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

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2019

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 001-16383



CHENIERE ENERGY, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

95-4352386

(I.R.S. Employer Identification No.)

700 Milam Street, Suite 1900

Houston, Texas 77002

(Address of principal executive offices) (Zip Code)

(713) 375-5000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Common Stock, \$ 0.003 par value

Trading Symbol
LNG

Name of each exchange on which registered
NYSE American

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

☒

Accelerated filer

☐

Non-accelerated filer

☐

Smaller reporting company

☐

Emerging growth company

☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 25, 2019, the issuer had 254,750,996 shares of Common Stock outstanding.

CHENIERE ENERGY, INC.
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DEFINITIONS

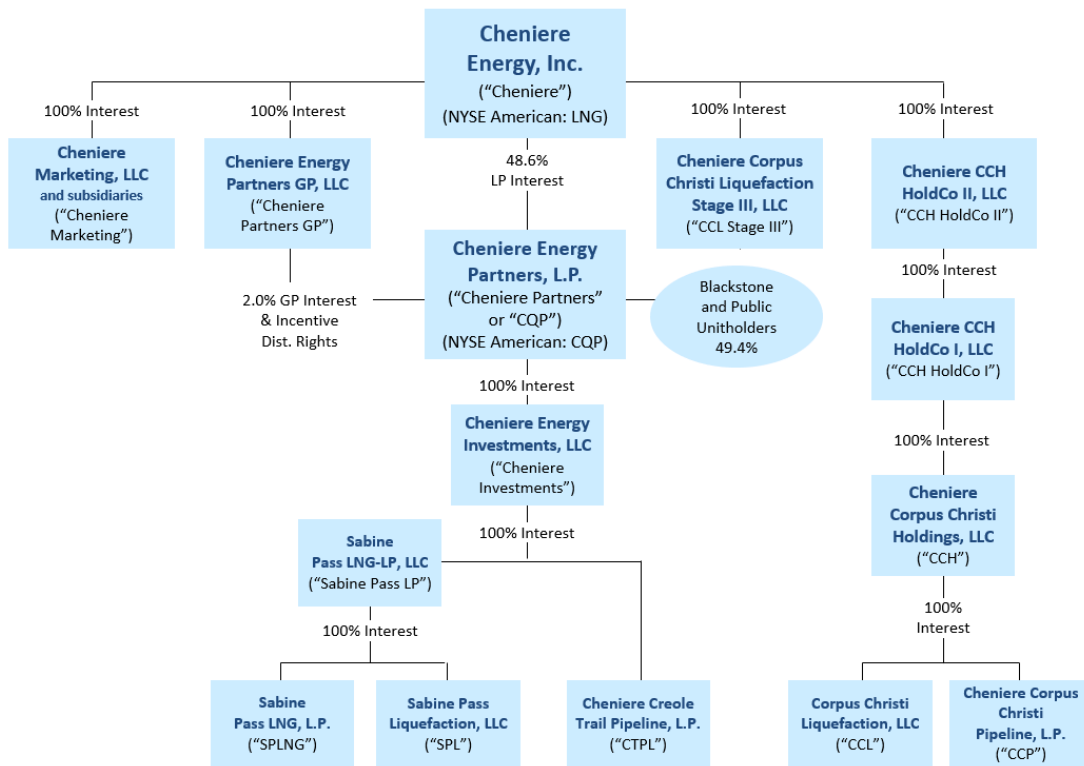
As used in this quarterly report, the terms listed below have the following meanings:

Common Industry and Other Terms

Bcf	billion cubic feet
Bcf/d	billion cubic feet per day
Bcf/yr	billion cubic feet per year
Bcfe	billion cubic feet equivalent
DOE	U.S. Department of Energy
EPC	engineering, procurement and construction
FERC	Federal Energy Regulatory Commission
FTA countries	countries with which the United States has a free trade agreement providing for national treatment for trade in natural gas
GAAP	generally accepted accounting principles in the United States
Henry Hub	the final settlement price (in USD per MMBtu) for the New York Mercantile Exchange's Henry Hub natural gas futures contract for the month in which a relevant cargo's delivery window is scheduled to begin
LIBOR	London Interbank Offered Rate
LNG	liquefied natural gas, a product of natural gas that, through a refrigeration process, has been cooled to a liquid state, which occupies a volume that is approximately 1/600th of its gaseous state
MMBtu	million British thermal units, an energy unit
mtpa	million tonnes per annum
non-FTA countries	countries with which the United States does not have a free trade agreement providing for national treatment for trade in natural gas and with which trade is permitted
SEC	U.S. Securities and Exchange Commission
SPA	LNG sale and purchase agreement
TBtu	trillion British thermal units, an energy unit
Train	an industrial facility comprised of a series of refrigerant compressor loops used to cool natural gas into LNG
TUA	terminal use agreement

Abbreviated Legal Entity Structure

The following diagram depicts our abbreviated legal entity structure as of September 30, 2019, including our ownership of certain subsidiaries, and the references to these entities used in this quarterly report:



Unless the context requires otherwise, references to "Cheniere," the "Company," "we," "us" and "our" refer to Cheniere Energy, Inc. and its consolidated subsidiaries, including our publicly traded subsidiary, Cheniere Partners.

Unless the context requires otherwise, references to the "CCH Group" refer to CCH HoldCo II, CCH HoldCo I, CCH, CCL and CCP, collectively.

PART I. FINANCIAL INFORMATION
ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

CHENIERE ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (1)
(in millions, except share data)

	September 30, 2019 (unaudited)	December 31, 2018
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,539	\$ 981
Restricted cash	578	2,175
Accounts and other receivables	507	585
Inventory	288	316
Derivative assets	140	63
Other current assets	133	114
Total current assets	4,185	4,234
Property, plant and equipment, net	29,490	27,245
Operating lease assets, net	493	—
Debt issuance costs, net	50	72
Non-current derivative assets	123	54
Goodwill	77	77
Other non-current assets, net	287	305
Total assets	\$ 34,705	\$ 31,987
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 50	\$ 58
Accrued liabilities	1,199	1,169
Current debt	11	239
Deferred revenue	171	139
Current operating lease liabilities	275	—
Derivative liabilities	181	128
Other current liabilities	5	9
Total current liabilities	1,892	1,742
Long-term debt, net	30,795	28,179
Non-current operating lease liabilities	203	—
Non-current finance lease liabilities	58	57
Non-current derivative liabilities	245	22
Other non-current liabilities	26	58
Commitments and contingencies (see Note 17)		
Stockholders' equity		
Preferred stock, \$0.0001 par value, 5.0 million shares authorized, none issued	—	—
Common stock, \$0.003 par value, 480.0 million shares authorized		
Issued: 270.6 million shares at September 30, 2019 and 269.8 million shares at December 31, 2018		
Outstanding: 255.0 million shares at September 30, 2019 and 257.0 million shares at December 31, 2018	1	1
Treasury stock: 15.6 million shares and 12.8 million shares at September 30, 2019 and December 31, 2018, respectively, at cost	(584)	(406)
Additional paid-in-capital	4,130	4,035
Accumulated deficit	(4,447)	(4,156)
Total stockholders' deficit	(900)	(526)
Non-controlling interest	2,386	2,455
Total equity	1,486	1,929
Total liabilities and equity	\$ 34,705	\$ 31,987

(1) Amounts presented include balances held by our consolidated variable interest entity ("VIE"), Cheniere Partners, as further discussed in [Note 8—Non-controlling Interest and Variable Interest Entity](#). As of September 30, 2019, total assets and liabilities of Cheniere Partners, which are included in our Consolidated Balance Sheets, were \$19.0 billion and \$18.6 billion, respectively, including \$1.7 billion of cash and cash equivalents and \$0.2 billion of restricted cash.

CHENIERE ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except per share data)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Revenues				
LNG revenues	\$ 2,059	\$ 1,719	\$ 6,375	\$ 5,327
Regasification revenues	66	66	199	196
Other revenues	45	34	149	81
Total revenues	2,170	1,819	6,723	5,604
Operating costs and expenses				
Cost of sales (excluding depreciation and amortization expense shown separately below)	1,267	1,027	3,758	3,078
Operating and maintenance expense	308	170	824	457
Development expense	2	2	6	6
Selling, general and administrative expense	72	74	222	214
Depreciation and amortization expense	213	113	561	333
Impairment expense and loss on disposal of assets	1	8	7	8
Total operating costs and expenses	1,863	1,394	5,378	4,096
Income from operations	307	425	1,345	1,508
Other income (expense)				
Interest expense, net of capitalized interest	(395)	(221)	(1,014)	(653)
Loss on modification or extinguishment of debt	(27)	(12)	(27)	(27)
Derivative gain (loss), net	(78)	23	(187)	132
Other income (expense)	(70)	15	(38)	32
Total other expense	(570)	(195)	(1,266)	(516)
Income (loss) before income taxes and non-controlling interest	(263)	230	79	992
Income tax benefit (provision)	3	(3)	—	(15)
Net income (loss)	(260)	227	79	977
Less: net income attributable to non-controlling interest	58	162	370	573
Net income (loss) attributable to common stockholders	\$ (318)	\$ 65	\$ (291)	\$ 404
Net income (loss) per share attributable to common stockholders—basic (1)	\$ (1.25)	\$ 0.26	\$ (1.13)	\$ 1.67
Net income (loss) per share attributable to common stockholders—diluted (1)	\$ (1.25)	\$ 0.26	\$ (1.13)	\$ 1.65
Weighted average number of common shares outstanding—basic	256.0	247.2	256.8	241.9
Weighted average number of common shares outstanding—diluted	256.0	250.2	256.8	244.6

(1) Earnings per share in the table may not recalculate exactly due to rounding because it is calculated based on whole numbers, not the rounded numbers presented.

The accompanying notes are an integral part of these consolidated financial statements.

CHENIERE ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in millions)
(unaudited)

Three and Nine Months Ended September 30, 2019

	Total Stockholders' Equity							
	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Deficit	Non- controlling Interest	Total Equity
	Shares	Par Value Amount	Shares	Amount				
Balance at December 31, 2018	257.0	\$ 1	12.8	\$ (406)	\$ 4,035	\$ (4,156)	\$ 2,455	\$ 1,929
Vesting of restricted stock units	0.6	—	—	—	—	—	—	—
Share-based compensation	—	—	—	—	28	—	—	28
Shares withheld from employees related to share-based compensation, at cost	(0.2)	—	0.2	(12)	—	—	—	(12)
Net income attributable to non-controlling interest	—	—	—	—	—	—	196	196
Distributions and dividends to non-controlling interest	—	—	—	—	—	—	(144)	(144)
Net income	—	—	—	—	—	141	—	141
Balance at March 31, 2019	257.4	1	13.0	(418)	4,063	(4,015)	2,507	2,138
Vesting of restricted stock units	0.1	—	—	—	—	—	—	—
Share-based compensation	—	—	—	—	33	—	—	33
Shares withheld from employees related to share-based compensation, at cost	—	—	—	(2)	—	—	—	(2)
Shares repurchased, at cost	—	—	—	(3)	—	—	—	(3)
Net income attributable to non-controlling interest	—	—	—	—	—	—	116	116
Equity portion of convertible notes, net	—	—	—	—	1	—	—	1
Distributions and dividends to non-controlling interest	—	—	—	—	—	—	(146)	(146)
Net loss	—	—	—	—	—	(114)	—	(114)
Balance at June 30, 2019	257.5	1	13.0	(423)	4,097	(4,129)	2,477	2,023
Vesting of restricted stock units	0.1	—	—	—	—	—	—	—
Share-based compensation	—	—	—	—	33	—	—	33
Shares withheld from employees related to share-based compensation, at cost	(0.1)	—	0.1	(5)	—	—	—	(5)
Shares repurchased, at cost	(2.5)	—	2.5	(156)	—	—	—	(156)
Net income attributable to non-controlling interest	—	—	—	—	—	—	58	58
Distributions and dividends to non-controlling interest	—	—	—	—	—	—	(149)	(149)
Net loss	—	—	—	—	—	(318)	—	(318)
Balance at September 30, 2019	255.0	\$ 1	15.6	\$ (584)	\$ 4,130	\$ (4,447)	\$ 2,386	\$ 1,486

The accompanying notes are an integral part of these consolidated financial statements.

CHENIERE ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY—CONTINUED
(in millions)
(unaudited)

Three and Nine Months Ended September 30, 2018

	Total Stockholders' Equity							
	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Deficit	Non- controlling Interest	Total Equity
	Shares	Par Value Amount	Shares	Amount				
Balance at December 31, 2017	237.6	\$ 1	12.5	\$ (386)	\$ 3,248	\$ (4,627)	\$ 3,004	\$ 1,240
Vesting of restricted stock units	0.3	—	—	—	—	—	—	—
Share-based compensation	—	—	—	—	16	—	—	16
Shares withheld from employees related to share-based compensation, at cost	—	—	0.1	(6)	—	—	—	(6)
Net income attributable to non-controlling interest	—	—	—	—	—	—	243	243
Distributions and dividends to non-controlling interest	—	—	—	—	—	—	(143)	(143)
Net income	—	—	—	—	—	357	—	357
Balance at March 31, 2018	237.9	1	12.6	(392)	3,264	(4,270)	3,104	1,707
Issuance of stock to acquire additional interest in Cheniere Holdings	10.3	—	—	—	376	—	(376)	—
Share-based compensation	—	—	—	—	23	—	—	23
Shares withheld from employees related to share-based compensation, at cost	(0.1)	—	—	(2)	—	—	—	(2)
Net income attributable to non-controlling interest	—	—	—	—	—	—	168	168
Equity portion of convertible notes, net	—	—	—	—	1	—	—	1
Distributions and dividends to non-controlling interest	—	—	—	—	—	—	(145)	(145)
Net loss	—	—	—	—	—	(18)	—	(18)
Balance at June 30, 2018	248.1	1	12.6	(394)	3,664	(4,288)	2,751	1,734
Vesting of restricted stock units	0.1	—	—	—	—	—	—	—
Issuance of stock to acquire additional interest in Cheniere Holdings	8.9	—	—	—	318	—	(326)	(8)
Share-based compensation	—	—	—	—	26	—	—	26
Shares withheld from employees related to share-based compensation, at cost	—	—	—	(2)	—	—	—	(2)
Net income attributable to non-controlling interest	—	—	—	—	—	—	162	162
Equity portion of convertible notes, net	—	—	—	—	1	—	—	1
Distributions and dividends to non-controlling interest	—	—	—	—	—	—	(147)	(147)
Net income	—	—	—	—	—	65	—	65
Balance at September 30, 2018	257.1	\$ 1	12.6	\$ (396)	\$ 4,009	\$ (4,223)	\$ 2,440	\$ 1,831

The accompanying notes are an integral part of these consolidated financial statements.

CHENIERE ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)
(unaudited)

	Nine Months Ended September 30,	
	2019	2018
Cash flows from operating activities		
Net income	\$ 79	\$ 977
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	561	333
Share-based compensation expense	94	89
Non-cash interest expense	122	52
Amortization of debt issuance costs, deferred commitment fees, premium and discount	71	53
Non-cash operating lease costs	251	—
Loss on modification or extinguishment of debt	27	27
Total losses on derivatives, net	22	17
Net cash provided by (used for) settlement of derivative instruments	108	(54)
Impairment expense and loss on disposal of assets	7	8
Loss on equity method investments	88	—
Other	(2)	(5)
Changes in operating assets and liabilities:		
Accounts and other receivables	(5)	114
Inventory	35	(56)
Other current assets	(45)	(35)
Accounts payable and accrued liabilities	(82)	(23)
Deferred revenue	33	8
Operating lease liabilities	(263)	—
Finance lease liabilities	1	—
Other, net	(10)	(1)
Net cash provided by operating activities	1,092	1,504
Cash flows from investing activities		
Property, plant and equipment, net	(2,587)	(2,712)
Investment in equity method investment	(70)	(25)
Other	(1)	15
Net cash used in investing activities	(2,658)	(2,722)
Cash flows from financing activities		
Proceeds from issuances of debt	4,420	3,443
Repayments of debt	(2,237)	(1,385)
Debt issuance and deferred financing costs	(38)	(53)
Debt extinguishment costs	(4)	(16)
Distributions and dividends to non-controlling interest	(439)	(435)
Payments related to tax withholdings for share-based compensation	(19)	(10)
Repurchase of common stock	(159)	—
Other	3	(7)
Net cash provided by financing activities	1,527	1,537
Net increase (decrease) in cash, cash equivalents and restricted cash	(39)	319
Cash, cash equivalents and restricted cash—beginning of period	3,156	2,613
Cash, cash equivalents and restricted cash—end of period	\$ 3,117	\$ 2,932

Balances per Consolidated Balance Sheet:

	September 30, 2019
Cash and cash equivalents	\$ 2,539
Restricted cash	578
Total cash, cash equivalents and restricted cash	\$ 3,117

The accompanying notes are an integral part of these consolidated financial statements.

CHENIERE ENERGY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

NOTE 1—NATURE OF OPERATIONS AND BASIS OF PRESENTATION

We are operating and constructing two natural gas liquefaction and export facilities at Sabine Pass and Corpus Christi. The Sabine Pass LNG terminal is located in Cameron Parish, Louisiana, on the Sabine-Neches Waterway less than four miles from the Gulf Coast. Cheniere Partners, through its subsidiary SPL, is operating and constructing six natural gas liquefaction Trains (the “SPL Project”) at the Sabine Pass LNG terminal adjacent to the existing regasification facilities. Trains 1 through 5 are operational and Train 6 is under construction. The Sabine Pass LNG terminal has operational regasification facilities owned by Cheniere Partners’ wholly owned subsidiary, SPLNG, and a 94-mile pipeline owned by Cheniere Partners’ wholly owned subsidiary, CTPL, that interconnects the Sabine Pass LNG terminal with a number of large interstate pipelines.

The Corpus Christi LNG terminal is located near Corpus Christi, Texas and is operated and constructed by our wholly owned subsidiary CCL. We also operate a 23-mile natural gas supply pipeline that interconnects the Corpus Christi LNG terminal with several interstate and intrastate natural gas pipelines (the “Corpus Christi Pipeline” and together with the liquefaction facilities, the “CCL Project”) through our wholly owned subsidiary CCP. The CCL Project is being constructed in stages with the first phase being three Trains (“Phase 1”). The first stage includes Trains 1 and 2, two LNG storage tanks, one complete marine berth and a second partial berth and all of the CCL Project’s necessary infrastructure facilities (“Stage 1”). The second stage includes Train 3, one LNG storage tank and the completion of the second partial berth (“Stage 2”). Trains 1 and 2 are operational and Train 3 is under construction.

Additionally, separate from the CCH Group, we are developing an expansion of the Corpus Christi LNG terminal adjacent to the CCL Project (“Corpus Christi Stage 3”) and filed an application with FERC in June 2018 for seven midscale Trains with an expected aggregate nominal production capacity of approximately 9.5 mtpa and one LNG storage tank.

We remain focused on expansion of our existing sites by leveraging existing infrastructure. We continue to consider development of other projects, including infrastructure projects in support of natural gas supply and LNG demand, which, among other things, will require acceptable commercial and financing arrangements before we make a final investment decision (“FID”).

Basis of Presentation

The accompanying unaudited Consolidated Financial Statements of Cheniere have been prepared in accordance with GAAP for interim financial information and with Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements and should be read in conjunction with the Consolidated Financial Statements and accompanying notes included in our [annual report on Form 10-K for the year ended December 31, 2018](#). In our opinion, all adjustments, consisting only of normal recurring adjustments necessary for a fair presentation, have been included.

Results of operations for the three and nine months ended September 30, 2019 are not necessarily indicative of the results of operations that will be realized for the year ending December 31, 2019.

Recent Accounting Standards

We adopted ASU 2016-02, *Leases (Topic 842)*, and subsequent amendments thereto (“ASC 842”) on January 1, 2019 using the optional transition approach to apply the standard at the beginning of the first quarter of 2019 with no retrospective adjustments to prior periods. The adoption of the standard resulted in the recognition of right-of-use assets and lease liabilities for operating leases of approximately \$550 million on our Consolidated Balance Sheets, with no material impact on our Consolidated Statements of Operations or Consolidated Statements of Cash Flows. We have elected the practical expedients to (1) carryforward prior conclusions related to lease identification and classification for existing leases, (2) combine lease and non-lease components of an arrangement for all classes of leased assets, (3) omit short-term leases with a term of 12 months or less from recognition on the balance sheet and (4) carryforward our existing accounting for land easements not previously accounted for as leases. See [Note 11—Leases](#) for additional information on our leases following the adoption of this standard.

CHENIERE ENERGY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—CONTINUED
(unaudited)

NOTE 2—RESTRICTED CASH

Restricted cash consists of funds that are contractually or legally restricted as to usage or withdrawal and have been presented separately from cash and cash equivalents on our Consolidated Balance Sheets. As of September 30, 2019 and December 31, 2018, restricted cash consisted of the following (in millions):

	September 30, 2019	December 31, 2018
Current restricted cash		
SPL Project	\$ 185	\$ 756
Cheniere Partners and cash held by guarantor subsidiaries	—	785
CCL Project	132	289
Cash held by our subsidiaries restricted to Cheniere	261	345
Total current restricted cash	<u>\$ 578</u>	<u>\$ 2,175</u>

Pursuant to the accounts agreements entered into with the collateral trustees for the benefit of SPL's debt holders and CCH's debt holders, SPL and CCH are required to deposit all cash received into reserve accounts controlled by the collateral trustees. The usage or withdrawal of such cash is restricted to the payment of liabilities related to the SPL Project and the CCL Project (collectively, the "Liquefaction Projects") and other restricted payments.

The cash held by Cheniere Partners and its guarantor subsidiaries was restricted in use under the terms of the previous \$2.8 billion credit facilities (the "2016 CQP Credit Facilities") and the related depositary agreement governing the extension of credit to Cheniere Partners, but is no longer restricted following the termination of the 2016 CQP Credit Facilities.

NOTE 3—ACCOUNTS AND OTHER RECEIVABLES

As of September 30, 2019 and December 31, 2018, accounts and other receivables consisted of the following (in millions):

	September 30, 2019	December 31, 2018
Trade receivables		
SPL and CCL	\$ 285	\$ 330
Cheniere Marketing	173	205
Other accounts receivable	49	50
Total accounts and other receivables	<u>\$ 507</u>	<u>\$ 585</u>

NOTE 4—INVENTORY

As of September 30, 2019 and December 31, 2018, inventory consisted of the following (in millions):

	September 30, 2019	December 31, 2018
Natural gas	\$ 20	\$ 30
LNG	51	24
LNG in-transit	83	173
Materials and other	134	89
Total inventory	<u>\$ 288</u>	<u>\$ 316</u>

CHENIERE ENERGY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—CONTINUED
(unaudited)

NOTE 5—PROPERTY, PLANT AND EQUIPMENT

As of September 30, 2019 and December 31, 2018, property, plant and equipment, net consisted of the following (in millions):

	September 30, 2019	December 31, 2018
LNG terminal costs		
LNG terminal and interconnecting pipeline facilities	\$ 27,224	\$ 13,386
LNG site and related costs	322	86
LNG terminal construction-in-process	3,576	14,864
Accumulated depreciation	(1,827)	(1,299)
Total LNG terminal costs, net	29,295	27,037
Fixed assets and other		
Computer and office equipment	23	17
Furniture and fixtures	22	22
Computer software	106	100
Leasehold improvements	42	41
Land	59	59
Other	20	21
Accumulated depreciation	(134)	(111)
Total fixed assets and other, net	138	149
Assets under finance lease		
Tug vessels	60	60
Accumulated depreciation	(3)	(1)
Total assets under finance lease, net	57	59
Property, plant and equipment, net	\$ 29,490	\$ 27,245

Depreciation expense was \$211 million and \$112 million during the three months ended September 30, 2019 and 2018, respectively, and \$557 million and \$331 million during the nine months ended September 30, 2019 and 2018, respectively.

We realize offsets to LNG terminal costs for sales of commissioning cargoes that were earned or loaded prior to the start of commercial operations of the respective Train during the testing phase for its construction. We realized offsets to LNG terminal costs of \$99 million and \$301 million during the three and nine months ended September 30, 2019, respectively, for sales of commissioning cargoes from the Liquefaction Projects. We did not realize any offsets to LNG terminal costs during the three and nine months ended September 30, 2018.

NOTE 6—DERIVATIVE INSTRUMENTS

We have entered into the following derivative instruments that are reported at fair value:

- interest rate swaps to hedge the exposure to volatility in a portion of the floating-rate interest payments under CCH's credit facilities("CCH Interest Rate Derivatives") and to hedge against changes in interest rates that could impact anticipated future issuance of debt by CCH("CCH Interest Rate Forward Start Derivatives");
- commodity derivatives consisting of natural gas supply contracts for the commissioning and operation of the SPL Project, CCL Project and potential future development of Corpus Christi Stage 3 ("Physical Liquefaction Supply Derivatives") and associated economic hedges (collectively, the "Liquefaction Supply Derivatives");
- financial derivatives to hedge the exposure to the commodity markets in which we have contractual arrangements to purchase or sell physical LNG("LNG Trading Derivatives"); and
- foreign currency exchange ("FX") contracts to hedge exposure to currency risk associated with both LNG Trading Derivatives and operations in countries outside of the United States ("FX Derivatives").

We recognize our derivative instruments as either assets or liabilities and measure those instruments at fair value. None of our derivative instruments are designated as cash flow or fair value hedging instruments, and changes in fair value are recorded within our Consolidated Statements of Operations to the extent not utilized for the commissioning process.

CHENIERE ENERGY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—CONTINUED
(unaudited)

The following table shows the fair value of our derivative instruments that are required to be measured at fair value on a recurring basis as of September 30, 2019 and December 31, 2018, which are classified as derivative assets, non-current derivative assets, derivative liabilities or non-current derivative liabilities in our Consolidated Balance Sheets (in millions):

	Fair Value Measurements as of							
	September 30, 2019				December 31, 2018			
	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
CCH Interest Rate Derivatives asset (liability)	\$ —	\$ (104)	\$ —	\$ (104)	\$ —	\$ 18	\$ —	\$ 18
CCH Interest Rate Forward Start Derivatives liability	—	(68)	—	(68)	—	—	—	—
Liquefaction Supply Derivatives asset (liability)	(11)	(10)	(31)	(52)	6	(19)	(29)	(42)
LNG Trading Derivatives asset (liability)	(8)	32	—	24	1	(25)	—	(24)
FX Derivatives asset	—	37	—	37	—	15	—	15

We value our CCH Interest Rate Derivatives and CCH Interest Rate Forward Start Derivatives using an income-based approach utilizing observable inputs to the valuation model including interest rate curves, risk adjusted discount rates, credit spreads and other relevant data. We value our LNG Trading Derivatives and our Liquefaction Supply Derivatives using a market or option-based approach incorporating present value techniques, as needed, using observable commodity price curves, when available, and other relevant data. We value our FX Derivatives with a market approach using observable FX rates and other relevant data.

The fair value of our Physical Liquefaction Supply Derivatives is predominantly driven by observable and unobservable market commodity prices and, as applicable to our natural gas supply contracts, our assessment of the associated events deriving fair value, including evaluating whether the respective market is available as pipeline infrastructure is developed. The fair value of our Physical Liquefaction Supply Derivatives incorporates risk premiums related to the satisfaction of conditions precedent, such as completion and placement into service of relevant pipeline infrastructure to accommodate marketable physical gas flow. As of September 30, 2019 and December 31, 2018, some of our Physical Liquefaction Supply Derivatives existed within markets for which the pipeline infrastructure was under development to accommodate marketable physical gas flow.

We include a portion of our Physical Liquefaction Supply Derivatives as Level 3 within the valuation hierarchy as the fair value is developed through the use of internal models which incorporate significant unobservable inputs. In instances where observable data is unavailable, consideration is given to the assumptions that market participants would use in valuing the asset or liability. This includes assumptions about market risks, such as future prices of energy units for unobservable periods, liquidity, volatility and contract duration.

The Level 3 fair value measurements of natural gas positions within our Physical Liquefaction Supply Derivatives could be materially impacted by a significant change in certain natural gas and international LNG prices. The following table includes quantitative information for the unobservable inputs for our Level 3 Physical Liquefaction Supply Derivatives as of September 30, 2019:

	Net Fair Value Liability (in millions)	Valuation Approach	Significant Unobservable Input	Significant Unobservable Inputs Range
Physical Liquefaction Supply Derivatives	\$(31)	Market approach incorporating present value techniques	Henry Hub basis spread	\$(0.708) - \$0.056
		Option pricing model	International LNG pricing spread, relative to Henry Hub (1)	105% - 199%

(1) Spread contemplates U.S. dollar-denominated pricing.

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Increases or decreases in basis or pricing spreads, in isolation, would decrease or increase, respectively, the fair value of our Physical Liquefaction Supply Derivatives.

The following table shows the changes in the fair value of our Level 3 Physical Liquefaction Supply Derivatives during the three and nine months ended September 30, 2019 and 2018 (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Balance, beginning of period	\$ 89	\$ 12	\$ (29)	\$ 43
Realized and mark-to-market gains (losses):				
Included in cost of sales	(137)	5	(139)	(4)
Purchases and settlements:				
Purchases	17	9	93	14
Settlements	—	1	44	(27)
Transfers out of Level 3 (1)	—	(1)	—	—
Balance, end of period	\$ (31)	\$ 26	\$ (31)	\$ 26
Change in unrealized gains (losses) relating to instruments still held at end of period	\$ (137)	\$ 5	\$ (139)	\$ (4)

(1) Transferred to Level 2 as a result of observable market for the underlying natural gas purchase agreements.

Derivative assets and liabilities arising from our derivative contracts with the same counterparty are reported on a net basis, as all counterparty derivative contracts provide for the unconditional right of set-off in the event of default. The use of derivative instruments exposes us to counterparty credit risk, or the risk that a counterparty will be unable to meet its commitments in instances when our derivative instruments are in an asset position. Additionally, counterparties are at risk that we will be unable to meet our commitments in instances where our derivative instruments are in a liability position. We incorporate both our own nonperformance risk and the respective counterparty's nonperformance risk in fair value measurements. In adjusting the fair value of our derivative contracts for the effect of nonperformance risk, we have considered the impact of netting and any applicable credit enhancements, such as collateral postings, set-off rights and guarantees.

Interest Rate Derivatives

During the nine months ended September 30, 2019, there were no changes to the terms of the CCH Interest Rate Derivatives entered into by CCH to protect against volatility of future cash flows and hedge a portion of the variable interest payments on its credit facility (the "CCH Credit Facility").

In June and July of 2019, we entered into CCH Interest Rate Forward Start Derivatives to hedge against changes in interest rates that could impact anticipated future issuance of debt by CCH, which is anticipated by the end of 2020.

Cheniere Partners previously had interest rate swaps ("CQP Interest Rate Derivatives" and, collectively with the CCH Interest Rate Derivatives and the CCH Interest Rate Forward Start Derivatives, the "Interest Rate Derivatives") to hedge a portion of the variable interest payments on its credit facilities, which were terminated in October 2018.

As of September 30, 2019, we had the following Interest Rate Derivatives outstanding:

	Initial Notional Amount	Maximum Notional Amount	Effective Date	Maturity Date	Weighted Average Fixed Interest Rate Paid	Variable Interest Rate Received
CCH Interest Rate Derivatives	\$29 million	\$4.7 billion	May 20, 2015	May 31, 2022	2.30%	One-month LIBOR
CCH Interest Rate Forward Start Derivatives	\$1.5 billion	\$1.5 billion	June 30, 2020	December 31, 2030	2.08%	Three-month LIBOR

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The following table shows the fair value and location of the Interest Rate Derivatives on our Consolidated Balance Sheets (in millions):

Consolidated Balance Sheet Location	September 30, 2019			December 31, 2018		
	CCH Interest Rate Derivatives	CCH Interest Rate Forward Start Derivatives	Total	CCH Interest Rate Derivatives	CCH Interest Rate Forward Start Derivatives	Total
Derivative assets	\$ —	\$ —	\$ —	\$ 10	\$ —	\$ 10
Non-current derivative assets	—	—	—	8	—	8
Total derivative assets	—	—	—	18	—	18
Derivative liabilities	(30)	(46)	(76)	—	—	—
Non-current derivative liabilities	(74)	(22)	(96)	—	—	—
Total derivative liabilities	(104)	(68)	(172)	—	—	—
Derivative asset (liability), net	\$ (104)	\$ (68)	\$ (172)	\$ 18	\$ —	\$ 18

The following table shows the changes in the fair value and settlements of our Interest Rate Derivatives recorded in derivative gain (loss), net on our Consolidated Statements of Operations during the three and nine months ended September 30, 2019 and 2018 (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
CCH Interest Rate Derivatives gain (loss)	\$ (17)	\$ 21	\$ (119)	\$ 119
CCH Interest Rate Forward Start Derivatives loss	(61)	—	(68)	—
CQP Interest Rate Derivatives gain	—	2	—	13

Commodity Derivatives

SPL, CCL and CCL Stage III have entered into physical natural gas supply contracts and associated economic hedges to purchase natural gas for the commissioning and operation of the SPL Project, the CCL Project and potential future development of Corpus Christi Stage 3, respectively, which are primarily indexed to the natural gas market and international LNG indices. The terms of the index-based physical natural gas supply contracts range up to approximately 15 years, some of which commence upon the satisfaction of certain events or states of affairs.

We have entered into, and may from time to time enter into, financial LNG Trading Derivatives in the form of swaps, forwards, options or futures to economically hedge exposure to the commodity markets in which we have contractual arrangements to purchase or sell physical LNG. We have entered into LNG Trading Derivatives to secure a fixed price position to minimize future cash flow variability associated with LNG purchase and sale transactions.

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The following table shows the fair value and location of our Liquefaction Supply Derivatives and LNG Trading Derivatives (collectively, “Commodity Derivatives”) on our Consolidated Balance Sheets (in millions, except notional amount):

Consolidated Balance Sheet Location	September 30, 2019			December 31, 2018		
	Liquefaction Supply Derivatives (1)	LNG Trading Derivatives (2)	Total	Liquefaction Supply Derivatives (1)	LNG Trading Derivatives (2)	Total
Derivative assets	\$ 27	\$ 78	\$ 105	\$ 13	\$ 24	\$ 37
Non-current derivative assets	120	1	121	46	—	46
Total derivative assets	147	79	226	59	24	83
Derivative liabilities	(52)	(53)	(105)	(79)	(48)	(127)
Non-current derivative liabilities	(147)	(2)	(149)	(22)	—	(22)
Total derivative liabilities	(199)	(55)	(254)	(101)	(48)	(149)
Derivative asset (liability), net	\$ (52)	\$ 24	\$ (28)	\$ (42)	\$ (24)	\$ (66)
Notional amount, net (in TBtu) (3)	9,455	25		5,832	12	

- (1) Does not include collateral calls of \$20 million and \$5 million for such contracts, which are included in other current assets in our Consolidated Balance Sheets as of September 30, 2019 and December 31, 2018, respectively. Includes derivative assets of \$0.1 million and \$2 million and non-current assets of \$1 million and \$3 million as of September 30, 2019 and December 31, 2018, respectively, for a natural gas supply contract CCL has with a related party.
- (2) Does not include collateral of \$20 million and \$9 million deposited for such contracts, which are included in other current assets in our Consolidated Balance Sheets as of September 30, 2019 and December 31, 2018, respectively.
- (3) SPL had secured up to approximately 4,108 TBtu and 3,464 TBtu as of September 30, 2019 and December 31, 2018, respectively. CCL had secured up to approximately 3,065 TBtu and 2,801 TBtu of natural gas feedstock through natural gas supply contracts as of September 30, 2019 and December 31, 2018, respectively, of which 122 TBtu and 55 TBtu, respectively, were for a natural gas supply contract CCL has with a related party. CCL Stage III had secured up to approximately 2,361 TBtu of natural gas feedstock through natural gas supply contracts as of September 30, 2019.

The following table shows the changes in the fair value, settlements and location of our Commodity Derivatives recorded on our Consolidated Statements of Operations during the three and nine months ended September 30, 2019 and 2018 (in millions):

Consolidated Statements of Operations Location (1)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
LNG Trading Derivatives gain (loss)	\$ 22	\$ (58)	\$ 180	\$ (128)
LNG Trading Derivatives loss	(17)	—	(68)	—
Liquefaction Supply Derivatives gain (2)	—	—	1	—
Liquefaction Supply Derivatives gain (loss) (2)(3)	(139)	21	—	(32)

- (1) Fair value fluctuations associated with commodity derivative activities are classified and presented consistently with the item economically hedged and the nature and intent of the derivative instrument.
- (2) Does not include the realized value associated with derivative instruments that settle through physical delivery.
- (3) Includes \$23 million and \$59 million that CCL recorded in cost of sales under a natural gas supply contract with a related party during the three and nine months ended September 30, 2019, respectively. Of this amount, \$1 million was included in accrued liabilities as of September 30, 2019. CCL did not have any transactions during the three and nine months ended September 30, 2018 under this contract.

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FX Derivatives

The following table shows the fair value and location of our FX Derivatives on our Consolidated Balance Sheets (in millions):

	Consolidated Balance Sheet Location	Fair Value Measurements as of	
		September 30, 2019	December 31, 2018
FX Derivatives	Derivative assets	\$ 35	\$ 16
FX Derivatives	Non-current derivative assets	2	—
FX Derivatives	Derivative liabilities	—	(1)

The total notional amount of our FX Derivatives was \$745 million and \$379 million as of September 30, 2019 and December 31, 2018, respectively.

The following table shows the changes in the fair value, settlements and location of our FX Derivatives recorded on our Consolidated Statements of Operations during the three and nine months ended September 30, 2019 and 2018 (in millions):

	Consolidated Statements of Operations Location	Three Months Ended September 30,		Nine Months Ended September 30,	
		2019	2018	2019	2018
FX Derivatives gain	LNG revenues	\$ 43	\$ 1	\$ 52	\$ 11

Consolidated Balance Sheet Presentation

Our derivative instruments are presented on a net basis on our Consolidated Balance Sheets as described above. The following table shows the fair value of our derivatives outstanding on a gross and net basis (in millions):

Offsetting Derivative Assets (Liabilities)	Gross Amounts Recognized	Gross Amounts Offset in the Consolidated Balance Sheets	Net Amounts Presented in the Consolidated Balance Sheets
As of September 30, 2019			
CCH Interest Rate Derivatives	\$ (104)	\$ —	\$ (104)
CCH Interest Rate Forward Start Derivatives	(68)	—	(68)
Liquefaction Supply Derivatives	175	(28)	147
Liquefaction Supply Derivatives	(208)	9	(199)
LNG Trading Derivatives	84	(5)	79
LNG Trading Derivatives	(56)	1	(55)
FX Derivatives	45	(8)	37
As of December 31, 2018			
CCH Interest Rate Derivatives	\$ 19	\$ (1)	\$ 18
Liquefaction Supply Derivatives	95	(36)	59
Liquefaction Supply Derivatives	(121)	20	(101)
LNG Trading Derivatives	112	(88)	24
LNG Trading Derivatives	(92)	44	(48)
FX Derivatives	30	(14)	16
FX Derivatives	(2)	1	(1)

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NOTE 7—OTHER NON-CURRENT ASSETS

As of September 30, 2019 and December 31, 2018, other non-current assets, net consisted of the following (in millions):

	September 30, 2019	December 31, 2018
Advances made to municipalities for water system enhancements	\$ 88	\$ 90
Advances and other asset conveyances to third parties to support LNG terminals	54	54
Tax-related payments and receivables	20	21
Equity method investments	73	94
Advances made under EPC and non-EPC contracts	5	14
Other	47	32
Total other non-current assets, net	<u>\$ 287</u>	<u>\$ 305</u>

Equity Method Investments

Our equity method investments consist of interests in privately-held companies. In 2017, we acquired an equity interest in Midship Holdings, LLC (“Midship Holdings”), which manages the business and affairs of Midship Pipeline Company, LLC (“Midship Pipeline”). Midship Pipeline is currently constructing an approximately 200-mile natural gas pipeline project (the “Midship Project”) that connects production in the Anadarko Basin to Gulf Coast markets. Construction of the Midship Project commenced in the first quarter of 2019.

Subsequent to Midship Project obtaining its financing in the form of credit facilities, in conjunction with existing equity, Midship Holdings was designed to finance its activities without additional subordinated financial support. As a result, Midship Holdings is no longer a variable interest entity. We continue to report Midship Holdings as an equity method investment due to our ability to exercise significant influence over the operating and financial policies of Midship Holdings through our non-controlling voting rights on its board of managers.

During the three and nine months ended September 30, 2019, we recognized impairment losses of \$87 million relating to our investments in certain equity method investees, including Midship Holdings. Impairments were precipitated primarily by cost overruns and extended construction timelines for operating infrastructure of our investees’ projects, resulting in a reduction of the expected fair value of our equity interests. Impairment losses associated with our equity method investments are presented in other expense (income).

Our investment in Midship Holdings was \$70 million, net of impairment losses, and \$85 million at September 30, 2019 and December 31, 2018, respectively.

Cheniere LNG O&M Services, LLC (“O&M Services”), our wholly owned subsidiary, provides the development, construction, operation and maintenance services associated with the Midship Project pursuant to agreements in which O&M Services receives an agreed upon fee and reimbursement of costs incurred. O&M Services recorded \$2 million and \$4 million in the three months ended September 30, 2019 and 2018, respectively, and \$9 million and \$8 million in the nine months ended September 30, 2019 and 2018, respectively, of other revenues and \$2 million and \$4 million of accounts receivable as of September 30, 2019 and December 31, 2018, respectively, for services provided to Midship Pipeline under these agreements. CCL has entered into a transportation precedent agreement and a negotiated rate agreement with Midship Pipeline to secure firm pipeline transportation capacity for a period of 10 years following commencement of the Midship Project. In May 2018, CCL issued a letter of credit to Midship Pipeline for drawings up to an aggregate maximum amount of \$16 million. Midship Pipeline had not made any drawings on this letter of credit as of September 30, 2019.

NOTE 8—NON-CONTROLLING INTEREST AND VARIABLE INTEREST ENTITY

We own a 48.6% limited partner interest in Cheniere Partners in the form of 104.5 million common units and 135.4 million subordinated units, with the remaining non-controlling interest held by Blackstone CQP Holdco LP and the public. We also own 100% of the general partner interest and the incentive distribution rights in Cheniere Partners. Cheniere Partners is accounted for as a consolidated variable interest entity. See [Note 10—Variable Interest Entities](#) of our Notes to Consolidated Financial Statements in our annual report on Form 10-K for the year ended December 31, 2018 for further information.

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The following table presents the summarized assets and liabilities (in millions) of Cheniere Partners, our consolidated VIE, which are included in our Consolidated Balance Sheets. The assets in the table below may only be used to settle obligations of Cheniere Partners. In addition, there is no recourse to us for the consolidated VIE's liabilities. The assets and liabilities in the table below include third-party assets and liabilities of Cheniere Partners only and exclude intercompany balances that eliminate in consolidation.

	September 30, 2019	December 31, 2018
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,707	\$ —
Restricted cash	185	1,541
Accounts and other receivables	277	348
Other current assets	176	125
Total current assets	2,345	2,014
Property, plant and equipment, net	16,338	15,390
Other non-current assets, net	294	228
Total assets	<u>\$ 18,977</u>	<u>\$ 17,632</u>
LIABILITIES		
Current liabilities		
Accrued liabilities	\$ 657	\$ 821
Other current liabilities	221	197
Total current liabilities	878	1,018
Long-term debt, net	17,571	16,066
Other non-current liabilities	120	18
Total liabilities	<u>\$ 18,569</u>	<u>\$ 17,102</u>

NOTE 9—ACCRUED LIABILITIES

As of September 30, 2019 and December 31, 2018, accrued liabilities consisted of the following (in millions):

	September 30, 2019	December 31, 2018
Interest costs and related debt fees	\$ 318	\$ 233
Accrued natural gas purchases	385	610
LNG terminals and related pipeline costs	329	125
Compensation and benefits	83	117
Accrued LNG inventory	3	14
Other accrued liabilities	81	70
Total accrued liabilities	<u>\$ 1,199</u>	<u>\$ 1,169</u>

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NOTE 10—DEBT

As of September 30, 2019 and December 31, 2018, our debt consisted of the following (in millions):

	September 30, 2019	December 31, 2018
Long-term debt:		
<i>SPL</i>		
5.625% Senior Secured Notes due 2021 (“2021 SPL Senior Notes”)	\$ 2,000	\$ 2,000
6.25% Senior Secured Notes due 2022 (“2022 SPL Senior Notes”)	1,000	1,000
5.625% Senior Secured Notes due 2023 (“2023 SPL Senior Notes”)	1,500	1,500
5.75% Senior Secured Notes due 2024 (“2024 SPL Senior Notes”)	2,000	2,000
5.625% Senior Secured Notes due 2025 (“2025 SPL Senior Notes”)	2,000	2,000
5.875% Senior Secured Notes due 2026 (“2026 SPL Senior Notes”)	1,500	1,500
5.00% Senior Secured Notes due 2027 (“2027 SPL Senior Notes”)	1,500	1,500
4.200% Senior Secured Notes due 2028 (“2028 SPL Senior Notes”)	1,350	1,350
5.00% Senior Secured Notes due 2037 (“2037 SPL Senior Notes”)	800	800
<i>Cheniere Partners</i>		
5.250% Senior Notes due 2025 (“2025 CQP Senior Notes”)	1,500	1,500
5.625% Senior Notes due 2026 (“2026 CQP Senior Notes”)	1,100	1,100
4.500% Senior Notes due 2029 (“2029 CQP Senior Notes”)	1,500	—
2016 CQP Credit Facilities	—	—
CQP Credit Facilities executed in 2019 (“2019 CQP Credit Facilities”)	—	—
<i>CCH</i>		
7.000% Senior Secured Notes due 2024 (“2024 CCH Senior Notes”)	1,250	1,250
5.875% Senior Secured Notes due 2025 (“2025 CCH Senior Notes”)	1,500	1,500
5.125% Senior Secured Notes due 2027 (“2027 CCH Senior Notes”)	1,500	1,500
4.80% Senior Secured Notes due 2039 (“4.80% CCH Senior Notes”)	727	—
CCH Credit Facility	5,341	5,156
<i>CCH HoldCo II</i>		
11.0% Convertible Senior Secured Notes due 2025 (“2025 CCH HoldCo II Convertible Senior Notes”)	1,578	1,455
<i>Cheniere</i>		
4.875% Convertible Unsecured Notes due 2021 (“2021 Cheniere Convertible Unsecured Notes”)	1,247	1,218
4.25% Convertible Senior Notes due 2045 (“2045 Cheniere Convertible Senior Notes”)	625	625
\$1.25 billion Cheniere Revolving Credit Facility (“Cheniere Revolving Credit Facility”)	—	—
Unamortized premium, discount and debt issuance costs, net	(723)	(775)
Total long-term debt, net	30,795	28,179
Current debt:		
\$1.2 billion SPL Working Capital Facility (“SPL Working Capital Facility”)	—	—
\$1.2 billion CCH Working Capital Facility (“CCH Working Capital Facility”)	—	168
Cheniere Marketing trade finance facilities	11	71
Total current debt	11	239
Total debt, net	\$ 30,806	\$ 28,418

2019 Debt Issuances and Terminations

4.80% CCH Senior Notes

In September 2019, CCH issued an aggregate principal amount of \$727 million of the 4.80% CCH Senior Notes in a private placement conducted pursuant to Section 4(a)(2) of the Securities Act. The 4.80% CCH Senior Notes were issued under an indenture dated as of September 27, 2019 (the “2019 CCH Indenture”) pursuant to a note purchase agreement with the purchasers party thereto and Allianz Global Investors GmbH, as noteholder consultant, originally entered into in June 2019. The 4.80% CCH Senior Notes are jointly and severally guaranteed by each of CCH’s subsidiaries CCL, CCP and Corpus Christi Pipeline GP, LLC

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(each a “CCH Guarantor” and collectively, the “CCH Guarantors”). The proceeds of the notes were used to prepay a portion of the outstanding balance of the CCH Credit Facility, resulting in the recognition of debt extinguishment costs of \$13 million for the three and nine months ended September 30, 2019 relating to the write off of unamortized debt discounts and issuance costs. The 4.80% CCH Senior Notes accrue interest at a fixed rate of 4.80% per annum and are fully amortizing according to a fixed sculpted amortization schedule with semi-annual payments of interest starting December 2019 and semi-annual payments of principal starting June 2027. The 4.80% CCH Senior Notes have a weighted average life of 15 years.

The 4.80% CCH Senior Notes are CCH’s senior secured obligation, ranking senior in right of payment to any and all of CCH’s future indebtedness that is subordinated to the 4.80% CCH Senior Notes and equal in right of payment with CCH’s other existing and future indebtedness that is senior and secured by the same collateral securing the 4.80% CCH Senior Notes. The 4.80% CCH Senior Notes are secured by a first-priority security interest in substantially all of CCH’s and the CCH Guarantors’ assets.

At any time prior to June 30, 2039, CCH may redeem all or a part of the 4.80% CCH Senior Notes at a redemption price equal to the “make-whole” price set forth in the 2019 CCH Indenture, plus accrued and unpaid interest, if any, to the date of redemption. CCH also may at any time on or after June 30, 2039, redeem the 4.80% CCH Senior Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the 4.80% CCH Senior Notes to be redeemed, plus accrued and unpaid interest, if any, to the date of redemption.

The 2019 CCH Indenture contains customary terms and events of default and certain covenants that, among other things, limit CCH’s ability and the ability of CCH’s restricted subsidiaries to incur additional indebtedness or issue preferred stock, make certain investments or pay dividends or distributions on membership interests or subordinated indebtedness or purchase, redeem or retire membership interests, sell or transfer assets, including membership or partnership interests of CCH’s restricted subsidiaries, restrict dividends or other payments by restricted subsidiaries to CCH or any of CCH’s restricted subsidiaries, incur liens, enter into transactions with affiliates, dissolve, liquidate, consolidate, merge, sell or lease all or substantially all of the properties or assets of CCH and its restricted subsidiaries taken as a whole or permit any CCH Guarantor to dissolve, liquidate, consolidate, merge, sell or lease all or substantially all of its properties and assets. The 2019 CCH Indenture covenants are subject to a number of important limitations and exceptions.

2029 CQP Senior Notes

In September 2019, Cheniere Partners issued an aggregate principal amount of \$1.5 billion of the 2029 CQP Senior Notes, which are jointly and severally guaranteed by each of Cheniere Partners’ subsidiaries other than SPL and, subject to certain conditions governing its guarantee, Sabine Pass LP (the “CQP Guarantors”). The proceeds of the offering were used to prepay the outstanding balance of the \$750 million term loan under the 2019 CQP Credit Facilities (“CQP Term Facility”) and for general corporate purposes, including funding future capital expenditures in connection with the construction of Train 6 at the SPL Project, resulting in the recognition of debt modification and extinguishment costs of \$13 million for the three and nine months ended September 30, 2019. As of September 30, 2019, only the \$750 million revolving credit facility (“CQP Revolving Facility”), all of which is undrawn, remains as part of the 2019 CQP Credit Facilities.

Borrowings under the 2029 CQP Senior Notes accrue interest at a fixed rate of 4.500% per annum, and interest on the 2029 CQP Senior Notes is payable semi-annually in cash in arrears. The 2029 CQP Senior Notes are governed by the same base indenture as the 2025 CQP Senior Notes and the 2026 CQP Senior Notes (the “CQP Base Indenture”) and are further governed by the Third Supplemental Indenture (together with the CQP Base Indenture, the “2029 CQP Notes Indenture”), which contains customary terms and events of default and certain covenants that, among other things, limit the ability of Cheniere Partners and the CQP Guarantors to incur liens and sell assets, enter into transactions with affiliates, enter into sale-leaseback transactions and consolidate, merge or sell, lease or otherwise dispose of all or substantially all of the applicable entity’s properties or assets.

At any time prior to October 1, 2024, Cheniere Partners may redeem all or a part of the 2029 CQP Senior Notes at a redemption price equal to 100% of the aggregate principal amount of the 2029 CQP Senior Notes redeemed, plus the “applicable premium” set forth in the 2029 CQP Notes Indenture, plus accrued and unpaid interest, if any, to the date of redemption. In addition, at any time prior to October 1, 2022, Cheniere Partners may redeem up to 35% of the aggregate principal amount of the 2029 CQP Senior Notes with an amount of cash not greater than the net cash proceeds from certain equity offerings at a redemption price equal to 104.5% of the aggregate principal amount of the 2029 CQP Senior Notes redeemed, plus accrued and unpaid interest, if any, to the date of redemption. At any time on or after October 1, 2024 through the maturity date of October 1, 2029, Cheniere

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Partners may redeem the 2029 CQP Senior Notes, in whole or in part, at the redemption prices set forth in the 2029 CQP Notes Indenture.

The 2025 CQP Senior Notes, the 2026 CQP Senior Notes and the 2029 CQP Senior Notes (collectively, the “CQP Senior Notes”) are Cheniere Partners’ senior obligations, ranking equally in right of payment with Cheniere Partners’ other existing and future unsubordinated debt and senior to any of its future subordinated debt. In the event that the aggregate amount of Cheniere Partners’ secured indebtedness and the secured indebtedness of the CQP Guarantors (other than the CQP Senior Notes or any other series of notes issued under the CQP Base Indenture) outstanding at any one time exceeds the greater of (1) \$1.5 billion and (2) 10% of net tangible assets, the CQP Senior Notes will be secured to the same extent as such obligations under the 2019 CQP Credit Facilities. The obligations under the 2019 CQP Credit Facilities are secured on a first-priority basis (subject to permitted encumbrances) with liens on (1) substantially all the existing and future tangible and intangible assets and rights of Cheniere Partners and the CQP Guarantors and equity interests in the CQP Guarantors (except, in each case, for certain excluded properties set forth in the 2019 CQP Credit Facilities) and (2) substantially all of the real property of SPLNG (except for excluded properties referenced in the 2019 CQP Credit Facilities). The liens securing the CQP Senior Notes, if applicable, will be shared equally and ratably (subject to permitted liens) with the holders of other senior secured obligations, which include the 2019 CQP Credit Facilities obligations and any future additional senior secured debt obligations.

In connection with the closing of the 2029 CQP Senior Notes offering, Cheniere Partners and the CQP Guarantors entered into a registration rights agreement (the “CQP Registration Rights Agreement”). Under the CQP Registration Rights Agreement, Cheniere Partners and the CQP Guarantors have agreed to file with the SEC and cause to become effective a registration statement relating to an offer to exchange any and all of the 2029 CQP Senior Notes for a like aggregate principal amount of debt securities of Cheniere Partners with terms identical in all material respects to the 2029 CQP Senior Notes sought to be exchanged (other than with respect to restrictions on transfer or to any increase in annual interest rate), within 360 days after the notes issuance date of September 12, 2019. Under specified circumstances, Cheniere Partners and the CQP Guarantors have also agreed to cause to become effective a shelf registration statement relating to resales of the 2029 CQP Senior Notes. Cheniere Partners will be obligated to pay additional interest on the 2029 CQP Senior Notes if it fails to comply with its obligation to register the 2029 CQP Senior Notes within the specified time period.

2016 CQP Credit Facilities

In May 2019, the remaining commitments under the 2016 CQP Credit Facilities were terminated. There were no write-offs of debt issuance costs associated with the termination of the 2016 CQP Credit Facilities.

2019 CQP Credit Facilities

In May 2019, Cheniere Partners entered into the 2019 CQP Credit Facilities, which consisted of the \$750 million CQP Term Facility, which was prepaid and terminated upon issuance of the 2029 CQP Senior Notes in September 2019, and the \$750 million CQP Revolving Facility. Borrowings under the 2019 CQP Credit Facilities will be used to fund the development and construction of Train 6 of the SPL Project and for general corporate purposes, subject to a sublimit, and the 2019 CQP Credit Facilities are also available for the issuance of letters of credit.

Loans under the 2019 CQP Credit Facilities accrue interest at a variable rate per annum equal to LIBOR or the base rate (equal to the highest of the prime rate, the federal funds effective rate, as published by the Federal Reserve Bank of New York, plus 0.50%, and the adjusted one-month LIBOR plus 1.0%), plus the applicable margin. Under the CQP Term Facility, the applicable margin for LIBOR loans was 1.50% per annum, and the applicable margin for base rate loans was 0.50% per annum. Under the CQP Revolving Facility, the applicable margin for LIBOR loans is 1.25% to 2.125% per annum, and the applicable margin for base rate loans is 0.25% to 1.125% per annum, in each case depending on the then-current rating of Cheniere Partners. Interest on LIBOR loans is due and payable at the end of each applicable LIBOR period (and at the end of every three-month period within the LIBOR period, if any), and interest on base rate loans is due and payable at the end of each calendar quarter.

The 2019 CQP Credit Facilities mature on May 29, 2024. Any outstanding balance may be repaid, in whole or in part, at any time without premium or penalty, except for interest rate breakage costs. The 2019 CQP Credit Facilities contain conditions precedent for extensions of credit, as well as customary affirmative and negative covenants, and limit Cheniere Partners’ ability to make restricted payments, including distributions, to once per fiscal quarter and one true-up per fiscal quarter as long as certain conditions are satisfied.

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The 2019 CQP Credit Facilities are unconditionally guaranteed and secured by a first priority lien (subject to permitted encumbrances) on substantially all of Cheniere Partners' and the CQP Guarantors' existing and future tangible and intangible assets and rights and equity interests in the CQP Guarantors (except, in each case, for certain excluded properties set forth in the 2019 CQP Credit Facilities).

CCH Credit Facility

As part of the capital allocation framework announced in June 2019, we prepaid \$70 million of outstanding borrowings under the CCH Credit Facility during the three and nine months ended September 30, 2019. The prepayment resulted in the recognition of debt extinguishment costs of \$1 million for the three and nine months ended September 30, 2019.

Credit Facilities

Below is a summary of our credit facilities outstanding as of September 30, 2019 (in millions):

	SPL Working Capital Facility (1)	2019 CQP Credit Facilities	CCH Credit Facility	CCH Working Capital Facility	Cheniere Revolving Credit Facility
Original facility size	\$ 1,200	\$ 1,500	\$ 8,404	\$ 350	\$ 750
Incremental commitments	—	—	1,566	850	500
Less:					
Outstanding balance	—	—	5,341	—	—
Commitments prepaid or terminated	—	750	4,629	—	—
Letters of credit issued	414	—	—	583	876
Available commitment	\$ 786	\$ 750	\$ —	\$ 617	\$ 374
Interest rate on available balance	LIBOR plus 1.75% or base rate plus 0.75%	LIBOR plus 1.25% - 2.125% or base rate plus 0.25% - 1.125%	LIBOR plus 1.75% or base rate plus 0.75%	LIBOR plus 1.25% - 1.75% or base rate plus 0.25% - 0.75%	LIBOR plus 1.75% - 2.50% or base rate plus 0.75% - 1.50%
Weighted average interest rate of outstanding balance	n/a	n/a	3.79%	n/a	n/a
Maturity date	December 31, 2020	May 29, 2024	June 30, 2024	June 29, 2023	December 23, 2022

- (1) The SPL Working Capital Facility was amended in May 2019 in connection with commercialization and financing of Train 6 of the SPL Project. All terms of the SPL Working Capital Facility substantially remained unchanged.

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Convertible Notes

Below is a summary of our convertible notes outstanding as of September 30, 2019 (in millions):

	2021 Cheniere Convertible Unsecured Notes	2025 CCH HoldCo II Convertible Senior Notes	2045 Cheniere Convertible Senior Notes
Aggregate original principal	\$ 1,000	\$ 1,000	\$ 625
Debt component, net of discount and debt issuance costs	\$ 1,181	\$ 1,564	\$ 312
Equity component	\$ 210	\$ —	\$ 194
Interest payment method	Paid-in-kind	Paid-in-kind / cash (1)	Cash
Conversion by us (2)	—	(3)	(4)
Conversion by holders (2)	(5)	(6)	(7)
Conversion basis	Cash and/or stock	Stock	Cash and/or stock
Conversion value in excess of principal	\$ —	\$ —	\$ —
Maturity date	May 28, 2021	May 13, 2025	March 15, 2045
Contractual interest rate	4.875 %	11.0 %	4.25 %
Effective interest rate (8)	8.4 %	12.0 %	9.4 %
Remaining debt discount and debt issuance costs amortization period (9)	1.7 years	1.0 years	25.5 years

- (1) Prior to the substantial completion of Train 2 of the CCL Project, interest was paid entirely in kind. Following substantial completion, the interest generally must be paid in cash; however, a portion of the interest may be paid in kind under certain specified circumstances.
- (2) Conversion is subject to various limitations and conditions.
- (3) Convertible on or after March 1, 2020, provided that our market capitalization is not less than \$10.0 billion ("Eligible Conversion Date"). The conversion price is the lower of (1) a 10% discount to the average of the daily volume-weighted average price ("VWAP") of our common stock for the 90 trading day period prior to the date notice is provided, and (2) a 10% discount to the closing price of our common stock on the trading day preceding the date notice is provided.
- (4) Redeemable at any time after March 15, 2020 at a redemption price payable in cash equal to the accreted amount of the 2045 Cheniere Convertible Senior Notes to be redeemed, plus accrued and unpaid interest, if any, to such redemption date.
- (5) Initially convertible at \$93.64 (subject to adjustment upon the occurrence of certain specified events), provided that the closing price of our common stock is greater than or equal to the conversion price on the conversion date.
- (6) Convertible on or after the six-month anniversary of the Eligible Conversion Date, provided that our total market capitalization is not less than \$10.0 billion, at a price equal to the average of the daily VWAP of our common stock for the 90 trading day period prior to the date on which notice of conversion is provided.
- (7) Prior to December 15, 2044, convertible only under certain circumstances as specified in the indenture; thereafter, holders may convert their notes regardless of these circumstances. The conversion rate will initially equal 7.2265 shares of our common stock per \$1,000 principal amount of the 2045 Cheniere Convertible Senior Notes, which corresponds to an initial conversion price of approximately \$138.38 per share of our common stock (subject to adjustment upon the occurrence of certain specified events).
- (8) Rate to accrete the discounted carrying value of the convertible notes to the face value over the remaining amortization period.
- (9) We amortize any debt discount and debt issuance costs using the effective interest over the period through contractual maturity except for the 2025 CCH HoldCo II Convertible Senior Notes, which are amortized through the date they are first convertible by holders into our common stock.

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Restrictive Debt Covenants

As of September 30, 2019, each of our issuers was in compliance with all covenants related to their respective debt agreements.

Interest Expense

Total interest expense, including interest expense related to our convertible notes, consisted of the following (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Interest cost on convertible notes:				
Interest per contractual rate	\$ 65	\$ 60	\$ 191	\$ 176
Amortization of debt discount	10	9	29	25
Amortization of debt issuance costs	3	3	9	7
Total interest cost related to convertible notes	78	72	229	208
Interest cost on debt and finance leases excluding convertible notes	390	354	1,145	1,034
Total interest cost	468	426	1,374	1,242
Capitalized interest	(73)	(205)	(360)	(589)
Total interest expense, net	\$ 395	\$ 221	\$ 1,014	\$ 653

Fair Value Disclosures

The following table shows the carrying amount, which is net of unamortized premium, discount and debt issuance costs, and estimated fair value of our debt (in millions):

	September 30, 2019		December 31, 2018	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Senior notes (1)	\$ 20,978	\$ 23,091	\$ 19,466	\$ 19,901
2037 SPL Senior Notes (2)	791	909	791	817
4.80% CCH Senior Notes (2)	720	768	—	—
Credit facilities (3)	5,260	5,260	5,294	5,294
2021 Cheniere Convertible Unsecured Notes (2)	1,181	1,291	1,126	1,236
2025 CCH HoldCo II Convertible Senior Notes (2)	1,564	1,792	1,432	1,612
2045 Cheniere Convertible Senior Notes (4)	312	483	310	431

- (1) Includes 2021 SPL Senior Notes, 2022 SPL Senior Notes, 2023 SPL Senior Notes, 2024 SPL Senior Notes, 2025 SPL Senior Notes, 2026 SPL Senior Notes, 2027 SPL Senior Notes, 2028 SPL Senior Notes, 2025 CQP Senior Notes, 2026 CQP Senior Notes, 2029 CQP Senior Notes, 2024 CCH Senior Notes, 2025 CCH Senior Notes and 2027 CCH Senior Notes. The Level 2 estimated fair value was based on quotes obtained from broker-dealers or market makers of these senior notes and other similar instruments.
- (2) The Level 3 estimated fair value was calculated based on inputs that are observable in the market or that could be derived from, or corroborated with, observable market data, including our stock price and interest rates based on debt issued by parties with comparable credit ratings to us and inputs that are not observable in the market.
- (3) Includes SPL Working Capital Facility, 2016 CQP Credit Facilities, 2019 CQP Credit Facilities, CCH Credit Facility, CCH Working Capital Facility, Cheniere Revolving Credit Facility and Cheniere Marketing trade finance facilities. The Level 3 estimated fair value approximates the principal amount because the interest rates are variable and reflective of market rates and the debt may be repaid, in full or in part, at any time without penalty.
- (4) The Level 1 estimated fair value was based on unadjusted quoted prices in active markets for identical liabilities that we had the ability to access at the measurement date.

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NOTE 11—LEASES

Our leased assets consist primarily of (1) LNG vessel time charters (“vessel charters”), (2) tug vessels, (3) office space and facilities and (4) land sites, all of which are classified as operating leases except for our tug vessels at the Corpus Christi LNG terminal, which are classified as finance leases.

ASC 842 requires a lessee to recognize leases on its balance sheet by recording a lease liability representing the obligation to make future lease payments and a right-of-use asset representing the right to use the underlying asset for the lease term. As our leases generally do not provide an implicit rate, in order to calculate the lease liability, we discounted our expected future lease payments using our relevant subsidiary’s incremental borrowing rate at the later of January 1, 2019 or the commencement date of the lease. The incremental borrowing rate is an estimate of the rate of interest that a given subsidiary would have to pay to borrow on a collateralized basis over a similar term to that of the lease term.

Many of our leases contain renewal options exercisable at our sole discretion. Options to renew a lease are included in the lease term and recognized as part of the right-of-use asset and lease liability only to the extent they are reasonably certain to be exercised, such as when necessary to satisfy obligations that existed at the execution of the lease or when the non-renewal would otherwise result in an economic penalty.

We have elected the practical expedient to omit leases with an initial term of 12 months or less (“short-term lease”) from recognition on the balance sheet. We recognize short-term lease payments on a straight-line basis over the lease term and variable payments under short-term leases in the period in which the obligation is incurred.

Certain of our leases contain non-lease components which are not separated from the lease components when calculating the right-of-use asset and lease liability per our use of the practical expedient to combine both components of an arrangement for all classes of leased assets.

Certain of our leases also contain variable payments, such as inflation, that are not included when calculating the right-of-use asset and lease liability unless the payments are in-substance fixed.

We recognize lease expense for operating leases on a straight-line basis over the lease term. We recognize lease expense for finance leases as the sum of the amortization of the right-of-use assets on a straight-line basis and the interest on lease liabilities using the effective interest method over the lease term.

The following table shows the classification and location of our right-of-use assets and lease liabilities on our Consolidated Balance Sheets (in millions):

	Consolidated Balance Sheet Location		September 30, 2019
Right-of-use assets—Operating	Operating lease assets, net	\$	493
Right-of-use assets—Financing	Property, plant and equipment, net		57
Total right-of-use assets		\$	550
Current operating lease liabilities	Current operating lease liabilities	\$	275
Current finance lease liabilities	Other current liabilities		2
Non-current operating lease liabilities	Non-current operating lease liabilities		203
Non-current finance lease liabilities	Non-current finance lease liabilities		58
Total lease liabilities		\$	538

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The following table shows the classification and location of our lease cost on our Consolidated Statements of Operations (in millions):

	Consolidated Statement of Operations Location	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2019
Operating lease cost (1)	Operating costs and expenses (2)	\$ 163	\$ 440
Finance lease cost:			
Amortization of right-of-use assets	Depreciation and amortization expense	1	3
Interest on lease liabilities	Interest expense, net of capitalized interest	2	7
Total lease cost		\$ 166	\$ 450

- (1) Includes \$57 million and \$150 million of short-term lease costs and \$8 million and \$21 million of variable lease costs incurred during the three and nine months ended September 30, 2019, respectively.
- (2) Presented in cost of sales, operating and maintenance expense or selling, general and administrative expense consistent with the nature of the asset under lease.

Future annual minimum lease payments for operating and finance leases as of September 30, 2019 are as follows (in millions):

Years Ending December 31,	Operating Leases (1)	Finance Leases
2019	\$ 113	\$ 5
2020	218	10
2021	51	10
2022	19	10
2023	19	10
Thereafter	166	146
Total lease payments	586	191
Less: Interest	(106)	(129)
Present value of lease liabilities	\$ 480	\$ 62

- (1) Does not include \$1.6 billion of legally binding minimum lease payments for vessel charters which were executed as of September 30, 2019 but will commence primarily between 2020 and 2021 and have fixed minimum lease terms of up to seven years.

Future annual minimum lease payments for operating and capital leases as of December 31, 2018, prepared in accordance with accounting standards prior to the adoption of ASC 842, were as follows (in millions):

Years Ending December 31,	Operating Leases (1)	Capital Leases (2)
2019 (3)	\$ 380	\$ 5
2020	184	5
2021	238	5
2022	264	5
2023	264	5
Thereafter	999	73
Total lease payments	2,329	98
Less: Interest	—	(39)
Present value of lease liabilities	\$ 2,329	\$ 59

- (1) Includes certain lease option renewals that are reasonably assured and payments for certain non-lease components. Also includes \$79 million in payments for short-term leases and \$1.6 billion in payments for LNG vessel charters which were previously executed but will commence primarily between 2020 and 2021.
- (2) Does not include payments for non-lease components of \$98 million.
- (3) Does not include \$43 million in aggregate payments we will receive from our LNG vessel subcharters.

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The following table shows the weighted-average remaining lease term (in years) and the weighted-average discount rate for our operating leases and finance leases:

	September 30, 2019	
	Operating Leases	Finance Leases
Weighted-average remaining lease term (in years)	7.1	18.9
Weighted-average discount rate (1)	5.3%	16.2%

- (1) The finance leases commenced prior to the adoption of ASC 842. In accordance with previous accounting guidance, the implied rate is based on the fair value of the underlying assets.

The following table includes other quantitative information for our operating and finance leases (in millions):

	Nine Months Ended September 30, 2019	
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$	280
Operating cash flows from finance leases		6
Financing cash flows from finance leases		—
Right-of-use assets obtained in exchange for new operating lease liabilities		189

LNG Vessel Subcharters

From time to time, we sublease certain LNG vessels under charter to third parties while retaining our existing obligation to the original lessor. We have elected the practical expedient for lessors to combine lease and non-lease components and since the lease component is the predominant component of each arrangement, these subleases are accounted for as operating leases. The subleases have lease terms of up to one year and many contain short-term renewal options exercisable at the discretion of the third party. As of September 30, 2019, we had \$3 million in future minimum sublease payments to be received from LNG vessel subcharters, which will be recognized entirely within 2019. We recognize fixed sublease income on a straight-line basis over the lease term of the sublease while variable sublease income is recognized when earned. We recognized \$28 million and \$96 million of sublease income, including \$5 million and \$15 million of variable lease payments, during the three and nine months ended September 30, 2019, respectively, in other revenues on our Consolidated Statements of Operations.

NOTE 12—REVENUES FROM CONTRACTS WITH CUSTOMERS

The following table represents a disaggregation of revenue earned from contracts with customers during the three and nine months ended September 30, 2019 and 2018 (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
LNG revenues	\$ 1,995	\$ 1,776	\$ 6,142	\$ 5,444
Regasification revenues	66	66	199	196
Other revenues	17	(10)	53	37
Total revenues from customers	2,078	1,832	6,394	5,677
Net derivative gains (losses) (1)	64	(57)	233	(117)
Other (2)	28	44	96	44
Total revenues	\$ 2,170	\$ 1,819	\$ 6,723	\$ 5,604

- (1) See [Note 6—Derivative Instruments](#) for additional information about our derivatives.
- (2) Includes revenues from LNG vessel subcharters. See [Note 11—Leases](#) for additional information about our subleases.

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Contract Assets and Liabilities

The following table shows our contract assets, which we classify as other non-current assets, net on our Consolidated Balance Sheets (in millions):

	September 30, 2019	December 31, 2018
Contract assets	\$ 12	\$ —

Contract assets represent our right to consideration for transferring goods or services to the customer under the terms of a sales contract when the associated consideration is not yet due. Changes in contract assets during the nine months ended September 30, 2019 were primarily attributable to revenue recognized due to the delivery of LNG under certain SPAs for which the associated consideration was not yet due.

The following table reflects the changes in our contract liabilities, which we classify as deferred revenue on our Consolidated Balance Sheets (in millions):

	Nine Months Ended September 30, 2019
Deferred revenues, beginning of period	\$ 139
Cash received but not yet recognized	171
Revenue recognized from prior period deferral	(139)
Deferred revenues, end of period	\$ 171

Transaction Price Allocated to Future Performance Obligations

Because many of our sales contracts have long-term durations, we are contractually entitled to significant future consideration which we have not yet recognized as revenue. The following table discloses the aggregate amount of the transaction price that is allocated to performance obligations that have not yet been satisfied as of September 30, 2019 and December 31, 2018:

	September 30, 2019		December 31, 2018	
	Unsatisfied Transaction Price (in billions)	Weighted Average Recognition Timing (years) (1)	Unsatisfied Transaction Price (in billions)	Weighted Average Recognition Timing (years) (1)
LNG revenues	\$ 107.5	11	\$ 106.6	11
Regasification revenues	2.4	5	2.6	6
Total revenues	\$ 109.9		\$ 109.2	

- (1) The weighted average recognition timing represents an estimate of the number of years during which we shall have recognized half of the unsatisfied transaction price.

We have elected the following exemptions which omit certain potential future sources of revenue from the table above:

- (1) We omit from the table above all performance obligations that are part of a contract that has an original expected duration of one year or less.
- (2) We omit from the table above all variable consideration that is allocated entirely to a wholly unsatisfied performance obligation or to a wholly unsatisfied promise to transfer a distinct good or service that forms part of a single performance obligation when that performance obligation qualifies as a series. The table above excludes substantially all variable consideration under our SPAs and TUAs. The amount of revenue from variable fees that is not included in the transaction price will vary based on the future prices of Henry Hub throughout the contract terms, to the extent customers elect to take delivery of their LNG, and adjustments to the consumer price index. Certain of our contracts contain additional variable consideration based on the outcome of contingent events and the movement of various indexes. We have not included such variable consideration in the transaction price to the extent the consideration is considered constrained due to the uncertainty of ultimate pricing and receipt. Approximately 47% and 55% of our LNG revenues from contracts with a duration of over one year during the three months ended September 30, 2019 and 2018, respectively, and approximately 52% and 55% of our LNG revenues from contracts with a duration of over

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one year during the nine months ended September 30, 2019 and 2018, respectively, were related to variable consideration received from customers. During each of the three and nine months ended September 30, 2019 and 2018, approximately 3% of our regasification revenues were related to variable consideration received from customers.

We have entered into contracts to sell LNG that are conditioned upon one or both of the parties achieving certain milestones such as reaching FID on a certain liquefaction Train, obtaining financing or achieving substantial completion of a Train and any related facilities. These contracts are considered completed contracts for revenue recognition purposes and are included in the transaction price above when the conditions are considered probable of being met.

NOTE 13—INCOME TAXES

We recorded an income tax benefit of \$3 million and an income tax provision of \$3 million during the three months ended September 30, 2019 and 2018, respectively, and an income tax provision of zero and \$15 million during the nine months ended September 30, 2019 and 2018, respectively. Changes in the income tax recorded between comparative periods are primarily attributable to changes in the income earned and tax transfer pricing applied to our U.K. integrated marketing function.

The effective tax rates during the three and nine months ended September 30, 2019 and 2018 were lower than the 21% federal statutory rate during the 2019 and 2018 interim periods primarily as a result of maintaining a valuation allowance against our federal and state net deferred tax assets. Due to historical losses and other available evidence related to our ability to generate taxable income, we continue to maintain a valuation allowance against our federal and state net deferred tax assets at September 30, 2019.

NOTE 14—SHARE-BASED COMPENSATION

We have granted restricted stock shares, restricted stock units, performance stock units and phantom units to employees and non-employee directors under the 2011 Incentive Plan, as amended (the “2011 Plan”) and the 2015 Employee Inducement Incentive Plan.

For the nine months ended September 30, 2019, we granted 1.6 million restricted stock units and 0.2 million performance stock units at target performance under the 2011 Plan to certain employees. Restricted stock units are stock awards that vest over a service period of three years and entitle the holder to receive shares of our common stock upon vesting, subject to restrictions on transfer and to a risk of forfeiture if the recipient terminates employment with us prior to the lapse of the restrictions. Performance stock units provide for cliff vesting after a period of three years with payouts based on metrics dependent upon market and performance achieved over the period from January 1, 2019 through December 31, 2021 compared to pre-established performance targets. The settlement amounts of the awards are based on market and performance metrics which include cumulative distributable cash flow per share, and in certain circumstances, total shareholder return (“TSR”) of our common stock. Where applicable, the compensation for performance stock units is based on fair value assigned to the market metric of TSR using a Monte Carlo model upon grant, which remains constant through the vesting period, and a performance metric, which will vary due to changing estimates regarding the expected achievement of the performance metric of cumulative distributable cash flow per share. The number of shares that may be earned at the end of the vesting period ranges from 25% up to 300% of the target award amount if the threshold performance is met. Both restricted stock units and performance stock units will be settled in Cheniere common stock (on a one-for-one basis) and are classified as equity awards.

Total share-based compensation consisted of the following (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Share-based compensation costs, pre-tax:				
Equity awards	\$ 33	\$ 25	\$ 94	\$ 64
Liability awards	2	13	7	45
Total share-based compensation	35	38	101	109
Capitalized share-based compensation	(2)	(7)	(7)	(20)
Total share-based compensation expense	\$ 33	\$ 31	\$ 94	\$ 89
Tax benefit associated with share-based compensation expense	\$ 2	\$ 1	\$ 3	\$ 3

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NOTE 15—NET INCOME (LOSS) PER SHARE ATTRIBUTABLE TO COMMON STOCKHOLDERS

Basic net income (loss) per share attributable to common stockholders (“EPS”) excludes dilution and is computed by dividing net income (loss) attributable to common stockholders by the weighted average number of common shares outstanding during the period. Diluted EPS reflects potential dilution and is computed by dividing net income (loss) attributable to common stockholders by the weighted average number of common shares outstanding during the period increased by the number of additional common shares that would have been outstanding if the potential common shares had been issued. The dilutive effect of unvested stock is calculated using the treasury-stock method and the dilutive effect of convertible securities is calculated using the if-converted method.

The following table reconciles basic and diluted weighted average common shares outstanding for the three and nine months ended September 30, 2019 and 2018 (in millions, except per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Weighted average common shares outstanding:				
Basic	256.0	247.2	256.8	241.9
Dilutive unvested stock	—	3.0	—	2.7
Diluted	256.0	250.2	256.8	244.6
Basic net income (loss) per share attributable to common stockholders	\$ (1.25)	\$ 0.26	\$ (1.13)	\$ 1.67
Diluted net income (loss) per share attributable to common stockholders	\$ (1.25)	\$ 0.26	\$ (1.13)	\$ 1.65

Potentially dilutive securities that were not included in the diluted net income (loss) per share computations because their effects would have been anti-dilutive were as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Unvested stock (1)	3.9	2.0	3.9	2.3
Convertible notes (2)	42.2	17.3	42.2	17.1
Total potentially dilutive common shares	46.1	19.3	46.1	19.4

- (1) Does not include 0.6 million shares for each of the three and nine months ended September 30, 2019 and 0.4 million shares for each of the three and nine months ended September 30, 2018 of unvested stock because the performance conditions had not yet been satisfied as of September 30, 2019 and 2018, respectively.
- (2) Includes number of shares in aggregate issuable upon conversion of the 2021 Cheniere Convertible Unsecured Notes and the 2045 Cheniere Convertible Senior Notes for all periods presented and the 2025 CCH HoldCo II Convertible Senior Notes upon the substantial completion of Train 2 of the CCL Project during the three months ended September 30, 2019.

NOTE 16—SHARE REPURCHASE PROGRAM

On June 3, 2019, we announced that our Board authorized a 3-year, \$1.0 billion share repurchase program. During the three months ended September 30, 2019, we repurchased an aggregate of 2.5 million shares of our common stock for \$156 million, for a weighted average price per share of \$62.99. During the nine months ended September 30, 2019, we repurchased an aggregate of 2.5 million shares of our common stock for \$159 million, for a weighted average price per share of \$63.09.

As of September 30, 2019, we had up to \$841 million of the share repurchase program available. Under the share repurchase program, repurchases can be made from time to time using a variety of methods, which may include open market purchases, privately negotiated transactions or otherwise, all in accordance with the rules of the SEC and other applicable legal requirements. The timing and amount of any shares of our common stock that are repurchased under the share repurchase program will be determined by our management based on market conditions and other factors. The share repurchase program does not obligate

CHENIERE ENERGY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—CONTINUED
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us to acquire any particular amount of common stock, and may be modified, suspended or discontinued at any time or from time to time at our discretion.

NOTE 17—COMMITMENTS AND CONTINGENCIES

We have various contractual obligations which are recorded as liabilities in our Consolidated Financial Statements. Other items, such as certain purchase commitments and other executed contracts which do not meet the definition of a liability as of September 30, 2019, are not recognized as liabilities but require disclosures in our Consolidated Financial Statements.

Legal Proceedings

We may in the future be involved as a party to various legal proceedings, which are incidental to the ordinary course of business. We regularly analyze current information and, as necessary, provide accruals for probable liabilities on the eventual disposition of these matters.

Parallax Litigation

In 2015, our wholly owned subsidiary, Cheniere LNG Terminals, LLC (“CLNGT”), entered into discussions with Parallax Enterprises, LLC (“Parallax Enterprises”) regarding the potential joint development of two liquefaction plants in Louisiana (the “Potential Liquefaction Transactions”). While the parties negotiated regarding the Potential Liquefaction Transactions, CLNGT loaned Parallax Enterprises approximately \$46 million, as reflected in a secured note dated April 23, 2015, as amended on June 30, 2015, September 30, 2015 and November 4, 2015 (the “Secured Note”). The Secured Note was secured by all assets of Parallax Enterprises and its subsidiary entities. On June 30, 2015, Parallax Enterprises’ parent entity, Parallax Energy LLC (“Parallax Energy”), executed a Pledge and Guarantee Agreement further securing repayment of the Secured Note by providing a parent guaranty and a pledge of all of the equity of Parallax Enterprises in satisfaction of the Secured Note (the “Pledge Agreement”). CLNGT and Parallax Enterprises never executed a definitive agreement to pursue the Potential Liquefaction Transactions. The Secured Note matured on December 11, 2015, and Parallax Enterprises failed to make payment. On February 3, 2016, CLNGT filed an action against Parallax Energy, Parallax Enterprises and certain of Parallax Enterprises’ subsidiary entities, styled Cause No. 4:16-cv-00286, Cheniere LNG Terminals, LLC v. Parallax Energy LLC, et al., in the United States District Court for the Southern District of Texas (the “Texas Federal Suit”). CLNGT asserted claims in the Texas Federal Suit for (1) recovery of all amounts due under the Secured Note and (2) declaratory relief establishing that CLNGT is entitled to enforce its rights under the Secured Note and Pledge Agreement in accordance with each instrument’s terms and that CLNGT has no obligations of any sort to Parallax Enterprises concerning the Potential Liquefaction Transactions. On March 11, 2016, Parallax Enterprises and the other defendants in the Texas Federal Suit moved to dismiss the suit for lack of subject matter jurisdiction. On August 2, 2016, the court denied the defendants’ motion to dismiss without prejudice and permitted the parties to pursue jurisdictional discovery.

On March 11, 2016, Parallax Enterprises filed a suit against us and CLNGT styled Civil Action No. 62-810, Parallax Enterprises LLP v. Cheniere Energy, Inc. and Cheniere LNG Terminals, LLC, in the 25th Judicial District Court of Plaquemines Parish, Louisiana (the “Louisiana Suit”), wherein Parallax Enterprises asserted claims for breach of contract, fraudulent inducement, negligent misrepresentation, detrimental reliance, unjust enrichment and violation of the Louisiana Unfair Trade Practices Act. Parallax Enterprises predicated its claims in the Louisiana Suit on an allegation that we and CLNGT breached a purported agreement to jointly develop the Potential Liquefaction Transactions. Parallax Enterprises sought \$400 million in alleged economic damages and rescission of the Secured Note. On April 15, 2016, we and CLNGT removed the Louisiana Suit to the United States District Court for the Eastern District of Louisiana, which subsequently transferred the Louisiana Suit to the United States District Court for the Southern District of Texas, where it was assigned Civil Action No. 4:16-cv-01628 and transferred to the same judge presiding over the Texas Federal Suit for coordinated handling. On August 22, 2016, Parallax Enterprises voluntarily dismissed all claims asserted against CLNGT and us in the Louisiana Suit without prejudice to refile.

On July 27, 2017, the Parallax entities named as defendants in the Texas Federal Suit reurged their motion to dismiss and simultaneously filed counterclaims against CLNGT and third party claims against us for breach of contract, breach of fiduciary duty, promissory estoppel, quantum meruit and fraudulent inducement of the Secured Note and Pledge Agreement, based on substantially the same factual allegations Parallax Enterprises made in the Louisiana Suit. These Parallax entities also simultaneously filed an action styled Cause No. 2017-49685, Parallax Enterprises, LLC, et al. v. Cheniere Energy, Inc., et al., in the 61st District Court of Harris County, Texas (the “Texas State Suit”), which asserts substantially the same claims these entities asserted in the Texas Federal Suit. On July 31, 2017, CLNGT withdrew its opposition to the dismissal of the Texas Federal Suit.

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without prejudice on jurisdictional grounds and the federal court subsequently dismissed the Texas Federal Suit without prejudice. We and CLNGT simultaneously filed an answer and counterclaims in the Texas State Suit, asserting the same claims CLNGT had previously asserted in the Texas Federal Suit. Additionally, CLNGT filed third party claims against Parallax principals Martin Houston, Christopher Bowen Daniels, Howard Candelet and Mark Evans, as well as Tellurian Investments, Inc., Driftwood LNG, LLC, Driftwood LNG Pipeline LLC and Tellurian Services LLC, formerly known as Parallax Services LLC, including claims for tortious interference with CLNGT's collateral rights under the Secured Note and Pledge Agreement, fraudulent transfer, conspiracy/aiding and abetting. Discovery in the Texas State Suit is ongoing. Trial is currently set for February 2020.

On February 15, 2019, we filed an action with CLNGT against Charif Souki, our former Chairman of the Board and Chief Executive Officer, styled, Cause No. 2019-11529, *Cheniere Energy, Inc. and Cheniere LNG Terminals, LLC v. Charif Souki*, in the 55th District Court of Harris County, Texas, which asserts claims of breach of fiduciary duties, fraudulent transfer, tortious interference with CLNGT's collateral rights under the Secured Note and Pledge Agreement and conspiracy/aiding and abetting. On April 29, 2019, the court consolidated the Souki matter with the earlier filed pending case against Parallax, Tellurian and the individual defendants in the Texas State Suit.

We do not expect that the resolution of any of the foregoing litigation will have a material adverse impact on our financial results.

NOTE 18—CUSTOMER CONCENTRATION

The following table shows customers with revenues of 10% or greater of total revenues from external customers and customers with accounts receivable balances of 10% or greater of total accounts receivable from external customers:

	Percentage of Total Revenues from External Customers				Percentage of Accounts Receivable from External Customers	
	Three Months Ended September 30,		Nine Months Ended September 30,		September 30,	December 31,
	2019	2018	2019	2018	2019	2018
Customer A	14%	17%	17%	18%	11%	21%
Customer B	10%	15%	11%	15%	*	14%
Customer C	13%	15%	12%	20%	*	18%
Customer D	10%	18%	12%	13%	11%	*
Customer E	*	*	*	*	11%	*

* Less than 10%

NOTE 19—SUPPLEMENTAL CASH FLOW INFORMATION

The following table provides supplemental disclosure of cash flow information (in millions):

	Nine Months Ended September 30,	
	2019	2018
Cash paid during the period for interest on debt, net of amounts capitalized	\$ 771	\$ 552
Cash paid for income taxes	22	10
Non-cash investing and financing activities:		
Acquisition of non-controlling interest in Cheniere Holdings	—	702
Acquisition of assets under capital lease	—	30

The balance in property, plant and equipment, net funded with accounts payable and accrued liabilities was \$511 million and \$471 million as of September 30, 2019 and 2018, respectively.

See [Note 11—Leases](#) for our supplemental cash flow information related to our leases in 2019 following the adoption of ASC 842.

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NOTE 20—SUBSEQUENT EVENTS

In October 2019, CCH issued an aggregate principal amount of \$475 million of 3.925% senior secured notes due 2039 to certain accounts managed by BlackRock Real Assets and certain accounts managed by MetLife Investment Management on a private placement basis in reliance on Section 4(a)(2) of the Securities Act.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Information Regarding Forward-Looking Statements

This quarterly report contains certain statements that are, or may be deemed to be, "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements, other than statements of historical or present facts or conditions, included herein or incorporated herein by reference are "forward-looking statements." Included among "forward-looking statements" are, among other things:

- statements that we expect to commence or complete construction of our proposed LNG terminals, liquefaction facilities, pipeline facilities or other projects, or any expansions or portions thereof, by certain dates, or at all;
- statements regarding future levels of domestic and international natural gas production, supply or consumption or future levels of LNG imports into or exports from North America and other countries worldwide or purchases of natural gas, regardless of the source of such information, or the transportation or other infrastructure or demand for and prices related to natural gas, LNG or other hydrocarbon products;
- statements regarding any financing transactions or arrangements, or our ability to enter into such transactions;
- statements relating to the construction of our Trains and pipelines, including statements concerning the engagement of any EPC contractor or other contractor and the anticipated terms and provisions of any agreement with any EPC or other contractor, and anticipated costs related thereto;
- statements regarding any SPA or other agreement to be entered into or performed substantially in the future, including any revenues anticipated to be received and the anticipated timing thereof, and statements regarding the amounts of total LNG regasification, natural gas liquefaction or storage capacities that are, or may become, subject to contracts;
- statements regarding counterparties to our commercial contracts, construction contracts, and other contracts;
- statements regarding our planned development and construction of additional Trains and pipelines, including the financing of such Trains or pipelines;
- statements that our Trains, when completed, will have certain characteristics, including amounts of liquefaction capacities;
- statements regarding our business strategy, our strengths, our business and operation plans or any other plans, forecasts, projections, or objectives, including anticipated revenues, capital expenditures, maintenance and operating costs and cash flows, any or all of which are subject to change;
- statements regarding legislative, governmental, regulatory, administrative or other public body actions, approvals, requirements, permits, applications, filings, investigations, proceedings or decisions;
- statements regarding marketing of volumes expected to be made available to our integrated marketing function; and
- any other statements that relate to non-historical or future information.

All of these types of statements, other than statements of historical or present facts or conditions, are forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "could," "should," "achieve," "anticipate," "believe," "contemplate," "continue," "estimate," "expect," "intend," "plan," "potential," "predict," "project," "pursue," "target," the negative of such terms or other comparable terminology. The forward-looking statements contained in this quarterly report are largely based on our expectations, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors. Although we believe that such estimates are reasonable, they are inherently uncertain and involve a number of risks and uncertainties beyond our control. In addition, assumptions may prove to be inaccurate. We caution that the forward-looking statements contained in this quarterly report are not guarantees of future performance and that such statements may not be realized or the forward-looking statements or events may not occur. Actual results may differ materially from those anticipated or implied in forward-looking statements as a result of a variety of factors described in this quarterly report and in the other reports and other information that we file with the SEC, including those discussed under "Risk Factors" in our [annual report on Form 10-K for the year ended December 31, 2018](#). All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these risk factors. These forward-looking statements speak only as of the date made, and other than

as required by law, we undertake no obligation to update or revise any forward-looking statement or provide reasons why actual results may differ, whether as a result of new information, future events or otherwise.

Introduction

The following discussion and analysis presents management's view of our business, financial condition and overall performance and should be read in conjunction with our Consolidated Financial Statements and the accompanying notes. This information is intended to provide investors with an understanding of our past performance, current financial condition and outlook for the future. Our discussion and analysis includes the following subjects:

- Overview of Business
- Overview of Significant Events
- Liquidity and Capital Resources
- Results of Operations
- Off-Balance Sheet Arrangements
- Summary of Critical Accounting Estimates
- Recent Accounting Standards

Overview of Business

Cheniere, a Delaware corporation, is a Houston-based energy company primarily engaged in LNG-related businesses. We provide clean, secure and affordable energy to the world, while responsibly delivering a reliable, competitive and integrated source of LNG, in a safe and rewarding work environment. We own and operate the Sabine Pass LNG terminal in Louisiana through our ownership interest in and management agreements with Cheniere Partners, which is a publicly traded limited partnership that we created in 2007. As of September 30, 2019, we owned 100% of the general partner interest and 48.6% of the limited partner interest in Cheniere Partners. We also own and operate the Corpus Christi LNG terminal in Texas, which is wholly owned by us. The liquefaction of natural gas into LNG allows it to be shipped economically from the United States where natural gas is abundant and inexpensive to produce to our international customers in areas where natural gas demand and infrastructure exist.

The Sabine Pass LNG terminal is located in Cameron Parish, Louisiana, on the Sabine-Neches Waterway less than four miles from the Gulf Coast. Cheniere Partners, through its subsidiary SPL, is operating and constructing six natural gas liquefaction Trains (the "SPL Project") at the Sabine Pass LNG terminal adjacent to the existing regasification facilities. Trains 1 through 5 are operational and Train 6 is under construction. Each Train is expected to have a nominal production capacity, which is prior to adjusting for planned maintenance, production reliability, potential overdesign and debottlenecking opportunities, of approximately 4.5 mtpa of LNG per Train. The Sabine Pass LNG terminal has operational regasification facilities owned by Cheniere Partners' wholly owned subsidiary, SPLNG, that include pre-existing infrastructure of five LNG storage tanks with aggregate capacity of approximately 16.9 Bcfe, two marine berths that can each accommodate vessels with nominal capacity of up to 266,000 cubic meters and vaporizers with regasification capacity of approximately 4.0 Bcf/d. Cheniere Partners also owns a 94-mile pipeline through its wholly owned subsidiary, CTPL, that interconnects the Sabine Pass LNG terminal with a number of large interstate pipelines.

We are also operating and constructing a second natural gas liquefaction and export facility at the Corpus Christi LNG terminal near Corpus Christi, Texas, and operating a 23-mile natural gas supply pipeline that interconnects the Corpus Christi LNG terminal with several interstate and intrastate natural gas pipelines (the "Corpus Christi Pipeline" and together with the liquefaction facilities, the "CCL Project") through our wholly owned subsidiaries CCL and CCP, respectively. The CCL Project is being constructed in stages with the first phase being three Trains ("Phase 1"), three LNG storage tanks with aggregate capacity of approximately 10.1 Bcfe and two marine berths that can each accommodate vessels with nominal capacity of up to 266,000 cubic meters. The first stage ("Stage 1") includes Trains 1 and 2, two LNG storage tanks, one complete marine berth and a second partial berth and all of the CCL Project's necessary infrastructure facilities. The second stage ("Stage 2") includes Train 3, one LNG storage tank and the completion of the second partial berth. Trains 1 and 2 are operational and Train 3 is under construction. Each Train is expected to have a nominal production capacity, which is prior to adjusting for planned maintenance, production reliability, potential overdesign and debottlenecking opportunities, of approximately 4.5 mtpa of LNG per Train.

We have contracted approximately 85% of the expected aggregate nominal production capacity from the SPL Project and the CCL Project (collectively, the “Liquefaction Projects”) on a long-term basis.

Additionally, separate from the CCH Group, we are developing an expansion of the Corpus Christi LNG terminal adjacent to the CCL Project (“Corpus Christi Stage 3”) and filed an application with FERC in June 2018 for seven midscale Trains with an expected aggregate nominal production capacity of approximately 9.5 mtpa and one LNG storage tank.

We have made an equity investment in Midship Holdings, LLC (“Midship Holdings”), which manages the business and affairs of Midship Pipeline Company, LLC (“Midship Pipeline”). Midship Pipeline is constructing a pipeline (the “Midship Project”) with expected capacity of up to 1.44 million Dekatherms per day that will connect new gas production in the Anadarko Basin to Gulf Coast markets, including markets serving the Liquefaction Projects. Construction of the Midship Project commenced in the first quarter of 2019.

We remain focused on expansion of our existing sites by leveraging existing infrastructure. We continue to consider development of other projects, including infrastructure projects in support of natural gas supply and LNG demand, which, among other things, will require acceptable commercial and financing arrangements before we can make a final investment decision (“FID”).

Overview of Significant Events

Our significant accomplishments since January 1, 2019 and through the filing date of this Form 10-Q include the following:

Strategic

- In September 2019, our wholly owned subsidiaries CCL and CCL Stage III entered into an integrated production marketing (“IPM”) transaction with EOG Resources, Inc. (“EOG”) to purchase 140,000 MMBtu per day of natural gas, for a term of approximately 15 years beginning in early 2020, at a price based on the Platts Japan Korea Marker (“JKM”).
- In June 2019, our board of directors (the “Board”) appointed Michele A. Evans to serve as a member of the Board. Ms. Evans was also appointed to the Audit Committee and the Governance and Nominating Committee of the Board.
- In May 2019, our wholly owned subsidiary CCL Stage III entered into an IPM transaction with Apache Corporation to purchase 140,000 MMBtu per day of natural gas, for a term of approximately 15 years, at a price based on international LNG indices, net of a fixed liquefaction fee and certain costs incurred by Cheniere.
- In May 2019, the board of directors of the general partner of Cheniere Partners made a positive FID with respect to Train 6 of the SPL Project and issued a full notice to proceed with construction to Bechtel Oil, Gas and Chemicals, Inc. (“Bechtel”) in June 2019.
- In March 2019, we received a positive Environmental Assessment from the FERC relating to Corpus Christi Stage 3 and anticipate receiving all remaining necessary regulatory approvals for the project by the end of 2019.
- In February 2019, Midship Pipeline, in which we hold an indirect equity interest, issued full notice to proceed to construct the Midship natural gas pipeline and related compression and interconnect facilities following receipt of final Notice to Proceed from the FERC and obtaining financing to construct the Midship Project.

Operational

- As of October 25, 2019, over 850 cumulative LNG cargoes totaling approximately 60 million tonnes of LNG have been produced, loaded and exported from the Liquefaction Projects.
- In August 2019, substantial completion of Train 2 of the CCL Project was achieved.
- In June 2019, first LNG production from Train 2 of the CCL Project occurred, and the first commissioning cargo from Train 2 was exported.
- In February 2019 and March 2019, CCL and SPL achieved substantial completion of Train 1 of the CCL Project and Train 5 of the SPL Project, respectively, and commenced operating activities.

Financial

- In October 2019, CCH issued an aggregate principal amount of \$475 million of 3.925% Senior Secured Notes due 2039 pursuant to a note purchase agreement with certain accounts managed by BlackRock Real Assets and certain accounts

managed by MetLife Investment Management, to prepay a portion of the outstanding indebtedness under the amended and restated CCH Credit Facility(the “CCH Credit Facility”).

- In September 2019, CCH issued an aggregate principal amount of \$727 million of 4.80% Senior Secured Notes due 2039 (the “4.80% CCH Senior Notes”) pursuant to a note purchase agreement originally entered into in June 2019 (“CCH Note Purchase Agreement”) with Allianz Global Investors GmbH, to prepay a portion of the outstanding indebtedness under the CCH Credit Facility.
- In September 2019, Fitch Ratings (“Fitch”) and S&P Global Ratings each assigned an investment grade rating of BBB- to CCH’s senior secured debt, and Fitch assigned an investment grade issuer default rating of BBB- to CCH. In October 2019, Moody’s Investors Service upgraded its rating of CCH’s senior secured debt from Ba2 to Ba1 (Positive Outlook).
- In September 2019, Cheniere Partners issued an aggregate principal amount of \$1.5 billion of 4.500% Senior Notes due 2029 (the “2029 CQP Senior Notes”) to prepay the outstanding balance under the \$750 million term loan under Cheniere Partners’ credit facilities (the “2019 CQP Credit Facilities”), which were entered into in May 2019, and for general corporate purposes, including funding future capital expenditures in connection with the construction of Train 6 at the SPL Project. After applying the proceeds of this offering, only a \$750 million revolving credit facility, which is currently undrawn, remains as part of the 2019 CQP Credit Facilities.
- In September 2019, the date of first commercial delivery was reached under the 20-year SPAs with Centrica plc and Total Gas & Power North America, Inc.(“Total”) relating to Train 5 of the SPL Project.
- In June 2019, we announced a capital allocation framework which prioritizes investments in the growth of our liquefaction platform, improvement of consolidated leverage metrics, and a return of excess capital to shareholders under a three-year, \$1.0 billion share repurchase program. We commenced share repurchase activity in the second quarter of 2019 and commenced prepayment of outstanding debt in the third quarter of 2019.
- In June 2019, the date of first commercial delivery was reached under the 20-year SPAs with Endesa S.A. and PT Pertamina (Persero) relating to Train 1 of the CCL Project.
- In March 2019, the date of first commercial delivery was reached under the 20-year SPA with BG Gulf Coast LNG, LLC relating to Train 4 of the SPL Project.

Liquidity and Capital Resources

Although results are consolidated for financial reporting, Cheniere, Cheniere Partners, SPL and the CCH Group operate with independent capital structures. We expect the cash needs for at least the next twelve months will be met for each of these independent capital structures as follows:

- SPL through project debt and borrowings, operating cash flows and equity contributions from Cheniere Partners;
- Cheniere Partners through operating cash flows from SPLNG, SPL and CTPL and debt or equity offerings;
- CCH Group through operating cash flows from CCL and CCP, project debt and borrowings and equity contributions from Cheniere; and
- Cheniere through project financing, existing unrestricted cash, debt and equity offerings by us or our subsidiaries, operating cash flows, services fees from our subsidiaries and distributions from our investment in Cheniere Partners.

The following table provides a summary of our liquidity position at September 30, 2019 and December 31, 2018 (in millions):

	September 30, 2019	December 31, 2018
Cash and cash equivalents (1)	\$ 2,539	\$ 981
Restricted cash designated for the following purposes:		
SPL Project	185	756
Cheniere Partners and cash held by guarantor subsidiaries	—	785
CCL Project	132	289
Other	261	345
Available commitments under the following credit facilities:		
\$1.2 billion SPL Working Capital Facility (“SPL Working Capital Facility”)	786	775
2019 CQP Credit Facilities	750	—
\$2.8 billion Cheniere Partners’ Credit Facilities (“2016 CQP Credit Facilities”)	—	115
CCH Credit Facility	—	982
\$1.2 billion CCH Working Capital Facility (“CCH Working Capital Facility”)	617	716
\$1.25 billion Cheniere Revolving Credit Facility (“Cheniere Revolving Credit Facility”)	374	1,250

(1) Amounts presented include balances held by our consolidated variable interest entity (“VIE”), Cheniere Partners as discussed in [Note 8—Non-controlling Interest and Variable Interest Entity](#) of our Notes to Consolidated Financial Statements in this quarterly report. As of September 30, 2019 and December 31, 2018, assets of Cheniere Partners, which are included in our Consolidated Balance Sheets, included \$1.7 billion and zero, respectively, of cash and cash equivalents.

For additional information regarding our debt agreements, see [Note 10—Debt](#) of our Notes to Consolidated Financial Statements in this quarterly report and [Note 12—Debt](#) of our Notes to Consolidated Financial Statements in our annual report on Form 10-K for the year ended December 31, 2018.

Cheniere

Convertible Notes

In November 2014, we issued an aggregate principal amount of \$1.0 billion of Convertible Unsecured Notes due 2021 (the “2021 Cheniere Convertible Unsecured Notes”). The 2021 Cheniere Convertible Unsecured Notes are convertible at the option of the holder into our common stock at the then applicable conversion rate, provided that the closing price of our common stock is greater than or equal to the conversion price on the date of conversion. In March 2015, we issued \$625 million aggregate principal amount of 4.25% Convertible Senior Notes due 2045 (the “2045 Cheniere Convertible Senior Notes”). We have the right, at our option, at any time after March 15, 2020, to redeem all or any part of the 2045 Cheniere Convertible Senior Notes at a redemption price equal to the accreted amount of the 2045 Cheniere Convertible Senior Notes to be redeemed, plus accrued and unpaid interest, if any, to such redemption date. We have the option to satisfy the conversion obligation for the 2021 Cheniere Convertible Unsecured Notes and the 2045 Cheniere Convertible Senior Notes with cash, common stock or a combination thereof.

Cheniere Revolving Credit Facility

In December 2018, we amended and restated the Cheniere Revolving Credit Facility to increase total commitments under the Cheniere Revolving Credit Facility from \$750 million to \$1.25 billion. The Cheniere Revolving Credit Facility is intended to fund, through loans and letters of credit, equity capital contributions to CCH HoldCo II and its subsidiaries for the development of the CCL Project and, provided that certain conditions are met, for general corporate purposes.

The Cheniere Revolving Credit Facility matures on December 13, 2022 and contains representations, warranties and affirmative and negative covenants customary for companies like us with lenders of the type participating in the Cheniere Revolving Credit Facility that limit our ability to make restricted payments, including distributions, unless certain conditions are satisfied, as well as limitations on indebtedness, guarantees, hedging, liens, investments and affiliate transactions. Under the Cheniere Revolving Credit Facility, we are required to ensure that the sum of our unrestricted cash and the amount of undrawn commitments under the Cheniere Revolving Credit Facility is at least equal to the lesser of (1) 20% of the commitments under the Cheniere Revolving Credit Facility and (2) \$200 million (the “Liquidity Covenant”).

From and after the time at which certain specified conditions are met (the “Trigger Point”), we will have increased flexibility under the Cheniere Revolving Credit Facility to, among other things, (1) make restricted payments and (2) raise incremental commitments. The Trigger Point will occur once (1) completion has occurred for each of Train 1 of the CCL Project (as defined in the CCH Indenture) and Train 5 of the SPL Project (as defined in SPL’s common terms agreement), which has occurred in February 2019 and March 2019, respectively; (2) the aggregate principal amount of outstanding loans plus drawn and unreimbursed letters of credit under the Cheniere Revolving Credit Facility is less than or equal to 10% of aggregate commitments under the Cheniere Revolving Credit Facility and (3) we elect on a go-forward basis to be governed by a non-consolidated leverage ratio covenant not to exceed 5.75:1.00 (the “Springing Leverage Covenant”), which following such election will apply at any time that the aggregate principal amount of outstanding loans plus drawn and unreimbursed letters of credit under the Cheniere Revolving Credit Facility is greater than 30% of aggregate commitments under the Cheniere Revolving Credit Facility. Following the Trigger Point, at any time that the Springing Leverage Covenant is in effect, the Liquidity Covenant will not apply.

The Cheniere Revolving Credit Facility is secured by a first priority security interest (subject to permitted liens and other customary exceptions) in substantially all of our assets, including our interests in our direct subsidiaries (excluding CCH HoldCo II and certain other subsidiaries).

Cash Receipts from Subsidiaries

Our ownership interest in the Sabine Pass LNG terminal is held through Cheniere Partners. As of September 30, 2019, we owned a 48.6% limited partner interest in Cheniere Partners in the form of 104.5 million common units and 135.4 million subordinated units. We also own 100% of the general partner interest and the incentive distribution rights in Cheniere Partners. We are eligible to receive quarterly equity distributions from Cheniere Partners related to our ownership interests and our incentive distribution rights.

We also receive fees for providing management services to some of our subsidiaries. We received \$79 million and \$57 million in total service fees from these subsidiaries during each of the nine months ended September 30, 2019 and 2018, respectively.

Share Repurchase Program

On June 3, 2019, we announced that our Board authorized a 3-year, \$1.0 billion share repurchase program. During the three months ended September 30, 2019, we repurchased an aggregate of 2.5 million shares of our common stock for \$156 million, for a weighted average price per share of \$62.99. During the nine months ended September 30, 2019, we repurchased an aggregate of 2.5 million shares of our common stock for \$159 million, for a weighted average price per share of \$63.09. As of September 30, 2019, we had up to \$841 million of the share repurchase program available. Under the share repurchase program, repurchases can be made from time to time using a variety of methods, which may include open market purchases, privately negotiated transactions or otherwise, all in accordance with the rules of the SEC and other applicable legal requirements. The timing and amount of any shares of our common stock that are repurchased under the share repurchase program will be determined by our management based on market conditions and other factors. The share repurchase program does not obligate us to acquire any particular amount of common stock, and may be modified, suspended or discontinued at any time or from time to time at our discretion.

Cheniere Partners

CQP Senior Notes

In September 2019, Cheniere Partners issued an aggregate principal amount of \$1.5 billion of the 2029 CQP Senior Notes, which in addition to the existing \$1.5 billion of 5.250% Senior Notes due 2025 (the “2025 CQP Senior Notes”) and \$1.1 billion of 5.625% Senior Notes due 2026 (the “2026 CQP Senior Notes”), are jointly and severally guaranteed by each of Cheniere Partners’ subsidiaries other than SPL and, subject to certain conditions governing its guarantee, Sabine Pass LP (the “CQP Guarantors”). The 2025 CQP Senior Notes, 2026 CQP Senior Notes and 2029 CQP Senior Notes (collectively, the “CQP Senior Notes”) are governed by the same base indenture (the “CQP Base Indenture”). The 2025 CQP Senior Notes are further governed by the First Supplemental Indenture (together with the CQP Base Indenture, the “2025 CQP Notes Indenture”), the 2026 CQP Senior Notes are further governed by the Second Supplemental Indenture (together with the CQP Base Indenture, the “2026 CQP Notes Indenture”) and the 2029 CQP Senior Notes are further governed by the Third Supplemental Indenture (together with the CQP Base Indenture, the “2029 CQP Notes Indenture”). The 2025 CQP Notes Indenture, the 2026 CQP Notes Indenture and the 2029 CQP Notes Indenture contain customary terms and events of default and certain covenants that, among other things, limit

the ability of Cheniere Partners and the CQP Guarantors to incur liens and sell assets, enter into transactions with affiliates, enter into sale-leaseback transactions and consolidate, merge or sell, lease or otherwise dispose of all or substantially all of the applicable entity's properties or assets.

At any time prior to October 1, 2020 for the 2025 CQP Senior Notes, October 1, 2021 for the 2026 CQP Senior Notes and October 1, 2024 for the 2029 CQP Senior Notes, Cheniere Partners may redeem all or a part of the applicable CQP Senior Notes at a redemption price equal to 100% of the aggregate principal amount of the CQP Senior Notes redeemed, plus the "applicable premium" set forth in the respective indentures governing the CQP Senior Notes, plus accrued and unpaid interest, if any, to the date of redemption. In addition, at any time prior to October 1, 2020 for the 2025 CQP Senior Notes, October 1, 2021 for the 2026 CQP Senior Notes and October 1, 2024 for the 2029 CQP Senior Notes, Cheniere Partners may redeem up to 35% of the aggregate principal amount of the CQP Senior Notes with an amount of cash not greater than the net cash proceeds from certain equity offerings at a redemption price equal to 105.250% of the aggregate principal amount of the 2025 CQP Senior Notes, 105.625% of the aggregate principal amount of the 2026 CQP Senior Notes and 104.5% of the aggregate principal amount of the 2029 CQP Senior Notes redeemed, plus accrued and unpaid interest, if any, to the date of redemption. Cheniere Partners also may at any time on or after October 1, 2020 through the maturity date of October 1, 2025 for the 2025 CQP Senior Notes, October 1, 2021 through the maturity date of October 1, 2026 for the 2026 CQP Senior Notes and October 1, 2024 through the maturity date of October 1, 2029 for the 2029 CQP Senior Notes, redeem the CQP Senior Notes, in whole or in part, at the redemption prices set forth in the respective indentures governing the CQP Senior Notes.

The CQP Senior Notes are Cheniere Partners' senior obligations, ranking equally in right of payment with Cheniere Partners' other existing and future unsubordinated debt and senior to any of its future subordinated debt. In the event that the aggregate amount of Cheniere Partners' secured indebtedness and the secured indebtedness of the CQP Guarantors (other than the CQP Senior Notes or any other series of notes issued under the CQP Base Indenture) outstanding at any one time exceeds the greater of (1) \$1.5 billion and (2) 10% of net tangible assets, the CQP Senior Notes will be secured to the same extent as such obligations under the 2019 CQP Credit Facilities. The obligations under the 2019 CQP Credit Facilities are secured on a first-priority basis (subject to permitted encumbrances) with liens on (1) substantially all the existing and future tangible and intangible assets and rights of Cheniere Partners and the CQP Guarantors and equity interests in the CQP Guarantors (except, in each case, for certain excluded properties set forth in the 2019 CQP Credit Facilities) and (2) substantially all of the real property of SPLNG (except for excluded properties referenced in the 2019 CQP Credit Facilities). The liens securing the CQP Senior Notes, if applicable, will be shared equally and ratably (subject to permitted liens) with the holders of other senior secured obligations, which include the 2019 CQP Credit Facilities obligations and any future additional senior secured debt obligations.

2016 CQP Credit Facilities

In May 2019, the remaining commitments under the 2016 CQP Credit Facilities were terminated.

2019 CQP Credit Facilities

In May 2019, Cheniere Partners entered into the 2019 CQP Credit Facilities, which consisted of the \$750 million term loan ("CQP Term Facility"), which was prepaid and terminated upon issuance of the 2029 CQP Senior Notes in September 2019, and the \$750 million revolving credit facility ("CQP Revolving Facility"). Borrowings under the 2019 CQP Credit Facilities will be used to fund the development and construction of Train 6 of the SPL Project and for general corporate purposes, subject to a sublimit, and the 2019 CQP Credit Facilities are also available for the issuance of letters of credit.

Loans under the 2019 CQP Credit Facilities accrue interest at a variable rate per annum equal to LIBOR or the base rate (equal to the highest of the prime rate, the federal funds effective rate, as published by the Federal Reserve Bank of New York, plus 0.50%, and the adjusted one-month LIBOR plus 1.0%), plus the applicable margin. Under the CQP Revolving Facility, the applicable margin for LIBOR loans is 1.25% to 2.125% per annum, and the applicable margin for base rate loans is 0.25% to 1.125% per annum, in each case depending on the then-current rating of Cheniere Partners. Interest on LIBOR loans is due and payable at the end of each applicable LIBOR period (and at the end of every three-month period within the LIBOR period, if any), and interest on base rate loans is due and payable at the end of each calendar quarter.

Cheniere Partners pays a commitment fee equal to an annual rate of 30% of the margin for LIBOR loans multiplied by the average daily amount of the undrawn commitment, payable quarterly in arrears.

The 2019 CQP Credit Facilities mature on May 29, 2024. Any outstanding balance may be repaid, in whole or in part, at any time without premium or penalty, except for interest rate breakage costs. The 2019 CQP Credit Facilities contain conditions precedent for extensions of credit, as well as customary affirmative and negative covenants, and limit Cheniere Partners' ability to make restricted payments, including distributions, to once per fiscal quarter and one true-up per fiscal quarter as long as certain conditions are satisfied.

The 2019 CQP Credit Facilities are unconditionally guaranteed and secured by a first priority lien (subject to permitted encumbrances) on substantially all of Cheniere Partners' and the CQP Guarantors' existing and future tangible and intangible assets and rights and equity interests in the CQP Guarantors (except, in each case, for certain excluded properties set forth in the 2019 CQP Credit Facilities).

Sabine Pass LNG Terminal

Liquefaction Facilities

We are in various stages of constructing and operating the SPL Project at the Sabine Pass LNG terminal adjacent to the existing regasification facilities. We have received authorization from the FERC to site, construct and operate Trains 1 through 6. We have achieved substantial completion of Trains 1, 2, 3, 4 and 5 of the SPL Project and commenced operating activities in May 2016, September 2016, March 2017, October 2017 and March 2019, respectively. The following table summarizes the status of Train 6 of the SPL Project as of September 30, 2019:

	SPL Train 6
Overall project completion percentage	38.1%
Completion percentage of:	
Engineering	83.8%
Procurement	54.1%
Subcontract work	34.3%
Construction	5.5%
Date of expected substantial completion	1H 2023

The following orders have been issued by the DOE authorizing the export of domestically produced LNG by vessel from the Sabine Pass LNG terminal:

- Trains 1 through 4—FTA countries for a 30-year term, which commenced on May 15, 2016, and non-FTA countries for a 20-year term, which commenced on June 3, 2016, in an amount up to a combined total of the equivalent of 16 mtpa (approximately 803 Bcf/yr of natural gas).
- Trains 1 through 4—FTA countries for a 25-year term and non-FTA countries for a 20-year term in an amount up to a combined total of the equivalent of approximately 203 Bcf/yr of natural gas (approximately 4 mtpa).
- Trains 5 and 6—FTA countries and non-FTA countries for a 20-year term, in an amount up to a combined total of 503.3 Bcf/yr of natural gas (approximately 10 mtpa).

In each case, the terms of these authorizations begin on the earlier of the date of first export thereunder or the date specified in the particular order, which ranges from five to 10 years from the date the order was issued. In addition, SPL received an order providing for a three-year makeup period with respect to each of the non-FTA orders for LNG volumes SPL was authorized but unable to export during any portion of the initial 20-year export period of such order.

In January 2018, the DOE issued orders authorizing SPL to export domestically produced LNG by vessel from the Sabine Pass LNG terminal to FTA countries and non-FTA countries over a two-year period commencing January 2018, in an aggregate amount up to the equivalent of 600 Bcf of natural gas (however, exports under this order, when combined with exports under the orders above, may not exceed 1,509 Bcf/yr).

Customers

SPL has entered into fixed price SPAs generally with terms of at least 20 years (plus extension rights) with third parties for Trains 1 through 6 of the SPL Project, including an agreement anticipated to be assigned from Cheniere Marketing. Under these SPAs, the customers will purchase LNG from SPL for a price consisting of a fixed fee per MMBtu of LNG (a portion of

which is subject to annual adjustment for inflation) plus a variable fee per MMBtu of LNG equal to approximately 115% of Henry Hub. In certain circumstances, the customers may elect to cancel or suspend deliveries of LNG cargoes, in which case the customers would still be required to pay the fixed fee with respect to the contracted volumes that are not delivered as a result of such cancellation or suspension. We refer to the fee component that is applicable regardless of a cancellation or suspension of LNG cargo deliveries under the SPAs as the fixed fee component of the price under SPL's SPAs. We refer to the fee component that is applicable only in connection with LNG cargo deliveries as the variable fee component of the price under SPL's SPAs. The variable fees under SPL's SPAs were sized at the time of entry into each SPA with the intent to cover the costs of gas purchases and transportation related to, and operating and maintenance costs to produce, the LNG to be sold under each such SPA. The SPAs and contracted volumes to be made available under the SPAs are not tied to a specific Train; however, the term of each SPA generally commences upon the date of first commercial delivery of a specified Train.

In aggregate, the annual fixed fee portion to be paid by the third-party SPA customers is approximately \$2.3 billion for Trains 1 through 4 and increasing to \$2.9 billion upon the date of first commercial delivery of Train 5, which occurred in September 2019. After giving effect to an SPA that Cheniere has committed to provide to SPL by the end of 2020, the annual fixed fee portion to be paid by the third-party SPA customers would increase to at least \$3.3 billion upon the date of first commercial delivery of Train 6.

In addition, Cheniere Marketing has agreements with SPL to purchase: (1) at Cheniere Marketing's option, any LNG produced by SPL in excess of that required for other customers and (2) up to 20 cargoes totaling approximately 70 million MMBtu scheduled for delivery between May 3 and December 31, 2019 at a price of 115% of Henry Hub plus \$2.00 per MMBtu.

Natural Gas Transportation, Storage and Supply

To ensure SPL is able to transport adequate natural gas feedstock to the Sabine Pass LNG terminal, it has entered into transportation precedent and other agreements to secure firm pipeline transportation capacity with CTPL and third-party pipeline companies. SPL has entered into firm storage services agreements with third parties to assist in managing variability in natural gas needs for the SPL Project. SPL has also entered into enabling agreements and long-term natural gas supply contracts with third parties in order to secure natural gas feedstock for the SPL Project. As of September 30, 2019, SPL had secured up to approximately 4,108 TBtu of natural gas feedstock through long-term and short-term natural gas supply contracts that range up to ten years.

Construction

SPL entered into lump sum turnkey contracts with Bechtel for the engineering, procurement and construction of Trains 1 through 6 of the SPL Project, under which Bechtel charges a lump sum for all work performed and generally bears project cost risk unless certain specified events occur, in which case Bechtel may cause SPL to enter into a change order, or SPL agrees with Bechtel to a change order.

The total contract price of the EPC contract for Train 6 of the SPL Project is approximately \$2.5 billion, including estimated costs for an optional third marine berth.

Regasification Facilities

The Sabine Pass LNG terminal has operational regasification capacity of approximately 4.0 Bcf/d and aggregate LNG storage capacity of approximately 16.9 Bcfe. Approximately 2.0 Bcf/d of the regasification capacity at the Sabine Pass LNG terminal has been reserved under two long-term third-party TUAs, under which SPLNG's customers are required to pay fixed monthly fees, whether or not they use the LNG terminal. Each of Total and Chevron U.S.A. Inc. ("Chevron") has reserved approximately 1.0 Bcf/d of regasification capacity and is obligated to make monthly capacity payments to SPLNG aggregating approximately \$125 million annually, prior to inflation adjustments, for 20 years that commenced in 2009. Total S.A. has guaranteed Total's obligations under its TUA up to \$2.5 billion, subject to certain exceptions, and Chevron Corporation has guaranteed Chevron's obligations under its TUA up to 80% of the fees payable by Chevron.

The remaining approximately 2.0 Bcf/d of capacity has been reserved under a TUA by SPL. SPL is obligated to make monthly capacity payments to SPLNG aggregating approximately \$250 million annually, prior to inflation adjustments, continuing until at least May 2036. SPL entered into a partial TUA assignment agreement with Total, whereby upon substantial completion of Train 5 of the SPL Project, SPL gained access to substantially all of Total's capacity and other services provided under Total's

TUA with SPLNG. This agreement provides SPL with additional berthing and storage capacity at the Sabine Pass LNG terminal that may be used to provide increased flexibility in managing LNG cargo loading and unloading activity, permit SPL to more flexibly manage its LNG storage capacity and accommodate the development of Train 6. Notwithstanding any arrangements between Total and SPL, payments required to be made by Total to SPLNG will continue to be made by Total to SPLNG in accordance with its TUA. During the three months ended September 30, 2019 and 2018, SPL recorded \$32 million and \$7.5 million, respectively, and during the nine months ended September 30, 2019 and 2018, SPL recorded \$72 million and \$23 million, respectively, as operating and maintenance expense under this partial TUA assignment agreement.

Under each of these TUAs, SPLNG is entitled to retain 2% of the LNG delivered to the Sabine Pass LNG terminal.

Capital Resources

We currently expect that SPL's capital resources requirements with respect to the SPL Project will be financed through project debt and borrowings, cash flows under the SPAs and equity contributions from Cheniere Partners. We believe that with the net proceeds of borrowings, available commitments under the SPL Working Capital Facility, 2019 CQP Credit Facilities, cash flows from operations and equity contributions from Cheniere Partners, SPL will have adequate financial resources available to meet its currently anticipated capital, operating and debt service requirements with respect to Trains 1 through 6 of the SPL Project. SPL began generating cash flows from operations from the SPL Project in May 2016, when Train 1 achieved substantial completion and initiated operating activities. Trains 2, 3, 4 and 5 subsequently achieved substantial completion in September 2016, March 2017, October 2017 and March 2019, respectively. We realized offsets to LNG terminal costs of \$74 million in the nine months ended September 30, 2019 that were related to the sale of commissioning cargoes because these amounts were earned or loaded prior to the start of commercial operations of Train 5 of the SPL Project during the testing phase for its construction. We did not realize any offsets to LNG terminal costs in the three months ended September 30, 2019 and in the three and nine months ended September 30, 2018. Additionally, SPLNG generates cash flows from the TUAs, as discussed above.

The following table provides a summary of our capital resources from borrowings and available commitments for the Sabine Pass LNG Terminal, excluding equity contributions to our subsidiaries and cash flows from operations (as described in *Sources and Uses of Cash*), at September 30, 2019 and December 31, 2018 (in millions):

	September 30, 2019	December 31, 2018
Senior notes (1)	\$ 17,750	\$ 16,250
Credit facilities outstanding balance (2)	—	—
Letters of credit issued (3)	414	425
Available commitments under credit facilities (3)	1,536	775
Total capital resources from borrowings and available commitments (4)	\$ 19,700	\$ 17,450

- (1) Includes SPL's 5.625% Senior Secured Notes due 2021, 6.25% Senior Secured Notes due 2022, 5.625% Senior Secured Notes due 2023, 5.75% Senior Secured Notes due 2024, 5.625% Senior Secured Notes due 2025, 5.875% Senior Secured Notes due 2026 (the "2026 SPL Senior Notes"), 5.00% Senior Secured Notes due 2027 (the "2027 SPL Senior Notes"), 4.200% Senior Secured Notes due 2028 (the "2028 SPL Senior Notes") and 5.00% Senior Secured Notes due 2037 (the "2037 SPL Senior Notes") (collectively, the "SPL Senior Notes") and CQP Senior Notes.
- (2) Includes outstanding balances under the SPL Working Capital Facility and 2019 CQP Credit Facilities, inclusive of any portion of the 2019 CQP Credit Facilities that may be used for general corporate purposes.
- (3) Consists of SPL Working Capital Facility and 2019 CQP Credit Facilities. Balance at December 31, 2018 did not include the letters of credit issued or available commitments under the terminated 2016 CQP Credit Facilities, which were not specifically for the Sabine Pass LNG Terminal.
- (4) Does not include Cheniere's additional borrowings from the 2021 Cheniere Convertible Unsecured Notes and the 2045 Cheniere Convertible Senior Notes, which may be used for the Sabine Pass LNG Terminal.

For additional information regarding our debt agreements related to the Sabine Pass LNG Terminal, see [Note 10—Debt](#) of our Notes to Consolidated Financial Statements in this quarterly report and [Note 12—Debt](#) of our Notes to Consolidated Financial Statements in our annual report on Form 10-K for the year ended December 31, 2018.

The SPL Senior Notes are secured on a *pari passu* first-priority basis by a security interest in all of the membership interests in SPL and substantially all of SPL's assets.

At any time prior to three months before the respective dates of maturity for each series of the SPL Senior Notes (except for the 2026 SPL Senior Notes, 2027 SPL Senior Notes, 2028 SPL Senior Notes and 2037 SPL Senior Notes, in which case the time period is six months before the respective dates of maturity), SPL may redeem all or part of such series of the SPL Senior Notes at a redemption price equal to the "make-whole" price (except for the 2037 SPL Senior Notes, in which case the redemption price is equal to the "optional redemption" price) set forth in the respective indentures governing the SPL Senior Notes, plus accrued and unpaid interest, if any, to the date of redemption. SPL may also, at any time within three months of the respective maturity dates for each series of the SPL Senior Notes (except for the 2026 SPL Senior Notes, 2027 SPL Senior Notes, 2028 SPL Senior Notes and 2037 SPL Senior Notes, in which case the time period is within six months of the respective dates of maturity), redeem all or part of such series of the SPL Senior Notes at a redemption price equal to 100% of the principal amount of such series of the SPL Senior Notes to be redeemed, plus accrued and unpaid interest, if any, to the date of redemption.

Both the indenture governing the 2037 SPL Senior Notes (the "2037 SPL Senior Notes Indenture") and the common indenture governing the remainder of the SPL Senior Notes (the "SPL Indenture") include restrictive covenants. SPL may incur additional indebtedness in the future, including by issuing additional notes, and such indebtedness could be at higher interest rates and have different maturity dates and more restrictive covenants than the current outstanding indebtedness of SPL, including the SPL Senior Notes and the SPL Working Capital Facility. Under the 2037 SPL Senior Notes Indenture and the SPL Indenture, SPL may not make any distributions until, among other requirements, deposits are made into debt service reserve accounts as required and a debt service coverage ratio test of 1.25:1.00 is satisfied. Semi-annual principal payments for the 2037 SPL Senior Notes are due on March 15 and September 15 of each year beginning September 15, 2025.

SPL Working Capital Facility

In September 2015, SPL entered into the SPL Working Capital Facility, which is intended to be used for loans to SPL ("SPL Working Capital Loans"), the issuance of letters of credit on behalf of SPL, as well as for swing line loans to SPL ("SPL Swing Line Loans"), primarily for certain working capital requirements related to developing and placing into operation the SPL Project. SPL may, from time to time, request increases in the commitments under the SPL Working Capital Facility of up to \$760 million and, upon the completion of the debt financing of Train 6 of the SPL Project, request an incremental increase in commitments of up to an additional \$390 million. As of September 30, 2019 and December 31, 2018, SPL had \$786 million and \$775 million of available commitments and \$414 million and \$425 million aggregate amount of issued letters of credit under the SPL Working Capital Facility, respectively. SPL did not have any outstanding borrowings under the SPL Working Capital Facility as of both September 30, 2019 and December 31, 2018.

The SPL Working Capital Facility matures on December 31, 2020, and the outstanding balance may be repaid, in whole or in part, at any time without premium or penalty upon three business days' notice. Loans deemed made in connection with a draw upon a letter of credit have a term of up to one year. SPL Swing Line Loans terminate upon the earliest of (1) the maturity date or earlier termination of the SPL Working Capital Facility, (2) the date 15 days after such SPL Swing Line Loan is made and (3) the first borrowing date for a SPL Working Capital Loan or SPL Swing Line Loan occurring at least three business days following the date the SPL Swing Line Loan is made. SPL is required to reduce the aggregate outstanding principal amount of all SPL Working Capital Loans to zero for a period of five consecutive business days at least once each year.

The SPL Working Capital Facility contains conditions precedent for extensions of credit, as well as customary affirmative and negative covenants. The obligations of SPL under the SPL Working Capital Facility are secured by substantially all of the assets of SPL as well as all of the membership interests in SPL on *pari passu* basis with the SPL Senior Notes.

Corpus Christi LNG Terminal

Liquefaction Facilities

We are in various stages of constructing and operating the CCL Project at the Corpus Christi LNG terminal. We have received authorization from the FERC to site, construct and operate Stages 1 and 2 of the CCL Project. We achieved substantial completion of Trains 1 and 2 of the CCL Project and commenced operating activities in February 2019 and August 2019, respectively. The following table summarizes the overall project status of Stage 2 of the CCL Project as of September 30, 2019:

	CCL Stage 2	
Overall project completion percentage	68.6%	
Completion percentage of:		
Engineering	96.5%	
Procurement	98.2%	
Subcontract work	17.2%	
Construction	37.1%	
Expected date of substantial completion	Train 3	1H 2021

Separate from the CCH Group, we are also developing Corpus Christi Stage 3, adjacent to the CCL Project. We filed an application with the FERC in June 2018 for seven midscale Trains with an expected aggregate nominal production capacity of approximately 9.5 mtpa and one LNG storage tank.

The following orders have been issued by the DOE authorizing the export of domestically produced LNG by vessel from the Corpus Christi LNG terminal:

- CCL Project—FTA countries for a 25-year term and to non-FTA countries for a 20-year term up to a combined total of the equivalent of 767 Bcf/yr (approximately 15 mtpa) of natural gas.
- Corpus Christi Stage 3—FTA countries for a 20-year term in an amount equivalent to 514 Bcf/yr (approximately 10 mtpa) of natural gas (the “Stage 3 FTA”). The application for authorization to export that same 514 Bcf/yr of domestically produced LNG by vessel to non-FTA countries is currently pending before the DOE (the “Stage 3 Non-FTA”).

In each case, the terms of these authorizations begin on the earlier of the date of first export thereunder or the date specified in the particular order, which ranges from seven to 10 years from the date the order was issued.

In June 2018, we requested that DOE vacate the Stage 3 FTA and permit us to withdraw the pending Stage 3 Non-FTA. These requests were made due to certain changes to Corpus Christi Stage 3.

In conjunction with the submission in June 2018 of our FERC application for Corpus Christi Stage 3, we submitted a new application for long-term multi-contract authorization to export up to a combined total of 582.14 Bcf/yr (approximately 11.45 mtpa) of natural gas to FTA countries for a 25-year term and to non-FTA countries for a 20-year term. The term of each authorization is expected to begin on the earlier of the date of first commercial export of LNG produced by Corpus Christi Stage 3 or the date which is seven years from the issuance of such authorizations.

Customers

CCL has entered into fixed price SPAs generally with terms of 20 years (plus extension rights) with nine third parties for Trains 1 through 3 of the CCL Project. Under these SPAs, the customers will purchase LNG from CCL for a price consisting of a fixed fee per MMBtu of LNG (a portion of which is subject to annual adjustment for inflation) plus a variable fee per MMBtu of LNG equal to approximately 115% of Henry Hub. In certain circumstances, the customers may elect to cancel or suspend deliveries of LNG cargoes, in which case the customers would still be required to pay the fixed fee with respect to the contracted volumes that are not delivered as a result of such cancellation or suspension. We refer to the fee component that is applicable regardless of a cancellation or suspension of LNG cargo deliveries under the SPAs as the fixed fee component of the price under our SPAs. We refer to the fee component that is applicable only in connection with LNG cargo deliveries as the variable fee component of the price under our SPAs. The variable fee under CCL’s SPAs entered into in connection with the development of the CCL Project was sized at the time of entry into each SPA with the intent to cover the costs of gas purchases and transportation related to, and operating and maintenance costs to produce, the LNG to be sold under each such SPA. The SPAs and contracted

volumes to be made available under the SPAs are not tied to a specific Train; however, the term of each SPA generally commences upon the date of first commercial delivery for the applicable Train, as specified in each SPA.

In aggregate, the minimum fixed fee portion to be paid by the third-party SPA customers is approximately \$550 million for Train 1, increasing to approximately \$1.4 billion upon the date of first commercial delivery for Train 2 and further increasing to approximately \$1.8 billion following the substantial completion of Train 3 of the CCL Project.

In addition, Cheniere Marketing has entered into SPAs with CCL to purchase 15 TBtu per annum of LNG and any LNG produced by CCL in excess of that required for other customers at Cheniere Marketing's option.

Natural Gas Transportation, Storage and Supply

To ensure CCL is able to transport adequate natural gas feedstock to the Corpus Christi LNG terminal, it has entered into transportation precedent agreements to secure firm pipeline transportation capacity with CCP and certain third-party pipeline companies. CCL has entered into a firm storage services agreement with a third party to assist in managing variability in natural gas needs for the CCL Project. CCL has also entered into enabling agreements and long-term natural gas supply contracts with third parties, and will continue to enter into such agreements, in order to secure natural gas feedstock for the CCL Project. As of September 30, 2019, CCL had secured up to approximately 3,065 TBtu of natural gas feedstock through long-term natural gas supply contracts that range up to eight years, a portion of which is subject to the achievement of certain project milestones and other conditions precedent.

CCL Stage III has also entered into long-term natural gas supply contracts with third parties, and will continue to enter into such agreements, in order to secure natural gas feedstock for Corpus Christi Stage 3. As of September 30, 2019, CCL Stage III had secured up to approximately 2,361 TBtu of natural gas feedstock through long-term natural gas supply contracts that range up to approximately 15 years.

Construction

CCL entered into separate lump sum turnkey contracts with Bechtel for the engineering, procurement and construction of Stages 1 and 2 of the CCL Project under which Bechtel charges a lump sum for all work performed and generally bears project cost risk unless certain specified events occur, in which case Bechtel may cause CCL to enter into a change order, or CCL agrees with Bechtel to a change order.

The total contract price of the EPC contract for Stage 2 is approximately \$2.4 billion, reflecting amounts incurred under change orders through September 30, 2019. Total expected capital costs for Trains 1 through 3 are estimated to be between \$11.0 billion and \$12.0 billion before financing costs and between \$15.0 billion and \$16.0 billion after financing costs including, in each case, estimated owner's costs and contingencies.

Pipeline Facilities

In December 2014, the FERC issued a certificate of public convenience and necessity under Section 7(c) of the Natural Gas Act of 1938, as amended, authorizing CCP to construct and operate the Corpus Christi Pipeline. The Corpus Christi Pipeline is designed to transport 2.25 Bcf/d of natural gas feedstock required by the CCL Project from the existing regional natural gas pipeline grid. The construction of the Corpus Christi Pipeline was completed in the second quarter of 2018.

Capital Resources

The CCH Group expects to finance the construction costs of the CCL Project from one or more of the following: operating cash flows from CCL and CCP and equity contributions from Cheniere. We realized offsets to LNG terminal costs of \$99 million and \$227 million in the three and nine months ended September 30, 2019, respectively, that were related to the sale of commissioning cargoes because these amounts were earned or loaded prior to the start of commercial operations of Trains 1 and 2 during the testing phase for their construction. The following table provides a summary of the capital resources of the CCH Group from borrowings and available commitments for the CCL Project, excluding equity contributions from Cheniere, at September 30, 2019 and December 31, 2018 (in millions):

	September 30, 2019	December 31, 2018
Senior notes (1)	\$ 4,977	\$ 4,250
11.0% Convertible Senior Secured Notes due 2025 (2)	1,000	1,000
Credit facilities outstanding balance (3)	5,341	5,324
Letters of credit issued (3)	583	316
Available commitments under credit facilities (3)	617	1,698
Total capital resources from borrowings and available commitments (4)	\$ 12,518	\$ 12,588

- (1) Includes CCH's 7.000% Senior Secured Notes due 2024 (the "2024 CCH Senior Notes"), 5.875% Senior Secured Notes due 2025 (the "2025 CCH Senior Notes"), 5.125% Senior Secured Notes due 2027 (the "2027 CCH Senior Notes") and 4.80% Senior Secured Notes due 2039 (the "4.80% CCH Senior Notes") (collectively, the "CCH Senior Notes").
- (2) Aggregate original principal amount before debt discount and debt issuance costs.
- (3) Includes CCH Credit Facility and CCH Working Capital Facility.
- (4) Does not include Cheniere's additional borrowings from 2021 Cheniere Convertible Unsecured Notes, 2045 Cheniere Convertible Senior Notes and Cheniere Revolving Credit Facility, which may be used for the CCL Project.

For additional information regarding our debt agreements related to the CCL Project, see [Note 10—Debt](#) of our Notes to Consolidated Financial Statements in this quarterly report and [Note 12—Debt](#) of our Notes to Consolidated Financial Statements in our annual report on Form 10-K for the year ended December 31, 2018.

2025 CCH HoldCo II Convertible Senior Notes

In May 2015, CCH HoldCo II issued \$1.0 billion aggregate principal amount of 11.0% Convertible Senior Secured Notes due 2025 (the "2025 CCH HoldCo II Convertible Senior Notes") on a private placement basis. The 2025 CCH HoldCo II Convertible Senior Notes are convertible at the option of CCH HoldCo II or the holders, provided that various conditions are met. CCH HoldCo II is restricted from making distributions to Cheniere under agreements governing its indebtedness generally until, among other requirements, Trains 1 and 2 of the CCL Project are in commercial operation and a historical debt service coverage ratio and a projected fixed debt service coverage ratio of 1.20:1.00 are achieved.

In May 2018, the amended and restated note purchase agreement under which the 2025 CCH HoldCo II Convertible Senior Notes were issued was subsequently amended in connection with commercialization and financing of Train 3 of the CCL Project and to provide the note holders with certain prepayment rights related thereto consistent with those under the CCH Credit Facility. All terms of the 2025 CCH HoldCo II Convertible Senior Notes substantially remained unchanged.

CCH Senior Notes

In September 2019, CCH issued on a private placement basis, an aggregate of \$727 million of the 4.80% CCH Senior Notes, in addition to the existing 2024 CCH Senior Notes, 2025 CCH Senior Notes and 2027 CCH Senior Notes. The 4.80% CCH Senior Notes were issued under an indenture dated as of September 27, 2019 (the "2019 CCH Indenture"), pursuant to the CCH Note Purchase Agreement with the purchasers party thereto and Allianz Global Investors GmbH, as noteholder consultant, originally entered into in June 2019. The CCH Senior Notes are jointly and severally guaranteed by CCH's subsidiaries, CCL, CCP and Corpus Christi Pipeline GP, LLC (each a "CCH Guarantor" and collectively, the "CCH Guarantors").

The 4.80% CCH Senior Notes are CCH's senior secured obligation, ranking senior in right of payment to any and all of CCH's future indebtedness that is subordinated to the 4.80% CCH Senior Notes and equal in right of payment with CCH's other existing and future indebtedness that is senior and secured by the same collateral securing the 4.80% CCH Senior Notes. The 4.80% CCH Senior Notes are secured by a first-priority security interest in substantially all of CCH's and the CCH Guarantors' assets.

Both the 2019 CCH Indenture governing the 4.80% CCH Senior Notes and the indenture governing the 2024 CCH Senior Notes, 2025 CCH Senior Notes, and 2027 CCH Senior Notes (the "CCH Indenture") contain customary terms and events of default and certain covenants that, among other things, limit CCH's ability and the ability of CCH's restricted subsidiaries to: incur additional indebtedness or issue preferred stock; make certain investments or pay dividends or distributions on membership interests or subordinated indebtedness or purchase, redeem or retire membership interests; sell or transfer assets, including membership or partnership interests of CCH's restricted subsidiaries; restrict dividends or other payments by restricted subsidiaries to CCH or any of CCH's restricted subsidiaries; incur liens; enter into transactions with affiliates; dissolve, liquidate, consolidate, merge, sell or lease all or substantially all of the properties or assets of CCH and its restricted subsidiaries taken as a whole; or permit any CCH Guarantor to dissolve, liquidate, consolidate, merge, sell or lease all or substantially all of its properties and assets. The 2019 CCH Indenture covenants are subject to a number of important limitations and exceptions.

At any time prior to six months before the respective dates of maturity for each of the CCH Senior Notes, CCH may redeem all or part of such series of the CCH Senior Notes at a redemption price equal to the "make-whole" price set forth in the CCH Indenture, plus accrued and unpaid interest, if any, to the date of redemption. At any time within six months of the respective dates of maturity for each of the CCH Senior Notes, CCH may redeem all or part of such series of the CCH Senior Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the CCH Senior Notes to be redeemed, plus accrued and unpaid interest, if any, to the date of redemption.

CCH Credit Facility

In May 2018, CCH amended and restated the CCH Credit Facility to increase total commitments under the CCH Credit Facility from \$4.6 billion to \$6.1 billion. The obligations of CCH under the CCH Credit Facility are secured by a first priority lien on substantially all of the assets of CCH and its subsidiaries and by a pledge by CCH HoldCo I of its limited liability company interests in CCH. As of September 30, 2019 and December 31, 2018, CCH had zero and \$1.0 billion of available commitments and \$5.3 billion and \$5.2 billion of loans outstanding under the CCH Credit Facility, respectively. As part of the capital allocation framework announced in June 2019, we prepaid \$70 million of outstanding borrowings under the CCH Credit Facility during the three and nine months ended September 30, 2019.

The CCH Credit Facility matures on June 30, 2024, with principal payments due quarterly commencing on the earlier of (1) the first quarterly payment date occurring more than three calendar months following the completion of the CCL Project as defined in the common terms agreement and (2) a set date determined by reference to the date under which a certain LNG buyer linked to the last Train of the CCL Project to become operational is entitled to terminate its SPA for failure to achieve the date of first commercial delivery for that agreement. Scheduled repayments will be based upon a 19-year tailored amortization, commencing the first full quarter after the completion of Trains 1 through 3 and designed to achieve a minimum projected fixed debt service coverage ratio of 1.50:1.

Under the CCH Credit Facility, CCH is required to hedge not less than 65% of the variable interest rate exposure of its senior secured debt. CCH is restricted from making certain distributions under agreements governing its indebtedness generally until, among other requirements, the completion of the construction of Trains 1 through 3 of the CCL Project, funding of a debt service reserve account equal to six months of debt service and achieving a historical debt service coverage ratio and fixed projected debt service coverage ratio of at least 1.25:1.00.

CCH Working Capital Facility

In June 2018, CCH amended and restated the CCH Working Capital Facility to increase total commitments under the CCH Working Capital Facility from \$350 million to \$1.2 billion. The CCH Working Capital Facility is intended to be used for loans to CCH ("CCH Working Capital Loans") and the issuance of letters of credit on behalf of CCH for certain working capital requirements related to developing and operating the CCL Project and for related business purposes. Loans under the CCH Working Capital Facility are guaranteed by the CCH Guarantors. CCH may, from time to time, request increases in the commitments under the CCH Working Capital Facility of up to the maximum allowed for working capital under the Common Terms Agreement that

was entered into concurrently with the CCH Credit Facility. As of September 30, 2019 and December 31, 2018, CCH had \$617 million and \$716 million of available commitments, \$583 million and \$316 million aggregate amount of issued letters of credit and zero and \$168 million of loans outstanding under the CCH Working Capital Facility, respectively.

The CCH Working Capital Facility matures on June 29, 2023, and CCH may prepay the CCH Working Capital Loans and loans made in connection with a draw upon any letter of credit (“CCH LC Loans”) at any time without premium or penalty upon three business days’ notice and may re-borrow at any time. CCH LC Loans have a term of up to one year. CCH is required to reduce the aggregate outstanding principal amount of all CCH Working Capital Loans to zero for a period of five consecutive business days at least once each year.

The CCH Working Capital Facility contains conditions precedent for extensions of credit, as well as customary affirmative and negative covenants. The obligations of CCH under the CCH Working Capital Facility are secured by substantially all of the assets of CCH and the CCH Guarantors as well as all of the membership interests in CCH and each of the CCH Guarantors on a *pari passu* basis with the CCH Senior Notes and the CCH Credit Facility.

Restrictive Debt Covenants

As of September 30, 2019, each of our issuers was in compliance with all covenants related to their respective debt agreements.

Marketing

We market and sell LNG produced by the Liquefaction Projects that is not required for other customers through our integrated marketing function. We are developing a portfolio of long-, medium- and short-term SPAs to transport and unload commercial LNG cargoes to locations worldwide, which is primarily sourced by LNG produced by the Liquefaction Projects but supplemented by volume procured from other locations worldwide, as needed. As of September 30, 2019, we have sold or have options to sell approximately 3,380 TBtu of LNG to be delivered to customers between 2019 and 2045, excluding volume for agreements anticipated to be assigned to SPL in the future. The cargoes have been sold either on a free on board (“FOB”) basis (delivered to the customer at the Sabine Pass LNG terminal or the Corpus Christi LNG terminal) or a delivered at terminal (“DAT”) basis (delivered to the customer at their LNG receiving terminal). We have chartered LNG vessels to be utilized in DAT transactions. In addition, we have entered into a long-term agreement to sell LNG cargoes on a DAT basis that is conditioned upon the buyer achieving certain milestones.

Cheniere Marketing entered into uncommitted trade finance facilities with available commitments of \$420 million as of September 30, 2019, primarily to be used for the purchase and sale of LNG for ultimate resale in the course of its operations. The finance facilities are intended to be used for advances, guarantees or the issuance of letters of credit or standby letters of credit on behalf of Cheniere Marketing. As of September 30, 2019 and December 31, 2018, Cheniere Marketing had \$32 million and \$31 million, respectively, in standby letters of credit and guarantees outstanding under the finance facilities. As of September 30, 2019 and December 31, 2018, Cheniere Marketing had \$11 million and \$71 million, respectively, in loans outstanding under the finance facilities. Cheniere Marketing pays interest or fees on utilized commitments.

Corporate and Other Activities

We are required to maintain corporate and general and administrative functions to serve our business activities described above. We are also in various stages of developing other projects, including infrastructure projects in support of natural gas supply and LNG demand, which, among other things, will require acceptable commercial and financing arrangements before we make an FID. We have made an equity investment in Midship Pipeline, which is constructing a pipeline with expected capacity of up to 1.44 million Dekatherms per day that will connect new gas production in the Anadarko Basin to Gulf Coast markets, including markets serving the Liquefaction Projects.

Sources and Uses of Cash

The following table summarizes the sources and uses of our cash, cash equivalents and restricted cash for the nine months ended September 30, 2019 and 2018 (in millions). The table presents capital expenditures on a cash basis; therefore, these amounts differ from the amounts of capital expenditures, including accruals, which are referred to elsewhere in this report. Additional discussion of these items follows the table.

	Nine Months Ended September 30,	
	2019	2018
Operating cash flows	\$ 1,092	\$ 1,504
Investing cash flows	(2,658)	(2,722)
Financing cash flows	1,527	1,537
Net increase (decrease) in cash, cash equivalents and restricted cash	(39)	319
Cash, cash equivalents and restricted cash—beginning of period	3,156	2,613
Cash, cash equivalents and restricted cash—end of period	\$ 3,117	\$ 2,932

Operating Cash Flows

Our operating cash net inflows during the nine months ended September 30, 2019 and 2018 were \$1,092 million and \$1,504 million, respectively. The \$412 million decrease in operating cash inflows in 2019 compared to 2018 was primarily related to increased operating costs and expenses, which were partially offset by increased cash receipts from the sale of LNG cargoes, as a result of the additional Trains that were operating at the Liquefaction Projects in 2019. In addition to Trains 1 through 4 of the SPL Project that were operational during both the nine months ended September 30, 2019 and 2018, Train 5 of the SPL Project and Train 1 of the CCL Project were operational for approximately seven months during the nine months ended September 30, 2019 and Train 2 of the CCL Project was operational for approximately one month during the nine months ended September 30, 2019.

Investing Cash Flows

Investing cash net outflows during the nine months ended September 30, 2019 and 2018 were \$2,658 million and \$2,722 million, respectively, and were primarily used to fund the construction costs for the Liquefaction Projects. These costs are capitalized as construction-in-process until achievement of substantial completion. Additionally, we invested \$70 million in Midship Holdings, our equity method investment, during the nine months ended September 30, 2019.

Financing Cash Flows

Financing cash net inflows during the nine months ended September 30, 2019 were \$1,527 million, primarily as a result of:

- issuance of an aggregate principal amount of \$1.5 billion of the 2029 CQP Senior Notes, which was used to prepay the outstanding balance of the term loan under the 2019 CQP Credit Facilities;
- \$982 million of borrowings and \$797 million of repayments under the CCH Credit Facility;
- \$730 million of borrowings and repayments under the 2019 CQP Credit Facilities;
- issuance of an aggregate principal of \$727 million of the 4.80% CCH Senior Notes, which was used to prepay a portion of the outstanding balance of the CCH Credit Facility;
- \$481 million of borrowings and \$649 million in repayments under the CCH Working Capital Facility;
- \$439 million of distributions to non-controlling interest by Cheniere Partners;
- \$159 million paid to repurchase our common stock under the share repurchase program;
- \$61 million of net repayments related to our Cheniere Marketing trade financing facilities;
- \$38 million of debt issuance costs primarily related to up-front fees paid upon the closing of the 2019 CQP Credit Facilities, 2029 CQP Senior Notes and the 4.80% CCH Senior Notes; and
- \$19 million paid for tax withholdings for share-based compensation.

Financing cash net inflows during the nine months ended September 30, 2018 were \$1,537 million, primarily as a result of:

- issuance of an aggregate principal amount of \$1.1 billion of the 2026 CQP Senior Notes, which was used to prepay \$1.1 billion of the outstanding borrowings under the 2016 CQP Credit Facilities;
- \$2.3 billion of borrowings and \$281 million in repayments under the CCH Credit Facility;
- \$14 million of borrowings and \$14 million in repayments under the CCH Working Capital Facility;
- \$66 million of net borrowings related to our Cheniere Marketing trade financing facilities;
- \$53 million of debt issuance costs related to up-front fees paid for the amendment and restatement of the CCH Credit Facility and the CCH Working Capital Facility and upon the issuance of the 2026 CQP Senior Notes;
- \$16 million in debt extinguishment costs related to the prepayments of the 2016 CQP Credit Facilities and the CCH Credit Facility;
- \$435 million of distributions and dividends to non-controlling interest by Cheniere Partners and Cheniere Holdings;
- \$10 million paid for tax withholdings for share-based compensation; and
- \$7 million of transaction costs to acquire additional interests in Cheniere Holdings.

Results of Operations

The following table summarizes the volumes of operational and commissioning LNG cargoes that were loaded from the Liquefaction Projects, which were recognized on our Consolidated Financial Statements during the three and nine months ended September 30, 2019.

(in TBtu)	Three Months Ended September 30, 2019		Nine Months Ended September 30, 2019	
	Operational	Commissioning	Operational	Commissioning
Volumes loaded during the current period	364	20	1,009	48
Volumes loaded during the prior period but recognized during the current period	36	3	25	3
Less: volumes loaded during the current period and in transit at the end of the period	(36)	—	(36)	—
Total volumes recognized in the current period	364	23	998	51

Our consolidated net loss attributable to common stockholders was \$318 million, or \$1.25 per share (basic and diluted), in the three months ended September 30, 2019, compared to net income attributable to common stockholders of \$65 million, or \$0.26 per share (basic and diluted), in the three months ended September 30, 2018. This \$383 million increase in net loss attributable to common stockholders in 2019 was primarily attributable to increased interest expense, net of amounts capitalized, increased operating and maintenance expense, increased loss on equity method investments, increased derivative loss, net, and increased depreciation and amortization expense, which were partially offset by increased margins due to increased volume partially offset by decreased pricing on LNG, and decreased net income attributable to non-controlling interest.

Our consolidated net loss attributable to common stockholders was \$291 million, or \$1.13 (basic and diluted), in the nine months ended September 30, 2019, compared to net income attributable to common stockholders of \$404 million, or \$1.67 per share—basic and \$1.65 per share—diluted, in the nine months ended September 30, 2018. This \$695 million increase in net loss attributable to common stockholders in 2019 was primarily attributable to increased operating and maintenance expense, increased interest expense, net of amounts capitalized, increased derivative loss, net, increased depreciation and amortization expense and increased loss on equity method investments, which were partially offset by increased margins due to increased volume partially offset by decreased pricing on LNG, and decreased net income attributable to non-controlling interest.

We enter into derivative instruments to manage our exposure to (1) changing interest rates, (2) commodity-related marketing and price risks and (3) foreign exchange volatility. Derivative instruments are reported at fair value on our Consolidated Financial Statements. In some cases, the underlying transactions economically hedged receive accrual accounting treatment, whereby revenues and expenses are recognized only upon delivery, receipt or realization of the underlying transaction. Because the recognition of derivative instruments at fair value has the effect of recognizing gains or losses relating to future period exposure,

use of derivative instruments may increase the volatility of our results of operations based on changes in market pricing, counterparty credit risk and other relevant factors.

Revenues

(in millions)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2019	2018	Change	2019	2018	Change
LNG revenues	\$ 2,059	\$ 1,719	\$ 340	\$ 6,375	\$ 5,327	\$ 1,048
Regasification revenues	66	66	—	199	196	3
Other revenues	45	34	11	149	81	68
Total revenues	\$ 2,170	\$ 1,819	\$ 351	\$ 6,723	\$ 5,604	\$ 1,119

We begin recognizing LNG revenues from the Liquefaction Projects following the substantial completion and the commencement of operating activities of the respective Trains. In addition to Trains 1 through 4 of the SPL Project that were operational during both the nine months ended September 30, 2019 and 2018, Train 5 of the SPL Project and Train 1 of the CCL Project were operational for approximately seven months during the nine months ended September 30, 2019 and Train 2 of the CCL Project was operational for approximately one month during the nine months ended September 30, 2019. The additional revenue from the increased volume of LNG sold following the achievement of substantial completion of these Trains in the three and nine months ended September 30, 2019 from the comparable periods in 2018 was partially offset by decreased revenues per MMBtu, which was primarily affected by sales made at current market prices by our integrated marketing function. We expect our LNG revenues to increase in the future upon Train 6 of the SPL Project and Train 3 of the CCL Project becoming operational.

Prior to substantial completion of a Train, amounts received from the sale of commissioning cargoes from that Train are offset against LNG terminal construction-in-process, because these amounts are earned or loaded during the testing phase for the construction of that Train. We realized offsets to LNG terminal costs of \$99 million corresponding to 23 TBtu of LNG in the three months ended September 30, 2019 and \$301 million corresponding to 51 TBtu of LNG in the nine months ended September 30, 2019 that related to the sale of commissioning cargoes from the Liquefaction Projects. We did not realize any offsets to LNG terminal costs in the three and nine months ended September 30, 2018.

Also included in LNG revenues are gains and losses from derivative instruments, which include the realized value associated with a portion of derivative instruments that settle through physical delivery and the sale of natural gas procured for the liquefaction process. During the three months ended September 30, 2019 and 2018, we realized \$134 million and \$13 million, respectively, of gains and other revenues from these transactions. During the nine months ended September 30, 2019 and 2018, we realized \$451 million and \$21 million, respectively, of gains and other revenues from these transactions.

The following table presents the components of LNG revenues and the corresponding LNG volumes sold:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
LNG revenues (in millions):				
LNG from the Liquefaction Projects sold under third party long-term agreements (1)	\$ 1,496	\$ 1,182	\$ 4,406	\$ 3,293
LNG from the Liquefaction Projects sold by our integrated marketing function under short-term agreements	398	316	1,303	1,619
LNG procured from third parties	31	208	215	394
Other revenues and derivative gains (losses)	134	13	451	21
Total LNG revenues	\$ 2,059	\$ 1,719	\$ 6,375	\$ 5,327
Volumes sold as LNG revenues (in TBtu):				
LNG from the Liquefaction Projects sold under third party long-term agreements (1)	276	196	753	550
LNG from the Liquefaction Projects sold by our integrated marketing function under short-term agreements	88	32	245	181
LNG procured from third parties	8	23	31	44
Total volumes sold as LNG revenues	372	251	1,029	775

(1) Long-term agreements include agreements with tenure of 12 months or more.

Operating costs and expenses

(in millions)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2019	2018	Change	2019	2018	Change
Cost of sales	\$ 1,267	\$ 1,027	\$ 240	\$ 3,758	\$ 3,078	\$ 680
Operating and maintenance expense	308	170	138	824	457	367
Development expense	2	2	—	6	6	—
Selling, general and administrative expense	72	74	(2)	222	214	8
Depreciation and amortization expense	213	113	100	561	333	228
Impairment expense and loss on disposal of assets	1	8	(7)	7	8	(1)
Total operating costs and expenses	\$ 1,863	\$ 1,394	\$ 469	\$ 5,378	\$ 4,096	\$ 1,282

Our total operating costs and expenses increased during the three and nine months ended September 30, 2019 from the three and nine months ended September 30, 2018, primarily as a result of the increase in operating Trains between each of the periods and increased third-party service and maintenance costs from additional maintenance and related activities at the SPL Project.

Cost of sales includes costs incurred directly for the production and delivery of LNG from the Liquefaction Projects, to the extent those costs are not utilized for the commissioning process. Cost of sales increased during the three months ended September 30, 2019 from the three months ended September 30, 2018 due to a decrease in fair value of the derivatives associated with hedges to secure natural gas feedstock for the Liquefaction Projects and Corpus Christi Stage 3 primarily due to unfavorable shifts in the long-term forward prices, increased vessel charter costs and increased cost of natural gas feedstock for our LNG sales, which resulted from increased volumes as a result of substantial completion of Train 5 of the SPL Project and Trains 1 and 2 of the CCL Project but was partially offset by decreased pricing of natural gas feedstock. Partially offsetting these increases was a decrease in costs associated with a portion of derivative instruments that settle through physical delivery. Cost of sales increased during the nine months ended September 30, 2019 from the nine months ended September 30, 2018 due to increased cost of natural gas feedstock for our LNG sales from increased volumes partially offset by decreased pricing of natural gas feedstock, increased vessel charter costs and an increase in costs associated with a portion of derivative instruments that settle through physical delivery. Cost of sales also includes port and canal fees, variable transportation and storage costs, costs associated with a portion of derivative instruments that settle through physical delivery and the sale of natural gas procured for the liquefaction process and other costs to convert natural gas into LNG.

Operating and maintenance expense primarily includes costs associated with operating and maintaining the Liquefaction Projects. The increase in operating and maintenance expense during the three and nine months ended September 30, 2019 from the three and nine months ended September 30, 2018 was primarily related to: (1) increased natural gas transportation and storage capacity demand charges from operating Train 5 of the SPL Project and Trains 1 and 2 of the CCL Project following the respective substantial completions, (2) increased cost of turnaround and related activities at the SPL Project, (3) increased TUA reservation charges paid to Total from payments under the partial TUA assignment agreement and (4) increased payroll and benefit costs from increased headcount to operate Train 5 of the SPL Project and Trains 1 and 2 of the CCL Project. Operating and maintenance expense also includes insurance and regulatory costs and other operating costs.

Depreciation and amortization expense increased during the three and nine months ended September 30, 2019 from the three and nine months ended September 30, 2018 as a result of commencing operations of Train 5 of the SPL Project in March 2019 and Trains 1 and 2 of the CCL Project in February 2019 and August 2019, respectively, and completing construction of the Corpus Christi Pipeline in the second quarter of 2018, as the related assets began depreciating upon reaching substantial completion.

We expect our operating costs and expenses to generally increase in the future upon Train 6 of the SPL Project and Train 3 of the CCL Project achieving substantial completion, although we expect certain costs will not proportionally increase with the number of operational Trains as cost efficiencies will be realized.

Other expense (income)

<i>(in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2019	2018	Change	2019	2018	Change
Interest expense, net of capitalized interest	\$ 395	\$ 221	\$ 174	\$ 1,014	\$ 653	\$ 361
Loss on modification or extinguishment of debt	27	12	15	27	27	—
Derivative loss (gain), net	78	(23)	101	187	(132)	319
Other expense (income)	70	(15)	85	38	(32)	70
Total other expense	\$ 570	\$ 195	\$ 375	\$ 1,266	\$ 516	\$ 750

Interest expense, net of capitalized interest, increased during the three and nine months ended September 30, 2019 compared to the three and nine months ended September 30, 2018, as a result of increased outstanding debt (before unamortized premium, discount and debt issuance costs, net) from \$28.3 billion as of September 30, 2018 to \$31.5 billion as of September 30, 2019, primarily due to increased borrowings under the CCH Credit Facility and the issuance of the 2029 CQP Senior Notes, as well as a decrease in the portion of total interest costs that could be capitalized as additional Trains of the Liquefaction Projects completed construction between the periods. For the three months ended September 30, 2019 and 2018, we incurred \$468 million and \$426 million of total interest cost, respectively, of which we capitalized \$73 million and \$205 million, respectively, which was primarily related to the construction of the Liquefaction Projects. For the nine months ended September 30, 2019 and 2018 we incurred \$1.4 billion and \$1.2 billion of total interest cost, respectively, of which we capitalized \$360 million and \$589 million, respectively, which was primarily related to the construction of the Liquefaction Projects.

Loss on modification or extinguishment of debt increased during the three months ended September 30, 2019 from the three months ended September 30, 2018. The loss on modification or extinguishment of debt recognized in 2019 of \$27 million was related to the termination of \$750 million of commitments under the 2019 CQP Credit Facilities in connection with the 2029 CQP Senior Notes and the prepayment of a portion of the outstanding balance of the CCH Credit Facility in connection with the 4.80% CCH Senior Notes and as part of the capital allocation framework. Loss on modification or extinguishment of debt recognized in 2018 was attributable to the incurrence of third party fees and write off of unamortized debt issuance costs in September 2018 as a result of the termination of approximately \$1.2 billion of commitments under the 2016 CQP Credit Facilities in connection with the issuance of the 2026 CQP Senior Notes.

Derivative loss, net increased during the three and nine months ended September 30, 2019 compared to the three and nine months ended September 30, 2018, primarily due to an unfavorable shift in the long-term forward LIBOR curve between the periods.

Other expense increased during the three and nine months ended September 30, 2019 compared to the three and nine months ended September 30, 2018, primarily due to a loss on our equity method investments, which was partially offset by an increase in interest income earned on our cash and cash equivalents. During the three and nine months ended September 30, 2019, we recognized impairment losses of \$87 million relating to our investments in certain equity method investees, including Midship Holdings. Impairments were precipitated primarily by cost overruns and extended construction timelines for operating infrastructure of our investees' projects, resulting in a reduction of the expected fair value of our equity interests.

Income tax benefit (provision)

<i>(in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2019	2018	Change	2019	2018	Change
Income (loss) before income taxes and non-controlling interest	\$ (263)	\$ 230	\$ (493)	\$ 79	\$ 992	\$ (913)
Income tax benefit (provision)	3	(3)	6	—	(15)	15
Effective tax rate	1.1%	1.3%	—%	1.5%		

Income tax benefit increased \$6 million during the three months ended September 30, 2019 and income tax provision decreased \$15 million during the nine months ended September 30, 2019, respectively, from the comparable periods in 2018 primarily attributable to changes in the income earned and tax transfer pricing applied to our U.K. integrated marketing function. The effective tax rates during each of the three and nine months ended September 30, 2019 and 2018 were lower than the 21%

federal statutory rate, primarily as a result of maintaining a valuation allowance against our federal and state net deferred tax assets. Given our current and anticipated future earnings, coupled with additional positive evidence achieved during the three months ended September 30, 2019 such as substantial completion of Train 2 of the CCL Project, we believe that there is a reasonable possibility that a full release of the federal valuation allowance and a partial release of the state valuation allowance could occur as early as the fourth quarter of 2019. The release of the valuation allowance would result in the recognition of certain deferred tax assets and a non-cash income tax benefit in the period the release is recorded.

Net income attributable to non-controlling interest

<i>(in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2019	2018	Change	2019	2018	Change
Net income attributable to non-controlling interest	\$ 58	\$ 162	\$ (104)	\$ 370	\$ 573	\$ (203)

Net income attributable to non-controlling interest decreased during the three and nine months ended September 30, 2019 from the three and nine months ended September 30, 2018 due to the decrease of non-controlling interest as a result of our merger with Cheniere Holdings in September 2018, in which all publicly-held shares of Cheniere Holdings were canceled and the non-controlling interest in Cheniere Holdings was reduced to zero. Net income attributable to non-controlling interest also decreased during the three months ended September 30, 2019 from the three months ended September 30, 2018 due to the decrease in consolidated net income recognized by Cheniere Partners in which the non-controlling interests are held. The consolidated net income recognized by Cheniere Partners decreased from \$307 million in the three months ended September 30, 2018 to \$110 million in the three months ended September 30, 2019 and from \$923 million in the nine months ended September 30, 2018 to \$727 million in the nine months ended September 30, 2019 primarily due to a decrease in income from operations from higher operating and maintenance expense and an increase in interest expense, net of capitalized interest, as a result of the decrease in the portion of total interest costs that could be capitalized as Train 5 of the SPL Project completed construction between the periods.

Off-Balance Sheet Arrangements

As of September 30, 2019, we had no transactions that met the definition of off-balance sheet arrangements that may have a current or future material effect on our consolidated financial position or operating results.

Summary of Critical Accounting Estimates

The preparation of our Consolidated Financial Statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the amounts reported in the Consolidated Financial Statements and the accompanying notes. There have been no significant changes to our critical accounting estimates from those disclosed in our [annual report on Form 10-K for the year ended December 31, 2018](#)

Recent Accounting Standards

For descriptions of recently issued accounting standards, see [Note 1—Nature of Operations and Basis of Presentation](#) of our Notes to Consolidated Financial Statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Cash Investments

We have cash investments that we manage based on internal investment guidelines that emphasize liquidity and preservation of capital. Such cash investments are stated at historical cost, which approximates fair market value on our Consolidated Balance Sheets.

Marketing and Trading Commodity Price Risk

We have entered into commodity derivatives consisting of natural gas supply contracts for the commissioning and operation of the SPL Project, the CCL Project and potential future development of Corpus Christi Stage 3 (“Liquefaction Supply Derivatives”). We have also entered into financial derivatives to hedge the exposure to the commodity markets in which we have contractual

arrangements to purchase or sell physical LNG (“LNG Trading Derivatives”). In order to test the sensitivity of the fair value of the Liquefaction Supply Derivatives and the LNG Trading Derivatives to changes in underlying commodity prices, management modeled a 10% change in the commodity price for natural gas for each delivery location and a 10% change in the commodity price for LNG, respectively, as follows (in millions):

	September 30, 2019		December 31, 2018	
	Fair Value	Change in Fair Value	Fair Value	Change in Fair Value
Liquefaction Supply Derivatives	\$ (52)	\$ 203	\$ (42)	\$ 6
LNG Trading Derivatives	24	27	(24)	9

Interest Rate Risk

We are exposed to interest rate risk primarily when we incur debt related to project financing. Interest rate risk is managed in part by replacing outstanding floating-rate debt with fixed-rate debt with varying maturities. CCH has entered into interest rate swaps to hedge the exposure to volatility in a portion of the floating-rate interest payments under the CCH Credit Facility (“CCH Interest Rate Derivatives”) and to hedge against changes in interest rates that could impact anticipated future issuance of debt by CCH (“CCH Interest Rate Forward Start Derivatives”). In order to test the sensitivity of the fair value of the CCH Interest Rate Derivatives to changes in interest rates, management modeled a 10% change in the forward one-month LIBOR curve across the remaining terms of the CCH Interest Rate Derivatives and CCH Interest Rate Forward Start Derivatives as follows (in millions):

	September 30, 2019		December 31, 2018	
	Fair Value	Change in Fair Value	Fair Value	Change in Fair Value
CCH Interest Rate Derivatives	\$ (104)	\$ 20	\$ 18	\$ 37
CCH Interest Rate Forward Start Derivatives	(68)	30	—	—

Foreign Currency Exchange Risk

We have entered into foreign currency exchange (“FX”) contracts to hedge exposure to currency risk associated with operations in countries outside of the United States (“FX Derivatives”). In order to test the sensitivity of the fair value of the FX Derivatives to changes in FX rates, management modeled a 10% change in FX rate between the U.S. dollar and the applicable foreign currencies as follows (in millions):

	September 30, 2019		December 31, 2018	
	Fair Value	Change in Fair Value	Fair Value	Change in Fair Value
FX Derivatives	\$ 37	\$ 4	\$ 15	\$ 1

See [Note 6—Derivative Instruments](#) for additional details about our derivative instruments.

ITEM 4. CONTROLS AND PROCEDURES

We maintain a set of disclosure controls and procedures that are designed to ensure that information required to be disclosed by us in the reports filed by us under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. As of the end of the period covered by this report, we evaluated, under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 of the Exchange Act. Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures are effective.

During the most recent fiscal quarter, there have been no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We may in the future be involved as a party to various legal proceedings, which are incidental to the ordinary course of business. We regularly analyze current information and, as necessary, provide accruals for probable liabilities on the eventual disposition of these matters. There have been no material changes to the legal proceedings disclosed in our [Annual Report on Form 10-K for the year ended December 31, 2018](#) and in our [Quarterly Report on Form 10-Q for the period ended June 30, 2019](#).

ITEM 1A. RISK FACTORS

There have been no material changes from the risk factors disclosed in our [annual report on Form 10-K for the year ended December 31, 2018](#).

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Purchase of Equity Securities by the Issuer and Affiliated Purchasers

The following table summarizes stock repurchases for the three months ended September 30, 2019:

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share (2)	Total Number of Shares Purchased as a Part of Publicly Announced Plans	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans (3)
July 1 - 31, 2019	584,171	\$67.22	520,460	\$962,086,617
August 1 - 31, 2019	1,651,673	\$61.99	1,647,438	\$859,955,793
September 1 - 30, 2019	311,449	\$61.60	309,826	\$840,873,574
Total	2,547,293	\$63.14	2,477,724	

- (1) Includes shares surrendered to us by participants in our share-based compensation plans for payment of applicable tax withholdings on the vesting of share-based compensation awards. Associated shares surrendered by participants are repurchased pursuant to terms of the plan and award agreements and not as part of the publicly announced share repurchase plan.
- (2) The price paid per share was based on the average trading price of our common stock on the dates on which we repurchased the shares.
- (3) On June 3, 2019, we announced that our Board authorized a 3-year, \$1 billion share repurchase program.

ITEM 6. EXHIBITS

Exhibit No.	Description
1.1	<u>Purchase Agreement, dated as of September 9, 2019, among Cheniere Partners, the guarantors party thereto and RBC Capital Markets, LLC (Incorporated by reference to Exhibit 1.1 to Cheniere Partners' Current Report on Form 8-K (SEC File No. 001-33366), filed on September 12, 2019)</u>
4.1	<u>Indenture, dated as of September 27, 2019, among CCH, as issuer, and CCL, CCP and Corpus Christi Pipeline GP, LLC, as guarantors, and The Bank of New York Mellon, as trustee (Incorporated by reference to Exhibit 4.1 to CCH's Current Report on Form 8-K (SEC File No. 333-215435), filed on September 30, 2019)</u>
4.2	<u>Third Supplemental Indenture, dated as of September 12, 2019, among Cheniere Partners, the guarantors party thereto and The Bank of New York Mellon, as Trustee under the Indenture (Incorporated by reference to Exhibit 4.1 to Cheniere Partners' Current Report on Form 8-K (SEC File No. 001-33366), filed on September 12, 2019)</u>
4.3	<u>Third Supplemental Indenture, dated as of September 6, 2019, among CCH, as issuer, CCL, CCP and Corpus Christi Pipeline GP, LLC, as Guarantors, and The Bank of New York Mellon, as Trustee (Incorporated by reference to Exhibit 4.1 to CCH's Current Report on Form 8-K (SEC File No. 333-215435), filed on September 12, 2019)</u>
10.1*	<u>Amendment No. 2 of Amended and Restated LNG Sale and Purchase Agreement, dated June 27, 2019, between CCL and PT Pertamina (Persero)</u>
10.2†	<u>Employment Agreement Amendment between the Company and Jack Fusco, dated August 15, 2019 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (SEC File No. 001-16383), filed on August 15, 2019)</u>
10.3**†	<u>Amended and Restated Cheniere Energy, Inc. Key Executive Severance Pay Plan (Effective August 15, 2019) and Summary Plan Description</u>
10.4*	<u>Second Amendment to the Amended and Restated Common Terms Agreement, dated as of August 30, 2019, by and among CCH, CCL, CCP and Corpus Christi Pipeline GP, LLC, Société Générale as Term Loan Facility Agent, The Bank of Nova Scotia as Working Capital Facility Agent, each other Facility Agent on behalf of its respective Facility Lenders, and Société Générale as the Intercreditor Agent</u>
10.5*	<u>Second Amendment to Common Security and Account Agreement, dated as of August 30, 2019, by and among the Company, CCL, CCP, Corpus Christi Pipeline GP, LLC, the Senior Creditor Group Representatives, Société Générale as Intercreditor Agent for the Facility Lenders and any Hedging Banks, Société Générale as Security Trustee, and Mizuho Bank, Ltd; as Account Bank</u>
10.6	<u>Registration Rights Agreement, dated as of September 12, 2019, among Cheniere Partners, the guarantors party thereto and RBC Capital Markets, LLC (Incorporated by reference to Exhibit 10.1 to Cheniere Partners' Current Report on Form 8-K (SEC File No. 001-33366), filed on September 12, 2019)</u>
10.7*	<u>Amendment to Amended and Restated Revolving Credit Agreement, dated as of September 27, 2019, among the Company, Société Générale as administrative agent, and the Requisite Lenders party thereto</u>
10.8*	<u>Change orders to the Fixed Price Separated Turnkey Agreement for the Engineering, Procurement and Construction of the Corpus Christi Stage 1 Liquefaction Facility, dated as of December 6, 2013, between CCL and Bechtel Oil, Gas and Chemicals, Inc.; the Change Order CO-00053 Train 2 Nitrogen Supply for Commissioning Units 16, 17 and Feed Gas, dated June 26, 2019 (Portions of this exhibit have been omitted.)</u>
10.9*	<u>Change orders to the Amended and Restated Fixed Price Separated Turnkey Agreement for the Engineering, Procurement and Construction of the Corpus Christi Stage 2 Liquefaction Facility, dated as of December 12, 2017, between CCL and Bechtel Oil, Gas and Chemicals, Inc.: (i) the Change Order CO-000016 Tank B Jump-over Tie-In (Part 1) and Deletion of East Jetty Shroud, dated August 5, 2019, (ii) the Change Order CO-00017 H2S Removal Skid PSVs Modifications and Revision to Chemical Cleaning Milestones, dated August 5, 2019 and (iii) the Change Order CO-00018 Cold Box Redesign Major Permanent Plant Materials and Ethylene Cold Box's E-1504 Partial Mockup, dated September 6, 2019 (Portions of this exhibit have been omitted.)</u>
10.10*	<u>Change order to the Lump Sum Turnkey Agreement for the Engineering, Procurement and Construction of the Sabine Pass LNG Stage 4 Liquefaction Facility, dated November 7, 2018, by and between SPL and Bechtel Oil Gas and Chemicals, Inc.: (i) the Change Order CO-00002 Fuel Provisional Sum Closure, dated July 8, 2019, (ii) the Change Order CO-00003 Currency Provisional Sum Closure, dated July 8, 2019, (iii) the Change Order CO-00004 Foreign Trade Zone, dated July 2, 2019, (iv) the Change Order CO-00005 NGPL Gate Access Security Coordination Provisional Sum, dated July 17, 2019, (v) the Change Order CO-00006 Alternate to Adams Valves, dated August 14, 2019, (vi) the Change Order CO-00007 E-1503 to HRU Permanent Drain Piping, dated August 14, 2019, (vii) the Change Order CO-00008 Differing Subsurface Soil Conditions - Train 6 ISBL, dated August 27, 2019, (viii) the Change Order CO-00009 LNG Berth 3, dated September 25, 2019 and (iv) the Change Order CO-00010 Cold Box Redesign and Addition of Inspection Boxes on Methane Cold Box, dated September 16, 2019</u>
31.1*	<u>Certification by Chief Executive Officer required by Rule 13a-14(a) and 15d-14(a) under the Exchange Act</u>

Exhibit No.	Description
31.2*	Certification by Chief Financial Officer required by Rule 13a-14(a) and 15d-14(a) under the Exchange Act
32.1**	Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

-
- * Filed herewith.
- ** Furnished herewith.
- † Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHENIERE ENERGY, INC.

Date:	October 31, 2019	By:	<u>/s/ Michael J. Wortley</u> Michael J. Wortley Executive Vice President and Chief Financial Officer (on behalf of the registrant and as principal financial officer)
Date:	October 31, 2019	By:	<u>/s/ Leonard E. Travis</u> Leonard E. Travis Vice President and Chief Accounting Officer (on behalf of the registrant and as principal accounting officer)

AMENDMENT No. 2 of AMENDED AND RESTATED LNG SALE AND PURCHASE AGREEMENT (FOB)

THIS AMENDMENT NO. 2 OF AMENDED AND RESTATED LNG SALE AND PURCHASE AGREEMENT (FOB) (this “**Amendment**”) is made and entered into as of June 27, 2019, between Corpus Christi Liquefaction, LLC, a Delaware limited liability company whose principal place of business is located at 700 Milam St., Suite 1900, Houston, TX 77002 (“**Seller**”), and PT Pertamina (Persero), a company registered in the Republic of Indonesia whose principal place of business is located at Jalan Medan Merdeka Timur No. 1A, Jakarta 10110 Indonesia (“**Buyer**”). Buyer and Seller are each referred to herein as a “**Party**” and collectively as the “**Parties**”.

WHEREAS, Buyer and Seller entered into that certain Amended and Restated LNG Sale and Purchase Agreement (FOB) dated March 20, 2015, as amended by Amendment No. 1 of Amended and Restated LNG Sale and Purchase Agreement (FOB) dated February 04, 2016 (the “**Agreement**”);

WHEREAS, the Parties have agreed to amend the Agreement to effect a change to the definition of “LIBOR” in section 1.1 (*Definitions*), the procedures set forth in Sections 8(b) and 9(c) of Exhibit A and Section 25 (*Notices*) of the Agreement;

WHEREAS, this Amendment is hereby entered into by the Parties pursuant to Section 24.4 (*Amendments and Waiver*) of the Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements made herein, the Parties, intending to be legally bound, hereby agree as follows:

AGREEMENT

1. **Definitions.** Capitalized terms used but not defined herein shall have the meaning provided in the Agreement.

2. **Amendment.**

- a. The definition of “LIBOR” in Section 1.1 shall be deleted in its entirety, and the following is inserted in lieu thereof:

“**LIBOR:** on or from any Day, the percentage rate per annum published two (2) London Banking Days before that Day (or, if that Day is not a London Banking Day, published two (2) London Banking Days before the nearest preceding London Banking Day) at 11:00 a.m. London time, by the ICE Benchmark Administration Ltd that appears on the Reuters Screen LIBOR01 page as three (3) Month USD LIBOR or, if no such rate is published, such other rate representing the cost of three (3) Month USD funds in the London interbank lending market on that Day as reasonably agreed by the Parties;”

- b. Section 25.1.1(c)(iii) of the Agreement is amended by deleting such section in its entirety, and the following is inserted in lieu thereof:

“(iii) with respect to any notice, invoice, or other communication to be sent pursuant to Sections 4.2, 7, 8, 10 or 12 (or others as may be agreed by the Parties), be sent by electronic mail to the e-mail address of the other Party which is shown below or to such other e-mail address as the other Party shall by notice require; and”

- c. Section 25.2.1 of the Agreement is amended by revising the phrase in the first sentence that reads “if sent by facsimile” to read “if sent by facsimile or electronic mail”.

- d. Section 8(b) of Exhibit A of the Agreement is amended by deleting such section in its entirety, and the following is inserted in lieu thereof:

“b) Manual Samples. Seller shall collect a total of six (6) spot samples from the vaporizer during full rate of loading - two samples when the loading is twenty-five percent (25%), two samples when loading is at fifty percent (50%) and two samples when loading is at seventy-five percent (75%) complete. Spot samples shall be collected in accordance with Gas Processors Association (“GPA”) Standard 2166 - Methods for Obtaining Gas Samples for Analysis by Gas Chromatography - or by other mutually agreeable methods. The samples shall be properly labeled. Seller shall retain all six (6) samples for a period of forty (40) days, unless the analysis is in dispute; provided, however, Buyer may request in writing prior to the loading for Seller distribute one set (25%, 50%, 75%) of such samples to Buyer. If the analysis is in dispute, the remaining samples will be retained until the dispute is resolved.

If Buyer requests a set of samples for distribution, Buyer shall return the set of sample cylinders provided or an identical set within sixty (60) days. If the set of sample cylinders provided are not returned or replaced to Seller’s satisfaction within the sixty (60) days, Seller will procure replacement cylinders and Buyer will be invoiced for the cost of replacement cylinders inclusive of preparation cost.

- e. Section 9(c) of Exhibit A of the Agreement is amended by deleting such section in its entirety, and the following is inserted in lieu thereof:

“ c) GPA Standard 2377. Seller shall determine the presence of Hydrogen Sulfide (H₂S) by use of GPA Standard 2377 - Test of Hydrogen Sulfide and Carbon Dioxide in Gas Using Length of Stain Tubes. Total sulfur will be determined as the summation of sulfur compounds (i.e. mercaptans) following ASTM D1988-06 (Standard Test Method for Mercaptans in Natural Gas using Length-of-Stain Detector Tubes). If the presence of Hydrogen Sulfide or sulfur compounds is detected, an additional test shall be performed to confirm the respective concentration(s) following either: (i) ASTM D6228 (Determination of Sulfur Compounds in Natural Gas and Gaseous Fuels by Gas Chromatography and Flame Photometric Detection), (ii) ASTM D5504 (Determination of Sulfur Compounds in Natural Gas and Gaseous Fuels by Gas Chromatography and Chemiluminescence), (iii) ASTM D6667 (Determination of Total Volatile Sulfur in Gaseous Hydrocarbons and Liquefied Petroleum Gases by Ultraviolet Fluorescence), or (iv) any other testing method mutually agreed by the Parties.”

3. Miscellaneous

- a. Force and Effect. All provisions of the Agreement not specifically amended hereby shall remain in full force and effect.
- b. Further Assurances. Each Party hereby agrees to take all such action as may be necessary to effectuate fully the purposes of this Amendment, including causing this Amendment or any document contemplated herein to be duly registered, notarized, attested, consularized and stamped in any applicable jurisdiction.
- c. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York (United States of America) without regard to principles of conflict of laws that would specify the use of other laws.
- d. Confidentiality; Dispute Resolution; Immunity; Contract Language. The provisions of Section 19 (*Confidentiality*), Section 21.1 (*Dispute Resolution*), Section 21.4 (*Immunity*), and Section 23 of the Agreement shall apply in this Amendment as if incorporated herein *mutatis mutandis* on the basis that references therein to the Agreement are to this Amendment.
- e. Entire Agreement. The Agreement, as amended by this Amendment, constitutes the entire agreement between the Parties, and includes all promises and representations, express or implied, and supersedes all other prior agreements and representations, written or oral, between the Parties relating to the subject matter thereof.
- f. Amendments and Waiver. This Amendment may not be supplemented, amended, modified or changed except by an instrument in writing signed by all Parties. A Party shall not be deemed to have waived any right or remedy under this Amendment by reason of such Party's failure to enforce such right or remedy.
- g. Successors. The terms and provisions of this Amendment shall inure to the benefit of and shall be binding upon the Parties and their respective successors and permitted assigns.
- h. Severability. If a court of competent jurisdiction or arbitral tribunal determines that any clause or provision of this Amendment is void, illegal, or unenforceable, the other clauses and provisions of the Amendment shall remain in full force and effect and the clauses and provisions which are determined to be void, illegal, or unenforceable shall be limited so that they shall remain in effect to the maximum extent permissible by law.
- i. No Third Party Beneficiaries. Except as expressly contemplated by the Agreement, nothing in this Amendment shall entitle any party other than the Parties to this Amendment to any claim, cause of action, remedy or right of any kind.
- j. Counterparts. This Amendment may be executed by signing the original or a counterpart thereof (including by facsimile or email transmission). If this Amendment is executed in counterparts, all counterparts taken together shall have the same effect as if the undersigned parties hereto had signed the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the undersigned Parties has caused this Amendment to be executed as of the date first above written.

SELLER:

Corpus Christi Liquefaction, LLC

/s/ Florian Pintgen

Name: Florian Pintgen

Title: Vice President, Commercial Operations

BUYER:

PT Pertamina (Persero)

/s/ Basuki Trikora Putra

Name: Basuki Trikora Putra

Title: Corporate Marketing Director

Signature Page to Amendment No. 2 of Amended and Restated LNG Sale and Purchase Agreement

**AMENDED AND RESTATED
CHENIERE ENERGY, INC.
KEY EXECUTIVE
SEVERANCE PAY PLAN
(Effective as of August 15, 2019)
AND SUMMARY PLAN DESCRIPTION**

**AMENDED AND RESTATED
CHENIERE ENERGY, INC.
KEY EXECUTIVE
SEVERANCE PAY PLAN
(Effective as of August 15, 2019)
AND SUMMARY PLAN DESCRIPTION**

**SECTION 1
PURPOSE**

The purpose of the Plan is to provide Severance Benefits to each Executive whose employment is terminated as a result of a Qualifying Termination and Change in Control Benefits to each Executive upon a Change in Control, as applicable. The Plan is not intended to provide Severance Benefits to any individual who is not an Executive and who does not suffer a Qualifying Termination. The Plan, as a “severance pay arrangement” as defined in Section 3(2)(B)(i) of ERISA, is intended to be and shall be administered and maintained as an unfunded welfare benefit plan under Section 3(1) of ERISA. The Plan is intended to be a “top hat” plan under ERISA. The document serves as both the formal Plan document and the summary plan description. The Plan originally became effective on January 1, 2017 and was previously amended and restated effective January 11, 2018. This amendment and restatement of the Plan is effective August 15, 2019.

**SECTION 2
DEFINITIONS**

For purposes of the Plan, the following terms shall have the following meanings:

2.1 “**Affiliate**” shall mean a corporation or other entity that, directly or through one or more intermediaries, controls, is controlled by or is under common control with, the Company.

2.2 “**Annual Base Pay**” shall mean, as it relates to any Executive, such Executive’s gross annual base salary as reflected in the Company’s records and as in effect immediately prior to the Qualifying Termination.

2.3 “**Annual Bonus**” shall mean the amount of the Executive’s annual cash bonus for the applicable calendar year.

2.4 “**Board**” shall mean the Board of Directors of the Company.

2.5 “**Cause**” shall mean, with respect to an Executive, that such Executive experiences a Termination as a result of any of the following:

(a) the willful commission by the Executive of a crime or other act of misconduct that causes or is likely to cause substantial economic damage to the Company or an Affiliate or substantial injury to the business reputation of the Company or an Affiliate;

(b) the commission by the Executive of an act of fraud in the performance of the Executive’s duties on behalf of the Company or an Affiliate;

(c) the willful and material violation by the Executive of the Company's Code of Business Conduct and Ethics Policy; or

(d) the continuing and repeated failure of the Executive to perform his or her duties to the Company or an Affiliate, including by reason of the Executive's habitual absenteeism (other than such failure resulting from the Executive's incapacity due to physical or mental illness), which failure has continued for a period of at least thirty (30) days following delivery of a written demand for substantial performance to the Executive by the Board (or any individual designated such authority by the Board or otherwise) which specifically identifies the manner in which the Board (or any individual designated such authority by the board or otherwise) believes that the Executive has not performed his or her duties;

provided, however, that, notwithstanding anything to the contrary in this Plan, for purposes of determining whether "Cause" exists under this Plan, no act, or failure to act, on the part of the Executive shall be considered "willful" unless done or omitted to be done by the Executive not in good faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company or an Affiliate, as the case may be.

The determination of whether Cause exists with respect to an Executive shall be made by the Board (or any individual designated such authority by the Board or otherwise) in its sole discretion.

2.6 "Change in Control" shall mean the occurrence of any one of the following events:

(a) any "person" (as defined in Section 3(a)(9) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and as modified in Section 13(d) and 14(d) of the Exchange Act) other than (A) the Company or any Affiliate, (B) any employee benefit plan of the Company or of any Affiliate, (C) an entity owned, directly or indirectly, by stockholders of the Company in substantially the same proportions as their ownership of the Company, or (D) an underwriter temporarily holding securities pursuant to an offering of such securities (a "**Person**"), becomes the "beneficial owner" (as defined in Rule 13d-3(a) of the Exchange Act), directly or indirectly, of securities of the Company representing 50.1% or more of the shares of voting stock of the Company then outstanding; or

(b) the consummation of any merger, organization, business combination or consolidation of the Company with or into any other company, other than a merger, reorganization, business combination or consolidation which would result in the holders of the voting securities of the Company outstanding immediately prior thereto holding securities which represent immediately after such merger, reorganization, business combination or consolidation more than 50% of the combined voting power of the voting securities of the Company or the surviving company or the parent of such surviving company; or

(c) the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition if the holders of the voting securities of the Company outstanding immediately prior thereto hold securities immediately thereafter which represent more than 50% of the combined voting power of the

voting securities of the acquiror, or parent of the acquiror, of such assets, or the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company; or

(d) individuals who, as of the Effective Date, constitute the Board (the “**Incumbent Board**”) cease for any reason to constitute at least a majority of the Board; *provided, however*, that any individual becoming a director subsequent to the date of this Plan whose nomination by the Board was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an election contest or threatened election contest with respect to the election or removal of directors or other solicitation of proxies or consents by or on behalf of a person other than the Board.

Notwithstanding the foregoing, a Change in Control shall not occur or be deemed to occur if any event set forth in subsections (a) - (d) above, that would otherwise constitute a Change in Control occurs as a direct result of the consummation of a transaction solely between the Company and one or more of its controlled Affiliates.

Notwithstanding the foregoing, however, in any circumstance or transaction in which compensation payable pursuant to this Plan would be subject to the income tax under the Section 409A Rules if the foregoing definition of “Change in Control” were to apply, but would not be so subject if the term “Change in Control” were defined herein to mean a “change in control event” within the meaning of Treasury Regulation § 1.409A-3(i)(5), then “Change in Control” means, but only to the extent necessary to prevent such compensation from becoming subject to the income tax under the Section 409A Rules, a transaction or circumstance that satisfies the requirements of both (1) a Change in Control under the applicable clause (a) through (d) above, and (2) a “change in control event” within the meaning of Treasury Regulation Section § 1.409A-3(i)(5).

2.7 “Change in Control Benefit” shall mean the acceleration of vesting of outstanding Incentive Awards that may become available under Section 3.2.

2.8 “COBRA” shall mean Section 4980B of the Code and Part 6 of Subtitle B of Title I of ERISA.

2.9 “Code” shall mean the Internal Revenue Code of 1986, as amended, and the regulations and administrative guidance promulgated thereunder.

2.10 “Company” shall mean Cheniere Energy, Inc.

2.11 “Continued Benefits” shall mean the continuation of subsidized health benefits to be provided in a manner as determined by the Plan Administrator in its sole discretion.

2.12 “Effective Date” shall mean the original effective date of this Plan, January 1, 2017.

2.13 “Employer” shall mean, as it relates to any Executive on any date, the Company or Related Employer that employs the Executive on such date.

2.14 “ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended, and the regulations and administrative guidance promulgated thereunder.

2.15 “Executive” shall mean an individual who is (i) a common law U.S.-based employee of the Company or of a Related Employer and (ii) an executive or vice president of the Company or of a Related Employer.

2.16 “Executive Multiplier” shall mean:

(a) in the case of a Qualifying Termination not during the Protection Period, (i) two (2), with respect to the Chief Executive Officer of the Company, (ii) one and one-half (1.5), with respect to any Executive (A) that reports directly to the Chief Executive Officer of the Company or (B) is otherwise a senior vice president of or an executive vice president of the Company or such other equivalent thereof (including, by way of example, the General Counsel of the Company) and also an officer of the Company, and (iii) one (1), with respect to an Executive not covered under either clause (i) or (ii) hereof; and

(b) in the case of a Qualifying Termination during the Protection Period, (i) three (3), with respect to the Chief Executive Officer of the Company, (ii) two (2), with respect to any Executive (A) that reports directly to the Chief Executive Officer or (B) is otherwise a senior vice president of or an executive vice president of the Company or such other equivalent thereof (including, by way of example, the General Counsel of the Company) and also an officer of the Company, and (iii) one and one-half (1.5), with respect to an Executive not covered under either clause (i) or (ii) hereof.

2.17 “Good Reason” shall mean as to any Executive,

(a) Prior to a Change in Control, the occurrence of any of the following events or conditions:

(i) a material diminution in the Executive’s authority, duties, or responsibilities with the Company or the applicable Related Employer;

(ii) a reduction by the Company or the applicable Related Employer in the Executive’s Annual Base Pay of more than five percent (5%) (other than a reduction that is part of reductions in Annual Base Pay for Executives generally); or

(iii) the requirement by the Company or the applicable Related Employer that the principal place of business at which the Executive performs his or her duties be permanently changed to a location more than fifty (50) miles from his or her then current principal place of business.

(b) Upon or following a Change in Control, the occurrence of any of the following events or conditions:

(i) a change in the Executive’s status, title, position or responsibilities, including reporting responsibilities which represents a substantial reduction of his or her status, title, position or responsibilities as in effect immediately prior thereto;

(ii) the removal from or failure to re-elect the Executive to the office or position in which he or she last served, unless such removal or failure to re-elect is by reason of removal or failure to re-elect (I) for Cause, (II) as a result of the Executive's death or disability, or (III) voluntary resignation by or request for removal by the Executive from such office or position;

(iii) the assignment to the Executive of any duties, responsibilities, or reporting requirements which are materially adverse with his or her position with the Company or the applicable Related Employer, or any material diminishment, on a cumulative basis, of the Executive's overall duties, responsibilities, or status;

(iv) a material reduction by the Company or the applicable Related Employer in the Executive's Annual Base Pay; or

(v) the requirement by the Company or the applicable Related Employer that the principal place of business at which the Executive performs his or her duties be changed to a location more than fifty (50) miles from his or her then current principal place of business.

Notwithstanding any of the foregoing, an Executive cannot terminate his or her employment for Good Reason unless he or she has provided written notice to the Company of the existence of the circumstances alleged to constitute Good Reason within thirty (30) days of the initial existence of such circumstances and the Company has had at least thirty (30) days from the date on which such notice is provided to cure such circumstances. In the event the Company does not timely cure such circumstances and if the Executive does not terminate his or her employment for Good Reason within ninety (90) days after the first occurrence of the applicable circumstances, then the Executive will be deemed to have waived his or her right to terminate for Good Reason with respect to such circumstances.

2.18 "Incentive Award" shall mean (a) any equity award (other than a new hire award), equity-based award (including any such equity-based award settled in cash) (other than a new hire award), and annual award, in each case granted on or after the Effective Date and (b) any new hire award and retention award, regardless of the grant date, in all cases granted pursuant to a Company plan, arrangement or agreement.

2.19 "Lookback Period" shall mean the three (3) month portion of the Protection Period that precedes the Change in Control.

2.20 "Plan" shall mean the Cheniere Energy, Inc. Key Executive Severance Pay Plan (Effective as of January 1, 2017), as the same may be amended from time to time.

2.21 "Plan Administrator" shall mean the Company or such person or committee appointed thereby to administer the Plan.

2.22 "Plan Year" shall mean the calendar year.

2.23 "Prorated Target Bonus Amount" means the Executive's Target Bonus, if any, for the year in which the Qualifying Termination occurs multiplied by a fraction, the numerator

of which is the number of days during such year that have elapsed prior to such Qualifying Termination and the denominator of which is 365.

2.24 “Protection Period” shall mean the period beginning three (3) months prior to a Change in Control and ending two (2) years after such Change in Control.

2.25 “Qualifying Termination” shall mean the Termination of an Executive either (a) by the Company or, if applicable, the Employer, in either case without Cause at a time when the Executive is otherwise willing and able to continue in employment or (b) by the Executive for Good Reason. In no event shall a Termination of an Executive as a result of (w) such Executive’s death, (x) such Executive’s disability, (y) Termination by the Company or a Related Employer of such Executive for Cause, or (z) Termination by the Executive other than for Good Reason constitute a Qualifying Termination.

2.26 “Related Employer” shall mean (a) an Affiliate that is a member of a controlled group of corporations (as defined in section 414(b) of the Code) that includes the Company, (b) an Affiliate (whether or not incorporated) that is in common control (as defined in section 414(c) of the Code) with the Company, or (c) an Affiliate that is a member of the same affiliated service group (as defined in section 414(m) of the Code) as the Company.

2.27 “Release Agreement” shall mean the agreement which an Executive must execute in order to receive Change in Control or Severance Benefits under the Plan which shall be in a form similar to that attached as Exhibit A hereto and acceptable to the Company.

2.28 “Section 409A Rules” shall mean Section 409A of the Code and the regulations and administrative guidance promulgated thereunder.

2.29 “Severance Benefits” shall mean (a) the Severance Pay, (b) the Continued Benefits, (c) the acceleration of vesting of outstanding Incentive Awards that may become available under Section 5.5, (d) the Prorated Target Bonus Amount, (e) the amount of the Executive’s unpaid Annual Bonus (if any) for the year prior to the year in which the Qualifying Termination occurs to the extent earned based on actual performance achieved and (f) such outplacement services (if any) as may be provided or made available under Section 5.6.

2.30 “Severance Pay” shall mean, with respect to an applicable Executive, an amount equal to the product of (a) the Executive’s Executive Multiplier multiplied by (b) the sum of such Executive’s (i) Annual Base Pay plus (ii) full amount of the Executive’s Target Bonus for the year of the Qualifying Termination.

2.31 “Target Bonus” shall mean the amount of the Executive’s “target” annual cash bonus for the applicable year.

2.32 “Termination” shall mean a “separation from service” as defined in the Section 409A Rules of an Executive with respect to the Company and its Affiliates and which separation both the Employer and Executive reasonably believe to be permanent.

2.33 “Termination Date” shall mean the date the applicable Executive experiences a Termination.

SECTION 3
CHANGE IN CONTROL BENEFIT

3.1 Eligibility for Change in Control Benefit

Subject to the terms and conditions of the Plan, an Executive will become entitled to the Change in Control Benefit under the Plan only if he or she remains continuously employed with the Company and the Related Employers from the date of his or her commencement of participation in the Plan through the date of a Change in Control.

3.2 Treatment of Outstanding Incentive Awards

(a) Subject to the terms of the Plan and, except as otherwise provided in this Section 3.2, notwithstanding the terms of any Company plan or award agreement thereunder or other agreement or arrangement to the contrary, with respect to each Executive eligible for the Change in Control Benefit, such Executive shall be entitled to:

(i) all of the Executive's outstanding unvested time-based Incentive Awards will automatically vest in full as of the date of the Change in Control,

(ii) the Executive's outstanding unvested performance-based Incentive Awards that vest based on total shareholder return ("TSR") will vest as of the date of the Change in Control based on actual TSR as of the date of the Change in Control, and

(iii) the Executive's outstanding unvested performance-based Incentive Awards that vest as of the date of the Change in Control based on performance metrics other than TSR will vest at the target level for such Incentive Awards.

(b) Notwithstanding anything in this Section 3.2 to the contrary, (i) to the extent an applicable Incentive Award agreement, plan or similar agreement governing an Executive's outstanding Incentive Awards provides for more favorable treatment of such awards, the terms of such Incentive Award agreement, plan or similar agreement shall control with respect thereto, and (ii) this Section 3.2 shall not apply to outstanding Incentive Awards that (A) are equity or equity-based, (B) have been granted to the Chief Executive Officer of the Company and (C) are outstanding and unvested as of the Effective Date.

3.3 Requirement for Release Agreement

No Change in Control Benefit will be provided to an Executive unless that Executive, in the sole determination of the Plan Administrator, has properly executed and delivered to the Company a Release Agreement and such Release Agreement has become irrevocable as provided therein within fifty-five (55) days following the date of the Change in Control. To be "properly executed," such Release Agreement must (among other requirements the Plan Administrator may establish) be executed on or after the date of the Change in Control.

3.4 Settlement of Vested Incentive Awards

Subject to the terms and conditions of the Plan, an Executive's outstanding Incentive Awards vesting pursuant to Section 3.2 shall be settled as soon as administratively practicable following the expiration of the period during which the Executive may revoke the Release Agreement pursuant to the terms of the Release Agreement, but in all events no later than the end of the sixtieth (60th) day following the date of the Change in Control; *provided, however*, that if such sixty (60)-day period begins in one taxable year and ends in a subsequent taxable year, the outstanding Incentive Awards vesting pursuant to Section 3.2 will in all events be settled in such subsequent taxable year. Notwithstanding the immediately preceding sentence, if any outstanding Incentive Award the vesting of which accelerates pursuant to Section 3.2 is required to comply with the Section 409A Rules or is subject to Section 83 of the Code, the settlement date thereof shall be such date as required by the applicable Incentive Award agreement or plan.

SECTION 4

ENTITLEMENT TO SEVERANCE BENEFITS

4.1 Eligibility for Severance Benefits

Subject to the terms and conditions of the Plan, an Executive will become entitled to Severance Benefits under the Plan only if he or she experiences a Qualifying Termination. An Executive shall not be entitled to Severance Benefits if he or she does not experience a Qualifying Termination.

4.2 Death of an Executive

If an Executive whose employment terminates in a Qualifying Termination dies after his or her Termination Date but before the Executive receives the Severance Benefits to which he or she is entitled, the Severance Benefits will be paid to the Executive's surviving spouse as then reflected in the Company's records or, if the Executive does not have a surviving spouse so reflected in the Company's records, to the Executive's estate. In the event the Release Agreement with respect to a deceased Executive has not become final by such Executive's date of death, then the Executive's surviving spouse or estate, as applicable, must timely execute, deliver and not revoke the Release Agreement.

4.3 Requirement for Release Agreement

No Severance Benefits will be paid to any Executive unless that Executive, in the sole determination of the Plan Administrator, has properly executed and delivered to the Company a Release Agreement and such Release Agreement has become irrevocable as provided therein within fifty-five (55) days following the date of the Qualifying Termination. To be "properly executed," such Release Agreement must (among other requirements the Plan Administrator may establish) be executed on or after the Executive's Termination Date.

SECTION 5

SEVERANCE BENEFITS

5.1 Form and Time of Payment of Severance Pay

Subject to the terms and conditions of the Plan, Severance Pay shall be paid in a lump sum in cash. Severance Pay shall be paid as soon as administratively practicable following the expiration of the period during which the Executive may revoke the Release Agreement pursuant to the terms of the Release Agreement, but in all events no later than the sixtieth (60th) day following the date of the Qualifying Termination (such sixty (60)-day period, the “**Severance Pay Period**”); *provided, however*, that if the Severance Pay Period begins in one taxable year and ends in a subsequent taxable year, the Severance Pay will in all events be paid in such subsequent taxable year. The Severance Pay payable to any Executive shall be solely the obligation of the Employer by whom the Executive was employed on his or her Termination Date.

5.2 Reduction of Severance Pay to Avoid Duplication

(a) If an Executive is a party to an employment, severance, termination, change of control, salary continuation or other similar agreement with the Company or any Affiliate, or is a participant in any other severance plan, practice or policy of the Company or any Affiliate, the Severance Pay to which the Executive may be entitled under this Plan shall be reduced (but not below zero) by the amount of severance, termination, change of control, salary continuation or other similar pay to which he or she may be entitled under such other agreement, plan, practice or policy (provided that any such reduction shall not take into account the value of any acceleration of vesting of such Executive’s outstanding awards under Company equity plans); *provided, that* the reduction set forth in this sentence shall not apply as to any such other agreement, plan, practice or policy which contains a reduction provision substantially similar to this sentence, so long as the Plan Administrator establishes to its satisfaction that the reduction provision of such other agreement, plan, practice or policy shall be applied. The Severance Pay to which an Executive is otherwise entitled shall be further reduced (but not below zero) by any payments and benefits to which the Executive may be entitled under any federal, state or local plant-closing (or similar or analogous) law (including, but not limited to, entitlement to pay and continued employee benefits (or the cash value of either of the foregoing) pursuant to the Worker Adjustment and Retraining Notification Act, as amended).

(b) To the extent permitted by applicable law, including applicable restrictions on offsets under the Section 409A Rules, the Severance Pay to which any Executive is entitled may, in the sole discretion of the Plan Administrator, be reduced by the amount of any indebtedness of the Executive to the Company or any of its Affiliates, and the amount of any such reduction shall be applied as a repayment or forgiveness of such indebtedness to such extent.

5.3 Prorated Target Bonus Amount

(a) Subject to the terms and conditions of the Plan, with respect to each Executive whose Termination entitles him or her to Severance Pay, such Executive shall receive his or her Prorated Target Bonus Amount.

(b) Subject to the terms and conditions of the Plan, an Executive’s Prorated Target Bonus Amount shall be paid in a lump sum in cash as soon as administratively practicable following the expiration of the period during which the Executive may revoke the Release Agreement pursuant to the terms of the Release Agreement, but in all events no later than the

end of the Severance Pay Period; *provided, however*, that if the Severance Pay Period begins in one taxable year and ends in a subsequent taxable year, the Prorated Target Bonus will in all events be paid in such subsequent taxable year. The Prorated Target Bonus payable to any Executive shall be solely the obligation of the Employer by whom the Executive was employed on his or her Termination Date.

5.4 Continued Benefits

Subject to the terms and conditions of the Plan, with respect to each Executive whose Termination entitles him or her to Severance Pay, such Executive shall receive, subject to timely election pursuant to COBRA and remaining eligible therefor, if applicable, Continued Benefits equal to (a) with respect to the Chief Executive Officer of the Company and (i) any Executive that directly reports to the Chief Executive Officer or (ii) is otherwise a senior vice president of or an executive vice president of the Company or such other equivalent thereof (including, by way of example, the General Counsel of the Company) and also an officer of the Company or an Affiliate, twenty-four (24) months of Continued Benefits and (b) with respect to all other Executives, twelve (12) months of Continued Benefits. In the event an Executive ceases to be eligible to continue coverage under the Company's group health plans pursuant to COBRA other than as a result of failure to make a timely election therefor or of obtaining new employment that makes available employer-provided health benefits, the Company shall pay to such Executive, on a monthly basis for the remainder of the period that the Continued Benefits would have remained in effect had such COBRA eligibility not ceased, a monthly amount equal to the amount of the health care premiums the Company was paying or causing to be waived on behalf of Executive immediately prior to such loss of eligibility. In the event an Executive ceases, following his or her Termination, to be eligible for the Continued Benefits pursuant to the first sentence of this Section 5.4, such Executive shall promptly inform the Company in writing of such ineligibility. Notwithstanding any of the foregoing, the Company may modify the Continued Benefits provided by this Section 5.4 to the extent reasonably necessary to avoid the imposition of any excise taxes or other penalties on the Company or any of its Affiliates for failure to comply with the requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended.

5.5 Treatment of Outstanding Incentive Awards

(a) Subject to the terms and conditions of the Plan, with respect to each Executive whose Termination entitles him or her to Severance Pay, such Executive shall be entitled to acceleration of vesting of:

(i) in the event of a Qualifying Termination of an Executive not during the Protection Period,

(A) with respect to the Executive's outstanding unvested time-based Incentive Awards, (I) subject to Section 5.5(a)(iii), such Incentive Awards that were granted within the six (6) month period immediately preceding the Qualifying Termination will

be automatically forfeited for no consideration, and (II) subject to subclause (I) hereof, all of the Executive's outstanding unvested time-based Incentive Awards will automatically vest, and

(B) with respect to the Executive's outstanding unvested performance-based Incentive Awards, (I) subject to Section 5.5(a)(iii), such Incentive Awards that were granted within the six (6) month period immediately preceding the Qualifying Termination will be automatically forfeited for no consideration, and (II) subject to subclause (I) hereof, (1) each of the Executive's outstanding unvested performance-based Incentive Awards shall remain outstanding with respect to the portion of such Incentive Award multiplied by a fraction (not to exceed 1), the numerator of which is the whole number of months elapsed during the applicable performance period the Executive was employed (or, if longer, during the service vesting period the Executive was employed), and the denominator of which is the whole number of months in the performance period (or, if longer, in the service vesting period) with respect thereto, and (2) the portion of such performance-based Incentive Awards that remains outstanding following application of subclause (1) shall vest, if at all, upon completion of the applicable performance period based on actual performance levels achieved. For purposes of this Section 5.5, the service vesting period shall be the period from the grant date through the date on which (but for the termination-related vesting provisions in this Section 5.5 or otherwise) Executive is required to remain employed in order to vest in such Incentive Award; and

(ii) in the event of a Qualifying Termination of an Executive during the Protection Period,

(A) all of the Executive's outstanding unvested time-based Incentive Awards will automatically vest in full,

(B) the Executive's outstanding unvested performance-based Incentive Awards that vest based on TSR will vest based on actual TSR as of the date of the Change in Control, and

(C) the Executive's outstanding unvested performance-based Incentive Awards that vest based on performance metrics other than TSR will vest at the target level for such Incentive Awards.

(iii) Notwithstanding anything in this Section 5.5, the applicable provisions of the Executive's Incentive Award agreements or the relevant plan governing such Incentive Awards to the contrary, if a Qualifying Termination occurs prior to a Change in Control, (A) no Incentive Awards that are unvested as of the Qualifying Termination (after taking into account vesting acceleration pursuant to Section 5.5(a)(i)) shall lapse or be forfeited solely on account of such Qualifying Termination; *provided, however*, if the Change in Control has not occurred within the 3-month period immediately following the Qualifying Termination thus resulting in such Qualifying Termination occurring outside the Protection Period, all such unvested Incentive Awards shall automatically lapse and be forfeited for no consideration at the end of such 3-month period and (B) with respect to performance-based Incentive Awards, if the applicable performance period ends after the Qualifying Termination but prior to a Change in Control and such Change in Control occurs within the 3-month period immediately following the Qualifying Termination, the Executive shall be entitled, with respect to such Incentive Award,

to the greater of the amount resulting from the application of Section 5.5(a)(i)(B) and Section 5.5(a)(ii)(B) or (C), as applicable.

(b) Subject to the terms and conditions of the Plan, an Executive's outstanding Incentive Awards vesting pursuant to Section 5.5(a) shall be settled as soon as administratively practicable following the expiration of the period during which the Executive may revoke the Release Agreement pursuant to the terms of the Release Agreement, but in all events no later than the end of the Severance Pay Period; *provided, however*, that if the Severance Pay Period begins in one taxable year and ends in a subsequent taxable year, the outstanding Incentive Awards vesting pursuant to Section 5.5(a) will in all events be settled in such subsequent taxable year. Notwithstanding the immediately preceding sentence, if any outstanding Incentive Awards the vesting of which accelerates pursuant to Section 5.5(a) is required to comply with the Section 409A Rules or is subject to Section 83 of the Code, the settlement date thereof shall be such date as required by the applicable Incentive Award agreement or plan.

(c) Notwithstanding Section 5.5(a), (i) to the extent an applicable Incentive Award agreement, plan or similar agreement governing an Executive's outstanding Incentive Awards provides for more favorable treatment of such awards, the terms of such Incentive Award agreement, plan or similar agreement shall control with respect thereto, and (ii) this Section 5.5 shall not apply to outstanding Incentive Awards that (A) are equity or equity-based, (B) have been granted to the Chief Executive Officer of the Company and (C) are outstanding and unvested as of the Effective Date.

5.6 Outplacement Services

Subject to the terms and conditions of the Plan, with respect to each Executive whose Qualifying Termination entitles him or her to Severance Benefits, the Plan Administrator may, in its sole and absolute discretion, provide such Executive with outplacement services (or pay the costs associated with obtaining such outplacement services). The Plan Administrator shall determine, in its sole and absolute discretion, the period during which the Executive will be eligible to receive such outplacement services (if any) and the type, degree and length of such services, and in no event shall the Plan Administrator's decision to provide outplacement services entitle or require any other Executive to such services.

5.7 Qualifying Termination followed by Change in Control During the Lookback Period

Subject to the terms and conditions of the Plan, with respect to each Executive whose Termination entitles him or her to Severance Pay, if an Executive experiences a Qualifying Termination prior to a Change in Control, but a Change in Control subsequently occurs that results in the aforementioned Qualifying Termination having occurred during the Lookback Period, then any Severance Benefits not otherwise payable to the Executive as a result of a Qualifying Termination absent a Change in Control shall be payable as soon as administratively practicable following the date of the Change in Control, but in all events no later than the end of the sixtieth (60th) day following the date of the Change in Control; *provided, however*, that if such sixty (60)-day period begins in one taxable year and ends in a subsequent taxable

year, the applicable Severance Benefits payable pursuant to this Section 5.7 will in all events be paid in such subsequent taxable year.

5.8 Repayment of Severance Pay in the Event of Rehire

In the event an Executive is rehired by the Company or an Affiliate thereof within twelve (12) months following such Executive's Qualifying Termination, the Executive shall promptly repay to the Company an amount equal to the after-tax amount of the Severance Pay multiplied by a fraction, the numerator of which is the number of days since the date of the Qualifying Termination that remain in such twelve (12) month period and the denominator of which is 365.

SECTION 6

ADMINISTRATION, AMENDMENT AND TERMINATION

6.1 Administration

(a) The Plan Administrator shall be administrator and "Named Fiduciary" (within the meaning of Section 402(a) of ERISA) of the Plan and shall have full authority to control and manage the operation and administration of the Plan, and to take all such action in respect of the Plan as it deems necessary or appropriate. By way of clarification and not limitation of the foregoing, the Plan Administrator will have the authority, in its sole and absolute discretion, to: (i) adopt, amend, and rescind administrative and interpretive rules and regulations related to the Plan, (ii) delegate its duties under the Plan to such persons, agents and committees as it may appoint from time to time, (iii) interpret the Plan's provisions and construe its terms, (iv) determine eligibility for benefits under the Plan, including determining which Executive Multiplier shall apply to each Executive, (v) determine the entitlement to and the amount of benefits payable to any person pursuant to the Plan, (vi) determine any reduction to severance pursuant to Section 5.2 of this Plan, (vii) engage accountants, legal counsel and such other personnel as it deems necessary or advisable to assist it in the performance of its duties under the Plan and (viii) make all other determinations, perform all other acts and exercise all other powers and authority necessary or advisable for administering the Plan, including the delegation of those ministerial acts and responsibilities as the Plan Administrator deems appropriate. The Plan Administrator shall have complete discretion and authority with respect to the Plan and its application. The Plan Administrator may correct any defect, supply any omission, or reconcile any inconsistency in the Plan in any manner and to the extent it deems necessary or desirable to carry the Plan into effect, and the Plan Administrator will be the sole and final judge of that necessity or desirability. The determinations of the Plan Administrator on the matters referred to in this Section 6.1(a) will be final, conclusive and binding upon all persons claiming any interest in or under the Plan. Any determination made by the Plan Administrator shall be given deference in the event it is subject to judicial review and shall be overturned by a court of law only if it is arbitrary and capricious.

(b) The Plan Administrator may amend the Plan retroactively to cure any ambiguity in the language of the Plan. This Section 6.1(b) may not be invoked by any person to require the Plan to be interpreted in a manner which is inconsistent with its interpretation by

the Plan Administrator. All actions and all determinations made by the Plan Administrator shall be final and binding upon all persons claiming any interest in or under the Plan.

6.2 Amendment and Termination

(a) Subject to Section 6.2(b), the Company reserves the right to amend, terminate, suspend or otherwise modify all or any part of the Plan at any time, and from time to time, without the consent of or notice to any person.

(b) Neither the termination of the Plan nor any amendment or modification to the Plan by the Company or the Plan Administrator (if such authority is so delegated by the Company) may reduce the Severance Benefits which may be payable or provided under the Plan to any Executive whose Termination Date is on or prior to the effective date of such termination, amendment, modification or supplement.

(c) Notwithstanding the foregoing, no termination or amendment that adversely affects the rights or benefits hereunder of any Executive shall be applicable to such Executive if made within the 12-month period immediately preceding a Change in Control or the 24-month period beginning on the date of such Change in Control.

SECTION 7 GENERAL PROVISIONS

7.1 Unfunded Obligation

Severance Benefits under the Plan shall be an unfunded obligation of the Employer of such Executive and shall be payable only from such Employer's general assets.

7.2 Withholding

The Company or the Employer, as applicable, shall have the authority to withhold or cause to be withheld applicable taxes from payments made under this Plan with respect to payments made and benefits provided hereunder, to the extent determined applicable by the Company or Employer.

7.3 No Guarantee of Tax Consequences

Neither the Company nor any Affiliate represents or guarantees that any particular federal, state, local, income, estate, payroll, personal property or other tax consequences will (or will not) occur with respect to Executives as a result of participation in this Plan and/or the receipt of Severance Benefits hereunder. Neither the Company nor any Affiliate assumes any liability or responsibility for the tax consequences hereunder to any Executive (or to any person, entity, trust or estate claiming through or on behalf of any Executive). Each Executive is solely responsible for obtaining appropriate advice regarding all questions of federal, state, local, income, estate, payroll, personal property and other tax consequences arising from participation in this Plan and the receipt of compensation or benefits hereunder.

7.4 Section 409A Rules

(a) This Plan and the Severance Benefits provided hereunder are intended to comply with the Section 409A Rules or an exemption thereunder and shall be construed and administered in accordance therewith. For purposes of the Section 409A Rules, each installment payment provided under this Plan shall be treated as a separate payment.

(b) Notwithstanding any other provision of this Plan, if any payment or benefit provided to an Executive in connection with his or her Termination is determined to constitute “nonqualified deferred compensation” within the meaning of the Section 409A Rules and the Executive is determined to be a “specified employee” as defined in the Section 409A Rules, then such payment or benefit shall not be paid until the first payroll date to occur following the six-month anniversary of the Termination Date (the “**Specified Employee Payment Date**”). The aggregate of any payments that would otherwise have been paid before the Specified Employee Payment Date shall be paid, without interest, to the Executive in a lump sum on the Specified Employee Payment Date and thereafter, any remaining payments shall be paid without delay in accordance with their original schedule.

(c) Any gross-up payment payable pursuant to this Plan shall be paid no later than the end of the applicable Executive’s taxable year next following the taxable year in which the Executive remits the related taxes.

(d) To the extent required by the Section 409A Rules, each reimbursement or in-kind benefit provided under this Plan shall be provided in accordance with the following:

(i) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during each calendar year cannot affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year;

(ii) any reimbursement of an eligible expense shall be paid to the Executive on or before the last day of the calendar year following the calendar year in which the expense was incurred; and

(iii) any right to reimbursements or in-kind benefits under this Plan shall not be subject to liquidation or exchange for another benefit.

7.5 Section 280G

(a) Notwithstanding any other provision of this Plan or any other plan, arrangement or agreement to the contrary, if any of the payments or benefits provided or to be provided by the Company or its Affiliates to an Executive or for an Executive’s benefit pursuant to the terms of this Plan or otherwise (“**Covered Payments**”) constitute parachute payments (“**Parachute Payments**”) within the meaning of Section 280G of the Code and would, but for this Section 7.5 be subject to the excise tax imposed under Section 4999 of the Code (or any successor provision thereto) or any similar tax imposed by state or local law or any interest or penalties with respect to such taxes (collectively, the “**Excise Tax**”), then prior to making the Covered Payments, a calculation shall be made comparing (i) the Net Benefit (as defined below) to the Executive of the Covered Payments after payment of the Excise Tax to (ii) the Net Benefit to the Executive if the Covered Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under (i) above is less than the amount

under (ii) above will the Covered Payments be reduced to the minimum extent necessary to ensure that no portion of the Covered Payments is subject to the Excise Tax (that amount, the “**Reduced Amount**”). “**Net Benefit**” shall mean the present value of the Covered Payments net of all federal, state, local, foreign income, employment and excise taxes.

(b) Any such reduction shall be made in accordance with the Section 409A Rules and the following: (i) the Covered Payments that do not constitute nonqualified deferred compensation subject to the Section 409A Rules shall be reduced first; and (ii) all other Covered Payments shall then be reduced as follows: (A) cash payments shall be reduced before non-cash payments; and (B) payments to be made on a later payment date shall be reduced before payments to be made on an earlier payment date.

(c) Any determination required under this Section 7.5, including whether any payments or benefits are parachute payments, shall be made by the Company in its sole discretion. The Executive shall provide the Company with such information and documents as the Company may reasonably request in order to make a determination under this Section 7.5. The Company’s determination shall be final and binding on the Executive.

7.6 Applicable Law

The Plan and all rights hereunder shall be governed and construed in accordance with applicable federal law and, to the extent not preempted by federal law, with the laws of the State of Texas, wherein venue shall lie for any dispute arising hereunder.

7.7 Severability

If a court of competent jurisdiction holds any provision of the Plan invalid or unenforceable, the Plan shall be construed or enforced as if such provision had not been included herein, and the remaining provisions of the Plan shall continue to be fully effective.

7.8 Employment at Will

Each Executive shall be an employee-at-will of the Executive’s Employer. No provision of the Plan shall be construed to constitute a contract of employment or impose on the Company or any Affiliate any obligation to (a) retain any Executive, (b) make any payments upon Termination (except as otherwise provided herein), (c) change the status of any Executive’s employment or (d) change any employment policies of any Employer.

7.9 Clawback

Any amounts payable under this Plan are subject to any policy (whether in existence as of the Effective Date or later adopted) established by the Company providing for clawback or recovery of amounts that were paid to Executives. The Company will make any determination for clawback or recovery in its sole discretion and in accordance with any applicable law or regulation.

7.10 Section Headings

Section headings in this Plan are included for convenience of reference only and shall not be considered part of this Plan for any other purpose.

7.11 Non-exclusivity of the Plan

The adoption of the Plan by the Company will not be construed as creating any limitations on the power of the Company or of any Affiliate to adopt such other incentive arrangements as it may deem desirable. No employee, beneficiary or other person will have any claim against the Company or any Affiliate as a result of any such action. Any action with respect to the Plan taken by the Plan Administrator, the Company, any Affiliate or any designee of any of the foregoing shall be conclusive upon all employees of the Company and of any Affiliate and beneficiaries entitled to benefits under the Plan.

7.12 Claims Procedures

(a) **Initial Claims.** In order to file a claim to receive benefits under the Plan, the Executive or his authorized representative must submit a written claim for benefits to the Plan within 60 days after the Executive's Termination. An Executive must complete the following claims procedure process before filing suit in court. Claims should be addressed and sent to the following (unless otherwise designated by the Plan Administrator):

Cheniere Energy, Inc.
700 Milam, Suite 1900
Houston, TX 77002
Phone Number: 713-375-5000

If the Executive's claim is denied, in whole or in part, the Executive will be furnished with written notice of the denial within 90 days after the Plan Administrator's receipt of the Executive's written claim, unless special circumstances require an extension of time for processing the claim, in which case a period not to exceed 180 days will apply. If such an extension of time is required, written notice of the extension will be furnished to the Executive before the termination of the initial 90 day period and will describe the special circumstances requiring the extension, and the date on which a decision is expected to be rendered. Written notice of the denial of the Executive's claim will contain the following information:

- (i) the specific reason or reasons for the denial of the Executive's claim;
- (ii) references to the specific Plan provisions on which the denial of the Executive's claim was based;
- (iii) a description of any additional information or material required by the Plan Administrator to reconsider the Executive's claim (to the extent applicable) and an explanation of why such material or information is necessary; and
- (iv) a description of the Plan's review procedure and time limits applicable to such procedures, including a statement of the Executive's right to bring a civil action under Section 502(a) of ERISA following a benefit claim denial on review.

(b) **Appeal of Denied Claims.** If the Executive's claim is denied and he wishes to submit a request for a review of the denied claim, the Executive or his authorized representative must follow the procedures described below:

(i) Upon receipt of the denied claim, the Executive (or his authorized representative) may file a request for review of the claim in writing with the Plan Administrator. This request for review must be filed no later than 60 days after the Executive has received written notification of the denial.

(ii) The Executive has the right to submit in writing to the Plan Administrator any comments, documents, records or other information relating to his claim for benefits.

(iii) The Executive has the right to be provided with, upon request and free of charge, reasonable access to and copies of all pertinent documents, records and other information that is relevant to his claim for benefits.

(iv) The review of the denied claim will take into account all comments, documents, records and other information that the Executive submitted relating to his claim, without regard to whether such information was submitted or considered in the initial denial of his claim.

7.13 Plan Administrator's Response to Appeal

The Plan Administrator will provide the Executive with written notice of its decision within 60 days after the Plan Administrator's receipt of the Executive's written claim for review, unless special circumstances require an extension of time for processing the claim, in which case a period not to exceed 120 days will apply. If such an extension of time is required, written notice of the extension will be furnished to the Executive before the termination of the initial 60 day period and will describe the special circumstances requiring the extension, and the date on which a decision is expected to be rendered. The Plan Administrator's decision on the Executive's claim for review will be communicated to the Executive in writing and will clearly provide:

(a) the specific reason or reasons for the denial of the Executive's claim;

(b) reference to the specific Plan provisions on which the denial of the Executive's claim is based;

(c) a statement that the Executive is entitled to receive, upon request and free of charge, reasonable access to, and copies of, the Plan and all documents, records and other information relevant to his claim for benefits; and

(d) a statement describing the Executive's right to bring an action under Section 502(a) of ERISA.

7.14 Your Rights under ERISA

As a participant in the Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The Plan Administrator may make a reasonable charge for the copies.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your Employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous. However, no legal action may be commenced or maintained against the Plan prior to your exhaustion of the Plan's claims procedures described in this Summary Plan Description.

Assistance with Your Questions

If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at 1-866-444-3272.

7.15 Other Important Plan Information

Name and Address of Plan Sponsor/Plan Administrator

Cheniere Energy, Inc.
700 Milam, Suite 1900
Houston, TX 77002
Phone Number: 713-375-5000

Employer Identification Number (EIN) of Plan Sponsor and Plan Number

EIN: 95-4352386
Plan Number: 505

Type of Welfare Plan

Severance benefit plan

Type of Administration of Plan

Sponsor administration

Person Designated as Agent for Service of Legal Process

Corporate Secretary
Cheniere Energy, Inc.
700 Milam, Suite 1900
Houston, TX 77002

Ending Date for Plan's Fiscal Year

December 31

Future of The Plan

Except as otherwise set forth herein, the Company has reserved the right to amend, modify or

terminate all or any part of the Plan at any time, and from time to time, without the consent of or notice to any Executive. Except as otherwise set forth herein, the Company may also adopt one or more written supplements to this Plan that enlarge or diminish the rights of one or more Executives under the Plan without consent of or notice to any Executive.

EXHIBIT A

CHENIERE ENERGY, INC. Key Executive SEVERANCE PAY PLAN
RELEASE AGREEMENT

1. This Release Agreement (the "Release Agreement") is being entered into by _____ (the "Employee") and **Cheniere Energy, Inc.** (the "Company") pursuant to the Cheniere Energy, Inc. Key Executive Severance Pay Plan, as amended from time to time (the "Plan") in order to further the mutually desired terms and conditions set forth herein. The term "Company" shall include Cheniere Energy, Inc., its present and former parents, trusts, plans, direct or indirect subsidiaries, affiliates and related companies or entities, regardless of its or their form of business organization. Capitalized terms used but not defined herein shall have the definitions set forth in the Plan.
 2. For and in consideration for the Employee's timely execution of this Release Agreement, and provided that the Employee does not revoke the General Release and/or ADEA Release contained in Sections 3 and 5 herein, the Company agrees to the following:
 - (a) **Benefits.** The Company shall provide to the Employee either the Change in Control Benefits or the Severance Benefits, as applicable, as set forth in the Plan and described in Exhibit 1 attached to this Release Agreement.
 - (b) The Change in Control Benefits, if applicable, represent the exclusive amounts to be paid to the Employee by the Company in connection with or arising out of the Change in Control. No further amounts shall be paid to the Employee for any items, including, but not limited to, attorneys' fees.
 - (c) The Severance Benefits, if applicable, represent the exclusive amounts to be paid to the Employee by the Company in connection with or arising out of the Employee's employment with the Company and the Employee's Termination of employment with the Company which occurred on _____. No further amounts shall be paid to the Employee for any items, including, but not limited to, attorneys' fees.
 3. **General Release.** The Employee, on behalf of the Employee, the Employee's heirs, beneficiaries, personal representatives and assigns, hereby releases, acquits and forever discharges the Company, its present and former owners, officers, employees, shareholders, directors, partners, attorneys, agents and assignees, and all other persons, firms, partnerships, or corporations in control of, under the direction of, or in any way presently or formerly associated with the Company (each, a "Released Party" and collectively the "Released Parties"), of, from and against all claims, charges, complaints, liabilities, obligations, promises, agreements, contracts, damages, actions, causes of action, suits, accrued benefits or other liabilities of any kind or character, in law or in equity, whether known or unknown, foreseen or unforeseen, vested or contingent, matured or unmatured, suspected or unsuspected, that may now or hereafter at any time be made or brought against any Released Party, arising from or in any way connected with or related to the Employee's employment
-

with the Company and/or the Employee's Termination of employment with the Company, including, but not limited to, allegations of wrongful termination, discrimination, retaliation, breach of contract, anticipatory breach, fraud, conspiracy, promissory estoppel, retaliatory discharge, constructive discharge, discharge in violation of any law, statute, regulation or ordinance providing whistleblower protection, discharge in violation of public policy, intentional infliction of emotional distress, negligent infliction of emotional distress, defamation, harassment, sexual harassment, invasion of privacy, any action in tort or contract, any violation of any federal, state, or local law, including, but not limited to, any violation of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e *et seq.*, the Civil Rights Act of 1866, 42 U.S.C. § 1981, the Equal Pay Act, 29 U.S.C. § 206, the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 *et seq.*, the Americans with Disabilities Act, 29 U.S.C. § 621, *et seq.*, the Family and Medical Leave Act, 29 U.S.C. § 2601 *et seq.*, the Fair Credit Reporting Act, 15 U.S.C. § 1681, *et seq.*, the Worker Adjustment and Retraining Notification Act, 29 U.S.C. §§ 2101-2109, the Texas Commission on Human Rights Act, Tex. Lab. Code § 21.001, *et seq.*, the Texas Workers' Compensation Act, Tex. Lab. Code §§ 451.001 - 451.003, the Texas Payday Act, Tex. Lab. Code § 61.011, *et seq.*, or any other employment or civil rights act, and any and all claims for severance pay, vacation pay, paid time off or benefits under any compensation, cash award, bonus, stock grant, equity grants or awards, or employee benefit plan, program, policy, contract, agreement, but excluding any claim for unemployment compensation, any claim for workers' compensation benefits; and any benefits which the Employee is entitled to receive under any Company plan that is a qualified plan under IRC §401(a) or is a group health plan subject to COBRA. If execution of this Release Agreement is in connection with Termination of the Employee's employment with the Company, COBRA continuation coverage is available to participants and their beneficiaries who participated in the Company's group health plan as of the date of such Termination, to the extent the participant properly elects and pays for such COBRA continuation coverage. Excluded from the General Release in this Section 3 are claims arising under the Age Discrimination in Employment Act ("ADEA"), which are released pursuant to paragraph 5, and those claims which cannot be waived by law.

4. The Employee agrees not to commence any legal proceeding or lawsuit against any Released Party arising out of or based upon the Employee's employment with the Company or the Termination of the Employee's employment with the Company. The Employee represents that the Employee has not filed any charges, complaints, or other proceedings against the Company or any of the Released Parties that are presently pending with any federal, state, or local court or administrative or governmental agency. Notwithstanding this release of liability, nothing in this Release Agreement prevents the Employee from exercising any rights that cannot be lawfully waived or restricted, including filing a charge or complaint with the Equal Employment Opportunity Commission ("EEOC"), National Labor Relations Board ("NLRB") (such as related to Section 7 rights under the NLRA), Occupational Safety and Health Administration, Securities and Exchange Commission ("SEC"), U.S. Department of Justice, Congress, any Inspector General, or other federal, state or local agency or participating in any investigation or proceeding (including providing documents or other information) conducted by such agency; however, the Employee understands and

agrees that the Employee is waiving any and all rights to recover any monetary or personal relief or recovery from the Released Parties as a result of such proceeding or subsequent legal actions. In addition, nothing in this Release Agreement prohibits Employee from reporting possible violations of federal law or regulation to, or otherwise communicating with any government agency or entity, making other disclosures that are protected under whistleblower provisions of law, or receiving an award or monetary recovery pursuant to a government award program (including the SEC's whistleblower program). The Employee does not need prior authorization to make such reports or disclosures and is not required to notify the Company that the Employee has made any such report or disclosure.

5. **ADEA Release and Older Worker Benefit Protection Act ("OWBPA") Disclosures.** The Employee hereby completely and forever releases and irrevocably discharges the Company and the other Released Parties, as that term is defined in Section 3 above, from any and all liabilities, claims, actions, demands, and/or causes of action, arising under the ADEA on or before the date of this Release Agreement ("ADEA Release"), and hereby acknowledges and agrees that the Employee has been provided a decisional unit disclosure attached as Exhibit 2 and that:
- a. The Release Agreement, including the ADEA Release, was negotiated at arms-length;
 - b. The Release Agreement, including the ADEA Release, is worded in a manner that the Employee fully understands;
 - c. The Employee specifically waives any rights or claims under the ADEA;
 - d. The Employee knowingly and voluntarily agrees to all of the terms set forth in the Release Agreement, including the ADEA Release;
 - e. The Employee acknowledges and understands that any claims under the ADEA that may arise after the date the Employee signs the Release Agreement are not waived;
 - f. The rights and claims waived in the Release Agreement, including the ADEA Release, are in exchange for consideration over and above anything to which the Employee was already undisputedly entitled;
 - g. The Employee has been and hereby is advised in writing to consult with an attorney prior to executing the Release Agreement, including the ADEA Release;
 - h. The Employee understands that the Employee has been given a period of up to 45 days to consider the ADEA Release prior to executing it, although the Employee may accept it at any time within those 45 days;

- i. The Employee understands and agrees that any changes to Company's offer, whether material or immaterial, do not restart the running of the 45-day review period; and
- j. The Employee understands that the Employee has been given a period of seven (7) days from the date of the execution of the ADEA Release to revoke the ADEA Release, and understands and acknowledges that the ADEA Release will not become effective or enforceable until the revocation period has expired.

If the Employee elects to revoke the release of age discrimination claims, the revocation must be in writing and delivered and presented to **Wayne Williams, Director, Total Rewards, Payroll and HRIS, Cheniere Energy, Inc.** by 5:00 p.m., Central Time, no later than the seventh (7th) day after the date on which the Employee executes the Release Agreement.

- 6. The consideration cited above and the promises contained herein are made for the purpose of purchasing the peace of the Released Parties and are not to be construed as an admission of liability or as evidence of unlawful conduct by any Released Party, all liability being expressly denied. The Employee voluntarily accepts the consideration cited herein, as sufficient payment for the full, final, and complete release stated herein, and agrees that no other promises or representations have been made to the Employee by the Company or any other person purporting to act on behalf of the Company, except as expressly stated herein.
- 7. The Employee understands that this is a full, complete, and final release of the Released Parties. As evidenced by the signature below, the Employee expressly promises and represents to the Company that the Employee has completely read the Release Agreement and understands its terms, contents, conditions, and effects. The Employee represents that the Employee has made no assignment or transfer of the claims covered by Sections 3 or 5 above.
- 8. The Employee is advised to consult with an attorney prior to executing the Release Agreement. The Employee understands that the Employee has the right to consult an attorney of the Employee's choice and has consulted with an attorney or has knowingly and voluntarily decided not to do so.
- 9. The Employee states that the Employee is not presently affected by any disability which would prevent the Employee from knowingly and voluntarily granting the Release Agreement, and further states that the promises made herein are not made under duress, coercion, or undue influence and were not procured through fraud.
- 10. The Employee acknowledges that the business and services of the Company are highly specialized and that the following information is not generally known, is highly confidential, and constitutes trade secrets: proprietary technical and business information relating to any Company plans, analyses, or strategies concerning international or domestic acquisitions, possible acquisitions, or new ventures; development plans or introduction plans for products or services; unannounced products or services; operation costs; pricing of products or

services; research and development; personnel information (other than the Employee's own); manufacturing processes; installation, service, and distribution procedures and processes; customer lists; any know-how relating to the design, manufacture, and marketing of any of the Company's services and products, including components and parts thereof; non-public information acquired by the Company concerning the requirements and specifications of any of the Company's agents, vendors, contractors, customers, and potential customers; non-public financial information, business and marketing plans, pricing and price lists; non-public matters relating to employee benefit plans; quotations or proposals given to agents or customers or received from suppliers; documents relating to any of the Company's legal rights and obligations; the work product of any attorney employed by or retained by the Company; and any other information which is sufficiently secret to derive economic value from not being generally known (the "Confidential Information"). However, Confidential Information does not include information (A) that was or becomes generally available to the Employee on a non-confidential basis, if the source of this information was not reasonably known to the Employee to be bound by a duty of confidentiality, (B) that was or becomes generally available to the public, other than as a result of a disclosure by the Employee, directly or indirectly, that is not authorized by the Company or its affiliate, as applicable, or (C) that the Employee can establish was independently developed by the Employee without reference to any Confidential Information. Except as otherwise provided in paragraph 4, the Employee acknowledges that the Employee will maintain the confidential nature of all Confidential Information. The Employee further agrees to maintain in the strictest confidence and to not, directly or indirectly, intentionally or inadvertently, use, publish, or otherwise disclose to any person or entity whatsoever, any of the Company's Confidential Information or any confidential information belonging to any agent, joint venture, contractor, customer, vendor, or supplier of the Company regardless of its form, without the prior written explicit consent of the Company's Chief Executive Officer. The Employee shall take reasonable precautions to protect the inadvertent disclosure of information.

11. The Employee acknowledges and agrees that any work product prepared, conceived, or developed by the Employee during the term of the Employee's employment with the Company, including but not limited to all written documents and electronic data pertaining thereto, is and shall remain the exclusive property of the Company, and will be considered Confidential Information subject to the terms of this Release Agreement. The Employee agrees that when appropriate, and upon written request of the Company, the Employee will acknowledge that the work product constitutes "works for hire" and will cooperate in the filing for patents or copyrights with regard to any or all such work product and will sign documentation necessary to evidence ownership of such work product in the Company.
12. To protect the Confidential Information of the Company, the Employee agrees, for twelve (12) months following the Termination of the Employee's employment with the Company, that the Employee shall not, directly or indirectly, alone or jointly, with any person or entity, participate in, engage in, consult with, advise, be employed by, own (wholly or partially), possess an interest in, solicit the business of the vendors, suppliers or customers of the Company for, or in any other manner be involved with, any business or person that is engaged

in business activities anywhere in the Territory that are competitive with the Business. Notwithstanding the foregoing, the Employee shall not be prohibited from passively owning less than 1% of the securities of any publicly-traded corporation. For purposes of this Section 12, "Territory" means anywhere in which the Company engages in Business and "Business" means the business of (i) selling, marketing, trading or distributing liquefied natural gas and/or (ii) designing, permitting, constructing, developing or operating liquefied natural gas facilities and/or (iii) trading natural gas on behalf of a liquefied natural gas facility or facilities. The Employee agrees that the covenants contained in this Section 12 are reasonable and desirable to protect the Confidential Information of the Company. Notwithstanding the foregoing, the Employee shall not be prohibited from being employed by, or consulting for, an entity that has a division immaterial to the business of such entity in the aggregate, which division may compete with, or could assist another in competing with, the Company in the Business in the Territory (a "Competitive Division"), so long as the Employee is not employed in, and does not perform work for or otherwise provide services to, the Competitive Division.

13. To protect the Confidential Information of the Company, the Employee agrees that for a period of twelve (12) months following the Termination of Employee's employment with Company, not to solicit, hire or participate in or assist in any way in the solicitation or hire of any employee of the Company (or any person who was an employee of the Company during the six-month period preceding such action). For purposes of this covenant, "solicit" or "solicitation" means directly or indirectly influencing or attempting to influence employees of the Company to become employed with any other person, partnership, firm, corporation or other entity; provided, that solicitation through general advertising that is not directed at any employee of the Company or the provision of references shall not constitute a breach of the obligations in this Section 13. The Employee agrees that the covenants contained in this Section 13 are reasonable and desirable to protect the Confidential Information of the Company.
14. Following the Termination of the Employee's employment with the Company, the Employee agrees (i) to reasonably cooperate with the Company and its directors, officers, attorneys and experts, and take all actions the Company may reasonably request, including but not limited to cooperation with respect to any investigation, government inquiry, administrative proceeding or litigation relating to any matter in which the Employee was involved or had knowledge during the Employee's employment with the Company and (ii) that, if called upon by the Company, the Employee will provide assistance with respect to business, personnel or other matters which arose during the Employee's employment with the Company or as to which the Employee has relevant information, knowledge or expertise, with such cooperation including, but not limited to, completing job tasks in progress, transitioning job tasks to other Company personnel, responding to questions and being available for such purposes. Any cooperation requests shall take into account the Employee's personal and business commitments, and the Employee shall be reimbursed for reasonable documented travel, lodging and meal expenses incurred in connection with such cooperation within thirty (30) days of providing an invoice to the Company.

15. Except as otherwise provided in paragraph 4, the Employee shall not make or publish any disparaging statements (whether written, electronic or oral) regarding, or otherwise maligning the business reputation of, any Released Party. In the event that the Company's Human Resources ("HR") department receives any requests for employment verification or references pertaining to the Employee's employment with the Company, the Company's HR department shall provide a neutral reference that includes only confirmation of the Employee's employment, dates of employment, and the job positions held. If requested, the Company's HR department will neither confirm nor deny any basis for the Employee's separation of employment.
16. If execution of this Release Agreement is in connection with Termination of the Employee's employment with the Company, the Employee represents that the Employee has returned to the Company, except to the extent such return is expressly excused by the Company in writing, all expense reports, notes, memoranda, records, documents, employment manuals, pass keys, computers, computer diskettes, office equipment, sales records and data, and all other information or property, no matter how produced, reproduced or maintained, kept by the Employee in the Employee's possession, used in or pertaining to the business of the Company, including but not limited to lists of customers, prices, marketing plans, Company operating manuals, and other Confidential Information obtained by the Employee in the course of the Employee's employment.
17. Nothing in the Release Agreement shall be deemed to affect or relieve the Employee from any obligation contained in any agreement with the Company or any of the Released Parties related to the terms of Employee's employment or separation therefrom, including, but not limited to, any confidentiality, non-solicitation, non-disclosure or other protective covenant, entered into between the Employee and the Company or any of the Released Parties, which covenants the Employee expressly reaffirms and re-acknowledges herein.
18. Should any future dispute arise with respect to the Release Agreement, both parties agree that it should be resolved solely in accordance with the terms and provisions of this Release Agreement and the laws of the State of Texas. Any disputes between the parties concerning the Employee's employment with the Company and/or the Release Agreement shall be settled exclusively in Harris County, Texas.
19. If execution of this Release Agreement is in connection with Termination of the Employee's employment with the Company, the Employee hereby (i) waives all rights to recall reinstatement, employment, reemployment, and past or future wages from the Company and (ii) additionally represents, warrants and agrees that the Employee has received full and timely payment of all wages, salary, overtime pay, commissions, bonuses, other compensation, remuneration and benefits that may have been due and payable by the Released Parties and that the Employee has been appropriately paid for all time worked and in accordance with all incentive awards.

20. The Employee expressly represents and warrants to the Company that the Employee has received a copy of and has completely read and understood the Plan. The Employee further expressly represents and warrants to the Company that the Employee has completely read the Release Agreement prior to executing it, has had an opportunity to review it with the Employee's counsel and to consider the Release Agreement and to understand its terms, contents, conditions and effects and has entered into the Release Agreement knowingly and voluntarily.
21. The Employee agrees that the terms and conditions of the Release Agreement, including without limitation the amount of money and other consideration, shall be treated as confidential, and shall not be revealed to any other person or entity whatsoever, except as follows:
 - a. to the extent as may be compelled by legal process or by government agency;
 - b. as set forth in paragraph 4 above;
or
 - c. to the extent necessary to the Employee's legal advisors, accountants or financial advisors, and provided that the Employee instructs the foregoing not to disclose the same to anyone.
22. The Employee agrees that the confidentiality provisions, including but not limited to those in Section 10 of the Release Agreement are a material part of it and are contractual in nature.
23. The Employee acknowledges that the Employee may hereafter discover claims or facts in addition to or different than those which the Employee now knows or believes to exist with respect to the subject matter of the release set forth above and which, if known or suspected at the time of entering into the Release Agreement, may have materially affected the Release Agreement and the decision to enter into it. Nevertheless, the Employee hereby waives any right, claim or cause of action that might arise as a result of such different or additional claims or facts.
24. The Employee agrees that the Employee will forfeit all amounts payable by the Company pursuant to the Release Agreement if the Employee challenges the validity of the Release Agreement, unless prohibited by law. The Employee also agrees that if the Employee violates the Release Agreement by suing the Company or the other Released Parties on the claims released hereunder, the Employee will pay all costs and expenses of defending against the suit incurred by the Released Parties, including reasonable attorneys' fees, and return all payments received by the Employee pursuant to the Release Agreement.
25. Whenever possible, each provision of the Release Agreement shall be interpreted in such manner as to be effective and valid under applicable law; however, if any provision of the Release Agreement, other than Sections 3 and 5, shall be finally determined to be invalid or unenforceable under applicable law by a court of competent jurisdiction, that part shall be ineffective to the extent of such invalidity or unenforceability only, without in any way

affecting the remaining parts of said provision or the remaining provisions of this Release Agreement. Should Sections 3 and/or 5 be determined to be illegal, invalid, unconscionable, or unenforceable, the Company shall be entitled to the forfeiture by the Employee of the Change in Control Benefits or the return of the Severance Benefits, as applicable, paid or provided with respect to the Employee or, at the Company's sole option, to require the Employee to execute a new agreement that is enforceable.

Signature: _____

Print Name: _____

Date: _____

SECOND AMENDMENT TO COMMON TERMS AGREEMENT

This Second Amendment, dated as of August 30, 2019 (the “*Second Amendment*”), amends the Amended and Restated Common Terms Agreement, dated as of May 22, 2018 (as amended by the First Amendment, dated as of November 28, 2018, and as further amended, amended and restated, modified or supplemented from time to time, the “*Common Terms Agreement*”), by and among Cheniere Corpus Christi Holdings, LLC (the “*Borrower*”), Corpus Christi Liquefaction, LLC, Cheniere Corpus Christi Pipeline, L.P. and Corpus Christi Pipeline GP, LLC (the “*Guarantors*” and, together with the Borrower, the “*Loan Parties*”), Société Générale as the Term Loan Facility Agent, The Bank of Nova Scotia as the Working Capital Facility Agent, each other Facility Agent on behalf of its respective Facility Lenders, and Société Générale as the Intercreditor Agent. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Common Terms Agreement.

WHEREAS, pursuant to certain terms of the Finance Documents, it was intended that an “Acceptable Debt Service Reserve LC” could be provided by an Issuing Bank (as defined in the Working Capital Facility Agreement) to or for the account of the Loan Parties pursuant to the Working Capital Facility Agreement, and the Loan Parties wish to enter into this Second Amendment to the Common Terms Agreement in order to cure certain ambiguities and inconsistencies with respect to the definition of “Acceptable Debt Service Reserve LC” therein; and

WHEREAS, the Intercreditor Agent is executing this amendment pursuant to Section 3.2(a)(i) (*Voting Generally: Intercreditor Party Decisions and Intercreditor Votes*), Section 4.4 (*Administrative Decisions*) and Schedule 2 (*Administrative Decisions*) of the Intercreditor Agreement in order to amend the Common Terms Agreement to cure certain ambiguities and inconsistencies with respect to the hedging terms therein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and subject to the terms and conditions herein set forth, the parties hereto agree as follows:

Section 1. Amendments to Common Terms Agreement. The Borrower, the Guarantors and the Intercreditor Agent each agree that the definition of “Acceptable Debt Service Reserve LC” in Section 1.3 (*Definitions*) of Schedule A (*Common Definitions and Rules of Interpretation*) to the Common Terms Agreement is amended by (i) adding the word “and” to the end of clause (a); (ii) replacing the “; and” at the end of clause (b) with a “.”; and (iii) deleting clause (c) in its entirety.

Section 2. Effectiveness. This Second Amendment shall be effective upon (x) the receipt by the Intercreditor Agent of executed counterparts of this Second Amendment by the Borrower and each Guarantor and (y) the execution of this Second Amendment by the Intercreditor Agent.

Section 3. Finance Document. This Second Amendment constitutes a Finance Document as such term is defined in, and for purposes of, the Common Terms Agreement.

Section 4. GOVERNING LAW. THIS SECOND AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, UNITED STATES WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES THEREOF THAT WOULD RESULT IN THE APPLICATION OF THE LAW OF ANY OTHER JURISDICTION.

Section 5. Headings. All headings in this Second Amendment are included only for convenience and ease of reference and shall not be considered in the construction and interpretation of any provision hereof.

Section 6. Binding Nature and Benefit. This Second Amendment shall be binding upon and inure to the benefit of each party hereto and their respective successors and permitted transfers and assigns.

Section 7. Counterparts. This Second Amendment may be executed in multiple counterparts, each of which shall be deemed an original for all purposes, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Second Amendment by facsimile or in electronic document format (e.g., “pdf” or “tif”) shall be effective as delivery of a manually executed counterpart of this Second Amendment.

Section 8. No Modifications; No Other Matters. Except as expressly provided for herein, the terms and conditions of the Common Terms Agreement shall continue unchanged and shall remain in full force and effect. Each amendment granted herein shall apply solely to the matters set forth herein and such amendment shall not be deemed or construed as an amendment of any other matters, nor shall such amendment apply to any other matters.

[Signature pages follow]

IN WITNESS WHEREOF, the parties have caused this Second Amendment to the Common Terms Agreement to be duly executed and delivered as of the day and year first above written.

**CHENIERE CORPUS CHRISTI
HOLDINGS, LLC**, as the Borrower

By: /s/ Lisa C. Cohen

Name: Lisa C. Cohen

Title: Treasurer

**CORPUS CHRISTI LIQUEFACTION,
LLC**, as Guarantor

By: /s/ Lisa C. Cohen

Name: Lisa C. Cohen

Title: Treasurer

**CHENIERE CORPUS CHRISTI
PIPELINE, L.P.**, as Guarantor

By: /s/ Lisa C. Cohen

Name: Lisa C. Cohen

Title: Treasurer

CORPUS CHRISTI PIPELINE GP, LLC,
as Guarantor

By: /s/ Lisa C. Cohen

Name: Lisa C. Cohen

Title: Treasurer

IN WITNESS WHEREOF, the parties have caused this Second Amendment to the Common Terms Agreement to be duly executed and delivered as of the day and year first above written.

SOCIÉTÉ GÉNÉRALE,

as Intercreditor Agent on behalf of itself and
each Facility Agent

By: /s/ Arnaud Batejat

Name: Arnaud Batejat

Title: VP

SIGNATURE PAGE TO SECOND AMENDMENT TO COMMON TERMS AGREEMENT

SECOND AMENDMENT TO COMMON SECURITY AND ACCOUNT AGREEMENT

This Second Amendment, dated as of August 30, 2019 (the “*Second Amendment*”), amends the Amended and Restated Common Security and Account Agreement, dated as of May 22, 2018 (as amended by the First Amendment, dated as of November 28, 2018, and as further amended, amended and restated, modified or supplemented from time to time, the “*Common Security and Account Agreement*”), by and among Cheniere Corpus Christi Holdings, LLC (the “*Company*”), Corpus Christi Liquefaction, LLC, Cheniere Corpus Christi Pipeline, L.P. and Corpus Christi Pipeline GP, LLC (the “*Guarantors*” and, together with the Company, the “*Securing Parties*”), the Senior Creditor Group Representatives party thereto and that accede thereto from time to time, for the benefit of all Senior Creditors, Société Générale as Intercreditor Agent for the Facility Lenders and any Hedging Banks, Société Générale as Security Trustee, and Mizuho Bank, Ltd. as Account Bank. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Common Security and Account Agreement.

WHEREAS, pursuant to certain terms of the Finance Documents, it was intended that an “Acceptable Debt Service Reserve LC” could be provided by an Issuing Bank (as defined in the Working Capital Facility Agreement) to or for the account of the Loan Parties pursuant to the Working Capital Facility Agreement, and the Loan Parties wish to enter into this Second Amendment to the Common Security and Account Agreement in order to cure certain ambiguities and inconsistencies with respect to the definition of “Acceptable Debt Service Reserve LC” therein;

WHEREAS, pursuant to Section 12.14(a) (*Amendments*) of the Common Security and Account Agreement, the Security Trustee may execute this amendment with the consent of the Intercreditor Agent pursuant to Section 7.2(a)(i) (*Modification Approval Levels – Modifications to this Agreement*) thereof; and

WHEREAS, the Intercreditor Agent is hereby consenting to the Security Trustee’s execution of this amendment pursuant to Section 3.2(a)(i) (*Voting Generally: Intercreditor Party Decisions and Intercreditor Votes*), Section 4.4 (*Administrative Decisions*) and Schedule 2 (*Administrative Decisions*) of the Intercreditor Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and subject to the terms and conditions herein set forth, the parties hereto agree as follows:

Section 1. Amendment to Common Security and Account Agreement. The Company, the Guarantors and the Security Trustee each agree that the definition of “Acceptable Debt Service Reserve LC” in Section 1.3 (*Definitions*) of Schedule A (*Common Definitions and Rules of Interpretation*) to the Common Security and Account Agreement is amended by (i) adding the word “and” to the end of clause (a); (ii) replacing the “; and” at the end of clause (b) with a “.”; and (iii) deleting clause (c) in its entirety.

Section 2. Effectiveness. This Second Amendment shall be effective upon (x) the receipt by the Intercreditor Agent of executed counterparts of this Second Amendment by

the Company and each Guarantor and (y) the execution of this Second Amendment by the Intercreditor Agent.

Section 3. Finance Document. This Second Amendment constitutes a Finance Document as such term is defined in, and for purposes of, the Amended and Restated Common Terms Agreement, dated as of May 22, 2018, as amended by the First Amendment, dated as of November 28, 2018, by and among the Securing Parties, Société Générale as the Term Loan Facility Agent, The Bank of Nova Scotia as the Working Capital Facility Agent, each other Facility Agent on behalf of its respective Facility Lenders and Société Générale as the Intercreditor Agent.

Section 4. GOVERNING LAW. THIS SECOND AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, UNITED STATES WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES THEREOF THAT WOULD RESULT IN THE APPLICATION OF THE LAW OF ANY OTHER JURISDICTION.

Section 5. Headings. All headings in this Second Amendment are included only for convenience and ease of reference and shall not be considered in the construction and interpretation of any provision hereof.

Section 6. Binding Nature and Benefit. This Second Amendment shall be binding upon and inure to the benefit of each party hereto and their respective successors and permitted transfers and assigns.

Section 7. Counterparts. This Second Amendment may be executed in multiple counterparts, each of which shall be deemed an original for all purposes, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Second Amendment by facsimile or in electronic document format (e.g., “pdf” or “tif”) shall be effective as delivery of a manually executed counterpart of this Second Amendment.

Section 8. No Modifications; No Other Matters. Except as expressly provided for herein, the terms and conditions of the Common Security and Account Agreement shall continue unchanged and shall remain in full force and effect. Each amendment granted herein shall apply solely to the matters set forth herein and such amendment shall not be deemed or construed as an amendment of any other matters, nor shall such amendment apply to any other matters.

[Signature pages follow]

IN WITNESS WHEREOF, the parties have caused this Second Amendment to the Common Security and Account Agreement to be duly executed and delivered as of the day and year first above written.

**CHENIERE CORPUS CHRISTI
HOLDINGS, LLC**, as the Company

By: /s/ Lisa C. Cohen

Name: Lisa C. Cohen

Title: Treasurer

**CORPUS CHRISTI LIQUEFACTION,
LLC**, as Guarantor

By: /s/ Lisa C. Cohen

Name: Lisa C. Cohen

Title: Treasurer

**CHENIERE CORPUS CHRISTI
PIPELINE, L.P.**, as Guarantor

By: /s/ Lisa C. Cohen

Name: Lisa C. Cohen

Title: Treasurer

CORPUS CHRISTI PIPELINE GP, LLC,
as Guarantor

By: /s/ Lisa C. Cohen

Name: Lisa C. Cohen

Title: Treasurer

IN WITNESS WHEREOF, the parties have caused this Second Amendment to the Common Security and Account Agreement to be duly executed and delivered as of the day and year first above written.

SOCIÉTÉ GÉNÉRALE,
as Security Trustee

By: /s/ Arnaud Batejat
Name: Arnaud Batejat
Title: VP

SIGNATURE PAGE TO SECOND AMENDMENT TO COMMON SECURITY AND ACCOUNT AGREEMENT

IN WITNESS WHEREOF, the parties have caused this Second Amendment to the Common Security and Account Agreement to be duly executed and delivered as of the day and year first above written.

SOCIÉTÉ GÉNÉRALE,

as Intercreditor Agent, on its own behalf and
on behalf of the Intercreditor Parties, solely
for purposes of consenting to the Security
Trustee's execution of the amendment
pursuant to Section 7.2(a)(i) of the Common
Security and Account Agreement

By: /s/ Arnaud Batejat

Name: Arnaud Batejat

Title: VP

SIGNATURE PAGE TO SECOND AMENDMENT TO COMMON SECURITY AND ACCOUNT AGREEMENT

**AMENDMENT TO
AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT**

This Amendment to Amended and Restated Revolving Credit Agreement (this “Amendment”), dated as of September 27, 2019, is entered into by and among CHENIERE ENERGY, INC., a Delaware corporation (“Borrower”), SOCIÉTÉ GÉNÉRALE, as administrative agent (“Agent”), and the Requisite Lenders party hereto.

RECITALS

- A. Reference is made to the Amended and Restated Revolving Credit Agreement, dated as of December 13, 2018, by and among Borrower, Agent and the various Lenders and Issuing Banks party thereto (as amended pursuant hereto, and as otherwise amended, restated, supplemented or otherwise modified from time to time and including all schedules and exhibits thereto, the “Credit Agreement”).
- B. Section 9.5(a) of the Credit Agreement permits certain terms of the Credit Agreement to be amended with the consent of the Borrower, Agent and the Requisite Lenders.
- C. Borrower, Agent and the Requisite Lenders desire to enter into this Amendment to amend the Credit Agreement as set forth herein.

AGREEMENTS

In consideration of the foregoing and the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower, Agent and the Requisite Lenders hereby agree as follows:

SECTION 1. Defined Terms. Except as otherwise expressly provided herein, capitalized terms used herein (including in the recitals and preamble hereto) and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement. The rules of construction specified in subsection 1.3 of the Credit Agreement also apply to this Amendment *mutatis mutandis*.

SECTION 2. Amendment to Credit Agreement. Subject to the satisfaction of the conditions set forth in Section 3, the Credit Agreement is hereby amended as of the date hereof as follows:

- (a) Section 2.4 of the Credit Agreement is hereby amended and restated in its entirety as follows:

Use of Proceeds. Letters of Credit and the proceeds of Loans shall be available and applied, respectively, as follows: (a) Letters of Credit (measured based on the L/C Obligations in respect thereof) and such Loan proceeds (including Loans made to refinance Unreimbursed Amounts in respect of such Letters of Credit), collectively in the aggregate, of up to twenty percent (20%) of the Commitments (the “**Base GCP Amount**”) may be used for general corporate purposes of

Borrower (excluding, prior to the Trigger Point, the making of Restricted Payments); provided that no Letters of Credit shall be available and no proceeds of Loans may be used for general corporate purposes unless (i) the (A) Aggregate Availability *plus* (B) from and after the Trigger Point, Borrower's Unrestricted Cash is no less than the amount of Borrower's Outstanding CCH ECA Obligation as of the date of the proposed Credit Extension; provided that the Outstanding CCH ECA Obligation shall be reduced by the Stated Amount of any Letter of Credit issued to fund CCH Equity Contributions (provided further that, for the avoidance of doubt, the Aggregate Availability shall with respect to each such Letter of Credit be reduced by the amount of L/C Obligations with respect to such Letter of Credit) and (ii) no event, circumstance or change has occurred that would constitute a GCP Material Adverse Effect; and (b) Letters of Credit (measured based on the L/C Obligations in respect thereof) and such Loan proceeds (including Loans made to refinance Unreimbursed Amounts in respect of such Letters of Credit) in an aggregate amount equal to the balance of the Commitments may be used by Borrower to fund, directly or indirectly, CCH Equity Contributions to CCH HoldCo II and its Subsidiaries, as well as related fees and expenses; provided that at any time (and only during the time period) when the Outstanding CCH ECA Obligation (reduced by the Stated Amount of any Letter of Credit issued to fund CCH Equity Contributions, provided that, for the avoidance of doubt, the Aggregate Availability shall with respect to each such Letter of Credit be reduced by the amount of L/C Obligations with respect to such Letter of Credit) is less than (A) the Aggregate Availability *plus* (B) from and after the Trigger Point, Borrower's Unrestricted Cash, the amount of Commitments that may be used for general corporate purposes of Borrower and its Subsidiaries (excluding, prior to the Trigger Point, the making of Restricted Payments) pursuant to this Section 2.4 shall be increased (at such time and during such time period) above the Base GCP Amount by the amount that (A) Aggregate Availability *plus* (B) from and after the Trigger Point, Borrower's Unrestricted Cash, exceeds the Outstanding CCH ECA Obligation (reduced by the Stated Amount of any Letter of Credit issued to fund CCH Equity Contributions, provided that, for the avoidance of doubt, the Aggregate Availability shall with respect to each such Letter of Credit be reduced by the amount of L/C Obligations with respect to such Letter of Credit). Notwithstanding the foregoing or anything else in this Agreement to the contrary, Letters of Credit and the proceeds of Loans shall be available and applied, on the Closing Date, to (i) pay accrued fees and expenses owing under or in connection with the Existing Credit Agreement and the Finance Documents defined therein and (ii) pay the fees, costs and expenses incurred in connection with this Agreement and the other Finance Documents.

SECTION 3. Conditions of Effectiveness. This Amendment shall become effective on the date the Agent shall have received counterparts of this Amendment duly executed by each of the Borrower, Agent, and Lenders constituting the Requisite Lenders (the first date on which such conditions have been satisfied, the "Amendment Effective Date").

SECTION 4. Representations and Warranties. The Borrower hereby represents and warrants as of the Amendment Effective Date as follows:

(a) This Amendment and the Credit Agreement as amended hereby constitute legal, valid and binding obligations of the Borrower, enforceable in accordance with their terms, subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally, and subject to the effects of general principles of equity (regardless whether considered in a proceeding in equity or at law).

(b) After giving effect to the terms of this Amendment, (i) no Default or Event of Default has occurred and is continuing and (ii) the representations and warranties of the Borrower set forth in the Credit Agreement are true and correct in all material respects (provided that any representation or warranty that is qualified by materiality or Material Adverse Effect is true and correct in all respects), except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (provided that any representation or warranty that is qualified by materiality or Material Adverse Effect is true and correct in all respects) as of such earlier date.

SECTION 5. Effect on Credit Agreement.

(a) Except as specifically amended hereby, all of the terms and conditions of the Credit Agreement are unaffected and shall continue to be in full force and effect and shall be binding on the parties hereto in accordance with their respective terms, except as expressly superseded by this Amendment. This Amendment does not, except as explicitly set forth herein, constitute a waiver of compliance with, or modification or amendment of, any other term or condition under the Credit Agreement.

(b) This Amendment is a "Financing Document" and shall constitute an amendment of the Credit Agreement made under and in accordance with the terms of Section 9.5 of the Credit Agreement.

SECTION 6. Governing Law. Section 9.14 of the Credit Agreement is hereby incorporated by reference into this Amendment and shall apply hereto, *mutatis mutandis*, as if fully set forth herein.

SECTION 7. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by telecopier or other electronic means (including ".pdf" or ".tif" format) of an executed counterpart of a signature page to this Amendment shall be effective as delivery of an original executed counterpart of this Amendment.

[signature pages follow]

Signature Page to Amendment to Amended and Restated Credit Agreement

IN WITNESS WHEREOF, each of the undersigned have caused this Amendment to be executed by their respective duly authorized officers as of the date first written above.

BORROWER:

CHENIERE ENERGY, INC.

By: /s/ Lisa C. Cohen
Name: Lisa C. Cohen
Title: Vice President and Treasurer

Signature Page to Amendment to Amended and Restated Credit Agreement

AGENT:

SOCIÉTÉ GÉNÉRALE

as Administrative Agent

By: /s/ Ellen Turkel

Name: Ellen Turkel

Title: Director

Signature Page to Amendment to Amended and Restated Credit Agreement

REQUISITE LENDERS:

SOCIÉTÉ GÉNÉRALE

as Lender and Issuing Bank

By: /s/ Ellen Turkel

Name: Ellen Turkel

Title: Director

Signature Page to Amendment to Amended and Restated Credit Agreement

ROYAL BANK OF CANADA,
as Lender and Issuing Bank

By: /s/ Kristan Spirey

Name: Kristan Spirey

Title: Authorized Signatory

Signature Page to Amendment to Amended and Restated Credit Agreement

**THE BANK OF NOVA SCOTIA, HOUSTON
BRANCH,**
as Lender and Issuing Bank

By: /s/ Alfredo Brahim

Name: Alfredo Brahim

Title: Director

Signature Page to Amendment to Amended and Restated Credit Agreement

ING CAPITAL LLC,
as Lender and Issuing Bank

By: /s/ Subha Pasumarti

Name: Subha Pasumarti

Title: Managing Director

By: /s/ Catharina van der Woude

Name: Catharina van der Woude

Title: Director

Signature Page to Amendment to Amended and Restated Credit Agreement

BANK OF AMERICA, N.A.,
as Lender and Issuing Bank

By: /s/ Lauren Halliday

Name: Lauren Halliday

Title: Vice President

Signature Page to Amendment to Amended and Restated Credit Agreement

JP MORGAN CHASE BANK, N.A.,
as Lender and Issuing Bank

By: /s/ Arina Mavilian

Name: Arina Mavilian

Title: Authorized Signatory

Signature Page to Amendment to Amended and Restated Credit Agreement

CITIBANK, N.A.,
as Lender and Issuing Bank

By: /s/ Derrick Lenz

Name: Derrick Lenz

Title: Vice President

Signature Page to Amendment to Amended and Restated Credit Agreement

GOLDMAN SACHS BANK USA,
as Lender and Issuing Bank

By: /s/ Jamie Minieri

Name: Jamie Minieri

Title: Authorized Signatory

Signature Page to Amendment to Amended and Restated Credit Agreement

**HSBC BANK USA, NATIONAL
ASSOCIATION,**
as Lender and Issuing Bank

By: /s/ Balaji Rajgopal

Name: Balaji Rajgopal

Title: Director

Signature Page to Amendment to Amended and Restated Credit Agreement

**INTESA SANPAOLO S.P.A., NEW YORK
BRANCH,**
as Lender and Issuing Bank

By: /s/ Fuensanta Diaz Cobacho

Name: Fuensanta Diaz Cobacho

Title: First Vice President

By: /s/ Nicholas A. Matacchieri

Name: Nicholas A. Matacchieri

Title: Vice President

Signature Page to Amendment to Amended and Restated Credit Agreement

MIZUHO BANK, LTD.,
as Lender and Issuing Bank

By: /s/ Brian T. Caldwell

Name: Brian Caldwell

Title: Managing Director

Signature Page to Amendment to Amended and Restated Credit Agreement

**MORGAN STANLEY SENIOR FUNDING,
INC.,**
as Lender and Issuing Bank

By: /s/ Rikin Pandya

Name: Rikin Pandya

Title: Vice President

Signature Page to Amendment to Amended and Restated Credit Agreement

**CANADIAN IMPERIAL BANK OF
COMMERCE, NEW YORK BRANCH,**
as Lender and Issuing Bank

By: /s/ Lavinia Macovschi
Name: Lavinia Macovschi
Title: Authorized Signatory

By: /s/ Farhad Merali
Name: Farhad Merali
Title: Authorized Signatory

CREDIT SUISSE AG, CAYMAN ISLANDS
BRANCH,
as Lender and Issuing Bank

By: /s/ Nupur Kumar
Name: Nupur Kumar
Title: Authorized Signatory

By: /s/ Christopher Zybrick
Name: Christopher Zybrick
Title: Authorized Signatory

Signature Page to Amendment to Amended and Restated Credit Agreement

MUFG BANK, LTD.,
as Lender and Issuing Bank

By: /s/ Stephen W. Warfel

Name: Stephen W. Warfel

Title: Managing Director

Signature Page to Amendment to Amended and Restated Credit Agreement

**SUMITOMO MITSUI BANKING
CORPORATION,**

as Lender and Issuing Bank

By: /s/ Michael Maguire

Name: Michael Maguire

Title: Executive Director

Signature Page to Amendment to Amended and Restated Credit Agreement

ABN AMRO CAPITAL USA LLC,
as Lender and Issuing Bank

By: /s/ Darrell Holley

Name: Darrell Holley

Title: Managing Director

By: /s/ Anna C. Ferreira

Name: Anna C. Ferreira

Title: Vice-President

Signature Page to Amendment to Amended and Restated Credit Agreement

*** indicates certain identified information has been excluded because it is both (a) not material and (b) would be competitively harmful if publicly disclosed.

CHANGE ORDER

Train 2 Nitrogen Supply for Commissioning Units 16, 17 and Feed Gas

PROJECT NAME: Corpus Christi Stage 1 Liquefaction Facility

CHANGE ORDER NUMBER: CO-00053

OWNER: Corpus Christi Liquefaction, LLC

DATE OF CHANGE ORDER: June 26, 2019

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: December 6, 2013

The Agreement between the Parties listed above is changed as follows:

- 1) Pursuant to Article 6 of the Agreement, Parties agree this Change Order includes Contractor's use of nitrogen for Subproject 2 (Train 2) Commissioning activities (dryout and defrosting of Units 16, 17 and Feed Gas) in lieu of Feed Gas as requested by Owner.
 - i. This Change Order is in accordance with the approved Trend No. S1-3017.
- 2) The summary cost breakdown for the scope of this Change Order is detailed in Exhibit 1 of this Change Order.
- 3) The detailed cost breakdown for the scope of this Change Order is detailed in Exhibit 3 (Trend No. S1-3017) and Exhibit 4 (Supplier Invoice).
- 4) Schedule C-1 (Milestone Payment Schedule) of Attachment C of the Agreement will be amended by including the Milestone(s) listed in Exhibit 2 of this Change Order.

Adjustment to Contract Price

The original Contract Price was.....	\$ 7,080,830,000
Net change by previously authorized Change Orders (0001-00052).....	\$ 706,243,783
The Contract Price prior to this Change Order was.....	\$ 7,787,073,783
The Aggregate Equipment Price will be changed by this Change Order in the amount of.....	\$ ***
The Aggregate Labor and Skills Price will be changed by this Change Order in the amount of.....	\$ ***
The new Contract Price including this Change Order will be.....	\$ 7,789,250,599

Adjustment to Aggregate Equipment Price

The original Aggregate Equipment Price was.....	\$ ***
Net change by previously authorized Change Orders (0001-00052).....	\$ ***
The Aggregate Equipment Price prior to this Change Order was.....	\$ ***
The Aggregate Equipment Price will be changed by this Change Order in the amount of.....	\$ ***
The new Aggregate Equipment Price including this Change Order will be	\$ ***

Adjustment to Aggregate Labor and Skills Price

The original Aggregate Labor and Skills Price was.....	\$	***]
Net change by previously authorized Change Orders (0001-00052).....	\$	***]
The Aggregate Labor and Skills Price prior to this Change Order was.....	\$	***]
The Aggregate Labor and Skills Price will be changed by this Change Order in the amount of.....	\$	***]
The new Aggregate Labor and Skills Price including this Change Order will be.....	\$	***]

Adjustment to Aggregate Provisional Sum

The original Aggregate Provisional Sum was.....	\$	950,561,351
Net change by previously authorized Change Orders (0001-00052).....	\$	(812,283,979)
The Aggregate Provisional Sum prior to this Change Order was.....	\$	138,277,372
The Aggregate Provisional Sum will be changed by this Change Order in the amount of.....	\$	—
The new Aggregate Provisional Sum including this Change Order will be.....	\$	138,277,372

Adjustment to dates in Project Schedule

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria *(insert N/A if no changes or impact; attach additional documentation if necessary)*: **N/A**

Adjustment to Payment Schedule: **Yes. See Exhibit 2 of this Change Order.**

Adjustment to Minimum Acceptance Criteria: **N/A**

Adjustment to Performance Guarantees: **N/A**

Adjustment to Design Basis: **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement: **N/A**

Select either A or B:

[A] This Change Order **shall** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall** be deemed to compensate Contractor fully for such change. Initials: /s/ BT Contractor /s/ DC Owner

~~[B] This Change Order **shall not** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall not** be deemed to compensate Contractor fully for such change. Initials: _____ Contractor _____ Owner~~

Upon execution of this Change Order by Owner and Contractor, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order. Except as modified by this and any previously issued Change Orders, all other terms and conditions of the Agreement shall remain in full force and effect. This Change Order is executed by each of the Parties' duly authorized representatives.

/s/ David Craft

For Owner

David Craft

Name

SVP, Engineering & Construction

Title

July 15, 2019

Date of Signing

/s/ Bhupesh Thakkar

For Contractor

Bhupesh Thakkar

Name

SVP, Cheniere Program

Title

June 27, 2019

Date of Signing

*** indicates certain identified information has been excluded because it is both (a) not material and (b) would be competitively harmful if publicly disclosed.

CHANGE ORDER

Tank B Jump-over Tie-In Line (Part 1) and Deletion of East Jetty Shroud

PROJECT NAME: Corpus Christi Stage 2 Liquefaction Facility

CHANGE ORDER NUMBER: 00016

OWNER: Corpus Christi Liquefaction, LLC

DATE OF CHANGE ORDER: August 5, 2019

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: December 12, 2017

The Agreement between the Parties listed above is changed as follows:*(attach additional documentation if necessary)*

- Pursuant to Article 6 of the Agreement, Parties agree this Change Order includes Contractor's cost for adding a new Tank B Jump-over Tie-In Line (Part 1) for future tie-ins as described below.

The scope of work includes the addition of one (1) 30-inch Jump-over line and associated control / block in scheme to Stage 2 greenfield Scope of Work to connect to the 30" loading line from Tank B instead of the 30" blind connection on the Tank B rundown line 42"-20HC-24170-PO as further documented in conference note no. 26179-200-G15-GAM-00022, Subject: Unit 24 and Related Interconnecting Line by Line Review. Refer to Exhibit 5 of this Change Order for the redlined P&ID depicting this change. The Jump-over line was designed for the transient loads identified in LNG Loading, Rundown, and Inter-Tank Transfer Pipeline System Hydraulic Transient Analysis, 26179-200-K0R-DK-00001. This Change Order excludes any impacts from transient loading analysis of the combined systems and operation of multiple stages including potential future Stages.

- Pursuant to Article 6 of the Agreement, Parties agree to the Deletion of the East Jetty Shroud as directed by Owner in Letter No. CCLIQ2-BE-C19-014, dated April 23, 2019, which is based on the approved Trend No. S2-0038.

This includes the removal of the East Jetty shrouds from the Scope of Work. The Change Order does not include the removal of the pedestals for the shrouds or reissuance of documentation associated with this change.

- The summary cost breakdown for the total Scope of Work of this Change Order is detailed in Exhibit 1 of this Change Order.
- The detailed cost breakdown of this Change Order is provided in the following Exhibits:
 - Exhibit 3: Tank B Jump-over Tie-In Line (Part 1) (Trend No. S2-0032); and
 - Exhibit 4: Deletion of East Jetty Shroud (Trend No. S2-0038)
- Schedules C-1 and C-3 (Milestone Payment Schedules) of Attachment C of the Agreement will be amended by including the Milestones listed in Exhibit 2 of this Change Order.

Adjustment to Contract Price

The original Contract Price was.....	\$ 2,360,000,000
Net change by previously authorized Change Orders (00001-00015).....	\$ 31,352,937
The Contract Price prior to this Change Order was.....	\$ 2,391,352,937
The Aggregate Equipment Price will be changed by this Change Order in the amount of.....	\$ ***
The Aggregate Labor and Skills Price will be changed by this Change Order in the amount of.....	\$ ***
The new Contract Price including this Change Order will be.....	\$ 2,384,555,076

Adjustment to Aggregate Equipment Price

The original Aggregate Equipment Price was.....	\$	***
Net change by previously authorized Change Orders (00001-00015).....	\$	***
The Aggregate Equipment Price prior to this Change Order was.....	\$	***
The Aggregate Equipment Price will be changed by this Change Order in the amount of.....	\$	***
The new Aggregate Equipment Price including this Change Order will be	\$	***

Adjustment to Aggregate Labor and Skills Price

The original Aggregate Labor and Skills Price was.....	\$	***
Net change by previously authorized Change Orders (00001-00015).....	\$	***
The Aggregate Labor and Skills Price prior to this Change Order was.....	\$	***
The Aggregate Labor and Skills Price will be changed by this Change Order in the amount of.....	\$	***
The new Aggregate Labor and Skills Price including this Change Order will be.....	\$	***

Adjustment to Aggregate Provisional Sum

The original Aggregate Provisional Sum was.....	\$	295,549,906
Net change by previously authorized Change Orders (00001-00015).....	\$	(18,272,757)
The Aggregate Provisional Sum prior to this Change Order was.....	\$	277,277,149
The Aggregate Provisional Sum will be changed by this Change Order in the amount of.....	\$	—
The new Aggregate Provisional Sum including this Change Order will be.....	\$	277,277,149

Adjustment to dates in Project Schedule

The following dates are modified (*list all dates modified; insert N/A if no dates modified*): **N/A**

Adjustment to other Changed Criteria (*insert N/A if no changes or impact; attach additional documentation if necessary*): **N/A**

Adjustment to Payment Schedule: **Yes. See Exhibit 2 of this Change Order.**

Adjustment to Minimum Acceptance Criteria: **N/A**

Adjustment to Performance Guarantees: **N/A**

Adjustment to Design Basis: **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement:

Select either A or B:

[A] This Change Order **shall** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall** be deemed to compensate Contractor fully for such change. Initials: /s/ BT Contractor /s/ DC Owner

~~[B] This Change Order **shall not** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall not** be deemed to compensate Contractor fully for such change. Initials: _____ Contractor _____ Owner~~

Upon execution of this Change Order by Owner and Contractor, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order. Except as modified by this and any previously issued Change Orders, all other terms and conditions of the Agreement shall remain in full force and effect. This Change Order is executed by each of the Parties' duly authorized representatives.

/s/ David Craft

Owner

David Craft

Name

SVP, E&C

Title

August 13, 2019

Date of Signing

/s/ Bhupesh Thakkar

Contractor

Bhupesh Thakkar

Name

Cheniere Program Manager

Title

August 7, 2019

Date of Signing

CHANGE ORDER

H2S Removal Skid PSVs Modifications and Revision to Chemical Cleaning Milestones

PROJECT NAME: Corpus Christi Stage 2 Liquefaction Facility

CHANGE ORDER NUMBER: 00017

OWNER: Corpus Christi Liquefaction, LLC

DATE OF CHANGE ORDER: August 5, 2019

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: December 12, 2017

The Agreement between the Parties listed above is changed as follows:*(attach additional documentation if necessary)*

1. Pursuant to Article 6 of the Agreement, Parties agree this Change Order includes Contractor's cost for modifications to the following H2S Removal Skid PSV's: 23PSV-19002, 23PSV-19003, and 23PSV-19004.

A potential future addition of an enclosed maintenance ground flare, being considered by Owner under a separate agreement with Contractor, requires changing these three (3) PSV's in Train 3 to balanced bellows type due to higher back pressures. The balanced bellows PSV's will be designed to handle higher backpressures such that they will function properly whether the aforementioned enclosed maintenance ground flare is installed or not.

2. Pursuant to Article 6 of the Agreement, Parties agree to amend the four (4) Chemical Cleaning Milestones included in Schedule C-1 of Attachment C of the Agreement as detailed in Exhibit 4 of this Change Order. This reflects Contractor's change in execution strategy from Subcontracting to self-performing the Chemical Cleaning Scope of Work. The Contract Price is not adjusted by this change.
3. The summary cost breakdown for the Scope of Work of this Change Order is detailed in Exhibit 1 of this Change Order.
4. The detailed cost breakdown of this Change Order is provided in Exhibit 3 of this Change Order.
5. Schedules C-1 and C-3 (Milestone Payment Schedules) of Attachment C of the Agreement will be amended by including the Milestones listed in Exhibit 2 of this Change Order.
6. Schedule C-1 (Aggregate Labor and Skills Price Milestone Payment Schedule) of Attachment C of the Agreement will be amended by revising the four (4) Chemical Cleaning Milestones listed in Exhibit 4 of this Change Order.

Adjustment to Contract Price

The original Contract Price was.....	\$ 2,360,000,000
Net change by previously authorized Change Orders (00001-00016).....	\$ 24,555,076
The Contract Price prior to this Change Order was.....	\$ 2,384,555,076
The Aggregate Equipment Price will be changed by this Change Order in the amount of.....	\$ [***]
The Aggregate Labor and Skills Price will be changed by this Change Order in the amount of.....	\$ [***]
The new Contract Price including this Change Order will be.....	\$ 2,384,576,481

Adjustment to Aggregate Equipment Price

The original Aggregate Equipment Price was.....	\$ [***]
Net change by previously authorized Change Orders (00001-00016).....	\$ [***]
The Aggregate Equipment Price prior to this Change Order was.....	\$ [***]
The Aggregate Equipment Price will be changed by this Change Order in the amount of.....	\$ [***]
The new Aggregate Equipment Price including this Change Order will be	\$ [***]

Adjustment to Aggregate Labor and Skills Price

The original Aggregate Labor and Skills Price was.....	\$	***]
Net change by previously authorized Change Orders (00001-00016).....	\$	***]
The Aggregate Labor and Skills Price prior to this Change Order was.....	\$	***]
The Aggregate Labor and Skills Price will be changed by this Change Order in the amount of.....	\$	***]
The new Aggregate Labor and Skills Price including this Change Order will be.....	\$	***]

Adjustment to Aggregate Provisional Sum

The original Aggregate Provisional Sum was.....	\$	295,549,906
Net change by previously authorized Change Orders (00001-00016).....	\$	(18,272,757)
The Aggregate Provisional Sum prior to this Change Order was.....	\$	277,277,149
The Aggregate Provisional Sum will be changed by this Change Order in the amount of.....	\$	—
The new Aggregate Provisional Sum including this Change Order will be.....	\$	277,277,149

Adjustment to dates in Project Schedule

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: N/A

Adjustment to other Changed Criteria *(insert N/A if no changes or impact; attach additional documentation if necessary)*: N/A

Adjustment to Payment Schedule: **Yes. See Exhibit 2 and Exhibit 4 of this Change Order.**

Adjustment to Minimum Acceptance Criteria: N/A

Adjustment to Performance Guarantees: N/A

Adjustment to Design Basis: N/A

Other adjustments to liability or obligation of Contractor or Owner under the Agreement:

Select either A or B:

[A] This Change Order **shall** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall** be deemed to compensate Contractor fully for such change. Initials: /s/ BT Contractor /s/ DC Owner

~~[B] This Change Order **shall not** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall not** be deemed to compensate Contractor fully for such change. Initials: _____ Contractor _____ Owner~~

Upon execution of this Change Order by Owner and Contractor, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order. Except as modified by this and any previously issued Change Orders, all other terms and conditions of the Agreement shall remain in full force and effect. This Change Order is executed by each of the Parties' duly authorized representatives.

/s/ David Craft

Owner

David Craft

Name

SVP, E&C

Title

August 13, 2019

Date of Signing

/s/ Bhupesh Thakkar

Contractor

Bhupesh Thakkar

Name

Cheniere Program Manager

Title

August 7, 2019

Date of Signing

CHANGE ORDER

Cold Box Redesign Major Permanent Plant Materials and Ethylene Cold Box's E-1504 Partial Mockup

PROJECT NAME: Corpus Christi Stage 2 Liquefaction Facility

CHANGE ORDER NUMBER: 00018

OWNER: Corpus Christi Liquefaction, LLC

DATE OF CHANGE ORDER: September 6, 2019

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: December 12, 2017

The Agreement between the Parties listed above is changed as follows:*(attach additional documentation if necessary)*

1. Pursuant to Article 6 of the Agreement, Parties agree this Change Order includes the cost of engineering and sourcing of major permanent plant materials associated with Owner's request for Contractor to engage with the cold box vendor for potential re-design and modification of the Train 3 cold boxes to minimize the number of transition joints. The scope of services is further described in Appendix 5, Scope of Work.
2. Pursuant to Article 6 of the Agreement, Parties agree this Change Order includes Contractor's costs for a partial mock-up of the E-1504 exchanger to facilitate the following activities in preparation for potential transition joint modifications for the Ethylene cold box's E-1504:
 - i. Simulate rigging arrangements to identify potential restraints and pinch points due to obstructions and confined space.
 - ii. Identify provisions to protect the E-1504 internals.
 - iii. Identify inputs to the ES&H risk assessments.
 - iv. Provide provisions for ES&H and emergency response preparations for confined space and emergency rescue planning.
3. The summary cost breakdown for the total Scope of Work of this Change Order is detailed in Exhibit 1 of this Change Order.
4. The cost breakdown for the scope of work described in Item 1 above is provided in Exhibit 3 of this Change Order.
5. The cost breakdown for the scope of work described in Item 2 above is provided in Exhibit 4 of this Change Order.
6. Schedules C-1 and C-3 (Milestone Payment Schedules) of Attachment C of the Agreement will be amended by including the Milestones listed in Exhibit 2 of this Change Order.

Adjustment to Contract Price

The original Contract Price was.....	\$ 2,360,000,000
Net change by previously authorized Change Orders (00001-00017).....	\$ 24,576,481
The Contract Price prior to this Change Order was.....	\$ 2,384,576,481
The Aggregate Equipment Price will be changed by this Change Order in the amount of.....	\$ [***]
The Aggregate Labor and Skills Price will be changed by this Change Order in the amount of.....	\$ [***]
The new Contract Price including this Change Order will be.....	\$ 2,386,202,435

Adjustment to Aggregate Equipment Price

The original Aggregate Equipment Price was.....	\$ [***]
Net change by previously authorized Change Orders (00001-00017).....	\$ [***]
The Aggregate Equipment Price prior to this Change Order was.....	\$ [***]
The Aggregate Equipment Price will be changed by this Change Order in the amount of.....	\$ [***]
The new Aggregate Equipment Price including this Change Order will be	\$ [***]

Adjustment to Aggregate Labor and Skills Price

The original Aggregate Labor and Skills Price was.....	\$	***]
Net change by previously authorized Change Orders (00001-00017).....	\$	***]
The Aggregate Labor and Skills Price prior to this Change Order was.....	\$	***]
The Aggregate Labor and Skills Price will be changed by this Change Order in the amount of.....	\$	***]
The new Aggregate Labor and Skills Price including this Change Order will be.....	\$	***]

Adjustment to Aggregate Provisional Sum

The original Aggregate Provisional Sum was.....	\$	295,549,906
Net change by previously authorized Change Orders (00001-00017).....	\$	(18,272,757)
The Aggregate Provisional Sum prior to this Change Order was.....	\$	277,277,149
The Aggregate Provisional Sum will be changed by this Change Order in the amount of.....	\$	—
The new Aggregate Provisional Sum including this Change Order will be.....	\$	277,277,149

Adjustment to dates in Project Schedule

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria *(insert N/A if no changes or impact; attach additional documentation if necessary)*: **N/A**

Adjustment to Payment Schedule: **Yes. See Exhibit 2 of this Change Order.**

Adjustment to Minimum Acceptance Criteria: **N/A**

Adjustment to Performance Guarantees: **N/A**

Adjustment to Design Basis: **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement:

Select either A or B:

[A] This Change Order **shall** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall** be deemed to compensate Contractor fully for such change. Initials: /s/ BT Contractor /s/ DC Owner

~~[B] This Change Order **shall not** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall not** be deemed to compensate Contractor fully for such change. Initials: _____ Contractor _____ Owner~~

Upon execution of this Change Order by Owner and Contractor, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order. Except as modified by this and any previously issued Change Orders, all other terms and conditions of the Agreement shall remain in full force and effect. This Change Order is executed by each of the Parties' duly authorized representatives.

/s/ David Craft

Owner

David Craft

Name

SVP, E&C

Title

September 18, 2019

Date of Signing

/s/ Bhupesh Thakkar

Contractor

Bhupesh Thakkar

Name

Program Manager, Cheniere Projects

Title

September 6, 2019

Date of Signing

*** indicates certain identified information has been excluded because it is both (a) not material and (b) would be competitively harmful if publicly disclosed.

CHANGE ORDER FORM

Fuel Provisional Sum Closure Change Order

PROJECT NAME: Sabine Pass LNG Stage 4 Liquefaction Facility

CHANGE ORDER NUMBER: CO-00002

OWNER: Sabine Pass Liquefaction, LLC

DATE OF CHANGE ORDER: July 8, 2019

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: November 7, 2018

The Agreement between the Parties listed above is changed as follows:*(attach additional documentation if necessary)*

1. The Fuel Provisional Sum in Article 1.2 of Attachment EE, Schedule EE-1 of the Agreement prior to this Change Order was Nine Million, Two Hundred Twenty-One Thousand, Seven Hundred Seventy-Four U.S. Dollars (U.S. \$9,221,774). The Provisional Sum is hereby increased by Three Hundred Eighty-Nine Thousand Two Hundred Fifty-Seven U.S. Dollars (U.S. \$389,257), and the final value as amended by this Change Order shall be Nine Million, Six Hundred Eleven Thousand Thirty-One U.S. Dollars (U.S. \$9,611,031). This Change Order closes the Fuel Provisional Sum in accordance with Article 1.2 of Attachment EE, Schedule EE-1 of the Agreement.
2. Pursuant to instructions in Article 1.2 of Attachment EE, Schedule EE-1 of the Agreement, Exhibit A to this Change Order illustrates the calculation of the final fuel costs in the Agreement.
3. Schedules C-1 and C-2 (Milestone Payment Schedule) of Attachment C of the Agreement will be amended by including the milestones listed in Exhibit B of this Change Order.

Adjustment to Contract Price

The original Contract Price was.....	\$ 2,016,892,573
Net change by previously authorized Change Orders (CO-00001).....	\$ —
The Contract Price prior to this Change Order was.....	\$ 2,016,892,573
The Contract Price Applicable to Subproject 6(a) will be increased by this Change Order in the amount of..	\$ 389,257
The Contract Price Applicable to Subproject 6(b) will be unchanged by this Change Order in the amount of	\$ —
The Provisional Sum will be increased by this Change Order in the amount of.....	\$ 389,257
The Contract Price will be increased by this Change Order in the amount of.....	\$ 389,257
The new Contract Price including this Change Order will be.....	\$ 2,017,281,830

Adjustment to dates in Project Schedule for Subproject 6(a)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria for Subproject 6(a): *(insert N/A if no changes or impact; attach additional documentation if necessary)* **N/A**

Adjustment to Payment Schedule for Subproject 6(a): **Yes. See Exhibit B.**

Adjustment to Minimum Acceptance Criteria for Subproject 6(a): **N/A**

Adjustment to Performance Guarantees for Subproject 6(a): **N/A**

Adjustment to Design Basis for Subproject 6(a): **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(a):N/A

Adjustment to dates in Project Schedule for Subproject 6(b)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: N/A

Adjustment to other Changed Criteria for Subproject 6(b): *(insert N/A if no changes or impact; attach additional documentation if necessary)* N/A

Adjustment to Payment Schedule for Subproject 6(b):N/A

Adjustment to Design Basis for Subproject 6(b):N/A

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(b):N/A

Select either A or B:

[A] This Change Order **shall** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall** be deemed to compensate Contractor fully for such change. Initials: /s/ MR Contractor /s/ DC Owner

~~[B] This Change Order **shall not** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall not** be deemed to compensate Contractor fully for such change. Initials: _____ Contractor _____ Owner~~

Upon execution of this Change Order by Owner and Contractor, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order. Except as modified by this and any previously issued Change Orders, all other terms and conditions of the Agreement shall remain in full force and effect. This Change Order is executed by each of the Parties' duly authorized representatives.

/s/ David Craft
Owner
David Craft
Name
SVP E&C
Title
July 8, 2019
Date of Signing

/s/ Maurissa D. Rogers
Contractor
Maurissa D. Rogers
Name
Sr Project Manager, PVP
Title
July 8, 2019
Date of Signing

CHANGE ORDER FORM

Currency Provisional Sum Closure Change Order

PROJECT NAME: Sabine Pass LNG Stage 4 Liquefaction Facility

CHANGE ORDER NUMBER: CO-00003

OWNER: Sabine Pass Liquefaction, LLC

DATE OF CHANGE ORDER: July 8, 2019

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: November 7, 2018

The Agreement between the Parties listed above is changed as follows:*(attach additional documentation if necessary)*

1. The Currency Provisional Sum in Article 1.1 of Attachment EE, Schedule EE-1 of the Agreement prior to this Change Order was One Hundred Ninety-Six Million, Three Hundred Twenty-Five Thousand, Four Hundred Thirty-Nine U.S. Dollars (U.S. \$196,325,439). The Currency Provisional Sum is hereby decreased by Six Million, Nine Hundred Fifty-Four Thousand, Five Hundred Seventy-Nine U.S. Dollars (U.S. \$6,954,579) and the final value as amended by this Change Order shall be One Hundred Eighty-Nine Million, Three Hundred Seventy Thousand, Eight Hundred Sixty U.S. Dollars (U.S. \$189,370,860). This Change Order closes the Currency Provisional Sum in accordance with Article 1.1 of Attachment EE, Schedule EE-1 of the Agreement.
2. Pursuant to instructions in Article 1.1 of Attachment EE, Schedule EE-1 of the Agreement, Exhibit A to this Change Order illustrates the calculation of the final currency costs in the Agreement.
3. Exhibit C of this Change Order includes the detailed spot and forward trades used to calculate the final currency costs in the Agreement.
4. Schedules C-1 and C-2 (Milestone Payment Schedule) of Attachment C of the Agreement will be amended by including the milestones listed in Exhibit B of this Change Order.

Adjustment to Contract Price

The original Contract Price was.....	\$ 2,016,892,573
Net change by previously authorized Change Orders (00001-00002).....	\$ 389,257
The Contract Price prior to this Change Order was.....	\$ 2,017,281,830
The Contract Price Applicable to Subproject 6(a) will be decreased by this Change Order in the amount of..	\$ (6,954,579)
The Contract Price Applicable to Subproject 6(b) will be unchanged by this Change Order in the amount of	\$ —
The Provisional Sum will be decreased by this Change Order in the amount of.....	\$ (6,954,579)
The Contract Price will be decreased by this Change Order in the amount of.....	\$ (6,954,579)
The new Contract Price including this Change Order will be.....	\$ 2,010,327,251

Adjustment to dates in Project Schedule for Subproject 6(a)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria for Subproject 6(a): *(insert N/A if no changes or impact; attach additional documentation if necessary)* **N/A**

Adjustment to Payment Schedule for Subproject 6(a): **Yes. See Exhibit B.**

Adjustment to Minimum Acceptance Criteria for Subproject 6(a): **N/A**

Adjustment to Performance Guarantees for Subproject 6(a): **N/A**

Adjustment to Design Basis for Subproject 6(a): **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(a):N/A

Adjustment to dates in Project Schedule for Subproject 6(b)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: N/A

Adjustment to other Changed Criteria for Subproject 6(b): *(insert N/A if no changes or impact; attach additional documentation if necessary)* N/A

Adjustment to Payment Schedule for Subproject 6(b):N/A

Adjustment to Design Basis for Subproject 6(b):N/A

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(b):N/A

Select either A or B:

[A] This Change Order **shall** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall** be deemed to compensate Contractor fully for such change. Initials: /s/ MR Contractor /s/ DC Owner

~~[B] This Change Order **shall not** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall not** be deemed to compensate Contractor fully for such change. Initials: _____ Contractor _____ Owner~~

Upon execution of this Change Order by Owner and Contractor, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order. Except as modified by this and any previously issued Change Orders, all other terms and conditions of the Agreement shall remain in full force and effect. This Change Order is executed by each of the Parties' duly authorized representatives.

/s/ David Craft
Owner
David Craft
Name
SVP E&C
Title
July 17, 2019
Date of Signing

/s/ Maurissa D. Rogers
Contractor
Maurissa D. Rogers
Name
Sr Project Manager, PVP
Title
July 8, 2019
Date of Signing

CHANGE ORDER FORM
Foreign Trade Zone Change Order

PROJECT NAME: Sabine Pass LNG Stage 4 Liquefaction Facility

CHANGE ORDER NUMBER: CO-00004

OWNER: Sabine Pass Liquefaction, LLC

DATE OF CHANGE ORDER: July 2, 2019

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: November 7, 2018

The Agreement between the Parties listed above is changed as follows:*(attach additional documentation if necessary)*

1. The purpose of this CO-00004 (the “**Change Order**”) is, subject to the terms of the Agreement and those described herein, to grant Contractor the use of Foreign-Trade Zone No. 291 in Cameron, Louisiana (the “**FTZ**”), which is more specifically defined in Exhibit A, (the “**Zone Site**”). The Cameron Port Commission was awarded a grant of authority by the United States Foreign-Trade Zones Board (the “**FTZ Board**”) to establish, operate and maintain the FTZ and has designated Cheniere Energy Partners, LP (“**Cheniere**”) to oversee the operations of the Zone Site as the Zone Operator, within the meaning of the Foreign Trade Zones Act of 1934, 19 U.S.C. Sec. 81 et. seq., as amended, and 19 C.F.R. Section 146.4, and with respect to procedures and activities occurring at the Zone Site. Owner is authorized to use the FTZ pursuant to the FTZ user agreement by and between Cheniere and Owner, which also expressly authorizes Owner to permit Contractor to use the FTZ.
 2. **Compliance with Laws:** Subject to Section 6.2A.1 and 6.9 of the Agreement if a Change in Law occurs after the date of this Change Order, each Party shall perform its obligations under this Change Order in a manner consistent with good business practices and in full compliance with the Foreign-Trade Zones Act and any regulations adopted by the FTZ Board thereunder, the laws, and regulations governing the U.S. Customs and Border Protection (the “**CBP**”), and any applicable laws of the State of Louisiana and the United States of America, as in existence, or enacted, or amended during the term of the Agreement (collectively, “**Applicable Authority**”).
 3. **Contractor Responsibilities:** Contractor’s responsibilities with respect to the FTZ operations at the Zone Site include, but are not limited to:
 - Zone Site maintenance of an inventory control and recordkeeping system that meets the requirements of Applicable Authority;
 - Preparation and submission of the in-bond filing to move imported materials from the Port of Arrival to the Zone Site;
 - Within four (4) Business Days of the departure date of any shipment of materials destined for the FTZ, provision of copies of the in-bond filing and supporting documentation to the Owner and/or Owner’s tax consultant, including, but not limited to the bill of lading for such shipment;
 - Preparation and submission of all FTZ-related forms with CBP (including admissions, transfers, and removals to or from the Zone Site), ensuring accurate and complete reporting of information;
 - Provision of copies of all filings with CBP and supporting documentation, including, but not limited to, the following:
 - **For materials placed into commerce at frontier (i.e., materials admitted for consumption):**
 - Contractor shall provide Owner and/or Owner’s tax consultant with copies of CBP Form 7501 on or before the fourth (4th) business day following the entry date of any such shipment reported on CBP Form 7501;
 - **For any shipment of materials transported in-bond:**
 - Contractor shall provide Owner and/or Owner’s tax consultant with copies of CBP Form 7512 on or before the fourth (4th) business day following the entry date of any such shipment reported on CBP Form 7512
-

- Contractor shall provide Owner and/or Owner's tax consultant with copies of CBP Form 214 on or before the tenth (10th) business day following the entry date of any such shipment reported on CBP Form 214
 - **For any materials in foreign-privilege status subsequently admitted into commerce for consumption:**
 - Contractor shall provide Owner and/or Owner's tax consultant with copies of CBP Form 7501 on or before the fourth (4th) business day following the entry date of any such admitted materials as reported on CBP Form 7501
 - Following removal of materials from the Zone Site, payment to CBP of all import duties and tariffs due on such removal;
 - On a weekly basis, provision of inventory reports for all materials located at the Zone Site, including designation of materials admitted for consumption and materials admitted in foreign status;
 - Provision of necessary information to Owner for its preparation and filing of the annual report to the FTZ Board; and
 - Assistance during any compliance review from CBP, as requested by Owner.
4. **US Customs and Border Protection:** Contractor and Owner acknowledge and agree that a good working relationship with CBP is essential to an effective operation of a Foreign-Trade Zone and each Party shall use reasonable commercial efforts to maintain such a relationship. Contractor agrees to perform its duties and responsibilities in full cooperation with CBP.
5. **Records:** Parties shall maintain all books and records in connection with their responsibilities under this Change Order for a minimum term of five (5) years. Owner shall maintain its books and records for five (5) years after the materials have been removed from the Zone Site. Contractor shall keep and make available to Owner such books and records during the term of this Agreement and for a period of two (2) years thereafter or such greater period as may be required under Applicable Authority. The record keeping requirements shall survive the termination or expiration of the Agreement.
6. **Documentation upon Expiration or Termination:** At the expiration or termination of Contractor's use of the FTZ for any reason, Contractor shall promptly provide to Owner all pertinent records and documents maintained by Contractor and needed by Owner in connection with the operation of the Zone Site. In addition, Contractor, shall provide assistance and information as reasonably requested by Owner in order to ensure a compliant transition of all documentation and reporting requirement under Applicable Authority. This provision shall survive the expiration or termination of the Contractor's right to use the FTZ.
7. **Additional Cost for Complying with FTZ:** Owner agrees that Contractor shall have the right to recover additional, reasonable costs associated with compliance with the FTZ requirements.

Adjustment to Contract Price

The original Contract Price was.....	\$ 2,016,892,573
Net change by previously authorized Change Orders (CO-00003).....	\$ (6,565,322)
The Contract Price prior to this Change Order was.....	\$ 2,010,327,251
The Contract Price Applicable to Subproject 6(a) will be unchanged by this Change Order in the amount of.....	\$ —
The Contract Price Applicable to Subproject 6(b) will be unchanged by this Change Order in the amount of	\$ —
The Provisional Sum will be unchanged by this Change Order in the amount of.....	\$ —
The Contract Price will be unchanged by this Change Order in the amount of.....	\$ —
The new Contract Price including this Change Order will be.....	\$ 2,010,327,251

Adjustment to dates in Project Schedule for Subproject 6(a)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria for Subproject 6(a): *(insert N/A if no changes or impact; attach additional documentation if necessary)*: **N/A**

Adjustment to Payment Schedule for Subproject 6(a): **N/A**

Adjustment to Minimum Acceptance Criteria for Subproject 6(a): **N/A**

Adjustment to Performance Guarantees for Subproject 6(a): **N/A**

Adjustment to Design Basis for Subproject 6(a): **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(a): **N/A**

Adjustment to dates in Project Schedule for Subproject 6(b)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria for Subproject 6(b): *(insert N/A if no changes or impact; attach additional documentation if necessary)* **N/A**

Adjustment to Payment Schedule for Subproject 6(b): **N/A**

Adjustment to Design Basis for Subproject 6(b): **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(b): **N/A**

Select either A or B:

[A] This Change Order **shall** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall** be deemed to compensate Contractor fully for such change. Initials: /s/ MR Contractor /s/ DC Owner

~~[B] This Change Order **shall not** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall not** be deemed to compensate Contractor fully for such change. Initials: _____ Contractor _____ Owner~~

Upon execution of this Change Order by Owner and Contractor, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order. Except as modified by this and any previously issued Change Orders, all other terms and conditions of the Agreement shall remain in full force and effect. This Change Order is executed by each of the Parties' duly authorized representatives.

/s/ David Craft

Owner

David Craft

Name

SVP E&C

Title

July 30, 2019

Date of Signing

/s/ Maurissa D. Rogers

Contractor

Maurissa D. Rogers

Name

Sr Project Mgr, PVP

Title

July 2, 2019

Date of Signing

CHANGE ORDER FORM

NGPL Gate Access Security Coordination Provisional Sum Change Order

PROJECT NAME: Sabine Pass LNG Stage 4 Liquefaction Facility

CHANGE ORDER NUMBER: CO-00005

OWNER: Sabine Pass Liquefaction, LLC

DATE OF CHANGE ORDER: July 17, 2019

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: November 7, 2018

The Agreement between the Parties listed above is changed as follows:*(attach additional documentation if necessary)*

1. In accordance with Article 6.1.B (Change Orders Requested by Owner), the Parties agree this Change Order implements a new Provisional Sum for Contractor to provide twenty-four (24) hours a day, seven (7) days a Week perimeter security and access coordination of the Duck Blind Road entrance to support Natural Gas Pipeline Company of America ("NGPL") work at the Stage 4 Liquefaction Facility for an estimated duration of one (1) year upon commencement of the work by NGPL.
 - A. Owner's original request for Contractor to provide gate access security for NGPL, including the scope of work, is documented under Owner Correspondence No. SPL4-BE-C19-009, Subject: *Cooperation and Coordination with NGPL Work*, dated 6 May 2019, is attached to this Change Order as Exhibit C.
 - B. Owner's subsequent request for increased gate access security for a one-year duration is documented under Owner email correspondence Subject: *NGPL Project - Bechtel 24/7 Security*, dated 26 June 2019, is attached to this Change Order as Exhibit D.
 - C. Contractor's acknowledgement of Owner's request is documented under Contractor Correspondence No. 26012-100-T19-GAM-00021, Subject: *Cooperation and Coordination with NGPL Work*, dated 8 May 2019, is attached to this Change Order as Exhibit E.
2. Section EE-2 (Provisional Sums to be Adjusted during Project Execution) of Attachment EE (Provisional Sums) of the Agreement shall be amended by adding the new Provisional Sum under Section 2.4 as, "**NGPL Security Coordination Provisional Sum**" as follows:

2.4 NGPL Gate Access Security Coordination Provisional Sum

The Aggregate Provisional Sum contains a Provisional Sum of Two Hundred Thirty-Two Thousand, One Hundred Fifty-Eight U.S. Dollars (U.S. \$232,158) ("**NGPL Gate Access Security Coordination Provisional Sum**") for the cost for Contractor to provide twenty-four (24) hours a day, seven (7) days a Week security coordination of the Duck Blind Road access entrance to support work undertaken by Natural Gas Pipeline Company of America ("NGPL") at the Stage 4 Liquefaction Facility. If the actual NGPL Gate Access Security Coordination costs under this Agreement is less than the NGPL Gate Access Security Coordination Provisional Sum, Owner shall be entitled to a Change Order reducing the Contract Price by such difference plus six percent (6%) of such difference. If the actual NGPL Gate Access Security Coordination costs under this Agreement is greater than the NGPL Gate Access Security Coordination Provisional Sum, Contractor shall be entitled to a Change Order increasing the Contract Price by such difference plus six percent (6%) of such difference.

3. The estimate basis for this new Provisional Sum is detailed in Exhibit A of this Change Order.
 4. Schedule C-1 (Milestone Payment Schedule) of Attachment C of the Agreement will be amended by including the milestone(s) listed in Exhibit B of this Change Order. The final value will be true-up on a separate Change Order based on the actual costs to close the NGPL Gate Access Security Provisional Sum.
-

Adjustment to Contract Price

The original Contract Price was.....	\$ 2,016,892,573
Net change by previously authorized Change Orders (00001-00004).....	\$ (6,565,322)
The Contract Price prior to this Change Order was.....	\$ 2,010,327,251
The Contract Price Applicable to Subproject 6(a) will be increased by this Change Order in the amount of.....	\$ 232,158
The Contract Price Applicable to Subproject 6(b) will be unchanged by this Change Order in the amount of	\$ —
The Provisional Sum will be increased by this Change Order in the amount of.....	\$ 232,158
The Contract Price will be increased by this Change Order in the amount of.....	\$ 232,158
The new Contract Price including this Change Order will be.....	\$ 2,010,559,409

Adjustment to dates in Project Schedule for Subproject 6(a)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria for Subproject 6(a): *(insert N/A if no changes or impact; attach additional documentation if necessary)* **N/A**

Adjustment to Payment Schedule for Subproject 6(a): **Yes, see Exhibit B**

Adjustment to Minimum Acceptance Criteria for Subproject 6(a): **N/A**

Adjustment to Performance Guarantees for Subproject 6(a): **N/A**

Adjustment to Design Basis for Subproject 6(a): **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(a): **N/A**

Adjustment to dates in Project Schedule for Subproject 6(b)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria for Subproject 6(b): *(insert N/A if no changes or impact; attach additional documentation if necessary)* **N/A**

Adjustment to Payment Schedule for Subproject 6(b): **N/A**

Adjustment to Design Basis for Subproject 6(b): **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(b): **N/A**

Select either A or B:

~~[A] This Change Order shall constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and shall be deemed to compensate Contractor fully for such change. Initials: _____ Contractor _____ Owner~~

[B] This Change Order **shall not** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall not** be deemed to compensate Contractor fully for such change. Initials: /s/ MR Contractor /s/ DC Owner

Upon execution of this Change Order by Owner and Contractor, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order. Except as modified by this and any previously issued Change Orders, all other terms and conditions of the Agreement shall remain in full force and effect. This Change Order is executed by each of the Parties' duly authorized representatives.

/s/ David Craft

Owner

David Craft

Name

SVP Engineering & Construction

Title

August 4, 2019

Date of Signing

/s/ Maurissa Douglas Rogers

Contractor

Maurissa Douglas Rogers

Name

Sr Project Mgr, PVP

Title

July 17, 2019

Date of Signing

CHANGE ORDER FORM

Alternate to Adams Valves

PROJECT NAME: Sabine Pass LNG Stage 4 Liquefaction Facility

CHANGE ORDER NUMBER: CO-00006

OWNER: Sabine Pass Liquefaction, LLC

DATE OF CHANGE ORDER: August 14, 2019

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: November 7, 2018

The Agreement between the Parties listed above is changed as follows:*(attach additional documentation if necessary)*

1. In accordance with Article 6.1.B (Change Orders Requested by Owner), the Parties agree this Change Order includes costs for Contractor to purchase the 600# Triple Offset Manual and Automated On/Off Valves from Emerson Vanessa in lieu of Adams Valves Inc. Direction provided in Owner's Letter No. SPL4-BE-C19-007, dated March 25, 2019.
2. The detailed cost summary for this Change Order is included in Exhibit A of this Change Order.
3. Schedule C-1 (Milestone Payment Schedule) of Attachment C of the Agreement will be amended by including the milestone(s) listed in Exhibit B of this Change Order.

Adjustment to Contract Price

The original Contract Price was.....	\$ 2,016,892,573
Net change by previously authorized Change Orders (00001-00005).....	\$ (6,333,164)
The Contract Price prior to this Change Order was.....	\$ 2,010,559,409
The Contract Price Applicable to Subproject 6(a) will be increased by this Change Order in the amount of.....	\$ 289,111
The Contract Price Applicable to Subproject 6(b) will be unchanged by this Change Order in the amount of	\$ —
The Provisional Sum will be increased by this Change Order in the amount of.....	\$ —
The Contract Price will be increased by this Change Order in the amount of.....	\$ 289,111
The new Contract Price including this Change Order will be.....	\$ 2,010,848,520

Adjustment to dates in Project Schedule for Subproject 6(a)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria for Subproject 6(a): *(insert N/A if no changes or impact; attach additional documentation if necessary)*: **N/A**

Adjustment to Payment Schedule for Subproject 6(a): **Yes, see Exhibit B**

Adjustment to Minimum Acceptance Criteria for Subproject 6(a): **N/A**

Adjustment to Performance Guarantees for Subproject 6(a): **N/A**

Adjustment to Design Basis for Subproject 6(a): **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(a): **N/A**

Adjustment to dates in Project Schedule for Subproject 6(b)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria for Subproject 6(b): *(insert N/A if no changes or impact; attach additional documentation*

if necessary) N/A

Adjustment to Payment Schedule for Subproject 6(b):N/A

Adjustment to Design Basis for Subproject 6(b):N/A

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(b):N/A

Select either A or B:

[A] This Change Order **shall** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall** be deemed to compensate Contractor fully for such change. Initials: /s/ MR Contractor /s/ DC Owner

~~[B] This Change Order shall not constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and shall not be deemed to compensate Contractor fully for such change. Initials: _____ Contractor _____ Owner~~

Upon execution of this Change Order by Owner and Contractor, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order. Except as modified by this and any previously issued Change Orders, all other terms and conditions of the Agreement shall remain in full force and effect. This Change Order is executed by each of the Parties' duly authorized representatives.

/s/ David Craft

Owner

David Craft

Name

SVP E&C

Title

August 28, 2019

Date of Signing

/s/ Maurissa Douglas Rogers

Contractor

Maurissa Douglas Rogers

Name

Sr Project Mgr, PVP

Title

August 14, 2019

Date of Signing

CHANGE ORDER FORM

E-1503 to HRU Permanent Drain Piping

PROJECT NAME: Sabine Pass LNG Stage 4 Liquefaction Facility

CHANGE ORDER NUMBER: CO-00007

OWNER: Sabine Pass Liquefaction, LLC

DATE OF CHANGE ORDER: August 14, 2019

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: November 7, 2018

The Agreement between the Parties listed above is changed as follows:*(attach additional documentation if necessary)*

1. In accordance with Article 6.1.B (Change Orders Requested by Owner), the Parties agree this Change Order includes costs for Contractor to add a permanent drain pipe from E-1503 to Heavies Removal Unit (HRU) as requested by Owner in Letter No. SPL4-BE-C19-005, dated March 14, 2019.
2. The detailed cost summary for this Change Order is included in Exhibit A of this Change Order.
3. Schedule C-1 (Milestone Payment Schedule) of Attachment C of the Agreement will be amended by including the milestone(s) listed in Exhibit B of this Change Order.
4. The updated Piping & Instrumentation Diagram (P&ID) is provided in Exhibit C of this Change Order.

Adjustment to Contract Price

The original Contract Price was.....	\$ 2,016,892,573
Net change by previously authorized Change Orders (00001-00006).....	\$ (6,044,053)
The Contract Price prior to this Change Order was.....	\$ 2,010,848,520
The Contract Price Applicable to Subproject 6(a) will be increased by this Change Order in the amount of.....	\$ 1,205,234
The Contract Price Applicable to Subproject 6(b) will be unchanged by this Change Order in the amount of	\$ —
The Provisional Sum will be increased by this Change Order in the amount of.....	\$ —
The Contract Price will be increased by this Change Order in the amount of.....	\$ 1,205,234
The new Contract Price including this Change Order will be.....	\$ 2,012,053,754

Adjustment to dates in Project Schedule for Subproject 6(a)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria for Subproject 6(a): *(insert N/A if no changes or impact; attach additional documentation if necessary)*: **N/A**

Adjustment to Payment Schedule for Subproject 6(a): **Yes, see Exhibit B**

Adjustment to Minimum Acceptance Criteria for Subproject 6(a): **N/A**

Adjustment to Performance Guarantees for Subproject 6(a): **N/A**

Adjustment to Design Basis for Subproject 6(a): **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(a): **N/A**

Adjustment to dates in Project Schedule for Subproject 6(b)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria for Subproject 6(b): *(insert N/A if no changes or impact; attach additional documentation if necessary)* **N/A**

Adjustment to Payment Schedule for Subproject 6(b): **N/A**

Adjustment to Design Basis for Subproject 6(b): **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(b): **N/A**

Select either A or B:

[A] This Change Order **shall** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall** be deemed to compensate Contractor fully for such change. Initials: /s/ MR Contractor /s/ DC Owner

~~[B] This Change Order **shall not** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall not** be deemed to compensate Contractor fully for such change. Initials: Contractor Owner~~

Upon execution of this Change Order by Owner and Contractor, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order. Except as modified by this and any previously issued Change Orders, all other terms and conditions of the Agreement shall remain in full force and effect. This Change Order is executed by each of the Parties' duly authorized representatives.

/s/ David Craft
Owner
David Craft
Name
SVP E&C
Title
August 28, 2019
Date of Signing

/s/ Maurissa D. Rogers
Contractor
Maurissa D. Rogers
Name
Sr Project Mgr, PVP
Title
August 14, 2019
Date of Signing

CHANGE ORDER FORM

Differing Subsurface Soil Conditions - Train 6 ISBL

PROJECT NAME: Sabine Pass LNG Stage 4 Liquefaction Facility

CHANGE ORDER NUMBER: CO-00008

OWNER: Sabine Pass Liquefaction, LLC

DATE OF CHANGE ORDER: August 27, 2019

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: November 7, 2018

The Agreement between the Parties listed above is changed as follows:*(attach additional documentation if necessary)*

1. In accordance with Article 6 of the Agreement, Parties agree Contractor will be compensated for the costs associated with the additional piling Works due to encountered Subsurface Soil Conditions in Train 6 ISBL area that differ from the Design Basis of the Agreement.
 - A. Contractor analyzed the differing subsurface soil conditions in Train 6 ISBL areas. This Change order captures the cost impacts associated with the additional testing required to support analysis, resulting remediation work throughout Train 6 ISBL and the piles and tension connectors added to the following Train 6 ISBL areas: A01, B01, D01, F01, G01, H01, K01, L01 and N02. Refer to Exhibit C of this Change Order for the ISBL Plot Plan highlighting areas with additional piles.
 - B. The piling Works scope is complete in the Train 6 ISBL at the time of this Change Order. Should additional differing Subsurface Soil Conditions be encountered in Train 6 ISBL areas unrelated to the piling Works, or should differing Subsurface Soil Conditions be encountered outside the Train 6 ISBL areas, such conditions will be addressed in a future Change Order in accordance with the terms of the Agreement.
2. The detailed cost summary for this Change Order is included in Exhibit A of this Change Order.
3. Schedule C-1 (Milestone Payment Schedule) of Attachment C of the Agreement will be amended by including the milestone(s) listed in Exhibit B of this Change Order.

Adjustment to Contract Price

The original Contract Price was.....	\$ 2,016,892,573
Net change by previously authorized Change Orders (00001-00007).....	\$ (4,838,819)
The Contract Price prior to this Change Order was.....	\$ 2,012,053,754
The Contract Price Applicable to Subproject 6(a) will be increased by this Change Order in the amount of.....	\$ 1,467,978
The Contract Price Applicable to Subproject 6(b) will be unchanged by this Change Order in the amount of	\$ —
The Provisional Sum will be increased by this Change Order in the amount of.....	\$ —
The Contract Price will be increased by this Change Order in the amount of.....	\$ 1,467,978
The new Contract Price including this Change Order will be.....	\$ 2,013,521,732

Adjustment to dates in Project Schedule for Subproject 6(a)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria for Subproject 6(a): *(insert N/A if no changes or impact; attach additional documentation if necessary)*: **N/A**

Adjustment to Payment Schedule for Subproject 6(a): **Yes, see Exhibit B**

Adjustment to Minimum Acceptance Criteria for Subproject 6(a): **N/A**

Adjustment to Performance Guarantees for Subproject 6(a): **N/A**

Adjustment to Design Basis for Subproject 6(a): **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(a): **N/A**

Adjustment to dates in Project Schedule for Subproject 6(b)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria for Subproject 6(b): *(insert N/A if no changes or impact; attach additional documentation if necessary)* **N/A**

Adjustment to Payment Schedule for Subproject 6(b): **N/A**

Adjustment to Design Basis for Subproject 6(b): **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(b): **N/A**

Select either A or B:

[A] This Change Order **shall** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall** be deemed to compensate Contractor fully for such change. Initials: /s/ MR Contractor /s/ DC Owner

~~[B] This Change Order **shall not** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall not** be deemed to compensate Contractor fully for such change. Initials: _____ Contractor _____ Owner~~

Upon execution of this Change Order by Owner and Contractor, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order. Except as modified by this and any previously issued Change Orders, all other terms and conditions of the Agreement shall remain in full force and effect. This Change Order is executed by each of the Parties' duly authorized representatives.

/s/ David Craft

Owner

David Craft

Name

SVP E&C

Title

September 4, 2019

Date of Signing

/s/ Maurissa D. Rogers

Contractor

Maurissa D. Rogers

Name

Sr Project Mgr, PVP

Title

August 27, 2019

Date of Signing

LNG BERTH 3 CHANGE ORDER

PROJECT NAME: Sabine Pass LNG Stage 4 Liquefaction Facility

CHANGE ORDER NUMBER: CO-00009

OWNER: Sabine Pass Liquefaction, LLC

DATE OF CHANGE ORDER: September 25, 2019

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: November 7, 2018

The Agreement between the Parties listed above is changed as follows:

1. Per Section 4.10 of the Agreement, the Parties agree this LNG Berth 3 Change Order ("**Change Order**") constitutes Owner's Option for Contractor to perform the engineering, procurement, construction, pre-commissioning, commissioning, testing and startup of Subproject 6(b).
2. This Change Order is based on Owner's issuance of the LNTPs and NTP as follows:
 - a. **LNTP No. 1 for Subproject 6(b):** Owner released Contractor to perform home office services through an initial Limited Notice to Proceed ("**LNTP No. 1 for Subproject 6(b)**"), under a Request for Services dated April 1, 2019 ("**RFS No. 129378**"), pursuant to the Technical Services Agreement dated February 28, 2018, between Sabine Pass Liquefaction, LLC and Contractor. This work is focused on engineering and other home office activities required to prepare for the necessary commitments under LNTP No. 2 for Subproject 6(b) and post-NTP for Subproject 6(b).

The scope of LNTP No. 1 for Subproject 6(b) requires a total cost and commitment to Owner of Fifteen Million U.S. Dollars (U.S.\$15,000,000). Payment of such amount shall be within the time specified in LNTP No. 1 for Subproject 6(b). Without limitation, any services performed by Contractor pursuant to the scope of LNTP No. 1 under RFS No. 129378 are deemed to have been performed under the Agreement and all amounts paid by Owner to Contractor pursuant to the scope of LNTP No. 1 shall be credited against the Contract Price Applicable to Subproject 6(b). Notwithstanding anything to the contrary, this Change Order shall supersede RFS No. 129378 in its entirety with respect to Subproject 6(b).

- b. **LNTP No. 2 for Subproject 6(b):** No later than October 1, 2019, Owner will release Contractor to perform pre-NTP activities for Subproject 6(b) through a second LNTP ("**LNTP No. 2 for Subproject 6(b)**") in the form of Schedule H-7, as attached hereto. The scope under this LNTP No. 2 for Subproject 6(b) shall consist of the procurement of key Equipment (including bulk materials) and release of key Subcontracts, as further described in Schedule H-7. If Owner does not issue LNTP No. 2 for Subproject 6(b) on or before October 1, 2019, then Contractor shall be entitled to an adjustment to the Contract Price Applicable to Subproject 6(b) and the Guaranteed Substantial Completion Date for Subproject 6(b) if and to the extent caused by such delayed issuance of LNTP No. 2 for Subproject 6(b). Such adjustment shall include cost impacts caused by, for example, closing of vendor shops, unavailability of materials, labor unavailability, impacts on ability to attract and/or retain qualified labor, as well as escalation and loss of synergies with Contractor's performance of Work for Subproject 6(a). For the avoidance of doubt, any adjustment to the Contract Price Applicable to Subproject 6(b) or the Project Schedule for Subproject 6(b) shall not be based on Contractor's errors or omissions, a change in technology, or a change in material or Equipment quantities (except where the unavailability of materials, vendors or labor caused by such delayed issuance of LNTP No. 2 for Subproject 6(b) results in necessary changes to Equipment specifications). Contractor shall use commercially reasonable efforts and GECP to mitigate (i) the increase to the Contract Price Applicable to Subproject 6(b) and (ii) any adverse impact to the Project Schedule for Subproject 6(b). Such agreed-upon adjustment will be set forth in a Change Order.

The LNTP No. 2 for Subproject 6(b) scope will require an additional cost to Owner of Fifteen Million U.S. Dollars (U.S. \$15,000,000). This amount is in addition to the Fifteen Million U.S. Dollars (U.S. \$15,000,000) released under LNTP No. 1 for Subproject 6(b). Owner shall pay Contractor for Work performed pursuant to LNTP No. 2 for Subproject 6(b) in accordance with LNTP No. 2 for Subproject 6(b) once issued by Owner in accordance with this Section 2.b.

All Work performed under LNTP No. 1 for Subproject 6(b) and LNTP No. 2 for Subproject 6(b) shall be performed in accordance with the terms and conditions of the Agreement, and all payment for Work under LNTP No. 1 for

Subproject 6(b) and LNTF No. 2 for Subproject 6(b) shall be credited against the Contract Price Applicable to Subproject 6(b) and the first payments to become due hereunder if NTP for Subproject 6(b) is issued.

- c. **NTP for Subproject 6(b):** No later than January 31, 2020, Owner shall issue NTP for Subproject 6(b) to Contractor for all remaining Work for the LNG Berth 3 in the form of Schedule H-3 to the Agreement. On or before issuance of NTP for Subproject 6(b), Contractor shall deliver to Owner a Letter of Credit for Subproject 6(b) in accordance with Section 9.2 of the Agreement. If Owner does not issue NTP for Subproject 6(b) on or before January 31, 2020, then Contractor shall be entitled to an adjustment to the Contract Price Applicable to Subproject 6(b) and the Guaranteed Substantial Completion Date for Subproject 6(b) if and to the extent caused by such delayed issuance of NTP for Subproject 6(b). Such adjustment shall be in accordance with Section 5.2C.2 of the Agreement.
 3. The Contract Price Applicable to Subproject 6(b) is Four Hundred Fifty-Seven Million Six Hundred Ninety-Six Thousand U.S. Dollars (U.S.\$457,696,000). The breakdown of the Contract Price Applicable to Subproject 6(b) is detailed in Exhibit 1 of this Change Order. The Contract Price Applicable to Subproject 6(b) includes any Provisional Sums applicable to Subproject 6(b).
 4. The Parties hereby delete Section 20.2A of the Agreement in its entirety and replace it with the following:

“ A . **Delay Liquidated Damages.** Subject to Section 20.2C, Contractor’s maximum liability to Owner for (i) Subproject 6(a) Delay Liquidated Damages is Ninety Million U.S. Dollars (U.S.\$90,000,000), in the aggregate, and (ii) Subproject 6(b) Delay Liquidated Damages is Twenty Million Five Hundred Ninety-Six Thousand Three Hundred Twenty U.S. Dollars (U.S.\$20,596,320), in the aggregate.”
 5. Per Section 13.2C of the Agreement, the **Schedule Bonus Date for SP6(b)**” and **“Schedule Bonus for SP6(b)”** shall be as follows:
 - a. The **“Schedule Bonus Date for SP6(b)”** shall be either: (i) April 16, 2023, provided Owner issues NTP for Subproject 6(b) on or before January 31, 2020; or (ii) the date that is one thousand one hundred seventy-two (1172) Days from NTP for Subproject 6(b) if Owner issues NTP for Subproject 6(b) after January 31, 2020.
 - b. If Substantial Completion of Subproject 6(b) occurs before the Guaranteed Substantial Completion Date for SP6(b), and Contractor achieves Ready for Reduced Ship Loading prior to the Schedule Bonus Date for SP6(b), then Owner shall pay Contractor a bonus as set forth in this Section 5 (the **“Schedule Bonus for SP6(b)”**).
 - c. Notwithstanding anything to the contrary, the aggregate amount payable by Owner to Contractor under the Agreement for such Schedule Bonus for SP6(b) shall not exceed Fifteen Million U.S. Dollars (U.S.\$15,000,000).
 - d. **“Ready for Reduced Ship Loading”** means that Subproject 6(b): (i) has achieved on average over a period of ten (10) continuous hours, a ship loading rate of at least 8,000m³ per hour for the transfer of LNG to an LNG Tanker (and return of vapor and boil-off gas to the LNG Tanks) using a single berth only and in accordance with the Ship Loading Time Conditions and testing procedures in Section 3.11.3 of Attachment S of the Agreement; and (ii) fully loaded such LNG Tanker (unless otherwise instructed by Owner).
 - e. Contractor shall give Owner one hundred eighty (180) Days’ prior written notice specifying the date on which Contractor expects Subproject 6(b) to be Ready for Reduced Ship Loading. Contractor shall give Owner a second written notice specifying the date on which Contractor expects Subproject 6(b) to be Ready for Reduced Ship Loading, which notice shall be given no later than one hundred twenty (120) Days prior to such date. Contractor shall give Owner a third written notice specifying the date on which Contractor expects Subproject 6(b) to be Ready for Reduced Ship Loading, which notice shall be given no later than sixty (60) Days prior to such date. Owner shall use commercially reasonable efforts to provide an LNG Tanker no earlier than seven (7) Days prior to and no later than seven (7) Days after the date in such third written notice. Owner shall also use commercially reasonable efforts to provide LNG for Contractor to load onto the LNG Tanker.
 - f. Contractor shall have forty-eight (48) hours after the LNG Tanker is “all fast” at LNG Berth 3 to achieve Ready for Reduced Ship Loading (**“First Try”**). If Contractor achieves Ready for Reduced Ship Loading on the First Try, Owner shall pay Contractor a Schedule Bonus for SP6(b) in the amount of Sixty Thousand U.S. Dollars (U.S. \$60,000) for each Day occurring after the date that Ready for Reduced Ship Loading occurs and before the Schedule Bonus Date for SP6(b), subject to the aggregate limit set forth in Section 5.c above.
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- g. If Contractor does not achieve Ready for Reduced Ship Loading on the First Try, Contractor will receive no Schedule Bonus for SP6(b) for the First Try (except as set forth below) and Contractor shall give Owner a fourth written notice specifying the date on which Contractor expects Subproject 6(b) to be Ready for Reduced Ship Loading, which fourth notice shall be given no later than thirty (30) Days prior to such date. Owner shall use commercially reasonable efforts to provide LNG and a second LNG Tanker on the date that is no earlier than seven (7) Days prior to and not later than seven (7) Days after the date in such fourth written notice. Contractor shall have forty-eight (48) hours from the time that the second LNG Tanker is "all fast" at LNG Berth 3 to achieve Ready for Reduced Ship Loading ("**Second Try**"). Provided the date Contractor notified Owner for the First Try was on or after two hundred fifty (250) Days prior to the Schedule Bonus Date for SP6(b) and Contractor achieves Ready for Reduced Ship Loading on the Second Try, Owner will pay Contractor a Schedule Bonus for SP6(b) in the amount of Thirty Thousand U.S. Dollars (U.S. \$30,000) for each Day occurring from the date that the first LNG Tanker was "all fast" at LNG Berth 3 for the First Try until the date that Contractor achieves Ready for Reduced Ship Loading on the Second Try and Owner shall pay Contractor a Schedule Bonus for SP6(b) in the amount of Sixty Thousand U.S. Dollars (U.S. \$60,000) for each Day occurring after the date Contractor achieves Ready for Reduced Ship Loading on the Second Try and before the Schedule Bonus Date for SP6(b), subject to the aggregate limit set forth in Section 5.c above. If Contractor fails to achieve Ready for Reduced Ship Loading on the Second Try, Owner shall have no obligation to pay Contractor the Schedule Bonus for SP6(b) and Contractor's eligibility for the Schedule Bonus for SP6(b) shall terminate.
- h. Owner's obligations to provide an LNG Tanker and LNG shall be subject and subordinate to commercial and operational considerations involving the operation of the Sabine Liquefaction Facility and the marketing of LNG, including but not limited to LNG production or storage outages, lower than projected inventory, the priority of SPL's LNG buyer needs, delay of the LNG Vessel, refusal of the owner, charterer or manager of the LNG Tanker to load at LNG Berth 3 and limitations on loading at a single berth. In such events, Owner shall have the right to suspend or cancel Ready for Reduced Ship Loading at its sole discretion without liability to Contractor. In the event of suspension, the time period to achieve Ready for Reduced Ship Loading will be tolled until loading can resume. In the event of cancellation, Owner and Contractor shall agree to reschedule and upon Contractor's achievement of Ready for Reduced Ship Loading, Owner shall pay Contractor a Schedule Bonus for SP6(b) in the amount of Thirty Thousand U.S. Dollars (U.S. \$30,000) for each Day occurring after the date in Contractor's third written notice until the date that Contractor achieves Ready for Reduced Ship Loading and Owner shall pay Contractor a Schedule Bonus for SP6(b) in the amount of Sixty Thousand U.S. Dollars (U.S. \$60,000) for each Day occurring after the date Contractor achieves Ready for Reduced Ship Loading and before the Schedule Bonus Date for SP6(b), subject to the aggregate limit set forth in Section 5.c above. Owner is not required to schedule such LNG Tanker until (i) there is sufficient LNG in storage in the LNG Tanks to evidence Ready for Reduced Ship Loading and (ii) Owner has an economic reason to export such LNG.
- i. If Contractor is entitled to the Schedule Bonus for SP6(b) in accordance with Section 5.b of this Change Order No. 00009, Contractor shall invoice Owner the Schedule Bonus for SP6(b) upon achievement of Ready for Reduced Ship Loading; provided that, notwithstanding anything to the contrary, Contractor shall only be entitled to payment of the Schedule Bonus for SP6(b) if Contractor later achieves Substantial Completion of Subproject 6(b) prior to the Guaranteed Substantial Completion Date for SP6(b). Owner shall hold payment of such invoice in escrow until such time Contractor successfully completes the Ship Loading Time Test in accordance with Section 3.11.3 of Attachment S.
- j. For the avoidance of doubt, Contractor shall not be entitled to a Schedule Bonus for SP6(b) should Ready for Reduced Ship Loading be achieved on or after the Schedule Bonus Date for SP6(b).
- k. The Schedule Bonus Date for SP6(b) shall be subject to adjustment solely at the discretion of the President and Chief Executive Officer of Cheniere and any such adjustment shall be implemented by Change Order.
6. Replace Table A-2 of Schedule A-2 of Attachment A to the Agreement in its entirety with Table A-2 as attached to this Change Order, which incorporates the updated FEED deliverables for LNG Berth 3.
7. Add Schedule A-3 ("LNG Berth 3 Scope of Work"), as attached to this Change Order, to Attachment A to the Agreement.
8. Add Schedule C-3 ("Milestone Payment Schedule for Subproject 6(b)"), as attached to this Change Order, to Attachment C to the Agreement.
9. Add Schedule C-4 ("Monthly Payment Schedule for Subproject 6(b)"), as attached to this Change Order, to Attachment C to the Agreement.
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10. Replace Attachment E to the Agreement in its entirety with Attachment E as attached to this Change Order.
11. Add Schedule H-7 ("Limited Notice to Proceed No. 2 for Subproject 6(b)"), as attached to this Change Order, to Attachment H to the Agreement.
12. Replace Attachment T to the Agreement in its entirety with Attachment T as attached to this Change Order, which incorporates the Subproject 6(b) Delay Liquidated Damages.
13. Replace Attachment U to the Agreement in its entirety with Attachment U as attached to this Change Order.
14. Replace Attachment Z to the Agreement in its entirety with Attachment Z as attached to this Change Order.
15. Add Schedule EE-3 ("Provisional Sums to be Fixed Based on Notice to Proceed for Subproject 6(b)"), as attached to this Change Order, to Attachment EE to the Agreement.
16. Add Schedule EE-4 ("Provisional Sums to be Adjusted during Project Execution for Subproject 6(b)"), as attached to this Change Order, to Attachment EE to the Agreement.

Adjustment to Contract Price Applicable to Subproject 6(a)

1. The original Contract Price Applicable to Subproject 6(a) was.....	\$ 2,016,892,573
2. Net change for Contract Price Applicable to Subproject 6(a) by previously authorized Change Orders (#00001-00008).....	\$ (3,370,841)
3. The Contract Price Applicable to Subproject 6(a) prior to this Change Order was.....	\$ 2,013,521,732
4. The Contract Price Applicable to Subproject 6(a) will be unchanged by this Change Order in the amount of.....	\$ —
5. The Provisional Sum Applicable to Subproject 6(a) will be unchanged by this Change Order.....	\$ —
6. The Contract Price Applicable to Subproject 6(a) including this Change Order will be.....	\$ 2,013,521,732

Adjustment to Contract Price Applicable to Subproject 6(b)

7. The original Contract Price Applicable to Subproject 6(b) was.....	\$ —
8. Net change for Contract Price Applicable to Subproject 6(b) by previously authorized Change Orders.....	\$ —
9. The Contract Price Applicable to Subproject 6(b) prior to this Change Order was.....	\$ —
10. The Contract Price Applicable to Subproject 6(b) will be increased by this Change Order in the amount of.....	\$ 457,696,000
11. The Provisional Sum Applicable to Subproject 6(b) will be unchanged by this Change Order.....	\$ —
12. The Contract Price Applicable to Subproject 6(b) including this Change Order will be.....	\$ 457,696,000

Adjustment to Contract Price

13. The original Contract Price was (add lines 1 and 7).....	\$ 2,016,892,573
14. The Contract Price prior to this Change Order was (add lines 3 and 9).....	\$ 2,013,521,732
15. The Contract Price will be increased by this Change Order in the amount of (add lines 4 and 10).....	\$ 457,696,000
16. The new Contract Price including this Change Order will be (add lines 14 and 15).....	\$ 2,471,217,732

Adjustment to dates in Project Schedule for Subproject 6(a)

The following dates are modified: N/A

Adjustment to other Changed Criteria for Subproject 6(a): N/A

Adjustment to Payment Schedule for Subproject 6(a): N/A

Adjustment to Minimum Acceptance Criteria for Subproject 6(a): N/A

Adjustment to Performance Guarantees for Subproject 6(a): N/A

Adjustment to Design Basis for Subproject 6(a): N/A

Other adjustments to liability or obligations of Contractor or Owner under the Agreement for Subproject 6(a): N/A

Adjustment to dates in Project Schedule for Subproject 6(b)

- The Guaranteed Substantial Completion Date for Subproject 6(b) is One Thousand Four Hundred Seventy-Six (1,476) Days after issuance of LNTP No. 1 for Subproject 6(b).
- The Target Substantial Completion Date for Subproject 6(b) is One Hundred Sixty-Seven (167) Days before the Guaranteed Substantial Completion Date for Subproject 6(b).

Adjustment to other Changed Criteria for Subproject 6(b): See Attachment T as attached to this Change Order.

Adjustment to Payment Schedule for Subproject 6(b): See Schedule C-3 and Schedule C-4 as attached to this Change Order.

Adjustment to Design Basis for Subproject 6(b): See Table A-2 of Attachment A as attached to this Change Order.

Other adjustments to liability or obligation of Contractor or Owner under the Agreement: See Attachment T as attached to this Change Order and Attachment U as attached to this Change Order.

Select either A or B:

[A] This Change Order **shall** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall** be deemed to compensate Contractor fully for such change. Initials: /s/ MR Contractor /s/ DC Owner

~~[B] This Change Order **shall not** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall not** be deemed to compensate Contractor fully for such change. Initials: _____ Contractor _____ Owner~~

Upon execution of this Change Order by Owner and Contractor, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order. Except as modified by this and any previously issued Change Orders, all other terms and conditions of the Agreement shall remain in full force and effect. This Change Order is executed by each of the Parties' duly authorized representatives.

/s/ David Craft

Owner

David Craft

Name

SVP E&C

Title

September 25, 2019

Date of Signing

/s/ Maurissa D. Rogers

Contractor

Maurissa D. Rogers

Name

Sr Project Manager, PVP

Title

September 25, 2019

Date of Signing

CHANGE ORDER FORM

Cold Box Redesign and Addition of Inspection Boxes on Methane Cold Box

PROJECT NAME: Sabine Pass LNG Stage 4 Liquefaction Facility

CHANGE ORDER NUMBER: CO-00010

OWNER: Sabine Pass Liquefaction, LLC

DATE OF CHANGE ORDER: September 16, 2019

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: November 7, 2018

The Agreement between the Parties listed above is changed as follows:*(attach additional documentation if necessary)*

1. In accordance with Article 6.1.B (Change Orders Requested by Owner), the Parties agree this Change Order includes costs associated with Owner's request for Contractor to engage with the cold box Supplier (Linde) for a potential re-design of the Train 6 cold boxes to minimize the number of transition joints. This Change Order is in accordance with the approved Trend No. S4-0008, which includes the following:
 - i. Ethylene Cold Box, E-1504 A/B: Supplier to relocate transition joints from the vertical position to the horizontal position in the shop prior to shipment.
 - ii. Ethylene Cold Box, E-1504 A/B: Add an additional level transmitter. Supplier to add taps in the shop prior to shipment. Top tap will be outside the cold box (common with the existing level transmitter), and bottom tap to be added to piping below vessel (outside cold box). Level transmitter will be used to confirm there is no liquid remaining in the core prior to restart.
 - iii. Methane Cold Box: Supplier to remove individual transition joints on E-1605 'A' pass inlet & outlet and replace with a single transition joint on inlet header for 'A' pass and aluminum flange on outlet of 'A' pass at PV-16002 in the shop prior to shipment.

The following P&IDs and design drawings will be revised to reflect this change (i through iii) upon execution of this Change Order:

- P&ID 26012-100-M6-4615-00004, Rev 000
- P&ID 26012-100-M6-4616-00001, Rev 000
- P&ID 26012-100-M6-4616-00026, Rev 000
- Linde Design Documents (Multiple)

2. In accordance with Article 6.1.B (Change Orders Requested by Owner), the Parties agree this Change Order includes costs associated with Owner's request for Contractor to engage with the cold box Supplier (Linde) for the addition of inspection boxes on the Methane Cold Box. This Change Order is in accordance with the approved Trend No. S4-0036, which includes the following:
 - i. Methane Cold Box: Supplier to provide five (5) external inspection boxes around relocated transition joints on P11, N18, N20, N40 and flange on S13, in order to provide protection for the transition joint / flange and aluminum piping. All Work to be performed in Supplier's shop prior to shipment.

The following P&IDs will be revised to reflect this change upon execution of this Change Order:

- P&ID 26012-100-M6-4616-00001, Rev 000
- P&ID 26012-100-M6-4616-00026, Rev 000

3. The detailed cost breakdown for the Train 6 Cold Box Redesign Scope of Work (Section 1 Above) of this Change Order is detailed in Exhibit A of this Change Order.
 4. The detailed cost breakdown for the Addition of Inspection Boxes on Methane Cold Box Scope of Work (Section 2 Above) of this Change Order is detailed in Exhibit B of this Change Order
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5. Schedule C-1 (Milestone Payment Schedule) of Attachment C of the Agreement will be amended by including the milestone(s) listed in Exhibit C of this Change Order.

Adjustment to Contract Price

The original Contract Price was.....	\$ 2,016,892,573
Net change by previously authorized Change Orders Applicable to Subproject 6(a) (00001-00008).....	\$ (3,370,841)
The Contract Price prior to this Change Order was.....	\$ 2,013,521,732
The Contract Price Applicable to Subproject 6(a) will be increased by this Change Order in the amount of.....	\$ 1,956,641
The Contract Price Applicable to Subproject 6(b) will be unchanged by this Change Order in the amount of	\$ —
The Provisional Sum will be increased by this Change Order in the amount of.....	\$ —
The Contract Price will be increased by this Change Order in the amount of.....	\$ 1,956,641
The new Contract Price including this Change Order will be.....	\$ 2,015,478,373

Adjustment to dates in Project Schedule for Subproject 6(a)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria for Subproject 6(a): *(insert N/A if no changes or impact; attach additional documentation if necessary)*: **N/A**

Adjustment to Payment Schedule for Subproject 6(a): **Yes, see Exhibit B**

Adjustment to Minimum Acceptance Criteria for Subproject 6(a): **N/A**

Adjustment to Performance Guarantees for Subproject 6(a): **N/A**

Adjustment to Design Basis for Subproject 6(a): **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(a): **N/A**

Adjustment to dates in Project Schedule for Subproject 6(b)

The following dates are modified *(list all dates modified; insert N/A if no dates modified)*: **N/A**

Adjustment to other Changed Criteria for Subproject 6(b): *(insert N/A if no changes or impact; attach additional documentation if necessary)*: **N/A**

Adjustment to Payment Schedule for Subproject 6(b): **N/A**

Adjustment to Design Basis for Subproject 6(b): **N/A**

Other adjustments to liability or obligation of Contractor or Owner under the Agreement for Subproject 6(b): **N/A**

Select either A or B:

[A] This Change Order **shall** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall** be deemed to compensate Contractor fully for such change. Initials: /s/ MR Contractor /s/ DC Owner

~~[B] This Change Order **shall not** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall not** be deemed to compensate Contractor fully for such change. Initials: _____ Contractor _____ Owner~~

Upon execution of this Change Order by Owner and Contractor, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order. Except as modified by this

and any previously issued Change Orders, all other terms and conditions of the Agreement shall remain in full force and effect. This Change Order is executed by each of the Parties' duly authorized representatives.

/s/ David Craft

Owner
David Craft

Name
SVP E&C

Title
September 19, 2019

Date of Signing

/s/ Maurissa D. Rogers

Contractor
Maurissa D. Rogers

Name
Sr Project Mgr, PVP

Title
September 16, 2019

Date of Signing

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) AND 15d-14(a) UNDER THE EXCHANGE ACT**

I, Jack A. Fusco, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cheniere Energy, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2019

/s/ Jack A. Fusco

Jack A. Fusco
Chief Executive Officer of
Cheniere Energy, Inc.

**CERTIFICATION BY CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) AND 15d-14(a) UNDER THE EXCHANGE ACT**

I, Michael J. Wortley, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cheniere Energy, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2019

/s/ Michael J. Wortley

Michael J. Wortley
Chief Financial Officer of
Cheniere Energy, Inc.

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of Cheniere Energy, Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jack A. Fusco, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934;
and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 31, 2019

/s/ Jack A. Fusco

Jack A. Fusco
Chief Executive Officer of
Cheniere Energy, Inc.

**CERTIFICATION BY CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of Cheniere Energy, Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael J. Wortley, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934;
and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 31, 2019

/s/ Michael J. Wortley

Michael J. Wortley
Chief Financial Officer of
Cheniere Energy, Inc.