

CRAFT JOSEPH W III

Form 4

November 03, 2004

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

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
CRAFT JOSEPH W III

2. Issuer Name **and** Ticker or Trading
Symbol
ALLIANCE RESOURCE
PARTNERS LP [ARLP]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
1717 S. BOULDER
AVENUE, SUITE 600

3. Date of Earliest Transaction
(Month/Day/Year)
11/02/2004

☐ Director ☒ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)
President and Chief Executive

(Street)

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

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

TULSA, OK 74119

(City) (State) (Zip)

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common unit					60,000	D	
Common unit ⁽³⁾	11/02/2004		M		140,000	A	<u>(3)</u> 200,000
Common unit ⁽³⁾	11/02/2004		F		56,000	D	\$ <u>(7)</u> 144,000
Common unit					1,000	I	By sons
					1,232,780	I	

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Common unit									See footnote (8)
Common unit						10,921	I		See footnote (9)
Common unit	11/02/2004		D	598	D	<u>(13)</u>	10,323	I	See footnote (9)
Common unit							113,561	I	See footnote (10)
Common unit	11/02/2004		D	1,712	D	<u>(14)</u>	111,849	I	See footnote (10)
Common unit							80,658	I	See footnote (11)
Common unit							230,762	I	See footnote (11)

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

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(9-02)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount
Phantom unit	(2)							(1)	(6)	Common unit	
Restricted unit	(3)	11/02/2004		M		140,000		11/02/2004	(6)	Common unit	
Restricted unit	(2)							(4)	(6)	Common Unit	

Restricted unit	(2)	(5)	(6)	Common unit
Subordinated units	(2)	(12)	(6)	Subordinated units

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CRAFT JOSEPH W III 1717 S. BOULDER AVENUE SUITE 600 TULSA, OK 74119	X	X	President and Chief Executive	

Signatures

Joseph W. Craft 11/03/2004

Signature of
Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The Phantom units are to be settled in either cash or ARLP common units, at the election of the Compensation Committee, upon the reporting person's death or termination.
- (2) 1 for 1
- (3) The Restricted units have vested according to the provisions described in the Agreement of Limited Partnership of the Issuer on November 2, 2004 and upon vesting the restricted units were paid on a 1 for 1 basis of common units based upon the market value of the common units (\$59.19) on the date of vesting.
- (4) The Restricted units will vest on September 30, 2005 provided that the issuer meets certain financial tests. Once vested the restricted units are to be settled in either cash or ARLP common units, at the election of the Compensation Committee.
- (5) The Restricted units will vest on December 31, 2006 provided that the issuer meets certain financial tests. Once vested the restricted units are to be settled in either cash or ARLP common units, at the election of Compensation Committee.
- (6) Not applicable
- (7) Upon vesting, restricted units are withheld by the Partnership for payment of tax liability at the vesting price of \$59.19.
- (8) The reporting person indirectly holds 1,232,780 Common Units of ARLP through ARH-II, of which he is the sole director and majority shareholder. ARH-II holds all of the outstanding shares of Alliance Resource Holdings, Inc. ("ARH"). ARH, in turn holds all of the outstanding shares of Alliance Resource GP, LLC ("SGP"). The SGP directly holds 1,232,780 Common Units of ARLP as well as other assets. The reporting person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein.
- (9) Following the reported transaction the reporting person indirectly holds 10,323 Common Units of ARLP through Alliance Management Holdings, LLC ("AMH") of which he is the sole director. The reporting person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein.
- (10) Following the reported transaction the reporting person indirectly holds 111,849 Common Units of ARLP through AMH-II, LLC ("AMH-II"). The reporting person is the majority member of AMH-II and sole director. The reporting person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein.
- (11)

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The reporting person indirectly holds the MGP's general partnership interest in ARLP, which is the equivalent of 311,420 Common Units of ARLP, through Alliance Management Holdings, Inc. ("AMH") and AMH-II, LLC ("AMH"). The equivalent of approximately 80,658 Common Units is held through AMH, and the equivalent of approximately 230,762 Common Units is held through AMH-II. We have determined the GP interest held by AMH and AMH-II are not reportable securities.

- (12) The reporting person indirectly holds 6,422,531 Subordinated Units of ARLP through ARH-II, of which he is the sole director and majority shareholder. ARH-II holds all of the outstanding shares of ARH. ARH, in turn holds all of the outstanding shares of SGP. The SGP directly holds 6,422,531 Subordinated Units of ARLP as well as other assets. The reporting person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein. The Subordinated Units will convert into Common Units if the issuer meets certain financial tests described in the Agreement of Limited Partnership of the Issuer. If these tests are met, one-half of the Subordinated Units will automatically convert into Common Units no earlier than September 30, 2003. The balance would be eligible for conversion no earlier than September 30, 2004.
- (13) AMH is making a capital contribution of 598 Common Units to ARLP pursuant to ARLP's Partnership agreement to maintain their general partner interest in ARLP. ARLP will cancel these Common Units upon receipt.
- (14) AMH-II is making a capital contribution of 1,712 Common Units to ARLP pursuant to ARLP's Partnership agreement to maintain their general partner interest in ARLP. ARLP will cancel these Common Units upon receipt.

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

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