary shares representing nonconvertible preferred stock. The market price of our common stock will likely fluctuate in response to a number of factors, including our financial condition, operating results and prospects, as well as economic, financial and other factors, such as prevailing interest rates, interest rate volatility, reports by industry analysts, investor perceptions or negative announcements by our customers, competitors or suppliers regarding their own performance, or changes in our industry and competitors and government regulations, many of which are beyond our control. For more information regarding such factors, see "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2014.

In addition, we expect that the market price of the depositary shares will be influenced by yield and interest rates in the capital markets, the time remaining to the Mandatory Conversion Date, our creditworthiness and the occurrence of certain events affecting us that do not require an adjustment to the Fixed Conversion Rates. Fluctuations in yield rates in particular may give rise to arbitrage opportunities based upon changes in the relative values of the depositary shares and our common stock. Any such arbitrage could, in turn, affect the market prices of our common stock and the depositary shares. The market price of our common stock could also be affected by possible sales of our common stock by investors who view the depositary shares as a more attractive means of equity participation in us and by hedging or arbitrage trading activity that we expect to develop involving our common stock. This trading activity could, in turn, affect the market price of the depositary shares.

Recent regulatory actions may adversely affect the trading price and liquidity of the depositary shares.

We expect that many investors in, and potential purchasers of, the depositary shares will employ, or seek to employ, a convertible arbitrage strategy with respect to the depositary shares. Investors would typically implement such a strategy by selling short the common stock underlying the convertible securities and dynamically adjusting their short position while continuing to hold the securities. Investors may also implement this type of strategy by entering into swaps on our common stock in lieu of or in addition to short selling the common stock.

The SEC and other regulatory and self-regulatory authorities have implemented various rules and taken certain actions, and may in the future adopt additional rules and take other actions, that may

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impact those engaging in short selling activity involving equity securities (including our common stock). Such rules and actions include Rule 201 of SEC Regulation SHO, the adoption by the Financial Industry Regulatory Authority, Inc. and the national securities exchanges of a "Limit Up-Limit Down" program, the imposition of market-wide circuit breakers that halt trading of securities for certain periods following specific market declines, and the implementation of certain regulatory reforms required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Any governmental or regulatory action that restricts the ability of investors in, or potential purchasers of, the depositary shares to effect short sales of our common stock, borrow our common stock or enter into swaps on our common stock could adversely affect the trading price and the liquidity of the depositary shares.

The Fundamental Change Conversion Rate and the payment of the Fundamental Change Dividend Make-Whole Amount upon the occurrence of certain Fundamental Changes may not adequately compensate you for the lost option value and lost dividends as a result of early conversion upon a Fundamental Change.

If a Fundamental Change (as defined in "Description of Mandatory Convertible Preferred Stock Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount") occurs on or prior to October 26, 2018, the Fundamental Change Conversion Rate will apply to any shares of mandatory convertible preferred stock (and, accordingly, the depositary shares) converted during the Fundamental Change Conversion Period (as defined in "Description of Mandatory Convertible Preferred Stock Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount") unless the stock price is less than \$ or above \$ (in each case, subject to adjustment) and, with respect to those shares of mandatory convertible preferred stock (and, accordingly, those depositary shares) converted, you will also receive, among other consideration, a Fundamental Change Dividend Make-Whole Amount, subject to our right to deliver shares of common stock in lieu of all or part of such amount and subject to "Description of Mandatory Convertible Preferred Stock Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount." The number of shares of common stock to be issued upon conversion in connection with a Fundamental Change will be determined as described in "Description of Mandatory Convertible Preferred Stock Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount." Although the Fundamental Change Conversion Rate and the payment of the Fundamental Change Dividend Make-Whole Amount are generally designed to compensate you for the lost option value that you would suffer and lost dividends as a result of converting your depositary shares representing our mandatory convertible preferred stock upon a Fundamental Change, the Fundamental Change Conversion Rate is also designed to compensate us for the lost option value that we would suffer as a result of any such conversion. As a result, in many cases the Fundamental Change Conversion Rate will be less than the conversion rate that would apply upon mandatory conversion. The Fundamental Change Conversion Rate and Fundamental Change Dividend Make-Whole Amount are generally only an approximation of such lost option value and lost dividends and may not adequately compensate you for your actual loss. Furthermore, our obligation to deliver a number of shares of common stock, per share of the mandatory convertible preferred stock (and your corresponding right to receive a proportionate number of shares of our common stock per depositary share), equal to the Fundamental Change Conversion Rate and pay the Fundamental Change Dividend Make-Whole Amount (whether paid or delivered, as the case may be, in cash or shares of our common stock) upon a conversion during the Fundamental Change Conversion Period could be considered a penalty under state law, in which case the enforceability thereof would be subject to general principles of reasonableness of economic remedies.

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The Fixed Conversion Rates of the mandatory convertible preferred stock and, in turn, the depositary shares may not be adjusted for all dilutive events that may adversely affect the market price of the depositary shares or the common stock issuable upon conversion of the mandatory convertible preferred stock.

The Fixed Conversion Rates of the mandatory convertible preferred stock and, in turn, the depositary shares are subject to adjustment only for share subdivisions and combinations, share dividends and specified other transactions. See "Description of Mandatory Convertible Preferred Stock Anti-dilution Adjustments" for further discussion of anti-dilution adjustments. However, other events, such as employee stock option grants, offerings of our common stock or securities convertible into common stock (other than those set forth in "Description of Mandatory Convertible Preferred Stock Anti-dilution Adjustments") for cash or in connection with acquisitions, or third-party tender or exchange offers, which may adversely affect the market price of our common stock, may not result in any adjustment. Further, if any of these other events adversely affects the market price of our common stock, it may also adversely affect the market price of the depositary shares. In addition, the terms of our mandatory convertible preferred stock and the depositary shares do not restrict our ability to offer common stock or securities convertible into common stock in the future or to engage in other transactions that could dilute our common stock. We have no obligation to consider the specific interests of the holders of our mandatory convertible preferred stock or the depositary shares in engaging in any such offering or transaction.

Purchasers of the depositary shares may be adversely affected upon the issuance of a new series of preferred stock ranking equally with the mandatory convertible preferred stock represented by the depositary shares sold in this offering.

The terms of our mandatory convertible preferred stock will not restrict our ability to offer a new series of preferred stock that ranks equally with our mandatory convertible preferred stock as to dividend payments or Liquidation Preference in the future. We have no obligation to consider the specific interests of the holders of our mandatory convertible preferred stock or the depositary shares in engaging in any such offering or transaction.

The possibility of the sale of our common stock in the future could reduce the market price of our common stock and, in turn, the depositary shares.

In the future, we may sell shares of our common stock to raise capital or acquire interests in other companies by using a combination of cash and our common stock or just our common stock. Any of these events may dilute your ownership interest in our company and have an adverse impact on the price of our common stock and, in turn, the depositary shares. In addition, a substantial number of shares of our common stock is reserved for issuance upon the exercise of stock options and upon conversion of the mandatory convertible preferred stock. Furthermore, sales of a substantial amount of our common stock in the public market, or the perception that these sales may occur, could reduce the market price of our common stock and, in turn, the depositary shares. This could also impair our ability to raise additional capital through the sale of our securities.

You will have no rights with respect to our common stock until you convert your depositary shares, but you may be adversely affected by certain changes made with respect to our common stock.

You will have no rights with respect to our common stock, including voting rights, rights to respond to common stock tender offers, if any, and rights to receive dividends or other distributions on our common stock, if any, prior to the conversion date with respect to a conversion of your depositary shares, but your investment in the depositary shares may be negatively affected by these events. Upon conversion, you will be entitled to exercise the rights of a holder of common stock only as to matters for which the Record Date occurs on or after the conversion date. For example, in the event that an amendment is proposed to our Amended and Restated Certificate of Incorporation or our Amended

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and Restated Bylaws requiring stockholder approval and the Record Date for determining the stockholders of record entitled to vote on the amendment occurs prior to the conversion date, you will not be entitled to vote on the amendment, unless it would adversely affect the special rights, preferences, privileges and voting powers of the mandatory convertible preferred stock, although you will nevertheless be subject to any changes in the powers, preferences or special rights of our common stock.

You will have no voting rights except under limited circumstances, and you will need to act through the depositary to exercise voting rights with respect to our mandatory convertible preferred stock.

You do not have voting rights, except with respect to certain amendments to the terms of the mandatory convertible preferred stock, in the case of certain dividend arrearages, in certain other limited circumstances and except as specifically required by Delaware law. You will have no right to vote for any members of our board of directors except in the case of certain dividend arrearages. If dividends on any shares of the mandatory convertible preferred stock have not been declared and paid for the equivalent of six or more dividend periods (including, for the avoidance of doubt, the dividend period beginning on, and including, the first original issue date of the mandatory convertible preferred stock and ending on, but excluding, January 26, 2016), whether or not for consecutive dividend periods, the holders of shares of mandatory convertible preferred stock, voting together as a single class with holders of any and all other classes or series of our preferred stock ranking equally with the mandatory convertible preferred stock either as to dividends or the distribution of assets upon liquidation, dissolution or winding up and having similar voting rights, will be entitled to vote for the election of a total of two additional members of our board of directors, subject to the terms and limitations described in "Description of Mandatory Convertible Preferred Stock Voting Rights." Holders of depositary shares must act through the depositary to exercise any voting rights in respect of our mandatory convertible preferred stock.

Our mandatory convertible preferred stock will rank junior to all of our and our subsidiaries' liabilities, as well as the capital stock of our subsidiaries held by third parties, in the event of a bankruptcy, liquidation or winding up of our or our subsidiaries' assets.

In the event of a bankruptcy, liquidation or winding up, our assets will be available to make payments to holders of our mandatory convertible preferred stock only after all of our liabilities have been paid. In addition, our mandatory convertible preferred stock will rank structurally junior to all existing and future liabilities of our subsidiaries, as well as the capital stock of our subsidiaries held by third parties. Your rights to participate in the assets of our subsidiaries upon any liquidation or reorganization of any subsidiary will rank junior to the prior claims of that subsidiary's creditors and third party equity holders. In the event of a bankruptcy, liquidation or winding up, there may not be sufficient assets remaining, after paying our and our subsidiaries' liabilities, to pay any amounts to the holders of our mandatory convertible preferred stock then outstanding. As of September 30, 2015, we had total consolidated debt of approximately \$42.8 billion and no outstanding shares of preferred stock. As of September 30, 2015, as adjusted to give effect to this offering and our expected use of the net proceeds, our total consolidated debt would have been \$ billion.

Our ability to pay dividends on our mandatory convertible preferred stock may be limited.

Our payment of dividends on our mandatory convertible preferred stock in the future will be determined by our board of directors (or an authorized committee thereof) in its sole discretion and will depend on business conditions, our financial condition, earnings and liquidity, and other factors.

The agreements governing any future indebtedness of ours may limit our ability to pay cash dividends on our capital stock, including the mandatory convertible preferred stock. In the event that the agreements governing any such indebtedness restrict our ability to pay dividends in cash on the

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mandatory convertible preferred stock, we may be unable to pay dividends in cash on the mandatory convertible preferred stock unless we can refinance the amounts outstanding under such agreements.

In addition, under Delaware law, our board of directors (or an authorized committee thereof) may declare dividends on our capital stock (whether in cash or in shares of our common stock) only to the extent of our statutory "Surplus" (which is defined as the amount equal to total assets minus total liabilities, in each case at fair market value, minus statutory capital), or if there is no such Surplus, out of our net profits for the then current and/or immediately preceding fiscal year. Further, even if we are permitted under our contractual obligations and Delaware law to pay cash dividends on the mandatory convertible preferred stock, we may not have sufficient cash to pay dividends in cash on the mandatory convertible preferred stock (and, in turn, on the depositary shares).

If upon mandatory conversion or an early conversion at the option of a holder (other than during a Fundamental Change Conversion Period, except in limited circumstances) we have not declared all or any portion of all accumulated and unpaid dividends payable on the mandatory convertible preferred stock for specified periods, the applicable conversion rate will be adjusted so that converting holders receive an additional number of shares of common stock having a market value generally equal to the amount of such accumulated and unpaid dividends, subject to the limitations described under "Description of the Mandatory Convertible Preferred Stock Mandatory Conversion" and "Description of the Mandatory Convertible Preferred Stock Conversion at the Option of the Holder." If upon an early conversion during the Fundamental Change Conversion Period we have not declared all or any portion of all accumulated and unpaid dividends payable on the mandatory convertible preferred stock for specified periods, we will pay the amount of such accumulated and unpaid dividends in cash, shares of our common stock or any combination thereof, in our sole discretion (or, in certain circumstances, make a corresponding adjustment to the conversion rate), subject to the limitations described under "Description of the Mandatory Convertible Preferred Stock Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount." In the case of mandatory conversion or conversion upon a Fundamental Change, if these limits to the adjustment of the conversion rate or the amount of such dividends payable in shares, as applicable, are reached, we will pay the shortfall in cash if we are legally permitted to do so. We will not have an obligation to pay the shortfall in cash if these limits to the adjustment of the conversion rate are reached in the case of an early conversion at the option of the holder (or in the case of an early conversion during the Fundamental Change Conversion Period, if we are required to make an adjustment to the conversion rate in respect of any accumulated and unpaid dividends).

You may be subject to tax upon an adjustment to the conversion rate of the mandatory convertible preferred stock and the depositary shares even though you do not receive a corresponding cash distribution.

The conversion rate of the mandatory convertible preferred stock and the depositary shares is subject to adjustment in certain circumstances. Refer to "Description of Mandatory Convertible Preferred Stock Anti-dilution Adjustments." If, as a result of an adjustment (or failure to make an adjustment), your proportionate interest in our assets or earnings and profits is increased, you may be deemed to have received for U.S. federal income tax purposes a taxable dividend without the receipt of any cash or property. If you are a non-U.S. holder (as defined in "Material U.S. Federal Income Tax Consequences Tax Consequences Applicable to Non-U.S. Holders"), such deemed dividend generally will be subject to U.S. federal withholding tax (currently at a 30% rate, or such lower rate as may be specified by an applicable treaty), which may be withheld from subsequent payments on the depositary shares. Refer to "Material U.S. Federal Income Tax Consequences Tax Consequences Applicable to Non-U.S. Holders" for a further discussion of U.S. federal tax implications for non-U.S. holders.

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Corporate U.S. holders of depositary shares may be unable to use the dividends-received deduction.

Distributions paid to corporate U.S. holders (as defined below) of depositary shares will be eligible for the dividends-received deduction only to the extent we have current or accumulated earnings and profits, as determined for U.S. federal income tax purposes. We cannot assure you that we will have sufficient earnings and profits to cause all distributions on depositary shares to be treated as dividends. If a distribution with respect to depositary shares fails to qualify as a dividend, corporate U.S. holders would not be eligible for the dividends-received deduction with respect to such distribution. See "Material U.S. Federal Income Tax Consequences."

Non-U.S. holders may be subject to U.S. federal income tax with respect to gain on disposition of their depositary shares or common stock.

We believe that we are a United States real property holding corporation, or USRPHC, and likely will remain one in the future. As a result, non-U.S. holders that own (or are treated as owning under constructive ownership rules) more than a specified amount of our depositary shares or common stock during a specified time period may be subject to U.S. federal income tax on a sale, exchange, or other disposition of such depositary shares or common stock and may be required to file a U.S. federal income tax return. See "Material U.S. Federal Income Tax Consequences Tax Consequences Applicable to Non-U.S. Holders."

An active trading market for the depositary shares does not exist and may not develop.

The depositary shares are a new issue of securities with no established trading market. We intend to apply to list the depositary shares on The New York Stock Exchange under the symbol "KML.PRA." Even if the depositary shares are approved for listing on The New York Stock Exchange, such listing does not guarantee that a trading market for the depositary shares will develop or, if a trading market for the depositary shares does develop, the depth or liquidity of that market or the ability of the holders to sell the depositary shares, or to sell the depositary shares at a favorable price.

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**CONSOLIDATED RATIOS OF EARNINGS TO COMBINED FIXED CHARGES AND
PREFERRED STOCK DIVIDENDS**

Our historical consolidated ratios of earnings to combined fixed charges and preferred stock dividends for the periods indicated are as follows:

Nine Months Ended September 30,	Year Ended December 31,				
2015	2014	2013	2012	2011	2010
1.90	2.39	2.74	2.02	1.99	1.75

In all cases, earnings are determined by adding:

income before income taxes, extraordinary items, equity income and noncontrolling interests; plus

fixed charges, amortization of capitalized interest and distributed income of equity investees; less

capitalized interest.

In all cases, fixed charges include:

interest, including capitalized interest; plus

amortization of debt issuance costs; plus

the estimated interest portion of rental expenses.

For the periods presented above, we had no outstanding shares of preferred stock with required dividend payments. Therefore, our consolidated ratios of earnings to combined fixed charges and preferred stock dividends are identical to our consolidated ratios of earnings to fixed charges.

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USE OF PROCEEDS

We estimate that we will receive approximately \$ million from the sale of the depositary shares in this offering, after deducting the underwriting discount and our estimated expenses of the offering (or \$ million if the underwriters exercise their option to purchase additional depositary shares in full). We expect to use the net proceeds from the sale of the depositary shares to repay borrowings under our revolving credit facility and commercial paper debt and for general corporate purposes. As of October 23, 2015, the weighted average interest rate on the revolving credit facility borrowings was approximately 1.660% and our outstanding borrowings were approximately \$175 million. As of October 23, 2015, the weighted average interest rate on the commercial paper debt that could be retired was approximately 0.832% and our outstanding commercial paper balance was approximately \$443 million. Our revolving credit facility is scheduled to mature on November 26, 2019.

Affiliates of the underwriters are lenders under our revolving credit facility and may hold our commercial paper debt and, accordingly, these entities will receive a portion of the proceeds from this offering. See "Underwriting Conflicts of Interest."

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The following table sets forth our historical consolidated capitalization as of September 30, 2015 and our consolidated capitalization as adjusted to give effect to:

the issuance of the depositary shares pursuant to this prospectus supplement; and

the use of the net proceeds from this offering as described under "Use of Proceeds" in this prospectus supplement.

You should read this table in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our historical financial statements and notes to those financial statements that are incorporated by reference in this prospectus supplement and the accompanying prospectus.

	September 30, 2015	
	Historical	As adjusted
	(Unaudited)	
	(Dollars in millions)	
Cash and cash equivalents	\$ 179	\$
Notes payable and current portion of long-term debt(1)	\$ 3,003	\$ 3,003
Long-term debt, excluding current portion	39,775	39,775
Stockholders' equity:		
Preferred stock, \$0.01 par value, 10,000,000 shares authorized; 0 shares issued and outstanding, historical; 1,600,000 shares issued and outstanding, as adjusted		
Class P common stock, \$0.01 par value, 4,000,000,000 shares authorized; 2,227,894,462 shares issued and outstanding	22	22
Additional paid-in capital	40,062	40,062
Retained deficit	(4,242)	(4,242)
Accumulated other comprehensive loss	(328)	(328)
Total Kinder Morgan, Inc. stockholders' equity	35,514	35,514
Noncontrolling interests	328	328
Total Stockholders' equity	35,842	35,842
Total capitalization	\$ 78,620	\$

(1)

As of September 30, 2015, the outstanding borrowings under our revolving credit facility were \$275 million, and we had \$193 million of commercial paper borrowings outstanding.

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DESCRIPTION OF MANDATORY CONVERTIBLE PREFERRED STOCK

The following description is a summary of certain terms of our % Series A Mandatory Convertible Preferred Stock, par value \$0.01 per share, which we refer to in this prospectus supplement as our mandatory convertible preferred stock, but it does not purport to be complete. The following summary supplements and, to the extent that it is inconsistent, replaces the description of our preferred stock in the accompanying prospectus.

A copy of our Amended and Restated Certificate of Incorporation, including the certificate of designations for the mandatory convertible preferred stock, and the form of mandatory convertible preferred stock share certificate are available upon request from us at the address set forth in "Where You Can Find More Information" in the accompanying prospectus. The following summary of the terms of the mandatory convertible preferred stock is subject to, and qualified in its entirety by reference to, the provisions of such documents.

The depositary will initially be the sole holder of our mandatory convertible preferred stock. However, the holders of depositary shares will be entitled, through the depositary, to exercise the rights and preferences of the holders of our mandatory convertible preferred stock, subject to the terms of the deposit agreement and as described under "Description of Depositary Shares" below. Each depositary share represents a 1/20th interest in a share of our mandatory convertible preferred stock.

As used in this section, the terms "Kinder Morgan," "us," "we" or "our" refer to Kinder Morgan, Inc. and not any of its subsidiaries.

General

Under our Amended and Restated Certificate of Incorporation, our board of directors is authorized, without further stockholder action, to issue up to 10,000,000 shares of preferred stock, par value \$0.01 per share, in one or more series, with such powers, designations, preferences and relative, participating, optional and other rights and such qualifications, limitations and restrictions thereof as shall be set forth in the resolutions providing therefor. At the consummation of this offering, we will issue 1,600,000 shares of mandatory convertible preferred stock in the form of 32,000,000 depositary shares. In addition, we have granted the underwriters an option to purchase up to 240,000 additional shares of our mandatory convertible preferred stock in the form of 4,800,000 depositary shares to cover over-allotments, if any, in accordance with the procedures set forth in "Underwriting."

When issued, the mandatory convertible preferred stock and any common stock issued upon the conversion of the mandatory convertible preferred stock will be fully paid and nonassessable. The holders of the mandatory convertible preferred stock will have no preemptive or preferential rights to purchase or subscribe to the stock, obligations, warrants or other securities of Kinder Morgan of any class. Computershare Trust Company, N.A. is the transfer agent and registrar of our common stock and will serve as transfer agent, registrar, conversion agent and dividend disbursing agent for the mandatory convertible preferred stock.

We do not intend to list our mandatory convertible preferred stock on any securities exchange or any automated dealer quotation system, but we do intend to apply to list the depositary shares on The New York Stock Exchange as described under "Description of Depositary Shares Listing."

Ranking

The mandatory convertible preferred stock, with respect to dividend rights and/or rights upon our liquidation, winding-up or dissolution, as applicable, ranks:

senior to (i) our common stock and (ii) each other class of capital stock established after the original issue date of the mandatory convertible preferred stock (which we refer to as the

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"Initial Issue Date") the terms of which do not expressly provide that such class or series ranks either (x) senior to the mandatory convertible preferred stock as to dividend rights or rights upon our liquidation, winding-up or dissolution or (y) on a parity with the mandatory convertible preferred stock as to dividend rights and rights upon our liquidation, winding-up or dissolution (which we refer to collectively as "Junior Stock");

on a parity with any class of capital stock established after the Initial Issue Date the terms of which expressly provide that such class or series will rank on a parity with the mandatory convertible preferred stock as to dividend rights and rights upon our liquidation, winding-up or dissolution (which we refer to collectively as "Parity Stock");

junior to each class of capital stock established after the Initial Issue Date the terms of which expressly provide that such class or series will rank senior to the mandatory convertible preferred stock as to dividend rights or rights upon our liquidation, winding-up or dissolution (which we refer to collectively as "Senior Stock"); and

junior to our existing and future indebtedness (including trade payables).

In addition, the mandatory convertible preferred stock, with respect to dividend rights and rights upon our liquidation, winding-up or dissolution, will be structurally subordinated to existing and future indebtedness of our subsidiaries as well as the capital stock of our subsidiaries held by third parties.

As of September 30, 2015, we had total consolidated debt of approximately \$42.8 billion and no outstanding shares of preferred stock. As of September 30, 2015, as adjusted to give effect to this offering and our expected use of the net proceeds, our total consolidated debt would have been \$ billion.

Dividends

Subject to the rights of holders of any class of capital stock ranking senior to the mandatory convertible preferred stock with respect to dividends, holders of shares of mandatory convertible preferred stock will be entitled to receive, when, as and if declared by our board of directors, or an authorized committee thereof, out of funds legally available for payment, cumulative dividends at the rate per annum of % on the Liquidation Preference of \$1,000 per share of mandatory convertible preferred stock (equivalent to \$ per annum per share), payable in cash, by delivery of shares of our common stock or through any combination of cash and shares of our common stock, as determined by us in our sole discretion (subject to the limitations described below). See " Method of Payment of Dividends." Declared dividends on the mandatory convertible preferred stock will be payable quarterly on January 26, April 26, July 26 and October 26 of each year to, and including, October 26, 2018, commencing January 26, 2016 (each, a "Dividend Payment Date"), at such annual rate, and dividends shall accumulate from the most recent date as to which dividends shall have been paid or, if no dividends have been paid, from the Initial Issue Date of the mandatory convertible preferred stock, whether or not in any dividend period or periods there have been funds legally available for the payment of such dividends. Declared dividends will be payable on the relevant Dividend Payment Date to holders of record as they appear on our stock register at 5:00 p.m., New York City time, on the January 11, April 11, July 11 or October 11, as the case may be, immediately preceding the relevant Dividend Payment Date (each, a "Record Date"), whether or not such holders convert their shares, or such shares are automatically converted, after a Record Date and on or prior to the immediately succeeding Dividend Payment Date. These Record Dates will apply regardless of whether a particular Record Date is a business day. A "business day" means any day other than a Saturday or Sunday or other day on which commercial banks in New York City are authorized or required by law or executive order to close. If a Dividend Payment Date is not a business day, payment will be made on the next succeeding business day, without any interest or other payment in lieu of interest accruing with respect to this delay.

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A full dividend period is the period from, and including, a Dividend Payment Date to, but excluding, the next Dividend Payment Date, except that the initial dividend period will commence on, and include, the Initial Issue Date of our mandatory convertible preferred stock and will end on, and exclude, the January 26, 2016 Dividend Payment Date. The amount of dividends payable on each share of mandatory convertible preferred stock for each full dividend period (after the initial dividend period) will be computed by *dividing* the annual dividend rate by four. Dividends payable on the mandatory convertible preferred stock for the initial dividend period and any partial dividend period will be computed based upon the actual number of days elapsed during the period over a 360-day year (consisting of twelve 30-day months). Accordingly, the dividend on the mandatory convertible preferred stock for the first dividend period, assuming the Initial Issue Date is October , 2015, will be approximately \$ per share (based on the annual dividend rate of % and a Liquidation Preference of \$1,000 per share) and will be payable, when, as and if declared, on January 26, 2016. The dividend on the mandatory convertible preferred stock for each subsequent full dividend period, when, as and if declared, will be approximately \$ per share (based on the annual dividend rate of % and a Liquidation Preference of \$1,000 per share). Accumulated dividends will not bear interest if they are paid subsequent to the applicable Dividend Payment Date.

No dividend will be declared or paid upon, or any sum or number of shares of common stock set apart for the payment of dividends upon, any outstanding share of the mandatory convertible preferred stock with respect to any dividend period unless all dividends for all preceding dividend periods have been declared and paid upon, or a sufficient sum or number of shares of common stock have been set apart for the payment of such dividends upon, all outstanding shares of mandatory convertible preferred stock.

Our ability to declare and pay cash dividends and make other distributions with respect to our capital stock, including the mandatory convertible preferred stock, may be limited by the terms of any future indebtedness. In addition, our ability to declare and pay dividends may be limited by applicable Delaware law. See "Risk Factors Risks Related to the Depositary Shares and Our Mandatory Convertible Preferred Stock Our ability to pay dividends on our mandatory convertible preferred stock may be limited."

So long as any share of the mandatory convertible preferred stock remains outstanding, no dividend or distribution shall be declared or paid on the common stock or any other shares of Junior Stock, and no common stock or other Junior Stock or Parity Stock shall be, directly or indirectly, purchased, redeemed or otherwise acquired for consideration by us or any of our subsidiaries unless all accumulated and unpaid dividends for all preceding dividend periods have been declared and paid upon, or a sufficient sum or number of shares of common stock have been set apart for the payment of such dividends upon, all outstanding shares of mandatory convertible preferred stock. The foregoing limitation shall not apply to: (i) a dividend payable on any common stock or other Junior Stock in shares of any common stock or other Junior Stock; (ii) the acquisition of shares of any common stock or other Junior Stock in exchange for shares of any common stock or other Junior Stock and the payment of cash in lieu of fractional shares; (iii) purchases of fractional interests in shares of any common stock or other Junior Stock pursuant to the conversion or exchange provisions of such shares of other Junior Stock or any securities exchangeable for or convertible into such shares of common stock or other Junior Stock; (iv) redemptions, purchases or other acquisitions of shares of common stock or other Junior Stock in connection with the administration of any employee benefit plan in the ordinary course of business, including, without limitation, the forfeiture of unvested shares of restricted stock or share withholdings upon exercise, delivery or vesting of equity awards granted to officers, directors and employees and the payment of cash in lieu of fractional shares; (v) any dividends or distributions of rights or common stock or other Junior Stock in connection with a stockholders' rights plan or any redemption or repurchase of rights pursuant to any stockholders' rights plan; (vi) the acquisition by us or any of our subsidiaries of record ownership in common stock or other Junior Stock

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or Parity Stock for the beneficial ownership of any other persons (other than us or any of our subsidiaries), including as trustees or custodians, and the payment of cash in lieu of fractional shares; and (vii) the exchange or conversion of Junior Stock for or into other Junior Stock or of Parity Stock for or into other Parity Stock (with the same or lesser aggregate liquidation amount) or Junior Stock and the payment of cash in lieu of fractional shares.

When dividends on shares of the mandatory convertible preferred stock have not been paid in full on any Dividend Payment Date or declared and a sum or number of shares of common stock sufficient for payment thereof set aside for the benefit of the holders thereof on the applicable Record Date, no dividends may be declared or paid on any Parity Stock unless dividends are declared on the mandatory convertible preferred stock such that the respective amounts of such dividends declared on the mandatory convertible preferred stock and each such other class or series of Parity Stock shall bear the same ratio to each other as all accumulated and unpaid dividends per share on the shares of the mandatory convertible preferred stock and such class or series of Parity Stock (subject to their having been declared by the board of directors, or an authorized committee thereof, out of legally available funds) bear to each other, in proportion to their respective Liquidation Preferences; *provided* that any unpaid dividends will continue to accumulate.

Subject to the foregoing, and not otherwise, such dividends (payable in cash, securities or other property) as may be determined by the board of directors, or an authorized committee thereof, may be declared and paid on any securities, including common stock and other Junior Stock, from time to time out of any funds legally available for such payment, and holders of the mandatory convertible preferred stock shall not be entitled to participate in any such dividends.

If we (or an applicable withholding agent) are required to withhold on distributions of common stock to a beneficial owner of depository shares (see "Material U.S. Federal Income Tax Consequences") and pay the applicable withholding taxes, we may, at our option, or an applicable withholding agent may, withhold such taxes from payments of cash or shares of common stock payable to such beneficial owner.

Method of Payment of Dividends

Subject to the limitations described below, we may pay any declared dividend (or any portion of any declared dividend) on the mandatory convertible preferred stock (whether or not for a current dividend period or any prior dividend period), determined in our sole discretion:

in cash;

by delivery of shares of our common stock (or, as described below, Units of Exchange Property); or

through any combination of cash and shares of our common stock.

We will make each payment of a declared dividend on the mandatory convertible preferred stock in cash, except to the extent we elect to make all or any portion of such payment in shares of our common stock. We will give the holders of the mandatory convertible preferred stock notice of any such election, and the portion of such payment that will be made in cash and the portion that will be made in common stock, on the date we declare such dividend and in any event no later than 10 Scheduled Trading Days (as defined below) prior to the Dividend Payment Date for such dividend.

If we elect to make any such payment of a declared dividend, or any portion thereof, in shares of our common stock, such shares shall be valued for such purpose at the Average VWAP per share (as defined below) of our common stock over the five consecutive Trading Day period ending on the second Trading Day immediately preceding the applicable Dividend Payment Date (the "Five-Day Average Price"), *multiplied by 99%*.

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No fractional shares of common stock will be delivered to the holders of the mandatory convertible preferred stock in respect of dividends. We will instead pay a cash adjustment to each holder that would otherwise be entitled to a fraction of a share of common stock based on the Five-Day Average Price.

To the extent a shelf registration statement is required in our reasonable judgment in connection with the issuance of or for resales of common stock issued as payment of a dividend, including dividends paid in connection with a conversion, we will, to the extent such a registration statement is not currently filed and effective, use our commercially reasonable efforts to file and maintain the effectiveness of such a shelf registration statement until the earlier of such time as all such shares of common stock have been resold thereunder and such time as all such shares are freely tradable without registration by holders thereof that are not "affiliates" of ours for purposes of the Securities Act. To the extent applicable, we will also use our commercially reasonable efforts to have the shares of common stock qualified or registered under applicable state securities laws, if required, and approved for listing on The New York Stock Exchange (or if our common stock is not listed on The New York Stock Exchange, on the principal other U.S. national or regional securities exchange on which our common stock is then listed).

Notwithstanding the foregoing, in no event will the number of shares of our common stock delivered in connection with any declared dividend exceed a number equal to the total dividend payment *divided by* \$ _____, which amount represents approximately 35% of the Initial Price (as defined below), subject to adjustment in a manner inversely proportional to any anti-dilution adjustment to each fixed conversion rate as set forth below in " Anti-dilution Adjustments" (such dollar amount, as adjusted, the "Floor Price"). To the extent that the amount of the declared dividend as to which we have elected to deliver shares of common stock in lieu of cash exceeds the product of the number of shares of common stock delivered in connection with such declared dividend and 99% of the Five-Day Average Price, we will, if we are legally able to do so, notwithstanding any notice by us to the contrary, pay such excess amount in cash.

No Redemption

The mandatory convertible preferred stock will not be redeemable. However, at our option, we may purchase the mandatory convertible preferred stock or depositary shares from time to time in the open market, by tender offer or otherwise.

Liquidation Preference

In the event of our voluntary or involuntary liquidation, winding-up or dissolution, each holder of mandatory convertible preferred stock will be entitled to receive a Liquidation Preference in the amount of \$1,000 per share of the mandatory convertible preferred stock (the "Liquidation Preference"), *plus* an amount equal to accumulated and unpaid dividends on the shares to, but excluding, the date fixed for liquidation, winding-up or dissolution to be paid out of our assets available for distribution to our stockholders, after satisfaction of liabilities to our creditors and holders of any Senior Stock and before any payment or distribution is made to holders of Junior Stock (including our common stock). If, upon our voluntary or involuntary liquidation, winding-up or dissolution, the amounts payable with respect to the Liquidation Preference, *plus* an amount equal to accumulated and unpaid dividends of the mandatory convertible preferred stock and all Parity Stock are not paid in full, the holders of the mandatory convertible preferred stock and any Parity Stock will share equally and ratably in any distribution of our assets in proportion to the respective Liquidation Preferences and amounts equal to accumulated and unpaid dividends to which they are entitled. After payment of the full amount of the Liquidation Preference and an amount equal to accumulated and unpaid dividends to which they are entitled, the holders of the mandatory convertible preferred stock will have no right or claim to any of our remaining assets.

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Neither the sale of all or substantially all of our assets or business (other than in connection with our liquidation, winding-up or dissolution), nor our merger or consolidation into or with any other person, will be deemed to be our voluntary or involuntary liquidation, winding-up or dissolution.

The certificate of designations for our mandatory convertible preferred stock does not contain any provision requiring funds to be set aside to protect the Liquidation Preference of the mandatory convertible preferred stock even though it is substantially in excess of the par value thereof.

Voting Rights

The holders of the mandatory convertible preferred stock do not have voting rights other than those described below, except as specifically required by Delaware law.

Whenever dividends on any shares of mandatory convertible preferred stock have not been declared and paid for the equivalent of six or more dividend periods (including, for the avoidance of doubt, the dividend period beginning on, and including, the Initial Issue Date and ending on, but excluding, January 26, 2016), whether or not for consecutive dividend periods (such occurrence after six or more dividend periods, a "Nonpayment"), the holders of such shares of mandatory convertible preferred stock, voting together as a single class with holders of any and all other series of Voting Preferred Stock (as defined below) then outstanding, will be entitled at our next special or annual meeting of stockholders to vote for the election of a total of two additional members of our board of directors (the "Preferred Stock Directors"); *provided* that the election of any such directors will not cause us to violate the corporate governance requirements of The New York Stock Exchange (or any other exchange or automated quotation system on which our securities may be listed or quoted) that requires listed or quoted companies to have a majority of independent directors; and *provided further* that our board of directors shall at no time include more than two Preferred Stock Directors. In the event of a Nonpayment, we will increase the number of directors on our board of directors by two, and the new directors will be elected at the next annual meeting of our stockholders so long as such meeting is no more than 90 and no less than 30 calendar days before the date fixed for the next annual meeting of our stockholders, failing which election shall be held at such next annual or special meeting of stockholders, or a special meeting of preferred stockholders called by our board of directors at the request of the holders of at least 20% of the shares of mandatory convertible preferred stock or of any other series of Voting Preferred Stock (*provided* that such request is received at least 90 calendar days before the date fixed for such special meeting of the preferred stockholders), and at each subsequent annual meeting, so long as the holders of mandatory convertible preferred stock continue to have such voting rights.

As used in this prospectus supplement, "Voting Preferred Stock" means any other class or series of our preferred stock ranking equally with the mandatory convertible preferred stock as to dividends and the distribution of assets upon liquidation, dissolution or winding up and upon which like voting rights have been conferred and are exercisable. Whether a plurality, majority or other portion of the mandatory convertible preferred stock and any other Voting Preferred Stock have been voted in favor of any matter shall be determined by reference to the respective Liquidation Preference amounts of the mandatory convertible preferred stock and such other Voting Preferred Stock voted.

If and when all accumulated and unpaid dividends have been paid in full, or declared and a sum sufficient for such payment shall have been set aside (a "Nonpayment Remedy"), the holders of mandatory convertible preferred stock shall immediately and, without any further action by us, be divested of the foregoing voting rights, subject to the reversion of such rights in the event of each subsequent Nonpayment. If such voting rights for the holders of mandatory convertible preferred stock and all other holders of Voting Preferred Stock have terminated, the term of office of each preferred stock director so elected will terminate at such time and the number of directors on our board of directors shall automatically decrease by two.

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Any preferred stock director may be removed at any time without cause by the holders of record of a majority of the outstanding shares of mandatory convertible preferred stock and any other shares of Voting Preferred Stock then outstanding (voting together as a class) when they have the voting rights described above. In the event that a Nonpayment shall have occurred and there shall not have been a Nonpayment Remedy, any vacancy in the office of a preferred stock director (other than prior to the initial election after a Nonpayment) may be filled by the written consent of the preferred stock director remaining in office or, if none remains in office, by a vote of the holders of record of a majority of the outstanding shares of mandatory convertible preferred stock and any other shares of Voting Preferred Stock then outstanding (voting together as a class) when they have the voting rights described above; *provided* that the filling of each vacancy will not cause us to violate the corporate governance requirements of The New York Stock Exchange (or any other exchange or automated quotation system on which our securities may be listed or quoted) that requires listed or quoted companies to have a majority of independent directors.

So long as any shares of mandatory convertible preferred stock remain outstanding, we will not, without the affirmative vote or consent of the holders of at least two-thirds of the outstanding shares of mandatory convertible preferred stock given in person or by proxy, either in writing or at a meeting:

issue, authorize or create, or increase the issued or authorized amount of, any specific class or series of Senior Stock; or

amend or alter the provisions of our Amended and Restated Certificate of Incorporation or the certificate of designations for the shares of mandatory convertible preferred stock so as to authorize or create, or increase the authorized amount of, any specific class or series of Senior Stock; or

amend, alter or repeal the provisions of our Amended and Restated Certificate of Incorporation or the certificate of designations for the shares of mandatory convertible preferred stock so as to adversely affect the special rights, preferences, privileges or voting powers of the shares of mandatory convertible preferred stock; or

consummate a binding share exchange or reclassification involving the shares of mandatory convertible preferred stock or a merger or consolidation of us with another entity, unless in each case: (i) shares of mandatory convertible preferred stock remain outstanding and are not amended in any respect or, in the case of any such merger or consolidation with respect to which we are not the surviving or resulting entity, are converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent; and (ii) such shares of mandatory convertible preferred stock remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers of the mandatory convertible preferred stock immediately prior to such consummation, taken as a whole (and, for the avoidance of doubt, such new preference security becoming convertible into Exchange Property as set forth under " Recapitalizations, Reclassifications and Changes in our Common Stock" will not be considered less favorable to the holders of the mandatory convertible preferred stock);

provided, however, that (1) any increase in the amount of our authorized but unissued shares of preferred stock, (2) any increase in the authorized or issued shares of mandatory convertible preferred stock and (3) the creation and issuance, or an increase in the authorized or issued amount, of any other series of Parity Stock or Junior Stock will be deemed not to adversely affect the special rights, preferences, privileges or voting powers of the mandatory convertible preferred stock and shall not require the affirmative vote or consent of holders of the mandatory convertible preferred stock.

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Without the consent of the holders of the mandatory convertible preferred stock, we may amend, alter, supplement, or repeal any terms of the mandatory convertible preferred stock by amending or supplementing our certificate of incorporation, the certificate of designations or any certificate representing the mandatory convertible preferred stock for the following purposes:

to cure any ambiguity, omission, inconsistency or mistake in any such agreement or instrument;

to make any provision with respect to matters or questions relating to the mandatory convertible preferred stock that is not inconsistent with the provisions of the certificate of designations for the mandatory convertible preferred stock and that does not adversely affect the rights of any holder of the mandatory convertible preferred stock; or

to make any other change that does not adversely affect the rights of any holder of the mandatory convertible preferred stock (other than any holder that consents to such change).

In addition, without the consent of the holders of the mandatory convertible preferred stock, we may amend, alter, supplement or repeal any terms of the mandatory convertible preferred stock to conform the terms of the mandatory convertible preferred stock to the description thereof in the accompanying prospectus as supplemented and/or amended by this "Description of Mandatory Convertible Preferred Stock" section of the preliminary prospectus supplement for the mandatory convertible preferred stock, as further supplemented and/or amended by the related pricing term sheet.

Mandatory Conversion

Each outstanding share of the mandatory convertible preferred stock, unless previously converted, will automatically convert on the Mandatory Conversion Date, into a number of shares of common stock equal to the conversion rate described below. If we declare a dividend for the dividend period ending on October 26, 2018, we will pay such dividend to the holders of record as of the applicable Record Date, as described above under "Dividends." If on or prior to October 15, 2018 we have not declared all or any portion of all accumulated and unpaid dividends on the mandatory convertible preferred stock, the conversion rate will be adjusted so that holders receive an additional number of shares of common stock equal to the amount of accumulated and unpaid dividends that have not been declared (the "Additional Conversion Amount"), *divided by* the greater of (i) the Floor Price and (ii) 99% of the Five-Day Average Price. To the extent that the Additional Conversion Amount exceeds the product of such number of additional shares and 99% of the Five-Day Average Price, we will, if we are legally able to do so, declare and pay such excess amount in cash pro rata to the holders of the mandatory convertible preferred stock.

The conversion rate, which is the number of shares of common stock issuable upon conversion of each share of mandatory convertible preferred stock on the Mandatory Conversion Date (excluding shares of common stock issued in respect of accrued and unpaid dividends, if any), will be as follows:

if the Applicable Market Value of our common stock is greater than \$ _____, which represents an approximately _____% appreciation over the Initial Price and which we call the "Threshold Appreciation Price," then the conversion rate will be _____ shares of common stock per share of mandatory convertible preferred stock (the "Minimum Conversion Rate"), which is equal to \$1,000 *divided by* the Threshold Appreciation Price;

if the Applicable Market Value of our common stock is less than or equal to the Threshold Appreciation Price but equal to or greater than \$ _____ (the "Initial Price," which equals the closing price of our common stock on October _____, 2015), then the conversion rate will be equal to \$1,000 *divided by* the Applicable Market Value of our common stock, rounded to the nearest ten thousandth of a share; or

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Date is the same as the Applicable Market Value of our common stock. If the Applicable Market Value of our common stock is less than the Initial Price, the aggregate market value of our common stock delivered upon conversion of each share of the mandatory convertible preferred stock will be less than the \$1,000 Liquidation Preference of the share of the mandatory convertible preferred stock, assuming that the market price of our common stock on the Mandatory Conversion Date is the same as the Applicable Market Value of our common stock.

Definitions

"Applicable Market Value" means the Average VWAP per share of our common stock over the Final Averaging Period.

"Final Averaging Period" means the 20 consecutive Trading Day period beginning on, and including, the 23rd Scheduled Trading Day immediately preceding October 26, 2018.

The "Last Reported Sale Price" of our common stock on any date means the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions for the principal U.S. national or regional securities exchange on which our common stock is traded. If our common stock is not listed for trading on a U.S. national or regional securities exchange on the relevant date, the Last Reported Sale Price will be the last quoted bid price for our common stock in the over-the-counter market on the relevant date as reported by OTC Markets Group Inc. or a similar organization. If our common stock is not so quoted, the Last Reported Sale Price will be the average of the mid-point of the last bid and ask prices for our common stock on the relevant date from each of at least three nationally recognized independent investment banking firms selected by us for this purpose.

"Mandatory Conversion Date" means the third business day immediately following the last Trading Day of the Final Averaging Period. The Mandatory Conversion Date is expected to be October 26, 2018.

"Market Disruption Event" means (i) a failure by the primary U.S. national or regional securities exchange or market on which our common stock is listed or admitted for trading to open for trading during its regular trading session or (ii) the occurrence or existence prior to 1:00 p.m., New York City time, on any Scheduled Trading Day for our common stock for more than one half-hour period in the aggregate during regular trading hours of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant stock exchange or otherwise) in our common stock or in any options contracts or futures contracts relating to our common stock.

A "Scheduled Trading Day" is any day that is scheduled to be a Trading Day.

"Trading Day" means a day on which (i) there is no "Market Disruption Event" (as defined below) and (ii) trading in our common stock generally occurs on The New York Stock Exchange or, if our common stock is not then listed on The New York Stock Exchange, on the principal other U.S. national or regional securities exchange on which our common stock is then listed or, if our common stock is not then listed on a U.S. national or regional securities exchange, on the principal other market on which our common stock is then listed or admitted for trading. If our common stock is not so listed or admitted for trading, Trading Day means a "business day."

"VWAP" per share of our common stock on any Trading Day means the per share volume-weighted average price as displayed on Bloomberg page "KMI <Equity> AQR" (or its equivalent successor if such page is not available) in respect of the period from 9:30 a.m. to 4:00 p.m., New York City time, on such Trading Day; or, if such price is not available, VWAP means the market value per share of our common stock on such Trading Day as determined, using a volume-weighted average method, by a nationally recognized independent investment banking firm retained by us for this purpose. The "Average VWAP" per share over a certain period means the arithmetic average of the VWAP per share for each Trading Day in such period.

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Conversion at the Option of the Holder

Other than during a Fundamental Change Conversion Period (as defined below in " Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount"), holders have the right to convert their shares of mandatory convertible preferred stock, in whole or in part (but in no event less than one share of mandatory convertible preferred stock), at any time prior to October 26, 2018, into shares of our common stock at the Minimum Conversion Rate, subject to adjustment as described in " Anti-dilution Adjustments" below.

If as of the Effective Date of any early conversion (the "Early Conversion Date"), we have not declared all or any portion of all accumulated and unpaid dividends for all full dividend periods ending on the Dividend Payment Date prior to such Early Conversion Date, the conversion rate will be adjusted so that converting holders receive an additional number of shares of common stock equal to such amount of accumulated and unpaid dividends that have not been declared for such full dividend periods (the "Early Conversion Additional Conversion Amount"), *divided by* the greater of (i) the Floor Price and (ii) the Average VWAP per share of our common stock over the 20 consecutive Trading Day period ending on, and including, the third Trading Day immediately preceding such Early Conversion Date (the "Early Conversion Average Price"). To the extent that the early conversion Additional Conversion Amount exceeds the product of such number of additional shares and the Early Conversion Average Price, we will not have any obligation to pay the shortfall in cash.

Except as described in the immediately preceding paragraph, upon any optional conversion of any shares of the mandatory convertible preferred stock pursuant to this " Conversion at the Option of the Holder" section, we will make no payment or allowance for unpaid dividends on such shares of the mandatory convertible preferred stock, unless such Early Conversion Date occurs after the Record Date for a declared dividend and on or prior to the immediately succeeding Dividend Payment Date, in which case such dividend will be paid on such Dividend Payment Date to the holder of record of the converted shares as of such Record Date, as described in " Dividends."

Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount

General

If a Fundamental Change (as defined below) occurs on or prior to October 26, 2018, holders will have the right (the "Fundamental Change Early Conversion Right") to: (i) convert their shares of mandatory convertible preferred stock, in whole or in part (but in no event less than one share of mandatory convertible preferred stock), into shares of common stock (or Units of Exchange Property as described below) at the Fundamental Change Conversion Rate described below; (ii) with respect to such converted shares of mandatory convertible preferred stock, receive an amount equal to the present value, calculated using a discount rate of % per annum, of all dividend payments on such shares for all remaining full dividend periods beginning on the Dividend Payment Date immediately following the Effective Date of the Fundamental Change and for the partial dividend period from, and including, the Effective Date to, but excluding, the next Dividend Payment Date (the "Fundamental Change Dividend Make-Whole Amount"); and (iii) with respect to such converted shares of mandatory convertible preferred stock, receive an amount equal to, as of the Effective Date of the Fundamental Change, the sum of any accumulated and unpaid dividends for any dividend period ending prior to the Effective Date of the Fundamental Change and any accumulated dividends for the partial dividend period, if any, from, and including, the Dividend Payment Date immediately preceding the Effective Date to, but excluding, the Effective Date (such sum, the "Accumulated Dividend Amount" and clauses (ii) and (iii), the "Make-Whole Dividend Amounts"), in the case of clauses (ii) and (iii), subject to our right to deliver shares of our common stock in lieu of all or part of such amounts as described under " Make-whole dividend amounts" below; *provided* that, if the Effective Date or the conversion

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date falls after the Record Date for a declared dividend and prior to the next Dividend Payment Date, such dividend will be paid on such Dividend Payment Date to the holders as of such Record Date, as described in " Dividends," and will not be included in the Accumulated Dividend Amount, and the Fundamental Change Dividend Make-Whole Amount will not include the present value of the payment of such dividend.

To exercise the Fundamental Change Early Conversion Right, holders must submit their shares of the mandatory convertible preferred stock for conversion at any time during the period (the "Fundamental Change Conversion Period") beginning on, and including, the Effective Date of such Fundamental Change (the "Effective Date") and ending at 5:00 p.m., New York City time, on the date that is 20 calendar days after the Effective Date (or, if later, the date that is 20 calendar days after holders receive notice of such Fundamental Change, but in no event later than October 26, 2018). Holders of mandatory convertible preferred stock who submit their shares for conversion during the Fundamental Change Conversion Period will have such shares converted at the conversion rate specified in the table below (the "Fundamental Change Conversion Rate") and will be entitled to receive the Make-Whole Dividend Amounts, if any. Holders of mandatory convertible preferred stock who do not submit their shares for conversion during the Fundamental Change Conversion Period will not be entitled to convert their shares of mandatory convertible preferred stock at the Fundamental Change Conversion Rate or to receive the Make-Whole Dividend Amounts.

We will notify holders of the Effective Date of a Fundamental Change no later than the second business day following our becoming aware of such Effective Date.

A "Fundamental Change" will be deemed to have occurred, at any time after the Initial Issue Date of the mandatory convertible preferred stock, if any of the following occurs:

- (1) a "person" or "group" within the meaning of Section 13(d) of the Exchange Act, other than us, our wholly owned subsidiaries and our or their employee benefit plans, files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that such person or group has become the direct or indirect "beneficial owner," as defined in Rule 13d-3 under the Exchange Act, of our common equity representing more than 50% of the voting power of our common equity or we otherwise become aware of such beneficial ownership;
- (2) the consummation of (A) any recapitalization, reclassification or change of our common stock (other than a change only in par value, from par value to no par value or from no par value to par value, or changes resulting from a subdivision or combination of our common stock) as a result of which our common stock would be converted into, would be exchanged for, or would represent solely the right to receive, stock, other securities, other property or assets; (B) any share exchange, consolidation or merger of us pursuant to which our common stock will be converted into, will be exchanged for, or will represent solely the right to receive, stock, other securities, other property or assets; or (C) any sale, lease or other transfer in one transaction or a series of transactions of all or substantially all of the consolidated assets of us and our subsidiaries, taken as a whole, to any person other than one of our wholly-owned subsidiaries; or
- (3) our common stock (or other exchange property) ceases to be listed or quoted on any of The New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or any of their respective successors).

However, a transaction or transactions described above will not constitute a Fundamental Change if at least 90% of the consideration received or to be received by all of our common shareholders (excluding cash payments for fractional shares or pursuant to dissenters' appraisal rights) in connection with such transaction or transactions consists of shares of common stock that are listed or quoted on

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any of The New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or any of their respective successors), or will be so listed or quoted when issued or exchanged in connection with such transaction or transactions, and as a result of such transaction or transactions the mandatory convertible preferred stock becomes convertible into or exchangeable for such consideration (and cash in lieu of fractional shares).

If any transaction in which our common stock is replaced by the securities of another entity occurs, following completion of any related Fundamental Change period (or, if none, on the Effective Date of such transaction), references to us in the definition of "Fundamental Change" above shall instead be references to such other entity.

Fundamental change conversion rate

The Fundamental Change Conversion Rate will be determined by reference to the table below and is based on the Effective Date of the transaction and the price (the "stock price") paid (or deemed paid) per share of our common stock in such transaction. If all holders of our common stock receive only cash in exchange for their common stock in the Fundamental Change, the stock price shall be the cash amount paid per share. Otherwise the stock price shall be the Average VWAP per share of our common stock over the five consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the relevant Effective Date.

The stock prices set forth in the first row of the table (i.e., the column headers) will be adjusted as of any date on which the Fixed Conversion Rates of our mandatory convertible preferred stock are adjusted. The adjusted stock prices will equal the stock prices applicable immediately prior to such adjustment, *multiplied by* a fraction, the numerator of which is the Minimum Conversion Rate immediately prior to the adjustment giving rise to the stock price adjustment and the denominator of which is the Minimum Conversion Rate as so adjusted. Each of the Fundamental Change Conversion Rates in the table will be subject to adjustment in the same manner and at the same time as each fixed conversion rate as set forth in " Anti-dilution Adjustments."

The following table sets forth the Fundamental Change Conversion Rate per share of mandatory convertible preferred stock for each stock price and Effective Date set forth below.

Effective Date	Stock Price on Effective Date										
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
October , 2015											
October 26, 2016											
October 26, 2017											
October 26, 2018											

The exact stock price and Effective Dates may not be set forth in the table, in which case:

if the stock price is between two stock prices on the table or the Effective Date is between two Effective Dates on the table, the Fundamental Change Conversion Rate will be determined by straight-line interpolation between the Fundamental Change Conversion Rates set forth for the higher and lower stock prices and the earlier and later Effective Dates, as applicable, based on a 365- or 366-day year, as applicable;

if the stock price is in excess of \$ _____ per share (subject to adjustment in the same manner as the column headings of the table above), then the Fundamental Change Conversion Rate will be the Minimum Conversion Rate, subject to adjustment; and

if the stock price is less than \$ _____ per share (subject to adjustment in the same manner as the column headings of the table above), then the Fundamental Change Conversion Rate will be the Maximum Conversion Rate, subject to adjustment.

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Make-whole dividend amounts

For any shares of mandatory convertible preferred stock that are converted during the Fundamental Change Conversion Period, subject to the limitations described below, we may pay the Make-Whole Dividend Amounts, determined in our sole discretion:

in cash;

by delivery of shares of our common stock; or

through any combination of cash and shares of our common stock.

We will pay the Make-Whole Dividend Amounts in cash, except to the extent we elect on or prior to the second business day following the Effective Date of a Fundamental Change to make all or any portion of such payments in shares of our common stock. If we elect to make any such payment, or any portion thereof, in shares of our common stock, such shares shall be valued for such purpose at 99% of the common stock price.

No fractional shares of common stock will be delivered to the holders of the mandatory convertible preferred stock in respect of the Make-Whole Dividend Amounts. We will instead pay a cash adjustment to each converting holder that would otherwise be entitled to a fraction of a share of common stock based on the Average VWAP per share of our common stock over the five consecutive Trading Day period ending on, and including, the second Trading Day immediately preceding the conversion date.

Notwithstanding the foregoing, with respect to any conversion of mandatory convertible preferred stock, in no event will the number of shares of our common stock that we deliver instead of paying all or any portion of the Make-Whole Dividend Amounts in cash exceed a number equal to the sum of such Make-Whole Dividend Amounts, *divided by* the greater of (i) the Floor Price and (ii) 99% of the stock price. To the extent that the sum of such Make-Whole Dividend Amounts exceeds the product of the number of shares of common stock delivered in respect of such Make-Whole Dividend Amounts and 99% of the stock price, we will, if we are legally able to do so, notwithstanding any notice by us to the contrary, pay such excess amount in cash.

In addition, if we are prohibited from paying or delivering, as the case may be, the Make-Whole Dividend Amounts (whether in cash or in shares of our common stock), in whole or in part, due to limitations of applicable Delaware law, the Fundamental Change Conversion Rate will instead be increased by a number of shares of common stock equal to the cash amount of the aggregate unpaid and undelivered Make-Whole Dividend Amounts, *divided by* the greater of (i) the Floor Price and (ii) 99% of the stock price for the relevant Fundamental Change. To the extent that the cash amount of the aggregate unpaid and undelivered Make-Whole Dividend Amounts exceeds the product of such number of additional shares and 99% of the stock price for the relevant Fundamental Change, we will not have any obligation to pay the shortfall in cash.

Not later than the second business day following the Effective Date of a Fundamental Change, we will notify holders of:

the Fundamental Change Conversion Rate;

the Fundamental Change Dividend Make-Whole Amount and whether we will pay such amount, or any portion thereof, in shares of our common stock and, if applicable, the portion of such amount that will be paid in common stock; and

the Accumulated Dividend Amount and whether we will pay such amount, or any portion thereof, in shares of our common stock and, if applicable, the portion of such amount that will be paid in common stock.

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Our obligation to deliver shares at the Fundamental Change Conversion Rate and pay the Fundamental Change Dividend Make-Whole Amount could be considered a penalty, in which case the enforceability thereof would be subject to general principles of reasonableness of economic remedies.

Conversion Procedures

Upon mandatory conversion

Any outstanding shares of mandatory convertible preferred stock will automatically convert into shares of common stock on the Mandatory Conversion Date. The person or persons entitled to receive the shares of common stock issuable upon mandatory conversion of the mandatory convertible preferred stock will be treated as the record holder(s) of such shares as of 5:00 p.m., New York City time, on the Mandatory Conversion Date. Except as provided in " Anti-dilution Adjustments," prior to 5:00 p.m., New York City time, on the Mandatory Conversion Date, the shares of common stock issuable upon conversion of the mandatory convertible preferred stock will not be deemed to be outstanding for any purpose and holders of the mandatory convertible preferred stock will have no rights with respect to such shares of common stock, including voting rights, rights to respond to tender offers and rights to receive any dividends or other distributions on the common stock, by virtue of holding the mandatory convertible preferred stock.

Upon early conversion

If a holder elects to convert its shares of mandatory convertible preferred stock prior to October 26, 2018, in the manner described in " Conversion at the Option of the Holder" or " Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount," such holder must observe the following conversion procedures:

If such holder holds a beneficial interest in a global share of mandatory convertible preferred stock, to convert its shares of mandatory convertible preferred stock, such holder must deliver to The Depository Trust Company ("DTC") the appropriate instruction form for conversion pursuant to DTC's conversion program and, if such holder's shares of mandatory convertible preferred stock are held in certificated form, such holder must comply with certain procedures set forth in the certificate of designations.

The conversion date will be the date on which the converting holder has satisfied the foregoing requirements. A holder that converts its shares of mandatory convertible preferred stock will not be required to pay any taxes or duties relating to the issuance or delivery of our common stock if such holder exercises its conversion rights, except that such holder will be required to pay any tax or duty that may be payable relating to any transfer involved in the issuance or delivery of the common stock in a name other than the name of such holder. Shares of common stock will be issued and delivered only after all applicable taxes and duties, if any, payable by the converting holder have been paid in full and will be issued on the later of the third business day immediately succeeding the conversion date and the business day after such holder has paid in full all applicable taxes and duties, if any.

The person or persons entitled to receive the shares of common stock issuable upon conversion of the mandatory convertible preferred stock will be treated as the record holder(s) of such shares as of 5:00 p.m., New York City time, on the applicable conversion date. Prior to 5:00 p.m., New York City time, on the applicable conversion date, the shares of common stock issuable upon conversion of the mandatory convertible preferred stock will not be deemed to be outstanding for any purpose and a holder of shares of the mandatory convertible preferred stock will have no rights with respect to such shares of common stock, including voting rights, rights to respond to tender offers and rights to receive any dividends or other distributions on the common stock, by virtue of holding the mandatory convertible preferred stock.

Table of Contents***Fractional shares***

No fractional shares of common stock will be issued to holders of our mandatory convertible preferred stock upon conversion. In lieu of any fractional shares of common stock otherwise issuable in respect of the aggregate number of shares of our mandatory convertible preferred stock of any holder that are converted, that holder will be entitled to receive an amount in cash (computed to the nearest cent) equal to the product of: (i) that same fraction; and (ii) the Average VWAP per share of our common stock over the five consecutive Trading Day period ending on, and including, the second Trading Day immediately preceding the relevant conversion date.

If more than one share of our mandatory convertible preferred stock is surrendered for conversion at one time by or for the same holder, the number of shares of our common stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of our mandatory convertible preferred stock so surrendered.

Anti-dilution Adjustments

Each fixed conversion rate will be adjusted if:

(1)

We issue common stock to all or substantially all holders of our common stock as a dividend or other distribution, or if we effect a subdivision or combination (including, without limitation, a reverse stock split) of our common stock, each fixed conversion rate will be adjusted based on the following formula:

$$CR^1 = CR_0 \times (OS^1 / OS_0)$$

where,

- CR_0 = the fixed conversion rate in effect immediately prior to 5:00 p.m., New York City time, on the Record Date (as defined below) for such dividend or distribution or immediately prior to 9:00 a.m., New York City time, on the Effective Date for such subdivision or combination, as the case may be;
- CR^1 = the fixed conversion rate in effect immediately after 5:00 p.m., New York City time, on such Record Date or immediately after 9:00 a.m., New York City time, on such Effective Date, as the case may be;
- OS_0 = the number of shares of our common stock outstanding immediately prior to 5:00 p.m., New York City time, on such Record Date or immediately prior to 9:00 a.m., New York City time, on such Effective Date, as the case may be (and prior to giving effect to such event); and
- OS^1 = the number of shares of our common stock that would be outstanding immediately after, and solely as a result of, such dividend, distribution, subdivision or combination.

Any adjustment made under this clause (1) will become effective immediately after 5:00 p.m., New York City time, on the Record Date for such dividend or distribution, or immediately after 9:00 a.m., New York City time, on the Effective Date for such subdivision or combination, as the case may be. If any dividend, distribution, subdivision or combination of the type described in this clause (1) is declared but not so paid or made, each fixed conversion rate will be immediately readjusted, effective as of the earlier of (a) the date our board of directors or a duly authorized committee thereof determines not to pay or make such dividend, distribution, subdivision or combination and (b) the date the dividend or distribution was to be paid or the date the subdivision or combination was to have been effective, to the fixed conversion rate that would then be in effect if such dividend, distribution, subdivision or

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combination had not been declared. For the purposes of this clause (1), the number of shares of common stock outstanding at 5:00 p.m., New York City time, on the Record Date shall not include shares held in treasury but shall include any shares issuable in respect of any scrip certificates issued in lieu of fractions of shares of common stock. We will not pay any dividend or make any distribution on shares of common stock held in treasury.

(2)

A Record Date occurs in respect of an issuance to all or substantially all holders of our common stock of any rights, options or warrants (other than rights, options or warrants issued pursuant to a dividend reinvestment plan or share purchase plan or other similar plans) entitling them for a period expiring 45 days or less from the date of issuance of such rights, options or warrants to subscribe for or purchase shares of our common stock at less than the "Current Market Price" (as defined below) per share of common stock as of the announcement date for such issuance, each fixed conversion rate will be increased based on the following formula:

$$CR^1 = CR_0 \times (OS_0 + X) / (OS_0 + Y)$$

where,

- CR₀ = the fixed conversion rate in effect immediately prior to 5:00 p.m., New York City time, on the Record Date for such issuance;
- CR¹ = the fixed conversion rate in effect immediately after 5:00 p.m., New York City time, on such Record Date;
- OS₀ = the number of shares of our common stock outstanding immediately prior to 5:00 p.m., New York City time, on such Record Date;
- X = the total number of shares of our common stock issuable pursuant to such rights, options or warrants; and
- Y = the aggregate price payable to exercise such rights, options or warrants, divided by the Average VWAP per share of our common stock for the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement for such issuance.

Any increase in the Fixed Conversion Rates made pursuant to this clause (2) will become effective immediately after 5:00 p.m., New York City time, on the Record Date for such issuance. To the extent such rights, options or warrants are not exercised prior to their expiration or termination, each fixed conversion rate will be decreased, effective as of the date of such expiration or termination, to the fixed conversion rate that would then be in effect had the increase with respect to the issuance of such rights, options or warrants been made on the basis of delivery of only the number of shares of common stock actually delivered. If such rights, options or warrants are not so issued, each fixed conversion rate will be decreased, effective as of the earlier of (a) the date our board of directors or a duly authorized committee thereof determines not to issue such rights, options or warrants and (b) the date such rights, options or warrants were to have been issued, to the fixed conversion rate that would then be in effect if such Record Date for such issuance had not occurred.

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For purposes of this clause (2), in determining whether any rights, options or warrants entitle the holders thereof to subscribe for or purchase shares of our common stock at less than the Current Market Price, and in determining the aggregate price payable to exercise such rights, options or warrants, there will be taken into account any consideration we receive for such rights, options or warrants and any amount payable on exercise thereof, with the value of such consideration, if other than cash, to be determined by our board of directors or a duly authorized committee thereof. For the purposes of this clause (2), the number of shares of common stock at the time outstanding shall not include shares held in treasury but shall include any shares issuable in respect of any scrip certificates issued in lieu of fractions of shares of common stock. We will not issue any such rights, options or warrants in respect of shares of common stock held in treasury.

(3)

A Record Date occurs for a distribution to all or substantially all holders of our common stock of evidences of our indebtedness, shares of capital stock, securities, rights to acquire our capital stock, cash or other assets, excluding:

any dividend or distribution as to which an adjustment was effected under clause (1) above;

any rights, options or warrants as to which an adjustment was effected under clause (2) above;

any dividend or distribution as to which an adjustment was effected under clause (4) below; and

any spin-off as to which an adjustment was effected under this clause (3).
then each fixed conversion rate will be increased based on the following formula:

$$CR^1 = CR_0 \times SP_0 / (SP_0 - FMV)$$

where,

- CR₀ = the fixed conversion rate in effect immediately prior to 5:00 p.m., New York City time, on the Record Date for such dividend or distribution;
- CR¹ = the fixed conversion rate in effect immediately after 5:00 p.m., New York City time, on such Record Date;
- SP₀ = the Current Market Price per share of our common stock as of such Record Date; and
- FMV = the fair market value (as determined in good faith by our board of directors or a duly authorized committee thereof) on the Record Date for such dividend or distribution of shares of our capital stock (other than our common stock), evidences of our indebtedness, our assets or rights to acquire our capital stock, our indebtedness or our assets, expressed as an amount per share of our common stock.

If our board of directors or a duly authorized committee thereof determines the FMV (as defined above) of any dividend or other distribution for purposes of this clause (3) by referring to the actual or when-issued trading market for any securities, it will in doing so consider the prices in such market over the same period in computing the Current Market Price per share of our common stock as of the Record Date for such dividend or other distribution. Notwithstanding the foregoing, if FMV (as defined above) is equal to or greater than SP₀ (as defined above), in lieu of the foregoing increase, each holder of mandatory convertible preferred stock will receive, in respect of each share thereof, at the same time and upon the same terms as holders of our common stock receive the shares of our capital stock

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(other than our common stock), evidences of our indebtedness, our assets or rights to acquire our capital stock, our indebtedness or our assets that such holder would have received if such holder owned a number of shares of our common stock equal to the Maximum Conversion Rate in effect immediately prior to 5:00 p.m., New York City time, on the Record Date for such dividend or other distribution.

Any increase made under the portion of this clause (3) above will become effective immediately after 5:00 p.m., New York City time, on the Record Date for such dividend or other distribution. If such dividend or other distribution is not so paid or made, each fixed conversion rate will be decreased, effective as of the earlier of (a) the date our board of directors or a duly authorized committee thereof determines not to pay the dividend or other distribution and (b) the date such dividend or distribution was to have been paid, to the fixed conversion rate that would then be in effect if the dividend or other distribution had not been declared.

Notwithstanding the foregoing, if the transaction that gives rise to an adjustment pursuant to this clause (3) is one pursuant to which the payment of a dividend or other distribution on our common stock consists of shares of capital stock of, or similar equity interests in, a subsidiary or other business unit of ours that are, or, when issued, will be, traded on a U.S. national securities exchange (a "spin-off"), then each fixed conversion rate will instead be increased based on the following formula:

$$CR^1 = CR_0 \times (FMV_0 + MP_0) / MP_0$$

where,

- CR₀ = the fixed conversion rate in effect at 5:00 p.m., New York City time, on the tenth Trading Day immediately following, and including, the date on which "ex-dividend trading" commences for such dividend or distribution on the relevant exchange;
- CR¹ = the fixed conversion rate in effect immediately after 5:00 p.m., New York City time, on the tenth Trading Day immediately following, and including, the date on which "ex-dividend trading" commences for such dividend or distribution on the relevant exchange;
- FMV₀ = the Average VWAP per share of such capital stock or similar equity interests distributed to holders of our common stock applicable to one share of our common stock over the 10 consecutive Trading Day period commencing on, and including, the date on which "ex-dividend trading" commences for such dividend or distribution on the relevant exchange; and
- MP₀ = the Average VWAP per share of our common stock over the 10 consecutive Trading Day period commencing on, and including, the date on which "ex-dividend trading" commences for such dividend or distribution on the relevant exchange.

The adjustment to each fixed conversion rate under the immediately preceding paragraph will occur at 5:00 p.m., New York City time, on the 10th consecutive Trading Day immediately following, and including, the date on which "ex-dividend trading" commences for such dividend or distribution on the relevant exchange, but will be given effect as of 9:00 a.m., New York City time, on the date immediately succeeding the Record Date for such dividend or distribution on the relevant exchange. Because we will make the adjustments to the Fixed Conversion Rates at the end of the 10 consecutive Trading Day period with retroactive effect, we will delay the settlement of any conversion of mandatory convertible preferred stock if the

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conversion date occurs after the Record Date for such dividend or other distribution and prior to the end of such 10 consecutive Trading Day period. In such event, we will deliver the shares of common stock issuable in respect of such conversion (based on the adjusted Fixed Conversion Rates as described above) on the first business day immediately following the last Trading Day of such 10 consecutive Trading Day period.

(4)

A Record Date occurs for a distribution consisting exclusively of cash to all or substantially all holders of our common stock, excluding:

any regular, quarterly cash dividend that does not exceed \$0.51 per share (the "Initial Dividend Threshold"),

any dividend or distribution in connection with our liquidation, dissolution or winding up, and

any consideration payable as part of a tender or exchange offer as to which an adjustment was effected under clause (5) below,

each fixed conversion rate will be increased based on the following formula:

$$CR^1 = CR_0 \times (SP_0 - T) / (SP_0 - C)$$

where,

CR_0 = the fixed conversion rate in effect immediately prior to 5:00 p.m., New York City time, on the Record Date for such distribution;

CR^1 = the fixed conversion rate in effect immediately after 5:00 p.m., New York City time, on the Record Date for such distribution;

SP_0 = the Current Market Price per share of our common stock as of the Record Date for such distribution;

T = the Initial Dividend Threshold; and

C = an amount of cash per share of our common stock we distribute to holders of our common stock.

The Initial Dividend Threshold is subject to adjustment on an inversely proportional basis whenever the Fixed Conversion Rates are adjusted, but no adjustment will be made to the dividend threshold amount for any adjustment made to the Fixed Conversion Rates pursuant to this clause (4).

Notwithstanding the foregoing, the Initial Dividend Threshold shall be zero for (a) any cash distribution that is not a quarterly cash distribution and (b) any quarterly cash distribution, if such distribution has a Record Date occurring in 2018 prior to the Mandatory Conversion Date and is the fourth (or later) quarterly cash distribution in 2018. The Initial Dividend Threshold shall be proportionately adjusted for any change in dividend periods (for example, from quarterly to annual or monthly), except that the Initial Dividend Threshold in respect of periodic distributions the Record Dates for which occur in 2018 will be based on an annual dividend of \$1.53 (as adjusted on an inversely proportional basis whenever the Fixed Conversion Rates are adjusted, but not for any adjustment made to the Fixed Conversion Rates pursuant to this clause (4)).

The adjustment to the Fixed Conversion Rates pursuant to this clause (4) will become effective immediately after 5:00 p.m., New York City time, on the Record Date for such distribution. Notwithstanding the foregoing, if "C" (as defined above) is equal to or greater than " SP_0 " (as defined above), in lieu of the foregoing increase, each holder of mandatory

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convertible preferred stock will receive, in respect of each share thereof, at the same time and upon the same terms as holders of shares of our common stock, the amount of cash that such holder would have received if such holder owned a number of shares of our common stock equal to the Maximum Conversion Rate in effect immediately prior to 5:00 p.m., New York City time, on the Record Date for such or distribution. If such distribution is not so paid, the Fixed Conversion Rates will be decreased, effective as of the earlier of (a) the date our board of directors or a duly authorized committee thereof determines not to pay such dividend and (b) the date such dividend was to have been paid, to the Fixed Conversion Rates that would then be in effect if such distribution had not been declared.

(5)

We or any of our subsidiaries successfully complete a tender or exchange offer pursuant to a Schedule TO or registration statement on Form S-4 for our common stock (but, for the avoidance of doubt, excluding any securities convertible, exercisable or exchangeable for our common stock), where the cash and the value of any other consideration included in the payment per share of our common stock exceeds the Current Market Price of our common stock, each fixed conversion rate will be increased based on the following formula:

$$CR^1 = CR_0 \times (AC + (SP^1 \times OS^1)) / (SP^1 \times OS_0)$$

where,

- CR_0 = the fixed conversion rate in effect immediately prior to 5:00 p.m., New York City time, on the tenth Trading Day immediately following, and including, the Trading Day next succeeding the expiration date;
- CR^1 = the fixed conversion rate in effect immediately after 5:00 p.m., New York City time, on the tenth Trading Day immediately following, and including, the Trading Day next succeeding the expiration date;
- AC = the aggregate value of all cash and any other consideration (as determined by our board of directors or a committee thereof) paid or payable for shares purchased in such tender or exchange offer;
- OS^1 = the number of shares of our common stock outstanding as of the last time tenders or exchanges may be made pursuant to such tender or exchange offer (the "Expiration Time") (after giving effect to the purchase of all shares accepted for purchase or exchange in such tender or exchange offer);
- OS_0 = the number of shares of our common stock outstanding at the Expiration Time (prior to giving effect to the purchase of all shares accepted for purchase or exchange in such tender or exchange offer); and
- SP^1 = the Average VWAP per share of our common stock over the 10 consecutive Trading Day period commencing on, and including, the Trading Day next succeeding the expiration date.

The adjustment to each fixed conversion rate under the immediately preceding paragraph will occur at 5:00 p.m., New York City time, on the 10th consecutive Trading Day immediately following, and including, the Trading Day next succeeding the expiration date, but will be given effect as of 9:00 a.m., New York City time, on the expiration date. Because we will make the adjustments to the Fixed Conversion Rates at the end of the 10 consecutive Trading Day period with retroactive effect, we will delay the settlement of any conversion of mandatory convertible preferred stock if the conversion date occurs during such 10 consecutive Trading Day period. In such event, we will deliver the shares of common stock issuable in respect of such conversion (based on the adjusted Fixed Conversion Rates as described above) on the

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first business day immediately following the last Trading Day of such 10 consecutive Trading Day period.

To the extent that we have a rights plan in effect with respect to our common stock on any conversion date, upon conversion of any shares of the mandatory convertible preferred stock, a converting holder will receive, in addition to our common stock, the rights under the rights plan, unless, prior to such conversion date, the rights have separated from our common stock, in which case each fixed conversion rate will be adjusted at the time of separation as if we made a distribution to all holders of our common stock as described in clause (3) above, subject to readjustment in the event of the expiration, termination or redemption of such rights. Any distribution of rights, options or warrants pursuant to a rights plan that would allow a holder to receive upon conversion, in addition to any shares of our common stock, the rights described therein (unless such rights, options or warrants have separated from our common stock (in which case each fixed conversion rate will be adjusted at the time of separation as if we made a distribution to all holders of our common stock as described in clause (3) above, subject to readjustment in the event of the expiration, termination or redemption of such rights)) shall not constitute a distribution of rights, options or warrants that would entitle such holder to an adjustment to the Fixed Conversion Rates.

For the purposes of determining the adjustment to the fixed conversion rate for the purposes of:

clause (2), clause (3) and clause (4) above, the "Current Market Price" of our common stock is the Average VWAP per share of our common stock over the five consecutive Trading Day period ending on the Trading Day before the ex-dividend date with respect to the issuance or distribution requiring such computation; and

clause (5) above, the "Current Market Price" of our common stock is the Average VWAP per share of our common stock over the ten consecutive Trading Day period ending on, and including, the Trading Day after the expiration date of the tender or exchange offer.

"Record date" means, for purpose of a conversion rate adjustment, with respect to any dividend, distribution or other transaction or event in which the holders of our common stock have the right to receive any cash, securities or other property or in which our common stock (or other applicable security) is exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of holders of our common stock entitled to receive such cash, securities or other property (whether such date is fixed by our board of directors or by statute, contract or otherwise).

As used in this section, "ex-dividend date" means the first date on which the shares of our common stock trade on the applicable exchange or in the applicable market, regular way, without the right to receive the issuance, dividend or distribution in question, from us or, if applicable, from the seller of our common stock on such exchange or market (in the form of due bills or otherwise) as determined by such exchange or market.

In addition, we may make such increases in each fixed conversion rate as we deem advisable in order to avoid or diminish any income tax to holders of our common stock resulting from any dividend or distribution of shares of our common stock (or issuance of rights or warrants to acquire shares of our common stock) or from any event treated as such for income tax purposes or for any other reason. We may only make such a discretionary adjustment if we make the same proportionate adjustment to each fixed conversion rate.

In the event of a taxable distribution to holders of our common stock that results in an adjustment of each fixed conversion rate or an increase in each fixed conversion rate, beneficial owners of the depositary shares may, in certain circumstances, be deemed to have received a distribution subject to U.S. federal income tax as a dividend. In addition, Non-U.S. holders of the depositary shares may, in

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those circumstances, be subject to U.S. federal withholding tax. See "Material U.S. Federal Income Tax Consequences Tax Consequences Applicable to Non-U.S. Holders."

If we (or an applicable withholding agent) are required to withhold on constructive distributions to a holder (see "Material U.S. Federal Income Tax Consequences") and pay the applicable withholding taxes, we may, at our option, or an applicable withholding agent may, withhold such taxes from payments of cash or shares of common stock payable to such holder.

Adjustments to the Fixed Conversion Rates will be calculated to the nearest 1/10,000th of a share. Prior to the first Trading Day of the Final Averaging Period, no adjustment in a fixed conversion rate will be required unless the adjustment would require an increase or decrease of at least one percent in such fixed conversion rate. If any adjustment is not required to be made because it would not change the Fixed Conversion Rates by at least one percent, then the adjustment will be carried forward and taken into account in any subsequent adjustment; *provided, however*, that with respect to adjustments to be made to the Fixed Conversion Rates in connection with cash dividends paid by us, we will make such adjustments, regardless of whether such aggregate adjustments amount to one percent or more of the Fixed Conversion Rates no later than October 26 of each calendar year; *provided further* that on (x) the earlier of any Early Conversion Date and the Effective Date of any Fundamental Change and (y) each Trading Day of the Final Averaging Period, adjustments to the Fixed Conversion Rates will be made with respect to any such adjustment carried forward that has not been taken into account before such date.

No adjustment to the conversion rate will be made if holders may participate (other than in the case of (x) a share subdivision or share combination or (y) a tender or exchange offer), at the same time, upon the same terms and otherwise on the same basis as holders of our common stock and solely as a result of holding mandatory convertible preferred stock, in the transaction that would otherwise give rise to such adjustment as if they held, for each share of mandatory convertible preferred stock, a number of shares of our common stock equal to the Maximum Conversion Rate then in effect.

The Fixed Conversion Rates will not be adjusted except as provided above. Without limiting the foregoing, the Fixed Conversion Rates will not be adjusted:

- (a) upon the issuance of any common stock pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on our securities and the investment of additional optional amounts in common stock under any plan;
- (b) upon the issuance of any common stock or rights or warrants to purchase those shares pursuant to any present or future employee, director or consultant benefit plan or program of or assumed by us or any of our subsidiaries;
- (c) upon the issuance of any common stock pursuant to any option, warrant, right or exercisable, exchangeable or convertible security outstanding as of the date the mandatory convertible preferred stock were first issued (other than a rights plan as described above);
- (d) for a change solely in the par value of our common stock;
- (e) for sales of our common stock for cash, other than in a transaction described in clause (2) or clause (3) above;
- (f) stock repurchases that are not tender offers, including structured or derivative transactions;
- (g) as a result of a tender offer solely to holders of fewer than 100 shares of our common stock;
- (h) a third-party tender or exchange offer, other than a tender or exchange offer by one of our subsidiaries as described in clause (5) above; or

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- (i) for accumulated and unpaid dividends on the mandatory convertible preferred stock, except as described above under "Mandatory Conversion," "Conversion at the Option of the Holder," "Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount."

We will be required, as soon as practicable after the Fixed Conversion Rates are adjusted, to provide or cause to be provided written notice of the adjustment to the holders of shares of mandatory convertible preferred stock. We will also be required to deliver, upon written request by a beneficial owner of the depositary shares, a statement setting forth in reasonable detail the method by which the adjustment to each fixed conversion rate was determined and setting forth each revised fixed conversion rate.

If an adjustment is made to the Fixed Conversion Rates, (x) an inversely proportional adjustment also will be made to the Threshold Appreciation Price and the Initial Price solely for the purposes of determining which clause of the definition of the conversion rate will apply on the Mandatory Conversion Date and (y) an inversely proportional adjustment also will be made to the Floor Price. Whenever any provision of the certificate of designations establishing the terms of the mandatory convertible preferred stock requires us to calculate the VWAP per share of our common stock over a span of multiple days, our board of directors, or any authorized committee thereof, will make appropriate adjustments (including, without limitation, to the Applicable Market Value, the Early Conversion Average Price, the stock price and the Five-Day Average Price, as the case may be) to account for any adjustments to the Initial Price, the Threshold Appreciation Price and the Fixed Conversion Rates, as the case may be, that become effective, or any event that would require such an adjustment if the ex-dividend date, Effective Date or expiration date, as the case may be, of such event occurs during the relevant period used to calculate such prices or values, as the case may be.

If:

the Record Date for a dividend or distribution on our common stock occurs after the end of the Final Averaging Period and before the Mandatory Conversion Date, and

that dividend or distribution would have resulted in an adjustment of the number of shares of our common stock issuable to the holders of mandatory convertible preferred stock had such Record Date occurred on or before the last Trading Day of the Final Averaging Period,

then we will deem the holders of mandatory convertible preferred stock to be holders of record, for each share of mandatory convertible preferred stock that they hold, of a number of shares of our common stock equal to the conversion rate for purposes of that dividend or distribution. In this case, the holders of the mandatory convertible preferred stock would receive the dividend or distribution on our common stock together with the number of shares of common stock issuable upon mandatory conversion of the mandatory convertible preferred stock.

Recapitalizations, Reclassifications and Changes in our Common Stock

In the event of:

any consolidation or merger of us with or into another person (other than a merger or consolidation in which we are the continuing corporation and in which the shares of our common stock outstanding immediately prior to the merger or consolidation are not exchanged for cash, securities or other property of us or another person);

any sale, transfer, lease or conveyance to another person of all or substantially all of our and our subsidiaries' consolidated property and assets;

any reclassification of our common stock into securities, including securities other than our common stock; or

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any statutory exchange of our securities with another person (other than in connection with a merger or consolidation),

in each case, as a result of which our common stock would be converted into, or exchanged for, securities, cash or property (each, a "Reorganization Event"), each share of mandatory convertible preferred stock outstanding immediately prior to such Reorganization Event shall, without the consent of the holders of the mandatory convertible preferred stock, become convertible into the kind of securities, cash and other property that such holder would have been entitled to receive if such holder had converted its mandatory convertible preferred stock into common stock immediately prior to such Reorganization Event (such securities, cash and other property, the "Exchange Property," with each "Unit of Exchange Property" meaning the kind and amount of Exchange Property that a holder of one share of common stock is entitled to receive). For purposes of the foregoing, the type and amount of Exchange Property in the case of any Reorganization Event that causes our common stock to be converted into the right to receive more than a single type of consideration (determined based in part upon any form of stockholder election) will be deemed to be the weighted average of the types and amounts of consideration received by the holders of our common stock that affirmatively make such an election (or of all holders of our common stock if none makes an election). We will notify holders of the mandatory convertible preferred stock of the weighted average as soon as practicable after such determination is made. The number of Units of Exchange Property for each share of mandatory convertible preferred stock converted following the Effective Date of such Reorganization Event will be determined as if references to our common stock in the description of the conversion rate applicable upon mandatory conversion, conversion at the option of the holder and conversion at the option of the holder upon a Fundamental Change were to Units of Exchange Property (without interest thereon and without any right to dividends or distributions thereon which have a Record Date prior to the date such shares of mandatory convertible preferred stock are actually converted). For the purpose of determining which bullet of the definition of conversion rate will apply upon mandatory conversion, and for the purpose of calculating the conversion rate if the second bullet is applicable, the value of a Unit of Exchange Property will be determined in good faith by our board of directors, or an authorized committee thereof, except that if a Unit of Exchange Property includes common stock or ADRs that are traded on a U.S. national securities exchange, the value of such common stock or ADRs will be the average over the Final Averaging Period of the volume weighted average prices for such common stock or ADRs, as displayed on the applicable Bloomberg screen (as determined in good faith by our board of directors, or an authorized committee thereof); or, if such price is not available, the average market value per share of such common stock or ADRs over such period as determined, using a volume-weighted average method, by a nationally recognized independent investment banking firm retained by us for this purpose. We (or any successor to us) will, as soon as reasonably practicable (but in any event within 20 calendar days) after the occurrence of any Reorganization Event, provide written notice to the holders of mandatory convertible preferred stock of such occurrence and of the kind and amount of cash, securities or other property that constitute the Exchange Property. Failure to deliver such notice will not affect the operation of the provisions described in this section.

In connection with any adjustment to the Fixed Conversion Rates described above, we will also adjust the Initial Dividend Threshold (as defined under " Conversion Rate Adjustments") based on the number of shares of common stock comprising the Exchange Property and (if applicable) the value of any non-stock consideration included in a Unit of Exchange Property. If the Exchange Property is comprised solely of non-stock consideration, the Initial Dividend Threshold will be zero.

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Reservation of Shares

We will at all times reserve and keep available out of the authorized and unissued common stock or shares of common stock held in treasury by us, solely for issuance upon conversion of the mandatory convertible preferred stock, the maximum number of shares of common stock as shall be issuable from time to time upon the conversion of all the shares of mandatory convertible preferred stock then outstanding.

Transfer Agent and Registrar

Computershare Trust Company, N.A. is the transfer agent and registrar for the mandatory convertible preferred stock.

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DESCRIPTION OF DEPOSITARY SHARES

We will deposit the shares of our % Series A Mandatory Convertible Preferred Stock, par value \$0.01 per share (our "mandatory convertible preferred stock"), represented by the depositary shares offered hereby pursuant to a deposit agreement (the "deposit agreement") among us, Computershare Trust Company, N.A., acting as depositary (the "depositary"), and the holders from time to time of the depositary shares.

The following description is a summary of the material provisions of the depositary shares and the deposit agreement and does not purport to be complete. The terms of the depositary shares include those expressly set forth in the deposit agreement, and this summary is subject to and is qualified by reference to all the provisions of the depositary shares and the deposit agreement, including the definitions of certain terms used in the deposit agreement.

You may request a copy of the deposit agreement from us as described under "Where You Can Find More Information" in the accompanying prospectus. We urge you to read this document because it, and not this description, defines your rights as a holder of depositary shares.

For purposes of this description, references to "we," "our" and "us" refer only to Kinder Morgan, Inc. and not to its subsidiaries.

General

Each depositary share represents a 1/20th interest in a share of our mandatory convertible preferred stock and will initially be evidenced by a Global Security, as defined in and described under " Book-entry, Settlement and Clearance" in this section. Subject to the terms of the deposit agreement, the depositary shares will be entitled to all rights and preferences of our mandatory convertible preferred stock, as applicable, in proportion to the fraction of a share of our mandatory convertible preferred stock those depositary shares represent.

In this section, references to "holders" of depositary shares mean those who have depositary shares registered in their own names on the books maintained by the depositary and not indirect holders who will own beneficial interests in depositary shares registered in the street name of, or issued in book-entry form through, DTC prior to the mandatory conversion of our mandatory convertible preferred stock. You should review the special considerations that apply to indirect holders as described under " Book-entry, Settlement and Clearance" in this section.

Conversion

Because each depositary share represents a 1/20th interest in a share of our mandatory convertible preferred stock, a holder of depositary shares may elect to convert depositary shares only in lots of 20 depositary shares, either on an Early Conversion Date at the Minimum Conversion Rate of shares of our common stock per depositary share, subject to adjustment, or during a Fundamental Change Conversion Period at the Fundamental Change Conversion Rate, as described below. For a description of the terms and conditions on which our mandatory convertible preferred stock is convertible at the option of holders of mandatory convertible preferred stock, see the sections entitled "Description of Mandatory Convertible Preferred Stock Conversion at the Option of the Holder" and "Description of Mandatory Convertible Preferred Stock Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount" in this prospectus supplement.

The following table sets forth the Fundamental Change Conversion Rate per depositary share, subject to adjustment as described in "Description of Mandatory Convertible Preferred Stock Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend

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Make-whole Amount," based on the Effective Date of the Fundamental Change and the stock price in the Fundamental Change:

Effective Date	Stock Price on Effective Date									
Effective Date	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
October , 2015										
October 26, 2016										
October 26, 2017										
October 26, 2018										

The exact stock price and Effective Dates may not be set forth in the table, in which case:

if the stock price is between two stock prices on the table or the Effective Date is between two Effective Dates on the table, the Fundamental Change Conversion Rate per depositary share will be determined by straight-line interpolation between the Fundamental Change Conversion Rates per depositary share set forth for the higher and lower stock prices and the earlier and later Effective Dates, as applicable, based on a 365-or 366-day year, as applicable;

if the stock price is in excess of \$ _____ per share (subject to adjustment in the same manner as the column headings of the table above), then the Fundamental Change Conversion Rate per depositary share will be the Minimum Conversion Rate, *divided by 20*, subject to adjustment; and

if the stock price is less than \$ _____ per share (subject to adjustment in the same manner as the column headings of the table above), then the Fundamental Change Conversion Rate per depositary share will be the Maximum Conversion Rate, *divided by 20*, subject to adjustment.

On any conversion date for our mandatory convertible preferred stock, each depositary share corresponding to the shares of our mandatory convertible preferred stock so converted will be entitled to receive 1/20th of the number of shares of our common stock and the amount of any cash received by the depositary upon conversion of each share of our mandatory convertible preferred stock.

The following table illustrates the conversion rate per depositary share, subject to adjustment as described under "Description of Mandatory Convertible Preferred Stock Anti-dilution Adjustments" in this prospectus supplement, based on the Applicable Market Value of our common stock:

Applicable market value of our common stock	Conversion rate per depositary share
Greater than \$ _____	shares of common stock
Equal to or less than \$ _____ but greater than or equal to \$ _____	Between _____ and _____ shares of common stock, determined by dividing \$50 by the Applicable Market Value
Less than \$ _____	shares of common stock

After delivery of our common stock by the transfer agent to the depositary following conversion of our mandatory convertible preferred stock, the depositary will transfer the proportional number of shares of our common stock to the holders of depositary shares by book-entry transfer through DTC or, if the holders' interests are in certificated depositary receipts, by delivery of common stock certificates for such number of shares of our common stock.

If we (or an applicable withholding agent) are required to withhold on distributions of common stock in respect of dividends in arrears or in respect of the net present value of future dividends to a holder (see "Material U.S. Federal Income Tax Consequences") and pay the applicable withholding taxes, we may, at our option, or an applicable withholding agent may, withhold such taxes from payments of cash or shares of common stock payable to such holder.

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No fractional shares of common stock will be issued to holders of our depositary shares upon conversion. In lieu of any fractional shares of common stock otherwise issuable in respect of the aggregate number of depositary shares of any holder that are converted, that holder will be entitled to receive an amount in cash (computed to the nearest cent) equal to the product of: (i) that same fraction; and (ii) the Average VWAP per share of our common stock over the five consecutive Trading Day period ending on, and including, the second Trading Day immediately preceding the conversion date.

If more than one depositary share is surrendered for, or subject to, conversion at one time by or for the same holder, the number of shares of our common stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of depositary shares so surrendered for, or subject to, conversion.

Dividends and Other Distributions

Each dividend paid on a depositary share will be in an amount equal to 1/20th of the dividend paid on the related share of our mandatory convertible preferred stock.

The depositary will deliver any cash or shares of common stock it receives in respect of dividends on our mandatory convertible preferred stock to the holders of the depositary shares in such amounts as are, as nearly as practicable, in proportion to the number of outstanding depositary shares held by such holders, on the date of receipt or as soon as practicable thereafter.

The dividend payable on the first Dividend Payment Date, if declared, is expected to be \$ per depositary share and on each subsequent Dividend Payment Date, if declared, is expected to be \$ per depositary share.

Record dates for the payment of dividends and other matters relating to the depositary shares will be the same as the corresponding Record Dates for our mandatory convertible preferred stock.

No fractional shares of common stock will be delivered to the holders of our depositary shares in respect of dividends. Each holder that would otherwise be entitled to a fraction of a share of common stock will instead be entitled to receive a cash adjustment based on the Average VWAP per share of our common stock over the five consecutive Trading Day period ending on the second Trading Day immediately preceding the applicable Dividend Payment Date.

The amount paid as dividends or otherwise distributable by the depositary with respect to the depositary shares or the underlying mandatory convertible preferred stock will be reduced by any amounts required to be withheld by us or the depositary on account of taxes or other governmental charges. The depositary may refuse to make any payment or distribution, or any transfer, exchange, or withdrawal of any depositary shares or the shares of our mandatory convertible preferred stock until such taxes or other governmental charges are paid.

Voting the Mandatory Convertible Preferred Stock

Because each depositary share represents a 1/20th interest in a share of the mandatory convertible preferred stock, holders of depositary receipts will be entitled to 1/20th of a vote per share of mandatory convertible preferred stock under those circumstances in which holders of the mandatory convertible preferred stock are entitled to a vote, as described under "Description of Mandatory Convertible Preferred Stock Voting Rights" in this prospectus supplement.

When the depositary receives notice of any meeting at which the holders of our mandatory convertible preferred stock are entitled to vote, the depositary will mail the notice to the record holders of the depositary shares relating to the mandatory convertible preferred stock. Each record holder of depositary shares on the Record Date (which will be the same date as the Record Date for our

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mandatory convertible preferred stock) may instruct the depositary as to how to vote the amount of our mandatory convertible preferred stock represented by such holder's depositary shares in accordance with these instructions. The depositary will endeavor, insofar as practicable, to vote the amount of the preferred stock represented by such depositary shares in accordance with these instructions, and we will take all actions the depositary deems necessary in order to enable the depositary to do so. The depositary will abstain from voting shares of the mandatory convertible preferred stock to the extent it does not receive specific instructions from the holders of depositary shares representing our mandatory convertible preferred stock.

Modification and Amendment

Without the consent of the holders of the depositary shares, we may amend, alter or supplement the depositary agreement or any certificate representing the depositary shares for the following purposes:

to cure any ambiguity, omission, inconsistency or mistake in any such agreement or instrument;

to make any provision with respect to matters or questions relating to the depositary shares that is not inconsistent with the provisions of the depositary agreement and that does not adversely affect the rights of any holder of the depositary shares;

to make any change reasonably necessary, in our reasonable determination, to reflect each depositary share's representation of 1/20th of a share of mandatory convertible preferred stock;

to make any change reasonably necessary, in our reasonable determination, to comply with the procedures of the depositary so long as any such change is not adverse to any holder of the depositary shares; or

to make any other change that does not adversely affect the rights of any holder of the depositary shares (other than any holder that consents to such change).

In addition, without the consent of the holders of the depositary shares, we may amend, alter, supplement or repeal any terms of the depositary shares to conform the terms of the depositary shares to the description thereof in the accompanying prospectus as supplemented and/or amended by this "Description of Depositary Shares" section of the preliminary prospectus supplement for the depositary shares, as further supplemented and/or amended by the related pricing term sheet.

Charges of Depositary

We will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. We will pay charges of the depositary in connection with the initial deposit of the mandatory convertible preferred stock. Holders of depositary receipts will pay other transfer and other taxes and governmental charges and any other charges, including a fee for the withdrawal of shares of mandatory convertible preferred stock upon surrender of depositary receipts, as are expressly provided in the deposit agreement to be for their accounts.

Withdrawal Rights

A holder of 20 depositary shares may withdraw the share of our mandatory convertible preferred stock corresponding to such depositary shares, and any cash or other property represented by such depositary shares. A holder who withdraws shares of mandatory convertible preferred stock (and any such cash or other property) will not be required to pay any taxes or duties relating to the issuance or delivery of such shares of mandatory convertible preferred stock (and any such cash or other property), except that such holder will be required to pay any tax or duty that may be payable relating to any transfer involved in the issuance or delivery of such shares of mandatory convertible preferred stock

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(and any such cash or other property) in a name other than the name of such holder. Holders of shares of our mandatory convertible preferred stock will not have the right under the deposit agreement to deposit such shares with the depositary in exchange for depositary shares.

Listing

We intend to apply to list the depositary shares on The New York Stock Exchange under the symbol "KMI.PRA" and we expect trading to commence within 30 days of the first original issuance date of the depositary shares. In addition, upon listing, we have agreed to use our reasonable best efforts to keep the depositary shares representing fractional interests in the mandatory convertible preferred stock listed on The New York Stock Exchange. Listing the depositary shares on The New York Stock Exchange does not guarantee that a trading market will develop or, if a trading market does develop, the depth of that market or the ability of holders to sell their depositary shares easily. We do not expect there will be any separate public trading market for the shares of the mandatory convertible preferred stock except as represented by the depositary shares.

Form and Notices

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