UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 9, 2006

CHENIERE ENERGY, INC.
(Exact name of registrant as specified in its charter)

Delaware	1-16383	95-4352386
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

717 Texas Avenue Suite 3100 Houston, Texas	77002
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (713) 659-1361

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

On November 9, 2006, Sabine Pass LNG, L.P. ("Sabine Pass LNG"), an indirect wholly-owned subsidiary of Cheniere Energy, Inc. (the "Company"), closed a private placement of $2,032,000,000 aggregate principal amount of 7 1/4% Senior Secured Notes due 2013 (the "2013 notes") and 7 1/2% Senior Secured Notes due 2016 (the "2016 notes" and collectively with the 2013 notes, the "notes"). In connection with the issuance of the notes, Sabine Pass LNG entered into the agreements described in this Item 1.01.

Indenture

Pursuant to that certain Indenture, by and between Sabine Pass LNG and The Bank of New York, as trustee (the "Trustee"), Sabine Pass LNG issued the 2013 notes and the 2016 notes.

Interest. The 2013 notes and the 2016 notes bear interest at 7 1/4% per annum and 7 1/2% per annum, respectively, on the principal amount from November 9, 2006, payable semi-annually in arrears on May 30 and November 30 of each year, beginning May 30, 2007.

Maturity. The 2013 notes and the 2016 notes will mature on November 30, 2013 and November 30, 2016, respectively.

Guarantees. The Notes are to be guaranteed by all of Sabine Pass LNG's future domestic restricted subsidiaries.

Redemption; Change of Control. At any time and from time to time, Sabine Pass LNG may redeem some or all of the 2013 notes at a redemption price equal to 100% of the principal amount plus a make-whole premium, plus accrued and unpaid interest and additional interest, if any, to the redemption date. Similarly, at any time and from time to time, Sabine Pass LNG may redeem some or all of the 2016 notes at a redemption price equal to 100% of the principal amount plus a make-whole premium, plus accrued and unpaid interest and additional interest, if any, to the redemption date. In addition, until November 30, 2009, Sabine Pass LNG may redeem up to 35% of the principal amount of the 2013 notes and the 2016 notes issued on November 9, 2006 with the net cash proceeds of one or more equity offerings by Sabine Pass LNG with the proceeds that Sabine Pass LNG retains or that are contributed to it, as applicable, at par plus a premium equal to the coupon, plus accrued and unpaid interest and additional interest, if any, as long as at least 65% of the aggregate principal amount of the notes remains outstanding immediately after such optional redemption and such optional redemption occurs within 90 days of the date of the closing of such equity offering.

If Sabine Pass LNG makes certain asset sales or experiences certain events of loss, Sabine Pass LNG must offer to purchase notes in the amounts and at the prices determined as stated in the Indenture.

If a change of control of the general partner of Sabine Pass LNG occurs as stated in the Indenture, Sabine Pass LNG must offer to repurchase all or any portion of each note at a price equal to 101% of the aggregate principal amount of each note repurchased, plus accrued and unpaid interest and additional interest, if any, as of the date of repurchase.

Collateral. Sabine Pass LNG's obligations under the notes are secured on a first-priority basis (subject to certain permitted liens) by a security interest in all of Sabine Pass LNG's equity interests and substantially all of its operating assets, including a pledge of the stock of its future subsidiaries (provided that the pledge of voting stock of its future foreign subsidiaries is limited to 65% of the voting stock owned by Sabine Pass LNG or any guarantor). In addition, Sabine Pass LNG's future domestic restricted subsidiaries will grant a security interest in all of their operating assets as collateral security for the repayment of the notes.

Construction Period Debt Service Reserve Account. Sabine Pass LNG has deposited $335 million in a debt service reserve account, which will be withdrawn when necessary to pay the first five interest payments on the notes.

Cash Waterfall. Sabine Pass LNG has deposited $887 million in a construction account, which, until Phase 1 of the Sabine Pass LNG receiving terminal has been completed in accordance with the target completion date performance standards set forth in the engineering, procurement and construction contract with Bechtel Corporation (the "Phase 1 Target Completion"), will only be applied to pay construction and startup costs of the Sabine Pass LNG receiving terminal project and to pay other expenses incidental for Sabine Pass LNG to complete construction of the project. Following completion of Phase 1 of the project, any amount remaining in the construction account will be transferred to a revenue account. All revenues received by Sabine Pass LNG will be deposited in the revenue account and will be applied as described below under "Pre-Completion Account Flows" and "Post-Completion Account Flows."

Pre-Completion Account Flows. Prior to Phase 1 Target Completion, revenues received by Sabine Pass LNG will be applied in the following manner: first, to pay obligations, if any, under an assumption agreement executed by Sabine Pass LNG and its affiliates in settlement of certain litigation as described in the Indenture (the "Assumption Agreement"); second, to the extent that amounts on deposit in the debt service reserve account are not sufficient to pay interest on the notes on the next interest payment date, to such account in an amount sufficient to make such payment; and third, to the construction account (i) to fund the construction and start-up costs of the Sabine Pass LNG receiving terminal; (ii) to pay other expenses (including taxes) incidental for Sabine Pass LNG to complete construction of its LNG receiving terminal; and (iii) to be transferred to other project accounts.

Post-Completion Account Flows. After Phase 1 Target Completion, revenues received by Sabine Pass LNG will be applied in the following manner: first, to fund the operating account with amounts sufficient to cover the succeeding 45 days of operation and maintenance expenses, maintenance capital expenditures and obligations, if any, under the Assumption Agreement and the State Tax Sharing Agreement described below; second, on the 30th day of each month, 1/6th of the amount of interest due on the notes on the next interest payment date (plus any shortfall from any such month subsequent to the preceding interest payment date) will be transferred to a debt payment account; third, to pay outstanding principal then due and payable on the notes; fourth, to pay taxes payable by Sabine Pass LNG or the guarantors and permitted payments in respect of taxes; fifth, to replenish the debt service reserve account when such account is not funded with the amount (or acceptable letters of credit or acceptable guarantees in respect of such amount) required to make the next interest payment on the notes; and sixth, for all other purposes permitted by the Indenture including restricted payments, subject to the limitations contained in the Indenture.

Covenants. The Indenture contains covenants that, among other things, limit the ability of Sabine Pass LNG and its restricted subsidiaries to: incur additional indebtedness or issue preferred stock; make certain investments or pay dividends or distributions on Sabine Pass LNG's equity interests or subordinated indebtedness or purchase or redeem or retire equity interests; sell or transfer assets, including equity interests of Sabine Pass LNG's restricted subsidiaries; restrict dividends or other payments by restricted subsidiaries; incur liens; enter into transactions with affiliates; consolidate, merge, sell or lease all or substantially all of Sabine Pass LNG's assets; and enter into sale and leaseback transactions. Under these Indenture covenants, Sabine Pass LNG is permitted to incur additional debt subject to conditions, limitations and other provisions stated in the Indenture, including, for example, debt to finance working capital requirements or to fund cost overruns, if any, in the construction, cool down, commissioning and completion of the project.

Restricted Payments. Sabine Pass LNG will be permitted to make distributions to its partners, make payments on subordinated debt, purchase any equity interest in an affiliate and make restricted investments with any amounts of available cash, which includes revenues available after payment of construction costs and other capital expenditures, payments of required principal and interest on indebtedness and payment of operation and maintenance expenses. Such payments can be made as long as no default or event of default under the Indenture has occurred and is continuing; Phase 1 of the Sabine Pass LNG receiving terminal has been completed in accordance with the target completion date performance standards set forth in the engineering, procurement and construction contract with Bechtel Corporation; Sabine Pass LNG would be permitted to incur at least $1.00 of additional indebtedness at the time of the payment and after giving pro forma effect thereto; the operating period debt service reserve account has at least six months of interest funded; and the debt payment account has on deposit the amount required at such time.

Additional Information

The foregoing descriptions of the provisions of the Indenture, the 2013 notes and the 2016 notes are qualified in their entirety by reference to the full and complete terms set forth in the Indenture, the 2013 notes and the 2016 notes, copies of which are attached to this Current Report on Form 8-K as Exhibits 4.1, 4.2 and 4.3, respectively.

Collateral Trust Agreement

In connection with the issuance of the notes, Sabine Pass LNG entered into that certain Collateral Trust Agreement (the "Collateral Trust Agreement) with The Bank of New York, as Trustee and collateral trustee (the "Collateral Trustee"), Sabine Pass LNG-GP, Inc. and Sabine Pass LNG-LP, LLC. The Collateral Trust Agreement establishes a trust to hold the collateral pledged to the Collateral Trustee pursuant to the Security Agreement, the Mortgage, the Pledge Agreement and the Deposit Agreement (each as defined below). The Collateral Trust Agreement also establishes trusts to hold collateral pledged to the Collateral Trustee to secure (i) certain

future indebtedness of Sabine Pass LNG and its subsidiaries as permitted by the Indenture, (ii) the issuance of additional notes as permitted by the Indenture and (iii) the obligations of Sabine Pass LNG under the Assumption Agreement.

The foregoing description of the provisions of the Collateral Trust Agreement is qualified in its entirety by reference to the full and complete terms set forth in the Collateral Trust Agreement, a copy of which is attached to this Current Report on Form 8-K as Exhibit 10.1.

Security Agreement and Mortgage

In connection with the issuance of the notes, Sabine Pass LNG entered into that certain Third Amended and Restated Multiple Indebtedness Mortgage, Assignment of Rents and Leases and Security Agreement (the "Mortgage") and that certain Amended and Restated Parity Lien Security Agreement (the "Security Agreement") with the Collateral Trustee. Pursuant to the Mortgage and the Security Agreement, Sabine Pass LNG has granted to the Collateral Trustee a first lien on substantially all of its real property interests (consisting principally of leasehold interests and improvements) at the Sabine Pass LNG receiving terminal site and a first lien on substantially all of its personal property as security for its obligations under the notes and under the Assumption Agreement. If an event of default occurs with respect to the notes, or the obligations under the Assumption Agreement are not paid when due, the Collateral Trustee may exercise its rights in such collateral, including any rights of a secured party under the Uniform Commercial Code, which includes the right to sell the collateral at public or private sale. The proceeds received upon realization of the collateral would be applied first to satisfy any outstanding obligations under the Assumption Agreement and then to pay Sabine Pass LNG's outstanding obligations under the notes.

The foregoing descriptions of the provisions of the Security Agreement and the Mortgage are qualified in their entirety by reference to the full and complete terms set forth in the Security Agreement and the Mortgage, copies of which are attached to this Current Report on Form 8-K as Exhibits 10.2 and 10.3, respectively.

Pledge Agreement

In connection with the issuance of the notes, Sabine Pass LNG entered into that certain Amended and Restated Parity Lien Pledge Agreement (the "Pledge Agreement") with the Collateral Trustee, Sabine Pass LNG-GP, Inc. and Sabine Pass LNG-LP, LLC. Pursuant to the Pledge Agreement, both of Sabine Pass LNG's general partner and limited partner, each as pledgor, granted the Collateral Trustee a security interest in each pledgor's partnership interest in Sabine Pass LNG to secure Sabine Pass LNG's obligations under the notes. If an event of default occurs with respect to the notes, or the obligations under the Assumption Agreement are not paid when due, the Collateral Trustee may exercise its rights in such collateral, including any rights of a secured party under the Uniform Commercial Code, which includes the right to sell the collateral at public or private sale. The proceeds received upon realization of the collateral would be applied first to satisfy any outstanding obligations under the Assumption Agreement and then to pay Sabine Pass LNG's outstanding obligations under the notes.

The foregoing description of the provisions of the Pledge Agreement is qualified in its entirety by reference to the full and complete terms set forth in the Pledge Agreement, a copy of which is attached to this Current Report on Form 8-K as Exhibit 10.4.

Security Deposit Agreement

In connection with the issuance of the notes, Sabine Pass LNG entered into that certain Security Deposit Agreement (the "Deposit Agreement") with the Collateral Trustee and The Bank of New York, as depositary agent (the "Depositary Agent"). Pursuant to the Deposit Agreement, Sabine Pass LNG has granted to the Depositary Agent a security interest in the various project accounts established pursuant to the Indenture, including the debt service reserve accounts, the construction account, the revenue account and the operating account. The Deposit Agreement specifies the conditions to be satisfied for the disbursement of funds from the project accounts and requires that the proceeds from certain asset sales and casualty or condemnation awards be deposited into the project accounts. If the funds in a specified project account are not sufficient to pay Sabine Pass LNG's operation and maintenance expenses or its obligations under the notes, the Deposit Agreement permits the Depositary Agent to transfer funds among the various project accounts pursuant to the priorities set forth therein for the purpose of paying such obligations.

The foregoing description of the provisions of the Deposit Agreement is qualified in its entirety by reference to the full and complete terms set forth in the Deposit Agreement, a copy of which is attached to this Current Report on Form 8-K as Exhibit 10.5.

Registration Rights Agreement

The notes were not registered under the Securities Act of 1933, as amended (the "Securities Act"), and were sold on a private placement basis in reliance on the exemption from registration provided by Section 4(2) of the Securities Act provided by Rule 144A and Regulation S. Pursuant to a Registration Rights Agreement, dated November 9, 2006, between Sabine Pass LNG and the representative of the initial purchasers of the notes, Sabine Pass LNG agreed, at its own cost, to prepare and file with the Securities and Exchange Commission ("SEC") a registration statement (the "Exchange Offer Registration Statement") on an appropriate form under the Securities Act and to use all commercially reasonable efforts to cause such Exchange Offer Registration Statement to become effective under the Securities Act within 270 days after the date of issuance of the notes and to complete the exchange offer within 30 days thereafter. In addition, Sabine Pass LNG agreed to keep the Exchange Offer Registration Statement effective for not less than 30 days (or longer, if required by applicable law) after the date notice of the exchange offer is mailed to the holders of the notes.

The foregoing description of the provisions of the Registration Rights Agreement is qualified in its entirety by reference to the full and complete terms set forth in the Registration Rights Agreement, a copy of which is attached to this Current Report on Form 8-K as Exhibit 4.4.

Cheniere Marketing TUA

On November 9, 2006, Sabine Pass LNG entered into an Amended and Restated Terminal Use Agreement (the "Cheniere Marketing TUA") with Cheniere Marketing, Inc., a wholly-owned subsidiary of the Company ("Cheniere Marketing"), to provide berthing for liquefied natural gas ("LNG") vessels and for the unloading, storage and regasification of LNG at the Sabine Pass LNG receiving terminal. Sabine Pass LNG has no obligation to provide Cheniere Marketing with certain services such as (i) harbor, mooring and escort services for LNG vessels, including the provision of tugboats, (ii) the transportation of natural gas downstream from the Sabine Pass LNG receiving terminal or the construction of any pipelines to provide such transportation or (iii) the marketing of natural gas.

Under the Cheniere Marketing TUA, Cheniere Marketing has reserved 781,830,000 million British thermal units ("MMBtu") of annual LNG receipt capacity, which is equivalent to approximately 2.0 billion cubic feet per day ("Bcf/d") of regasification capacity assuming an energy content of 1.05 MMBtu per thousand cubic feet and retainage of 2%.

The Cheniere Marketing TUA commences on January 1, 2008 (subject to commercial operations completion), runs for a term of 20 years from the commercial start date under the Cheniere Marketing TUA and is subject to four additional 10-year extension terms. Beginning on the commercial start date under the Cheniere Marketing TUA, Cheniere Marketing is required to pay Sabine Pass LNG a fixed monthly fee for this regasification capacity that is comprised of: (i) a reservation fee of $0.28 per MMBtu times 1/12 of the reserved LNG receipt capacity; (ii) an operating fee of $0.04 per MMBtu times 1/12 of the reserved LNG receipt capacity, which operating fee is adjusted annually for changes in the U.S. Consumer Price Index (All Urban Consumers); and (iii) certain other taxes and regulatory costs. Notwithstanding the foregoing, Cheniere Marketing is required to pay a flat fee of $5 million per month from the commercial start date under the Cheniere Marketing TUA through December 31, 2008. The maximum LNG reception quantity allocated to Cheniere Marketing is reduced to the extent that the Sabine Pass LNG receiving terminal is unable to provide services up to such amount as a result of the timing of start dates under existing customer agreements (including the TUAs with Total LNG USA, Inc. ("Total") and Chevron USA, Inc. ("Chevron")) or delays in commencing commercial operations of the Phase 2 – Stage 1 expansion of the Sabine Pass LNG receiving terminal; however, the fees to be paid by Cheniere Marketing under the Cheniere Marketing TUA will not be accordingly adjusted. In addition, each month, Sabine Pass LNG is entitled to receive a "retainage" equal to 2% of the LNG delivered for Cheniere Marketing's account, out of which Sabine Pass LNG is obligated to provide fuel for self-generated power and gas unavoidably lost at the facility.

If any governmental authority (i) imposes any taxes on Sabine Pass LNG (excluding taxes on revenue or income) with respect to the services provided under the Cheniere Marketing TUA, or the Sabine Pass LNG receiving terminal or (ii) enacts any safety or security related regulation which materially increases Sabine Pass LNG's costs in relation to the services provided at the Sabine Pass LNG receiving terminal, Cheniere Marketing will bear such taxes or increased regulatory costs at a rate proportional to its percentage of the right to use of the Sabine Pass LNG receiving terminal's total capacity.

Both Sabine Pass LNG and Cheniere Marketing may assign their respective interests under the Cheniere Marketing TUA to affiliates, and, as permitted by the Cheniere Marketing TUA, Sabine Pass LNG has pledged its interest under the Cheniere Marketing TUA to the Collateral Trustee to secure its obligations under the notes. In addition, Cheniere Marketing may make a partial assignment of its total reserved regasification capacity (but not its rights to excess capacity described below) to non-affiliates provided that (i) the assignee agrees to be bound by the Cheniere Marketing TUA, (ii) Cheniere Marketing continues to be liable for all payments due under the Cheniere Marketing TUA, and (iii) Cheniere Marketing and the assignee designate a representative and jointly exercise all rights under the Cheniere Marketing TUA.

An assignment under the Cheniere Marketing TUA will terminate Cheniere Marketing's obligations only if (i) the assignment constitutes all of Cheniere Marketing's rights and obligations, (ii) the assignee agrees to assume all obligations of the assignor from inception of the Cheniere Marketing TUA, and (iii) the assignee demonstrates creditworthiness at the time of the assignment that is reasonably acceptable to Sabine Pass LNG (and including credit standards that will be deemed acceptable).

Cheniere Marketing may terminate the Cheniere Marketing TUA if Sabine Pass LNG has declared *force majeure* with respect to a period that has extended, or is projected to extend, for 18 months, or for reasons not excused by *force majeure* or Cheniere Marketing's actions, if Sabine Pass LNG:

- fails to deliver at least 201,972,750 MMBtu of Cheniere Marketing's total natural gas nominations in a 12-month period;
- fails entirely to receive at least 17 cargoes nominated by Cheniere Marketing over a period of 90 consecutive days; or
- fails to unload 53 cargoes or more scheduled for delivery by Cheniere Marketing for a 12-month period.

Sabine Pass LNG may terminate the Cheniere Marketing TUA if Cheniere Marketing commences bankruptcy, reorganization or liquidation proceedings, or has such proceedings commenced against it.

Either party may terminate the Cheniere Marketing TUA with 30 days written notice if (i) a party has failed to pay when due an amount owed that causes its cumulative delinquency to exceed three times the monthly capacity reservation fee, (ii) the cumulative delinquency has not been paid within 60 days of such notice and (iii) the other party has subsequently given 30 days' written notice to terminate the Cheniere Marketing TUA.

The Cheniere Marketing TUA is designed to work in tandem with the Total TUA and the Chevron TUA and states that no provision of the Cheniere Marketing TUA shall be effective if and to the extent that it expressly conflicts with a provision of the Total TUA or the Chevron TUA. Any excess capacity at the Sabine Pass LNG receiving terminal that Sabine Pass LNG is not contractually obligated to make available to any other customer and any capacity that any other customer elects not to use may be used exclusively by Cheniere Marketing without any additional charge or fee except for 2% retainage and port charges in respect of vessels entering or

leaving the Sabine Pass LNG receiving terminal. This excess capacity may be available from time to time, including at completion of Phase 1 and the outset of commercial operation of the Sabine Pass LNG receiving terminal, which is the date on which the Sabine Pass LNG receiving terminal is projected to have capacity of 2.6 Bcf/d.

The effective date at which Cheniere Marketing is to purchase and pay for services from the Sabine Pass LNG receiving terminal is the later of January 1, 2008 or the date of commercial operations completion, which is currently expected to be 15 to 18 months before the commercial start date under the Total TUA or Chevron TUA.

The Cheniere Marketing TUA provides that, at Cheniere Marketing's request, Sabine Pass LNG must construct a sixth LNG storage tank with a working capacity of approximately 160,000 cubic meters of LNG for the benefit of Cheniere Marketing as soon as possible but not later than four years after notification from Cheniere Marketing. Sabine Pass LNG's obligation to construct the additional LNG storage tank will be subject to its (i) receipt of all Federal Energy Regulatory Commission and other required governmental permits and approvals and (ii) obtaining financing that it considers reasonably acceptable in form and content.

Cheniere Marketing TUA Guarantee

Pursuant to a Guarantee Agreement, dated November 9, 2006 (the "Guarantee Agreement"), 100% of Cheniere Marketing's obligations during the initial 20-year term of the Cheniere Marketing TUA are supported by an irrevocable guaranty by the Company in favor of Sabine Pass LNG.

Additional Information

The foregoing descriptions of the provisions of the Cheniere Marketing TUA and Guarantee Agreement are qualified in their entirety by reference to the full and complete terms set forth in the Cheniere Marketing TUA and the Guarantee Agreement, copies of which are attached to this Current Report on Form 8-K as Exhibits 10.6 and 10.7, respectively.

J&S Cheniere Agreement

On November 9, 2006, Cheniere Marketing entered into a letter agreement with Cheniere LNG, Inc., a wholly-owned subsidiary of the Company, and Sabine Pass LNG pursuant to which Cheniere Marketing has agreed to relinquish up to 200 million cubic feet per day ("MMcf/d") of its capacity (and proportionately reduce its fixed monthly fee) under the Cheniere Marketing TUA if required to allow Sabine Pass LNG to satisfy obligations under a potential TUA with J&S Cheniere S.A. ("J&S Cheniere"). J&S Cheniere is a Swiss company in which the Company holds a minority interest. This arrangement stems from a 2003 option agreement between Cheniere LNG, Inc. and J&S Cheniere pursuant to which J&S Cheniere has an option to negotiate a TUA for up to 200 MMcf/d of vaporization capacity and proportional LNG storage at the Sabine Pass LNG receiving terminal. The terms of the potential TUA contemplated by the J&S Cheniere option agreement have not been negotiated or finalized, and the Company has publicly disclosed its anticipation that definitive arrangements with J&S Cheniere may involve different terms and transaction structures than were contemplated when the option agreement was entered into in December 2003.

The foregoing description of the provisions of the letter agreement is qualified in its entirety by reference to the full and complete terms set forth in the letter agreement, a copy of which is attached to this Current Report on Form 8-K as Exhibit 10.8.

State Tax Sharing Agreement

On November 9, 2006, Sabine Pass LNG entered into that certain State Tax Sharing Agreement with the Company (the "State Tax Sharing Agreement"), pursuant to which the Company agreed to prepare and file all Texas franchise tax returns which it and Sabine Pass LNG are required to file on a combined basis and to timely pay the combined tax liability. If the Company, in its sole discretion, demands such payment, Sabine Pass LNG will pay to the Company an amount equal to the Texas franchise tax that Sabine Pass LNG would be required to pay if its Texas franchise tax liability were computed on a separate company basis. The State Tax Sharing Agreement contains similar provisions for other state and local taxes that the Company and Sabine Pass LNG are required to file on a combined, consolidated or unitary basis. The State Tax Sharing Agreement is effective for tax returns first due on or after January 1, 2008.

The foregoing description of the provisions of the State Tax Sharing Agreement is qualified in its entirety by reference to the full and complete terms set forth in the State Tax Sharing Agreement, a copy of which is attached to this Current Report on Form 8-K as Exhibit 10.9.

Item 1.02 Termination of a Material Definitive Agreement.

Termination of Cheniere LNG Holdings Term Loan

In August 2005, Cheniere LNG Holdings, LLC, a wholly-owned subsidiary of the Company ("Cheniere Holdings"), entered into a $600 million term loan with the lenders named therein and Credit Suisse, Cayman Islands Branch. The term loan had an interest rate equal to LIBOR plus a 2.75% margin and was scheduled to terminate on August 30, 2012. Quarterly principal payments of $1.5 million were required through June 30, 2012, and a final principal payment of $559.5 million was required to be made on August 30, 2012.

In connection with the issuance of the notes, Sabine Pass LNG distributed approximately $378 million of the proceeds from the issuance of the notes to Cheniere Holdings. Cheniere Holdings used such proceeds, together with other funds, to repay in full the principal, accrued interest and fees (including prepayment penalty) of approximately $464 million outstanding under the term loan and terminated the term loan. The amount of the prepayment penalty was approximately $5.9 million. Cheniere Holdings also incurred approximately $55,560 of LIBOR breakage costs as a result of such termination.

Termination of Sabine Pass LNG Credit Facility

In February 2005, Sabine Pass LNG entered into an $822,000,000 credit agreement with Société Générale, HSBC Bank USA, National Association and the lenders named therein. The credit agreement facility was used to fund costs of constructing the Sabine Pass LNG receiving terminal. The credit facility was to have been available until no later than April 1, 2009, after which time any unutilized portion of the credit facility was to have been permanently canceled.

In July 2006, Sabine Pass LNG amended and restated the credit agreement, among other things, to increase the amount available thereunder to $1.5 billion and to extend the maturity date to July 1, 2015. The amended and restated Sabine Pass credit facility was available for draws to pay project costs incurred during construction of Sabine Pass LNG's receiving terminal.

Sabine Pass LNG used approximately $380 million of the proceeds from the issuance of the notes to repay all outstanding principal, accrued interest and other termination charges and fees under the amended and restated credit facility and terminated the restated credit facility. Sabine Pass LNG incurred approximately $11,000 of LIBOR breakage costs as a result of such termination.

Termination of Swap Agreements

In connection with the closing of the Cheniere Holdings term loan, Cheniere Holdings entered into swap agreements with Credit Suisse to hedge the LIBOR interest rate component of the term loan. The blended rate of the swap agreements on the term loan resulted in an annual fixed interest rate of 7.25% (including the 2.75% margin) for the first five years. In connection with the payoff of its term loan, Cheniere Holdings settled and terminated the swap agreements. Credit Suisse paid Cheniere Holdings $1.6 million in settlement of the swaps.

In connection with the closing of the original Sabine Pass LNG credit facility and the amended and restated Sabine Pass LNG credit facility, Sabine Pass LNG entered into interest rate swap agreements with HSBC Bank USA and Société Générale. The swap agreements had the combined effect of fixing the LIBOR component of the interest rate payable on borrowings up to a maximum of $1.25 billion at a blended rate of 5.26% from July 25, 2006 through July 1, 2015.

In connection with the issuance of the notes, Sabine Pass LNG settled and terminated its interest rates swaps entered into in connection with both the original and the amended and restated Sabine Pass LNG credit facilities. Sabine Pass LNG paid approximately $20.1 million to HSBC Bank USA and Société Générale in settlement of the swaps.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off- Balance Sheet Arrangement of a Registrant.

See "Item 1.01—Entry Into a Material Definitive Agreement" for a description of the Indenture, the 2013 notes, the 2016 notes and the Registration Rights Agreement entered into on November 9, 2006 by Sabine Pass LNG.

Item 9.01 Financial Statements and Exhibits.

d) Exhibits

Exhibit No.	Description
4.1*	Indenture, dated as of November 9, 2006, by and between Sabine Pass LNG, L.P., as issuer, and The Bank of New York, as trustee.
4.2*	Form of 7 1/4% Senior Secured Note due 2013 (included as Exhibit A1 to Exhibit 4.1 above).
4.3*	Form of 7 1/2% Senior Secured Note due 2016 (included as Exhibit A1 to Exhibit 4.1 above).
4.4*	Registration Rights Agreement, dated as of November 9, 2006, by and between Sabine Pass LNG, L.P. and Credit Suisse Securities (USA) LLC, as representative of the several initial purchasers.
10.1*	Collateral Trust Agreement, dated November 9, 2006, by and among Sabine Pass LNG, L.P., The Bank of New York, as collateral trustee, Sabine Pass LNG-GP, Inc. and Sabine Pass LNG-LP, LLC.
10.2*	Amended and Restated Parity Lien Security Agreement, dated November 9, 2006, by and between Sabine Pass LNG, L.P. and The Bank of New York, as collateral trustee.
10.3*	Third Amended and Restated Multiple Indebtedness Mortgage, Assignment of Rents and Leases and Security Agreement, dated November 9, 2006, between the Sabine Pass LNG, L.P. and The Bank of New York, as collateral trustee.
10.4*	Amended and Restated Parity Lien Pledge Agreement, dated November 9, 2006, by and among Sabine Pass LNG, L.P., Sabine Pass LNG-GP, Inc., Sabine Pass LNG-LP, LLC and The Bank of New York, as collateral trustee.
10.5*	Security Deposit Agreement, dated November 9, 2006, by and among Sabine Pass LNG, L.P., The Bank of New York, as collateral trustee, and The Bank of New York, as depositary agent.
10.6*	Amended and Restated Terminal Use Agreement, dated November 9, 2006, by and between Cheniere Marketing, Inc. and Sabine Pass LNG, L.P.
10.7*	Guarantee Agreement, dated as of November 9, 2006, by Cheniere Energy, Inc.
10.8*	Letter Agreement, dated November 9, 2006, by and among Cheniere Marketing, Inc., Cheniere LNG, Inc. and Sabine Pass LNG, L.P. in favor of Sabine Pass LNG, L.P.
10.9*	State Tax Sharing Agreement, dated November 9, 2006, by and between Cheniere Energy, Inc. and Sabine Pass LNG, L.P.

* Filed herewith

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 hereunto duly authorized.

	CHENIERE ENERGY, INC.	
Date: November 16, 2006	By:	/s/ Don A. Turkleson
	Name:	Don A. Turkleson
	Title:	Senior Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
4.1*	Indenture, dated as of November 9, 2006, by and between Sabine Pass LNG, L.P., as issuer, and The Bank of New York, as trustee.
4.2*	Form of 7 1/4% Senior Secured Note due 2013 (included as Exhibit A1 to Exhibit 4.1 above).
4.3*	Form of 7 1/2% Senior Secured Note due 2016 (included as Exhibit A1 to Exhibit 4.1 above).
4.4*	Registration Rights Agreement, dated as of November 9, 2006, by and between Sabine Pass LNG, L.P. and Credit Suisse Securities (USA) LLC, as representative of the several initial purchasers.
10.1*	Collateral Trust Agreement, dated November 9, 2006, by and among Sabine Pass LNG, L.P., The Bank of New York, as collateral trustee, Sabine Pass LNG-GP, Inc. and Sabine Pass LNG-LP, LLC.
10.2*	Amended and Restated Parity Lien Security Agreement, dated November 9, 2006, by and between Sabine Pass LNG, L.P. and The Bank of New York, as collateral trustee.
10.3*	Third Amended and Restated Multiple Indebtedness Mortgage, Assignment of Rents and Leases and Security Agreement, dated November 9, 2006, between the Sabine Pass LNG, L.P. and The Bank of New York, as collateral trustee.
10.4*	Amended and Restated Parity Lien Pledge Agreement, dated November 9, 2006, by and among Sabine Pass LNG, L.P., Sabine Pass LNG-GP, Inc., Sabine Pass LNG-LP, LLC and The Bank of New York, as collateral trustee.
10.5*	Security Deposit Agreement, dated November 9, 2006, by and among Sabine Pass LNG, L.P., The Bank of New York, as collateral trustee, and The Bank of New York, as depositary agent.
10.6*	Amended and Restated Terminal Use Agreement, dated November 9, 2006, by and between Cheniere Marketing, Inc. and Sabine Pass LNG, L.P.
10.7*	Guarantee Agreement, dated as of November 9, 2006, by Cheniere Energy, Inc.
10.8*	Letter Agreement, dated November 9, 2006, by and among Cheniere Marketing, Inc., Cheniere LNG, Inc. and Sabine Pass LNG, L.P. in favor of Sabine Pass LNG, L.P.
10.9*	State Tax Sharing Agreement, dated November 9, 2006, by and between Cheniere Energy, Inc. and Sabine Pass LNG, L.P.

* Filed herewith

Exhibit 4.1

EXECUTION COPY

SABINE PASS LNG, L.P.

AND EACH OF THE GUARANTORS PARTY HERETO

INDENTURE

Dated as of November 9, 2006

The Bank of New York

Trustee

CROSS-REFERENCE TABLE*

Trust Indenture Act Section	*Indenture Section*
310(a)(1)	7.10
(a)(2)	7.10
(a)(3)	N.A.
(a)(4)	N.A.
(a)(5)	7.10
(b)	7.10
(c)	N.A.
311(a)	7.11
(b)	7.11
(c)	N.A.
312(a)	2.05
(b)	13.03
(c)	13.03
313(a)	7.06
(b)(1)	10.06
(b)(2)	7.06; 7.07
(c)	7.06; 10.06; 13.02
(d)	7.06
314(a)	4.03; 13.02; 13.05
(b)	10.02
(c)(1)	13.04
(c)(2)	13.04
(c)(3)	N.A.
(d)	10.06
(e)	13.05
(f)	N.A.
315(a)	7.01
(b)	7.05; 12.02
(c)	7.01
(d)	7.01
(e)	6.11
316(a) (last sentence)	2.09
(a)(1)(A)	6.05
(a)(1)(B)	6.04
(a)(2)	N.A.
(b)	6.07
(c)	2.12
317(a)(1)	6.08
(a)(2)	6.09
(b)	2.04
318(a)	13.01
(b)	N.A.
(c)	13.01

N.A. means not applicable.

* This Cross Reference Table is not part of the Indenture.

TABLE OF CONTENTS

		Page
	ARTICLE 1 DEFINITIONS AND INCORPORATION BY REFERENCE	
Section 1.01	Definitions.	1
Section 1.02	Other Definitions.	29
Section 1.03	Incorporation by Reference of Trust Indenture Act.	29
Section 1.04	Rules of Construction.	30
	ARTICLE 2 THE NOTES	
Section 2.01	Form and Dating.	30
Section 2.02	Execution and Authentication.	31
Section 2.03	Registrar and Paying Agent.	32
Section 2.04	Paying Agent to Hold Money in Trust.	32
Section 2.05	Holder Lists.	33
Section 2.06	Transfer and Exchange.	33
Section 2.07	Replacement Notes.	45
Section 2.08	Outstanding Notes.	45
Section 2.09	Treasury Notes.	45
Section 2.10	Temporary Notes.	46
Section 2.11	Cancellation.	46
Section 2.12	Defaulted Interest.	46
	ARTICLE 3 REDEMPTION AND OFFERS TO PURCHASE NOTES	
Section 3.01	Notices to Trustee.	46
Section 3.02	Selection of Notes to Be Redeemed.	47
Section 3.03	Notice of Redemption.	47
Section 3.04	Effect of Notice of Redemption.	48
Section 3.05	Deposit of Redemption or Purchase Price.	48
Section 3.06	Notes Redeemed in Part.	48
Section 3.07	Optional Redemption.	48
Section 3.08	Open Market Purchases; No Mandatory Redemption or Sinking Fund.	49
Section 3.09	Offer to Purchase by Application of Excess Proceeds or Excess Loss Proceeds.	49
Section 3.10	Offer to Purchase by Application of Excess Construction Proceeds.	51
	ARTICLE 4 COVENANTS	
Section 4.01	Payment of Notes.	52
Section 4.02	Maintenance of Office or Agency.	52
Section 4.03	Reports.	52
Section 4.04	Compliance Certificate.	53
Section 4.05	Taxes.	53
Section 4.06	Stay, Extension and Usury Laws.	54
Section 4.07	Restricted Payments.	54
Section 4.08	Dividend and Other Payment Restrictions Affecting Subsidiaries.	57
Section 4.09	Incurrence of Indebtedness and Issuance of Preferred Stock.	58

		Page
Section 4.10	Asset Sales.	61
Section 4.11	Transactions with Affiliates.	62
Section 4.12	Liens.	63
Section 4.13	Business Activities.	63
Section 4.14	Maintenance of Existence.	64
Section 4.15	Offer to Repurchase Upon Change of Control.	64
Section 4.16	Limitation on Sale and Leaseback Transactions.	65
Section 4.17	Advances to Subsidiaries.	66
Section 4.18	Payments for Consent.	66
Section 4.19	Events of Loss	66
Section 4.20	Ownership.	67
Section 4.21	Accounting and Cost Control Systems.	68
Section 4.22	Access.	68
Section 4.23	Environmental Audits.	68
Section 4.24	Preservation of Assets.	68
Section 4.25	Insurance.	68
Section 4.26	Compliance with Law.	68
Section 4.27	Safety Precautions.	69
Section 4.28	Maintenance of Approvals for Transaction Documents.	69
Section 4.29	Scope of Work; Engagement of Contractors.	69
Section 4.30	Construction and Completion of Phase 1.	69
Section 4.31	Construction Reports.	69
Section 4.32	Changes to the Construction Budget and Schedule.	69
Section 4.33	Material Project Agreements.	70
Section 4.34	Phase 1 Final Completion.	70
Section 4.35	Operation of the Project.	70
Section 4.36	Technology.	71
Section 4.37	Preservation of Security Interests.	71
Section 4.38	Accounts.	71
Section 4.39	Credit Rating Agencies.	71
Section 4.40	Additional Note Guarantees.	71
Section 4.41	Designation of Restricted and Unrestricted Subsidiaries.	71

ARTICLE 5
SUCCESSORS

Section 5.01	Merger, Consolidation, or Sale of Assets.	72
Section 5.02	Successor Corporation Substituted.	73

ARTICLE 6
DEFAULTS AND REMEDIES

Section 6.01	Events of Default.	74
Section 6.02	Acceleration.	76
Section 6.03	Other Remedies.	76
Section 6.04	Waiver of Past Defaults.	76
Section 6.05	Control by Majority.	77
Section 6.06	Limitation on Suits.	77
Section 6.07	Rights of Holders of Notes to Receive Payment.	77
Section 6.08	Collection Suit by Trustee.	77
Section 6.09	Trustee May File Proofs of Claim.	78
Section 6.10	Priorities.	78
Section 6.11	Undertaking for Costs.	78

Page

ARTICLE 7
TRUSTEE

Section 7.01	Duties of Trustee.	79
Section 7.02	Rights of Trustee.	80
Section 7.03	Individual Rights of Trustee.	81
Section 7.04	Trustee's Disclaimer.	81
Section 7.05	Notice of Defaults.	81
Section 7.06	Reports by Trustee to Holders of the Notes.	81
Section 7.07	Compensation and Indemnity.	81
Section 7.08	Replacement of Trustee.	82
Section 7.09	Successor Trustee by Merger, etc.	83
Section 7.10	Eligibility; Disqualification.	83
Section 7.11	Preferential Collection of Claims Against Company.	83

ARTICLE 8
LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01	Option to Effect Legal Defeasance or Covenant Defeasance.	84
Section 8.02	Legal Defeasance and Discharge.	84
Section 8.03	Covenant Defeasance.	84
Section 8.04	Conditions to Legal or Covenant Defeasance.	85
Section 8.05	Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions.	86
Section 8.06	Repayment to Company.	87
Section 8.07	Reinstatement.	87

ARTICLE 9
AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01	Without Consent of Holders of Notes.	87
Section 9.02	With Consent of Holders of Notes.	88
Section 9.03	Amendment of Security Documents.	90
Section 9.04	Compliance with Trust Indenture Act.	90
Section 9.05	Revocation and Effect of Consents.	90
Section 9.06	Notation on or Exchange of Notes.	91
Section 9.07	Trustee to Sign Amendments, etc.	91

ARTICLE 10
COLLATERAL AND SECURITY

Section 10.01	Security.	91
Section 10.02	Collateral Trustee and Collateral Trust Agreement.	91
Section 10.03	Shared Collateral	92
Section 10.04	Additional Parity Secured Debt	92
Section 10.05	Equal and Ratable Sharing of Shared Collateral by Holders of Parity Secured Debt	92
Section 10.06	Release of Security Interests	93
Section 10.07	Security Documents.	94
Section 10.08	Recording and Opinions.	95
Section 10.09	Release of Shared Collateral.	95
Section 10.10	Certificates of the Company.	96
Section 10.11	Certificates of the Trustee.	96
Section 10.12	Authorization of Actions to Be Taken by the Trustee Under the Security Documents.	96

		Page
Section 10.13	Authorization of Receipt of Funds by the Trustee Under the Security Documents.	97
Section 10.14	Termination of Security Interest.	97

ARTICLE 11
NOTE GUARANTEES

Section 11.01	Guarantee.	97
Section 11.02	Limitation on Guarantor Liability.	98
Section 11.03	Execution and Delivery of Note Guarantee Notation.	98
Section 11.04	Guarantors May Consolidate, etc., on Certain Terms.	99
Section 11.05	Releases.	99

ARTICLE 12
SATISFACTION AND DISCHARGE

Section 12.01	Satisfaction and Discharge.	100
Section 12.02	Application of Trust Money.	101

ARTICLE 13
MISCELLANEOUS

Section 13.01	Trust Indenture Act Controls.	102
Section 13.02	Notices.	102
Section 13.03	Communication by Holders of Notes with Other Holders of Notes.	103
Section 13.04	Certificate and Opinion as to Conditions Precedent.	103
Section 13.05	Statements Required in Certificate or Opinion.	103
Section 13.06	Rules by Trustee and Agents.	104
Section 13.07	No Personal Liability of Directors, Officers, Employees and Stockholders.	104
Section 13.08	Governing Law.	104
Section 13.09	No Adverse Interpretation of Other Agreements.	104
Section 13.10	Successors.	104
Section 13.11	Severability.	104
Section 13.12	Counterpart Originals.	104
Section 13.13	Table of Contents, Headings, etc.	104
Section 13.14	Amendment and Restatement of Prior Credit Agreement.	

EXHIBITS

Exhibit A1	FORM OF NOTE
Exhibit A2	FORM OF REGULATION S TEMPORARY GLOBAL NOTE
Exhibit B	FORM OF CERTIFICATE OF TRANSFER
Exhibit C	FORM OF CERTIFICATE OF EXCHANGE
Exhibit D	FORM OF CERTIFICATE OF ACQUIRING INSTITUTIONAL ACCREDITED INVESTOR
Exhibit E	FORM OF NOTATION OF GUARANTEE
Exhibit F	FORM OF SUPPLEMENTAL INDENTURE
Exhibit G	FORM OF PLEDGE AGREEMENT
Exhibit H	FORM OF SUBSIDIARY INTERCOMPANY NOTE

INDENTURE dated as of November 9, 2006 among Sabine Pass LNG, L.P., a Delaware limited partnership, the Guarantors (as defined) and The Bank of New York, as trustee.

The Company, the Guarantors and the Trustee agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders (as defined) of the 7/4% Senior Secured Notes due 2013 (the "*2013 Notes*") and the 7 1/2% Senior Secured Notes due 2016 (the "*2016 Notes*" and, collectively with the 2013 Notes, the "*Initial Notes*" and together with any Additional Notes issued hereunder, the "*Notes*"):

ARTICLE 1
DEFINITIONS AND INCORPORATION
BY REFERENCE

Section 1.01 *Definitions*.

"2013 Notes" has the meaning assigned to it in the preamble to this Indenture. The Initial 2013 Notes and the Additional 2013 Notes shall be treated as a single class for all purposes under this Indenture, and unless the context otherwise requires, all references to the 2013 Notes shall include the Initial 2013 Notes and any Additional 2013 Notes.

"2016 Notes" has the meaning assigned to it in the preamble to this Indenture. The Initial 2016 Notes and the Additional 2016 Notes shall be treated as a single class for all purposes under this Indenture, and unless the context otherwise requires, all references to the 2016 Notes shall include the Initial 2016 Notes and any Additional 2016 Notes.

"*Acceptable Guarantee*" means an unconditional guarantee, from an entity with long term unsecured and unguaranteed senior debt rated not less than A from S&P and A2 from Moody's.

"*Acceptable Letter of Credit*" means an irrevocable letter of credit from a bank or trust company with a combined capital and surplus of at least $1,000,000,000 whose long term unsecured and unguaranteed senior debt rated not less than A from S&P and A2 from Moody's.

"*Acquired Debt*" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"*Act of Required DebtHolders*" means, as to any matter at any time prior to the Discharge of the Parity Secured Debt, a direction in writing delivered to the Collateral Trustee by or with the written consent of the Holders of more than 50% of the sum of:

(1) the aggregate outstanding principal amount of Parity Secured Debt; and

(2) other than in connection with the exercise of remedies, the aggregate unfunded commitments to extend credit which, when funded, would constitute Parity Secured Debt.

For purposes of this definition, (a) Parity Secured Debt registered in the name of, or Beneficially Owned by, the Company or any Affiliate of the Company (other than Notes held by any Person that is an Affiliate of the Company as of the date of this Indenture and that is regulated by any banking or insurance authority) will be deemed not to be outstanding, and (b) votes will be determined in accordance with the provisions of the Collateral Trust Agreement.

"*Additional Interest*" means all liquidated damages then owing pursuant to the Registration Rights Agreement.

"*Additional 2013 Notes*" means additional 2013 Notes (other than the Initial 2013 Notes) issued under this Indenture in accordance with Sections 2.02 and 4.09 hereof, which may be part of the same series as the Initial 2013 Notes, or may be different series.

"*Additional 2016 Notes*" means additional 2016 Notes (other than the Initial 2016 Notes) issued under this Indenture in accordance with Sections 2.02 and 4.09 hereof, which may be part of the same series as the Initial 2016 Notes, or may be different series.

"Additional Notes" means additional Notes (other than the Initial Notes) issued under this Indenture in accordance with Sections 2.02 and 4.09 hereof, which may be part of the same series as the Initial Notes, or may be different series.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "*control*," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "*controlling*," "*controlled by*" and "*under common control with*" have correlative meanings. Notwithstanding the foregoing, the definition of "*Affiliate*" shall not encompass (a) any individual solely by reason of his or her being a director, officer or employee of any Person and (b) the Trustee, the Collateral Trustee, the Depositary or any Holder solely in their capacity as such.

"Agent" means any Registrar, co-registrar, Paying Agent or additional paying agent.

"*Anchor Customer*" means Total LNG USA, Inc., Chevron U.S.A. Inc. and any replacements for Total LNG USA, Inc. or Chevron USA Inc. having (or having a guarantor with) a credit rating of not less than A2 from Moody's and A from S&P and engaged in the international gas, petroleum or LNG business.

"*Applicable Premium*" means, with respect to any Note on any redemption date, the greater of:

(1) 1.0% of the principal amount of the Note; or

(2) the excess of: (a) the present value at the redemption date of (i) the redemption price of the Note (as set forth in Section 3.07 hereof) plus (ii) all required interest payments due on the Note (excluding accrued but unpaid interest to the applicable redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over (b) the principal amount of the Note, if greater.

"Applicable Procedures" means, with respect to any transfer or exchange of or for beneficial interests in any Global Note, the rules and procedures of the Depositary, Euroclear and Clearstream that apply to such transfer or exchange.

"*Asset Sale*" means:

(1) the sale, lease, conveyance or other disposition of any assets or rights; *provided* that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Company and its Restricted Subsidiaries taken as a whole will be governed by the provisions of Section 4.15 and/or Section 5.01 and not by the provisions of Section 4.10; and

(2) the issuance of Equity Interests in any of the Company's Restricted Subsidiaries or the sale of Equity Interests in any of its Subsidiaries.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than $5.0 million;

(2) a transfer of assets between or among the Company and any of its Restricted Subsidiaries;

(3) an issuance of Equity Interests by a Restricted Subsidiary of the Company to the Company or to any Restricted Subsidiary of the Company;

(4) the sale, lease or other disposition of (a) products, services, inventory or accounts receivable in the ordinary course of business or (b) equipment or other assets pursuant to a program for the maintenance or upgrading of such equipment or assets and the disposition of obsolete equipment, equipment that is damaged or worn out or assets no longer needed in the business of the Company;

(5) the sale or other disposition of cash or Cash Equivalents;

(6) settlement, release, waiver or surrender of contract, tort or other claims in the ordinary course of business or a grant of a Lien not prohibited by this Indenture;

(7) a Restricted Payment that does not violate Section 4.07 or a Permitted Investment; and

(8) the sale or other disposition of cool down gas, excess retainage gas and the sale of LNG or natural gas to which the Company has taken title pursuant to any terminal use or similar agreement as a result of the failure of any customer of the Company to take redelivery of any natural gas at any delivery point.

"Assumption Agreement" means the agreement for the assumption and adoption by the General Partner, the Limited Partner, Cheniere LNG O&M Services, L.P., the Company and other Affiliates of the Company of certain obligations under the Settlement Agreement.

"Attributable Debt" means in respect of a sale and leaseback transaction, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP; *provided, however*, that if such sale and leaseback transaction

results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of "Capital Lease Obligation."

"Authorized Officer" means a Chief Executive Officer, President, Vice President, Chief Financial Officer, Treasurer or Corporate Secretary of the General Partner.

"Bankruptcy Law" means Title 11, U.S. Code or any similar federal or state law for the relief of debtors.

"*Beneficial Owner*" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "Beneficially Owns" and "Beneficially Owned" have a corresponding meaning.

"*Board of Directors*" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"Broker-Dealer" has the meaning set forth in the Registration Rights Agreement.

"Business Day" means any day other than a Legal Holiday.

"Capital Lease Obligation" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"Capital Stock" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding

from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"Cash Equivalents" means:

(1) United States dollars;

(2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (*provided* that the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than one year from the date of acquisition;

(3) marketable general obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof maturing within one year from the date of acquisition thereof and, at the time of acquisition thereof, having a credit rating of "A" or better from either S&P or Moody's;

(4) certificates of deposit, demand deposit accounts and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year and overnight bank deposits, in each case, with any domestic commercial bank having capital and surplus in excess of $500.0 million and a Thomson Bank Watch Rating of "B" or better;

(5) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clauses (2), (3) and (4) above entered into with any financial institution meeting the qualifications specified in clause (4) above;

(6) commercial paper or tax exempt obligations having one of the two highest ratings obtainable from Moody's or S&P and, in each case, maturing within one year after the date of acquisition; and

(7) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (6) of this definition or a money market fund or a qualified investment fund (including any such fund for which the Collateral Trustee or any Affiliate thereof acts as an advisor or a manager) given one of the two highest long-term ratings available from S&P or Moody's.

"Change of Control" means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation or sale or other transfer of equity of any direct or indirect owner of the General Partner of the Company), in one transaction or a series of related transactions, of all or substantially all of the properties or assets of the General Partner of the Company to any "person" (as that term is used in Section 13(d) of the Exchange Act);

(2) the adoption of a plan relating to the liquidation or dissolution of the Company; or

(3) the consummation of any transaction (including, without limitation, any merger or consolidation, but excluding any "person" (as defined above) becoming the Beneficial Owner, directly or indirectly, of more than 50% of the Voting Stock of Parent or any successor thereof),

the result of which is that any "person" (as defined above), other than Parent or any successor or subsidiary thereof, becomes the Beneficial Owner, directly or indirectly, of more than 50% of the Voting Stock of the General Partner, measured by voting power rather than number of shares which occurrence is followed by a Ratings Decline within 90 days thereof.

"*Cheniere Marketing TUA*" means the agreement dated as of the date hereof between Cheniere Marketing, Inc. and the Company.

"Clearstream" means Clearstream Banking, S.A.

"*Collateral Trust Agreement*" means the Collateral Trust Agreement dated as of the date hereof by and among the Company and the other Pledgors from time to time party thereto, The Bank of New York in its capacity as Trustee under this Indenture and as Collateral Trustee and any other Secured Debt Representative from time to time party thereto.

"Collateral Trustee" means The Bank of New York in its capacity as Collateral Trustee under the Security Documents, together with its successors in such capacity.

"*Commission*" or "*SEC*" means the United States Securities and Exchange Commission.

"*Company"* means Sabine Pass LNG, L.P., and any and all successors thereto.

"Consolidated Cash Flow" means, with respect to any specified Person for any period, the Consolidated Net Income of such Person for such period *plus*, without duplication:

(1) any net loss realized by such Person or any of its Restricted Subsidiaries in connection with an Asset Sale, to the extent deducted in computing such Consolidated Net Income; *plus*

(2) all extraordinary, unusual or non-recurring items of loss or expense to the extent deducted in computing such Consolidated Net Income; *plus*

(3) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; *plus*

(4) the Fixed Charges of such Person and its Restricted Subsidiaries for such period, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; *plus*

(5) depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period) of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income; *plus*

(6) all non-cash charges related to restricted stock and redeemable stock interests granted to officers, directors and employees, to the extent deducted in computing such Consolidated Net Income; *minus*

(7) non-cash items increasing such Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business, in each case, on a consolidated basis and determined in accordance with GAAP.

"*Consolidated Net Income*" means, with respect to any specified Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; *provided* that:

(1) the Net Income (but not loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary of the Person;

(2) the Net Income of any Restricted Subsidiary will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that Net Income is not at the date of determination permitted without any prior Government Approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders;

(3) the cumulative effect of a change in accounting principles will be excluded; and

(4) any non-cash mark-to-market adjustments to assets or liabilities resulting in unrealized gains or losses in respect of Interest Rate and Currency Hedges (including those resulting from the application of SFAS 133) shall be excluded.

"*Construction Budget and Schedule*" means the Phase 1 Construction Budget and Schedule and the Phase 2-Stage 1 Construction Budget and Schedule when taken together.

"Corporate Trust Office of the Trustee" will be at the address of the Trustee specified in Section 13.02 hereof or such other address as to which the Trustee may give notice to the Company.

"*Cost to Complete Test*" means that funds available to the Company in the Project Accounts together with revenues to be received by the Company prior to Phase 1 Final Completion, binding equity commitments with respect to funds supported by an Acceptable Letter of Credit or Acceptable Guarantees, anticipated insurance proceeds and/or available borrowings under Indebtedness permitted under this Indenture, are sufficient to achieve Phase 1 Final Completion and to pay any principal and interest due and payable on any Indebtedness of the Company and the Guarantors prior to the achievement of Phase 1 Final Completion.

"*Credit Rating Agencies*" means Moody's, S&P and any other "nationally recognized statistical rating organization" registered with the Commission.

"*Currency Agreement*" means in respect of a Person any foreign exchange contract, currency swap agreement or other similar agreement as to which such Person is a party or a beneficiary.

"Custodian" means the Trustee, as custodian with respect to the Notes in global form, or any successor entity thereto.

"*Debt Payment Account*" means the account of such name maintained by the Company with the Depositary Agent in accordance with the Security Deposit Agreement.

"Default" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Definitive Note" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06 hereof, substantially in the form of Exhibit A1 hereto except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"Depositary" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03 hereof as the Depositary with respect to the Notes, and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provision of this Indenture.

"*Depositary Agent*" means the Bank of New York, in its capacity as "Depositary Agent" and "Securities Intermediary" under the Security Deposit Agreement, together with its permitted successors and assigns.

"Disqualified Stock" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the Holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the Holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the date on which the Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the Holders of the Capital Stock have the right to require the Company to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Company may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 4.07 hereof. The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Indenture will be the maximum amount that the Company and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"Domestic Subsidiary" means any Restricted Subsidiary of the Company that was formed under the laws of the United States or any state of the United States or the District of Columbia or that guarantees or otherwise provides direct credit support for any Indebtedness of the Company.

"*DSR Account*" means the account of such name maintained by the Company with the Collateral Trustee in accordance with the Security Deposit Agreement.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"*Equity Offering*" means any issuance or sale of Equity Interests (other than Disqualified Stock) of the Company to any Person (other than a Restricted Subsidiary of the Company) or a contribution to the equity capital of the Company by any Person (other than a Restricted Subsidiary of the Company).

"Euroclear" means Euroclear Bank, S.A./N.V., as operator of the Euroclear system.

"Event of Loss" means, whether in respect of a single event or a series of related events, any of the following:

(1) any loss, destruction or damage of the Project;

(2) any actual condemnation, seizure or taking by exercise of the power of eminent domain or otherwise of the Project, or confiscation of the Project or the requisition of the use of the Project in each case by a governmental authority; or

(3) any settlement in lieu of clause (2) above.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"*Exchange Notes*" means the Notes issued in the Exchange Offer pursuant to Section 2.06(f) hereof.

"Exchange Offer" has the meaning set forth in the Registration Rights Agreement.

"*Exchange Offer Registration Statement*" has the meaning set forth in the Registration Rights Agreement.

"Fair Market Value" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of the General Partner (unless otherwise provided in this Indenture).

"Fixed Charge Coverage Ratio" means with respect to any specified Person for any period, the ratio of the Consolidated Cash Flow of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems preferred stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "*Calculation Date*"), then the Fixed Charge Coverage Ratio will be calculated giving pro forma effect to such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period. In the event that Fixed Charges are zero and Consolidated Cash Flow is greater than zero, the Fixed Charge Coverage Ratio will be greater than 2.0 to 1.

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions and dispositions of business entities or property and assets constituting a division or line of business of any Person that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date will be given pro forma effect as if they had occurred on the first day of the four-quarter reference period, and Consolidated Cash Flow for such reference period will be calculated on a pro forma basis in good faith on a reasonable basis by a responsible financial or accounting Officer of the Company;

(2) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period; and

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months).

"Fixed Charges" means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) Beginning April 1, 2009, the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued, including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Debt, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net of the effect of all payments made or received pursuant to Interest Rate Agreements; *plus*

(2) Beginning April 1, 2009, the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period*plus*

(3) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries, whether or not such guarantee or Lien is called upon; *plus*

(4) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of preferred stock of such Person or any of its Restricted Subsidiaries, other than dividends on Equity Interests payable solely in Equity Interests of the Company (other than Disqualified Stock) or to the Company or a Restricted Subsidiary of the Company, times (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with GAAP.

"GAAP" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time.

"General Partner" means Sabine Pass LNG-GP, Inc., a Delaware corporation.

"Global Note Legend" means the legend set forth in Section 2.06(g)(2) hereof, which is required to be placed on all Global Notes issued under this Indenture.

"Global Notes" means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes deposited with or on behalf of and registered in the name of the Depositary or its nominee, substantially in the form of Exhibit A1 hereto and that bears the Global Note Legend and that has the "Schedule of Exchanges of Interests in the Global Note" attached thereto, issued in accordance with Section 2.01, 2.06(b)(3), 2.06(b)(4), 2.06(d)(2) or 2.06(f) hereof.

"*Government Approval*" shall mean (a) any authorization, consent, approval, license, lease, ruling, permit, tariff, rate, certification, waiver, exemption, filing, variance, claim, order, judgment or decree of, by or with, (b) any required notice to, (c) any declaration of or with or (d) any registration by or with, any government authority, in each case relating to the Project except to the extent routine or ministerial in nature or not otherwise material to the Project or the Company's compliance with any applicable law or obtaining or maintaining any Government Approval.

"Government Securities" means securities that are direct obligations of, or obligations guaranteed by, the United States of America, for the timely payment of which its full faith and credit is pledged.

"Guarantee" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"Guarantors" means each Subsidiary of the Company that executes a Note Guarantee in accordance with the provisions of this Indenture, and such Person's respective successors and assigns, in each case, until the Note Guarantee of such Person has been released in accordance with the provisions of this Indenture.

"Hedging Obligations" of any Person means the obligations of such Person pursuant to any Interest Rate and Currency Hedges and, in the case of the Company, commodity hedges relating to the purchase of LNG for cool down of the Project.

"Holder" means a Person in whose name a Note is registered.

"*Holdings Credit Agreement*" means the Credit Agreement, dated as of August 31, 2005, among Cheniere LNG Holdings LLC, the lenders party thereto and Credit Suisse, Cayman Islands Branch, as collateral agent and administrative agent.

"*IAI Global Note*" means a Global Note substantially in the form of Exhibit A1 hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes sold to Institutional Accredited Investors.

"*Immaterial Subsidiary*" means, as of any date, any Restricted Subsidiary whose total assets, as of that date, are less than $1,000,000 and whose total revenues for the most recent 12-month period do not exceed $1,000,000.

"Indebtedness" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations or Attributable Debt in respect of sale and leaseback transactions;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed; or

(6) representing any Interest Rate and Currency Hedges or commodity hedges relating to the purchase of LNG for cool down of the Project,

if and to the extent any of the preceding items (other than letters of credit, Attributable Debt and Interest Rate and Currency Hedges and such commodity hedges) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term "Indebtedness" includes (a) all indebtedness of any other Person, of the types described above in clauses (1) through (6), secured by a Lien on any asset of the specified Person (regardless of whether such indebtedness is assumed by the specified Person) and (b) to the extent not otherwise included, the guarantee by the specified Person of any indebtedness of any other Person, of the types described above in clauses (1) through (6).

Notwithstanding the foregoing, the following shall not constitute Indebtedness:

(a) any indebtedness that has been defeased in accordance with GAAP or defeased pursuant to the deposit of cash or Cash Equivalents (in an amount sufficient to satisfy all obligations relating thereto at maturity or redemption, as applicable, including all payments of interest and premium, if any) in a trust or account created or pledged for the sole benefit of the holders of such indebtedness, and subject to no other Liens, and in accordance with the other applicable terms of the instrument governing such indebtedness; and

(b) any obligation arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; provided, however, that such obligation is extinguished within five Business Days of its incurrence.

"Indenture" means this Indenture, as amended or supplemented from time to time.

"Indirect Participant" means a Person who holds a beneficial interest in a Global Note through a Participant.

"Initial 2013 Notes" means the first $550,000,000 aggregate principal amount of 2013 Notes issued under this Indenture on the date hereof.

"Initial 2016 Notes" means the first $1,482,000,000 aggregate principal amount of 2016 Notes issued under this Indenture on the date hereof.

"Initial Notes" means the aggregate principal amount of Notes issued under this Indenture on the date hereof.

"Initial Purchasers" means, with respect to the Initial Notes Credit Suisse Securities (USA) LLC and Lehman Brothers Inc., and with respect to any Additional Notes the purchaser of such Additional Notes from the Company.

"Institutional Accredited Investor" means an institution that is an "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act, who are not also QIBs.

"*Interest Payment Date*" means May 30 and November 30 of each year, commencing on May 30, 2007, or if any such day is not a Business Day, the next succeeding Business Day.

"*Interest Rate Agreement*" means with respect to any Person any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement as to which such Person is party or a beneficiary.

"*Interest Rate and Currency Hedges*" of any Person means the obligations of such Person pursuant to any Interest Rate Agreement or Currency Agreement.

"*Investments*" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Company or any Subsidiary of the Company sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Company such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Company, the Company will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Company's Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in the final paragraph of Section 4.07. The acquisition by the Company or any Subsidiary of the Company of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Company or such Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in the final paragraph of Section 4.07. Except as otherwise provided in this Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"*Issue Date*" means the first date of original issuance of the Notes under this Indenture.

"*J&S Cheniere Potential TUA Letter*" means the letter agreement dated as of the date hereof among Cheniere Marketing, Inc., Cheniere LNG, Inc. and the Company.

"*J&S Cheniere Terminal Use Agreement*" means any terminal use or similar agreement entered into pursuant to the option agreement dated December 23, 2003 between Cheniere LNG Inc. and J&S Cheniere S.A. "*Junior Lien*" means a Lien granted by a security document to the Collateral Trustee upon any property of the Company or any Guarantor that is junior to the Liens securing the Secured Obligations.

"*Junior Lien Debt*" means: Additional Indebtedness that is secured by a Junior Lien but only if on or before the day on which such Indebtedness is incurred by the Company such Indebtedness is designated by the Company, in an officer's certificate by an Authorized Officer delivered to the Collateral Trustee on or before such date, as Junior Lien Debt for the purposes of each of the Junior Lien Documents and the Collateral Trust Agreement.

"*Junior Lien Documents*" means all agreements governing, securing or relating to any Junior Lien Obligations.

"*Junior Lien Obligations*" means the Junior Lien Debt and all other Obligations in respect of Junior Lien Debt.

"*Lease Agreements*" means the agreements between the Company and any land owner granting a lease of real property situated in Cameron Parish, Louisiana in connection with the Project.

"Legal Holiday" means a Saturday, a Sunday or a day on which banking institutions in the City of New York or Houston, Texas or at a place of payment are authorized or required by law, regulation or executive order to remain closed.

"Letter of Transmittal" means the letter of transmittal to be prepared by the Company and sent to all Holders of the Notes for use by such Holders in connection with the Exchange Offer.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest.

"Limited Partner" means Sabine Pass LNG-LP, LLC, a Delaware limited liability company.

"*LNG*" means liquefied natural gas.

"*Management Services Agreement*" means the agreement dated February 25, 2005 between the Company and the General Partner for the management, administration, development and operation of the Project and for the management and administration of the Company, as amended and in effect from time to time.

"Material Adverse Effect" means any event or condition which has a material adverse effect on the business or financial condition of the Company or the ability of the Company to perform its payment obligations under the Notes.

"*Material Project Agreements*" means:

(1) the Phase 1 EPC Contract;

(2) any terminal use agreement signed with an Anchor Customer (and any guarantee thereof);

(3) the Management Services Agreement;

(4) the O&M Agreement;

(5) each Omnibus Agreement;

(6) the Lease Agreements; and

(7) any amendment or replacement of (or guarantee or credit support related to) any of the foregoing, from time to time.

"*Moody's*" means Moody's Investors Service, Inc.

"*Mortgage*" means the Third Amended and Restated Multiple Indebtedness Mortgage, Assignment of Rents and Leases and Security Agreement, made by the Company to The Bank of New York, as Collateral Trustee.

"*Net Income*" means, with respect to any specified Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends, excluding, however:

(1) any gain or loss, together with any related provision for taxes on such gain or loss, realized in connection with: (a) any Asset Sale; or (b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment of any Indebtedness of such Person or any of its Restricted Subsidiaries; and

(2) any extraordinary gain or loss, together with any related provision for taxes on such extraordinary gain or loss.

"*Net Loss Proceeds*" means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Event of Loss, including, without limitation, insurance proceeds, condemnation awards or damages awarded by any judgment, net of:

(1) the direct costs in recovery of such proceeds (including, without limitation, legal, accounting, appraisal and insurance adjuster fees and any relocation expenses incurred as a result thereof);

(2) amounts required to be and actually applied to the repayment of Indebtedness (other than Indebtedness that is subordinated in right of payment to the Notes or the Note Guarantees) permitted under this Indenture that is secured by a Permitted Lien on the asset or assets that were the subject of such Event of Loss that ranks prior to the security interest of the Collateral Trustee in those assets; and

(3) any taxes or tax distributions paid or payable as a result of the receipt of such cash proceeds.

"*Net Proceeds*" means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the direct costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements.

"*Non-Recourse Debt*" means Indebtedness:

(1) as to which neither the Company nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender;

(2) no default with respect to which (including any rights that the Holders of the Indebtedness may have to take enforcement action against an Unrestricted Subsidiary) would permit upon notice, lapse of time or both any Holder of any other Indebtedness of the Company or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment of the Indebtedness to be accelerated or payable prior to its Stated Maturity; and

(3) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Company or any of its Restricted Subsidiaries.

"Non-U.S. Person" means a Person who is not a U.S. Person.

"*Note Documents*" means the Notes, this Indenture, the Note Guarantees and the Security Documents, as amended and in effect from time to time.

"Note Guarantee" means the guarantee by each Guarantor of the Company's obligations under this Indenture and the Notes executed pursuant to the provisions of this Indenture.

"Notes" has the meaning assigned to it in the preamble to this Indenture. Unless the context otherwise requires, all references to the Notes shall include the Initial Notes and any Additional Notes.

"Obligations" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"Offering Circular" means that certain confidential offering circular, dated as of November 1, 2006, pursuant to which the Notes were first offered to eligible purchasers in a private placement.

"Officer" means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary or any Vice-President of such Person.

"Officers' Certificate" means a certificate signed by one Officer of the General Partner, which officer must be the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of the General Partner, that meets the requirements of Section 13.05 hereof.

"*O&M Agreement*" means the agreement between the Company and the Operator for the operation of the Project, as amended and in effect from time to time.

"Omnibus Agreements" means (a) the Omnibus Agreement dated as of September 2, 2004 between Total LNG USA, Inc. and the Company and (b) the Omnibus Agreement dated as of November 8, 2004 between the Company and Chevron U.S.A. Inc., as amended and in effect from time to time.

"*Operating Period Required Amount*" means the total amount of interest due and payable on the Notes on the next succeeding Interest Payment Date.

"*Operation and Maintenance Expenses*" means, for any period, the sum, computed without duplication, of the following: (a) general and administrative expenses including expense reimbursements payable to the manager pursuant to the Partnership Agreement and for ordinary course fees and costs of the manager pursuant to the Management Services Agreement plus (b) expenses for operating the Project and maintaining it in good repair and operating condition payable during such period, including the ordinary course fees and costs of the Operator payable pursuant to the O&M Agreement plus (c) insurance costs payable during such period plus (d) applicable sales and excise taxes (if any) payable or reimbursable by the Company during such period plus (e) franchise taxes payable by the Company during such period plus (f) property taxes payable by the Company during such period plus (g) any other direct taxes (if any) payable by the Company during such period plus (h) costs and fees attendant to the obtaining and maintaining in effect the Government Approvals payable during such period plus (i) legal, accounting and other professional fees attendant to any of the foregoing items payable during such period plus (j) all other cash expenses payable by the Company in the ordinary course of business. Operation and Maintenance Expenses shall exclude, to the extent included above: (i) payments into any of the Project Accounts during such period, (ii) payments of any kind with respect to Restricted Payments during such period, (iii) depreciation for such period, (iv) any capital expenditure including permitted capital expenditures and (v) any payments of any kind with respect to any restoration during such period.

"*Operator*" means Cheniere LNG O&M Services, L.P. or such other person from time to time party to the O&M Agreement as 'Operator'.

"Opinion of Counsel" means an opinion or opinions from legal counsel who is reasonably acceptable to the Trustee, that meets the requirements of Section 13.05 hereof. The counsel may be an employee of or counsel to the Company, any Subsidiary of the Company or the Trustee.

"Parent" means Cheniere Energy, Inc., a Delaware corporation.

"*Parity Lien*" means a Lien granted by a Security Document to the Collateral Trustee, at any time, upon any property of the Company or any Guarantor to secure Parity Secured Debt.

"Parity Lien Documents" means the Parity Lien Documents as defined in the Security Deposit Agreement.

"*Parity Secured Debt*" means the Initial Notes and any other Indebtedness of the Company (including Additional Notes), which may be guaranteed by the Guarantors, that is secured equally and ratably with the Notes by a Parity Lien that was permitted to be incurred pursuant to clauses (2), (6), (7), (8), (12) and (14) of the definition of Permitted Debt.

"Participant" means, with respect to the Depositary, Euroclear or Clearstream, a Person who has an account with the Depositary, Euroclear or Clearstream, respectively (and, with respect to DTC, shall include Euroclear and Clearstream).

"*Partnership Agreement*" means the Fifth Amended and Restated Agreement of Limited Partnership of the Company, effective as of the date hereof, as amended and in effect from time to time.

"Permitted Business" means the construction, ownership, development, operation, expansion, reconstruction, debottlenecking, improvement and maintenance of the Project, and all activity necessary or undertaken in connection with the foregoing.

"Permitted Investments" means:

(1) any Investment in the Company or in a Restricted Subsidiary of the Company that is a Guarantor and that is engaged in the Permitted Business;

(2) any Investment in Cash Equivalents;

(3) any Investment by the Company or any Restricted Subsidiary of the Company in a Person, if as a result of such Investment:

(a) such Person becomes a Restricted Subsidiary of the Company; or

(b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary of the Company;

(4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 4.10;

(5) any Investment in any Person solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company or any of its Subsidiaries;

(6) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Company or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (B) litigation, arbitration or other disputes with Persons who are not Affiliates;

(7) Investments represented by Hedging Obligations;

(8) advances to or reimbursements of employees for moving, entertainment and travel expenses, drawing accounts and similar expenditures in the ordinary course of business;

(9) loans or advances to employees made in the ordinary course of business of the Company or any Restricted Subsidiary of the Company in an aggregate principal amount not to exceed $2.5 million at any one time outstanding;

(10) repurchases of the Notes;

(11) advances, deposits and prepayments for purchases of any assets, including any Equity Interests;

(12) advances to customers or suppliers in the ordinary course of business that are, in conformity with GAAP, recorded as accounts receivable, prepaid expenses or deposits on the

balance sheet of the Company or its Restricted Subsidiaries and endorsements for collection or deposit arising in the ordinary course of business;

(13) receivables owing to the Company or any Restricted Subsidiary created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; provided, however, that such trade terms may include such concessionary trade terms as the Company or any such Restricted Subsidiary deems reasonable under the circumstances;

(14) Investments received as a result of a foreclosure by the Company or any of its Restricted Subsidiaries with respect to any secured Investment in default;

(15) surety and performance bonds and workers' compensation, utility, lease, tax, performance and similar deposits and prepaid expenses in the ordinary course of business;

(16) guarantees of Indebtedness permitted under Section 4.09;

(17) Investments existing on the Issue Date; and

(18) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (18) that are at the time outstanding not to exceed $10.0 million.

"*Permitted Liens*" means:

(1) Liens in favor of the Company or any Restricted Subsidiary;

(2) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with the Company or any Subsidiary of the Company; provided that such Liens were in existence prior to the contemplation of such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with the Company or the Subsidiary;

(3) Liens on property (including Capital Stock) existing at the time of acquisition of the property by the Company or any Subsidiary of the Company; provided that such Liens were in existence prior to, such acquisition, and not incurred in contemplation of, such acquisition;

(4) bankers' Liens, rights of setoff and Liens to secure the performance of bids, tenders, trade or governmental contracts, leases, licenses, statutory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business;

(5) Liens to secure Indebtedness (including Capital Lease Obligations) permitted by clauses (2), (6), (7), (8), (12) and (14) of Section 4.09(b) covering only the assets acquired with or financed by such Indebtedness;

(6) Liens existing on the Issue Date;

(7) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly

instituted and diligently concluded; provided that any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;

(8) Liens imposed by law, such as carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business or incident to the development of the Project or any restoration of the Project following an Event of Loss;

(9) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and other encumbrances and imperfections to title that do not in the aggregate materially adversely affect the value of said properties they encumber or materially impair their use in the operation of the business of such Person;

(10) Liens created for the benefit of (or to secure) the Notes (or the Note Guarantees) and the Assumption Agreement;

(11) Liens to secure any Permitted Refinancing Indebtedness permitted to be incurred under this Indenture; provided, however, that:

(a) the new Lien shall be limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to, such property or proceeds or distributions thereof); and

(b) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(12) to the extent, in each case, not otherwise resulting in an Event of Default, Liens arising by reason of a judgment, decree or court order and any Liens that are required to protect or enforce any rights in any administrative, arbitration or other court proceedings in the ordinary course of business;

(13) Liens contained in purchase and sale agreements limiting the transfer of assets pending the closing of the transactions contemplated thereby;

(14) Liens created in connection with advances or deposits made in connection with the purchase of assets or Equity Interests;

(15) Liens that may be deemed to exist by virtue of contractual provisions that restrict the ability of the Company or any of its Subsidiaries from granting or permitting to exist Liens on their respective assets;

(16) Liens in favor of the Trustee as provided for in this Indenture on money or property held or collected by the Trustee in its capacity as Trustee;

(17) Liens incurred in the ordinary course of business of the Company or any Subsidiary of the Company with respect to obligations that do not exceed $10.0 million at any one time outstanding;

(18) Liens referred to in the title policy currently in effect with respect to the Project site;

(19) Liens in respect of rights of or granted by owners of oil and gas estates in and to the Project site; and

(20) Junior Liens.

"Permitted Payments to Parent" means, without duplication as to amounts allowed to be distributed under any other provision of this Indenture:

(1) payments to the Parent to permit the Parent to pay reasonable accounting, legal and administrative expenses of the Parent when due, in an aggregate amount not to exceed $1.0 million per calendar year; and

(2) for any fiscal year or portion thereof (the "*Tax Year*") of the Company in which period the Company is a limited partnership, disregarded entity or other substantially similar pass-through entity for federal and state income tax purposes, distributions to enable the partners of the Company to make payments of federal, state and local income taxes not covered by the State Tax Sharing Agreement (including quarterly estimated payments thereof) in respect of the taxable income of such partner with respect to the Company for each such Tax Year ("*Tax Distributions*") in an aggregate amount equal to the relevant income tax (including any penalties and interest) that the Company and its Subsidiaries that are treated as pass-through entities for federal and state income tax purposes ("*Pass-Through Subsidiaries*") would owe for such Tax Year if the Company were a corporation subject to federal and state income tax filing a separate tax return or a separate consolidated, combined or unitary return solely with its Pass-Through Subsidiaries, taking into account any carryovers and carrybacks of tax attributes that are generated by and directly allocable to the Company and its Pass-Through Subsidiaries (such as the applicable net operating losses, tax credits, etc.). In determining the amount of the Tax Distributions, the Company shall compute its tax liability as if (i) each of the Company and its Pass-Through Subsidiaries were regular corporate taxpayers, and (ii) the Company was the common parent corporation during the applicable taxable reporting period. All relevant tax computations shall be made as if the Company was not related to either the Parent or any of the Parent's Affiliates. Any Tax Distributions received from the Company shall be paid to the appropriate taxing authority within 30 days of the receipt of such Tax Distributions.

"Permitted Refinancing Indebtedness" means any Indebtedness of the Company or any of its Restricted Subsidiaries, any Disqualified Stock of the Company or any preferred stock of any Restricted Subsidiary (a) issued in exchange for, or the net proceeds of which are used to extend, renew, refund, refinance, replace, defease, discharge or otherwise retire for value, in whole or in part, or (b) constituting an amendment, modification or supplement to or a deferral or renewal of ((a) and (b) above, collectively, a "Refinancing"), any other Indebtedness of the Company or any of its Restricted Subsidiaries (other than intercompany Indebtedness), any Disqualified Stock of the Company or any preferred stock of a Restricted Subsidiary in a principal amount or, in the case of Disqualified Stock of the Company or preferred stock of a Restricted Subsidiary, liquidation preference, not to exceed (after deduction of reasonable and customary fees and expenses incurred in connection with the Refinancing) the lesser of:

(1) the principal amount or, in the case of Disqualified Stock or preferred stock, liquidation preference, of the Indebtedness, Disqualified Stock or preferred stock so Refinanced (plus, in the case of Indebtedness, the amount of premium, if any paid in connection therewith); and

(2) if the Indebtedness being Refinanced was issued with any original issue discount, the accreted value of such Indebtedness (as determined in accordance with GAAP) at the time of such Refinancing.

Notwithstanding the preceding, no Indebtedness, Disqualified Stock or preferred stock will be deemed to be Permitted Refinancing Indebtedness, unless:

(1) such Indebtedness, Disqualified Stock or preferred stock has a final maturity date or redemption date, as applicable, later than the final maturity date or redemption date, as applicable, of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness, Disqualified Stock or preferred stock being Refinanced;

(2) if the Indebtedness, Disqualified Stock or preferred stock being Refinanced is contractually subordinated or otherwise junior in right of payment to the Notes, such Indebtedness, Disqualified Stock or preferred stock has a final maturity date or redemption date, as applicable, later than the final maturity date or redemption date, as applicable, of, and is contractually subordinated or otherwise junior in right of payment to, the Notes, on terms at least as favorable to the Holders of Notes as those contained in the documentation governing the Indebtedness, Disqualified Stock or preferred stock being Refinanced at the time of the Refinancing; and

(3) such Indebtedness, Disqualified Stock or preferred stock is incurred or issued by the Company or such Indebtedness, Disqualified Stock or preferred stock is incurred or issued by the Restricted Subsidiary who is the obligor on the Indebtedness being Refinanced or the issuer of the Disqualified Stock or preferred stock being Refinanced.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"*Phase 1*" means the initial 2.6 Bcf/d of regasification capacity of the Project, including three LNG storage tanks with an aggregate LNG storage capacity of 10.1 Bcfe, along with two unloading docks capable of handling 87,000 cm to 250,000 cm LNG vessels and vaporizers and related facilities.

"*Phase 2-Stage 1"* the additional two LNG storage tanks, vaporizers and related facilities required to enable the Project to achieve a maximum regasification capacity of 4.0 Bcf/d.

"*Phase 2-Stage 1 Completion*" means "Final Acceptance" as defined in the Agreement for Engineering, Procurement, Construction and Management of Construction Services of the Sabine Pass LNG Phase 2 Receiving Storage and Regasification Terminal Expansion between the Company and Bechtel Corporation.

"*Phase 1 Construction Budget and Schedule*" means, until Phase 1 Final Completion, (a) a budget setting forth, on a monthly basis, the timing and amount of all projected payments of Phase 1 Project Costs through the projected date of Phase 1 Final Completion and (b) a schedule setting forth the proposed engineering, procurement, construction and testing milestone schedule for the development of

Phase 1 through the projected date of Phase 1 Final Completion, which budget and schedule shall (i) be certified by the Company as the best reasonable estimate of the information set forth therein as of the Issue Date and (ii) be consistent with the requirements of the Transaction Documents; *provided*, that in each of clause (a) and (b), such budget and schedule may be modified from time to time so long as such modification is in conformance with the Phase 1 EPC Contract and the other Transaction Documents.

"*Phase 2-Stage 1 Construction Budget and Schedule*" means, until Phase 1 Final Completion, (a) a budget setting forth, on a monthly basis, the timing and amount of all projected payments of Phase 2-Stage 1 Project Costs through the projected date of Phase 1 Final Completion and (b) a schedule setting forth the proposed engineering, procurement, construction and testing milestone schedule for the development of Phase 2-Stage 1 through the projected date of final completion for Phase 2-Stage 1, which budget and schedule shall (i) be certified by the Company as the best reasonable estimate of the information set forth therein as of the Issue Date and (ii) be consistent with the requirements of the Transaction Documents; *provided*, that in each of clause (a) and (b), such budget and schedule may be modified from time to time so long as such modification is in conformance with the Phase 2-Stage 1 EPC Arrangements and the other Transaction Documents.

"*Phase 1 Contractor*" means Bechtel Corporation.

"*Phase 2-Stage 1 EPC Arrangements*" means the arrangements for the engineering, procurement and construction of Phase 2-Stage 1 by the Company with Bechtel Corporation, Remedial Construction Services, L.P., Diamond LNG LLC and Zachry Construction Corporation, respectively, in connection with the construction of Phase 2-Stage 1.

"*Phase 1 EPC Contract*" means the lump sum turnkey agreement for the engineering, procurement and construction of Phase 1 by and between the Company and the Phase 1 Contractor dated as of December 18, 2004, as amended and in effect from time to time.

"Phase 1 Final Completion" has the meaning given to "Final Completion" in the Phase 1 EPC Contract.

"*Phase 1 Target Completion*" has the meaning given to "Target Completion" in the Phase 1 EPC Contract.

"Phase 1 Project Costs" means all costs, fees, taxes and expenses incurred by the Company to complete Phase 1 as contemplated by (and consistent with) the Transaction Documents and Government Approvals.

"*Phase 2-Stage 1 Project Costs*" means all costs, fees, taxes and expenses incurred by the Company to complete Phase 2-Stage 1 as contemplated by (and consistent with) the Transaction Documents and Government Approvals.

"*Pledge Agreement*" means the Amended and Restated Parity Lien Pledge Agreement dated as of the date hereof among the Company, the General Partner, the Limited Partner and the Collateral Trustee.

"Pledgors" means the General Partner, the Limited Partner, the Company and each Subsidiary of the Company, if any, that executes a security document in accordance with the provisions of this Indenture, and each such Person's respective successors and assigns, in each case, until the Security Document of such Person has been released in accordance with the provisions of this Indenture.

"Private Placement Legend" means the legend set forth in Section 2.06(g)(1) hereof to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"Project" means the Company's receiving terminal in Cameron Parish, Louisiana, including associated storage tanks, unloading docks, vaporizers, tugs and related facilities.

"*Project Accounts*" means the series of cash accounts the Company maintains with the Collateral Trustee pursuant to the Security Deposit Agreement.

"*Project Completion*" or "*Completion*" means the Phase 1 Final Completion and Phase 2-Stage 1 Completion, when taken together.

"QIB" means a "qualified institutional buyer" as defined in Rule 144A.

"Rating Categories" means:

(1) with respect to S&P, any of the following categories: AAA, AA, A, BBB, BB, B, CCC, CC, C and D (or equivalent successor categories); and

(2) with respect to Moody's, any of the following categories: Aaa, Aa, A, Baa, Ba, B, Caa, Ca, C and D (or equivalent successor categories).

"Ratings Decline" means a decrease in the rating of the Notes by either Moody's or S&P by one or more gradations (including gradations within Rating Categories as well as between Rating Categories) from the initial rating on the Issue Date. In determining whether the rating of the Notes has decreased by one or more gradations, gradations within Ratings Categories, namely + or — for S&P, and 1, 2, and 3 for Moody's, will be taken into account; for example, in the case of S&P, a rating decline either from BB+ to BB or BB to B+ will constitute a decrease of one gradation.

"Registration Rights Agreement" means the Registration Rights Agreement, dated as of November 9, 2006, among the Company and the other parties named on the signature pages thereof, as such agreement may be amended, modified or supplemented from time to time and, with respect to any Additional Notes, one or more registration rights agreements among the Company and the other parties thereto, as such agreement(s) may be amended, modified or supplemented from time to time, relating to rights given by the Company to the purchasers of Additional Notes to register such Additional Notes under the Securities Act.

"Regulation S" means Regulation S promulgated under the Securities Act.

"Regulation S Global Note" means a Regulation S Temporary Global Note or Regulation S Permanent Global Note, as appropriate.

"*Regulation S Permanent Global Note*" means a permanent Global Note in the form of Exhibit A1 hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of the Regulation S Temporary Global Note upon expiration of the Restricted Period.

"Regulation S Temporary Global Note" means a temporary Global Note in the form of Exhibit A2 hereto deposited with or on behalf of and registered in the name of the Depositary or its nominee,

issued in a denomination equal to the outstanding principal amount of the Notes initially sold in reliance on Rule 903 of Regulation S.

"Required Debt Payment Amount" means on any date of determination thereof, the amount equal to (i) the aggregate amount of interest on the Notes due on the immediately succeeding Interest Payment Date, multiplied by (ii) the number of months passed since the preceding Interest Payment Date, divided by (iii) six.

"Replacement Assets" means (1) non-current assets that will be used or useful in a Permitted Business or (2) substantially all the assets of a Permitted Business or a majority of the Voting Stock of any Person engaged in a Permitted Business that will become on the date of acquisition thereof a Restricted Subsidiary.

"Responsible Officer," when used with respect to the Trustee, means any officer within the Corporate Trust Administration of the Trustee (or any successor group of the Trustee) who has direct responsibility for the administration of this Indenture and also means, in the case of the second sentence of Section 7.05, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Restricted Definitive Note" means a Definitive Note bearing the Private Placement Legend.

"Restricted Global Note" means a Global Note bearing the Private Placement Legend.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Period" means the 40-day distribution compliance period as defined in Regulation S.

"Restricted Subsidiary" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

"Revenue Account" means the account of such name maintained by the Company with the Collateral Trustee in accordance with the Security Deposit Agreement.

"Rule 144" means Rule 144 promulgated under the Securities Act.

"Rule 144A" means Rule 144A promulgated under the Securities Act.

"*Rule 144A Global Note*" means a Global Note substantially in the form of Exhibit A1 hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 144A. *"Rule 903"* means Rule 903 promulgated under the Securities Act.

"Rule 904" means Rule 904 promulgated under the Securities Act.

"*S&P*" means Standard & Poor's Ratings Group.

"SEC" means the Securities and Exchange Commission.

"*Secured Debt*" means the Parity Secured Debt.

"*Secured Debt Documents*" means, collectively, the Note Documents, and this Indenture or agreement governing each other Series of Secured Debt and all agreements binding on any obligor related thereto.

"*Secured Debt Representative*" means the Trustee and each other representative of a Series of Secured Debt.

"*Secured Debt Termination Date*" means the date on which all Secured Debt (including all interest accrued thereon after the commencement of any bankruptcy, insolvency or liquidation proceeding at the rate, including any applicable post-default rate, specified in the applicable Secured Debt Documents, even if such interest is not enforceable, allowable or allowed as a claim in such proceeding) have been paid in full in cash (and/or defeased in accordance with the applicable Secured Debt Documents), all commitments to extend credit under all Secured Debt Documents have terminated or expired and all outstanding letters of credit issued pursuant to any Secured Debt Documents have been cancelled, terminated or cash collateralized.

"*Secured Obligations*" means the Parity Secured Debt and the Assumption Agreement.

"Securities Act" means the Securities Act of 1933, as amended.

"*Security Agreement*" means that certain Amended & Restated Parity Lien Security Agreement, dated as of the date hereof by and between the Company and the Collateral Trustee on behalf of and for the benefit of the Secured Parties.

"*Security Deposit Agreement*" means the Security Deposit Agreement, dated as of the date hereof, among the Company, the Collateral Trustee and the Depositary Agent.

"*Security Documents*" means the Collateral Trust Agreement, the Security Agreement, the Pledge Agreement, the Mortgage, the Security Deposit Agreement and all other security agreements, pledge agreements, collateral assignments, mortgages, deeds of trust, collateral agency agreements, control agreements or other grants or transfers for security executed and delivered by the Company or any other Pledgor creating (or purporting to create) a Lien upon Shared Collateral in favor of the Collateral Trustee, in each case, as amended, modified, renewed, restated or replaced, in whole or in part, from time to time.

"Senior Debt" means:

(1) all Indebtedness of the Company or any Guarantor permitted to be incurred under the terms of this Indenture, unless the instrument under which such Indebtedness is incurred expressly provides that it is subordinated in right of payment to the Notes or any Note Guarantee, and

(2) all Obligations with respect to the items listed in the preceding clause (1).

Notwithstanding anything to the contrary in the preceding, Senior Debt will not include:

(1) any liability for federal, state, local or other taxes owed or owing by the Company;

(2) any intercompany Indebtedness of the Company or any of its Subsidiaries to the Company or any of its Affiliates;

(3) any trade payables;

(4) the portion of any Indebtedness that is incurred in violation of this Indenture; or

(5) Indebtedness which is classified as non-recourse in accordance with GAAP or any unsecured claim arising in respect thereof by reason of the application of Section 1111(b)(1) of the Bankruptcy Law.

"Series of Secured Debt" means, severally, the Notes and each other issue or series of Parity Secured Debt.

"Settlement Agreement" means the Settlement and Purchase Agreement dated as of June 14, 2001 among the Parent, Cheniere FLNG, L.P., Crest Energy L.L.C., Crest Investment Company and Freeport LNG Terminal LLC, as modified by the letter agreement dated February 27, 2003.

"Shared Collateral" means all collateral of whatsoever nature purported to be subject to the Lien of any Security Document.

"Shelf Registration Statement" means the Shelf Registration Statement as defined in the Registration Rights Agreement.

"Significant Subsidiary" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date of this Indenture.

"State Tax Sharing Agreement" means the Tax Sharing Agreement dated as of the date hereof between Parent and the Company, without regard to any amendment after the Issue Date unless approved by the Trustee pursuant to an Act of Required Debtholders.

"*Stated Maturity*" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Subordinated Indebtedness" means Indebtedness of the Company or a Guarantor that is contractually subordinated in right of payment, in any respect (by its terms or the terms of any document or instrument relating thereto), to the Notes or the Note Guarantee of such Guarantor, as applicable.

"Subsidiary" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

"TIA" means the Trust Indenture Act of 1939, as amended (15 U.S.C. §§ 77aaa-77bbbb).

"*Transaction Documents*" means the Note Documents and the Material Project Agreements.

"*Treasury Rate*" means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date; *provided, however*, that if the period from the redemption date to the maturity date, is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"Trustee" means The Bank of New York until a successor replaces it in accordance with the applicable provisions of this Indenture and thereafter means the successor serving hereunder.

"Unrestricted Definitive Note" means a Definitive Note that does not bear and is not required to bear the Private Placement Legend.

"Unrestricted Global Note" means a Global Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Subsidiary*" means any Subsidiary of the Company that is designated by the Board of Directors of the General Partner as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors, but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by Section 4.11 hereof, is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company;

(3) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Company or any of its Restricted Subsidiaries.

"U.S. Person" means a U.S. Person as defined in Rule 902(k) promulgated under the Securities Act.

"Voting Stock" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; *by*

(2) the then outstanding principal amount of such Indebtedness.

Section 1.02 *Other Definitions*.

Term	Defined in Section
"Additional Indebtedness"	4.09(b)
"Affiliate Transaction"	4.11
"Asset Sale Offer"	3.09
"Authentication Order"	2.02
"Change of Control Offer"	4.15
"Change of Control Payment"	4.15
"Change of Control Payment Date"	4.15
"Covenant Defeasance"	8.03
"DTC"	2.03
"Event of Default"	6.01
"Event of Loss Offer"	3.09
"Excess Proceeds"	4.10
"incur"	4.09
"Legal Defeasance"	8.02
"Offer Amount"	3.09
"Offer Period"	3.09
"Paying Agent"	2.03
"Permitted Debt"	4.09
"Payment Default"	6.01
"Purchase Date"	3.09
"Registrar"	2.03
"Restricted Payments"	4.07

Section 1.03 *Incorporation by Reference of Trust Indenture Act*.

Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture.

The following TIA terms used in this Indenture have the following meanings:

"indenture securities" means the Notes;

"indenture security Holder" means a Holder of a Note;

"indenture to be qualified" means this Indenture;

“indenture trustee” or *“institutional trustee”* means the Trustee; and

“obligor” on the Notes and the Note Guarantees means the Company and the Guarantors, respectively, and any successor obligor upon the Notes and the Note Guarantees, respectively.

All other terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by SEC rule under the TIA have the meanings so assigned to them.

Section 1.04 *Rules of Construction.*

Unless the context otherwise requires:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(3) “or” is not exclusive;

(4) words in the singular include the plural, and in the plural include the singular;

(5) “will” shall be interpreted to express a command;

(6) provisions apply to successive events and transactions; and

(7) references to sections of or rules under the Securities Act will be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time.

ARTICLE 2
THE NOTES

Section 2.01 *Form and Dating*.

(a) *General*. The Notes and the Trustee’s certificate of authentication will be substantially in the form of Exhibits A1 and A2 hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Note will be dated the date of its authentication. The Notes shall be in denominations of $100,000 and integral multiples of $1,000 in excess of $100,000.

The terms and provisions contained in the Notes will constitute, and are hereby expressly made, a part of this Indenture and the Company, the Guarantors and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) *Global Notes*. Notes issued in global form will be substantially in the form of Exhibits A1 or A2 hereto (including the Global Note Legend thereon and the “Schedule of Exchanges of Interests in the Global Note” attached thereto). Notes issued in definitive form will be substantially in the form of Exhibit A1 hereto (but without the Global Note Legend thereon and without the “Schedule of Exchanges of Interests in the Global Note” attached thereto). Each Global Note will represent such of the outstanding Notes as will be specified therein and each shall provide that it represents the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate

principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Trustee or the Custodian, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof.

(c) *Temporary Global Notes.* Notes offered and sold in reliance on Regulation S will be issued initially in the form of the Regulation S Temporary Global Note, which will be deposited on behalf of the purchasers of the Notes represented thereby with the Trustee, at its New York office, as custodian for the Depositary, and registered in the name of the Depositary or the nominee of the Depositary for the accounts of designated agents holding on behalf of Euroclear or Clearstream, duly executed by the Company and authenticated by the Trustee as hereinafter provided. The Restricted Period will be terminated upon the receipt by the Trustee of:

(1) a written certificate from the Depositary, together with copies of certificates from Euroclear and Clearstream certifying that they have received certification of non-United States beneficial ownership of 100% of the aggregate principal amount of the Regulation S Temporary Global Note (except to the extent of any beneficial owners thereof who acquired an interest therein during the Restricted Period pursuant to another exemption from registration under the Securities Act and who will take delivery of a beneficial ownership interest in a 144A Global Note or an IAI Global Note bearing a Private Placement Legend, all as contemplated by Section 2.06(b) hereof); and

(2) an Officers' Certificate from the Company.

Following the termination of the Restricted Period, beneficial interests in the Regulation S Temporary Global Note will be exchanged for beneficial interests in the Regulation S Permanent Global Note pursuant to the Applicable Procedures. Simultaneously with the authentication of the Regulation S Permanent Global Note, the Trustee will cancel the Regulation S Temporary Global Note. The aggregate principal amount of the Regulation S Temporary Global Note and the Regulation S Permanent Global Note may from time to time be increased or decreased by adjustments made on the records of the Trustee and the Depositary or its nominee, as the case may be, in connection with transfers of interest as hereinafter provided.

(3) *Euroclear and Clearstream Procedures Applicable.* The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" and the "General Terms and Conditions of Clearstream Banking" and "Customer Handbook" of Clearstream will be applicable to transfers of beneficial interests in the Regulation S Temporary Global Note and the Regulation S Permanent Global Note that are held by Participants through Euroclear or Clearstream.

(d) *Additional Notes*. Subject to compliance with the provisions of this Indenture, the Company may issue Additional Notes under this Indenture after the Issue Date in an unlimited aggregate principal amount.

Section 2.02 *Execution and Authentication*.

At least one Officer must sign the Notes for the Company by manual or facsimile signature.

If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note will nevertheless be valid.

A Note will not be valid until authenticated by the manual signature of the Trustee. The signature will be conclusive evidence that the Note has been authenticated under this Indenture.

The Trustee will, upon receipt of a written order of the Company signed by at least one Officer (an "*Authentication Order*"), authenticate Notes for original issue that may be validly issued under this Indenture, including any Additional Notes. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount of Notes authorized for issuance by the Company pursuant to one or more Authentication Orders, except as provided in Section 2.07 hereof.

The Trustee may appoint an authenticating agent acceptable to the Company to authenticate Notes. An authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with Holders or an Affiliate of the Company.

The Initial Notes and the Additional Notes (and, in each case, any Exchange Notes issued in exchange therefor) shall be treated as a single class for all purposes under this Indenture, and unless the context otherwise requires, all references to the Notes shall include the Initial Notes and any Additional Notes (and, in each case, any Exchange Notes issued in exchange therefor). Nothing in this paragraph shall be deemed to modify, replace or otherwise affect the restrictions on transfer applicable to Restricted Notes set forth in Section 2.06 hereof.

Section 2.03 *Registrar and Paying Agent.*

The Company will maintain an office or agency where Notes may be presented for registration of transfer or for exchange ("*Registrar*") and an office or agency where Notes may be presented for payment ("*Paying Agent*"). The Registrar will keep a register of the Notes and of their transfer and exchange. The Company may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company will notify the Trustee in writing of the name and address of any Agent not a party to this Indenture. If the Company fails to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. The Company or any of its Subsidiaries may act as Paying Agent or Registrar.

The Company initially appoints The Depository Trust Company (*"DTC"*) to act as Depositary with respect to the Global Notes.

The Company initially appoints the Trustee to act as the Registrar and Paying Agent and to act as Custodian with respect to the Global Notes.

Section 2.04 *Paying Agent to Hold Money in Trust.*

The Company will require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal, premium, Additional Interest if any, or interest on the Notes, and will notify the Trustee of any default by the Company in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Company at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Company or a Subsidiary) will have no further liability for the money. If the Company or a Subsidiary acts as Paying Agent, it will segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Upon

any bankruptcy or reorganization proceedings relating to the Company, the Trustee will serve as Paying Agent for the Notes.

Section 2.05 *Holder Lists*.

The Trustee will preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders and shall otherwise comply with TIA § 312(a). If the Trustee is not the Registrar, the Company will furnish to the Trustee at least seven Business Days before each Interest Payment Date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders of Notes and the Company shall otherwise comply with TIA § 312(a).

Section 2.06 *Transfer and Exchange*.

(a) *Transfer and Exchange of Global Notes*. A Global Note may not be transferred except as a whole by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Notes will be exchanged by the Company for Definitive Notes if:

(1) the Company delivers to the Trustee notice from the Depositary that it is unwilling or unable to continue to act as Depositary or that it is no longer a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Company within 120 days after the date of such notice from the Depositary;

(2) the Company in its sole discretion determines that the Global Notes (in whole but not in part) should be exchanged for Definitive Notes and delivers a written notice to such effect to the Trustee; *provided* that in no event shall the Regulation S Temporary Global Note be exchanged by the Company for Definitive Notes prior to (A) the expiration of the Restricted Period and (B) the receipt by the Registrar of any certificates required pursuant to Rule 903(b)(3)(ii)(B) under the Securities Act; or

(3) there has occurred and is continuing an Event of Default with respect to the Notes.

Upon the occurrence of either of the preceding events in (1) or (2) above, Definitive Notes shall be issued in such names as the Depositary shall instruct the Trustee. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a), however, beneficial interests in a Global Note may be transferred and exchanged as provided in Section 2.06(b), (c) or (f) hereof.

(b) *Transfer and Exchange of Beneficial Interests in the Global Notes*. The transfer and exchange of beneficial interests in the Global Notes will be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes will be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in the Global Notes also will require compliance with either subparagraph (1) or (2) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(1) *Transfer of Beneficial Interests in the Same Global Note*. Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; *provided, however*, that prior to the expiration of the Restricted Period, transfers of beneficial interests in the Regulation S Temporary Global Note may not be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(1).

(2) *All Other Transfers and Exchanges of Beneficial Interests in Global Notes.* In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(1) above, the transferor of such beneficial interest must deliver to the Registrar either:

(A) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase; or

(B) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (1) above;

provided that in no event shall Definitive Notes be issued upon the transfer or exchange of beneficial interests in the Regulation S Temporary Global Note prior to (A) the expiration of the Restricted Period and (B) the receipt by the Registrar of any certificates required pursuant to Rule 903 under the Securities Act.

Upon consummation of an Exchange Offer by the Company in accordance with Section 2.06(f) hereof, the requirements of this Section 2.06(b)(2) shall be deemed to have been satisfied upon receipt by the Registrar of the instructions contained in the Letter of Transmittal delivered by the Holder of such beneficial interests in the Restricted Global Notes. Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.06(h) hereof.

(3) *Transfer of Beneficial Interests to Another Restricted Global Note.* A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Temporary Global Note or the Regulation S Permanent Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transferee will take delivery in the form of a beneficial interest in the IAI Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(4) *Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note.* A beneficial interest in any Restricted Global Note may be exchanged by any Holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of Section 2.06(b)(2) above and:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the Holder of the beneficial interest to be transferred, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (i) a Broker-Dealer, (ii) a Person participating in the distribution of the Exchange Notes or (iii) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the Holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(ii) if the Holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar and the Company to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraph (B) or (D) above at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraph (B) or (D) above.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Note.

(c) *Transfer or Exchange of Beneficial Interests for Definitive Notes.*

(1) *Beneficial Interests in Restricted Global Notes to Restricted Definitive Notes.* If any Holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to an Institutional Accredited Investor in reliance on an exemption from the registration requirements of the Securities Act other than those listed in subparagraphs (B) through (D) above, a certificate to the effect set forth in Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable;

(F) if such beneficial interest is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(G) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(h) hereof, and the Company shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the Holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c)(1) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(2) *Beneficial Interests in Regulation S Temporary Global Note to Definitive Notes.* Notwithstanding Sections 2.06(c)(1)(A) and (C) hereof, a beneficial interest in the Regulation S Temporary Global Note may not be exchanged for a Definitive Note or transferred to a Person who takes delivery thereof in the form of a Definitive Note prior to (A) the expiration of the Restricted Period and (B) the receipt by the Registrar of any certificates required pursuant to Rule 903(b)(3)(ii)(B) under the Securities Act, except in the case of a transfer pursuant to an exemption from the registration requirements of the Securities Act other than Rule 903 or Rule 904.

(3) *Beneficial Interests in Restricted Global Notes to Unrestricted Definitive Notes.* A Holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the Holder of such beneficial interest, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (i) a Broker-Dealer, (ii) a Person participating in the distribution of the Exchange Notes or (iii) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the Holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(ii) if the Holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar and the Company to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(4) *Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes.* If any Holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in Section 2.06(b)(2) hereof, the Trustee will cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(h) hereof, and the Company will execute and the Trustee will authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(4) will be registered in such name or names and in such authorized denomination or denominations as the Holder of such beneficial interest requests through instructions to the Registrar from or through the Depositary and the Participant or Indirect Participant. The Trustee will deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(4) will not bear the Private Placement Legend.

(d) *Transfer and Exchange of Definitive Notes for Beneficial Interests.*

(1) *Restricted Definitive Notes to Beneficial Interests in Restricted Global Notes.* If any Holder of a Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with

Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such Restricted Definitive Note is being transferred to an Institutional Accredited Investor in reliance on an exemption from the registration requirements of the Securities Act other than those listed in subparagraphs (B) through (D) above, a certificate to the effect set forth in Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable;

(F) if such Restricted Definitive Note is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(G) if such Restricted Definitive Note is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee will cancel the Restricted Definitive Note, increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the appropriate Restricted Global Note, in the case of clause (B) above, the 144A Global Note, in the case of clause (C) above, the Regulation S Global Note, and in all other cases, the IAI Global Note.

(2) *Restricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the Holder, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (i) a Broker-Dealer, (ii) a Person participating in the distribution of the Exchange Notes or (iii) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(ii) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial

interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar and the Company to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this Section 2.06(d)(2), the Trustee will cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(3) *Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee will cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

If any such exchange or transfer from a Definitive Note to a beneficial interest is effected pursuant to subparagraphs (2)(B), (2)(D) or (3) above at a time when an Unrestricted Global Note has not yet been issued, the Company will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee will authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) *Transfer and Exchange of Definitive Notes for Definitive Notes.* Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar will register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder must present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder must provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(1) *Restricted Definitive Notes to Restricted Definitive Notes.* Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(2) *Restricted Definitive Notes to Unrestricted Definitive Notes.* Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the Holder, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (i) a Broker-Dealer, (ii) a Person participating in the distribution of the Exchange Notes or (iii) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) any such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) any such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(ii) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Unrestricted Definitive Notes to Unrestricted Definitive Notes.* A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) *Exchange Offer.* Upon the occurrence of the Exchange Offer in accordance with the Registration Rights Agreement, the Company will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee will authenticate:

(1) one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of the beneficial interests in the Restricted Global Notes accepted for exchange in the Exchange Offer by Persons that certify in the applicable Letters of Transmittal that (A) they are not Broker-Dealers, (B) they are not participating in a distribution of the Exchange Notes and (C) they are not affiliates (as defined in Rule 144) of the Company; and

(2) Unrestricted Definitive Notes in an aggregate principal amount equal to the principal amount of the Restricted Definitive Notes accepted for exchange in the Exchange Offer by Persons that certify in the applicable Letters of Transmittal that (A) they are not Broker-Dealers, (B) they are not participating in a distribution of the Exchange Notes and (C) they are not affiliates (as defined in Rule 144) of the Company.

Concurrently with the issuance of such Notes, the Trustee will cause the aggregate principal amount of the applicable Restricted Global Notes to be reduced accordingly, and the Company will execute and the Trustee will authenticate and deliver to the Persons designated by the Holders of Definitive Notes so accepted Unrestricted Definitive Notes in the appropriate principal amount.

(g) *Legends.* The following legends will appear on the face of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(1) Private Placement Legend.

(A) Except as permitted by subparagraph (B) below, each Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THIS SECURITY MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

THE HOLDER OF THIS SECURITY AGREES FOR THE BENEFIT OF THE COMPANY THAT (A) THIS SECURITY MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (I) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (II) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" THAT, PRIOR TO SUCH TRANSFER, FURNISHES THE TRUSTEE A SIGNED LETTER CONTAINING CERTAIN REPRESENTATIONS AND AGREEMENTS RELATING TO THE TRANSFER OF THIS NOTE (THE FORM OF WHICH CAN BE OBTAINED FROM THE TRUSTEE) AND, IF SUCH TRANSFER IS IN RESPECT OF AN AGGREGATE PRINCIPAL AMOUNT OF NOTES LESS THAN $250,000, AN OPINION OF COUNSEL ACCEPTABLE TO THE COMPANY THAT SUCH TRANSFER IS IN COMPLIANCE WITH THE SECURITIES ACT, (III) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (IV) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) OR (V) PURSUANT TO AN

EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH OF CASES (I) THROUGH (IV) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS SECURITY FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN (A) ABOVE. IN ANY CASE, THE HOLDER HEREOF WILL NOT, DIRECTLY OR INDIRECTLY, ENGAGE IN ANY HEDGING TRANSACTIONS WITH REGARD TO THIS SECURITY EXCEPT AS PERMITTED UNDER THE SECURITIES ACT."

(B) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraphs (b)(4), (c)(3), (c)(4), (d)(2), (d)(3), (e)(2), (e)(3) or (f) of this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) will not bear the Private Placement Legend.

(2) *Global Note Legend*. Each Global Note will bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(3) *Regulation S Temporary Global Note Legend*. The Regulation S Temporary Global Note will bear a Legend in substantially the following form:

"THE RIGHTS ATTACHING TO THIS REGULATION S TEMPORARY GLOBAL NOTE, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR CERTIFICATED NOTES, ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN). NEITHER THE HOLDER NOR THE BENEFICIAL OWNERS OF THIS REGULATION S TEMPORARY GLOBAL NOTE SHALL BE ENTITLED TO RECEIVE PAYMENT OF INTEREST HEREON."

(h) *Cancellation and/or Adjustment of Global Notes*. At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note will be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note will be reduced accordingly and an endorsement will be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note will be increased accordingly and an endorsement will be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

(i) *General Provisions Relating to Transfers and Exchange*s.

(1) To permit registrations of transfers and exchanges, the Company will execute and the Trustee will authenticate Global Notes and Definitive Notes upon receipt of an Authentication Order in accordance with Section 2.02 hereof or at the Registrar’s request.

(2) No service charge will be made to a Holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.10, 3.06, 3.09, 4.10, 4.15 and 9.06 hereof).

(3) The Registrar will not be required to register the transfer of or exchange of any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(4) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes will be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(5) Neither the Registrar nor the Company will be required:

(A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business 15 days before the day of any selection of Notes for redemption under Section 3.02 hereof and ending at the close of business on the day of selection;

(B) to register the transfer of or to exchange any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part; or

(C) to register the transfer of or to exchange a Note between a record date and the next succeeding Interest Payment Date.

(6) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Company may deem and treat the Person in whose name any Note is

registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Notes and for all other purposes, and none of the Trustee, any Agent or the Company shall be affected by notice to the contrary.

(7) The Trustee will authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.02 hereof.

(8) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

Section 2.07 *Replacement Notes*.

If any mutilated Note is surrendered to the Trustee or the Company and the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, the Company will issue and the Trustee, upon receipt of an Authentication Order, will authenticate a replacement Note if the Trustee's requirements are met. If required by the Trustee or the Company, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Company to protect the Company, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Note is replaced. The Company may charge for its expenses in replacing a Note.

Every replacement Note is an additional obligation of the Company and will be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08 *Outstanding Notes*.

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Trustee in accordance with the provisions hereof, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09 hereof, a Note does not cease to be outstanding because the Company or an Affiliate of the Company holds the Note; however, Notes held by the Company or an Affiliate of the Company shall not be deemed to be outstanding for purposes of Section 3.07(a) and 3.07(c) hereof.

If a Note is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replacement Note is held by a "protected purchaser" under the uniform commercial code.

If the principal amount of any Note is considered paid under Section 4.01 hereof, it ceases to be outstanding and interest on it ceases to accrue.

If the Paying Agent (other than the Company, a Subsidiary or an Affiliate of any thereof) holds, on a redemption date or maturity date, money sufficient to pay Notes payable on that date, then on and after that date such Notes will be deemed to be no longer outstanding and will cease to accrue interest.

Section 2.09 *Treasury Notes*.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Company or any Guarantor, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any Guarantor, will be considered as though not outstanding, except that for the purposes of

determining whether the Trustee will be protected in relying on any such direction, waiver or consent, only Notes that the Trustee knows are so owned will be so disregarded.

Section 2.10 *Temporary Notes*.

Until certificates representing Notes are ready for delivery, the Company may prepare and the Trustee, upon receipt of an Authentication Order, will authenticate temporary Notes. Temporary Notes will be substantially in the form of certificated Notes but may have variations that the Company considers appropriate for temporary Notes and as may be reasonably acceptable to the Trustee. Without unreasonable delay, the Company will prepare and the Trustee will authenticate definitive Notes in exchange for temporary Notes.

Holders of temporary Notes will be entitled to all of the benefits of this Indenture.

Section 2.11 *Cancellation*.

The Company at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent will forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee and no one else will cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and will destroy canceled Notes (subject to the record retention requirement of the Exchange Act). Certification of the destruction of all canceled Notes will be delivered to the Company. The Company may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12 *Defaulted Interest*.

If the Company defaults in a payment of interest on the Notes, it will pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders on a subsequent special record date, in each case at the rate provided in the Notes and in Section 4.01 hereof. The Company will notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment. The Company will fix or cause to be fixed each such special record date and payment date; *provided* that no such special record date may be less than 10 days prior to the related payment date for such defaulted interest. At least 15 days before the special record date, the Company (or, upon the written request of the Company, the Trustee in the name and at the expense of the Company) will mail or cause to be mailed to Holders a notice that states the special record date, the related payment date and the amount of such interest to be paid.

ARTICLE 3
REDEMPTION AND OFFERS TO PURCHASE NOTES

Section 3.01 *Notices to Trustee.*

If the Company elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07 hereof, it must furnish to the Trustee, at least 30 days but not more than 60 days before a redemption date, an Officers' Certificate setting forth:

(1) the clause of this Indenture pursuant to which the redemption shall occur;

(2) the redemption date;

(3) the principal amount of Notes to be redeemed; and

(4) the redemption price.

Section 3.02 *Selection of Notes to Be Redeemed.*

If less than all of the Notes are to be redeemed at any time, the Trustee will select Notes for redemption on a *pro rata* basis and, if applicable, with such adjustments that may be deemed appropriate by the Trustee so that only Notes in denominations of $100,000 or whole multiples of $1,000 in excess thereof will be purchased unless otherwise required by law or applicable stock exchange requirements.

No Notes of $100,000 or less can be redeemed in part. In the event of partial redemption, the particular Notes to be redeemed will be selected, unless otherwise provided herein, not less than 30 nor more than 60 days prior to the redemption or purchase date by the Trustee from the outstanding Notes not previously called for redemption.

The Trustee will promptly notify the Company in writing of the Notes selected for redemption and, in the case of any Note selected for partial redemption, the principal amount thereof to be redeemed. Notes and portions of Notes selected will be in amounts of $100,000 or whole multiples of $1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed, the entire outstanding amount of Notes held by such Holder, even if not in the amount of $100,000 or a whole multiple of $1,000 thereof, shall be redeemed. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption also apply to portions of Notes called for redemption.

Section 3.03 *Notice of Redemption.*

At least 30 days but not more than 60 days before a redemption date, the Company will mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Articles 8 or 12 hereof.

The notice will identify the Notes to be redeemed and will state:

(1) the redemption date;

(2) the redemption price;

(3) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the redemption date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note;

(4) the name and address of the Paying Agent;

(5) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(6) that, unless the Company defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;

(7) the paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed; and

(8) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

At the Company's request, the Trustee will give the notice of redemption in the Company's name and at its expense; *provided, however*, that the Company has delivered to the Trustee, at least 45 days prior to the redemption date (unless a shorter period is acceptable to the Trustee), an Officers' Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

Section 3.04 *Effect of Notice of Redemption*.

Once notice of redemption is mailed in accordance with Section 3.03 hereof, Notes called for redemption become irrevocably due and payable on the redemption date at the redemption price. A notice of redemption may not be conditional.

Section 3.05 *Deposit of Redemption or Purchase Price*.

At least one Business Day prior to the redemption date, the Company will deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption price of and accrued interest and Additional Interest, if any, on all Notes to be redeemed on that date. The Trustee or the Paying Agent will promptly return to the Company any money deposited with the Trustee or the Paying Agent by the Company in excess of the amounts necessary to pay the redemption price of, and accrued interest and Additional Interest, if any, on, all Notes to be redeemed.

If the Company complies with the provisions of the preceding paragraph, on and after the redemption date, interest will cease to accrue on the Notes or the portions of Notes called for redemption. If a Note is redeemed on or after an interest record date but on or prior to the related Interest Payment Date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption is not so paid upon surrender for redemption because of the failure of the Company to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 hereof.

Section 3.06 *Notes Redeemed in Part*.

Upon surrender of a Note that is redeemed in part, the Company will issue and, upon receipt of an Authentication Order, the Trustee will authenticate for the Holder at the expense of the Company a new Note equal in principal amount to the unredeemed portion of the Note surrendered.

Section 3.07 *Optional Redemption*.

(a) At any time prior to November 30, 2009, the Company may redeem up to 35% of the aggregate original principal amount of the 2013 Notes issued under this Indenture at a redemption price of 107.25% of the principal amount, plus accrued and unpaid interest and Additional Interest, if any, to the redemption date, with the net cash proceeds of one or more Equity Offerings; provided that:

(1) at least 65% of the aggregate principal amount of the 2013 Notes originally issued on the Issue Date (excluding Notes held by the Company and its Affiliates) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

(b) The Company may redeem all or a part of the 2013 Notes at any time and from time to time, upon not less than 30 nor more than 60 days' prior notice mailed by first-class mail to each Holder's registered address, at a redemption price equal to 100% of the principal amount of the 2013 Notes redeemed plus the Applicable Premium, and accrued and unpaid interest and Additional Interest, if any, to the date of redemption, subject to the rights of Holders of the 2013 Notes on the relevant record date to receive interest due on the relevant Interest Payment Date.

(c) At any time prior to November 30, 2009, the Company may redeem up to 35% of the aggregate original principal amount of the 2016 Notes issued under this Indenture at a redemption price of 107.50% of the principal amount, plus accrued and unpaid interest and Additional Interest, if any, to the redemption date, with the net cash proceeds of one or more Equity Offerings; provided that:

(1) at least 65% of the aggregate principal amount of the 2016 Notes originally issued on the Issue Date (excluding Notes held by the Company and its Affiliates) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

(d) The Company may redeem all or a part of the 2016 Notes at any time and from time to time, upon not less than 30 nor more than 60 days' prior notice mailed by first-class mail to each Holder's registered address, at a redemption price equal to 100% of the principal amount of the 2016 Notes redeemed plus the Applicable Premium, and accrued and unpaid interest and Additional Interest, if any, to the date of redemption, subject to the rights of Holders of the 2016 Notes on the relevant record date to receive interest due on the relevant Interest Payment Date.

(e) Any redemption pursuant to this Section 3.07 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.08 *Open Market Purchases; No Mandatory Redemption or Sinking Fund*.

The Company may at any time and from time to time purchase Notes in the open market or otherwise. The Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

Section 3.09 *Offer to Purchase by Application of Excess Proceeds or Excess Loss Proceeds*

In the event that, pursuant to Sections 4.10 or 4.19 hereof, the Company is required to commence an offer to all Holders to purchase Notes (an "*Asset Sale Offer*" or an "*Event of Loss Offer*," respectively), it will follow the procedures specified below.

The Asset Sale Offer or the Event of Loss Offer, as applicable, shall be made to all Holders and all holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in this Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets or loss proceeds. The Asset Sale Offer or the Event of Loss Offer, as applicable, will remain open for a period of at least 20 Business Days following its commencement and not more than 30 Business Days, except to the extent that a longer period is required by applicable law (the "*Offer Period*"). No later than three Business Days after the termination of the Offer Period (the "*Purchase Date*"), the Company will

apply all Excess Proceeds or Excess Loss Proceeds, as applicable (the *"Offer Amount"*) to the purchase of Notes and such other *pari passu* Indebtedness (on a *pro rata* basis, if applicable) or, if less than the Offer Amount has been tendered, all Notes and other Indebtedness tendered in response to the Asset Sale Offer or the Event of Loss Offer, as applicable. Payment for any Notes so purchased will be made in the same manner as interest payments are made.

If the Purchase Date is on or after an interest record date and on or before the related Interest Payment Date, any accrued and unpaid interest and Additional Interest, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to Holders who tender Notes pursuant to the Asset Sale Offer or the Event of Loss Offer, as applicable.

Upon the commencement of an Asset Sale Offer or the Event of Loss Offer, as applicable, the Company will send, by first class mail, a notice to each of the Holders, with a copy to the Trustee. The notice will contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Asset Sale Offer or the Event of Loss Offer, as applicable. The notice, which will govern the terms of the Asset Sale Offer or the Event of Loss Offer, as applicable, will state:

(1) that the Asset Sale Offer or the Event of Loss Offer, as applicable, is being made pursuant to this Section 3.09 and Section 4.10 or 4.19, as applicable, hereof and the length of time the Asset Sale Offer or the Event of Loss Offer, as applicable, will remain open;

(2) the Offer Amount, the purchase price and the Purchase Date;

(3) that any Note not tendered or accepted for payment will continue to accrete or accrue interest;

(4) that, unless the Company defaults in making such payment, any Note accepted for payment pursuant to the Asset Sale Offer or the Event of Loss Offer, as applicable, will cease to accrete or accrue interest after the Purchase Date;

(5) that Holders electing to have a Note purchased pursuant to an Asset Sale Offer or the Event of Loss Offer, as applicable, may elect to have Notes purchased in integral multiples of $100,000 and integral multiples of $1,000 in excess thereof only;

(6) that Holders electing to have Notes purchased pursuant to any Asset Sale Offer or the Event of Loss Offer, as applicable, will be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Company, a Depositary, if appointed by the Company, or a Paying Agent at the address specified in the notice at least three days before the Purchase Date;

(7) that Holders will be entitled to withdraw their election if the Company, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(8) that, if the aggregate principal amount of Notes and other *pari passu* Indebtedness surrendered by Holders thereof exceeds the Offer Amount, the Company will select the Notes and other *pari passu* Indebtedness to be purchased on a *pro rata* basis based on the principal amount of Notes and such other *pari passu* Indebtedness surrendered (and, if applicable,

with respect to the Notes, with such adjustments as may be deemed appropriate by the Trustee so that only Notes in denominations of $100,000 and integral multiples of $1,000 in excess thereof, will be purchased); and

(9) that Holders whose Notes were purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer).

On or before the Purchase Date, the Company will, to the extent lawful, accept for payment, on a *pro rata* basis to the extent necessary, the Offer Amount of Notes or portions thereof tendered pursuant to the Asset Sale Offer or the Event of Loss Offer, as applicable, or if less than the Offer Amount has been tendered, all Notes tendered, and will deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officers' Certificate stating that such Notes or portions thereof were accepted for payment by the Company in accordance with the terms of this Section 3.09. The Company, the Depositary or the Paying Agent, as the case may be, will promptly (but in any case not later than five days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Company for purchase, and the Company will promptly issue a new Note, and the Trustee, upon written request from the Company, will authenticate and mail or deliver (or cause to be transferred by book entry) such new Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered. Any Note not so accepted shall be promptly mailed or delivered by the Company to the Holder thereof. The Company will publicly announce the results of the Asset Sale Offer or the Event of Loss Offer, as applicable, on the Purchase Date.

Section 3.10 *Offer to Purchase by Application of Excess Construction Proceeds*

In the event that, pursuant to Section 3.2(d) of the Security Deposit Agreement, the Company determines that any amounts on deposit in the Construction Sub-Account (as defined in the Security Deposit Agreement) are not required to be applied to complete the funding of construction of Phase 1 or Phase 2 (the "*Excess Construction Proceeds*"), such Excess Construction Proceeds shall be used to make an offer to all Holders of Notes and all holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in this Indenture with respect to offers to purchase or redeem with unused or unutilized construction loans or advances. Such offers shall be made to Holders of Notes in accordance with the provisions of Section 3.09 hereof applicable to Excess Proceeds. The offer price in any such offer will be equal to 100% of the principal amount plus accrued and unpaid interest and Additional Interest, if any, to the date of purchase, and will be payable in cash. If any such excess funds remain unapplied after consummation of such a offer, the Company and its Restricted Subsidiaries may use such amounts for any purpose not otherwise prohibited by this Indenture. If the aggregate principal amount of Notes tendered into such offer exceeds the amount of excess funds, the Trustee will select the Notes to be purchased on a *pro rata* basis and, if applicable, with such adjustments that may be deemed appropriate by the Trustee so that only Notes in denominations of $100,000 or whole multiples of $1,000 in excess thereof will be purchased. Upon completion of each such offer, the amount of excess funds will be reset at zero.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with each repurchase of Notes pursuant to such an offer to purchase with Excess Construction Proceeds. To the extent that the provisions of any securities laws or regulations conflict with the provisions of Section 3.09 hereof or this Section 3.10, or compliance with the provisions of Section 3.09 hereof or this Section 3.10 would constitute a violation of any such laws or regulations, the Company will

comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under Section 3.09 hereof or this Section 3.10 by virtue of such compliance.

ARTICLE 4
COVENANTS

Section 4.01 *Payment of Notes.*

The Company will pay or cause to be paid the principal of, premium, if any, and interest and Additional Interest, if any, on, the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest and Additional Interest, if any will be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds as of 10:00 a.m. Eastern Time on the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due. The Company will pay all Additional Interest, if any, in the same manner on the dates and in the amounts set forth in the Registration Rights Agreement.

The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at the rate equal to 1% per annum in excess of the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Additional Interest (without regard to any applicable grace period) at the same rate to the extent lawful.

Section 4.02 *Maintenance of Office or Agency.*

The Company will maintain in the Borough of Manhattan, the City of New York, an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, Registrar or co-registrar) where Notes may be surrendered for registration of transfer or for exchange and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company fails to maintain any such required office or agency or fails to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee.

The Company may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however*, that no such designation or rescission will in any manner relieve the Company of its obligation to maintain an office or agency in the Borough of Manhattan, the City of New York for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Company hereby designates the Corporate Trust Office of the Trustee as one such office or agency of the Company in accordance with Section 2.03 hereof.

Section 4.03 *Reports.*

(a) After the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, then the Company shall file with the Trustee, within 15 days after it files them with the SEC, copies of its annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe) that the Company is required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act.

(b) As long as the Company is not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, nor is exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act and the Notes are "restricted securities" within the meaning of Rule 144 under the Securities Act, upon the request of a Holder who is a "qualified institutional buyer" (as defined in Rule 144A) or any owner of a beneficial interest in a note who is a "qualified institutional buyer" (as defined in Rule 144A), the Company shall promptly furnish or cause to be furnished "Rule 144A Information" (as defined herein) to such Holder or Beneficial Owner or to a prospective purchaser of such note who is a "qualified institutional buyer" (as defined in Rule 144A) designed by such Holder or Beneficial Owner who is a "qualified institutional buyer" (as defined in Rule 144A). "Rule 144A Information" shall be such information as is specified pursuant to Rule 144A(d)(4) under the Securities Act (or any successor provision thereto).

(c) So long as any of the Notes are outstanding, in addition to the requirement to furnish Rule 144A Information as provided in the preceding paragraph, the Company shall furnish or cause to be furnished to Holders and (upon the request thereof delivered to the Company or the Trustee) to Holders of an interest in any Global Note (i) annual consolidated financial statements of the Company prepared in accordance with GAAP (together with notes thereto and a report thereon by an independent accountant of established national reputation), such statements to be so furnished within 105 days after the end of the fiscal year covered thereby and (ii) unaudited consolidated financial statements of the Company for each of the first three fiscal quarters of each fiscal year of the Company and the corresponding quarter and year-to-year period of the prior year prepared in all material respects on a basis consistent with the annual financial statements furnished pursuant to clause (i) of this paragraph, such statements to be so furnished within 60 days after the end of each such quarter.

Section 4.04 *Compliance Certificate*.

(a) The Company and each Guarantor (to the extent that such Guarantor is so required under the TIA) shall deliver to the Trustee, within 90 days after the end of each fiscal year, an Officers' Certificate stating that to the signing Officers' knowledge no Default or Event of Default has occurred and is continuing (or, if a Default or Event of Default has occurred and is continuing, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Company is taking or proposes to take with respect thereto).

(b) So long as any of the Notes are outstanding, the Company will deliver to the Trustee, forthwith upon any Officer becoming aware of any Default or Event of Default, an Officers' Certificate specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto.

Section 4.05 *Taxes*.

Each of the Company and its Restricted Subsidiaries shall (i) file or cause to be filed all tax returns required to be filed by it, and (ii) pay and discharge, before the same shall become delinquent, after giving effect to any applicable extensions, all taxes imposed on it or its property (including interest and penalties) unless such taxes are being contested in good faith and by appropriate proceedings, appropriate reserves are maintained with respect thereto and such proceedings, if adversely determined, could not reasonably be expected to have a Material Adverse Effect. Each of the Company and its Restricted Subsidiaries shall promptly notify the Collateral Trustee, in reasonable detail, of any material disputes pending between it and any governmental authority relating to taxes.

Section 4.06 *Stay, Extension and Usury Laws.*

The Company and each of the Guarantors covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Company and each of the Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07 *Restricted Payments*.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company and other than dividends or distributions payable to the Company or a Restricted Subsidiary of the Company);

(2) purchase, redeem or otherwise acquire or retire for value (including without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company or any direct or indirect Parent of the Company;

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Indebtedness (excluding any intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries), except (a) a payment of interest or principal at the Stated Maturity thereof or (b) the purchase, repurchase or other acquisition of any such Indebtedness in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of such purchase, repurchase or other acquisition; or

(4) make any Restricted Investment (all such payments and other actions set forth in these clauses (1) through (4) above being collectively referred to as "*Restricted Payments*"); provided, that for the avoidance of doubt, payment of Operation and Maintenance Expenses shall not constitute Restricted Payments,

unless, at the time of and after giving effect to such Restricted Payment:

(1) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment; and

(2) the Company has successfully achieved Phase 1 Target Completion; and

(3) the Company would, at the time of such Restricted Payment and after giving pro forma effect thereto as if such Restricted Payment had been made at the beginning of the

applicable four-quarter period (or if fewer than four fiscal quarters have elapsed since the achievement of Phase 1 Target Completion, the number of full fiscal quarters that have elapsed), have been permitted to incur at least $1.00 of Additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(b) hereof (for the avoidance of doubt, the Restricted Payment itself will not be considered in such pro forma calculation); and

(4) the Debt Payment Account has on deposit the Required Debt Payment Amount; and

(5) the DSR Account has on deposit the Operating Period Required Amount.

(b) So long as no Default has occurred and is continuing or would be caused thereby, the provisions of Section 4.07(a) hereof will not prohibit:

(1) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment complied with the provisions of this Indenture;

(2) the making of any Restricted Payment in exchange for, or out of the net cash proceeds of (i) the substantially concurrent sale (other than to a Subsidiary of the Company) of, Equity Interests of the Company (other than Disqualified Stock) or (ii) from the substantially concurrent contribution (other than by a Subsidiary of the Company) of capital to the Company in respect of its Equity Interests (other than Disqualified Stock); *provided*, that 50% of the net cash proceeds pursuant to clause (i) above that are not retained or expended by the Company shall be used to make an offer to the Holders of the Notes and to the holder of other Parity Secured Debt, to purchase the maximum principal amount of Notes and such other Parity Secured Debt that may be purchased with such 50% of the net cash proceeds. The offer price for the Notes and the Parity Secured Debt will be equal to 100% of principal amount plus accrued and unpaid interest and Additional Interest, if any, to the date of purchase, and will be payable in cash. If any such net cash proceeds remain unapplied after consummation of the offer, the Company and its Restricted Subsidiaries may use those proceeds for any purpose not otherwise prohibited by this Indenture;

(3) the repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Indebtedness (including the payment of any required premium and any fees and expenses incurred in connection with such repurchase, redemption, defeasance or other acquisition) with the net cash proceeds from a substantially concurrent incurrence of Permitted Refinancing Indebtedness so long as such Permitted Refinancing Indebtedness has a final scheduled maturity date equal or later than the earlier of (x) the final scheduled maturity date of the Subordinated Indebtedness being so redeemed, repurchased, acquired or retired or (y) 360 days following the maturity date of the Notes;

(4) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution) by a Restricted Subsidiary of the Company to the Holders of its Equity Interests (other than Disqualified Stock) of such Restricted Subsidiary; *provided* that such dividend or similar distribution is paid to all holders of such Equity Interests on a *pro rata* basis based upon their respective holdings of such Equity Interests;

(5) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company or any Restricted Subsidiary of the Company held by any of Parent's or the Company's (or any of its Restricted Subsidiaries') current or former directors or

employees; provided that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed $1.0 million in any twelve-month period (with unused amounts in any 12-month period being permitted to be carried over into succeeding 12-month periods; subject to a maximum payment of $2.5 million in any twelve-month period); *provided, further*, that the amounts in any 12-month period may be increased by an amount not to exceed the cash proceeds received by the Company or any of its Restricted Subsidiaries from the sale of the Company's Equity Interests (other than Disqualified Stock) or Parent's Equity Interests to any such directors or employees that occurs after the Issue Date;

(6) the repurchase, redemption or other acquisition or retirement of Equity Interests deemed to occur upon the exercise or exchange of stock options, warrants or other similar rights to the extent such Equity Interests represent a portion of the exercise or exchange price of those stock options, and the repurchase, redemption or other acquisition or retirement of Equity Interests made in lieu of withholding taxes resulting from the exercise or exchange of stock options, warrants or other similar rights;

(7) payments to fund the purchase by the Company of fractional shares arising out of stock dividends, splits or combination or business combinations;

(8) the declaration and payment of regularly scheduled or accrued dividends to Holders of any class or series of Disqualified Stock of the Company or any Restricted Subsidiary of the Company issued on or after the date of this Indenture in accordance with the Fixed Charge Coverage Ratio test described in Section 4.09(b) hereof;

(9) the repayment of the Holdings Credit Agreement in an amount not to exceed $373.0 million, and the payment of any make-whole, break funding, early termination or other prepayment penalties or amounts in connection with such prepayment and the termination of any related Interest Rate Agreement with a portion of the net proceeds received by the Company from the sale of the Notes on the Issue Date as described in the Offering Circular;

(10) Permitted Payments to Parent; and

(11) except for Operation and Maintenance Expenses, payments for fees and costs pursuant to the Management Services Agreement, payments to the Operator pursuant to the O&M Agreement, so long as the relevant state or local combined, consolidated or unitary tax return is properly filed that includes the Company and Parent, payments under the State Tax Sharing Agreement and, without duplication, payments under Section 6.6 of the Partnership Agreement.

Notwithstanding any provision or implication to the contrary, any revenues received by the Company or a Restricted Subsidiary prior to Phase 1 Target Completion may be distributed upon the Company fulfilling the conditions set forth above.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any cash Restricted Payment shall be its face amount, and the Fair Market Value of any non-cash Restricted Payment exceeding $15.0 million shall be determined conclusively by two senior Officers of the Company acting in good faith whose conclusions with respect thereto shall be set forth in an Officers' Certificate delivered to the Trustee, *provided, however*, that if the Fair Market Value of any non-cash Restricted Payment exceeds $25.0 million, such Fair Market Value shall be determined conclusively by the Board of Directors of the General Partner and set forth in a board resolution, and a

certified copy of such board resolution shall be delivered to the Trustee. For purposes of determining compliance with this Section 4.07, in the event that a Restricted Payment meets the criteria of more than one of the exceptions described in clauses (1) through (10) of this Section 4.07(b) or is entitled to be made pursuant to Section 4.07(a), the Company shall, in its sole discretion, classify such Restricted Payment, or later classify, reclassify or re-divide all or a portion of such Restricted Payment, in any manner that complies with this Section 4.07.

Section 4.08 *Dividend and Other Payment Restrictions Affecting Subsidiaries*.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1)(x) pay dividends or make any other distributions on its Capital Stock to the Company or any of its Restricted Subsidiaries or with respect to any other interest or participation in, or measured by, its profits, or (y) pay any indebtedness owed to the Company or any of its Restricted Subsidiaries;

(2) make loans or advances to the Company or any of its Restricted Subsidiaries; or

(3) sell, lease or transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries.

(b) The restrictions in Section 4.08(a) hereof will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements or instruments governing existing indebtedness as in effect on the Issue Date, the Assumption Agreement or Settlement Agreement and any amendments, restatements, modifications, increases, renewals, supplements, refundings, replacements or refinancings of those agreements or instruments; *provided* that the amendments, restatements, modifications, increases, renewals, supplements, refundings, replacements or refinancings are no more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in those agreements or instruments on the Issue Date;

(2) this Indenture, the Notes, the Note Guarantees and the Security Documents;

(3) applicable law, rule, regulation or order;

(4) customary non-assignment provisions in contracts and licenses entered into in the ordinary course of business;

(5) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in clause (3) of Section 4.08(a) hereof;

(6) any agreement for the sale or other disposition of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending the sale or other disposition;

(7) Indebtedness permitted to be incurred pursuant to Section 4.09 hereof, including Permitted Refinancing Indebtedness;*provided* that the restrictions contained in the agreements

governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(8) Liens permitted to be incurred under the provisions of Section 4.12 hereof that limit the right of the debtor to dispose of the assets subject to such Liens;

(9) provisions limiting the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements, security agreements, mortgages, purchase money agreements and other similar agreements or instruments entered into with the approval of the Board of Directors of the General Partner, which limitation is applicable only to the assets that are the subject of such agreements;

(10) Interest Rate and Currency Hedges permitted from time to time under this Indenture; and

(11) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business.

Section 4.09 *Incurrence of Indebtedness and Issuance of Preferred Stock*

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "*incur*," with "*incurrence*" having a correlative meaning) any Indebtedness (including Acquired Debt), and the Company will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; *provided*, *however*, that the Company may incur Indebtedness (including Acquired Debt) and issue Disqualified Stock, and Restricted Subsidiaries may incur Indebtedness (including Acquired Debt) and issue preferred stock, if additional equity investments in the Company are made (other than to redeem or repurchase outstanding Indebtedness), in which case the Company and any of its Restricted Subsidiaries may incur $1.00 of additional Indebtedness for each $1.00 so contributed and the Company has received written confirmation from each of Moody's and S&P or any successor thereto, or if there is no such successor, another "nationally recognized statistical rating organization" registered with the Commission that no Ratings Decline will occur as a result of the incurrence of such additional Indebtedness.

(b) Notwithstanding the foregoing, the provisions of Section 4.09(a) hereof will not prohibit the incurrence of any of the following (the items of Indebtedness described below in this Section 4.09(b) being referred to collectively as *"Permitted Debt"*):

(1) the incurrence by the Company and the Guarantors of Indebtedness represented by the Notes and the related Note Guarantees to be issued on the date of this Indenture and the Exchange Notes and the related Note Guarantees to be issued pursuant to the Registration Rights Agreement;

(2) the incurrence by the Company or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted by this Indenture to be incurred under Section 4.09(a) hereof or clauses (1), (2) and (14) of this Section 4.09(b);

(3) the issuance by any of the Company's Restricted Subsidiaries to the Company or to any of its Restricted Subsidiaries of shares of preferred stock;*provided, however*, that:

(a) any subsequent issuance or transfer of Equity Interests that results in any such preferred stock being held by a Person other than the Company or a Restricted Subsidiary of the Company; and

(b) any sale or other transfer of any such preferred stock to a Person that is not either the Company or a Restricted Subsidiary of the Company,

will be deemed, in each case, to constitute an issuance of such preferred stock by such Restricted Subsidiary that was not permitted by this clause (3);

(4) the incurrence, assumption or creation of obligations of the Company or a Restricted Subsidiary pursuant to the Assumption Agreement;

(5) the incurrence, assumption or creation of obligations of the Company or a Restricted Subsidiary pursuant to Interest Rate and Currency Hedges;

(6) the incurrence of a guarantee by the Company or any of its Restricted Subsidiaries of Indebtedness of the Company or a Restricted Subsidiary of the Company that was permitted to be incurred by another provision of this Section 4.09; *provided* that if the Indebtedness being guaranteed is Subordinated Indebtedness, then the guarantee shall be subordinated to the same extent as the contractual subordination applicable to the Indebtedness guaranteed;

(7) the incurrence by the Company of Indebtedness in an amount not to exceed $100.0 million in respect of (i) cost overruns of the construction, cool down, commissioning and completion of Phase 1 and Phase 2-Stage 1 and (ii) to finance the restoration of the Project following an Event of Loss;

(8) the incurrence by the Company of Indebtedness in respect of working capital in an amount not to exceed $20.0 million (subject to a temporary increase, in an amount not to exceed $75.0 million, such increase to terminate not later than December 31, 2010, to fund the purchase of LNG for cool down of the Project and the entering into by the Company of any commodity hedging arrangements relating to such LNG);

(9) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness in respect of workers' compensation claims, self-insurance obligations, bankers' acceptances, performance bonds, completion bonds, bid bonds, appeal bonds and surety bonds or other similar bonds or obligations, and any guarantees or letters of credit functioning as or supporting any of the foregoing;

(10) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; *provided* that such Indebtedness is extinguished within five Business Days of its incurrence;

(11) the incurrence by the Company of Indebtedness to the extent that the net proceeds thereof are promptly deposited to defease or to satisfy and discharge the Notes;

(12) Indebtedness consisting of the financing of insurance premiums in customary amounts consistent with the operations and business of the Company and its Restricted Subsidiaries in the ordinary course of business;

(13) Subordinated Indebtedness between or among the Company and/or any of its Restricted Subsidiaries; and

(14) the incurrence by the Company or the Guarantors of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (14), not to exceed $25.0 million.

In addition to Permitted Debt described in clauses (1) through (14) above, the Company may incur additional Indebtedness (other than Parity Secured Debt) (the "*Additional Indebtedness*") so long as (i) the Fixed Charge Coverage Ratio for the Company's most recently ended four full fiscal quarters (or if fewer than four fiscal quarters have elapsed since the achievement of Phase 1 Target Completion, the number of full fiscal quarters that have elapsed) for which internal financial statements are available immediately preceding the date on which such Additional Indebtedness is incurred or such Disqualified Stock or preferred stock is issued, as the case may be, would have been at least 2.0 to 1, determined on a pro forma basis (including a pro forma application of the net proceeds therefrom), as if the Additional Indebtedness had been incurred or the Disqualified Stock or preferred stock had been issued, as the case may be, at the beginning of such period and (ii) the Company has received written confirmation from two Credit Rating Agencies that no Ratings Decline will occur as a result of the incurrence of the Additional Indebtedness.

For purposes of determining compliance with this Section 4.09, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (14) above, or is entitled to be incurred pursuant to Section 4.09(a) hereof or this Section 4.09(b), the Company will be permitted to classify such item of Indebtedness on the date of its incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this Section 4.09. The accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of preferred stock as Indebtedness due to a change in accounting principles, and the payment of dividends on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock will not be deemed to be an incurrence of Indebtedness or an issuance of Disqualified Stock for purposes of this Section 4.09; *provided*, in each such case, that the amount of any such accrual, accretion or payment is included in Fixed Charges of the Company as accrued. Notwithstanding any other provision of this Section 4.09, the maximum amount of Indebtedness that the Company or any Restricted Subsidiary may incur pursuant to this Section 4.09 shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(2) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

(a) the Fair Market Value of such asset at the date of determination; and

(b) the amount of the Indebtedness of the other Person; and

(3) the principal amount of the Indebtedness, in the case of any other Indebtedness.

Section 4.10 *Asset Sales*.

The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Company (or the Restricted Subsidiary, as the case may be) receives consideration at the time of the Asset Sale equal to the greater of (i) the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of and (ii) an amount equal to the invested cost of the assets sold or otherwise disposed of, less depreciation; and

(2) at least 90% of the consideration therefor received by the Company or such Restricted Subsidiary is in the form of cash, Cash Equivalents or Replacement Assets or a combination thereof. For purposes of this provision, each of the following shall be deemed to be cash:

(A) any liabilities, as shown on the Company's or such Restricted Subsidiary's most recent consolidated balance sheet (or as would be shown on the Company's consolidated balance sheet as of the date of such Asset Sale), of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Note Guarantee) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Company or such Restricted Subsidiary from further liability therefor; and

(B) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are contemporaneously, subject to ordinary settlement periods, converted by the Company or such Restricted Subsidiary into cash within 90 days after such Asset Sale, to the extent of the cash received in that conversion.

Within 360 days after the receipt of any Net Proceeds from an Asset Sale, the Company (or the applicable Restricted Subsidiary, as the case may be) may apply an amount equal to such Net Proceeds:

(1) to repay Senior Debt; or

(2) to make any capital expenditure or to purchase Replacement Assets (or enter into a binding agreement to make such capital expenditure or to purchase such Replacement Assets; provided that (a) such capital expenditure or purchase is consummated within the later of (x) 360 days after the receipt of the Net Proceeds from the related Asset Sale and (y) 180 days after the date of such binding agreement and (b) if such capital expenditure or purchase is not consummated within the period set forth in subclause (a), the amount not so applied will be deemed to be Excess Proceeds (as defined below)).

Pending the final application of any Net Proceeds, the Company may reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by this Indenture.

An amount equal to any Net Proceeds from Asset Sales that are not applied or invested as provided in the preceding paragraphs of this Section 4.10 will constitute "*Excess Proceeds*." If on any date, the aggregate amount of Excess Proceeds exceeds $25.0 million, then within ten Business Days after such date, the Company will make an offer (an "*Asset Sale Offer*") to all Holders of Notes and all holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in this Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets in

accordance with Section 3.09 hereof to purchase the maximum principal amount of Notes and such other *pari passu* Indebtedness that may be purchased out of the Excess Proceeds. The offer price in any Asset Sale Offer will be equal to 100% of the principal amount plus accrued and unpaid interest and Additional Interest, if any, to the date of purchase, and will be payable in cash. If any Excess Proceeds remain unapplied after consummation of an Asset Sale Offer, the Company and its Restricted Subsidiaries may use those Excess Proceeds for any purpose not otherwise prohibited by this Indenture. If the aggregate principal amount of Notes and other *pari passu* Indebtedness tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds, the Notes and such other *pari passu* Indebtedness to be purchased shall be determined on a *pro rata* basis and, if applicable, with respect to the Notes, with such adjustments that may be deemed appropriate by the Trustee so that only Notes in denominations of $100,000 or whole multiples of $1,000 in excess thereof will be purchased. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

Notwithstanding the foregoing, the sale, conveyance or other disposition of all or substantially all of the assets of the Company and its Restricted Subsidiaries, taken as a whole, will be governed by the provisions of Section 4.15 and/or the provisions of Section 5.01 hereof and not by the provisions of this Section 4.10.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with each repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of Section 3.09 hereof or this Section 4.10, or compliance with the provisions of Section 3.09 hereof or this Section 4.10 would constitute a violation of any such laws or regulations, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under Section 3.09 hereof or this Section 4.10 by virtue of such compliance.

Section 4.11 *Transactions with Affiliates.*

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to enter into any transaction that is otherwise permitted hereunder with or the benefit of an Affiliate (including guarantees and assumptions of obligations of an Affiliate) (each an "*Affiliate Transaction*"), except:

(1) to the extent required by applicable law;

(2) to the extent required or contemplated by the O&M Agreement, the Management Services Agreement, the J&S Cheniere Terminal Use Agreement, the Cheniere Marketing TUA, J&S Cheniere Potential TUA Letter, State Tax Sharing Agreement or the Assumption Agreement;

(3) upon terms no less favorable to the Company than would be obtained in a comparable arm's-length transaction with a Person that is not an Affiliate, or, if no comparable arm's-length transaction with a Person that is not an Affiliate is available, then on terms that are determined by the Board of Directors of the General Partner to be fair in light of all factors considered by said Board of Directors to be pertinent to the Company;

(4) for any Project processing or use agreement with an Affiliate of the Company; provided that the terms of such agreement provide for the recovery of at least the incremental Operation and Maintenance Expenses associated with operations pursuant to such agreement and such agreement is subject to the Liens of the Security Documents; and

(5) Subordinated Loans between or among the Company, any of its Restricted Subsidiaries and/or any of their Affiliates.

Prior to entering into any agreement with an Affiliate, the Company shall deliver to the Collateral Trustee a certificate of an Authorized Officer as to the satisfaction of the applicable condition set forth in clauses (2), (3), (4) and (5) of this Section 4.11(a).

(b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 4.11(a) hereof:

(1) any employment agreement, employee benefit plan, officer or director indemnification agreement or any similar arrangement entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business;

(2) transactions between or among the Company and/or its Restricted Subsidiaries;

(3) transactions with a Person (other than an Unrestricted Subsidiary of the Company) that is an Affiliate of the Company solely because the Company owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of reasonable directors' fees to Persons who are not otherwise Affiliates of the Company;

(5) any issuance of Equity Interests (other than Disqualified Stock) of the Company to Affiliates of the Company;

(6) any Permitted Investments or Restricted Payments that do not violate Section 4.07 hereof;

(7) Permitted Payments to Parent; and

(8) any contracts, agreements or understandings existing as of the Issue Date or contracts disclosed in the Offering Circular, and any amendments to or replacements of such contracts, agreements or understandings so long as any such amendment or replacement is not more disadvantageous to the Company or to the Holders of the Notes in any material respect than the original agreement as in effect on the Issue Date.

Section 4.12 *Liens*.

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly create, incur, assume or suffer to exist any Lien securing Indebtedness on any asset now owned or hereafter acquired, except Permitted Liens.

Section 4.13 *Business Activities*.

The Company will not, and will not permit any of its Restricted Subsidiaries to, engage in any business other than Permitted Businesses, except to such extent as would not be material to the Company and its Restricted Subsidiaries taken as a whole.

Section 4.14 *Maintenance of Existence*.

Subject to the rights of the Company under Section 5.01 hereof, the Company shall do all things necessary to maintain: (i) its corporate, limited liability company or partnership, as applicable, existence in its jurisdiction of organization; provided, that the foregoing shall not prohibit conversion into another form of entity or continuation in another jurisdiction and (ii) the power and authority (corporate and otherwise) necessary under the applicable law to own its properties and to carry on the business of the Project. Each of the Company and the Guarantors shall not dissolve, liquidate, and shall not take any action to amend or modify its corporate constituent or governing documents where such amendment would be adverse in any material respect to the Holders of the Notes. The Company shall comply with the Single Purpose Entity Requirements set forth in section 1.2 of its Partnership Agreement.

Section 4.15 *Offer to Repurchase Upon Change of Control*

(a) Upon the occurrence of a Change of Control, the Company will make an offer (a*"Change of Control Offer"*) of payment (a "*Change of Control Payment*") to each Holder to repurchase all or any part (equal to $100,000 and integral multiples of $1,000 in excess thereof) of that Holder's Notes at a purchase price in cash equal to not less than 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest and Additional Interest, if any, to the date of repurchase (the *"Change of Control Payment Date,"* which date will be no earlier than the date of such Change of Control). No later than 30 days following any Change of Control, the Company will mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and stating:

(1) that the Change of Control Offer is being made pursuant to this Section 4.15 and that all Notes tendered will be accepted for payment;

(2) the purchase price and the purchase date, which shall be no earlier than 30 days and no later than 60 days from the date such notice is mailed;

(3) that any Note not tendered will continue to accrete or accrue interest;

(4) that, unless the Company defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrete or accrue interest after the Change of Control Payment Date;

(5) that Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Paying Agent at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(6) that Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Notes purchased; and

(7) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, which unpurchased portion must be equal to $100,000 in principal amount or an integral multiple of $1,000 in excess thereof.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change in Control. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this Section 4.15, or compliance with the provisions of this Section 4.15 would constitute a violation of any such laws or regulations, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 4.15 by virtue of such compliance.

(b) On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Company.

The Paying Agent will promptly mail (but in any case not later than five days after the Change of Control Payment Date) to each Holder of Notes properly tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided* that each such new Note will be in principal amount of $100,000 or an integral multiple of $1,000 in excess thereof. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

If Holders of not less than 95% in aggregate principal amount of the outstanding Notes validly tender and do not withdraw such Notes in a Change of Control Offer and the Company, or any third party making a Change of Control Offer in lieu of the Company as described above, purchases all of the Notes validly tendered and not withdrawn by such Holders, the Company will have the right, upon not less than 30 nor more than 60 days' prior notice, given not more than 30 days following such purchase pursuant to the Change of Control Offer described above, to redeem all Notes that remain outstanding following such purchase at a redemption price in cash equal to the applicable Change of Control Payment plus, to the extent not included in the Change of Control Payment, accrued and unpaid interest, if any, and Additional Interest, if any thereon, to the date of redemption.

(c) Notwithstanding anything to the contrary in this Section 4.15, the Company will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 4.15 hereof and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption has been given pursuant to Section 3.03 with respect to a redemption of Notes pursuant to Section 3.07 hereof, unless and until there is a default in payment of the applicable redemption price.

Section 4.16 *Limitation on Sale and Leaseback Transactions*.

The Company will not, and will not permit any of its Restricted Subsidiaries to, enter into any sale and leaseback transaction;*provided* that the Company and any of its Restricted Subsidiaries may enter into a sale and leaseback transaction if:

(1) the Company or that Restricted Subsidiary, as applicable, could have (a) incurred Indebtedness in an amount equal to the Attributable Debt relating to such sale and leaseback transaction under the Fixed Charge Coverage Ratio test in Section 4.09(b) hereof and (b) incurred a Lien to secure such Indebtedness pursuant to the provisions of Section 4.12 hereof;

(2) the gross cash proceeds of that sale and leaseback transaction are at least equal to the Fair Market Value, as determined in good faith by the Board of Directors of the General Partner and set forth in an Officers' Certificate delivered to the Trustee, of the property that is the subject of that sale and leaseback transaction; and

(3) the transfer of assets in that sale and leaseback transaction is permitted by, and the Company applies the proceeds of such transaction in compliance with, Section 4.10 hereof.

Section 4.17 *Advances to Subsidiaries.*

All advances to Restricted Subsidiaries made by the Company must be evidenced by intercompany notes in favor of the Company. These intercompany notes will be pledged pursuant to the applicable Security Document as Shared Collateral to secure the Notes. Each intercompany note will be payable upon demand and will bear interest at the weighted average interest rate on the Notes, and will be subordinated in right of payment to all existing Senior Debt of the Restricted Subsidiary to which such loan is made. "Senior Debt" of Subsidiaries for the purposes of the intercompany notes will be defined as all Indebtedness of the Restricted Subsidiaries that is not specifically by its terms made *pari passu* with or junior to the intercompany notes. A form of intercompany note is attached as Exhibit H to this Indenture. Repayments of principal with respect to any intercompany note will be required to be deposited in the Revenue Account for application in accordance with the provisions set forth in Section 3.2 of the Security Deposit Agreement.

The Company will not permit any Restricted Subsidiary in respect of which the Company is a creditor by virtue of an intercompany note to incur any Indebtedness that is subordinate or junior in right of payment to any Senior Debt of such Restricted Subsidiary and senior in any respect in right of payment to any intercompany note.

Section 4.18 *Payments for Consent*.

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder of Notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes unless such consideration is offered to be paid and is paid to all Holders of the Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

Section 4.19 *Events of Los*s

(a) After any Event of Loss, the Company may apply the Net Loss Proceeds from the Event of Loss to the rebuilding, repair, replacement or construction of improvements to the Project, with no obligation to make any purchase of any Notes, provided, that with respect to any Event of Loss that results in Net Loss Proceeds equal to or greater than $100.0 million:

(1) the Company delivers to the Trustee within 120 days of such Event of Loss a written opinion from a reputable contractor that the Project can be rebuilt, repaired, replaced or constructed and operating within 540 days following such Event of Loss; and

(2) the Company delivers to the Collateral Trustee within 120 days of such Event of Loss a certificate from an Authorized Officer certifying that the applicable entity has available from Net Loss Proceeds, cash on hand, binding equity commitments with respect to funds, anticipated insurance proceeds and/or available borrowings under Indebtedness permitted under this Indenture to complete the rebuilding, repair, replacement or construction described in clause (1) above and to pay debt service on its Indebtedness during the repair or restoration period.

(b) Any Net Loss Proceeds that are not reinvested (or committed for reinvestment by the Company) within 540 days following an Event of Loss will be deemed "Excess Loss Proceeds." Within 15 days following the date on which the aggregate amount of Excess Loss Proceeds exceeds $100.0 million, the Company will make an Event of Loss Offer in accordance with Section 3.09 hereof. If any Excess Loss Proceeds remain after consummation of an Event of Loss Offer, the Company may use those Excess Loss Proceeds for any purpose not otherwise prohibited by this Indenture. Upon completion of each Event of Loss Offer, the amount of Excess Loss Proceeds will be reset at zero.

If any payment date in connection with an Event of Loss Offer is on or after an interest record date but on or prior to the related Interest Payment Date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Notes pursuant to an Event of Loss Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of Section 3.09 hereof or this Section 4.19, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under Section 3.09 hereof or this Section 4.19 by virtue of such conflict.

Pending their application, all Net Loss Proceeds will be invested in Cash Equivalents held in an account in which the Collateral Trustee has a perfected security interest for the benefit of the Holders of Secured Obligations, subject only to Permitted Liens. The Company may withdraw funds from the collateral account upon delivery of a certificate of the Authorized Officers that such funds will be used to pay for or reimburse that entity for either (1) the actual cost of a permitted use of Net Loss Proceeds as provided above or (2) the Event of Loss Offer, in each case pursuant to the terms of the Security Documents. The Company shall grant to the Collateral Trustee, on behalf of the Holders, a security interest, subject only to Permitted Liens, on any property or assets rebuilt, repaired, replaced or constructed with such Net Loss Proceeds on the terms set forth in this Indenture and the Security Documents.

In the event of an Event of Loss pursuant to clause (3) of the definition of "Event of Loss" with respect to property or assets that have a Fair Market Value (or replacement cost, if greater) in excess of $5.0 million, the Company will be required to receive consideration at least 90% of which is in the form of cash or Cash Equivalents.

Section 4.20 *Ownership*.

The Company will not, and will not permit any of its Restricted Subsidiaries to, and the Limited Partner and the General Partner will not, permit either the Company or any of the Guarantors to issue, sell, transfer or dispose of any Capital Stock of the Company or any Guarantor, other than to the Limited Partner and the General Partner, the Company or one of the Guarantors.

Section 4.21 *Accounting and Cost Control Systems.*

The Company shall maintain, or cause to be maintained, a management information and cost accounting systems for the Project at all times in accordance with prudent industry practice.

Section 4.22 *Access*.

Each of the Company and its Restricted Subsidiaries shall grant the Collateral Trustee or its designee from time to time, including but not limited to during the pendency of a Default or an Event of Default, reasonable access to all of its books and records, quality control and performance test data, all other data relating to the Project and construction progress and the physical facilities of the Project and an opportunity to discuss accounting matters with the Company's independent auditors, provided that all such inspections are conducted during normal business hours in a manner that does not unreasonably disrupt the construction or operation of the Project. The Collateral Trustee shall also have the right to monitor, witness and appraise the construction, testing and operation of the Project. So long as a Default or any Event of Default has occurred and is continuing, the reasonable fees and documented expenses of such persons shall be for the account of the Company.

Section 4.23 *Environmental Audits.*

If the Collateral Trustee reasonably believes that a violation or threat of violation of any environmental law may have occurred that might reasonably be expected to have a Material Adverse Effect, or if a Default or an Event of Default has occurred, the Company shall, upon receipt of a written communication setting forth the basis for such belief, grant access to and assist any environmental consultants for the purpose of conducting any environmental compliance audits requested by the Collateral Trustee in its reasonable discretion and all reasonable costs associated with any such audits shall be paid by the Company and the Guarantors.

Section 4.24 *Preservation of Assets.*

Each of the Company and its Restricted Subsidiaries shall maintain its assets in good repair and shall make such repairs and replacements as are required in accordance with prudent industry practice.

Section 4.25 *Insurance*.

Each of the Company and its Restricted Subsidiaries will keep the Project property of an insurable nature and of a character usually insured, insured with financially sound insurers with all risk property and general liability coverage (including deductibles and exclusions) and in such form and amounts as are customary for project facilities of similar type to the Project (including, prior to Phase 1 Final Completion, delay in start-up coverage and, after Phase 1 Final Completion, business interruption). The Company will cause each insurance policy to name the Collateral Trustee on behalf of the secured parties as additional insureds as their interest may appear.

Section 4.26 *Compliance with Law.*

Each of the Company and its Restricted Subsidiaries shall (i) comply with all applicable laws, rules, regulations and orders of governmental authorities (including without limitation environmental, health and safety, mining, port and railway and native title laws), except where such failure to comply could not reasonably be expected to have a Material Adverse Effect and (ii) notify the Collateral Trustee promptly following the initiation of any proceedings or material disputes with any governmental authority or other parties relating to compliance or noncompliance with any such law, rule, regulation or order.

Section 4.27 *Safety Precautions*.

Each of the Company and its Restricted Subsidiaries shall implement and administer safety, health and environmental procedures for the Project consistent with all applicable environmental, health and safety laws, rules, regulations and orders, including with respect to all contractors and subcontractors, except where the failure to so implement and administer could not reasonably be expected to have a Material Adverse Effect.

Section 4.28 *Maintenance of Approvals for Transaction Documents*.

Each of the Company and its Restricted Subsidiaries shall maintain or cause to be maintained all third-party authorizations that are necessary for (i) the execution, delivery and performance by it of the Material Project Agreements to which it is a party and (ii) the incurrence and guarantee of the Notes, as the case may be, in good standing, in full force and effect.

Section 4.29 *Scope of Work; Engagement of Contractors*.

Each of the Company and its Restricted Subsidiaries shall use its commercially reasonable efforts to perform, or cause to be performed, all work and services required or appropriate (as set forth in the Construction Budget and Schedule) in connection with the design, engineering, construction, testing and commencement of operations of Phase 1.

Section 4.30 *Construction and Completion of Phase 1*.

Each of the Company and its Restricted Subsidiaries shall use its commercially reasonable efforts to cause Phase 1 to be constructed in all material respects in accordance with the Construction Budget and Schedule and to cause Phase 1 Target Completion to occur on or before March 20, 2009.

Section 4.31 *Construction Reports*.

Until the occurrence of Phase 1 Target Completion, the Company will provide a monthly progress report to the Collateral Trustee within 30 days after the end of each month. The Company will ensure that the monthly progress reports include the following information:

(1) a comparison of progress in the construction of the Project in the previous month against the Construction Budget and Schedule, as it may be amended from time to time;

(2) a comparison of project construction expenditures against the Construction Budget and Schedule, as it may be amended from time to time, including a description of any material variations or change orders issued;

(3) any material delays envisaged in the construction of the Project and the reasons for such delay (such as an industrial dispute, shipping delays or weather);

(4) any relevant material invoices relating to the construction of the Project; and

(5) any material disputes or defaults under any material construction contracts.

Section 4.32 *Changes to the Construction Budget and Schedule*.

The Company will notify the Collateral Trustee of any change to the Construction Budget and Schedule which will increase the then existing Construction Budget and Schedule by more than

$30,000,000. The Company and the Guarantors may implement a change to the Construction Budget and Schedule provided that: (a) the change relates to the Project, and (b) if following implementation of any change which, together with any other changes made to the Construction Budget and Schedule will result in a cumulative increase of more than $100,000,000 to the Construction Budget and Schedule relating to Phase 1, the Cost to Complete Test will continue to be satisfied. Any time a change in the Construction Budget and Schedule described in clause (b) of the foregoing sentence is proposed to be made, the Company must provide the Collateral Trustee with a certificate from an Authorized Officer describing in reasonable detail the nature and cost of the proposed change and certifying that the requirements of the preceding sentence are satisfied.

Section 4.33 *Material Project Agreements*.

Each of the Company and its Restricted Subsidiaries shall comply in all material respects with its payment and other material obligations under the Material Project Agreements, except where the failure to so comply could not reasonably be expected to have a Material Adverse Effect. The Company and the Guarantors must notify the Collateral Trustee when entering into or terminating any Material Project Agreement and provide a copy of any such contract to the Collateral Trustee. Each of the Company and its Restricted Subsidiaries shall not agree to any material amendment or termination of any Material Project Agreement to which it is or becomes a party unless (i) a copy of such amendment or termination has been delivered to the Collateral Trustee at least 10 Business Days in advance of the effective date thereof along with a certificate of an Authorized Officer certifying that the proposed amendment or termination could not reasonably be expected to have a Material Adverse Effect or (ii) the Company has obtained the consent of a majority of the Holders of the Notes to such amendment or termination; *provided*, that without the consent of the Holders of a majority of the outstanding principal amount of the Notes, the Company will not: (x) take any action under the Cheniere Marketing TUA that would cause or enable an Anchor Customer to reduce the monthly reservation fee or operating fee; (y) amend a terminal use agreement with an Anchor Customer to decrease the tenor, reduce the monthly reservation fee or operating fee, amend the force majeure provisions, the taxes and regulatory costs sharing provisions, or the agreement termination provisions in a manner adverse to the Company, or reduce the aggregate amount of any guarantee in respect of such terminal use agreement; or (z) agree to take, or take, title to LNG or natural gas (other than LNG or natural gas to which the Company has taken title in connection with cool down or retainage or pursuant to any terminal use or similar agreement as a result of the failure of any customer of the Company to take redelivery of any natural gas at any delivery point) from any Anchor Customer.

Section 4.34 *Phase 1 Final Completion*.

When the Company believes that Phase 1 Final Completion has been achieved, the Company must deliver to the Collateral Trustee a certificate of an Authorized Officer of the Company certifying that Phase 1 Final Completion has been achieved and detailing the basis for that conclusion.

Section 4.35 *Operation of the Project*.

The Company shall (i) cause the Project to be operated, repaired and maintained at all times in substantial accordance with prudent industry practice and the Material Project Agreements, (ii) maintain or caused to be maintained such spare parts and inventory as are consistent with the Material Project Agreements and prudent industry practice and (iii) maintain or cause to be maintained at the Project site a complete set of plans and specifications for the Project.

Section 4.36 *Technology*.

The Company shall (i) take all such reasonable actions as may be necessary to ensure that it possesses, or has the right to use, all licenses and other rights with respect to technology prior to Project Completion (or at such earlier time as may be required under the circumstances), and (ii) maintain in place all licenses and other rights with respect to technology, in each case to the extent necessary for the development, construction, operation or maintenance of the Project at any time, except where the failure to take such actions or maintain such licenses or rights could not reasonably be expected to have a Material Adverse Effect.

Section 4.37 *Preservation of Security Interests*.

Each of the Company and its Restricted Subsidiaries shall preserve, maintain and perfect the first priority security interests subject to Permitted Liens granted under the Security Documents and preserve and protect the Shared Collateral as set forth in the Security Documents.

Section 4.38 *Accounts*.

The Company shall cause the Project Accounts to be established and maintained at all times in accordance with this Indenture and the Security Deposit Agreement, shall maintain no bank accounts other than the Project Accounts and checking, demand deposit or similar accounts with any financial institutions and shall make no transfer, deposit or withdrawal from any Project Account, except in each case as specifically permitted in this Indenture and the Security Deposit Agreement.

Section 4.39 *Credit Rating Agencies*.

The Company shall use its commercially reasonable efforts to cause the Notes to be rated by at least two Credit Rating Agencies. If one of the two Credit Rating Agencies ceases to be a “nationally recognized statistical rating organization” registered with the SEC or ceases to be in the business of rating securities of the type and nature of the Notes, the Company and the Guarantors may replace the rating received from it with a rating from any other “nationally recognized statistical rating organization” in the business of rating securities of the type and nature of the Notes.

Section 4.40 *Additional Note Guarantees*.

If (a) the Company or any of its Restricted Subsidiaries acquires or creates another Domestic Subsidiary after the date of this Indenture, and (b) that newly acquired or created Domestic Subsidiary is or becomes obligated with respect to any Indebtedness, then the Company shall cause such Domestic Subsidiary to (x) become a Guarantor and execute a Note Guarantee pursuant to a supplemental indenture in form and substance satisfactory to the Trustee, (y) execute such Security Documents as the Collateral Trustee reasonably requests in order to subject such Guarantor’s properties to the Liens contemplated herein and in the Collateral Trust Agreement and (z) deliver an Opinion of Counsel to the Trustee within 15 Business Days of the date on which the conditions in both (a) and (b) above were satisfied; *provided* that any Domestic Restricted Subsidiary that constitutes an Immaterial Subsidiary need not become a Guarantor until such time as it ceases to be an Immaterial Subsidiary. The form of such Note Guarantee is attached as Exhibit E hereto.

Section 4.41 *Designation of Restricted and Unrestricted Subsidiaries*.

The Board of Directors of the General Partner may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is

designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Company and its Restricted Subsidiaries in the Subsidiary designated as Unrestricted will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under Section 4.07 hereof or under one or more clauses of the definition of Permitted Investments, as determined by the Company. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary.

Any designation of a Subsidiary of the Company as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a certified copy of a resolution of the Board of Directors of the General Partner giving effect to such designation and an Officers' Certificate certifying that such designation complied with the preceding conditions and was permitted by Section 4.07 hereof. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of this Indenture and any Indebtedness of such Subsidiary will be deemed to be incurred by a Restricted Subsidiary of the Company as of such date and, if such Indebtedness is not permitted to be incurred as of such date under Section 4.09 hereof, the Company will be in default of such covenant. The Board of Directors of the General Partner may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that such designation will be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation will only be permitted if (1) such Indebtedness is permitted under Section 4.09 hereof, calculated on a pro forma basis as if such designation had occurred at the beginning of the applicable reference period; and (2) no Default or Event of Default would be in existence following such designation.

ARTICLE 5
SUCCESSORS

Section 5.01 *Merger, Consolidation, or Sale of Assets*.

The Company shall not, directly or indirectly, consolidate, amalgamate or merge with or into another Person (regardless of whether or not the Company is the surviving corporation), convert into another form of entity or continue in another jurisdiction; or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, unless:

(1) either:

(A) the Company is the surviving entity; or

(B) the Person formed by or surviving any such consolidation, amalgamation or merger or resulting from such conversion (if other than the Company) or to which such sale, assignment, transfer, conveyance or other disposition has been made is a corporation, limited liability company or partnership organized or existing under the laws of the United States, any state of the United States or the District of Columbia;

(2) the Person formed by or surviving any such conversion, consolidation, amalgamation or merger (if other than the Company) or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made assumes all the obligations of the Company under the Notes, this Indenture and the Registration Rights Agreement, if

applicable, and the Security Documents to which the Company is a party pursuant to agreements reasonably satisfactory to the Trustee;

(3) immediately after such transaction or transactions, no Default or Event of Default exists; and

(4) the Company or the Person formed by or surviving any such consolidation, amalgamation or merger (if other than the Company), or to which such sale, assignment, transfer, conveyance or other disposition has been made would, on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable period, be permitted to incur at least $1.00 of Additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test described in Section 4.09(b) hereof.

The surviving entity will succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture, but, in the case of a lease of all or substantially all of its assets, the Company will not be released from the obligation to pay the principal of and interest on the Notes.

In addition, the Company will not, directly or indirectly, lease all or substantially all of the properties or assets of it and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to any other Person. This Section 5.01 will not apply to:

(1) a merger of the Company with an Affiliate solely for the purpose of changing the jurisdiction of the organization of the Company to another jurisdiction; or

(2) any consolidation or merger, or any sale, assignment, transfer, conveyance, lease or other disposition of assets between or among the Company and its Restricted Subsidiaries.

Section 5.02 *Successor Corporation Substituted*.

Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the properties or assets of the Company in a transaction that is subject to, and that complies with the provisions of, Section 5.01 hereof, the successor Person formed by such consolidation or into or with which the Company is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition, the provisions of this Indenture referring to the “Company” shall refer instead to the successor Person and not to the Company), and may exercise every right and power of the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein; *provided, however*, that the predecessor Company shall not be relieved from the obligation to pay the principal of and interest on the Notes except in the case of a sale of all of the Company’s assets in a transaction that is subject to, and that complies with the provisions of, Section 5.01 hereof.

ARTICLE 6
DEFAULTS AND REMEDIES

Section 6.01 *Events of Default*.

Each of the following is an "*Event of Default*":

(1) default for 30 days in the payment when due of interest on, or Additional Interest, if any, with respect to, the Notes;

(2) default in payment when due of the principal of, or premium, if any, on, the Notes;

(3) failure by the Company to comply with its obligations described under Section 5.01 hereof or to consummate a purchase of Notes when required pursuant to Section 4.15 or Section 4.10 hereof;

(4) failure by the Company or any of its Restricted Subsidiaries for 30 days to comply with the provisions of Section 4.07 or Section 4.09 hereof or to comply with the provisions described under Section 4.15 or Section 4.10 hereof to the extent not described in clause (3) of this Section 6.01;

(5) failure by the Company or any of its Restricted Subsidiaries for 60 days after notice from the Trustee or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes to comply with any of the other agreements in this Indenture, the Security Documents or the Notes unless covered by another Event of Default;

(6) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Company or any of its Restricted Subsidiaries) whether such Indebtedness or guarantee now exists, or is created after the Issue Date, if that default:

(A) is caused by a failure to pay principal of, or interest or premium, if any, on, such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "*Payment Default*"); or

(B) results in the acceleration of such Indebtedness prior to its express maturity,

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $25.0 million or more; but only if such Indebtedness remains unpaid or the acceleration unrescinded;

(7) any final judgment or decree (to the extent not covered by insurance) for the payment of money in excess of $25.0 million is entered against the Company or any of its Restricted Subsidiaries and is not paid or discharged, and there is any period of 60 consecutive days following entry of such final judgment or decree during which a stay of enforcement of such final judgment or decree, by reason of pending appeal or otherwise, is not in effect;

(8) breach by the Company or any of its Restricted Subsidiaries of any material representation or warranty or agreement in the Security Documents unless remedied within 60 days of the Company obtaining knowledge of such breach;

(9) except as permitted by this Indenture, any Security Document of the General Partner, the Limited Partner, the Company or of any Guarantor that is a Significant Subsidiary or any group of Guarantors that, taken together, would constitute a Significant Subsidiary is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any such Pledgor, or any Person acting on behalf of any such Pledgor, denies or disaffirms its obligations under the Security Document to which it is a party or shall cease to grant the Holders any right or Lien in Shared Collateral;

(10) the failure by the Company or any Guarantor to comply in all material respects with its payment and other material obligations under a Material Project Agreement unless within 60 days after actual knowledge by the Company or any Guarantor of such failure to comply, such failure has been remedied by the Company or the relevant Guarantor (as applicable) or if not capable of cure within 60 days, the Company or such Guarantor has commenced curing such default within 60 days and diligently pursues such cure; provided such cure is completed within 180 days of such knowledge;

(11) except as permitted by this Indenture, any Note Guarantee of any Guarantor that is a Significant Subsidiary or any group of Guarantors that, taken together, would constitute a Significant Subsidiary is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any such Guarantor, or any Person acting on behalf of any such Guarantor, denies or disaffirms its obligations under its Note Guarantee;

(12) the Project is abandoned in whole;

(13) the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary pursuant to or within the meaning of Bankruptcy Law:

(A) files a voluntary petition,

(B) consents to the entry of an order for relief against it in an involuntary case,

(C) consents to the appointment of a custodian of it or for all or substantially all of its property,

(D) makes a general assignment for the benefit of its creditors, or

(E) generally is not paying its debts as they become due; and

(14) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary in an involuntary case;

(B) appoints a custodian of the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary or for all or substantially all of the property of the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary; or

(C) orders the liquidation of the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary;

and the order or decree remains unstayed and in effect for 90 consecutive days.

Section 6.02 *Acceleration*.

In the case of an Event of Default specified in clause (13) of Section 6.01 hereof, with respect to the Company, any Restricted Subsidiary of the Company that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary, all outstanding Notes will become due and payable immediately without further action or notice (subject to applicable law). If any other Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the then outstanding Notes may declare all the Notes to be due and payable immediately, by notice in writing to the Company, specifying the Event of Default.

Upon any such declaration, the Notes shall become due and payable immediately.

The Holders of a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may, on behalf of all of the Holders, rescind an acceleration and its consequences, if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal, interest or premium or Additional Interest, if any, that has become due solely because of the acceleration) have been cured or waived.

Section 6.03 *Other Remedies*.

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal, premium and Additional Interest, if any, and interest on the Notes or to enforce the performance of any provision of the Notes or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder of a Note in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

Section 6.04 *Waiver of Past Defaults*.

Holders of not less than a majority in aggregate principal amount of the then outstanding Notes by notice to the Trustee may on behalf of the Holders of all of the Notes waive an existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Default in the payment of the principal of, premium and Additional Interest, if any, or interest on, the Notes (including in connection with an offer to purchase); *provided, however*, that the Holders of a majority in aggregate principal amount of the then outstanding Notes may rescind an acceleration and its consequences,

including any related payment default that resulted from such acceleration. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05 *Control by Majority.*

Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on it. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture that the Trustee determines may be unduly prejudicial to the rights of other Holders of Notes or that may involve the Trustee in personal liability.

Section 6.06 *Limitation on Suits.*

A Holder may pursue a remedy with respect to this Indenture or the Notes only if:

(1) such Holder gives to the Trustee written notice that an Event of Default is continuing;

(2) Holders of at least 25% in aggregate principal amount of the then outstanding Notes make a written request to the Trustee to pursue the remedy;

(3) such Holder or Holders offer and, if requested, provide to the Trustee security or indemnity reasonably satisfactory to the Trustee against any loss, liability or expense;

(4) the Trustee does not comply with the request within 60 days after receipt of the request and the offer of security or indemnity; and

(5) during such 60-day period, Holders of a majority in aggregate principal amount of the then outstanding Notes do not give the Trustee a direction inconsistent with such request.

A Holder of a Note may not use this Indenture to prejudice the rights of another Holder of a Note or to obtain a preference or priority over another Holder of a Note.

Section 6.07 *Rights of Holders of Notes to Receive Payment.*

Notwithstanding any other provision of this Indenture, the right of any Holder of a Note to receive payment of principal, premium and Additional Interest, if any, and interest on the Note, on or after the respective due dates expressed in the Note (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder; *provided* that a Holder shall not have the right to institute any such suit for the enforcement of payment if and to the extent that the institution or prosecution thereof or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the Lien of this Indenture upon any property subject to such Lien.

Section 6.08 *Collection Suit by Trustee.*

If an Event of Default specified in Section 6.01(1) or (2) hereof occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal of, premium and Additional Interest, if any, and interest

remaining unpaid on, the Notes and interest on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

Section 6.09 *Trustee May File Proofs of Claim.*

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders of the Notes allowed in any judicial proceedings relative to the Company (or any other obligor upon the Notes), its creditors or its property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10 *Priorities*.

If the Trustee collects any money pursuant to this Article 6, it shall pay out the money in the following order:

First: to the Trustee, its agents and attorneys for amounts due under Section 7.07 hereof, including payment of all compensation, expenses and liabilities incurred, and all advances made, by the Trustee and the costs and expenses of collection;

Second: to Holders of Notes for amounts due and unpaid on the Notes for principal, premium and Additional Interest, if any, and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium and Additional Interest, if any and interest, respectively; and

Third: to the Company or to such party as a court of competent jurisdiction shall direct.

The Trustee may fix a record date and payment date for any payment to Holders of Notes pursuant to this Section 6.10.

Section 6.11 *Undertaking for Costs*.

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its

discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder of a Note pursuant to Section 6.07 hereof, or a suit by Holders of more than 10% in aggregate principal amount of the then outstanding Notes.

ARTICLE 7
TRUSTEE

Section 7.01 *Duties of Trustee.*

(a) If an Event of Default has occurred and is continuing, the Trustee will exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the duties of the Trustee will be determined solely by the express provisions of this Indenture and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee will examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture.

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

(2) the Trustee will not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), and (c) of this Section 7.01.

(e) No provision of this Indenture will require the Trustee to expend or risk its own funds or incur any liability. The Trustee will be under no obligation to exercise any of its rights and powers under this Indenture at the request of any Holders, unless such Holder has offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

(f) The Trustee will not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

Section 7.02 *Rights of Trustee.*

(a) The Trustee may conclusively rely upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel or both. The Trustee will not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel. The Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel will be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee may act through its attorneys and agents and will not be responsible for the misconduct or negligence of any agent appointed with due care.

(d) The Trustee will not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company will be sufficient if signed by an Officer of the Company.

(f) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee reasonable indemnity or security against the losses, liabilities and expenses that might be incurred by it in compliance with such request or direction.

(g) The Trustee shall not be deemed to have notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of such Default or Event of Default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Notes and this Indenture.

(h) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; terrorism; wars and other military disturbances; sabotage; epidemics; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communication services; accidents; labor disputes; acts of civil or military authority and governmental action.

(i) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder or under the Security Documents (including as Collateral Trustee under the Security Documents), and each agent, custodian and other Person (including any co-Collateral Trustee or separate collateral trustee under the Security Document) employed to act hereunder or under the Security Documents.

Section 7.03 *Individual Rights of Trustee*.

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company or any Affiliate of the Company with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as trustee (if this Indenture has been qualified under the TIA) or resign. Any Agent may do the same with like rights and duties. The Trustee is also subject to Sections 7.10 and 7.11 hereof.

Section 7.04 *Trustee's Disclaimer*.

The Trustee will not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Notes, it shall not be accountable for the Company's use of the proceeds from the Notes or any money paid to the Company or upon the Company's direction under any provision of this Indenture, it will not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it will not be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication.

Section 7.05 *Notice of Defaults*.

If a Default or Event of Default occurs and is continuing and if it is known to the Trustee, the Trustee will mail to Holders of Notes a notice of the Default or Event of Default within 90 days after it occurs. Except in the case of a Default or Event of Default in payment of principal of, premium or Additional Interest, if any, or interest on, any Note, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders of the Notes.

Section 7.06 *Reports by Trustee to Holders of the Notes*.

(a) Within 60 days after each May 15 beginning with the May 15 following the date of this Indenture, and for so long as Notes remain outstanding, the Trustee will mail to the Holders of the Notes a brief report dated as of such reporting date that complies with TIA § 313(a) (but if no event described in TIA § 313(a) has occurred within the twelve months preceding the reporting date, no report need be transmitted). The Trustee also will comply with TIA § 313(b)(2). The Trustee will also transmit by mail all reports as required by TIA § 313(c).

(b) A copy of each report at the time of its mailing to the Holders of Notes will be mailed by the Trustee to the Company and filed by the Trustee with the SEC and each stock exchange on which the Notes are listed in accordance with TIA § 313(d). The Company will promptly notify the Trustee when the Notes are listed on any stock exchange.

Section 7.07 *Compensation and Indemnity*.

(a) The Company will pay to the Trustee from time to time reasonable compensation for its acceptance of this Indenture and services hereunder. The Trustee's compensation will not be limited by any law on compensation of a trustee of an express trust. The Company will reimburse the Trustee promptly upon request for all reasonable disbursements, advances and expenses incurred or made by it in addition to the compensation for its services. Such expenses will include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

(b) The Company and the Guarantors will indemnify the Trustee against any and all losses, liabilities or expenses incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture and the Security Documents, including the costs and expenses of enforcing this Indenture against the Company and the Guarantors (including this Section 7.07) and defending itself against any claim (whether asserted by the Company, the Guarantors, any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder or thereunder, except to the extent any such loss, liability or expense may be attributable to its negligence or willful misconduct. The Trustee will notify the Company promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Company will not relieve the Company or any of the Guarantors of their obligations hereunder. The Company or such Guarantor will defend the claim and the Trustee will cooperate in the defense. The Trustee may have separate counsel and the Company will pay the reasonable fees and expenses of such counsel. Neither the Company nor any Guarantor need pay for any settlement made without its consent, which consent will not be unreasonably withheld.

(c) The obligations of the Company and the Guarantors under this Section 7.07 will survive the satisfaction and discharge of this Indenture.

(d) To secure the Company's and the Guarantors' payment obligations in this Section 7.07, the Trustee will have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal and interest on particular Notes. Such Lien will survive the satisfaction and discharge of this Indenture.

(e) When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(13) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

(f) The Trustee will comply with the provisions of TIA § 313(b)(2) to the extent applicable.

Section 7.08 *Replacement of Trustee.*

(a) A resignation or removal of the Trustee and appointment of a successor Trustee will become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.08.

(b) The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Company. The Holders of a majority in aggregate principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Company in writing. The Company may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.10 hereof;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

(c) If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company will promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in aggregate principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

(d) If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company, or the Holders of at least 10% in aggregate principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(e) If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.10 hereof, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(f) A successor Trustee will deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon, the resignation or removal of the retiring Trustee will become effective, and the successor Trustee will have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee will mail a notice of its succession to Holders. The retiring Trustee will promptly transfer all property held by it as Trustee to the successor Trustee; *provided* all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.07 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.08, the Company's obligations under Section 7.07 hereof will continue for the benefit of the retiring Trustee.

Section 7.09 *Successor Trustee by Merger, etc.*

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another Person, the successor Person without any further act will be the successor Trustee.

Section 7.10 *Eligibility; Disqualification.*

There will at all times be a Trustee hereunder that is a Person organized and doing business under the laws of the United States of America or of any state thereof that is authorized under such laws to exercise corporate trustee power, that is subject to supervision or examination by federal or state authorities and that has a combined capital and surplus of at least $100.0 million as set forth in its most recent published annual report of condition.

This Indenture will always have a Trustee who satisfies the requirements of TIA § 310(a)(1), (2) and (5). The Trustee is subject to TIA § 310(b).

Section 7.11 *Preferential Collection of Claims Against Company.*

The Trustee is subject to TIA § 311(a), excluding any creditor relationship listed in TIA § 311(b). A Trustee who has resigned or been removed shall be subject to TIA § 311(a) to the extent indicated therein.

ARTICLE 8
LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01 *Option to Effect Legal Defeasance or Covenant Defeasance.*

The Company may at any time, at the option of the Board of Directors of its General Partner evidenced by a resolution set forth in an Officers' Certificate, elect to have either Section 8.02 or 8.03 hereof be applied to all outstanding Notes upon compliance with the conditions set forth below in this Article 8.

Section 8.02 *Legal Defeasance and Discharge*.

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.02, the Company and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed to have been discharged from their obligations with respect to all outstanding Notes (including the Note Guarantees) on the date the conditions set forth below are satisfied (hereinafter, "*Legal Defeasance*"). For this purpose, Legal Defeasance means that the Company and the Guarantors will be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes (including the Note Guarantees), which will thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 hereof and the other Sections of this Indenture referred to in clauses (1) and (2) below, and to have satisfied all their other obligations under such Notes, the Note Guarantees and this Indenture (and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following provisions which will survive until otherwise terminated or discharged hereunder:

(1) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, or interest or premium and Additional Interest, if any, on, such Notes when such payments are due from the trust referred to in Section 8.04 hereof;

(2) the Company's obligations with respect to such Notes under Article 2 and Section 4.02 hereof;

(3) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Company's and the Guarantors' obligations in connection therewith; and

(4) this Article 8.

Subject to compliance with this Article 8, the Company may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03 hereof.

Section 8.03 *Covenant Defeasance*.

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, the Company and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from each of their obligations under the covenants contained in Sections 4.07 through 4.41 hereof and clause (4) of Section 5.01 hereof with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 hereof are satisfied (hereinafter, "*Covenant Defeasance*"), and the Notes will thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes will not be deemed outstanding for accounting purposes).

For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes and Note Guarantees, the Company and the Guarantors may omit to comply with and will have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01 hereof, but, except as specified above, the remainder of this Indenture and such Notes and Note Guarantees will be unaffected thereby. In addition, upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, Sections 6.01(3) through 6.01(5) hereof will not constitute Events of Default.

Section 8.04 *Conditions to Legal or Covenant Defeasance*.

In order to exercise either Legal Defeasance or Covenant Defeasance under either Section 8.02 or 8.03 hereof:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm, or firm of independent public accountants, to pay the principal of, premium and Additional Interest, if any, and interest on, the outstanding Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Company must specify whether the Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of an election under Section 8.02 hereof, the Company has delivered to the Trustee an Opinion of Counsel confirming that:

(A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling; or

(B) since the Issue Date, there has been a change in the applicable federal income tax law,

in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of an election under Section 8.03 hereof, the Company must deliver to the Trustee an Opinion of Counsel confirming that the Holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute

a default under, any other instrument to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound;

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture) to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound;

(6) the Company must deliver to the Trustee an Officers' Certificate stating that the deposit was not made by the Company with the intent of preferring the Holders of Notes over the other creditors of the Company with the intent of defeating, hindering, delaying or defrauding creditors of the Company or others;

(7) the Company must deliver to the Trustee an Officer's Certificate stating that all conditions precedent set forth in clause (1) through (6) of this Section 8.04 have been complied with; and

(8) the Company must deliver to the Trustee an Opinion of Counsel (which opinion of counsel may be subject to customary assumptions, qualifications and exclusions), stating that all conditions precedent set forth in clauses (2), (3) and (5) of this Section 8.04 have been complied with; provided that the opinion of counsel with respect to clause (5) of this Section 8.04 may be to the knowledge of such counsel.

Section 8.05 *Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions*

Subject to Section 8.06 hereof, all money and non-callable Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "*Trustee*") pursuant to Section 8.04 hereof in respect of the outstanding Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium and Additional Interest, if any, and interest, but such money need not be segregated from other funds except to the extent required by law.

The Company will pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable Government Securities deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Notwithstanding anything in this Article 8 to the contrary, the Trustee will deliver or pay to the Company from time to time upon the request of the Company any money or non-callable Government Securities held by it as provided in Section 8.04 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(1) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06 *Repayment to Company*.

Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, premium or Additional Interest, if any, or interest on, any Note and remaining unclaimed for two years after such principal, premium or Additional Interest, if any, or interest has become due and payable shall be paid to the Company on its request or (if then held by the Company) will be discharged from such trust; and the Holder of such Note will thereafter be permitted to look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, will thereupon cease; *provided, however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which will not be less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 8.07 *Reinstatement*.

If the Trustee or Paying Agent is unable to apply any U.S. dollars or non-callable Government Securities in accordance with Section 8.02 or 8.03 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's and the Guarantors' obligations under this Indenture and the Notes and the Note Guarantees will be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.02 or 8.03 hereof, as the case may be; *provided, however*, that, if the Company makes any payment of principal of, premium or Additional Interest, if any, or interest on, any Note following the reinstatement of its obligations, the Company will be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE 9
AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01 *Without Consent of Holders of Notes.*

Notwithstanding Section 9.02 of this Indenture, the Company, the Guarantors and the Trustee may amend or supplement the Notes and this Indenture or the Note Guarantees without the consent of any Holder of Notes:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(3) to provide for the assumption of the Company's or a Guarantor's obligations to the Holders of the Notes and Note Guarantees by a successor to the Company or such Guarantor pursuant to Article 5 or Article 10 hereof;

(4) to effect the release of a Guarantor from its Note Guarantee and the termination of such Note Guarantee, all in accordance with the provisions of this Indenture governing such release and termination;

(5) to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the legal rights hereunder of any Holder;

(6) to comply with requirements of the SEC in order to effect or maintain the qualification of this Indenture under the TIA;

(7) to conform the text of this Indenture, the Note Guarantees or the Notes to any provision of the "Description of Notes" section of the Offering Circular to the extent that such provision in that "Description of Notes" was intended to be a verbatim recitation of a provision of this Indenture or the Note Guarantees or the Notes;

(8) to provide for the issuance of Additional Notes in accordance with the limitations set forth in this Indenture as of the date hereof;

(9) to add any Note Guarantee; or

(10) to provide for a successor Trustee in accordance with the provisions of this Indenture.

No amendment or supplement to the provisions of this Indenture will:

(1) be effective unless set forth in a writing signed by the Trustee with the consent of the Holders of at least a majority in principal amount of each affected Series of Secured Debt then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, any Series of Secured Debt), voting as a separate class; or

(2) be effective without the written consent of the Company

Any such amendment or supplement that imposes any obligation upon the Collateral Trustee or adversely affects the rights of the Collateral Trustee in its individual capacity will become effective only with the consent of the Collateral Trustee

Upon the request of the Company accompanied by a resolution of the Board of Directors of its General Partner authorizing the execution of any such amended or supplemental indenture, and upon receipt by the Trustee of the documents described in Section 7.02 hereof, the Trustee will join with the Company and the Guarantors in the execution of any amended or supplemental indenture authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee will not be obligated to enter into such amended or supplemental indenture that affects its own rights, duties or immunities under this Indenture or otherwise.

Section 9.02 *With Consent of Holders of Notes*.

Except as provided below in this Section 9.02, the Company and the Trustee may amend or supplement this Indenture (including, without limitation, Section 3.09, 4.10 and 4.15 hereof) and the Notes and the Note Guarantees with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes), and, subject to Sections 6.04 and 6.07 hereof, any existing Default or Event of Default (other than a Default or Event of Default in the payment of the principal of, premium or Additional Interest, if any, or interest on, the Notes, except a payment default resulting from an acceleration that has been rescinded) or compliance with any provision of this Indenture or the Notes or the Note Guarantees may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with

a tender offer or exchange offer for, or purchase of, the Notes).Section 2.08 hereof shall determine which Notes are considered to be "outstanding" for purposes of this Section 9.02.

Upon the request of the Company accompanied by a resolution of the Board of Directors of its General Partner authorizing the execution of any such amended or supplemental indenture, and upon the filing with the Trustee of evidence satisfactory to the Trustee of the consent of the Holders of Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 7.02 hereof, the Trustee will join with the Company and the Guarantors in the execution of such amended or supplemental indenture unless such amended or supplemental indenture directly affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but will not be obligated to, enter into such amended or supplemental Indenture.

It is not be necessary for the consent of the Holders of Notes under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver, but it is sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Company will mail to the Holders of Notes affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Company to mail such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver. Subject to Sections 6.04 and 6.07 hereof, the Holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class may waive compliance in a particular instance by the Company with any provision of this Indenture or the Notes or the Note Guarantees. However, without the consent of each Holder of each series of Notes affected, an amendment, supplement or waiver under this Section 9.02 may not (with respect to any Notes held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any Note or alter or waive any of the provisions with respect to the redemption of the Notes;*provided*, however, that any purchase or repurchase of Notes, including pursuant to Sections 4.10, 4.15 or 4.19 hereof shall not be deemed a redemption of the Notes;

(3) reduce the rate of or change the time for payment of interest, including default interest, on any Note;

(4) waive a Default or Event of Default in the payment of principal of, or premium or Additional Interest, if any, or interest on, the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any Note payable in money other than that stated in the Notes;

(6) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of, or interest or premium or Additional Interest, if any, on the Notes;

(7) waive a redemption payment with respect to any Note;*provided,* however, that any purchase or repurchase of Notes, including pursuant to Sections 4.10, 4.15 or 4.19 hereof, shall not be deemed a redemption of the Notes;

(8) release any Guarantor from any of its obligations under its Note Guarantee or this Indenture, except in accordance with the terms of this Indenture; or

(9) make any change in the preceding amendment and waiver provisions.

Section 9.03 *Amendment of Security Documents*.

The Collateral Trust Agreement provides that no amendment or supplement to the provisions of any Security Document will be effective without the approval of the obligors party thereto and the Collateral Trustee acting as directed by an Act of Required DebtHolders, except that:

(1) any amendment or supplement that has the effect solely of (i) adding or maintaining Shared Collateral, securing additional Secured Debt that was otherwise permitted by the terms of the Secured Debt Documents to be secured by the Shared Collateral or preserving or perfecting the Liens thereon or the rights of the Collateral Trustee therein; (ii) curing any ambiguity, defect or inconsistency; (iii) providing for the assumption of the Company's or another Pledgor's obligations under any Security Document in the case of a merger or consolidation or sale of all or substantially all of such Pledgor's assets, as applicable; (iv) releasing a Pledgor from a Security Document and the termination of such Security Document, all in accordance with the provisions of this Indenture governing such release and termination; (v) making any change that would provide any additional rights or benefits to the Holders of Notes or the Collateral Trustee or that does not adversely affect the legal rights under this Indenture of any such Holder or the Collateral Trustee; (vi) conforming the text of the Collateral Trust Agreement or any other Security Document to any provision of this Description of Notes to the extent that such provision in this Description of Notes was intended to be a verbatim recitation of a provision of the Collateral Trust Agreement or such Security Document; or (vii) adding any Security Document, will become effective when executed and delivered by the obligors party thereto and the Collateral Trustee as directed by such obligors; and

(2) no amendment or supplement that imposes any obligation upon the Collateral Trustee or any Secured Debt Representative in its individual capacity or adversely affects the rights of the Collateral Trustee or any Secured Debt Representative in its individual capacity will become effective without the additional consent of the Collateral Trustee or such Secured Debt Representative, in its individual capacity.

Any amendment or supplement to the provisions of the Security Documents that releases Shared Collateral will be effective only in accordance with the requirements set forth in Section 10.06, 10.09 and 11.05 hereof.

Section 9.04 *Compliance with Trust Indenture Act*.

Every amendment or supplement to this Indenture or the Notes will be set forth in a amended or supplemental indenture that complies with the TIA as then in effect.

Section 9.05 *Revocation and Effect of Consents*.

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder of a Note or subsequent Holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the amendment,

supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

Section 9.06 *Notation on or Exchange of Notes*.

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Company in exchange for all Notes may issue and the Trustee shall, upon receipt of an Authentication Order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

Section 9.07 *Trustee to Sign Amendments, etc*.

The Trustee will sign any amended or supplemental indenture authorized pursuant to this Article 9 if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee. The Company may not sign an amended or supplemental indenture until the Board of Directors of the General Partner approves it. In executing any amended or supplemental indenture, the Trustee will be entitled to receive and (subject to Section 7.01 hereof) will be fully protected in relying upon an Officers' Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this Indenture.

ARTICLE 10
COLLATERAL AND SECURITY

Section 10.01 *Security*.

(a) The payment of the Notes, when due, and the performance of all other Parity Secured Debt are secured equally and ratably by liens upon the Company's rights in the Shared Collateral. The payment of the guarantees of each Guarantor and all other obligations of such Guarantor, when due, and the performance of all other obligations of such Guarantor with respect to Parity Secured Debt under the Secured Debt Documents are secured equally and ratably by liens upon such Guarantor's rights in the Shared Collateral.

(b) The Company shall, and shall cause each of the Guarantors to, do or cause to be done all acts and things which may be required, or which the Collateral Trustee from time to time may reasonably request, to assure and confirm that the Collateral Trustee holds, for the benefit of the holders of Notes and the other Parity Secured Debt, duly created, enforceable and perfected Liens upon the Shared Collateral as contemplated by this Indenture and the Security Documents, so as to render the same available for the security and benefit of this Indenture and of the Notes and Note Guarantees, according to the intent and purposes hereof expressed subject in each case to any express provisions of any Security Documents and the Intercreditor Agreement.

Section 10.02 *Collateral Trustee and Collateral Trust Agreement*.

(a) On the date of this Indenture, the Company and the other Pledgors will enter into a Collateral Trust Agreement with the Collateral Trustee, which sets forth the terms on which the Collateral Trustee receives, holds, administers, maintains, enforces and distributes the proceeds of all Liens upon any Shared Collateral at any time delivered to it, in trust for the benefit of the present and future Holders

of the Secured Obligations, including the Holders of the Notes. The 2013 Notes and the 2016 Notes, upon issuance, will be designated as Parity Secured Debt for purposes of the Collateral Trust Agreement.

(b) The Collateral Trustee is authorized and empowered to appoint one or more co-Collateral Trustees as it deems necessary or appropriate.

(c) Neither the Trustee nor the Collateral Trustee nor any of their respective officers, directors, employees, attorneys or agents shall be responsible or liable for the existence, genuineness, value or protection of any Shared Collateral, for the legality, enforceability, effectiveness or sufficiency of the Security Documents, for the creation, perfection, priority, sufficiency or protection of any Lien, or for any defect or deficiency as to any such matters, or for any failure to demand, collect, foreclose or realize upon or otherwise enforce any of the Liens or Security Documents or any delay in doing so.

Section 10.03 *Shared Collateral*

(1) The Notes are secured, together with all other Parity Secured Debt of the Company, equally and ratably by security interests granted to the Collateral Trustee in all of the assets of the Company; and

(2) each Guarantor's subsidiary guarantees are secured, together with such Guarantor's guarantee of all future Parity Secured Debt of such Guarantor, equally and ratably by security interests granted to the Collateral Trustee in all assets of such Guarantor.

Section 10.04 *Additional Parity Secured Debt*

Subject to the provisions of this Indenture and the Security Documents, the Company may incur additional Parity Secured Debt by issuing Additional Notes under this Indenture. The additional Parity Secured Debt will be *pari passu* with the Notes, will be guaranteed on a *pari passu* basis by each Guarantor and will be secured by the Shared Collateral equally and ratably with the Notes for as long as the Notes and guarantees of Notes, subject to the covenants contained in this Indenture, are secured by the Shared Collateral. The additional Parity Secured Debt will only be permitted to share in the Shared Collateral if such Indebtedness and the related Liens are permitted to be incurred under the covenants in Sections 4.09 and 4.12.

Section 10.05 *Equal and Ratable Sharing of Shared Collateral by Holders of Parity Secured Debt*

Notwithstanding (1) anything to the contrary contained in the Secured Debt Documents, (2) the time of incurrence of any Series of Parity Secured Debt, (3) the order or method of attachment or perfection of any Liens securing any Series of Parity Secured Debt, (4) the time or order of filing or recording of financing statements, mortgages or other documents filed or recorded to perfect any Lien upon any Shared Collateral, (5) the time of taking possession or control over any Shared Collateral or (6) the rules for determining priority under any law governing relative priorities of Liens:

(1) all Liens at any time granted by the General Partner, the Limited Partner, the Company or any of its subsidiaries in the Shared Collateral to secure any of the Parity Secured Debt shall secure, equally and ratably, all liabilities of the General Partner, the Limited Partner, the Company or such subsidiary under or in respect of the Parity Secured Debt; and

(2) after paying or discharging obligations if any outstanding under the Assumption Agreement, all proceeds of all Liens at any time granted by the General Partner, the Limited Partner, the Company or any of its subsidiaries in the Shared Collateral to secure any of the Parity

Secured Debt shall be allocated and distributed equally and ratably on account of all liabilities of the General Partner, the Limited Partner, the Company or such subsidiary under or in respect of the Parity Secured Debt.

The foregoing provision is intended for the benefit of, and will be enforceable as a third party beneficiary by, each present and future Holder of Parity Secured Debt and each present and future Secured Debt Representative.

Section 10.06 *Release of Security Interest*s

(a) In accordance with the provisions of the Collateral Trust Agreement or as provided hereby, the Collateral Trustee's Liens upon the Shared Collateral will be released:

(1) in whole, at any time, if neither the Company nor any Guarantor has any Secured Debt nor Junior Lien Debt secured by Liens under the Security Documents;

(2) as to any or all Shared Collateral at any time, if (A) consent to the release of Shared Collateral has been given by an Act of Required DebtHolders and (B) such release has become effective in accordance with the terms of such consent;

(3) as to (A) deposits in any cash collateral account that are to be applied to fund any mandatory prepayment or purpose offer (including an Asset Sale Offer) that becomes required as to any Secured Debt as a result of a sale of assets, concurrently with such application, so long as effective provision is made for apportionment of such funding to all Holders of Secured Debt entitled to participate in such mandatory prepayment or purchase offer in accordance with their respective entitlements under the Secured Debt Documents; and (B) deposits in any cash collateral account that constitute proceeds from an asset sale that are permitted under the Secured Debt Documents to be reinvested or otherwise are not required under the Secured Debt Documents to be reinvested or otherwise are not required to be applied to a mandatory prepayment or purchase offer in respect of any Secured Debt, concurrently with such reinvestment in assets constituting Shared Collateral or other permitted use under the Secured Debt Documents;

(4) in accordance with the provisions of the Security Documents as in effect from time to time; or

(5) in order to permit the consummation of any Asset Sales permitted by this Indenture.

(b) With respect to the Notes or each series of Notes, the Collateral Trustee's Liens upon Shared Collateral will no longer secure the note Obligations with respect to the Notes or that series of Notes and the right of the Holders of such note Obligations to the benefits and proceeds of the Collateral Trustee's Liens on Shared Collateral will terminate and be discharged:

(1) upon satisfaction and discharge of this Indenture as set forth under in Section 12.01 hereof;

(2) upon a Legal Defeasance or Covenant Defeasance with respect to that series of Notes as set forth in Article 8 hereof; or

(3) upon payment in full in cash of the applicable Notes and all other related Note Obligations that are outstanding, due and payable at the time the Notes are paid in full in cash.

(c) the Company will otherwise comply with the provisions of TIA §314(b).

To the extent applicable, the Company will cause TIA §313(b), relating to reports, and TIA §314(d), relating to the release of property or securities or relating to the substitution therefor of any property or securities to be subjected to the Lien of the Security Documents, to be complied with. Any certificate or opinion required by TIA §314(d) may be made by an Officer of the General Partner except in cases where TIA §314(d) requires that such certificate or opinion be made by an independent Person, which Person will be an independent engineer, appraiser or other expert selected or reasonably satisfactory to the Trustee. Notwithstanding anything to the contrary in this paragraph, the Company will not be required to comply with all or any portion of TIA §314(d) (1) with respect to certain ordinary course of business releases of Shared Collateral as described in this Indenture and (2) if it determines, in good faith based on advice of counsel, that under the terms of TIA §314(d) and/or any interpretation or guidance as to the meaning thereof of the Commission and its staff, including "no action" letters or exemptive orders, all or any portion of TIA §314(d) is inapplicable to one or a series of released Shared Collateral.

To the extent applicable, the Company will furnish to the Trustee, prior to each proposed release of Shared Collateral pursuant to the Security Documents:

(1) all documents required by TIA §314(d); and

(2) an opinion of counsel to the effect that such accompanying documents constitute all documents required by TIA §314(d).

Section 10.07 *Security Documents*.

The due and punctual payment of the principal of and interest and Additional Interest, if any, on the Notes when and as the same shall be due and payable, whether on an Interest Payment Date, at maturity, by acceleration, repurchase, redemption or otherwise, and interest on the overdue principal of and interest and Additional Interest (to the extent permitted by law), if any, on the Notes and performance of all other obligations of the Company to the Holders of Notes or the Trustee under this Indenture and the Notes, according to the terms hereunder or thereunder, are secured as provided in the Security Documents which the Company has entered into simultaneously with the execution of this Indenture. Each Holder of Notes, by its acceptance thereof, consents and agrees to the terms of the Security Documents (including, without limitation, the provisions providing for foreclosure and release of Shared Collateral) as the same may be in effect or may be amended from time to time in accordance with its terms and authorizes and directs the Collateral Trustee to enter into the Security Documents and to perform its obligations and exercise its rights thereunder in accordance therewith. The Company will deliver to the Trustee copies of all documents delivered to the Collateral Trustee pursuant to the Security Documents, and will do or cause to be done all such acts and things as may be necessary or proper, or as may be required by the provisions of the Security Documents, to assure and confirm to the Trustee and the Collateral Trustee the security interest in the Shared Collateral contemplated hereby, by the Security Documents or any part thereof, as from time to time constituted, so as to render the same available for the security and benefit of this Indenture and of the Notes secured hereby, according to the intent and purposes herein expressed. The Company will take, and will cause its Subsidiaries to take, any and all actions reasonably required to cause the Security Documents to create and maintain, as security for the Obligations of the Company hereunder, a valid and enforceable perfected first priority Lien in and on all

the Shared Collateral, in favor of the Collateral Trustee for the benefit of the Holders of Notes, superior to and prior to the rights of all third Persons and subject to no other Liens than Permitted Liens.

Section 10.08 *Recording and Opinions*.

(a) The Company will furnish to the Collateral Trustee and the Trustee on November 30th in each year beginning with November 30, 2007, an Opinion of Counsel (subject to customary or necessary assumptions, qualifications and exceptions), dated as of such date, (A) stating that, in the opinion of such counsel, based on relevant laws as in effect on the date of such Opinion of Counsel, action has been taken with respect to the recording, registering, filing, re-recording, re-registering and re-filing of this Indenture, the filing of all financing statements, continuation statements or other filings under the uniform commercial code and the recording, filing, re-registering and re-filing of the Mortgage as is necessary to maintain the Liens created by the Security Documents and reciting with respect to such security interests the details of such action or referring to prior Opinions of Counsel in which such details are given, and (B) describing, in the opinion of such counsel, based on relevant laws as in effect on the date of such Opinion of Counsel, all continuation statements or other filings under the uniform commercial code that are necessary during the succeeding 12 months to maintain the Liens under the Security Documents (or stating that, in the opinion of such counsel, no such action is necessary to maintain the Liens created by the Security Documents).

(b) The Company will otherwise comply with the provisions of TIA §314(b).

Section 10.09 *Release of Shared Collateral*.

(a) Subject to subsections (b), (c) and (d) of this Section 10.09, Shared Collateral may be released from the Lien and security interest created by the Security Documents at any time or from time to time in accordance with the provisions of the Security Documents or as provided hereby. In addition, upon the request of the Company pursuant to an Officers' Certificate certifying that all conditions precedent hereunder have been met and stating whether or not such release is in connection with an Asset Sale and (at the sole cost and expense of the Company) the Collateral Trustee will release Shared Collateral that is sold, conveyed or disposed of in compliance with the provisions of this Indenture; *provided* that if such sale, conveyance or disposition constitutes an Asset Sale, the Company will apply the Net Proceeds in accordance with Section 4.10 hereof. Upon receipt of such Officers' Certificate the Collateral Trustee shall execute, deliver or acknowledge any necessary or proper instruments of termination, satisfaction or release to evidence the release of any Shared Collateral permitted to be released pursuant to this Indenture or the Security Documents.

(b) No Shared Collateral may be released from the Lien and security interest created by the Security Documents pursuant to the provisions of the Security Documents unless the certificate required by this Section 10.09 has been delivered to the Collateral Trustee; *provided*, that no such certificate shall be required in connection with any sale, transfer or other disposition of Shared Collateral if such sale, transfer or other disposition does not constitute an Asset Sale or is otherwise expressly permitted by the terms of any Security Document and such Security Document does not require delivery of such certificate and no instrument of release or other action of the Collateral Trustee is required in connection with such release.

(c) At any time when a Default or Event of Default has occurred and is continuing and the maturity of the Notes has been accelerated (whether by declaration or otherwise) and the Trustee has delivered a notice of acceleration to the Collateral Trustee, no release of Shared Collateral pursuant to the provisions of the Security Documents will be effective as against the Holders of Notes.

(d) The release of any Shared Collateral from the terms of this Indenture and the Security Documents will not be deemed to impair the security under this Indenture in contravention of the provisions hereof if and to the extent the Shared Collateral is released pursuant to the terms of the Security Documents. To the extent applicable, the Company will cause TIA § 313(b), relating to reports, and TIA § 314(d), relating to the release of property or securities from the Lien and security interest of the Pledge Agreement and relating to the substitution therefor of any property or securities to be subjected to the Lien and security interest of the Security Documents, to be complied with. Any certificate or opinion required by TIA § 314(d) may be made by an Officer of the Company except in cases where TIA § 314(d) requires that such certificate or opinion be made by an independent Person, which Person will be an independent engineer, appraiser or other expert selected or approved by the Trustee and the Collateral Trustee in the exercise of reasonable care.

Section 10.10 *Certificates of the Company*.

The Company will furnish to the Trustee and the Collateral Trustee, prior to each proposed release of Shared Collateral pursuant to the Security Documents:

(1) all documents required by TIA §314(d); and

(2) an Opinion of Counsel, which may be rendered by internal counsel to the Company, to the effect that such accompanying documents constitute all documents required by TIA §314(d).

The Trustee may, to the extent permitted by Sections 7.01 and 7.02 hereof, accept as conclusive evidence of compliance with the foregoing provisions the appropriate statements contained in such documents and such Opinion of Counsel.

Section 10.11 *Certificates of the Trustee*.

In the event that the Company wishes to release Shared Collateral in accordance with the Security Documents and has delivered the certificates and documents required by the Security Documents and Sections 10.09 and 10.10 hereof, the Trustee will determine whether it has received all documentation required by TIA § 314(d) in connection with such release and, based on such determination and the Opinion of Counsel delivered pursuant to Section 10.10(2) hereof, will deliver a certificate to the Collateral Trustee setting forth such determination.

Section 10.12 *Authorization of Actions to Be Taken by the Trustee Under the Security Documents*

Subject to the provisions of Section 7.01 and 7.02 hereof, the Trustee may, in its sole discretion and without the consent of the Holders of Notes, direct, on behalf of the Holders of Notes, the Collateral Trustee to, take all actions it deems necessary or appropriate in order to:

(1) enforce any of the terms of the Security Documents; and

(2) collect and receive any and all amounts payable in respect of the Obligations of the Company hereunder.

The Trustee will have power to institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Shared Collateral by any acts that may be unlawful or in violation of the Security Documents or this Indenture, and such suits and proceedings as the Trustee may deem expedient to preserve or protect its interests and the interests of the Holders of Notes in the Shared

Collateral (including power to institute and maintain suits or proceedings to restrain the enforcement of or compliance with any legislative or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid if the enforcement of, or compliance with, such enactment, rule or order would impair the security interest hereunder or be prejudicial to the interests of the Holders of Notes or of the Trustee).

Section 10.13 *Authorization of Receipt of Funds by the Trustee Under the Security Documents*

The Trustee is authorized to receive any funds for the benefit of the Holders of Notes distributed under the Security Documents, and to make further distributions of such funds to the Holders of Notes according to the provisions of this Indenture.

Section 10.14 *Termination of Security Interest.*

Upon the payment in full of all Obligations of the Company under this Indenture and the Notes, or upon Legal Defeasance, the Trustee will, at the request of the Company, deliver a certificate to the Collateral Trustee stating that such Obligations have been paid in full, and instruct the Collateral Trustee to release the Liens pursuant to this Indenture and the Security Documents (subject to the satisfaction of any release of Lien provisions set forth in the Security Documents).

ARTICLE 11
NOTE GUARANTEES

Section 11.01 *Guarantee*.

(a) Subject to this Article 11, each of the Guarantors hereby, jointly and severally, unconditionally guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Company hereunder or thereunder, that:

(1) the principal of, premium and Additional Interest, if any, and interest on, the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of and interest on the Notes, if any, if lawful, and all other obligations of the Company to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and

(2) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise.

Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors will be jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

(b) The Guarantors hereby agree that their obligations hereunder are unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. To the extent permitted by applicable law, each Guarantor hereby waives

diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenant that this Note Guarantee will not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

(c) If any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Company or the Guarantors, any amount paid by either to the Trustee or such Holder, this Note Guarantee, to the extent theretofore discharged, will be reinstated in full force and effect.

(d) Each Guarantor agrees that it will not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby. Each Guarantor further agrees that, to the extent permitted by applicable law, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (1) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 6 hereof for the purposes of this Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (2) in the event of any declaration of acceleration of such obligations as provided in Article 6 hereof, such obligations (whether or not due and payable) will forthwith become due and payable by the Guarantors for the purpose of this Note Guarantee. The Guarantors will have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders under the Note Guarantee.

Section 11.02 *Limitation on Guarantor Liability.*

Each Guarantor, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Note Guarantee of such Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to any Note Guarantee. To effectuate the foregoing intention, and to the extent permitted by applicable law, the Trustee, the Holders and the Guarantors hereby irrevocably agree that the obligations of such Guarantor will be limited to the maximum amount that will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under this Article 10, result in the obligations of such Guarantor under its Note Guarantee not constituting a fraudulent transfer or conveyance.

Section 11.03 *Execution and Delivery of Note Guarantee Notation.*

To evidence its Note Guarantee set forth in Section 11.01 hereof, each Guarantor hereby agrees that a notation of such Note Guarantee substantially in the form attached as Exhibit E hereto will be endorsed by an Officer of such Guarantor on each Note authenticated and delivered by the Trustee and that this Indenture will be executed on behalf of such Guarantor by one of its Officers.

Each Guarantor hereby agrees that its Note Guarantee set forth in Section 11.01 hereof will remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Note Guarantee.

If an Officer whose signature is on this Indenture or on the Note Guarantee no longer holds that office at the time the Trustee authenticates the Note on which a Note Guarantee is endorsed, the Note Guarantee will be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, will constitute due delivery of the Note Guarantee set forth in this Indenture on behalf of the Guarantors.

In the event that the Company or any of its Restricted Subsidiaries creates or acquires any Domestic Subsidiary after the date of this Indenture, if required by Section 4.40 hereof, the Company will cause such Domestic Subsidiary to comply with the provisions of Section 4.40 hereof and this Article 11, to the extent applicable.

Section 11.04 *Guarantors May Consolidate, etc., on Certain Terms.*

Except as otherwise provided in Section 11.05 hereof, no Guarantor may sell or otherwise dispose of all or substantially all of its assets to, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person, other than the Company or another Guarantor, unless:

(1) immediately after giving effect to such transaction, no Default or Event of Default exists; and

(2) either:

(a) subject to Section 11.05 hereof, the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger unconditionally assumes all the obligations of that Guarantor under this Indenture, its Note Guarantee and the Registration Rights Agreement on the terms set forth herein or therein, pursuant to a supplemental indenture in form and substance reasonably satisfactory to the Trustee; or

(b) the Net Proceeds of such sale or other disposition are applied in accordance with the applicable provisions of this Indenture, including without limitation, Section 4.10 hereof.

In case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Note Guarantee endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Guarantor, such successor Person will succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Note Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee. All the Note Guarantees so issued will in all respects have the same legal rank and benefit under this Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of this Indenture as though all of such Note Guarantees had been issued at the date of the execution hereof.

Except as set forth in Articles 4 and 5 hereof, and notwithstanding clauses 2(a) and (b) above, nothing contained in this Indenture or in any of the Notes will prevent any consolidation or merger of a Guarantor with or into the Company or another Guarantor, or will prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Company or another Guarantor.

Section 11.05 *Releases.*

(a) In the event of any sale or other disposition of all or substantially all of the assets of any Guarantor, by way of merger, consolidation or otherwise, or a sale or other disposition of all of the Capital Stock of any Guarantor, in each case to a Person that is not (either before or after giving effect to

such transactions) the Company or a Restricted Subsidiary of the Company, then such Guarantor (in the event of a sale or other disposition, by way of merger, consolidation or otherwise, of all of the Capital Stock of such Guarantor) or the corporation acquiring the property (in the event of a sale or other disposition of all or substantially all of the assets of such Guarantor) will be released and relieved of any obligations under its Note Guarantee; *provided* that the Net Proceeds of such sale or other disposition are applied in accordance with the applicable provisions of this Indenture, including without limitation Section 4.10 hereof. Upon delivery by the Company to the Trustee of an Officers' Certificate and an Opinion of Counsel to the effect that such sale or other disposition was made by the Company in accordance with the provisions of this Indenture, including without limitation Section 4.10 hereof, the Trustee will execute any documents reasonably required in order to evidence the release of any Guarantor from its obligations under its Note Guarantee and any Security Documents to which it is a party.

(b) Upon designation of any Guarantor as an Unrestricted Subsidiary in accordance with the terms of this Indenture, such Guarantor will be released and relieved of any obligations under its Note Guarantee and any Security Documents to which it is a party.

(c) Upon Legal Defeasance in accordance with Article 8 hereof or satisfaction and discharge of this Indenture in accordance with Article 12 hereof, each Guarantor will be released and relieved of any obligations under its Note Guarantee and any Security Documents to which it is a party.

Any Guarantor not released from its obligations under its Note Guarantee as provided in this Section 11.05 will remain liable for the full amount of principal of and interest and premium and Additional Interest, if any, on the Notes and for the other obligations of any Guarantor under this Indenture as provided in this Article 11.

ARTICLE 12
SATISFACTION AND DISCHARGE

Section 12.01 *Satisfaction and Discharge.*

This Indenture will be discharged and will cease to be of further effect as to all Notes issued hereunder, when:

(1) either:

(a) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust and thereafter repaid to the Company, have been delivered to the Trustee for cancellation; or

(b) all Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and the Company or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes not delivered to the Trustee for cancellation for principal, premium and Additional Interest, if any, and accrued interest to the date of maturity or redemption;

(2) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit)'

(3) such deposit will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture) to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound;

(4) the Company or any Guarantor has paid or caused to be paid all sums payable by it under this Indenture; and

(5) the Company has delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at maturity or the redemption date, as the case may be.

In addition, the Company must deliver to the Trustee (a) an Officers' Certificate stating that all conditions precedent set forth in clauses (1) through (5) of this Section 12.01 have been satisfied, and (b) an opinion of counsel (which opinion of counsel may be subject to customary assumptions and qualifications), stating that all conditions precedent set forth in clauses (3) and (5) of this Section 12.01 have been satisfied; provided that the opinion of counsel with respect to clause (3) of this Section 12.01 may be to the knowledge of such counsel.

Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to subclause (b) of clause (1) of this Section 12.01, the provisions of Sections 12.02 and 8.06 hereof will survive. In addition, nothing in this Section 12.01 will be deemed to discharge those provisions of Section 7.07 hereof, that, by their terms, survive the satisfaction and discharge of this Indenture.

Section 12.02 *Application of Trust Money.*

Subject to the provisions of Section 8.06 hereof, all money deposited with the Trustee pursuant to Section 12.01 hereof shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium and Additional, if any) and interest for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any money or Government Securities in accordance with Section 12.01 hereof by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's and any Guarantor's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 12.01 hereof; *provided* that if the Company has made any payment of principal of, premium or Additional Interest, if any, or interest on, any Notes because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money or Government Securities held by the Trustee or Paying Agent.

ARTICLE 13
MISCELLANEOUS

Section 13.01 *Trust Indenture Act Controls*.

If any provision of this Indenture limits, qualifies or conflicts with the duties imposed by TIA §318(c), the imposed duties will control.

Section 13.02 *Notices*.

Any notice or communication by the Company, any Guarantor or the Trustee to the others is duly given if in writing and delivered in Person or by first class mail (registered or certified, return receipt requested), facsimile transmission or overnight air courier guaranteeing next day delivery, to the others' address:

If to the Company and/or any Guarantor:

Sabine Pass LNG, L.P.
c/o Cheniere Energy, Inc.
717 Texas Avenue, Suite 3100
Houston, TX 77002
Facsimile No.: (713) 659-5459
Attention: Don A. Turkleson

With a copy to:

Andrews Kurth LLP
600 Travis, Suite 4200
Houston, TX 77002
Facsimile No.: (713) 238-7433
Attention: Geoffrey K. Walker

If to the Trustee:

The Bank of New York
101 Barclay Street, 8 W
New York, NY 10286
Facsimile No.: (212) 815-5707
Attention: Corporate Trust Administration

The Company, any Guarantor or the Trustee, by notice to the others, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders) will be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if transmitted by facsimile; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery; *provided* that all notices and communications to the Trustee shall not be deemed received by the Trustee unless actually received by the Trustee at its address set forth above.

Any notice or communication to a Holder will be mailed by first class mail, or by certified or registered mail, return receipt requested, or by overnight air courier guaranteeing next day delivery to its

address shown on the register kept by the Registrar. Any notice or communication will also be so mailed to any Person described in TIA § 313(c), to the extent required by the TIA. Failure to mail a notice or communication to a Holder or any defect in it will not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Company mails a notice or communication to Holders, it will mail a copy to the Trustee and each Agent at the same time.

Section 13.03 *Communication by Holders of Notes with Other Holders of Notes*.

Holders may communicate pursuant to TIA § 312(b) with other Holders with respect to their rights under this Indenture or the Notes. The Company, the Trustee, the Registrar and anyone else shall have the protection of TIA § 312(c).

Section 13.04 *Certificate and Opinion as to Conditions Precedent*.

Upon any request or application by the Company to the Trustee to take any action under this Indenture, the Company shall furnish to the Trustee:

(1) an Officers' Certificate in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.05 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied, *provided*, that no such Officers' Certificate shall be delivered on the date of this Indenture in connection with the original issuance of the initial Global Notes; and

(2) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.05 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied, *provided*, that no such Opinion of Counsel shall be delivered on the date of this Indenture in connection with the original issuance of the initial Global Notes.

Section 13.05 *Statements Required in Certificate or Opinion*.

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than a certificate provided pursuant to TIA § 314(a)(4)) must comply with the provisions of TIA § 314(e) and must include:

(1) a statement that the Person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(4) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

Section 13.06 *Rules by Trustee and Agents*.

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 13.07 *No Personal Liability of Directors, Officers, Employees and Stockholders*.

No past, present or future director, officer, employee, incorporator, member, partner or stockholder of the Company or any Guarantor (including without limitation, the General Partner, the Limited Partner and the Parent), as such, will have any liability for any obligations of the Company or the Guarantors under the Notes, this Indenture, the Note Guarantees, the Security Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

Section 13.08 *Governing Law*.

THE LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES AND THE NOTE GUARANTEES.

Section 13.09 *No Adverse Interpretation of Other Agreements*.

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Company or its Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 13.10 *Successors*.

All agreements of the Company in this Indenture and the Notes will bind its successors. All agreements of the Trustee in this Indenture will bind its successors. All agreements of each Guarantor in this Indenture will bind its successors, except as otherwise provided in Section 11.05 hereof.

Section 13.11 *Severability*.

In case any provision in this Indenture or in the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 13.12 *Counterpart Originals*.

The parties may sign any number of copies of this Indenture. Each signed copy will be an original, but all of them together represent the same agreement.

Section 13.13 *Table of Contents, Headings, etc*.

The Table of Contents, Cross-Reference Table and Headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and will in no way modify or restrict any of the terms or provisions hereof.

[Signatures on following page]

SIGNATURES

Dated as of November 9, 2006

SABINE PASS LNG, L.P.

By: Sabine Pass LNG-GP, Inc.,
its general partner

By: /s/ Graham A. McArthur
Name: Graham A. McArthur
Title: Treasurer

THE BANK OF NEW YORK, as Trustee

By: /s/ Beata Hryniewicka
Name: Beata Hryniewicka
Title: Assistant Vice President

[Face of Note]

CUSIP/CINS ________

__% Senior Secured Notes due 20__

No. ____ $________

SABINE PASS LNG, L.P.

promises to ______ pay to or registered assigns,
the principal sum of ____ DOLLARS on ________, 20__.

Interest Payment Dates: ________ and ________

Record Dates: ________ and ________

Dated: ________, 20__

SABINE PASS LNG, L.P.

By: Sabine Pass LNG-GP, Inc.,
its general partner

By: ________________________________
Name:
Title:

This is one of the Notes referred to
in the within-mentioned Indenture:

THE BANK OF NEW YORK,
as Trustee

By: ________________________________
Authorized Signatory

[Back of Note]
__% Senior Secured Notes due 20__

[Insert the Global Note Legend, if applicable pursuant to the provisions of the Indenture]

[Insert the Private Placement Legend, if applicable pursuant to the provisions of the Indenture]

Capitalized terms used herein have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

(1) *INTEREST*. Sabine Pass LNG, L.P., a Delaware limited partnership (the "*Company*"), promises to pay interest on the principal amount of this Note at __% per annum from __________, 20__ until maturity and shall pay the Additional Interest, if any, payable pursuant to Section 6 of the Registration Rights Agreement referred to below. The Company will pay interest and Additional Interest, if any, semi-annually in arrears on __________ and __________ of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each, an "*Interest Payment Date*"). Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; *provided* that if there is no existing Default in the payment of interest, and if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; *provided further* that the first Interest Payment Date shall be__________, 20__. The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time on demand at a rate that is 1% per annum in excess of the rate then in effect to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Additional Interest, if any, (without regard to any applicable grace periods) from time to time on demand at the same rate to the extent lawful. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

(2) *METHOD OF PAYMENT*. The Company will pay interest on the Notes (except defaulted interest) and Additional Interest, if any, to the Persons who are registered Holders of Notes at the close of business on the __________ or __________ next preceding the Interest Payment Date, even if such Notes are canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes will be payable as to principal, premium and Additional Interest, if any, and interest at the office or agency of the Paying Agent or Registrar maintained for such purpose within or without the City and State of New York, or, at the option of the Company, payment of interest and Additional Interest, if any, may be made by check mailed to the Holders at their addresses set forth in the register of Holders; *provided* that payment by wire transfer of immediately available funds will be required with respect to principal of and interest, premium and Additional Interest, if any, on, all Global Notes and all other Notes the Holders of which will have provided wire transfer instructions to the Company or the Paying Agent. Such payment will be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

(3) *PAYING AGENT AND REGISTRAR*. Initially, The Bank of New York, the Trustee under the Indenture, will act as Paying Agent and Registrar. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Subsidiaries may act in any such capacity.

(4) *INDENTURE AND SECURITY DOCUMENTS*. The Company issued the Notes under an Indenture dated as of November 9, 2006 (the "*Indenture*") among the Company, the Guarantors and the Trustee. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the TIA. The Notes are subject to all such terms, and Holders are referred to the Indenture and such Act for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are secured obligations of the Company. The Notes are secured by a pledge of Shared Collateral (as defined in the Indenture) pursuant to the Security Documents referred to in the Indenture. The Indenture does not limit the aggregate principal amount of Notes that may be issued thereunder.

(5) *OPTIONAL REDEMPTION*.

(a) The Company may redeem all or a part of the Notes, at any time and from time to time, upon not less than 30 nor more than 60 days' prior notice mailed by first-class mail to each Holder's registered address, at a redemption price equal to 100% of the principal amount of Notes redeemed plus the Applicable Premium, and accrued and unpaid interest and Additional Interest, if any, to the date of redemption (the "Redemption Date"), subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date.

(b) Notwithstanding the provisions of subparagraph (a) of this Paragraph 5, at any time prior to__________, 20__, the Company may redeem up to 35% of the aggregate original principal amount of the Notes issued under the Indenture at a redemption price of __% of the principal amount thereof, plus accrued and unpaid interest and Additional Interest, if any, to the redemption date, with the net cash proceeds of one or more Equity Offerings; *provided* that at least 65% in aggregate principal amount of the Notes originally issued on the Issue Date (excluding Notes held by the Company and its Affiliates) remains outstanding immediately after the occurrence of such redemption and that such redemption occurs within 90 days of the date of the closing of such Equity Offering.

(6) *MANDATORY REDEMPTION*.

The Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

(7) *REPURCHASE AT THE OPTION OF HOLDER*.

(a) If there is a Change of Control, the Company will be required to make an offer (a "*Change of Control Offer*") of payment (the "*Change of Control Payment*") to each Holder to repurchase all or any part (equal to $100,000 and integral multiples pf $1,000 in excess thereof) of each Holder's Notes at a purchase price in cash equal to not less than 101% of the aggregate principal amount thereof plus accrued and unpaid interest and Additional Interest, if any, thereon to the date of repurchase (the "*Change of Control Payment Date*," which date will be no earlier than the date of such Change of Control). No later than 30 days following any Change of Control, the Company will mail a notice to each Holder setting forth the procedures governing the Change of Control Offer as required by the Indenture.

(b) If on any date, the Company or a Restricted Subsidiary of the Company consummates any Asset Sales whereby the aggregate amount of Excess Proceeds from such Asset Sale exceeds $25.0 million, then within ten Business Days after such date, the Company will

commence an offer (an "*Asset Sale Offer*") to all Holders of Notes and all holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in the Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets pursuant to Section 3.09 of the Indenture, to purchase the maximum principal amount of Notes (including any Additional Notes) and such other *pari passu* Indebtedness that may be purchased out of the Excess Proceeds at an offer price in cash in an amount equal to 100% of the principal amount thereof plus accrued and unpaid interest and Additional Interest, if any, thereon to the date of purchase, in accordance with the procedures set forth in the Indenture. To the extent that the aggregate amount of Notes (including any Additional Notes) and other *pari passu* Indebtedness tendered pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Company (or such Restricted Subsidiary) may use such deficiency for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and other *pari passu* Indebtedness tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds, the Trustee shall select the Notes and such other *pari passu* Indebtedness to be purchased on a *pro rata* basis. Holders of Notes that are the subject of an offer to purchase will receive an Asset Sale Offer from the Company prior to any related purchase date and may elect to have such Notes purchased by completing the form entitled "*Option of Holder to Elect Purchase*" attached to the Notes.

(8) *NOTICE OF REDEMPTION*. Notice of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction or discharge of the Indenture. Notes in denominations larger than $100,000 may be redeemed in part but only in whole multiples of $1,000 in excess thereof, unless all of the Notes held by a Holder are to be redeemed.

(9) *DENOMINATIONS, TRANSFER, EXCHANGE*. The Notes are in registered form without coupons in denominations of $100,000 and integral multiples of $1,000 in excess thereof. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a record date and the corresponding Interest Payment Date.

(10) *PERSONS DEEMED OWNERS*. The registered Holder of a Note may be treated as its owner for all purposes.

(11) *AMENDMENT, SUPPLEMENT AND WAIVER*. Subject to certain exceptions, the Indenture or the Notes or the Note Guarantees may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes including Additional Notes, if any, voting as a single class, and any existing Default or Event or Default or compliance with any provision of the Indenture or the Notes or the Note Guarantees may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes including Additional Notes, if any, voting as a single class. Without the consent of any Holder of a Note, the Indenture or the Notes or the Note Guarantees may be amended or supplemented to cure any ambiguity, defect or inconsistency, to provide for

uncertificated Notes in addition to or in place of certificated Notes, to provide for the assumption of the Company's or a Guarantor's obligations to Holders of the Notes and Note Guarantees in case of a merger or consolidation, to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the legal rights under the Indenture of any such Holder, to comply with the requirements of the SEC in order to effect or maintain the qualification of the Indenture under the TIA, to conform the text of the Indenture, the Security Documents or the Notes to any provision of the "Description of Notes" section of the Offering Circular, to the extent that such provision in that "Description of Notes" was intended to be a verbatim recitation of a provision of the Indenture, the Note Guarantees, the Security Documents or the Notes; to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture, or to allow any Guarantor to execute a supplemental indenture to the Indenture and/or a Note Guarantee with respect to the Notes.

(12) *Defaults and Remedies.* Events of Default include: (i) default for 30 days in the payment when due of interest on, or Additional Interest, if any, with respect to, the Notes; (ii) default in payment when due of the principal of, or premium, if any, on, the Notes; (iii) failure by the Company to comply with its obligations described under Section 5.01 of the Indenture or to consummate a purchase of Notes when required pursuant to Section 4.15 or Section 4.10 of the Indenture; (iv) failure by the Company or any of its Restricted Subsidiaries for 30 days to comply with the provisions of Section 4.07 or Section 4.09 of the Indenture or to comply with the provisions described under Section 4.15 or Section 4.10 of the Indenture to the extent not described in clause (3) of Section 6.01 of the Indenture; (v) failure by the Company or any of its Restricted Subsidiaries for 60 days after notice from the Trustee or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes to comply with any of the other agreements in the Indenture, the Security Documents or the Notes unless covered by another Event of Default; (vi) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Company or any of its Restricted Subsidiaries) whether such Indebtedness or guarantee now exists, or is created after the Issue Date, if that default (A) is caused by a failure to pay principal of, or interest or premium, if any, on, such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "*Payment Default*"); or (b) results in the acceleration of such Indebtedness prior to its express maturity; and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $25.0 million or more; but only if such Indebtedness remains unpaid or the acceleration unrescinded; (vii) any final judgment or decree (to the extent not covered by insurance) for the payment of money in excess of $25.0 million is entered against the Company or any of its Restricted Subsidiaries and is not paid or discharged, and there is any period of 60 consecutive days following entry of such final judgment or decree during which a stay of enforcement of such final judgment or decree, by reason of pending appeal or otherwise, is not in effect; (viii) breach by the Company or any of its Restricted Subsidiaries of any material representation or warranty or agreement in the Security Documents unless remedied within 60 days of the Company obtaining knowledge of such breach; (ix) except as permitted by the Indenture, any Security Document of the General Partner, the Limited Partner, the Company or of any Guarantor that is a Significant Subsidiary or any group of Guarantors that, taken together, would constitute a Significant Subsidiary is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any such Pledgor, or any Person acting on behalf of any such Pledgor, denies or disaffirms its obligations under the Security Document to which it is a party or shall cease to grant the Holders any of the Shared Collateral or rights purported to be granted thereunder; (x) the failure by the Company or any Guarantor to

comply in all material respects with its payment and other material obligations under a Material Project Agreement and within 60 days after actual knowledge by the Company or any Guarantor of such failure to comply, such failure has not been remedied by the Company or the relevant Guarantor (as applicable) within 60 days or if not capable of cure within 60 days, the Company or such Guarantor has commenced curing such default within 60 days and diligently pursues such cure; provided such cure is completed within 180 days of such knowledge; (xi) except as permitted by the Indenture, any Note Guarantee of any Guarantor that is a Significant Subsidiary or any group of Guarantors that, taken together, would constitute a Significant Subsidiary is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any such Guarantor, or any Person acting on behalf of any such Guarantor, denies or disaffirms its obligations under its Note Guarantee; (xii) the Project is abandoned in whole; and (xiii) certain events of bankruptcy or insolvency described in the Indenture with respect to the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary.

(13) *Trustee Dealings with Company*. The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

(14) *No Recourse Against Others*. No past, present or future director, officer, employee, incorporator, member, partner or stockholder of the Company or any Guarantor (including without limitation, the General Partner, the Limited Partner and the Parent), as such, will have any liability for any obligations of the Company or the Guarantors under the Notes, this Indenture, the Note Guarantees, the Security Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

(15) *Authentication*. This Note will not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

(16) *Abbreviations*. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(17) *Additional Rights of Holders of Restricted Global Notes and Restricted Definitive Notes.* In addition to the rights provided to Holders of Notes under the Indenture, Holders of Restricted Global Notes and Restricted Definitive Notes will have all the rights set forth in the Registration Rights Agreement dated as of November 9, 2006, between the Company and the other parties named on the signature pages thereof or, in the case of Additional Notes, Holders of Restricted Global Notes and Restricted Definitive Notes will have the rights set forth in one or more registration rights agreements, if any, [between/among] the Company[, the Guarantors] and the other parties thereto, relating to rights given by the Company [and the Guarantors] to the purchasers of any Additional Notes (collectively, the "*Registration Rights Agreement*"). By such Holders' acceptance of Restricted Global Notes or Restricted Definitive Notes, such Holder acknowledges and agrees to the provisions of the Registration Rights Agreement, including without limitation the obligations of the Holders with respect to indemnification of the Company and the Guarantors to the extent provided therein

(18) *CUSIP NUMBERS*. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes, and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption, and reliance may be placed only on the other identification numbers placed thereon.

(19) *GOVERNING LAW*. THE LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THE INDENTURE, THIS NOTE AND THE NOTE GUARANTEES.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture and/or the Registration Rights Agreement. Requests may be made to:

Sabine Pass LNG, L.P.
c/o Cheniere Energy, Inc.
717 Texas Avenue, Suite 3100
Houston, Texas 77002
Attention: [Chief Financial Officer]

ASSIGNMENT FORM

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to: ______________________________

(Insert assignee's legal name)

____

(Insert assignee's soc. sec. or tax I.D. no.)

____

____

____

____

(Print or type assignee's name, address and zip code)

and irrevocably appoint ______________________________ to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: __________

Your Signature: ______________________________
(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: ______________________________

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

Option of Holder to Elect Purchase

If you want to elect to have this Note purchased by the Company pursuant to Section 4.10 or 4.15 of the Indenture, check the appropriate box below:

☐ Section 4.10 ☐ Section 4.15

If you want to elect to have only part of the Note purchased by the Company pursuant to Section 4.10 or Section 4.15 of the Indenture, state the amount you elect to have purchased:

$__________

Date: __________

Your Signature: ______________________________________
(Sign exactly as your name appears on the face of this Note)

Tax Identification No.: ____________________

Signature Guarantee*: ___________________________________

____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE *

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

Date of Exchange	**Amount of decrease in Principal Amount [at maturity] of this Global Note**	**Amount of increase in Principal Amount [at maturity] of this Global Note**	**Principal Amount [at maturity] of this Global Note following such decrease (or increase)**	**Signature of authorized officer of Trustee or Custodian**

* *This schedule should be included only if the Note is issued in global form*

[Face of Regulation S Temporary Global Note]

CUSIP/CINS ______

__% Senior Secured Notes due 20__

No. ____ $__________

SABINE PASS LNG, L.P.

promises to pay to [CEDE & CO.] or registered assigns,
the principal sum of ____ DOLLARS on __________, 20__.

Interest Payment Dates: __________ and __________

Record Dates: __________ and __________

Dated: __________, 200_

SABINE PASS LNG, L.P.

By: Sabine Pass LNG-GP, Inc.,
its general partner

By: ____
Name:
Title:

This is one of the Notes referred to
in the within-mentioned Indenture:

THE BANK OF NEW YORK,
as Trustee

By: ____
Authorized Signatory

[Back of Regulation S Temporary Global Note]
__% Senior Secured Notes due 20__

THE RIGHTS ATTACHING TO THIS REGULATION S TEMPORARY GLOBAL NOTE, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR CERTIFICATED NOTES, ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN). NEITHER THE HOLDER NOR THE BENEFICIAL OWNERS OF THIS REGULATION S TEMPORARY GLOBAL NOTE SHALL BE ENTITLED TO RECEIVE PAYMENT OF INTEREST HEREON.

THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF [THE COMPANY].

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) (“DTC”), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, [CEDE & CO.], HAS AN INTEREST HEREIN.

THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND THIS SECURITY MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

THE HOLDER OF THIS SECURITY AGREES FOR THE BENEFIT OF THE COMPANY THAT (A) THIS SECURITY MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (I) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A,

(II) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" THAT, PRIOR TO SUCH TRANSFER, FURNISHES THE TRUSTEE A SIGNED LETTER CONTAINING CERTAIN REPRESENTATIONS AND AGREEMENTS RELATING TO THE TRANSFER OF THIS NOTE (THE FORM OF WHICH CAN BE OBTAINED FROM THE TRUSTEE) AND, IF SUCH TRANSFER IS IN RESPECT OF AN AGGREGATE PRINCIPAL AMOUNT OF NOTES LESS THAN $250,000, AN OPINION OF COUNSEL ACCEPTABLE TO THE COMPANY THAT SUCH TRANSFER IS IN COMPLIANCE WITH THE SECURITIES ACT, (III) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (IV) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) OR (V) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH OF CASES (I) THROUGH (IV) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS SECURITY FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN (A) ABOVE. IN ANY CASE, THE HOLDER HEREOF WILL NOT, DIRECTLY OR INDIRECTLY, ENGAGE IN ANY HEDGING TRANSACTIONS WITH REGARD TO THIS SECURITY EXCEPT AS PERMITTED UNDER THE SECURITIES ACT.

THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

Capitalized terms used herein have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

(1) *Interest*. Sabine Pass LNG, L.P., a Delaware limited partnership (the "*Company*"), promises to pay interest on the principal amount of this Note at __% per annum from __________, 20__ until maturity and shall pay the Additional Interest, if any,

payable pursuant to Section 6 of the Registration Rights Agreement referred to below. The Company will pay interest and Additional Interest, if any, semi-annually in arrears on __________ and __________ of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each, an "*Interest Payment Date*"). Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; *provided* that if there is no existing Default in the payment of interest, and if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; *provided further* that the first Interest Payment Date shall be __________, 20__. The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time on demand at a rate that is 1% per annum in excess of the rate then in effect to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Additional Interest, if any, (without regard to any applicable grace periods) from time to time on demand at the same rate to the extent lawful. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

Until this Regulation S Temporary Global Note is exchanged for one or more Regulation S Permanent Global Notes, the Holder hereof shall not be entitled to receive payments of interest hereon; until so exchanged in full, this Regulation S Temporary Global Note shall in all other respects be entitled to the same benefits as other Notes under the Indenture.

(2) *METHOD OF PAYMENT*. The Company will pay interest on the Notes (except defaulted interest) and Additional Interest, if any, to the Persons who are registered Holders of Notes at the close of business on the __________ or __________ next preceding the Interest Payment Date, even if such Notes are canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes will be payable as to principal, premium and Additional Interest, if any, and interest at the office or agency of the Paying Agent or Registrar maintained for such purpose within or without the City and State of New York, or, at the option of the Company, payment of interest and Additional Interest, if any, may be made by check mailed to the Holders at their addresses set forth in the register of Holders; *provided* that payment by wire transfer of immediately available funds will be required with respect to principal of and interest, premium and Additional Interest, if any, on, all Global Notes and all other Notes the Holders of which will have provided wire transfer instructions to the Company or the Paying Agent. Such payment will be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

(3) *PAYING AGENT AND REGISTRAR*. Initially, The Bank of New York, the Trustee under the Indenture, will act as Paying Agent and Registrar. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Subsidiaries may act in any such capacity.

(4) *INDENTURE AND SECURITY DOCUMENTS*. The Company issued the Notes under an Indenture dated as of November 9, 2006 (the "*Indenture*") among the Company, the Guarantors and the Trustee. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the TIA. The Notes are subject to all such terms, and Holders are referred to the Indenture and such Act for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are secured obligations of the Company. The Notes are secured by a pledge of Shared Collateral (as defined in the Indenture) pursuant to the Security

Documents referred to in the Indenture. The Indenture does not limit the aggregate principal amount of Notes that may be issued thereunder.

(5) *OPTIONAL REDEMPTION*.

(a) The Company may redeem all or a part of the Notes, at any time and from time to tine, upon not less than 30 nor more than 60 days' prior notice mailed by first-class mail to each Holder's registered address, at a redemption price equal to 100% of the principal amount of Notes redeemed plus the Applicable Premium, and accrued and unpaid interest and Additional Interest, if any, to the date of redemption (the "Redemption Date"), subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date.

(b) Notwithstanding the provisions of subparagraph (a) of this Paragraph 5, at any time prior to__________, 20__, the Company may redeem up to 35% of the aggregate original principal amount of the Notes issued under the Indenture at a redemption price of __% of the principal amount thereof, plus accrued and unpaid interest and Additional Interest, if any, to the redemption date, with the net cash proceeds of one or more Equity Offerings; *provided* that at least 65% in aggregate principal amount of the Notes originally issued on the Issue Date (excluding Notes held by the Company and its Affiliates) remains outstanding immediately after the occurrence of such redemption and that such redemption occurs within 90 days of the date of the closing of such Equity Offering.

(6) *MANDATORY REDEMPTION*.

The Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

(7) Repurchase at the Option of Holder.

(a) If there is a Change of Control, the Company will be required to make an offer (a "*Change of Control Offer*") of payment (the "*Change of Control Payment*") to each Holder to repurchase all or any part (equal to $100,000 and integral multiples pf $1,000 in excess thereof) of each Holder's Notes at a purchase price in cash equal to not less than 101% of the aggregate principal amount thereof plus accrued and unpaid interest and Additional Interest, if any, thereon to the date of repurchase (the "*Change of Control Payment Date*" which date will be no earlier than the date of such Change of Control). No later than 30 days following any Change of Control, the Company will mail a notice to each Holder setting forth the procedures governing the Change of Control Offer as required by the Indenture.

(b) If on any date, the Company or a Restricted Subsidiary of the Company consummates any Asset Sales whereby the aggregate amount of Excess Proceeds from such Asset Sale exceeds $25.0 million, then within ten Business Days after such date, the Company will commence an offer (an "*Asset Sale Offer*") to all Holders of Notes and all holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in the Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets pursuant to Section 3.09 of the Indenture, to purchase the maximum principal amount of Notes (including any Additional Notes) and such other *pari passu* Indebtedness that may be purchased out of the Excess Proceeds at an offer price in cash in an amount equal to 100% of the principal amount thereof plus accrued and unpaid interest and Additional Interest, if any, thereon to the date of purchase, in accordance with the procedures set forth in the Indenture. To the extent that

the aggregate amount of Notes (including any Additional Notes) and other *pari passu* Indebtedness tendered pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Company (or such Restricted Subsidiary) may use such deficiency for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and other *pari passu* Indebtedness tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds, the Trustee shall select the Notes and such other *pari passu* Indebtedness to be purchased on a *pro rata* basis. Holders of Notes that are the subject of an offer to purchase will receive an Asset Sale Offer from the Company prior to any related purchase date and may elect to have such Notes purchased by completing the form entitled "*Option of Holder to Elect Purchase*" attached to the Notes.

(8) *NOTICE OF REDEMPTION*. Notice of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction or discharge of the Indenture. Notes in denominations larger than $100,000 may be redeemed in part but only in whole multiples of $1,000 in excess thereof, unless all of the Notes held by a Holder are to be redeemed.

(9) *DENOMINATIONS, TRANSFER, EXCHANGE*. The Notes are in registered form without coupons in denominations of $100,000 and integral multiples of $1,000 in excess thereof. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a record date and the corresponding Interest Payment Date.

This Regulation S Temporary Global Note is exchangeable in whole or in part for one or more Global Notes only (i) on or after the termination of the 40-day distribution compliance period (as defined in Regulation S) and (ii) upon presentation of certificates (accompanied by an Opinion of Counsel, if applicable) required by Article 2 of the Indenture. Upon exchange of this Regulation S Temporary Global Note for one or more Global Notes, the Trustee shall cancel this Regulation S Temporary Global Note.

(10) *PERSONS DEEMED OWNERS*. The registered Holder of a Note may be treated as its owner for all purposes.

(11) *AMENDMENT, SUPPLEMENT AND WAIVER*. Subject to certain exceptions, the Indenture or the Notes or the Note Guarantees may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes including Additional Notes, if any, voting as a single class, and any existing Default or Event or Default or compliance with any provision of the Indenture or the Notes or the Note Guarantees may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes including Additional Notes, if any, voting as a single class. Without the consent of any Holder of a Note, the Indenture or the Notes or the Note Guarantees may be amended or supplemented to cure any ambiguity, defect or inconsistency, to provide for uncertificated Notes in addition to or in place of certificated Notes, to provide for the assumption

of the Company's or a Guarantor's obligations to Holders of the Notes and Note Guarantees in case of a merger or consolidation, to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the legal rights under the Indenture of any such Holder, to comply with the requirements of the SEC in order to effect or maintain the qualification of the Indenture under the TIA, to conform the text of the Indenture, the Security Documents or the Notes to any provision of the "Description of Notes" section of the Offering Circular, to the extent that such provision in that "Description of Notes" was intended to be a verbatim recitation of a provision of the Indenture, the Note Guarantees, the Security Documents or the Notes; to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture, or to allow any Guarantor to execute a supplemental indenture to the Indenture and/or a Note Guarantee with respect to the Notes.

(12) *Defaults and Remedies*. Events of Default include: (i) default for 30 days in the payment when due of interest on, or Additional Interest, if any, with respect to, the Notes; (ii) default in payment when due of the principal of, or premium, if any, on, the Notes; (iii) failure by the Company to comply with its obligations described under Section 5.01 of the Indenture or to consummate a purchase of Notes when required pursuant to Section 4.15 or Section 4.10 of the Indenture; (iv) failure by the Company or any of its Restricted Subsidiaries for 30 days to comply with the provisions of Section 4.07 or Section 4.09 of the Indenture or to comply with the provisions described under Section 4.15 or Section 4.10 of the Indenture to the extent not described in clause (3) of Section 6.01 of the Indenture; (v) failure by the Company or any of its Restricted Subsidiaries for 60 days after notice from the Trustee or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes to comply with any of the other agreements in the Indenture, the Security Documents or the Notes unless covered by another Event of Default; (vi) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Company or any of its Restricted Subsidiaries) whether such Indebtedness or Guarantee now exists, or is created after the Issue Date, if that default (A) is caused by a failure to pay principal of, or interest or premium, if any, on, such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "*Payment Default*"); or (b) results in the acceleration of such Indebtedness prior to its express maturity; and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $25.0 million or more; but only if such Indebtedness remains unpaid or the acceleration unrescinded; (vii) any final judgment or decree (to the extent not covered by insurance) for the payment of money in excess of $25.0 million is entered against the Company or any of its Restricted Subsidiaries and is not paid or discharged, and there is any period of 60 consecutive days following entry of such final judgment or decree during which a stay of enforcement of such final judgment or decree, by reason of pending appeal or otherwise, is not in effect; (viii) breach by the Company or any of its Restricted Subsidiaries of any material representation or warranty or agreement in the Security Documents unless remedied within 60 days of the Company obtaining knowledge of such breach; (ix) except as permitted by the Indenture, any Security Document of the General Partner, the Limited Partner, the Company or of any Guarantor that is a Significant Subsidiary or any group of Guarantors that, taken together, would constitute a Significant Subsidiary is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any such Pledgor, or any Person acting on behalf of any such Pledgor, denies or disaffirms its obligations under the Security Document to which it is a party or shall cease to grant the Holders any of the Shared Collateral or rights purported to be granted thereunder; (x) the failure by the Company or any Guarantor to comply in all material respects with its payment and other material obligations under a Material

Project Agreement and within 60 days after actual knowledge by the Company or any Guarantor of such failure to comply, such failure has not been remedied by the Company or the relevant Guarantor (as applicable) within 60 days or if not capable of cure within 60 days, the Company or such Guarantor has commenced curing such default within 60 days and diligently pursues such cure; provided such cure is completed within 180 days of such knowledge; (xi) except as permitted by the Indenture, any Note Guarantee of any Guarantor that is a Significant Subsidiary or any group of Guarantors that, taken together, would constitute a Significant Subsidiary is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any such Guarantor, or any Person acting on behalf of any such Guarantor, denies or disaffirms its obligations under its Note Guarantee; (xii) the Project is abandoned in whole; and (xiii) certain events of bankruptcy or insolvency described in the Indenture with respect to the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary.

(13) *Trustee Dealings with Company*. The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

(14) *No Recourse Against Others*. No past, present or future director, officer, employee, incorporator, member, partner or stockholder of the Company or any Guarantor (including without limitation, the General Partner, the Limited Partner and the Parent), as such, will have any liability for any obligations of the Company or the Guarantors under the Notes, this Indenture, the Note Guarantees, the Security Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

(15) *Authentication*. This Note will not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

(16) *Abbreviations*. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(17) *Additional Rights of Holders*. In addition to the rights provided to Holders of Notes under the Indenture, Holders of this Regulation S Temporary Global Note will have all the rights set forth in the Registration Rights Agreement dated as of November 9, 2006, between the Company and the other parties named on the signature pages thereof or, in the case of Additional Notes, Holders thereof will have the rights set forth in one or more registration rights agreements, if any, [between/among] the Company[, the Guarantors] and the other parties thereto, relating to rights given by the Company [and the Guarantors] to the purchasers of any Additional Notes (collectively, the "Registration Rights Agreement"). By such Holders' acceptance of the Restricted Global Notes or Restricted Definitive Notes, such Holder acknowledges and agrees to the provisions of the Registration Rights Agreement, including without limitation the obligations of the Holders with respect to indemnification of the Company and the Guarantors to the extent provided therein.

(18) *CUSIP Numbers*. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be

printed on the Notes, and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption, and reliance may be placed only on the other identification numbers placed thereon.

(19) *GOVERNING LAW*. THE LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THE INDENTURE, THIS NOTE AND THE NOTE GUARANTEES.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture and/or the Registration Rights Agreement. Requests may be made to:

Sabine Pass LNG, L.P.
c/o Cheniere Energy, Inc.
717 Texas Avenue, Suite 3100
Houston, Texas 77002
Attention: [Chief Financial Officer]

ASSIGNMENT FORM

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to: ______________________________

(Insert assignee's legal name)

____

(Insert assignee's soc. sec. or tax I.D. no.)

____

____

____

____

(Print or type assignee's name, address and zip code)

and irrevocably ______________________________ appoint to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: __________

Your Signature: ______________________________
(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: ______________________________

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note purchased by the Company pursuant to Section 4.10 or 4.15 of the Indenture, check the appropriate box below:

☐ Section 4.10 ☐ Section 4.15

If you want to elect to have only part of the Note purchased by the Company pursuant to Section 4.10 or Section 4.15 of the Indenture, state the amount you elect to have purchased:

$__________

Date: __________

Your Signature: ______________________________
(Sign exactly as your name appears on the face of this Note)

Tax Identification No.: ____________________

Signature Guarantee*: ______________________________

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

SCHEDULE OF EXCHANGES OF INTERESTS IN THE REGULATION S TEMPORARY GLOBAL NOTE

The following exchanges of a part of this Regulation S Temporary Global Note for an interest in another Global Note, or exchanges of a part of another other Restricted Global Note for an interest in this Regulation S Temporary Global Note, have been made:

Date of Exchange	Amount of decrease in Principal Amount [at maturity] of this Global Note	Amount of increase in Principal Amount [at maturity] of this Global Note	Principal Amount [at maturity] of this Global Note following such decrease (or increase)	Signature of authorized officer of Trustee or Custodian

EXHIBIT B

FORM OF CERTIFICATE OF TRANSFER

The Bank of New York, as Trustee
101 Barclay Street, 8 W
New York, New York 10286

cc: Sabine Pass LNG, L.P.
c/o Cheniere Energy, Inc.
717 Texas Avenue, Suite 3100
Houston, Texas 77002

Re: [*fill in full title of securities*]

Reference is hereby made to the Indenture, dated as of November 9, 2006, (the "*Indenture*"), among Sabine Pass LNG, L.P., as issuer (the "*Company*"), the Guarantors party thereto and The Bank of New York, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

________________, (the "*Transferor*") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of $__________ in such Note[s] or interests (the "*Transfer*"), to ____________________ (the "*Transferee*"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. ☐ **Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a Restricted Definitive Note pursuant to Rule 144A** The Transfer is being effected pursuant to and in accordance with Rule 144A under the Securities Act of 1933, as amended (the "*Securities Act*"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A, and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

2. ☐ **Check if Transferee will take delivery of a beneficial interest in the Regulation S Temporary Global Note, the Regulation S Permanent Global Note or a Restricted Definitive Note pursuant to Regulation S**. The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the

proposed transfer is being made prior to the expiration of the Restricted Period, (x) the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser) and (y) the interest transferred will be held immediately thereafter through Euroclear or Clearstream. Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Permanent Global Note, the Regulation S Temporary Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

3. ☐ **Check and complete if Transferee will take delivery of a beneficial interest in the IAI Global Note or a Restricted Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S**. The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) ☐ such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;

or

(b) ☐ such Transfer is being effected to the Company or a subsidiary thereof;

or

(c) ☐ such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act;

or

(d) ☐ such Transfer is being effected to an Institutional Accredited Investor and pursuant to an exemption from the registration requirements of the Securities Act other than Rule 144A, Rule 144, Rule 903 or Rule 904, and the Transferor hereby further certifies that it has not engaged in any general solicitation within the meaning of Regulation D under the Securities Act and the Transfer complies with the transfer restrictions applicable to beneficial interests in a Restricted Global Note or Restricted Definitive Notes and the requirements of the exemption claimed, which certification is supported by (1) a certificate executed by the Transferee in the form of Exhibit D to the Indenture and (2) if such Transfer is in respect of a principal amount of Notes at the time of transfer of less than $250,000, an Opinion of Counsel provided by the Transferor or the Transferee (a copy of which the Transferor has attached to this certification), to the effect that such Transfer is in compliance with the Securities Act. Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the IAI Global Note and/or the Restricted Definitive Notes and in the Indenture and the Securities Act.

4. ☐ **Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note**

(a) ☐ **Check if Transfer is pursuant to Rule 144**. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer

restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(b) ☐ **Check if Transfer is Pursuant to Regulation S**. (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(c) ☐ **Check if Transfer is Pursuant to Other Exemption**. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

____
[Insert Name of Transferor]

By: ______________________________
Name:
Title:

Dated: __________

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP__________), or

(ii) ☐ Regulation S Global Note (CUSIP__________), or

(iii) ☐ IAI Global Note (CUSIP__________); or

(b) ☐ a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP__________), or

(ii) ☐ Regulation S Global Note (CUSIP__________), or

(iii) ☐ IAI Global Note (CUSIP__________); or

(iv) ☐ Unrestricted Global Note (CUSIP__________); or

(b) ☐ a Restricted Definitive Note; or

(c) ☐ an Unrestricted Definitive Note,

in accordance with the terms of the Indenture.

EXHIBIT C

FORM OF CERTIFICATE OF EXCHANGE

The Bank of New York, as Trustee
101 Barclay Street, 8 W
New York, New York 10286

cc: Sabine Pass LNG, L.P.
c/o Cheniere Energy, Inc.
717 Texas Avenue, Suite 3100
Houston, Texas 77002

Re: [*fill in full title of securities*]

(CUSIP __________)

Reference is hereby made to the Indenture, dated as of November 9, 2006 (the "*Indenture*"), among Sabine Pass LNG, L.P., as issuer (the "*Company*"), the Guarantors party thereto and The Bank of New York, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

____________________, (the "*Owner*") owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of $__________ in such Note[s] or interests (the "*Exchange*"). In connection with the Exchange, the Owner hereby certifies that:

1. **Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to beneficial interest in an Unrestricted Global Note** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the Securities Act of 1933, as amended (the "*Securities Act*"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Unrestricted Definitive Note** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in an Unrestricted Global Note** In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is

being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) ☐ **Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note** In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. **Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Restricted Definitive Note.**In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture and the Securities Act.

(b) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in a Restricted Global Note** In connection with the Exchange of the Owner's Restricted Definitive Note for a beneficial interest in the [CHECK ONE] ☐ 144A Global Note, ☐ Regulation S Global Note, ☐ IAI Global Note with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

____
[Insert Name of Transferor]

By: ______________________________
Name:
Title:

Dated: ___________

EXHIBIT D

FORM OF CERTIFICATE FROM
ACQUIRING INSTITUTIONAL ACCREDITED INVESTOR

The Bank of New York, as Trustee
101 Barclay Street, 8 W
New York, New York 10286

cc: Sabine Pass LNG, L.P.
c/o Cheniere Energy, Inc.
717 Texas Avenue, Suite 3100
Houston, Texas 77002

Re: [*fill in full title of securities*]

Reference is hereby made to the Indenture, dated as of November 9, 2006 (the "*Indenture*"), among Sabine Pass LNG, L.P., as issuer (the "*Company*"), the guarantors party thereto and The Bank of New York, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

In connection with our proposed purchase of $__________ aggregate principal amount of:

(a) ☐ a beneficial interest in a Global Note, or

(b) ☐ a Definitive Note,

we confirm that:

1. We understand that any subsequent transfer of the Notes or any interest therein is subject to certain restrictions and conditions set forth in the Indenture and the undersigned agrees to be bound by, and not to resell, pledge or otherwise transfer the Notes or any interest therein except in compliance with, such restrictions and conditions and the Securities Act of 1933, as amended (the "*Securities Act*").

2. We understand that the offer and sale of the Notes have not been registered under the Securities Act, and that the Notes and any interest therein may not be offered or sold except as permitted in the following sentence. We agree, on our own behalf and on behalf of any accounts for which we are acting as hereinafter stated, that if we should sell the Notes or any interest therein, we will do so only (A) to the Company or any subsidiary thereof, (B) in accordance with Rule 144A under the Securities Act to a "qualified institutional buyer" (as defined therein), (C) to an institutional "accredited investor" (as defined below) that, prior to such transfer, furnishes (or has furnished on its behalf by a U.S. broker-dealer) to you and to the Company a signed letter substantially in the form of this letter and, if such transfer is in respect of a principal amount of Notes, at the time of transfer of less than $250,000, an Opinion of Counsel in form reasonably acceptable to the Company to the effect that such transfer is in compliance with the Securities Act, (D) outside the United States in accordance with Rule 904 of Regulation S under the Securities Act, (E) pursuant to the provisions of Rule 144(k) under the Securities Act or (F) pursuant to an effective registration statement under the Securities Act, and we further agree to provide to any Person purchasing the Definitive Note or beneficial interest in a Global Note from us in a transaction meeting the requirements of clauses (A) through (E) of this paragraph a notice advising such purchaser that resales thereof are restricted as stated herein.

3. We understand that, on any proposed resale of the Notes or beneficial interest therein, we will be required to furnish to you and the Company such certifications, legal opinions and other

information as you and the Company may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. We further understand that the Notes purchased by us will bear a legend to the foregoing effect.

4. We are an institutional “accredited investor” (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act) and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Notes, and we and any accounts for which we are acting are each able to bear the economic risk of our or its investment.

5. We are acquiring the Notes or beneficial interest therein purchased by us for our own account or for one or more accounts (each of which is an institutional “accredited investor”) as to each of which we exercise sole investment discretion.

You and the Company are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

____
[Insert Name of Accredited Investor]

By: ____________________________________
Name:
Title:

Dated: __________

EXHIBIT E

[FORM OF NOTATION OF GUARANTEE]

For value received, each Guarantor (which term includes any successor Person under the Indenture) has, jointly and severally, unconditionally guaranteed, to the extent set forth in the Indenture and subject to the provisions in the Indenture dated as of November 9, 2006 (the "*Indenture*") among Sabine Pass LNG, L.P., (the *"Company"*), the Guarantors party thereto and The Bank of New York, as trustee (the "*Trustee*"), (a) the due and punctual payment of the principal of, premium and Additional Interest, if any, and interest on, the Notes, whether at maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on overdue principal of and interest on the Notes, if any, if lawful, and the due and punctual performance of all other obligations of the Company to the Holders or the Trustee all in accordance with the terms of the Indenture and (b) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. The obligations of the Guarantors to the Holders of Notes and to the Trustee pursuant to the Note Guarantee and the Indenture are expressly set forth in Article 11 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee. Each Holder of a Note, by accepting the same, agrees to and shall be bound by such provisions.

Capitalized terms used but not defined herein have the meanings given to them in the Indenture.

[NAME OF GUARANTOR(S)]

By: ______________________________
Name:
Title:

EXHIBIT F

[FORM OF SUPPLEMENTAL INDENTURE
TO BE DELIVERED BY SUBSEQUENT GUARANTORS]

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of __________, 200_, among ______________ (the "*Guaranteeing Subsidiary*"), a subsidiary of Sabine Pass LNG, L.P. (or its permitted successor), a Delaware limited partnership (the "*Company*"), the Company, the other Guarantors (as defined in the Indenture referred to herein) and The Bank of New York, as trustee under the Indenture referred to below (the "*Trustee*").

W I T N E S S E T H

WHEREAS, the Company has heretofore executed and delivered to the Trustee an indenture (the "*Indenture*"), dated as of __________, 2006 providing for the issuance of __% Senior Secured [Discount] Notes due 20__ (the "*Notes*");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiary shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiary shall unconditionally guarantee all of the Company's Obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "*Note Guarantee*"); and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiary and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. CAPITALIZED TERMS. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. AGREEMENT TO GUARANTEE. The Guaranteeing Subsidiary hereby agrees to provide an unconditional Guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including but not limited to Article 11 thereof.

3. NO RECOURSE AGAINST OTHERS. No past, present or future director, officer, employee, incorporator, stockholder or agent of the Guaranteeing Subsidiary, as such, shall have any liability for any obligations of the Company or any Guaranteeing Subsidiary under the Notes, any Note Guarantees, the Indenture or this Supplemental Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of the Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

4. NEW YORK LAW TO GOVERN. THE LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS SUPPLEMENTAL INDENTURE.

5. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

6. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

7. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiary and the Company.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

Dated: __________, 20__

[GUARANTEEING SUBSIDIARY]

By: ______________________________
Name:
Title:

SABINE PASS LNG, L.P.

By: ______________________________
Name:
Title:

[EXISTING GUARANTORS]

By: ______________________________
Name:
Title:

THE BANK OF NEW YORK,
as Trustee

By: ______________________________
Authorized Signatory

EXHIBIT G

[FORM OF PLEDGE AGREEMENT]

EXHIBIT H

[FORM OF SUBSIDIARY INTERCOMPANY NOTE]

PROMISSORY NOTE

$__________ [Date]

FOR VALUE RECEIVED, the undersigned, __________, a __________ corporation (the "Maker"), promises to pay to the order of SABINE PASS LNG, L.P., a Delaware limited partnership (together with any subsequent holder of this Note, the "Holder") at its office located at 717 Texas Avenue, Suite 3100, Houston, Texas 77002, or at such other address as the Holder may from time to time designate in writing, the principal sum of __________ Dollars ($__________) (the "Maximum Credit"), or such lesser amount as is loaned to the undersigned from time to time pursuant [hereto] [to the [Insert name of applicable Loan Agreement] (the "[Loan Agreement]") between the undersigned and the Holder dated __________,] together with interest thereon.

[Reference to the [Loan Agreement] is hereby made for a statement of the rights of the Holder and the duties and obligations of the Maker, but neither this reference to the [Loan Agreement] nor any provision thereof shall affect or impair the absolute and unconditional obligation of the Maker to pay the principal, interest and other amounts, if any, payable with respect to this Note when due. Capitalized terms used herein without definition shall have the meanings ascribed to such terms in the [Loan Agreement].]

Maker shall pay interest on the outstanding principal to the Holder at the rate of [_____] percent (__%) per annum payable semi-annually in arrears on[______] and [______]of each year. Interest shall be computed on the basis of a [______] day-year and actual days elapsed. All past due principal and/or interest or installments thereof shall bear interest from maturity at the rate of [interest rate plus [__]%] per annum (the "Default Rate").

The entire outstanding principal and all accrued but unpaid interest on this Note [and all charges pursuant to the [Loan Agreement]] or any portion thereof shall be due and payable in full on demand by the Holder or, if not sooner demanded.

The principal sum evidenced by this Note, together with accrued interest and other sums or amounts due hereunder, shall become immediately due and payable at the option of the Holder upon the occurrence of any Default or Event of Default [in accordance with the provisions of the [Loan Agreement]] [as defined below].

With respect to the amounts due pursuant to this Note, the Maker waives the following: (1) all rights of exemption of property from levy or sale under execution or other process for the collection of debts under the Constitution or laws of the United States or any state thereof or (2) demand, presentment, protest, notice of dishonor, notice of nonpayment, suit against any party, diligence in collection of this Note, and all other requirements necessary to enforce this Note.

In no event shall the amount of interest (and any other sums or amounts that are deemed to constitute interest under applicable law) due or payable hereunder (including interest calculated at the Default Rate) exceed the maximum rate of interest designated by applicable law (the "Maximum Amount"), and in the event such payment is inadvertently paid by the Maker or inadvertently received by the Holder, then such excess sum shall be credited as a payment of principal, and if in excess of such balance, shall be immediately returned to the Maker upon such determination. It is the express intent hereof that the Maker not pay and the Holder not receive, directly or indirectly, interest in excess of the Maximum Amount.

The Holder shall not by any act, delay, omission or otherwise be deemed to have modified, amended, waived, extended, discharged or terminated any of its rights or remedies, and no modification, amendment, waiver, extension, discharge or termination of any kind shall be valid unless in writing and signed by the Holder. All rights and remedies of the Holder under the terms of this Note and applicable statutes or rules of law shall be cumulative, and may be exercised successively or concurrently. The Maker agrees that there are no defenses, equities or setoffs with respect to the obligations set forth herein, and to the extent any such defenses, equities, or setoffs may exist, the same are hereby expressly released, forgiven, waived and forever discharged.

Wherever possible, each provision of this Note shall be interpreted in such manner as to be effective and valid under applicable Legal Requirements (where "Legal Requirements" means all applicable laws, statutes, ordinances, rulings, regulations, codes, decrees, orders, policies, guidelines, judgments, covenants, conditions, restrictions, approvals, permits and requirements of, from or by any federal, state or local government or political subdivision thereof or other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and having jurisdiction over any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity or matters in question), but if any provision of this Note shall be prohibited by or invalid under applicable Legal Requirements, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note.

This Note and the obligations arising hereunder shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and performed in such State and any applicable law of the United States of America.

Any legal suit, action or proceeding against the Holder by the Maker arising out of or relating to this Note shall be instituted in any federal or state court in New York. Any legal suit, action or proceeding against the Maker by the Holder arising out of or relating to this Note shall be instituted in any federal or state court in New York. The Maker hereby (i) irrevocably waives, to the fullest extent permitted by applicable law, any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum, and (ii) irrevocably submits to the jurisdiction of any such court in any suit, action or proceeding.

THE MAKER, TO THE FULLEST EXTENT THAT IT MAY LAWFULLY DO SO, WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING (INCLUDING, WITHOUT LIMITATION, ANY TORT ACTION), BROUGHT BY ANY PARTY HERETO WITH RESPECT TO THIS NOTE OR THE OTHER LOAN DOCUMENTS. THE MAKER AGREES THAT THE HOLDER MAY FILE A COPY OF THIS WAIVER WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED AGREEMENT OF THE MAKER IRREVOCABLY TO WAIVE ITS RIGHT TO TRIAL BY JURY, AND THAT, TO THE FULLEST EXTENT THAT IT MAY LAWFULLY DO SO, ANY DISPUTE OR CONTROVERSY WHATSOEVER BETWEEN THE MAKER AND THE HOLDER SHALL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Maker has caused this Note to be properly executed on the date first above written, and has authorized this Note to be dated as of the day and year first above written.

[Name of Subsidiary]

By: ______________________________
Name:
Title:

Exhibit 4.4

EXECUTION COPY

$2,032,000,000

Sabine Pass LNG, L.P.

7 1/4% Senior Secured Notes due 2013

7 1/2% Senior Secured Notes due 2016

REGISTRATION RIGHTS AGREEMENT

November 9, 2006

Credit Suisse Securities (USA) LLC
Lehman Brothers Inc.
c/o Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, New York 10010-3629

Dear Sirs:

Sabine Pass LNG, L.P., a Delaware limited partnership (the "**Issuer**"), proposes to issue and sell to Credit Suisse Securities (USA) LLC and Lehman Brothers Inc. (collectively, the "**Initial Purchasers**"), upon the terms set forth in a purchase agreement dated November 1, 2006 (the "**Purchase Agreement**"), $550,000,000 aggregate principal amount of its 7 1/4% Senior Secured Notes due 2013 (the "**2013 Notes**") and $1,482,000,000 aggregate principal amount of its 7 1/2% Senior Secured Notes due 2016 (the "**2016 Notes**" and, collectively with the 2013 Notes, the "**Initial Securities**") to be unconditionally guaranteed (the "**Guaranties**") by all of its future domestic subsidiaries (the "**Guarantors**" and together with the Issuer, the "**Company**"). The Initial Securities will be issued pursuant to an indenture, dated as of November 9, 2006 (the "**Indenture**"), among the Issuer, the Guarantors named therein and The Bank of New York (the "**Trustee**"). As an inducement to the Initial Purchasers, the Company agrees with the Initial Purchasers, for the benefit of the holders of the Initial Securities (including, without limitation, the Initial Purchasers), the Exchange Securities (as defined below) and the Private Exchange Securities (as defined below) (collectively the "**Holders**"), as follows:

1. *Registered Exchange Offer*. The Company shall, at its own cost, prepare and file with the Securities and Exchange Commission (the "**Commission**") a registration statement (the "**Exchange Offer Registration Statement**") on an appropriate form under the Securities Act of 1933, as amended (the "**Securities Act**"), with respect to a proposed offer (the "**Registered Exchange Offer**") to the Holders of Transfer Restricted Securities (as defined in Section 6 hereof), who are not prohibited by any law or policy of the Commission from participating in the Registered Exchange Offer, to issue and deliver to such Holders, in exchange for the Initial Securities, a like aggregate principal amount of debt securities (the "**Exchange Securities**") of the Company issued under the Indenture and identical in all material respects to the Initial Securities (except for the transfer restrictions relating to the Initial Securities and the provisions relating to the matters described in Section 6 hereof) that would be registered under the Securities Act. The Company shall use all commercially reasonable efforts to cause such Exchange Offer Registration Statement to become effective under the Securities Act within 270 days (or if the 270th day is not a business day, the first business day thereafter) after the date of original issuance of the Initial Securities (the "**Issue Date**") of the Initial Securities and shall keep the Exchange Offer Registration Statement effective for not less than 30 days (or longer, if required by applicable law) after the date notice of the Registered

Exchange Offer is mailed to the Holders (such period being called the '**Exchange Offer Registration Period**").

If the Company effects the Registered Exchange Offer, the Company will be entitled to close the Registered Exchange Offer 30 days after the commencement thereof provided that the Company has accepted all the Initial Securities theretofore validly tendered in accordance with the terms of the Registered Exchange Offer.

Following the declaration of the effectiveness of the Exchange Offer Registration Statement, the Company shall promptly commence the Registered Exchange Offer, it being the objective of such Registered Exchange Offer to enable each Holder of Transfer Restricted Securities (as defined in Section 6 hereof) electing to exchange the Initial Securities for Exchange Securities (assuming that such Holder is not an affiliate of the Company within the meaning of the Securities Act, acquires the Exchange Securities in the ordinary course of such Holder's business and has no arrangements with any person to participate in the distribution of the Exchange Securities and is not prohibited by any law or policy of the Commission from participating in the Registered Exchange Offer) to trade such Exchange Securities from and after their receipt without any limitations or restrictions under the Securities Act and without material restrictions under the securities laws of the several states of the United States.

The Company acknowledges that, pursuant to current interpretations by the Commission's staff of Section 5 of the Securities Act, in the absence of an applicable exemption therefrom, (i) each Holder which is a broker-dealer electing to exchange Securities, acquired for its own account as a result of market making activities or other trading activities, for Exchange Securities (an "**Exchanging Dealer**"), is required to deliver a prospectus containing the information set forth in (a)Annex A hereto on the cover, (b) Annex B hereto in the "Exchange Offer Procedures" section and the "Purpose of the Exchange Offer" section, and (c)Annex C hereto in the "Plan of Distribution" section of such prospectus in connection with a sale of any such Exchange Securities received by such Exchanging Dealer pursuant to the Registered Exchange Offer and (ii) an Initial Purchaser that elects to sell Exchange Securities acquired in exchange for Securities constituting any portion of an unsold allotment is required to deliver a prospectus containing the information required by Items 507 or 508 of Regulation S-K under the Securities Act, as applicable, in connection with such sale.

The Company shall use all commercially reasonable efforts to keep the Exchange Offer Registration Statement effective and to amend and supplement the prospectus contained therein, in order to permit such prospectus to be lawfully delivered by all persons subject to the prospectus delivery requirements of the Securities Act for such period of time as such persons must comply with such requirements in order to resell the Exchange Securities; provided, however, that (i) in the case where such prospectus and any amendment or supplement thereto must be delivered by an Exchanging Dealer or an Initial Purchaser, such period shall be the lesser of 180 days and the date on which all Exchanging Dealers and the Initial Purchasers have sold all Exchange Securities held by them (unless such period is extended pursuant to Section 3(j) below) and (ii) the Company shall make such prospectus and any amendment or supplement thereto, available to any broker-dealer for use in connection with any resale of any Exchange Securities for a period of not less than 90 days after the consummation of the Registered Exchange Offer.

If, upon consummation of the Registered Exchange Offer, any Initial Purchaser holds Initial Securities acquired by it as part of its initial distribution, the Company, simultaneously with the delivery of the Exchange Securities pursuant to the Registered Exchange Offer, shall issue and deliver to such Initial Purchaser upon the written request of such Initial Purchaser, in exchange (the "**Private Exchange**") for the Initial Securities held by such Initial Purchaser, a like principal amount of debt securities of the Company issued under the Indenture and identical in all material respects (including the existence of restrictions on

transfer under the Securities Act and the securities laws of the several states of the United States, but excluding provisions relating to the matters described in Section 6 hereof) to the Initial Securities (the "**Private Exchange Securities**"). The Initial Securities, the Exchange Securities and the Private Exchange Securities are herein collectively called the "**Securities**".

In connection with the Registered Exchange Offer, the Company shall:

(a) mail to each Holder a copy of the prospectus forming part of the Exchange Offer Registration Statement, together with an appropriate letter of transmittal and related documents;

(b) keep the Registered Exchange Offer open for not less than 30 business days (or longer, if required by applicable law) after the date notice thereof is mailed to the Holders;

(c) utilize the services of a depositary for the Registered Exchange Offer with an address in the Borough of Manhattan, The City of New York, which may be the Trustee or an affiliate of the Trustee;

(d) permit Holders to withdraw tendered Securities at any time prior to the close of business, New York time, on the last business day on which the Registered Exchange Offer shall remain open; and

(e) otherwise comply with all applicable laws.

As soon as practicable after the close of the Registered Exchange Offer or the Private Exchange, as the case may be, the Company shall:

(x) accept for exchange all the Securities validly tendered and not withdrawn pursuant to the Registered Exchange Offer and the Private Exchange;

(y) deliver to the Trustee for cancellation all the Initial Securities so accepted for exchange; and

(z) cause the Trustee to authenticate and deliver promptly to each Holder of the Initial Securities, Exchange Securities or Private Exchange Securities, as the case may be, equal in principal amount to the Initial Securities of such Holder so accepted for exchange.

The Indenture will provide that the Exchange Securities will not be subject to the transfer restrictions set forth in the Indenture and that all the Securities will vote and consent together on all matters as one class and that none of the Securities will have the right to vote or consent as a class separate from one another on any matter.

Interest on each Exchange Security and Private Exchange Security issued pursuant to the Registered Exchange Offer and in the Private Exchange will accrue from the last interest payment date on which interest was paid on the Initial Securities surrendered in exchange therefor or, if no interest has been paid on the Initial Securities, from the date of original issue of the Initial Securities.

Each Holder participating in the Registered Exchange Offer shall be required to represent to the Company that at the time of the consummation of the Registered Exchange Offer (i) any Exchange Securities received by such Holder will be acquired in the ordinary course of business, (ii) such Holder will have no arrangements or understanding with any person to participate in the distribution of the Securities or the Exchange Securities within the meaning of the Securities Act, (iii) such Holder is not an "affiliate," as

defined in Rule 405 of the Securities Act, of the Company or if it is an affiliate, such Holder will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable, (iv) if such Holder is not a broker-dealer, that it is not engaged in, and does not intend to engage in, the distribution of the Exchange Securities and (v) if such Holder is a broker-dealer, that it will receive Exchange Securities for its own account in exchange for Initial Securities that were acquired as a result of market-making activities or other trading activities and that it will be required to acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Securities.

Notwithstanding any other provisions hereof, the Company will ensure that (i) any Exchange Offer Registration Statement and any amendment thereto and any prospectus forming part thereof and any supplement thereto complies in all material respects with the Securities Act and the rules and regulations thereunder, (ii) any Exchange Offer Registration Statement and any amendment thereto does not, when it becomes effective, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading and (iii) any prospectus forming part of any Exchange Offer Registration Statement, and any supplement to such prospectus, does not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

2. *Shelf Registration*. If, (i) because of any change in law or in applicable interpretations thereof by the staff of the Commission, the Company is not permitted to effect a Registered Exchange Offer, as contemplated by Section 1 hereof, (ii) the Registered Exchange Offer is not consummated within 310 days of the Issue Date, (iii) any Initial Purchaser so requests with respect to the Initial Securities (or the Private Exchange Securities) not eligible to be exchanged for Exchange Securities in the Registered Exchange Offer and held by it following consummation of the Registered Exchange Offer or (iv) any Holder (other than an Exchanging Dealer) is not eligible to participate in the Registered Exchange Offer or, in the case of any Holder (other than an Exchanging Dealer) that participates in the Registered Exchange Offer, such Holder does not receive freely tradeable Exchange Securities on the date of the exchange, the Company shall take the following actions:

(a) The Company shall, at its cost, as promptly as practicable (but in no event more than 90 days after so required or requested pursuant to this Section 2) file with the Commission and thereafter shall use all commercially reasonable efforts to cause to be declared effective (unless it becomes effective automatically upon filing) a registration statement (the "**Shelf Registration Statement**" and, together with the Exchange Offer Registration Statement, a "**Registration Statement**") on an appropriate form under the Securities Act relating to the offer and sale of the Transfer Restricted Securities (as defined in Section 6 hereof) by the Holders thereof from time to time in accordance with the methods of distribution set forth in the Shelf Registration Statement and Rule 415 under the Securities Act (hereinafter, the "**Shelf Registration**"); provided, however, that no Holder (other than an Initial Purchaser) shall be entitled to have the Securities held by it covered by such Shelf Registration Statement unless such Holder agrees in writing to be bound by all the provisions of this Agreement applicable to such Holder.

(b) The Company shall use all commercially reasonable efforts to keep the Shelf Registration Statement continuously effective in order to permit the prospectus included therein to be lawfully delivered by the Holders of the relevant Securities, for a period of two years (or for such longer period if extended pursuant to Section 3(j) below) from the Issue Date or such shorter period that will terminate when all the Securities covered by the Shelf Registration Statement (i) have been sold pursuant thereto or (ii) may be sold pursuant to Rule 144(k) under the Securities Act, or any successor rule thereof, or otherwise transferred in a manner that results in (A) the

Securities not being subject to transfer restrictions under the Securities Act and (B) the absence of a need for a restrictive legend regarding registration and the Securities Act (assuming for the purpose that the Holders thereof are not affiliates of the Company). The Company shall be deemed not to have used all commercially reasonable efforts to keep the Shelf Registration Statement effective during the requisite period if it voluntarily takes any action that would result in Holders of Securities covered thereby not being able to offer and sell such Securities during that period, unless such action is (i) required by applicable law or (ii) taken by the Company in good faith and contemplated by Section 3(b)(v) and 3(b)(vi) below, or the Company thereafter complies with the requirements of Section 3(j).

(c) Notwithstanding any other provisions of this Agreement to the contrary, the Company shall cause the Shelf Registration Statement and the related prospectus and any amendment or supplement thereto, as of its respective effective date, (i) to comply in all material respects with the applicable requirements of the Securities Act and the rules and regulations of the Commission and (ii) not to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

3. *Registration Procedures*. In connection with any Shelf Registration contemplated by Section 2 hereof and, to the extent applicable, any Registered Exchange Offer contemplated by Section 1 hereof, the following provisions shall apply:

(a) The Company shall (i) furnish to each Initial Purchaser, prior to the filing thereof with the Commission, a copy of the Registration Statement and each amendment thereof and each supplement, if any, to the prospectus included therein and, in the event that an Initial Purchaser (with respect to any portion of an unsold allotment from the original offering) is participating in the Registered Exchange Offer or the Shelf Registration Statement, the Company shall use all commercially reasonable efforts to reflect in each such document, when so filed with the Commission, such comments as such Initial Purchaser reasonably may propose; (ii) include the information set forth in Annex A hereto on the cover, inAnnex B hereto in the "Exchange Offer Procedures" section and the "Purpose of the Exchange Offer" section and in Annex C hereto in the "Plan of Distribution" section of the prospectus forming a part of the Exchange Offer Registration Statement and include the information set forth in Annex D hereto in the Letter of Transmittal delivered pursuant to the Registered Exchange Offer; (iii) if requested by an Initial Purchaser, include the information required by Items 507 or 508 of Regulation S-K under the Securities Act, as applicable, in the prospectus forming a part of the Exchange Offer Registration Statement; (iv) include within the prospectus contained in the Exchange Offer Registration Statement a section entitled "Plan of Distribution," reasonably acceptable to the Initial Purchasers, which shall contain a summary statement of the positions taken or policies made by the staff of the Commission with respect to the potential "underwriter" status of any broker-dealer that is the beneficial owner (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**")) of Exchange Securities received by such broker-dealer in the Registered Exchange Offer (a "**Participating Broker-Dealer**"), whether such positions or policies have been publicly disseminated by the staff of the Commission or such positions or policies, in the reasonable judgment of the Initial Purchasers based upon advice of counsel (which may be in-house counsel), represent the prevailing views of the staff of the Commission; and (v) in the case of a Shelf Registration Statement, include in the prospectus included in the Shelf Registration Statement (or, if permitted by Commission Rule 430B(b), in a prospectus supplement that becomes a part thereof pursuant to Commission Rule 430B(f)) that is delivered to any Holder

pursuant to Section 3(d) and (f), the names of the Holders, who propose to sell Securities pursuant to the Shelf Registration Statement, as selling securityholders.

(b) The Company shall give written notice to the Initial Purchasers, the Holders of the Securities and any Participating Broker-Dealer from whom the Company has received prior written notice that it will be a Participating Broker-Dealer in the Registered Exchange Offer (which notice pursuant to clauses (ii)-(vi) hereof shall be accompanied by an instruction to suspend the use of the prospectus until the requisite changes have been made):

(i) when the Registration Statement or any amendment thereto has been filed with the Commission and when the Registration Statement or any post-effective amendment thereto has become effective;

(ii) of any request by the Commission for amendments or supplements to the Registration Statement or the prospectus included therein or for additional information;

(iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for that purpose, of the issuance by the Commission of a notification of objection to the use of the form on which the Registration Statement has been filed, and of the happening of any event that causes the Company to become an "ineligible issuer," as defined in Commission Rule 405;

(iv) of the receipt by the Company or its legal counsel of any notification with respect to the suspension of the qualification of the Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose;

(v) of the happening of any event that requires the Company to make changes in the Registration Statement or the prospectus in order that the Registration Statement or the prospectus do not contain an untrue statement of a material fact nor omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of the prospectus, in light of the circumstances under which they were made) not misleading; and

(vi) of the occurrence or existence, within 30 days thereof, of any pending corporate development or other similar event with respect to the Company or a public filing with the Commission that, in the reasonable discretion of the Company, makes it appropriate to suspend the availability of a Shelf Registration Statement and the related Prospectus.

(c) The Company shall make all commercially reasonable efforts to obtain the withdrawal at the earliest possible time, of any order suspending the effectiveness of the Registration Statement.

(d) The Company shall furnish to each Holder of Securities included within the coverage of the Shelf Registration, without charge, at least one copy of the Shelf Registration Statement and any post-effective amendment or supplement thereto, including financial statements and schedules, and, if the Holder so requests in writing, all exhibits thereto (including those, if any, incorporated by reference); provided that such exhibits shall be deemed to have been provided if such information is available through EDGAR or on or through the Company's website. The

Company shall not, without the prior consent of the Initial Purchasers, make any offer relating to the Securities that would constitute a "free writing prospectus," as defined in Commission Rule 405.

(e) The Company shall deliver to each Exchanging Dealer and each Initial Purchaser, and to any other Holder who so requests, without charge, at least one copy of the Exchange Offer Registration Statement and any post-effective amendment thereto, including financial statements and schedules, and, if any Initial Purchaser or any such Holder requests, all exhibits thereto (including those incorporated by reference); provided that such exhibits shall be deemed to have been provided if such information is available through EDGAR or on or through the Company's website.

(f) The Company shall, during the Shelf Registration Period, deliver to each Holder of Securities included within the coverage of the Shelf Registration, without charge, as many copies of the prospectus (including each preliminary prospectus) included in the Shelf Registration Statement and any amendment or supplement thereto as such person may reasonably request. The Company consents, subject to the provisions of this Agreement, to the use of the prospectus or any amendment or supplement thereto by each of the selling Holders of the Securities in connection with the offering and sale of the Securities covered by the prospectus, or any amendment or supplement thereto, included in the Shelf Registration Statement.

(g) The Company shall deliver to each Initial Purchaser, any Exchanging Dealer, any Participating Broker-Dealer and such other persons required to deliver a prospectus following the Registered Exchange Offer, without charge, as many copies of the final prospectus included in the Exchange Offer Registration Statement and any amendment or supplement thereto as such persons may reasonably request. The Company consents, subject to the provisions of this Agreement, to the use of the prospectus or any amendment or supplement thereto by any Initial Purchaser, if necessary, any Participating Broker-Dealer and such other persons required to deliver a prospectus following the Registered Exchange Offer in connection with the offering and sale of the Exchange Securities covered by the prospectus, or any amendment or supplement thereto, included in such Exchange Offer Registration Statement.

(h) Prior to any public offering of the Securities, pursuant to any Registration Statement, the Company shall register or qualify or cooperate with the Holders of the Securities included therein and their respective counsel in connection with the registration or qualification of the Securities for offer and sale under the securities or "blue sky" laws of such states of the United States as any Holder of the Securities reasonably requests in writing and do any and all other acts or things necessary or advisable to enable the offer and sale in such jurisdictions of the Securities covered by such Registration Statement; provided, however, that the Company shall not be required to (i) qualify generally to do business in any jurisdiction where it is not then so qualified or (ii) take any action which would subject it to general service of process or to taxation in any jurisdiction where it is not then so subject.

(i) The Company shall cooperate with the Holders of the Securities to facilitate the timely preparation and delivery of certificates representing the Securities to be sold pursuant to any Registration Statement free of any restrictive legends and in such denominations and registered in such names as the Holders may request a reasonable period of time prior to sales of the Securities pursuant to such Registration Statement.

(j) Upon the occurrence of any event contemplated by paragraphs (ii) through (vi) of Section 3(b) above during the period for which the Company is required to maintain an effective Registration Statement, the Company shall promptly prepare and file a post-effective amendment to the Registration Statement or a supplement to the related prospectus and any other required document so that, as thereafter delivered to Holders of the Securities or purchasers of Securities, the prospectus will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Company notifies the Initial Purchasers, the Holders of the Securities and any known Participating Broker-Dealer in accordance with paragraphs (ii) through (vi) of Section 3(b) above to suspend the use of the prospectus until the requisite changes to the prospectus have been made, then the Initial Purchasers, the Holders of the Securities and any such Participating Broker-Dealers shall suspend use of such prospectus, and the period of effectiveness of the Shelf Registration Statement provided for in Section 2(b) above and the Exchange Offer Registration Statement provided for in Section 1 above shall each be extended by the number of days from and including the date of the giving of such notice to and including the date when the Initial Purchasers, the Holders of the Securities and any known Participating Broker-Dealer shall have received such amended or supplemented prospectus pursuant to this Section 3(j). During the period during which the Company is required to maintain an effective Shelf Registration Statement pursuant to this Agreement, the Company will prior to the three-year expiration of that Shelf Registration Statement file, and use all commercially reasonable efforts to cause to be declared effective (unless it becomes effective automatically upon filing) within a period that avoids any interruption in the ability of Holders of Securities covered by the expiring Shelf Registration Statement to make registered dispositions, a new registration statement relating to the Securities, which shall be deemed the “Shelf Registration Statement” for purposes of this Agreement.

(k) Not later than the effective date of the applicable Registration Statement, the Company will provide a CUSIP number for the Initial Securities, the Exchange Securities or the Private Exchange Securities, as the case may be, and provide the applicable trustee with printed certificates for the Initial Securities, the Exchange Securities or the Private Exchange Securities, as the case may be, in a form eligible for deposit with The Depository Trust Company.

(l) The Company will comply with all rules and regulations of the Commission to the extent and so long as they are applicable to the Registered Exchange Offer or the Shelf Registration and will make generally available to its security holders (or otherwise provide in accordance with Section 11(a) of the Securities Act) an earnings statement satisfying the provisions of Section 11(a) of the Securities Act, no later than 45 days after the end of a 12-month period (or 90 days, if such period is a fiscal year) beginning with the first month of the Company’s first fiscal quarter commencing after the effective date of the Registration Statement, which statement shall cover such 12-month period.

(m) The Company shall cause the Indenture to be qualified under the Trust Indenture Act of 1939, as amended, in a timely manner and containing such changes, if any, as shall be necessary for such qualification. In the event that such qualification would require the appointment of a new trustee under the Indenture, the Company shall appoint a new trustee thereunder pursuant to the applicable provisions of the Indenture.

(n) The Company may require each Holder of Securities to be sold pursuant to the Shelf Registration Statement to furnish to the Company such information regarding the Holder and the distribution of the Securities as the Company may from time to time reasonably require for

inclusion in the Shelf Registration Statement, and the Company may exclude from such registration the Securities of any Holder that unreasonably fails to furnish such information within a reasonable time after receiving such request.

(o) The Company shall enter into such customary agreements (including, if requested, an underwriting agreement in customary form) and take all such other action, if any, as any Holder of the Securities shall reasonably request in order to facilitate the disposition of the Securities pursuant to any Shelf Registration.

(p) In the case of any Shelf Registration, the Company shall (i) make reasonably available for inspection by the Holders of the Securities, any underwriter participating in any disposition pursuant to the Shelf Registration Statement and any attorney, accountant or other agent retained by the Holders of the Securities or any such underwriter all relevant financial and other records, pertinent corporate documents and properties of the Company and (ii) cause the Company's officers, directors, employees, accountants and auditors to supply all relevant information reasonably requested by the Holders of the Securities or any such underwriter, attorney, accountant or agent in connection with the Shelf Registration Statement, in each case, as shall be reasonably necessary to enable such persons, to conduct a reasonable investigation within the meaning of Section 11 of the Securities Act; provided, however, that the foregoing inspection and information gathering shall be coordinated on behalf of the Initial Purchasers by you and on behalf of the other parties, by one counsel designated by and on behalf of such other parties as described in Section 4 hereof; provided, further, that, if the Company designates in writing any such information, reasonably and in good faith, as confidential, at the time of delivery of such information, each such person will be required to agree or acknowledge that information obtained by it as a result of such inspections shall be deemed confidential and shall not be used by it as the basis for any market transactions in the securities of the Company or otherwise unless and until such is made generally available to the public through no fault or action of such person.

(q) In the case of any Shelf Registration, the Company, if requested by any Holder of Securities covered thereby, shall cause (i) its counsel to deliver an opinion and updates thereof relating to the Securities in customary form addressed to such Holders and the managing underwriters, if any, thereof and dated, in the case of the initial opinion, the effective date of such Shelf Registration Statement (it being agreed that the matters to be covered by such opinion shall include, without limitation, the due incorporation and good standing of the Company and its subsidiaries, if any; the qualification of the Company and its subsidiaries, if any, to transact business as foreign corporations; the due authorization, execution and delivery of the relevant agreement of the type referred to in Section 3(o) hereof; the due authorization, execution, authentication and issuance, and the validity and enforceability, of the applicable Securities; the absence of material legal or governmental proceedings involving the Company and its subsidiaries, if any; the absence of governmental approvals required to be obtained in connection with the Shelf Registration Statement, the offering and sale of the applicable Securities, or any agreement of the type referred to in Section 3(o) hereof; the compliance as to form of such Shelf Registration Statement and any documents incorporated by reference therein and of the Indenture with the requirements of the Securities Act and the Trust Indenture Act, respectively; as of the date of the opinion and as of the effective date of the Shelf Registration Statement or most recent post-effective amendment thereto or most recent prospectus supplement thereto that is deemed to establish a new effective date, as the case may be, the absence from such Shelf Registration Statement and the prospectus and any prospectus supplement included therein, as then amended or supplemented and including any documents incorporated by reference therein, of an untrue statement of a material fact or the omission to state therein a material fact required to be stated

therein or necessary to make the statements therein not misleading (in the case of any such documents, in the light of the circumstances existing at the time that such documents were filed with the Commission under the Exchange Act); and as of an applicable time identified by such Holders or managing underwriters, the absence from the prospectus included in the Registration Statement, as amended or supplemented at such applicable time and including any documents incorporated by reference therein, taken together with any other documents identified by such Holders or managing underwriters, of an untrue statement of a material fact or the omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (in the case of any such documents, in the light of the circumstances existing at the time that such documents were filed with the Commission under the Exchange Act); (ii) its officers to execute and deliver all customary documents and certificates and updates thereof requested by any underwriters of the applicable Securities and (iii) its independent public accountants and the independent public accountants with respect to any other entity for which financial information is provided in the Shelf Registration Statement to provide to the selling Holders of the applicable Securities and any underwriter therefor a comfort letter in customary form and covering matters of the type customarily covered in comfort letters in connection with primary underwritten offerings, subject to receipt of appropriate documentation as contemplated, and only if permitted, by Statement of Auditing Standards No. 72.

(r) In the case of the Registered Exchange Offer, if requested by any Initial Purchaser or any known Participating Broker-Dealer, the Company shall cause (i) its counsel to deliver to such Initial Purchaser or such Participating Broker-Dealer a signed opinion in the form set forth in Section 7(c) of the Purchase Agreement with such changes as are customary in connection with the preparation of a Registration Statement and (ii) its independent public accountants and the independent public accountants with respect to any other entity for which financial information is provided in the Registration Statement to deliver to such Initial Purchaser or such Participating Broker-Dealer a comfort letter, in customary form, meeting the requirements as to the substance thereof as set forth in Section 7(a) of the Purchase Agreement, with appropriate date changes.

(s) If a Registered Exchange Offer or a Private Exchange is to be consummated, upon delivery of the Initial Securities by Holders to the Company (or to such other Person as directed by the Company) in exchange for the Exchange Securities or the Private Exchange Securities, as the case may be, the Company shall mark, or caused to be marked, on the Initial Securities so exchanged that such Initial Securities are being canceled in exchange for the Exchange Securities or the Private Exchange Securities, as the case may be; in no event shall the Initial Securities be marked as paid or otherwise satisfied.

(t) The Company will use all commercially reasonable efforts to (a) if the Initial Securities have been rated prior to the initial sale of such Initial Securities, confirm such ratings will apply to the Securities covered by a Registration Statement, or (b) if the Initial Securities were not previously rated, cause the Securities covered by a Registration Statement to be rated with the appropriate rating agencies, if so requested by Holders of a majority in aggregate principal amount of Securities covered by such Registration Statement, or by the managing underwriters, if any.

(u) In the event that any broker-dealer registered under the Exchange Act shall underwrite any Securities or participate as a member of an underwriting syndicate or selling group or “assist in the distribution” (within the meaning of the Conduct Rules (the “**Rules**”) of the National Association of Securities Dealers, Inc. (“**NASD**”)) thereof, whether as a Holder of such Securities or as an underwriter, a placement or sales agent or a broker or dealer in respect thereof,

or otherwise, the Company will assist such broker-dealer in complying with the requirements of such Rules, including, without limitation, by (i) if such Rules, including Rule 2720, shall so require, engaging a "qualified independent underwriter" (as defined in Rule 2720) to participate in the preparation of the Registration Statement relating to such Securities, to exercise usual standards of due diligence in respect thereto and, if any portion of the offering contemplated by such Registration Statement is an underwritten offering or is made through a placement or sales agent, to recommend the yield of such Securities, (ii) indemnifying any such qualified independent underwriter to the extent of the indemnification of underwriters provided in Section 5 hereof and (iii) providing such information to such broker-dealer as may be required in order for such broker-dealer to comply with the requirements of the Rules.

(v) The Company shall use all commercially reasonable efforts to take all other steps necessary to effect the registration of the Securities covered by a Registration Statement contemplated hereby.

4. *Registration Expenses*. The Company shall bear all fees and expenses incurred in connection with the performance of its obligations under Sections 1 through 3 hereof (including the reasonable fees and expenses, if any, of Latham & Watkins LLP, counsel for the Initial Purchasers, incurred in connection with the Registered Exchange Offer), whether or not the Registered Exchange Offer or a Shelf Registration is filed or becomes effective, and, in the event of a Shelf Registration, shall bear or reimburse the Holders of the Securities covered thereby for the reasonable fees and disbursements of one firm of counsel designated by the Holders of a majority in principal amount of the Initial Securities covered thereby to act as counsel for the Holders of the Initial Securities in connection therewith.

5. *Indemnification*. (a) The Company agrees to indemnify and hold harmless each Holder of the Securities, any Participating Broker-Dealer and each person, if any, who controls such Holder or such Participating Broker-Dealer within the meaning of the Securities Act or the Exchange Act (each Holder, any Participating Broker-Dealer and such controlling persons are referred to collectively as the "**Indemnified Parties**") from and against any losses, claims, damages or liabilities, joint or several, or any actions in respect thereof (including, but not limited to, any losses, claims, damages, liabilities or actions relating to purchases and sales of the Securities) to which each Indemnified Party may become subject under the Securities Act, the Exchange Act or otherwise, insofar as such losses, claims, damages, liabilities or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in a Registration Statement or prospectus or in any amendment or supplement thereto or in any preliminary prospectus or "issuer free writing prospectus," as defined in Commission Rule 433 ("**Issuer FWP**"), relating to a Shelf Registration, or arise out of, or are based upon, the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and shall reimburse, as incurred, the Indemnified Parties for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action in respect thereof; provided, however, that (i) the Company shall not be liable in any such case to the extent that such loss, claim, damage or liability arises out of or is based upon any untrue statement or alleged untrue statement or omission or alleged omission made in a Registration Statement or prospectus or in any amendment or supplement thereto or in any preliminary prospectus or Issuer FWP relating to a Shelf Registration in reliance upon and in conformity with written information pertaining to such Holder and furnished to the Company by or on behalf of such Holder specifically for inclusion therein and (ii) with respect to any untrue statement or omission or alleged untrue statement or omission made in any preliminary prospectus relating to the Shelf Registration Statement, the indemnity agreement contained in this subsection (a) shall not inure to the benefit of any Holder from whom the person asserting any such losses, claims, damages or liabilities purchased the Securities concerned, to the extent that a prospectus relating to such Securities was required to be delivered by such Holder under the Securities Act in

connection with such purchase and any such loss, claim, damage or liability of such Holder results from the fact that there was not sent or given to such person, at or prior to the time the purchaser of such Securities receives any notification of the consummation of such purchase or the sale of such Securities to such person, a copy of the final prospectus if the Company had previously furnished copies thereof to such Holder; provided further, however, that this indemnity agreement will be in addition to any liability which the Company may otherwise have to such Indemnified Party. The Company shall also indemnify underwriters, their officers and directors and each person who controls such underwriters within the meaning of the Securities Act or the Exchange Act to the same extent as provided above with respect to the indemnification of the Holders of the Securities if requested by such Holders.

(b) Each Holder of the Securities, severally and not jointly, will indemnify and hold harmless the Company, its officers and directors and each person, if any, who controls the Company within the meaning of the Securities Act or the Exchange Act from and against any losses, claims, damages or liabilities or any actions in respect thereof, to which the Company, its officers and directors or any such controlling person may become subject under the Securities Act, the Exchange Act or otherwise, insofar as such losses, claims, damages, liabilities or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in a Registration Statement or prospectus or in any amendment or supplement thereto or in any preliminary prospectus or Issuer FWP relating to a Shelf Registration, or arise out of or are based upon the omission or alleged omission to state therein a material fact necessary to make the statements therein not misleading, but in each case only to the extent that the untrue statement or omission or alleged untrue statement or omission was made in reliance upon and in conformity with written information pertaining to such Holder and furnished to the Company, its officers and directors by or on behalf of such Holder specifically for inclusion therein; and, subject to the limitation set forth immediately preceding this clause, shall reimburse, as incurred, the Company, its officers and directors for any legal or other expenses reasonably incurred by the Company, its officers and directors, or any such controlling person in connection with investigating or defending any loss, claim, damage, liability or action in respect thereof. This indemnity agreement will be in addition to any liability which such Holder may otherwise have to the Company, its officers and directors or any of its controlling persons.

(c) Promptly after receipt by an indemnified party under this Section 5 of notice of the commencement of any action or proceeding (including a governmental investigation), such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 5, notify the indemnifying party of the commencement thereof; but the failure to notify the indemnifying party shall not relieve the indemnifying party from any liability that it may have under subsection (a) or (b) above except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under subsection (a) or (b) above. In case any such action is brought against any indemnified party, and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof the indemnifying party will not be liable to such indemnified party under this Section 5 for any legal or other expenses, other than reasonable costs of investigation, subsequently incurred by such indemnified party in connection with the defense thereof. It is understood and agreed that the indemnifying party shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any reasonably necessary local counsel) for all indemnified parties, and that all such reasonable fees and expenses shall be paid or reimbursed as they are incurred. Any such separate firm for the indemnified parties shall be designated in writing by such

indemnified parties. The indemnifying party shall not be liable for any settlement effected without its written consent unless (i) such settlement is entered into in good faith by the indemnified party more than 45 days after receipt by such indemnifying party of written notice of the proposed settlement, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action, and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 5 is unavailable or insufficient to hold harmless an indemnified party under subsections (a) or (b) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the indemnifying party or parties on the one hand and the indemnified party on the other from the exchange of the Securities, pursuant to the Registered Exchange Offer, or (ii) if the allocation provided by the foregoing clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the indemnifying party or parties on the one hand and the indemnified party on the other in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities (or actions in respect thereof) as well as any other relevant equitable considerations. The relative fault of the parties shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or such Holder or such other indemnified party, as the case may be, on the other, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (d). Notwithstanding any other provision of this Section 5(d), the Holders of the Securities shall not be required to contribute any amount in excess of the amount by which the net proceeds received by such Holders from the sale of the Securities pursuant to a Registration Statement exceeds the amount of damages which such Holders have otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this paragraph (d), each person, if any, who controls such indemnified party within the meaning of the Securities Act or the Exchange Act shall have the same rights to contribution as such indemnified party and each person, if any, who controls the Company within the meaning of the Securities Act or the Exchange Act shall have the same rights to contribution as the Company.

(e) The agreements contained in this Section 5 shall survive the sale of the Securities pursuant to a Registration Statement and shall remain in full force and effect, regardless of any termination or cancellation of this Agreement or any investigation made by or on behalf of any indemnified party.

6. *Additional Interest Under Certain Circumstances.* (a) Additional interest (the "**Additional Interest**") with respect to the Initial Securities shall be assessed as follows if any of the following events occur (each such event in clauses (i) through (iii) below a "**Registration Default**"):

(i) If the Company is required to file a Shelf Registration Statement pursuant to the terms of Section 2(a) above, the Shelf Registration Statement has not been filed with the Commission on or prior to the 90th day after the date on which the obligation to file such Shelf Registration Statement arises, determined in accordance with terms of Section 2(a) above;

(ii)(a) If within 270 days after the closing of the offering of the Initial Securities the Exchange Offer Registration Statement has not been declared effective by the Commission;

(ii)(b) If the Company is required to file a Shelf Registration Statement pursuant to the terms of Section 2(a) above, the Shelf Registration Statement has not been declared effective by the Commission on or prior to the 270th day after the date on which the obligation to file such Shelf Registration Statement arises, determined in accordance with terms of Section 2(a) above;

(iii) If within 30 business days after becoming effective, the Registered Exchange Offer is not consummated;

(iv) If after either the Exchange Offer Registration Statement or the Shelf Registration Statement becomes effective (A) such Registration Statement thereafter ceases to be effective; or (B) such Registration Statement or the related prospectus ceases to be usable (except as permitted in paragraph (b)) in connection with resales of Transfer Restricted Securities during the periods specified herein because either (1) any event occurs as a result of which the related prospectus forming part of such Registration Statement would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein in the light of the circumstances under which they were made not misleading, (2) it shall be necessary to amend such Registration Statement or supplement the related prospectus, to comply with the Securities Act or the Exchange Act or the respective rules thereunder, or (3) such Registration Statement is a Shelf Registration Statement that has expired before a replacement Shelf Registration Statement has become effective.

Additional Interest shall accrue on the Transfer Restricted Securities over and above the interest set forth in the title of the Transfer Restricted Securities from and including the date on which any such Registration Default shall occur to but excluding the date on which all such Registration Defaults have been cured, as follows: with respect to the first 90-day period immediately following the occurrence of the first Registration Default, Additional Interest will be paid in an amount equal to 0.50% per annum of the principal amount of Transfer Restricted Securities. The amount of the Additional Interest will increase by an additional 0.25% per annum with respect to each subsequent 90-day period until all Registration Defaults have been cured, up to a maximum amount of Additional Interest for all Registration Defaults of 1.0% per annum of the principal amount of Transfer Restricted Securities.

(b) A Registration Default referred to in Section 6(a)(iv)(B) hereof shall be deemed not to have occurred and be continuing in relation to a Shelf Registration Statement or the related prospectus if (i) such Registration Default has occurred solely as a result of (x) the filing of a post-effective amendment to such Shelf Registration Statement to incorporate annual audited financial information with respect to the Company where such post-effective amendment is not yet effective and needs to be declared effective to permit Holders to use the related prospectus or (y) other material events, with respect to the Company that would need to be described in such Shelf Registration Statement or the related prospectus and (ii) in the

case of clause (y), the Company is proceeding promptly and in good faith to amend or supplement such Shelf Registration Statement and related prospectus to describe such events; provided, however, that in any case if such Registration Default occurs for a continuous period in excess of 30 days, Additional Interest shall be payable in accordance with the above paragraph from the day such Registration Default occurs until such Registration Default is cured.

(c) Any amounts of Additional Interest due pursuant to clause (i), (ii), (iii) or (iv) of Section 6(a) above will be payable in cash on the regular interest payment dates with respect to the Transfer Restricted Securities. The amount of Additional Interest will be determined by multiplying the applicable Additional Interest rate by the principal amount of the Transfer Restricted Securities, multiplied by a fraction, the numerator of which is the number of days such Additional Interest rate was applicable during such period (determined on the basis of a 360-day year comprised of twelve 30-day months), and the denominator of which is 360.

(d) "**Transfer Restricted Securities**" means each Security until (i) the date on which such Transfer Restricted Security has been exchanged by a person other than a broker-dealer for a freely transferable Exchange Security in the Registered Exchange Offer, (ii) following the exchange by a broker-dealer in the Registered Exchange Offer of an Initial Security for an Exchange Note, the date on which such Exchange Note is sold to a purchaser who receives from such broker-dealer on or prior to the date of such sale a copy of the prospectus contained in the Exchange Offer Registration Statement, (iii) the date on which such Initial Security has been effectively registered under the Securities Act and disposed of in accordance with the Shelf Registration Statement or (iv) the date on which such Initial Securities are distributed to the public pursuant to Rule 144 under the Securities Act or is saleable pursuant to Rule 144(k) under the Securities Act.

7. *Rules 144 and 144A*. The Company shall use all commercially reasonable efforts to file the reports required to be filed by it under the Securities Act and the Exchange Act in a timely manner and, if at any time the Company is not required to file such reports, it will, upon the request of any Holder of Initial Securities, make publicly available other information so long as necessary to permit sales of their securities pursuant to Rules 144 and 144A. The Company covenants that it will take such further action as any Holder of Initial Securities may reasonably request, all to the extent required from time to time to enable such Holder to sell Initial Securities without registration under the Securities Act within the limitation of the exemptions provided by Rules 144 and 144A (including the requirements of Rule 144A(d)(4)). The Company will provide a copy of this Agreement to prospective purchasers of Initial Securities identified to the Company by the Initial Purchasers upon request. Upon the request of any Holder of Initial Securities, the Company shall deliver to such Holder a written statement as to whether it has complied with such requirements. Notwithstanding the foregoing, nothing in this Section 7 shall be deemed to require the Company to register any of its securities pursuant to the Exchange Act or take any such actions after the Securities no longer constitute Transfer Restricted Securities.

8. *Underwritten Registrations*. If any of the Transfer Restricted Securities covered by any Shelf Registration are to be sold in an underwritten offering, the investment banker or investment bankers and manager or managers that will administer the offering ("**Managing Underwriters**") will be selected by the Holders of a majority in aggregate principal amount of such Transfer Restricted Securities to be included in such offering.

No person may participate in any underwritten registration hereunder unless such person (i) agrees to sell such person's Transfer Restricted Securities on the basis reasonably provided in any underwriting arrangements approved by the persons entitled hereunder to approve such arrangements and (ii) completes

and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements.

9. *Miscellaneous*.

(a) *Amendments and Waivers*. The provisions of this Agreement may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, except by the Company and the written consent of the Holders of a majority in principal amount of the Securities affected by such amendment, modification, supplement, waiver or consents.

(b) *Notices*. All notices and other communications provided for or permitted hereunder shall be made in writing by hand delivery, first-class mail, facsimile transmission, or air courier which guarantees overnight delivery:

(1) if to a Holder of the Securities, at the most current address given by such Holder to the Company.

(2) if to the Initial Purchasers;

Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, NY 10010-3629
Fax No.: (212) 325-4296
Attention: LCD-IBD Group

with a copy to:

Latham & Watkins LLP
885 Third Avenue
New York, NY 10022
Fax No.: (212) 751-4864
Attention: Jonathan R. Rod, Esq.

(3) if to the Company, at its address as follows:

Sabine Pass LNG, L.P.
c/o Cheniere Energy, Inc.
717 Texas Avenue, Suite 3100
Houston, TX 77002
Fax No.: (713) 659-5459
Attention: Don A. Turkelson

with a copy to:

Andrews Kurth LLP
600 Travis, Suite 4200
Houston, TX 77002
Fax No.: (713) 238-7433
Attention: Geoffrey K. Walker, Esq.

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; three business days after being deposited in the mail, postage prepaid, if mailed; when receipt is acknowledged by recipient's facsimile machine operator, if sent by facsimile transmission; and on the day delivered, if sent by overnight air courier guaranteeing next day delivery.

(c) *No Inconsistent Agreements.* The Company has not, as of the date hereof, entered into, nor shall it, on or after the date hereof, enter into, any agreement with respect to its securities that is inconsistent with the rights granted to the Holders herein or otherwise conflicts with the provisions hereof.

(d) *Successors and Assigns*. This Agreement shall be binding upon the Company and its successors and assigns.

(e) *Counterparts*. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(f) *Headings*. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(g) *Governing* Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS.

(h) *Severability*. If any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

(i) *Securities Held by the Company.* Whenever the consent or approval of Holders of a specified percentage of principal amount of Securities is required hereunder, Securities held by the Company or its affiliates (other than subsequent Holders of Securities if such subsequent Holders are deemed to be affiliates solely by reason of their holdings of such Securities) shall not be counted in determining whether such consent or approval was given by the Holders of such required percentage.

(j) *Agent for Service; Submission to Jurisdiction; Waiver of Immunities*. By the execution and delivery of this Agreement, the Company, in any suit or proceeding arising out of or relating to this Agreement that may be instituted in any federal or state court in the State of New York or brought under federal or state securities laws, submits to the nonexclusive jurisdiction of any such court in any such suit or proceeding. To the extent that the Company may acquire any immunity from jurisdiction of any court or from any legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, it hereby irrevocably waives such immunity in respect of this Agreement, to the fullest extent permitted by law.

[*Remainder of Page Intentionally Left Blank*]

If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Issuer a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement among the several Initial Purchasers and the Issuer in accordance with its terms.

Very truly yours,

SABINE PASS LNG, L.P.

By: Sabine Pass LNG-GP, Inc.,
its general partner

By: /s/ Graham A. McArthur
Name: Graham A. McArthur
Title: Treasurer

The foregoing Registration
Rights Agreement is hereby confirmed
and accepted as of the date first
above written.

CREDIT SUISSE SECURITIES (USA) LLC
LEHMAN BROTHERS INC.

by: CREDIT SUISSE SECURITIES (USA) LLC

By: /s/ Steve Greenwald
Name: Steve Greenwald
Title: Head of Global Project Finance

Acting on behalf of itself
and as the representative
of the Initial Purchasers

Each broker-dealer that receives Exchange Securities for its own account pursuant to the Registered Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Securities. The Letter of Transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. This Prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of Exchange Securities received in exchange for Initial Securities where such Initial Securities were acquired by such broker-dealer as a result of market-making activities or other trading activities. The Company has agreed that, for a period of 180 days after the Expiration Date (as defined herein), it will make this Prospectus available to any broker-dealer for use in connection with any such resale. See "Plan of Distribution."

Each broker-dealer that receives Exchange Securities for its own account in exchange for Securities, where such Initial Securities were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Securities. See "Plan of Distribution."

PLAN OF DISTRIBUTION

Each broker-dealer that receives Exchange Securities for its own account pursuant to the Registered Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Securities. This Prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of Exchange Securities received in exchange for Initial Securities where such Initial Securities were acquired as a result of market-making activities or other trading activities. The Company has agreed that, for a period of 180 days after the Expiration Date, it will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale. In addition, until __________, 20__, all dealers effecting transactions in the Exchange Securities may be required to deliver a prospectus.[1]

The Company will not receive any proceeds from any sale of Exchange Securities by broker-dealers. Exchange Securities received by broker-dealers for their own account pursuant to the Registered Exchange Offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the Exchange Securities or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such Exchange Securities. Any broker-dealer that resells Exchange Securities that were received by it for its own account pursuant to the Registered Exchange Offer and any broker or dealer that participates in a distribution of such Exchange Securities may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit on any such resale of Exchange Securities and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The Letter of Transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

For a period of 180 days after the Expiration Date the Company will promptly send additional copies of this Prospectus and any amendment or supplement to this Prospectus to any broker-dealer that requests such documents in the Letter of Transmittal. The Company has agreed to pay all expenses incident to the Registered Exchange Offer (including the expenses of one counsel for the Holders of the Securities) other than commissions or concessions of any brokers or dealers and will indemnify the Holders of the Securities (including any broker-dealers) against certain liabilities, including liabilities under the Securities Act.

---

(1) In addition, the legend required by Item 502(e) of Regulation S-K will appear on the back cover page of the Exchange Offer prospectus.

☐ CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.

Name: ______________________________________
Address: ______________________________________
____

If the undersigned is not a broker-dealer, the undersigned represents that it is not engaged in, and does not intend to engage in, a distribution of Exchange Securities. If the undersigned is a broker-dealer that will receive Exchange Securities for its own account in exchange for Initial Securities that were acquired as a result of market-making activities or other trading activities, it acknowledges that it will deliver a prospectus in connection with any resale of such Exchange Securities; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

Exhibit 10.1

Execution Version

COLLATERAL TRUST AGREEMENT

dated as of November 9, 2006

among

SABINE PASS LNG, L.P.,

SABINE PASS LNG-LP, LLC,

SABINE PASS LNG-GP, INC.,

**THE OTHER PLEDGORS
FROM TIME TO TIME PARTY HERETO**

THE BANK OF NEW YORK,
as Trustee under the Indenture,

**THE OTHER SECURED DEBT REPRESENTATIVES
FROM TIME TO TIME PARTY HERETO,**

and

THE BANK OF NEW YORK,
as Collateral Trustee

TABLE OF CONTENTS

		Page
ARTICLE 1. DEFINITIONS; PRINCIPLES OF CONSTRUCTION		2
SECTION 1.1	Defined Terms	2
SECTION 1.2	Rules of Interpretation	15
ARTICLE 2. THE TRUST ESTATES		16
SECTION 2.1	Declaration of Senior Trust	16
SECTION 2.2	Declaration of Junior Trust	17
SECTION 2.3	Declaration of Crest Trust	18
SECTION 2.4	Priority of Liens	19
SECTION 2.5	Restrictions on Enforcement of Junior Liens	19
SECTION 2.6	Waiver of Right of Marshalling	21
SECTION 2.7	Discretion in Enforcement of Parity Liens	21
SECTION 2.8	Discretion in Enforcement of Parity Lien Obligations	22
SECTION 2.9	Insolvency or Liquidation Proceedings	22
SECTION 2.10	Collateral Shared Equally and Ratably within Class	23
ARTICLE 3. OBLIGATIONS AND POWERS OF COLLATERAL TRUSTEE		24
SECTION 3.1	Undertaking of the Collateral Trustee	24
SECTION 3.2	Release or Subordination of Liens	25
SECTION 3.3	Enforcement of Liens	25
SECTION 3.4	Application of Proceeds	25
SECTION 3.5	Powers of the Collateral Trustee	27
SECTION 3.6	Documents and Communications	27
SECTION 3.7	For Sole and Exclusive Benefit of Holders of Secured Obligations	27
SECTION 3.8	Additional Secured Debt	28
SECTION 3.9	Acceptance of Assignment of Liens	29
ARTICLE 4. OBLIGATIONS ENFORCEABLE BY THE COMPANY AND THE OTHER PLEDGORS		29
SECTION 4.1	Release of Liens on Collateral	29
SECTION 4.2	Delivery of Copies to Secured Debt Representatives	31
SECTION 4.3	Collateral Trustee not Required to Serve, File or Record	31
SECTION 4.4	Release of Liens in Respect of Notes	31
ARTICLE 5. IMMUNITIES OF THE COLLATERAL TRUSTEE		32
SECTION 5.1	No Implied Duty	32
SECTION 5.2	Appointment of Agents and Advisors	32
SECTION 5.3	Other Agreements	32
SECTION 5.4	Solicitation of Instructions	32
SECTION 5.5	Limitation of Liability	33
SECTION 5.6	Documents in Satisfactory Form	33
SECTION 5.7	Entitled to Rely	33
SECTION 5.8	Secured Debt Default	33
SECTION 5.9	Actions by Collateral Trustee	33

SECTION 5.10 Security or Indemnity in favor of the Collateral Trustee 33
SECTION 5.11 Rights of the Collateral Trustee 34
SECTION 5.12 Limitations on Duty of Collateral Trustee in Respect of Collateral 34
SECTION 5.13 Assumption of Rights, Not Assumption of Duties 35
SECTION 5.14 No Liability for Clean Up of Hazardous Materials 35
SECTION 5.15 Additional Provisions Relating to the Collateral Trustee. 35
SECTION 5.16 Appointment of Co-Collateral Trustee. 36

ARTICLE 6. RESIGNATION AND REMOVAL OF THE COLLATERAL TRUSTEE 38
SECTION 6.1 Resignation or Removal of Collateral Trustee 38
SECTION 6.2 Appointment of Successor Collateral Trustee 38
SECTION 6.3 Succession 38
SECTION 6.4 Merger, Conversion or Consolidation of Collateral Trustee 39

ARTICLE 7. MISCELLANEOUS PROVISIONS 39
SECTION 7.1 Amendment 39
SECTION 7.2 Voting 41
SECTION 7.3 Further Assurances; Insurance 41
SECTION 7.4 Perfection of Junior Trust Estate 42
SECTION 7.5 Successors and Assigns 42
SECTION 7.6 Delay and Waiver 43
SECTION 7.7 Notices 43
SECTION 7.8 Notice Following Discharge of Parity Lien Obligations 44
SECTION 7.9 Entire Agreement 44
SECTION 7.10 Compensation; Expenses 44
SECTION 7.11 Indemnity 45
SECTION 7.12 Severability 46
SECTION 7.13 Headings 46
SECTION 7.14 Obligations Secured 46
SECTION 7.15 Governing Law 46
SECTION 7.16 Consent to Jurisdiction 46
SECTION 7.17 Waiver of Jury Trial 47
SECTION 7.18 Counterparts 47
SECTION 7.19 Effectiveness 47
SECTION 7.20 Additional Pledgors 47
SECTION 7.21 Continuing Nature of this Agreement 48
SECTION 7.22 Insolvency 48
SECTION 7.23 Rights and Immunities of Secured Debt Representatives 48
SECTION 7.24 Crest Obligations 48
SECTION 7.25 Amendments to Material Project Agreements 49

EXHIBIT A – Additional Secured Debt Designation
EXHIBIT B – Form of Collateral Trust Joinder—Additional Secured Debt
EXHIBIT C – Form of Collateral Trust Joinder—Additional Pledgors

This Collateral Trust Agreement (this "***Agreement***") is dated as of November 9, 2006 and is by and among SABINE PASS LNG, L.P., a Delaware limited partnership (the "***Company***"), SABINE PASS LNG-GP, INC. ("***Sabine GP***"), SABINE PASS LNG-LP, LLC ("***Sabine LP***"), THE OTHER PLEDGORS FROM TIME TO TIME PARTY HERETO, THE BANK OF NEW YORK, a New York banking corporation, in its capacity as Trustee (as defined below), THE OTHER SECURED DEBT REPRESENTATIVES FROM TIME TO TIME PARTY HERETO and THE BANK OF NEW YORK, a New York banking corporation, as Collateral Trustee (in such capacity and together with its successors in such capacity, the "***Collateral Trustee***").

RECITALS

A. Capitalized terms used in this Agreement have the meanings assigned to them above or in Article 1 below.

B. The Company (a) on or about the date hereof, will issue senior secured notes due November 30, 2013 and senior secured notes due November 30, 2016 (together, the "***Initial Notes***") under an indenture, dated on or about the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "***Indenture***"), between the Company and The Bank of New York, in its capacity as indenture trustee and (b) in the future may issue additional senior secured notes under the Indenture (together with the Initial Notes, the "***Notes***") and/or may otherwise incur additional secured indebtedness ranking *pari passu* with the Notes.

C. As security for the Notes and other Parity Secured Debt issued or to be issued under the Indenture and other indebtedness permitted to be incurred on a *pari passu* basis with the Notes pursuant to the terms of the Indenture, the Company has assigned and granted a security interest in, pursuant to certain Security Documents entered into between the Company and the Collateral Trustee, all of its right, title and interest in, to and under, all present and future property of the Company to the Collateral Trustee in trust for the benefit of the Secured Parties.

D. It is a requirement under the Indenture and a condition precedent to the issuance of the Notes that the Company shall have executed and delivered this Agreement.

E. The Company and the other Pledgors intend to secure the Obligations under the Indenture and any future Parity Secured Debt on a priority basis (subject to the obligations of the Company under the Crest Settlement Documents which the Company intends to secure on a priority basis to the Parity Secured Debt) and, subject to such priority, intend to secure the Obligations under the Indenture, any other Parity Lien Document, the Assumption Agreement and any future Junior Lien Document, with Liens on all present and future Collateral to the extent that such Liens have been provided for in the applicable Security Documents.

F. This Agreement sets forth the terms on which each Secured Party has appointed the Collateral Trustee to act as the collateral trustee for the present and future holders of the Secured Obligations to receive, hold, maintain, administer and distribute the Collateral at any time delivered to the Collateral Trustee or the subject of the Security Documents, and to enforce the Security Documents and all interests, rights, powers and remedies of the Collateral Trustee with respect thereto or thereunder and the proceeds thereof.

AGREEMENT

In consideration of the premises and the mutual agreements herein set forth, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

ARTICLE 1. DEFINITIONS; PRINCIPLES OF CONSTRUCTION

SECTION 1.1 Defined Terms. The following terms will have the following meanings:

"***Act of Required Debtholders***" means, as to any matter at any time:

(1) prior to the Discharge of Parity Lien Obligations, a direction in writing delivered to the Collateral Trustee by or with the written consent of the holders of more than 50% of the sum of:

(a) the aggregate outstanding principal amount of Parity Secured Debt (including if applicable at such times outstanding letters of credit whether or not then available or drawn); and

(b) other than in connection with the exercise of remedies, the aggregate unfunded commitments to extend credit which, when funded, would constitute Parity Secured Debt; and

(2) at any time after the Discharge of Parity Lien Obligations, a direction in writing delivered to the Collateral Trustee by or with the written consent of the holders of Junior Lien Debt representing the Required Junior Lien Debtholders.

For purposes of this definition, (a) Secured Debt registered in the name of, or beneficially owned by, the Company or any Affiliate of the Company will be deemed not to be outstanding (other than Notes held by any person that is an Affiliate of the Company as of the date of the Indenture that is regulated by any banking or insurance authority) and (b) votes will be determined in accordance with Section 7.2.

"***Additional Secured Debt***" has the meaning set forth in Section 3.8.

"Additional Secured Debt Designation" means a notice is substantially the form of Exhibit A.

"***Affiliate***" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "under

common control with" have correlative meanings. Notwithstanding the foregoing, the definition of "Affiliate" shall not encompass (a) any individual solely by reason of his or her being a director, officer or employee of any Person and (b) the Collateral Trustee or any holder of Debt solely in their capacity as such.

"*Agreement*" has the meaning set forth in the preamble.

"*Asset Sale*" has the meaning set forth in the Indenture.

"*Assumption Agreement*" means the agreement for the assumption and adoption by Sabine GP, Sabine LP, Cheniere LNG O&M Services, L.P., the Company and other Affiliates of the Company of certain obligations under the Settlement Agreement.

"*Attributable Debt*" in respect of a sale and leaseback transaction means, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP; *provided, however*, that if such sale and leaseback transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of "Capital Lease Obligation."

"*Board of Directors*" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"*Business Day*" means any day other than a Legal Holiday.

"*Capital Lease Obligation*" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"*Capital Stock*" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person,

but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"*Cash Equivalents*" means:

(1) United States dollars;

(2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (provided that the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than one year from the date of acquisition;

(3) marketable general obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof maturing within one year from the date of acquisition thereof and, at the time of acquisition thereof, having a credit rating of "A" or better from either S&P or Moody's;

(4) certificates of deposit and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year and overnight bank deposits, in each case, with any domestic commercial bank having capital and surplus in excess of $500.0 million and a Thomson Bank Watch Rating of "B" or better;

(5) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2), (3) and (4) above entered into with any financial institution meeting the qualifications specified in clause (4) above;

(6) commercial paper having one of the two highest ratings obtainable from Moody's or S&P and, in each case, maturing within one year after the date of acquisition; and

(7) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (6) of this definition or a money market fund or a qualified investment fund (including any such fund for which the Collateral Trustee or any Affiliate thereof acts as an advisor or a manager) given one of the two highest long-term ratings available from S&P or Moody's.

“***Class***” means (1) in the case of Junior Lien Debt, every Series of Junior Lien Debt, taken together, and (2) in the case of Parity Secured Debt, every Series of Parity Secured Debt, taken together.

“***Collateral***” means, in the case of each Series of Secured Debt, all properties and assets of the Company and the other Pledgors now owned or hereafter acquired in which Liens have been granted to the Collateral Trustee to secure the Secured Obligations, and shall exclude any properties and assets in which the Collateral Trustee has released its Liens pursuant to Section 3.2; *provided*, that, if such Liens are released as a result of the sale, transfer or other disposition of any properties or assets of the Company or any other Pledgor, such assets or properties will cease to be excluded from the Collateral if the Company or any other Pledgor thereafter acquires or reacquires such assets or properties.

“***Collateral Trustee***” has the meaning set forth in the preamble.

“***Collateral Trust Joinder***” means (i) with respect to the provisions of this Agreement relating to any Additional Secured Debt, an agreement substantially in the form of Exhibit B and (ii) with respect to the provisions of this Agreement relating to the addition of additional Pledgors, an agreement substantially in the form of Exhibit C.

“***Company***” has the meaning set forth in the preamble.

“***Credit Facility***” means, to the extent permitted by the Indenture, any debt facility or commercial paper facility, in each case with banks or other institutional lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, refunded, replaced or refinanced (including by means of sales of debt securities to institutional investors) in whole or in part from time to time.

“***Crest***” means Crest Investment Company, a Texas corporation.

“***Crest Cheniere Indemnity***” means the Indemnification Agreement, dated May 9, 2005, executed by Cheniere relating to the Settlement Agreement.

“***Crest Obligations***” means all obligations of the Pledgors in favor of Crest under the Crest Settlement Documents.

“***Crest Settlement Documents***” means (a) the Settlement Agreement, (b) the Assumption Agreement, (c) the Crest Cheniere Indemnity and (d) any and all other agreements and documents heretofore or hereafter entered into by any subsidiary of Cheniere pursuant to Section 1.07 of the Settlement Agreement.

“***Crest Trust Estate***” has the meaning set forth in Section 2.3.

“***Currency Agreement***” means, in respect of a Person, any foreign exchange contract, currency swap agreement or other similar agreement as to which such Person is a party or beneficiary.

“*Depositary Agent*” means The Bank of New York, in its capacity as “Depositary Agent” and “Securities Intermediary” under the Security Deposit Agreement, together with its permitted successors and assigns.

“***Description of Notes***” means the section entitled “Description of Notes” in the Confidential Offering Circular, dated November 1, 2006, of the Company, in connection with the offering of the Initial Notes.

“*Discharge of Junior Lien Obligations*” means the occurrence of all of the following:

(1) termination or expiration of all commitments to extend credit that would constitute Junior Lien Debt;

(2) payment in full in cash of the principal of and interest and premium (if any) on all Junior Lien Debt (other than any undrawn letters of credit);

(3) discharge or cash collateralization (at the lower of (A) 105% of the aggregate undrawn amount and (B) the percentage of the aggregate undrawn amount required for release of liens under the terms of the applicable Junior Lien Document) of all outstanding letters of credit constituting Junior Lien Debt; and

(4) payment in full in cash of all other Junior Lien Obligations that are outstanding and unpaid at the time the Junior Lien Debt is paid in full in cash (other than any obligations for taxes, costs, indemnifications, reimbursements, damages and other liabilities in respect of which no claim or demand for payment has been made at such time).

“*Discharge of Parity Lien Obligations*” means the occurrence of all of the following:

(1) termination or expiration of all commitments to extend credit that would constitute Parity Secured Debt;

(2) payment in full in cash of the principal of and interest and premium (if any) on all Parity Secured Debt (other than any undrawn letters of credit);

(3) discharge or cash collateralization (at the lower of (A) 105% of the aggregate undrawn amount and (B) the percentage of the aggregate undrawn amount required for release of liens under the terms of the applicable Parity Lien Document) of all outstanding letters of credit (if any) constituting Parity Secured Debt; and

(4) payment in full in cash of all other Parity Lien Obligations that are outstanding and unpaid at the time the Parity Secured Debt is paid in full in cash (other than any obligations for taxes, costs, indemnifications, reimbursements, damages and other liabilities in respect of which no claim or demand for payment has been made at such time).

“*Equally and Ratably*” means, in reference to sharing of Liens or proceeds thereof as between holders of Secured Obligations within the same Class, that such Liens or proceeds:

(1) will be allocated and distributed first to the Secured Debt Representative for each outstanding Series of Secured Debt within that Class, for the account of the holders of such Series of Secured Debt, ratably in proportion to the principal of, and interest and premium (if any) and reimbursement obligations (contingent or otherwise) with respect to letters of credit, if any, outstanding (whether or not drawings have been made under such letters of credit) on each outstanding Series of Secured Debt within that Class when the allocation or distribution is made, and thereafter

(2) will be allocated and distributed (if any remain after payment in full of all of the principal of, and interest and premium (if any) and reimbursement obligations (contingent or otherwise) with respect to letters of credit, if any, outstanding (whether or not drawings have been made on such letters of credit) on all outstanding Secured Obligations within that Class) to the Secured Debt Representative for each outstanding Series of Secured Obligations within that Class, for the account of the holders of any remaining Secured Obligations within that Class, ratably in proportion to the aggregate unpaid amount of such remaining Secured Obligations within that Class due and demanded (with written notice to the applicable Secured Debt Representative and the Collateral Trustee) prior to the date such distribution is made.

"*Fair Market Value*" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of Sabine GP (unless otherwise provided in the Indenture).

"*GAAP*" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time.

"*Government Approval*" shall mean (a) any authorization, consent, approval, license, lease, ruling, permit, tariff, rate, certification, waiver, exemption, filing, variance, claim, order, judgment or decree of, by or with, (b) any required notice to, (c) any declaration of or with or (d) any registration by or with, any Government Authority, in each case relating to the Development except to the extent routine or ministerial in nature or not otherwise material to the Development or the Company's compliance with any Government Rule or obtaining or maintaining any Government Approval.

"*Government Authority*" shall mean any federal, state or local government or political subdivision thereof or other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and having jurisdiction over the Person or matters in question.

"*Government Rule*" shall mean any statute, law, regulation, ordinance, rule, judgment, order, decree, permit, concession, grant, franchise, license, agreement, directive, requirement of, or other governmental restriction or any similar binding form of decision of or determination by,

or any binding interpretation or administration of any of the foregoing by, any Government Authority, including all common law, whether now or hereafter in effect.

"***Guarantee***" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"***Hedging Obligations***" of any Person means the obligations of such Person under pursuant to any Interest Rate Agreement or Currency Agreement and in the case of the Company, commodity hedges relating to the purchase of LNG for cool down of the Project.

"***Indebtedness***" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations or Attributable Debt in respect of sale and leaseback transactions;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed; or

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit , Attributable Debt and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term "Indebtedness" includes (a) all indebtedness of any other Person, of the types described above in clauses (1) through (6), secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and (b) to the extent not otherwise included, the Guarantee by the specified Person of any indebtedness of any other Person, of the types described above in clauses (1) through (6).

Notwithstanding the foregoing, the following shall not constitute Indebtedness:

(a) any indebtedness that has been defeased in accordance with GAAP or defeased pursuant to the deposit of cash or Cash Equivalents (in an amount sufficient to satisfy all obligations relating thereto at maturity or redemption, as applicable, including all payments of interest and premium, if any) in a trust or

account created or pledged for the sole benefit of the holders of such indebtedness, and subject to no other Liens, and in accordance with the other applicable terms of the instrument governing such indebtedness; and

(b) any obligation arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; provided, however, that such obligation is extinguished within five Business Days of its incurrence.

"***Indemnified Liabilities***" means any and all liabilities (including all environmental liabilities), obligations, losses, damages, penalties, actions, judgments, suits, costs, taxes, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, performance, administration or enforcement of this Agreement or any of the other Security Documents, including any of the foregoing relating to the use of proceeds of any Secured Debt or the violation of, noncompliance with or liability under, any law (including environmental laws) applicable to or enforceable against the Company, any of its Subsidiaries or any other Pledgor or any of the Collateral and all reasonable costs and expenses (including reasonable fees and expenses of legal counsel selected by the Indemnitee) incurred by any Indemnitee in connection with any claim, action, investigation or proceeding in any respect relating to any of the foregoing, whether or not suit is brought.

"***Indemnitee***" has the meaning set forth in Section 7.11(a).

"***Indenture***" has the meaning set forth in the recitals.

"***Insolvency or Liquidation Proceeding***" means:

(1) any case commenced by or against the Company or any other Pledgor under Title 11, U.S. Code or any similar federal or state law for the relief of debtors, any other proceeding for the reorganization, recapitalization or adjustment or marshalling of the assets or liabilities of the Company or any other Pledgor, any receivership or assignment for the benefit of creditors relating to the Company or any other Pledgor or any similar case or proceeding relative to the Company or any other Pledgor or its creditors, as such, in each case whether or not voluntary;

(2) any liquidation, dissolution, marshalling of assets or liabilities or other winding up of or relating to the Company or any other Pledgor, in each case whether or not voluntary and whether or not involving bankruptcy or insolvency; or

(3) any other proceeding of any type or nature in which substantially all claims of creditors of the Company or any other Pledgor are determined and any payment or distribution is or may be made on account of such claims.

"***Interest Rate Agreement***" means with respect to any Person any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement as to which such Person is party or a beneficiary.

“***Junior Lien***” means a Lien granted by a Security Document to the Collateral Trustee, at any time, upon any property of the Company or any other Pledgor to secure Junior Lien Obligations.

“***Junior Lien Debt***” means: any Indebtedness that is secured by a Junior Lien that was permitted to be incurred and so secured under each applicable Secured Debt Document; *provided*, that in the case of any such Indebtedness:

(a) on or before the date on which such Indebtedness is incurred by the Company or by a Restricted Subsidiary (as defined under the Indenture) of the Company, such Indebtedness is designated by the Company as “Junior Lien Debt” for the purposes of the Secured Debt Documents in an Additional Secured Debt Designation executed and delivered in accordance with Section 3.8(a); *provided*, that no Obligation or Indebtedness may be designated as both Junior Lien Debt and Parity Secured Debt;

(b) the Junior Lien Representative for such Indebtedness executes and delivers a Collateral Trust Joinder in accordance with Section 3.8(b); and

(c) all other requirements set forth in Section 3.8 have been complied with.

“***Junior Lien Documents***” means, collectively, any indenture, Credit Facility or other agreement governing each Series of Junior Lien Debt and, to the extent relating to any Junior Lien Obligations, the Security Documents.

“***Junior Lien Obligations***” means Junior Lien Debt and all other Obligations in respect thereof.

“***Junior Lien Representative***” means, in the case of any Series of Junior Lien Debt, the trustee, agent or representative of the holders of such Series of Junior Lien Debt who maintains the transfer register for such Series of Junior Lien Debt and (A) is appointed as a Junior Lien Representative (for purposes related to the administration of the Security Documents) pursuant to any indenture, Credit Facility or other agreement governing such Series of Junior Lien Debt, together with its successors in such capacity, and (B) that has executed a Collateral Trust Joinder.

“***Junior Trust Estate***” has the meaning set forth in Section 2.2.

“***Legal Holiday***” means a Saturday, a Sunday or a day on which banking institutions in the City of New York or Houston, Texas or at a place of payment are authorized or required by law, regulation or executive order to remain closed.

“***Lien***” means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest.

"***LNG***" means liquefied natural gas.

"*Moody's*" means Moody's Investors Service, a division of Dun & Bradstreet Corporation, and its successors and assigns.

"*Notes*" has the meaning set forth in the recitals.

"*Note Documents*" means the Indenture, the Notes, the Note Guarantees and the Security Documents.

"*Note Guarantee*" means the Guarantee by each Guarantor of the Company's obligations under the Indenture and the Notes, executed pursuant to the provisions of the Indenture.

"*Obligations*" means any principal (including reimbursement obligations with respect to letters of credit whether or not drawn), interest (including all interest accrued thereon after the commencement of any Insolvency or Liquidation Proceeding at the rate, including any applicable post-default rate, specified in the Parity Lien Documents, even if such interest is not enforceable, allowable or allowed as a claim in such proceeding), premium (if any), fees, indemnifications, reimbursements, expenses and other liabilities payable under the documentation governing any Indebtedness.

"*Officers' Certificate*" means a certificate with respect to compliance with a condition or covenant provided for in this Agreement, signed by two officers of the Company (or, if applicable, of Sabine GP acting in its capacity as general partner of the Company), one of whom must be the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of the Company (or, if applicable, Sabine GP), including:

(a) a statement that the Person making such certificate has read such covenant or condition;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate are based;

(c) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(d) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

"*Parity Lien*" means a Lien granted by a Security Document to the Collateral Trustee, at any time, upon any property of the Company or any other Pledgor to secure Parity Lien Obligations.

“***Parity Lien Documents***” means the Note Documents and the Indenture, Credit Facility or other agreement governing each other Series of Parity Secured Debt and, to the extent relating to any Parity Lien Obligations, the Security Documents.

“***Parity Lien Obligations***” means the Parity Secured Debt and all other Obligations in respect thereof.

“***Parity Lien Representative***” means:

(a) in the case of the Indenture, the Trustee; or

(b) in the case of any other Series of Parity Secured Debt, the trustee, agent or representative of the holders of such Series of Parity Secured Debt who maintains the transfer register for such Series of Parity Secured Debt and is appointed as a representative of the Parity Secured Debt (for purposes related to the administration of the Security Documents) pursuant to the indenture, any Credit Facility or any other agreement governing such Series of Parity Secured Debt, and who has executed a Collateral Trust Joinder.

“***Parity Lien Secured Parties***” means the holders of Parity Lien Obligations and the Parity Lien Representatives.

“***Parity Secured Debt***” means:

(1) the Notes issued on the date hereof (including any related exchange notes); and

(2) any other Indebtedness including additional notes issued under the Indenture or under any Credit Facility that is secured Equally and Ratably with the Notes by a Parity Lien that was permitted to be incurred and so secured under each applicable Secured Debt Document; *provided*, in the case of any Indebtedness referred to in this clause (2), that:

(a) on or before the date on which such Indebtedness is incurred by the Company such Indebtedness is designated by the Company as “Parity Secured Debt” for the purposes of the Secured Debt Documents in an Additional Secured Debt Designation executed and delivered in accordance with Section 3.8(a); *provided*, that no Obligation or Indebtedness may be designated as both Junior Lien Debt and Parity Secured Debt;

(b) the Parity Lien Representative for such Indebtedness executes and delivers a Collateral Trust Joinder in accordance with Section 3.8(b); and

(c) all other requirements set forth in Section 3.8 have been complied with.

“***Permitted Prior Liens***” means:

(1) Liens described in clause (1) of the definition of "Permitted Liens" under the Indenture;

(2) Liens described in clauses (2), (3), (5), (6) or (10) of the definition of "Permitted Liens" under the Indenture; and

(3) Permitted Liens (as defined in the Indenture) that arise by operation of law and are not voluntarily granted, to the extent entitled by law to priority over the Liens created by the Security Documents.

"***Person***" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"***Pledgors***" means Sabine GP, Sabine LP, the Company and each Subsidiary of the Company that executes a Security Document in accordance with the provisions of the Indenture or any other Parity Lien Document, and each such Person's respective successors and assigns, in each case, until the Security Document of such Person has been released in accordance with the provisions of the Indenture and the terms hereof.

"***Project***" means the Company's LNG receiving terminal in Cameron, Louisiana, including associated storage tanks, unloading docks, vaporizers and related facilities.

"***Required Junior Lien Debtholders***" means, at any time, the holders of more than 50% of the sum of:

(a) the aggregate outstanding principal amount of Junior Lien Debt (including outstanding letters of credit whether or not then available or drawn); and

(b) other than in connection with the exercise of remedies, the aggregate unfunded commitments to extend credit which, when funded, would constitute Junior Lien Debt.

For purposes of this definition, (a) Junior Lien Debt registered in the name of, or beneficially owned by, the Company or any Affiliate of the Company will be deemed not to be outstanding, and (b) votes will be determined in accordance with the provisions of Section 7.2.

"***S&P***" means Standard & Poor's Ratings Services and its successors and assigns.

"***Sabine GP***" has the meaning set forth in the preamble.

"***Sabine LP***" has the meaning set forth in the preamble.

"***Secured Debt***" means Junior Lien Debt, Parity Secured Debt and Indebtedness under the Assumption Agreement.

“***Secured Debt Default***” means any event or condition which, under the terms of any Credit Facility, indenture or other agreement governing any Series of Secured Debt causes, or permits holders of Secured Debt outstanding thereunder (with or without the giving of notice or lapse of time, or both, and whether or not notice has been given or time has lapsed) to cause, the Secured Debt outstanding thereunder to become immediately due and payable.

“***Secured Debt Documents***” means the Junior Lien Documents and the Parity Lien Documents.

“***Secured Debt Representative***” means each Junior Lien Representative and each Parity Lien Representative.

“***Secured Obligations***” means Junior Lien Obligations, Parity Lien Obligations and the Crest Obligations.

“***Secured Parties***” means the holders of Secured Obligations and the Secured Debt Representatives.

“***Security Deposit Agreement***” means the Security Deposit Agreement, dated as of the date hereof, among the Company, the Collateral Trustee and the Depositary Agent.

“***Security Documents***” means this Agreement, the Security Deposit Agreement, each Collateral Trust Joinder, and all security agreements, pledge agreements, collateral assignments, consents and other agreements related to collateral assignments, mortgages, collateral agency agreements, control agreements, deeds of trust or other grants or transfers for security executed and delivered by the Company or any other Pledgor creating (or purporting to create) a Lien upon Collateral in favor of the Collateral Trustee, for the benefit of the Secured Parties, in each case, as amended, modified, renewed, restated or replaced, in whole or in part, from time to time, in accordance with its terms and Section 7.2.

“***Senior Trust Estate***” has the meaning set forth in Section 2.1.

“***Series of Junior Lien Debt***” means, severally, each issue or series of Junior Lien Debt for which a single transfer register is maintained.

“***Series of Parity Secured Debt***” means the Notes and each other issue or series of Parity Secured Debt for which a single transfer register is maintained.

“***Series of Secured Debt***” means, severally, each Series of Parity Secured Debt and each Series of Junior Lien Debt.

“***Settlement Agreement***” means the Settlement and Purchase Agreement, dated as of June 14, 2001, by and among Cheniere, Cheniere FLNG, L.P., Crest, Crest Energy, L.L.C., and Freeport LNG Terminal, LLC.

“***Stated Maturity***” means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the date of the Indenture, and

will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

“***Subsidiary***” means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders’ agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

“***Trustee***” has the meaning set forth in the recitals.

“***Trust Estates***” has the meaning set forth in Section 2.3.

“***UCC***” means the Uniform Commercial Code as in effect in the State of New York or any other applicable jurisdiction.

“***Voting Stock***” of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

SECTION 1.2 Rules of Interpretation.

(a) All terms used in this Agreement that are defined in Article 9 of the UCC and not otherwise defined herein have the meanings assigned to them in Article 9 of the UCC.

(b) Unless otherwise indicated, any reference to any agreement or instrument will be deemed to include a reference to that agreement or instrument as assigned, amended, supplemented, amended and restated, or otherwise modified and in effect from time to time or replaced in accordance with the terms of this Agreement.

(c) The use in this Agreement or any of the other Security Documents of the word “include” or “including,” when following any general statement, term or matter, will not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not nonlimiting language (such as “without limitation” or “but not limited to” or words of similar import) is used with reference thereto, but will be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter. The word “will” shall be construed to have the same meaning and effect as the word “shall.”

(d) References to “Sections,” “clauses,” “recitals” and the “preamble” will be to Sections, clauses, recitals and the preamble, respectively, of this Agreement unless otherwise specifically provided. References to “Articles” will be to Articles of this Agreement unless otherwise specifically provided. References to “Exhibits” and “Schedules” will be to Exhibits and Schedules, respectively, to this Agreement unless otherwise specifically provided.

(e) Notwithstanding anything to the contrary in this Agreement, any references contained herein to any section, clause, paragraph, definition or other provision of the Indenture (including any definition contained therein) shall be deemed to be a reference to such section, clause, paragraph, definition or other provision as in effect on the date of this Agreement; *provided*, that any reference to any such section, clause, paragraph or other provision shall refer to such section, clause, paragraph or other provision of the Indenture (including any definition contained therein) as amended or modified from time to time if such amendment or modification has been (1) made in accordance with the Indenture and (2) prior to the Discharge of Parity Lien Obligations, approved in a writing delivered to the Trustee and the Collateral Trustee by, or on behalf of, the requisite holders of Parity Lien Obligations as are needed (if any) under the terms of the applicable Parity Lien Documents to approve such amendment or modification.

(f) This Agreement and the other Security Documents will be construed without regard to the identity of the party who drafted it and as though the parties participated equally in drafting it. Consequently, each of the parties acknowledges and agrees that any rule of construction that a document is to be construed against the drafting party will not be applicable either to this Agreement or the other Security Documents.

ARTICLE 2. THE TRUST ESTATES

SECTION 2.1 Declaration of Senior Trust.

To secure the payment of the Parity Lien Obligations and in consideration of the mutual agreements set forth in this Agreement, each of the Pledgors hereby grants to the Collateral Trustee, and the Collateral Trustee hereby accepts and agrees to hold, in trust under this Agreement for the benefit of all present and future holders of Parity Lien Obligations, all of such Pledgor’s right, title and interest in, to and under all Collateral granted to the Collateral Trustee under any Security Document for the benefit of the holders of Parity Lien Obligations, together with all of the Collateral Trustee’s right, title and interest in, to and under the Security Documents, and all interests, rights, powers and remedies of the Collateral Trustee thereunder or in respect thereof and all cash and non-cash proceeds thereof (collectively, the **“*Senior Trust Estate*”**).

The Collateral Trustee and its successors and assigns under this Agreement will hold the Senior Trust Estate in trust for the benefit solely and exclusively of all present and future holders of Parity Lien Obligations as security for the payment of all present and future Parity Lien Obligations.

Notwithstanding the foregoing, if at any time:

(1) all Liens securing the Parity Lien Obligations have been released as provided in Section 4.1;

(2) the Collateral Trustee holds no other property in trust as part of the Senior Trust Estate;

(3) no monetary obligation (other than indemnification and other contingent obligations not then due and payable and letters of credit that have been cash collateralized as provided in clause (3) of the definition of "*Discharge of Parity Lien Obligations*") is outstanding and payable under this Agreement to the Collateral Trustee or any of its co-trustees or agents (whether in an individual or representative capacity); and

(4) the Company delivers to the Collateral Trustee an Officers' Certificate stating that all Parity Liens of the Collateral Trustee have been released in compliance with all applicable provisions of the Parity Lien Documents and that the Pledgors are not required by any Parity Lien Document to grant any Parity Lien upon any property,

then the Senior Trust Estate will terminate, except that all provisions set forth in Sections 7.10 and 7.11 that are enforceable by the Collateral Trustee or any of its co-trustees or agents (whether in an individual or representative capacity) will remain enforceable in accordance with their terms.

The parties further declare and covenant that the Senior Trust Estate will be held and distributed by the Collateral Trustee subject to the further agreements herein.

SECTION 2.2 Declaration of Junior Trust.

To secure the payment of the Junior Lien Obligations, if any, and in consideration of the premises and the mutual agreements set forth herein, each of the Pledgors hereby grants to the Collateral Trustee, and the Collateral Trustee hereby accepts and agrees to hold, in trust under this Agreement for the benefit of all present and future holders of Junior Lien Obligations, all of such Pledgor's right, title and interest in, to and under all Collateral granted to the Collateral Trustee under any Security Document for the benefit of the holders of Junior Lien Obligations, together with all of the Collateral Trustee's right, title and interest in, to and under the Security Documents, and all interests, rights, powers and remedies of the Collateral Trustee thereunder or in respect thereof and all cash and non-cash proceeds thereof (collectively, the "***Junior Trust Estate***").

The Collateral Trustee and its successors and assigns under this Agreement will hold the Junior Trust Estate in trust for the benefit solely and exclusively of all present and future holders of Junior Lien Obligations as security for the payment of all present and future Parity Lien Obligations.

Notwithstanding the foregoing, if at any time:

(1) all Liens securing the Junior Lien Obligations have been released as provided in Section 4.1;

(2) the Collateral Trustee holds no other property in trust as part of the Junior Trust Estate;

(3) no monetary obligation (other than indemnification and other contingent obligations not then due and payable and letters of credit that have been cash collateralized as provided in clause (3) of the definition of "*Discharge of Junior Lien Obligations*") is outstanding and payable under this Agreement to the Collateral Trustee or any of its co-trustees or agents (whether in an individual or representative capacity); and

(4) the Company delivers to the Collateral Trustee an Officers' Certificate stating that all Junior Liens of the Collateral Trustee have been released in compliance with all applicable provisions of the Junior Lien Documents and that the Pledgors are not required by any Junior Lien Document to grant any Junior Lien upon any property,

then the Junior Trust Estate will terminate, except that all provisions set forth in Sections 7.10 and 7.11 that are enforceable by the Collateral Trustee or any of its co-trustees or agents (whether in an individual or representative capacity) will remain enforceable in accordance with their terms.

The parties further declare and covenant that the Junior Trust Estate will be held and distributed by the Collateral Trustee subject to the further agreements herein.

SECTION 2.3 Declaration of Crest Trust. To secure the payment of the Crest Obligations and in consideration of the mutual agreements set forth in this Agreement, each of the Pledgors hereby grants to the Collateral Trustee, and the Collateral Trustee hereby accepts and agrees to hold, in trust under this Agreement for the benefit of Crest, all of such Pledgor's right, title and interest in, to and under all Collateral granted to the Collateral Trustee under any Security Document for the benefit of Crest, together with all of the Collateral Trustee's right, title and interest in, to and under the Security Documents, and all interests, rights, powers and remedies of the Collateral Trustee thereunder or in respect thereof and all cash and non-cash proceeds thereof (collectively, the ***"Crest Trust Estate,"*** and together with the Senior Trust Estate and the Junior Trust Estate, the ***"Trust Estates"***).

The Collateral Trustee and its successors and assigns under this Agreement will hold the Crest Trust Estate in trust for the benefit solely and exclusively of Crest as security for the payment of all present and future Crest Obligations.

Notwithstanding the foregoing, if at any time:

(1) all Liens securing the Parity Lien Obligations have been released as provided in Section 4.1; and

(2) all Liens securing the Junior Lien Obligations have been released as provided in Section 4.1,

then the Crest Trust Estate will terminate, except that all provisions set forth in Sections 7.10 and 7.11 that are enforceable by the Collateral Trustee or any of its co-trustees or agents

(whether in an individual or representative capacity) will remain enforceable in accordance with their terms.

The parties further declare and covenant that the Crest Trust Estate will be held and distributed by the Collateral Trustee subject to the further agreements herein.

SECTION 2.4 Priority of Liens. Notwithstanding anything else contained herein or in any other Security Document, it is the intent of the parties that:

(1) this Agreement and the other Security Documents create three separate and distinct Trust Estates and Liens: (A) the Crest Trust Estate and Lien in favor of Crest securing the payment and performance of the Crest Obligations, (B) the Senior Trust Estate and Parity Lien securing the payment and performance of the Parity Lien Obligations and (C) the Junior Trust Estate and Junior Lien securing the payment and performance of the Junior Lien Obligations;

(2) the Liens securing the Junior Lien Obligations are subject and subordinate to the Liens securing the Crest Obligations and the Liens securing the Parity Lien Obligations; and

(3) the Liens securing the Parity Lien Obligations are subject and subordinate to the Liens securing the Crest Obligations.

SECTION 2.5 Restrictions on Enforcement of Junior Liens.

(a) Until the Discharge of Parity Lien Obligations, the holders of Parity Lien Obligations will have, subject to the exceptions set forth below in clauses (1) through (4), the exclusive right to authorize and direct the Collateral Trustee with respect to the Security Documents and the Collateral including the exclusive right to authorize or direct the Collateral Trustee to enforce, collect or realize on any Collateral or exercise any other right or remedy with respect to the Collateral and no Junior Lien Representative or holder of Junior Lien Obligations may authorize or direct the Collateral Trustee with respect to such matters. Notwithstanding the foregoing, the holders of Junior Lien Obligations may, subject to the rights of the holders of other Permitted Prior Liens, direct the Collateral Trustee:

(1) without any condition or restriction whatsoever, at any time after the Discharge of Parity Lien Obligations;

(2) as necessary to redeem any Collateral in a creditor’s redemption permitted by law or to deliver any notice or demand necessary to enforce (subject to the prior Discharge of Parity Lien Obligations) any right to claim, take or receive proceeds of Collateral remaining after the Discharge of Parity Lien Obligations in the event of foreclosure or other enforcement of any Permitted Prior Lien;

(3) as necessary to perfect or establish the priority (subject to the Liens in favor of Crest and Parity Liens) of the Junior Liens upon any Collateral, except that the holders of Junior Lien Obligations may not require the Collateral Trustee to take any

action to perfect any Collateral through possession or control other than the Collateral Trustee taking any action for possession or control required by the holders of Junior Liens and the Collateral Trustee agreeing pursuant to Section 7.4 that the Collateral Trustee as agent for the benefit of the holders of Parity Lien Obligations agrees to act as agent for the benefit of the holders Junior Lien Obligations; or

(4) as necessary to create, prove, preserve or protect (but not enforce) the Junior Liens upon any Collateral.

(b) Until the Discharge of Parity Lien Obligations, none of the holders of Junior Lien Obligations, the Collateral Trustee or any Junior Lien Representative will:

(1) request judicial relief, in an Insolvency or Liquidation Proceeding or in any other court, that would hinder, delay, limit or prohibit the lawful exercise or enforcement of any right or remedy otherwise available to the holders of Parity Lien Obligations in respect of the Parity Liens or that would limit, invalidate, avoid or set aside any Parity Lien or subordinate the Parity Liens to the Junior Liens or grant the Junior Liens equal ranking to the Parity Liens;

(2) oppose or otherwise contest any motion for relief from the automatic stay or for any injunction against foreclosure or enforcement of Parity Liens made by any holder of Parity Lien Obligations or any Parity Lien Representative in any Insolvency or Liquidation Proceeding;

(3) oppose or otherwise contest any lawful exercise by any holder of Parity Lien Obligations or any Parity Lien Representative of the right to credit bid Parity Secured Debt at any sale in foreclosure of Parity Liens;

(4) oppose or otherwise contest any other request for judicial relief made in any court by any holder of Parity Lien Obligations or any Parity Lien Representative relating to the lawful enforcement of any Parity Lien; or

(5) challenge the validity, enforceability, perfection or priority of the Parity Liens.

Notwithstanding the foregoing, both before and during an Insolvency or Liquidation Proceeding, the holders of Junior Lien Obligations and the Junior Lien Representatives may take any actions and exercise any and all rights that would be available to a holder of unsecured claims, including, without limitation, the commencement of an Insolvency or Liquidation Proceeding against the Company or any other Pledgor in accordance with applicable law; *provided,* that the holders of Junior Lien Obligations and the Junior Lien Representatives may not take any of the actions prohibited by clauses (1) through (5) of this Section 2.5(b) or oppose or contest any order that it has agreed not to oppose or contest under Section 2.9.

(c) At any time prior to the Discharge of Parity Lien Obligations and after (1) the commencement of any Insolvency or Liquidation Proceeding in respect of the Company or any other Pledgor or (2) the Collateral Trustee and each Junior Lien Representative have received written notice from any Parity Lien Representative at the direction of an Act of

Required Debtholders stating that (A) any Series of Parity Secured Debt has become due and payable in full (whether at maturity, upon acceleration or otherwise) or (B) the holders of Parity Liens securing one or more Series of Parity Secured Debt have become entitled under any Parity Lien Documents to and desire to enforce any or all of the Parity Liens by reason of a default under such Parity Lien Documents, no payment of money (or the equivalent of money) shall be made from the proceeds of Collateral by the Company or any other Pledgor to any Junior Lien Representative or any holder (or to the Collateral Trustee or any Junior Lien Representative for the benefit of any holder) of Junior Lien Obligations (including payments and prepayments made for application to Junior Lien Obligations and all other payments and deposits made pursuant to any provision of any Junior Lien Document).

(d) All proceeds of Collateral received by any Junior Lien Representative or any holder (or by the Collateral Trustee or any Junior Lien Representative for the benefit of any holder) of Junior Lien Obligations in violation of Section 2.5(c) will be held by the Collateral Trustee, the applicable Junior Lien Representative or the applicable holder of Junior Lien Obligations for the account of the holders of Parity Liens and remitted to any Parity Lien Representative upon demand by such Parity Lien Representative. The Junior Liens will remain attached to and enforceable against all proceeds so held or remitted. All proceeds of Collateral received by the Collateral Trustee, holders of Junior Lien Obligations and Junior Lien Representatives not in violation of Section 2.5(c) will be received by the Collateral Trustee, holders of Junior Lien Obligations and the Junior Lien Representatives free from the Parity Liens and all other Liens except the Junior Liens and, if applicable, the Liens in favor of Crest.

SECTION 2.6 Waiver of Right of Marshalling.

(a) Prior to the Discharge of Parity Lien Obligations, holders of Junior Lien Obligations, each Junior Lien Representative and the Collateral Trustee may not assert or enforce any right of marshalling accorded to a junior lienholder, as against the holders of Parity Lien Obligations and the Parity Lien Representatives (in their capacity as priority lienholders).

(b) Following the Discharge of Parity Lien Obligations, the holders of Junior Lien Obligations and any Junior Lien Representative may assert their right under the UCC or otherwise to any proceeds remaining following a sale or other disposition of Collateral by, or on behalf of, the holders of Parity Lien Obligations.

SECTION 2.7 Discretion in Enforcement of Parity Liens.

(a) In exercising rights and remedies with respect to the Collateral, the Parity Lien Representatives may enforce (or refrain from enforcing) the provisions of the Parity Lien Documents and exercise (or refrain from exercising) remedies thereunder or any such rights and remedies, all in such order and in such manner as they may determine in the exercise of their sole and exclusive discretion, including:

(1) the exercise or forbearance from exercise of all rights and remedies in respect of the Collateral and/or the Parity Lien Obligations;

(2) the enforcement or forbearance from enforcement of any Parity Lien in respect of the Collateral;

(3) the exercise or forbearance from exercise of rights and powers of a holder of shares of stock included in the Senior Trust Estate to the extent provided in the Security Documents;

(4) the acceptance of the Collateral in full or partial satisfaction of the Parity Lien Obligations; and

(5) the exercise or forbearance from exercise of all rights and remedies of a secured lender under the UCC or any similar law of any applicable jurisdiction or in equity.

SECTION 2.8 Discretion in Enforcement of Parity Lien Obligations.

(a) Without in any way limiting the generality of Section 2.7, the holders of Parity Lien Obligations and the Parity Lien Representatives may, at any time and from time to time, without the consent of or notice to holders of Junior Lien Obligations or the Junior Lien Representatives, without incurring responsibility to holders of Junior Lien Obligations and the Junior Lien Representatives and without impairing or releasing the subordination provided in this Agreement or the obligations hereunder of holders of Junior Lien Obligations and the Junior Lien Representatives, do any one or more of the following:

(1) change the manner, place or terms of payment or extend the time of payment of, or renew or alter, the Parity Lien Obligations, or otherwise amend or supplement in any manner the Parity Lien Obligations, or any instrument evidencing the Parity Lien Obligations or any agreement under which the Parity Lien Obligations are outstanding;

(2) release any Person or entity liable in any manner for the collection of the Parity Lien Obligations;

(3) release the Parity Lien on any Collateral; and

(4) exercise or refrain from exercising any rights against any Pledgor.

SECTION 2.9 Insolvency or Liquidation Proceedings.

(a) If in any Insolvency or Liquidation Proceeding has occurred and, prior to the Discharge of Parity Lien Obligations, the holders of Parity Lien Obligations by an Act of Required Debtholders consent to any order:

(1) for use of cash collateral;

(2) approving a debtor-in-possession financing secured by a Lien that is senior to or on a parity with all Parity Liens upon any property of the estate in such Insolvency or Liquidation Proceeding;

(3) granting any relief on account of Parity Lien Obligations as adequate protection (or its equivalent) for the benefit of the holders of Parity Lien Obligations in the Collateral subject to Parity Liens; or

(4) relating to a sale of assets of the Company or any other Pledgor that provides, to the extent the Collateral sold is to be free and clear of Liens, that all Parity Liens and Junior Liens will attach to the proceeds of the sale;

then, the holders of Junior Lien Obligations and the Junior Lien Representatives, in their capacity as holders or representatives of secured claims, will not oppose or otherwise contest the entry of such order, so long as none of the holders of Parity Lien Obligations or Parity Lien Representatives in any respect opposes or otherwise contests any request made by any holder of Junior Lien Obligations or Junior Lien Representative for the grant to the Collateral Trustee, for the benefit of the holders of Junior Lien Obligations and the Junior Lien Representatives, of a junior Lien upon any property on which a Lien is (or is to be) granted under such order to secure the Parity Lien Obligations, co-extensive in all respects with, but subordinated (as set forth in Section 2.4) to, such Lien and all Parity Liens on such property.

Notwithstanding the foregoing, both before and during an Insolvency or Liquidation Proceeding, the holders of Junior Lien Obligations and the Junior Lien Representatives may take any actions and exercise any and all rights that would otherwise be available to a holder of unsecured claims, including the commencement of Insolvency or Liquidation Proceedings against any Pledgors in accordance with applicable law; *provided, however,* that, both before and during an Insolvency or Liquidation Proceeding, the holders of Junior Lien Obligations and the Junior Lien Representatives may not take any of the actions prohibited under Section 2.5(b) or oppose or contest any order that it has agreed not to oppose or contest under clauses (1) through (4) of the preceding paragraph.

(b) Prior to the Discharge of Parity Lien Obligations, the holders of Junior Lien Obligations or any Junior Lien Representative will not file or prosecute in any Insolvency or Liquidation Proceeding any motion for adequate protection (or any comparable request for relief) based upon their interest in the Collateral under the Junior Liens, except that:

(1) they may freely seek and obtain relief: (A) granting a junior Lien co-extensive in all respects with, but subordinated (as set forth in Section 2.4) to, all Liens granted in such Insolvency or Liquidation Proceeding to, or for the benefit of, the holders of Parity Lien Obligations; or (B) in connection with the confirmation of any plan of reorganization or similar dispositive restructuring plan; and

(2) they may freely seek and obtain any relief upon a motion for adequate protection (or any comparable relief), without any condition or restriction whatsoever, at any time after the Discharge of Parity Lien Obligations.

SECTION 2.10 Collateral Shared Equally and Ratably within Class The parties to this Agreement agree that the payment and satisfaction of all of the Secured Obligations within each Class will be secured Equally and Ratably by the Liens established in favor of the Collateral Trustee for the benefit of the Secured Parties belonging to such Class. It is understood and

agreed that nothing in this Section 2.10 is intended to alter the priorities among Secured Parties belonging to different Classes as provided in Section 2.4.

ARTICLE 3. OBLIGATIONS AND POWERS OF COLLATERAL TRUSTEE

SECTION 3.1 Undertaking of the Collateral Trustee.

(a) Subject to, and in accordance with, this Agreement, the Collateral Trustee will, as trustee, for the benefit solely and exclusively of the present and future Secured Parties and, to the extent applicable, Crest:

(1) accept, enter into, hold, maintain, administer and enforce all Security Documents, including all Collateral subject thereto, and all Liens created thereunder, perform its obligations under the Security Documents and protect, exercise and enforce the interests, rights, powers and remedies granted or available to it under, pursuant to or in connection with the Security Documents;

(2) take all lawful and commercially reasonable actions permitted under the Security Documents that it may deem necessary or advisable to protect or preserve its interest in the Collateral subject thereto and such interests, rights, powers and remedies;

(3) deliver and receive notices pursuant to the Security Documents;

(4) sell, assign, collect, assemble, foreclose on, institute legal proceedings with respect to, or otherwise exercise or enforce the rights and remedies of a secured party (including a mortgagee, trust deed beneficiary and insurance beneficiary or loss payee) with respect to the Collateral under the Security Documents and its other interests, rights, powers and remedies;

(5) remit as provided in Section 3.4 all cash proceeds received by the Collateral Trustee from the collection, foreclosure or enforcement of its interest in the Collateral under the Security Documents or any of its other interests, rights, powers or remedies;

(6) execute and deliver amendments to the Security Documents as from time to time authorized pursuant to Section 7.1 accompanied by an Officers' Certificate to the effect that the amendment was permitted under Section 7.1; and

(7) release any Lien granted to it by any Security Document upon any Collateral if and as required by Section 4.1(b).

(b) Each party to this Agreement and, by its acceptance of any Lien created in favor of the Collateral Trustee for its benefit pursuant to any Security Document, Crest acknowledges and consents to the undertaking of the Collateral Trustee set forth in Section 3.1(a) and agrees to each of the other provisions of this Agreement applicable to the Collateral Trustee.

(c) Notwithstanding anything to the contrary contained in this Agreement, the Collateral Trustee will not commence any exercise of remedies or any foreclosure actions or otherwise take any action or proceeding against any of the Collateral (other than actions that it may deem necessary or adviseable to prove, protect or preserve the Liens securing the Secured Obligations) unless and until it shall have been directed by written notice of an Act of Required Debtholders and then only in accordance with the provisions of this Agreement.

(d) Notwithstanding anything to the contrary contained in this Agreement, prior to the Discharge of Parity Lien Obligations, no Junior Lien Representative or Parity Lien Representative, other than the Trustee under the Indenture, may serve as Collateral Trustee.

SECTION 3.2 Release or Subordination of Liens. The Collateral Trustee will not release or subordinate any Lien of the Collateral Trustee or consent to the release or subordination of any Lien of the Collateral Trustee, except:

(a) as directed by an Act of Required Debtholders accompanied by an Officers' Certificate to the effect that the release or subordination was permitted by each applicable Secured Debt Document;

(b) as required by Article 4;

(c) as ordered pursuant to applicable law under a final (after any applicable appeals to the extent such order has been stayed) order or judgment of a court of competent jurisdiction; or

(d) for the subordination of the Junior Trust Estate and the Junior Liens to the Senior Trust Estate and the Parity Liens.

SECTION 3.3 Enforcement of Liens. If the Collateral Trustee at any time receives written notice that any event has occurred that constitutes a default under any Secured Debt Document entitling the Collateral Trustee to foreclose upon, collect or otherwise enforce its Liens hereunder, the Collateral Trustee will promptly deliver written notice thereof to each Secured Debt Representative. Thereafter, the Collateral Trustee may await direction by an Act of Required Debtholders and will act, or decline to act, as directed by an Act of Required Debtholders, in the exercise and enforcement of the Collateral Trustee's interests, rights, powers and remedies in respect of the Collateral or under the Security Documents or applicable law and, following the initiation of such exercise of remedies, the Collateral Trustee will act, or decline to act, with respect to the manner of such exercise of remedies as directed by an Act of Required Debtholders. Unless it has been directed to the contrary by an Act of Required Debtholders, the Collateral Trustee in any event may (but will not be obligated to) take or refrain from taking such action with respect to any default under any Secured Debt Document as it may deem advisable and in the best interest of the holders of Secured Obligations.

SECTION 3.4 Application of Proceeds.

(a) The Collateral Trustee will apply the proceeds of any collection, sale, foreclosure or other realization upon any Collateral and the proceeds of any title insurance policy

required under any Parity Lien Document or Junior Lien Document in the following order of application:

FIRST, to the payment of any Crest Obligations then due and owing by the Pledgors;

SECOND, to the payment of all reasonable legal fees and expenses and other reasonable costs or expenses or other liabilities or amounts of any kind incurred by, or owing to, the Collateral Trustee or any co-trustee or agent under or in connection with any Security Document that secures Parity Lien Obligations, including the reimbursement to any Parity Lien Representative of any amounts theretofore advanced by such Parity Lien Representative for the payment of such fees, costs and expenses, liabilities or amounts;

THIRD, to the Collateral Trustee (without duplication) in an amount equal to the Collateral Trustee's fees which are unpaid and to any Parity Lien Representative which has theretofore advanced or paid any such Collateral Trustee's fees in an amount equal to the amount thereof so advanced or paid by such Parity Lien Representative;

FOURTH, to the respective Parity Lien Representatives for application to the Parity Secured Debt equally and ratably until all Parity Secured Debt has been paid in full in cash for distribution, to (1) in the case of Obligations under the Indenture and the Notes, to the Trustee for application pursuant to the Indenture and (2) in the case of all other Parity Secured Debt, to the respective Parity Lien Representatives for application pursuant to the applicable Parity Lien Documents;

FIFTH, (without duplication) to the payment of all reasonable legal fees and expenses and other reasonable costs or expenses or other liabilities of any kind incurred by the Collateral Trustee or any co-trustee or agent in connection with any Security Document that secures Junior Lien Obligations, including the reimbursement to any Junior Lien Representative of any amounts theretofore advanced by such Junior Lien Representative for the payment of such fees, costs and expenses;

SIXTH, to any Junior Lien Representative which has theretofore advanced or paid any such Collateral Trustee's fees in an amount equal to the amount thereof so advanced or paid by such Junior Lien Representative;

SEVENTH, to the respective Junior Lien Representatives for application to the Junior Lien Debt equally and ratably until all Junior Lien Debt has been paid in full in cash for distribution, to the respective Junior Lien Representatives for application pursuant to the applicable Junior Lien Documents; and

EIGHTH, any surplus remaining after the payment in full in cash of amounts described in the preceding clauses will be paid to the Company or the applicable Pledgor, as the case may be, its successors or assigns, or as a court of competent jurisdiction may direct.

(b) If any Junior Lien Representative or any holder of a Junior Lien Obligation collects or receives any proceeds of such foreclosure, collection or other enforcement that should have been applied to the payment of the Crest Obligation, or the Parity Lien Obligations in accordance with Section 3.4(a) above, whether after the commencement of an Insolvency or Liquidation Proceeding or otherwise, such Junior Lien Representative or such holder of a Junior Lien Obligation, as the case may be, will forthwith deliver the same to the Collateral Trustee, for the account of Crest or the holders of the Parity Lien Obligations and other Obligations secured by a Permitted Prior Lien, to be applied in accordance with Section 3.4(a). Until so delivered, such proceeds will be held by that Junior Lien Representative or that holder of a Junior Lien Obligation, as the case may be, for the benefit of Crest or the holders of the Parity Lien Obligations and other Obligations secured by a Permitted Prior Lien.

(c) This Section 3.4 is intended for the benefit of, and will be enforceable as a third party beneficiary by, each present and future holder of Secured Obligations, each present and future Secured Debt Representative and the Collateral Trustee as holder of Liens securing the Crest Obligations, Parity Liens and Junior Liens. The Secured Debt Representative of each future Series of Secured Debt will be required to deliver a Collateral Trust Joinder including a lien sharing and priority confirmation as provided in Section 3.8 at the time of incurrence of such Series of Secured Debt.

(d) In connection with the application of proceeds pursuant to Section 3.4(a), except as otherwise directed by an Act of Required Debtholders, the Collateral Trustee may sell any non-cash proceeds for cash prior to the application of the proceeds thereof.

SECTION 3.5 Powers of the Collateral Trustee.

(a) The Collateral Trustee is irrevocably authorized and empowered to enter into and perform its obligations and protect, perfect, exercise and enforce its interest, rights, powers and remedies under the Security Documents and applicable law and in equity and to act as set forth in this Article 3 or as requested in any lawful directions given to it from time to time in respect of any matter by an Act of Required Debtholders.

(b) No Secured Debt Representative or holder of Secured Obligations will have any liability whatsoever for any act or omission of the Collateral Trustee.

SECTION 3.6 Documents and Communications. The Collateral Trustee will permit each Secured Debt Representative and each holder of Secured Obligations upon reasonable written notice from time to time to inspect and copy, at the cost and expense of the party requesting such copies, any and all Security Documents and other documents, notices, certificates, instructions or communications received by the Collateral Trustee in its capacity as such.

SECTION 3.7 For Sole and Exclusive Benefit of Holders of Secured Obligations. The Collateral Trustee will accept, hold, administer and enforce all Liens on the Collateral at any time transferred or delivered to it and all other interests, rights, powers and remedies at any time granted to or enforceable by the Collateral Trustee and all other property of the Trust Estates solely and exclusively for the benefit of the present and future holders of present and future

Secured Obligations or, in the case of the Crest Trust Estate, Crest, and will distribute all proceeds received by it in realization thereon or from enforcement thereof solely and exclusively pursuant to the provisions of Section 3.4.

SECTION 3.8 Additional Secured Debt.

(a) The Collateral Trustee will, as trustee hereunder, perform its undertakings set forth in Section 3.1(a) with respect to each holder of Secured Obligations of a Series of Secured Debt that is issued or incurred after the date hereof that:

(1) holds Secured Obligations that are identified as Junior Lien Debt or Parity Secured Debt in accordance with the procedures set forth in Section 3.8(b); and

(2) signs, through its designated Secured Debt Representative identified pursuant to Section 3.8(b), a Collateral Trust Joinder and delivers the same to the Collateral Trustee.

(b) The Company will be permitted to designate as an additional holder of Secured Obligations hereunder each Person who is, or who becomes, the registered holder of Junior Lien Debt or the registered holder of Parity Secured Debt incurred by the Company or any other Pledgor after the date of this Agreement in accordance with the terms of all applicable Secured Debt Documents. The Company may only effect such designation by delivering to the Collateral Trustee, on or before the date such Obligations are incurred, an Additional Secured Debt Designation stating that:

(1) the Company or such other Pledgor intends to incur additional Secured Debt (“***Additional Secured Debt***”) which will either be (i) Parity Secured Debt permitted by each applicable Secured Debt Document to be secured by a Parity Lien Equally and Ratably with all previously existing and future Parity Secured Debt or (ii) Junior Lien Debt permitted by each applicable Secured Debt Document to be secured with a Junior Lien Equally and Ratably with all previously existing and future Junior Lien Debt;

(2) specifying the name and address of the Secured Debt Representative for such series of Additional Secured Debt for purposes of Section 7.7;

(3) the Company and each other Pledgor has duly authorized, executed (if applicable) and recorded (or caused to be recorded) in each appropriate governmental office all relevant filings and recordations to ensure that the Additional Secured Debt is secured by the Collateral in accordance with the Security Documents; and

(4) the Company has caused a copy of the Additional Secured Debt Designation to be delivered to each then existing Secured Debt Representative.

Although the Company shall be required to deliver a copy of each Additional Secured Debt Designation and each Collateral Trust Joinder to each then existing Secured Debt Representative, the failure to so deliver a copy of the Additional Secured Debt and/or Collateral Trust Joinder to any then existing Secured Debt Representative shall not affect the status of such debt as

Additional Secured Debt if the other requirements of this Section 3.8 are complied with. Each of the Collateral Trustee and the other then existing Secured Debt Representative shall have the right to request that the Company provide a legal opinion of counsel as to the Additional Secured Debt being secured by a valid and perfected security interest; provided, however, that such legal opinion or opinions need not address any collateral of a type or located in a jurisdiction not previously covered by any legal opinion delivered by or on behalf of the Company. Notwithstanding the foregoing, nothing in this Agreement will be construed to allow the Company or any other Pledgor to incur additional Indebtedness unless otherwise permitted by the terms of all applicable Secured Debt Documents.

SECTION 3.9 Acceptance of Assignment of Liens. The Collateral Trustee is authorized to enter into, accept or acknowledge the assignment to it by HSBC Bank, USA National Association of any liens or related rights assigned thereto pursuant to the "Payoff Letter and Assignment of Liens" letter agreement, dated on or about the date hereof, among HSBC Bank USA, National Association, as collateral agent, Société Générale, as agent, the Company and any other party thereto. Any action previously taken to effect the foregoing is hereby ratified.

ARTICLE 4. OBLIGATIONS ENFORCEABLE BY THE COMPANY AND THE OTHER PLEDGORS

SECTION 4.1 Release of Liens on Collateral.

(a) The Collateral Trustee's Liens upon the Collateral will be released:

(1) in whole, upon (A) the Discharge of Parity Lien Obligations and (B) the Discharge of Junior Lien Obligations;

(2) as to a release of less than all or substantially all of the Collateral, if (A) consent to the release of all Parity Liens on such Collateral has been given by an Act of Required Debtholders and (B) such release has become effective in accordance with the terms of such consent;

(3) as to (A) deposits in any cash collateral account that are to be applied to fund any mandatory prepayment or purpose offer (including an Asset Sale Offer (as defined in the Indenture)) that becomes required as to any Secured Debt as a result of a sale of assets, concurrently with such application, so long as effective provision is made for apportionment of such funding to all holders of Secured Debt entitled to participate in such mandatory prepayment or purchase offer in accordance with their respective entitlements under the Secured Debt Documents; and (B) deposits in any cash collateral account that constitute proceeds from an asset sale that are permitted under the Secured Debt Documents to be reinvested or otherwise are not required under the Secured Debt Documents to be reinvested or otherwise are not required to be applied to a mandatory prepayment or purchase offer in respect of any Secured Debt, concurrently with such reinvestment in assets constituting Collateral or other permitted use under the Secured Debt Documents;

(4) in accordance with the provisions of this Agreement and the other Security Documents as in effect from time to time, as applicable; or

(5) upon any sale, transfer or other disposition of Collateral if such sale, transfer or other disposition is not prohibited by the terms of the Indenture or any other Secured Debt Document; provided that if such sale, transfer or other disposition constitutes an Asset Sale, the Company will apply the proceeds in accordance with the Indenture and any other applicable Parity Lien Document; or

(6) as otherwise permitted by the Indenture and each other Secured Debt Document.

(b) The Collateral Trustee agrees for the benefit of the Company and the other Pledgors that if the Collateral Trustee at any time receives:

(1) an Officers' Certificate stating that (A) each signing officer has read Article 4 of this Agreement and understands the provisions and the definitions relating hereto, (B) such officer has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not the conditions precedent in this Agreement and all other Secured Debt Documents, if any, relating to the release of the Collateral have been complied with and (C) in the opinion of such officer, such conditions precedent, if any, have been complied with;

(2) the proposed instrument or instruments releasing such Lien as to such property in recordable form, if applicable; and

(3) prior to the Discharge of Parity Lien Obligations, the written confirmation of each Parity Lien Representative (or, at any time after the Discharge of Parity Lien Obligations, each Junior Lien Representative) (such confirmation to be given following receipt of, and based solely on, the Officers' Certificate described in clause (1) above) that, in its view, such release is permitted by Section 4.1(a) and the respective Secured Debt Documents governing the Secured Obligations the holders of which such Secured Debt Representative represents;

then the Collateral Trustee will execute (with such acknowledgements and/or notarizations as are required) and deliver such release to the Company or other applicable Pledgor on or before the later of (x) the date specified in such request for such release and (y) the fifth Business Day after the date of receipt of the items required by this Section 4.1(b) by the Collateral Trustee.

(c) The Collateral Trustee hereby agrees that:

(1) in the case of any release pursuant to clause (5) of Section 4.1(a), if the terms of any such sale, transfer or other disposition require the payment of the purchase price to be contemporaneous with the delivery of the applicable release, then, at the written request of and at the expense of the Company or other applicable Pledgor, the Collateral Trustee will either (A) be present at and deliver the release at the closing of such transaction or (B) deliver the release under customary escrow arrangements that permit such contemporaneous payment and delivery of the release; and

(2) at any time when a Secured Debt Default under a Series of Secured Debt that constitutes Junior Lien Debt has occurred and is continuing as soon as reasonably practicable after the receipt by it of any Act of Required Debtholders pursuant to Section 4.1(a)(2), the Collateral Trustee will deliver a copy of such Act of Required Debtholders to each Secured Debt Representative.

(d) Each Secured Debt Representative hereby agrees that:

(1) as soon as reasonably practicable after receipt of an Officers' Certificate from the Company pursuant to Section 4.1(b)(1) it will, to the extent required by such Section, either provide (A) the written confirmation required by Section 4.1(b)(3), (B) a written statement that such release is not permitted by Section 4.1(a) or (C) a request for further information from the Company reasonably necessary to determine whether the proposed release is permitted by Section 4.1(a) and after receipt of such information such Secured Debt Representative will as soon as reasonably practicable either provide the written confirmation or statement required pursuant to clause (A) or (B), as applicable; and

(2) as soon as reasonably practicable after receipt by it of any notice from the Collateral Trustee pursuant to Section 4.1(c)(2), such Secured Debt Representative will deliver a copy of such notice to each registered holder of the Series of Parity Secured Debt or Series of Junior Lien Debt for which it acts as Secured Debt Representative.

SECTION 4.2 Delivery of Copies to Secured Debt Representatives. The Company will deliver to each Secured Debt Representative a copy of each Officers' Certificate delivered to the Collateral Trustee pursuant to Section 4.1(b), together with copies of all documents delivered to the Collateral Trustee with such Officers' Certificate. The Secured Debt Representatives will not be obligated to take notice thereof or to act thereon, subject to Section 4.1(d).

SECTION 4.3 Collateral Trustee not Required to Serve, File or Record. The Collateral Trustee is not required to serve, file, register or record any instrument releasing or subordinating its Liens on any Collateral; *provided, however*, that if the Company or any other Pledgor shall make a written demand for a termination statement under Section 9-513(c) of the UCC, the Collateral Trustee shall, at the expense of the Company, comply with the written request of such Borrower or Pledgor to comply with the requirements of such UCC provision; *provided*, *further,* that the Collateral Trustee must first confirm with the Secured Debt Representatives that the requirements of such UCC provisions have been satisfied.

SECTION 4.4 Release of Liens in Respect of Notes. The Collateral Trustee's Parity Lien will no longer secure the Notes outstanding under the Indenture (or, in the case of the payment of or defeasance of any series of Notes, such series) or any other Obligations under the Indenture, and the right of the holders of the Notes and such Obligations to the benefits and proceeds of the Collateral Trustee's Parity Lien on the Collateral will terminate and be discharged:

(1) upon satisfaction and discharge of the Indenture as set forth under Article 12 of the Indenture;

(2) upon a Legal Defeasance or Covenant Defeasance (each as defined under the Indenture) of the Notes (or such series of Notes) as set forth under Article 8 of the Indenture; or

(3) upon payment in full and discharge of all Notes outstanding under the Indenture and all Obligations that are outstanding, due and payable under the Indenture at the time the Notes are paid in full and discharged.

ARTICLE 5. IMMUNITIES OF THE COLLATERAL TRUSTEE

SECTION 5.1 No Implied Duty. The Collateral Trustee will not have any fiduciary duties nor will it have responsibilities or obligations other than those expressly assumed by it in this Agreement and the other Security Documents. The Collateral Trustee will not be required to take any action that is contrary to applicable law or any provision of this Agreement or the other Security Documents.

SECTION 5.2 Appointment of Agents and Advisors. The Collateral Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, accountants, appraisers or other experts or advisors selected by it in good faith as it may reasonably require and will not be responsible for any misconduct or negligence on the part of any of them.

SECTION 5.3 Other Agreements. The Collateral Trustee has accepted and is bound by the Security Documents executed by the Collateral Trustee as of the date of this Agreement and, as directed by an Act of Required Debtholders, the Collateral Trustee shall execute additional Security Documents delivered to it after the date of this Agreement; *provided, however*, that such additional Security Documents do not adversely affect the rights, privileges, benefits and immunities of the Collateral Trustee or impose on the Collateral Trustee any additional duties or obligations. The Collateral Trustee will not otherwise be bound by, or be held obligated by, the provisions of any Credit Facility, indenture or other agreement governing Secured Debt (other than this Agreement and the other Security Documents).

SECTION 5.4 Solicitation of Instructions.

(a) The Collateral Trustee may at any time solicit written confirmatory instructions, in the form of an Act of Required Debtholders, an Officers' Certificate or an order of a court of competent jurisdiction, as to any action that it may be requested or required to take, or that it may propose to take, in the performance of any of its obligations under this Agreement or the other Security Documents.

(b) No written direction given to the Collateral Trustee by an Act of Required Debtholders that in the sole judgment of the Collateral Trustee imposes, purports to impose or might reasonably be expected to impose upon the Collateral Trustee any obligation or liability

not set forth in or arising under this Agreement and the other Security Documents will be binding upon the Collateral Trustee unless the Collateral Trustee elects, at its sole option, to accept such direction.

SECTION 5.5 Limitation of Liability. The Collateral Trustee will not be responsible or liable for any action taken or omitted to be taken by it hereunder or under any other Security Document, except for its own gross negligence, bad faith or willful misconduct as determined by a court of competent jurisdiction in a final nonappealable judgment.

SECTION 5.6 Documents in Satisfactory Form. The Collateral Trustee will be entitled to require that all agreements, certificates, opinions, instruments and other documents at any time submitted to it, including those expressly provided for in this Agreement, be delivered to it in a form and with substantive provisions reasonably satisfactory to it.

SECTION 5.7 Entitled to Rely. The Collateral Trustee may seek and rely upon, and shall be fully protected in relying upon, any judicial order or judgment, upon any advice, opinion or statement of legal counsel (who may be counsel to the Company), independent consultants and other experts selected by it in good faith and upon any certification, instruction, notice or other writing delivered to it by the Company or any other Pledgor in compliance with the provisions of this Agreement or delivered to it by any Secured Debt Representative as to the holders of Secured Obligations for whom it acts, without being required to determine the authenticity thereof or the correctness of any fact stated therein or the propriety or validity of service thereof. The Collateral Trustee may act in reliance upon any instrument comporting with the provisions of this Agreement or any signature reasonably believed by it to be genuine and may assume that any Person purporting to give notice or receipt or advice or make any statement or execute any document in connection with the provisions hereof or the other Security Documents has been duly authorized to do so. To the extent an Officers' Certificate or opinion of counsel is required or permitted under this Agreement to be delivered to the Collateral Trustee in respect of any matter, the Collateral Trustee may rely conclusively on an Officers' Certificate or opinion of counsel as to such matter and such Officers' Certificate or opinion of counsel shall be full warranty and protection to the Collateral Trustee for any action taken, suffered or omitted by it under the provisions of this Agreement and the other Security Documents.

SECTION 5.8 Secured Debt Default. The Collateral Trustee will not be required to inquire as to the occurrence or absence of any Secured Debt Default and will not be affected by or required to act upon any notice or knowledge as to the occurrence of any Secured Debt Default unless and until it is directed by an Act of Required Debtholders.

SECTION 5.9 Actions by Collateral Trustee. As to any matter not expressly provided for by this Agreement or the other Security Documents, the Collateral Trustee will act or refrain from acting as directed by an Act of Required Debtholders and will be fully protected if it does so, and any action taken, suffered or omitted pursuant to hereto or thereto shall be binding on the holders of Secured Obligations.

SECTION 5.10 Security or Indemnity in favor of the Collateral Trustee. The Collateral Trustee will not be required to advance or expend any funds or otherwise incur any financial liability in the performance of its duties or the exercise of its powers or rights hereunder

unless it has been provided with security or indemnity reasonably satisfactory to it against any and all liability or expense which may be incurred by it by reason of taking or continuing to take such action.

SECTION 5.11 Rights of the Collateral Trustee. In the event of any conflict between any terms and provisions set forth in this Agreement and those set forth in any other Security Document, the terms and provisions of this Agreement shall supersede and control the terms and provisions of such other Security Document. In the event there is any bona fide, good faith disagreement between the other parties to this Agreement or any of the other Security Documents resulting in adverse claims being made in connection with Collateral held by the Collateral Trustee and the terms of this Agreement or any of the other Security Documents do not unambiguously mandate the action the Collateral Trustee is to take or not to take in connection therewith under the circumstances then existing, or the Collateral Trustee is in doubt as to what action it is required to take or not to take hereunder or under the other Security Documents, it will be entitled to refrain from taking any action (and will incur no liability for doing so) until directed otherwise in writing by a request signed jointly by the parties hereto entitled to give such direction or by order of a court of competent jurisdiction.

SECTION 5.12 Limitations on Duty of Collateral Trustee in Respect of Collateral.

(a) Beyond the exercise of reasonable care in the custody of Collateral in its possession, the Collateral Trustee will have no duty as to any Collateral in its possession or control or in the possession or control of any agent or bailee or any income thereon or as to preservation of rights against prior parties or any other rights pertaining thereto and the Collateral Trustee will not be responsible for filing any financing or continuation statements or recording any documents or instruments in any public office at any time or times or otherwise perfecting or maintaining the perfection of any Liens on the Collateral. The Collateral Trustee will be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords its own property, and the Collateral Trustee will not be liable or responsible for any loss or diminution in the value of any of the Collateral by reason of the act or omission of any carrier, forwarding agency or other agent or bailee selected by the Collateral Trustee in good faith.

(b) The Collateral Trustee will not be responsible for the existence, genuineness or value of any of the Collateral, for the validity, perfection, priority or enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, except to the extent such action or omission constitutes gross negligence, bad faith or willful misconduct on the part of the Collateral Trustee, for the validity or sufficiency of the Collateral or any agreement or assignment contained therein, for the validity of the title of any Pledgor to the Collateral, for insuring the Collateral or for the payment of taxes, charges, assessments or Liens upon the Collateral or otherwise as to the maintenance of the Collateral. The Collateral Trustee hereby disclaims any representation or warranty to the present and future holders of the Secured Obligations concerning the perfection of the Liens granted hereunder or in the value of any of the Collateral.

SECTION 5.13 Assumption of Rights, Not Assumption of Duties. Notwithstanding anything to the contrary contained herein:

(1) each of the parties thereto will remain liable under each of the Security Documents (other than this Agreement) to the extent set forth therein to perform all of their respective duties and obligations thereunder to the same extent as if this Agreement had not be executed;

(2) the exercise by the Collateral Trustee of any of its rights, remedies or powers hereunder will not release such parties from any of their respective duties or obligations under the other Security Documents; and

(3) the Collateral Trustee will not be obligated to perform any of the obligations or duties of any of the parties thereunder other than the Collateral Trustee.

SECTION 5.14 No Liability for Clean Up of Hazardous Materials. In the event that the Collateral Trustee is requested to acquire title to, or any interest in, an asset for any reason, or take any managerial or other action of any kind in regard thereto, in order to carry out any obligation for the benefit of another, which in the Collateral Trustee's sole discretion may cause the Collateral Trustee to be considered an "owner or operator" under any environmental laws or otherwise cause the Collateral Trustee to incur, or be exposed to, any environmental liability or any liability under any other federal, state or local law, the Collateral Trustee shall not be required to acquire such title or interest therein and reserves the right, instead of taking such action, either to resign as Collateral Trustee or to arrange for the transfer of the title, interest or control of the asset to a court appointed receiver. The Collateral Trustee will not be liable to any Person for any environmental liability or any environmental claims or contribution actions under any federal, state or local law, rule or regulation by reason of the Collateral Trustee's actions and conduct as authorized, empowered and directed hereunder or relating to any kind of discharge or release or threatened discharge or release of any hazardous materials into the environment.

SECTION 5.15 Additional Provisions Relating to the Collateral Trustee.

(a) The Collateral Trustee may refuse to follow any direction that conflicts with law or this Agreement, the Indenture or (subject to Section 5.11 hereof) any of the Security Documents or that would involve the Collateral Trustee in personal liability; provided that the Collateral Trustee may take any other action deemed proper by the Collateral Trustee that is not inconsistent with such direction. Prior to taking any action under this Agreement or any of the Security Documents, the Collateral Trustee shall be entitled to indemnification reasonably satisfactory to it against all losses and expenses caused by taking or not taking such action.

(b) The Collateral Trustee shall be accountable only for amounts that it actually receives as a result of the exercise of its powers hereunder and under any Security Document, and neither it nor any of its officers, directors, employees or agents shall have any duty or liability or be responsible to any Pledgor for any act or failure to act hereunder, except for its own gross negligence, bad faith or willful misconduct. Nothing contained in this Agreement shall be construed as requiring or obligating the Collateral Trustee, and the Collateral Trustee shall not, absent an Act of Required Debtholders, be required or obligated, to (i) present

or file any claim or notice or take any action with respect to any Collateral or in connection therewith or (ii) notify any Pledgor of any decline in the value of any Collateral.

(c) Neither the Collateral Trustee nor any of its directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon all or any part of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of a Pledgor.

(d) No provision of this Agreement or any Security Document shall be deemed to impose any duty or obligation on the Collateral Trustee to perform any act or acts, receive or obtain any interest in property or exercise any interest in property, or exercise any right, power, duty or obligation conferred or imposed on it in any jurisdiction in which it shall be illegal, or in which the Collateral Trustee shall be unqualified or incompetent in accordance with applicable law, to perform any such act or acts, to receive or obtain any such interest in property or to exercise any such right, power, duty or obligation; and no permissive or discretionary power or authority available to the Collateral Trustee shall be construed to be a duty.

(e) In no event shall the Collateral Trustee be liable for any failure or delay in the performance of its obligations hereunder or under any of the other Security Documents because of circumstances beyond the Collateral Trustee’s control, including, acts of God, flood, war (whether declared or undeclared), terrorism, fire, riot, strikes or work stoppages for any reason, embargo, government action, including any laws, ordinances, regulations or the like which restrict or prohibit the providing of the services contemplated by this Agreement, or the failure of equipment or interruption of communications or computer facilities, and other, causes beyond the Collateral Trustee’s control whether or not of the same class or kind as specifically named above.

(f) The Collateral Trustee shall not be liable for any action taken, suffered, or omitted to be taken by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement or any of the other Security Documents.

(g) Notwithstanding anything to the contrary contained in this Agreement or any of the other Security Documents, under no circumstances shall the Collateral Trustee be liable for any special, punitive, exemplary or consequential damages.

(h) The Collateral Trustee shall have no liability to the Company for interest on any money received by it under this Agreement or any of the other Security Documents except as otherwise agreed in writing with the Company.

SECTION 5.16 Appointment of Co-Collateral Trustee. Solely for the purpose of meeting any legal requirement of any jurisdiction in which any part of the Collateral may at the time be located, the Collateral Trustee shall have the power and may execute and deliver all instruments necessary to appoint one or more Persons to act as a co-collateral trustee or separate collateral trustee or separate collateral trustees, of all or any part of the Collateral, and to vest in such Person or Persons, in such capacity and for the benefit of the Secured Parties, such title to the Collateral, or any part hereof, and subject to the other provisions of this Section, such

powers, duties, obligations, and rights as the Collateral Trustee may consider necessary or desirable. No co-collateral trustee or separate collateral trustee hereunder shall be required to meet the terms of eligibility as a successor Collateral Trustee under Section 6.2 and no notice to the Secured Parties of the appointment of any co-collateral trustee or separate collateral trustee shall be required under this Agreement or any of the other Security Documents.

(b) Every separate collateral trustee and co-collateral trustee shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:

(1) all rights, powers, duties and obligations conferred or imposed upon the Collateral Trustee shall be conferred or imposed upon and exercised or performed by the Collateral Trustee and such separate collateral trustee or co-collateral trustee jointly (it being understood that such separate collateral trustee or co-collateral trustee is not authorized to act separately without the Collateral Trustee joining in such act), except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Collateral Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to the Collateral or any portion thereof in any such jurisdiction) shall be exercised and performed singly by such separate collateral trustee or co-collateral trustee, but solely at the direction of the Collateral Trustee;

(2) no collateral trustee shall be personally liable by reason of any act or omission of any other collateral trustee under the Security Documents; and

(3) the Collateral Trustee may at any time accept the resignation of or remove any separate collateral trustee or co-collateral trustee.

(c) Any notice, request or other writing given to the Collateral Trustee shall be deemed to have been given to each of the then separate collateral trustees and co-collateral trustees, as effectively as if given to each of them. Every instrument appointing any separate collateral trustee or co-collateral trustee shall refer to this Agreement and the conditions of this Section 5.16. Each separate collateral trustee and co-collateral trustee, upon its acceptance of the obligations conferred, shall be vested with the estates or property specified in its instrument of appointment, either jointly with the Collateral Trustee or separately, as may be provided therein, subject to all the provisions of this Agreement, specifically including every provision of this Agreement relating to the conduct of, affecting the liability of, or affording protection or rights (including the rights to compensation, reimbursement and indemnification hereunder) to, the Collateral Trustee. Every such instrument shall be filed with the Collateral Trustee.

(d) Any separate collateral trustee or co-collateral trustee may at any time constitute the Collateral Trustee its agent or attorney-in-fact with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of this Agreement on its behalf and in its name. If any separate collateral trustee or co-collateral trustee shall die, become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies and obligations shall vest in and be exercised by the Collateral Trustee, to the extent permitted by law, without the appointment of a new or successor collateral trustee.

ARTICLE 6. RESIGNATION AND REMOVAL OF THE COLLATERAL TRUSTEE

SECTION 6.1 Resignation or Removal of Collateral Trustee. Subject to the appointment of a successor Collateral Trustee as provided in Section 6.2 and the acceptance of such appointment by the successor Collateral Trustee:

(a) the Collateral Trustee may resign at any time by giving not less than 30 days' notice of resignation to each Secured Debt Representative and the Company; and

(b) the Collateral Trustee may be removed at any time, with or without cause, by an Act of Required Debtholders.

SECTION 6.2 Appointment of Successor Collateral Trustee. Upon any such resignation or removal, a successor Collateral Trustee may be appointed by an Act of Required Debtholders. If no successor Collateral Trustee has been so appointed and accepted such appointment within 30 days after the predecessor Collateral Trustee gave notice of resignation or was removed, the retiring Collateral Trustee may (at the expense of the Company), at its option, appoint a successor Collateral Trustee, or petition a court of competent jurisdiction for appointment of a successor Collateral Trustee, which must be a bank or trust company:

(1) authorized to exercise corporate trust powers;

(2) having a combined capital and surplus of at least $500,000,000;

(3) maintaining an office in New York, New York; and

(4) that is not a Secured Debt Representative (other than the Trustee).

The Collateral Trustee will fulfill its obligations hereunder until a successor Collateral Trustee meeting the requirements of this Section 6.2 has accepted its appointment as Collateral Trustee and the provisions of Section 6.3 have been satisfied.

SECTION 6.3 Succession. When the Person so appointed as successor Collateral Trustee accepts such appointment:

(1) such Person will succeed to and become vested with all the rights, powers, privileges and duties of the predecessor Collateral Trustee, and the predecessor Collateral Trustee will be discharged from its duties and obligations hereunder; and

(2) the predecessor Collateral Trustee will (at the expense of the Company) promptly transfer all Liens and collateral security and other property of the Trust Estates within its possession or control to the possession or control of the successor Collateral Trustee and will execute instruments and assignments as may be necessary or desirable or reasonably requested by the successor Collateral Trustee to transfer to the successor Collateral Trustee all Liens, interests, rights, powers and remedies of the predecessor Collateral Trustee in respect of the Security Documents or the Trust Estates.

Thereafter the predecessor Collateral Trustee will remain entitled to enforce the immunities granted to it in Article 5 and the provisions of Sections 7.10 and 7.11.

SECTION 6.4 Merger, Conversion or Consolidation of Collateral Trustee. Any Person into which the Collateral Trustee may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Collateral Trustee shall be a party, or any Person succeeding to all or substantially all of the corporate trust business of the Collateral Trustee shall be the successor of the Collateral Trustee pursuant to Section 6.3, provided that without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto, except where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding, such Person satisfies the eligibility requirements specified in clauses (1) through (4) of Section 6.2.

ARTICLE 7. MISCELLANEOUS PROVISIONS

SECTION 7.1 Amendment.

(a) No amendment or supplement to the provisions of any Security Document will be effective without the approval of the Collateral Trustee acting as directed by an Act of Required Debtholders, except that:

(1) any amendment or supplement that has the effect solely of (i) adding or maintaining Collateral, securing additional Secured Debt that was otherwise permitted by the terms of the Secured Debt Documents to be secured by the Collateral or preserving, perfecting or establishing the Liens thereon or the rights of the Collateral Trustee therein; (ii) curing any ambiguity, defect or inconsistency; (iii) providing for the assumption of the Company's or another Pledgor's obligations under any Security Document in the case of a merger or consolidation or sale of all or substantially all of such Pledgor's assets, as applicable; (iv) releasing a Pledgor from a Security Document and the termination of such Security Document, all in accordance with the provisions of the indenture governing such release and termination; (v) making any change that would provide any additional rights or benefits to the Secured Parties or the Collateral Trustee or that does not adversely affect the legal rights under the Indenture or any other Secured Debt Document of any holder of Notes, any other Secured Party or the Collateral Trustee; (vi) conforming the text of the Collateral Trust Agreement or any other Security Document to any provision of the Description of Notes to the extent that such provision in the Description of Notes was intended to be a verbatim recitation of a provision of this Agreement or such other Security Document; or (vii) adding any Security Document, will, in each case, become effective when executed and delivered by the Company or any other applicable Pledgor party thereto and the Collateral Trustee; and

(2) no amendment or supplement that reduces, impairs or adversely affects the right of any holder of Secured Obligations:

(A) to vote its outstanding Secured Debt as to any matter described as subject to an Act of Required Debtholders (or amends the provisions of this clause (2) or the definition of "*Act of Required Debtholders*"),

(B) to share in the order of application described in Section 3.4 in the proceeds of enforcement of or realization on any Collateral that has not been released in accordance with the provisions described in Section 4.1 or

(C) to require that Liens securing Secured Obligations be released only as set forth in the provisions described in Section 4.1,

will become effective without the consent of the requisite percentage or number of holders of each Series of Secured Debt so affected under the applicable Secured Debt Documents; and

(3) no amendment or supplement that imposes any obligation upon the Collateral Trustee or any Secured Debt Representative or adversely affects the rights of the Collateral Trustee or any Secured Debt Representative will become effective without the additional consent of the Collateral Trustee or such Secured Debt Representative.

(b) Notwithstanding Section 7.1(a) but subject to Sections 7.1(a)(2) and 7.1(a)(3):

(1) any mortgage or other Security Document that secures Junior Lien Obligations (but not Parity Lien Obligations) may be amended or supplemented with the approval of the Collateral Trustee acting as directed in writing by the Required Junior Lien Debtholders, unless such amendment or supplement would not be permitted under the terms of this Agreement or the other Parity Lien Documents; and

(2) any amendment or waiver of, or any consent under, any provision of this Agreement or any other Security Document that secures Parity Lien Obligations will apply automatically to any comparable provision of any comparable Junior Lien Document without the consent of or notice to any holder of Junior Lien Obligations and without any action by the Company or any other Pledgor or any holder of notes or other Junior Lien Obligations.

(c) The Collateral Trustee will not enter into any amendment or supplement unless it has received an Officers' Certificate to the effect that such amendment or supplement will not result in a breach of any provision or covenant contained in any of the Secured Debt Documents. Prior to executing any amendment or supplement pursuant to this Section 7.1, the Collateral Trustee will be entitled to receive an opinion of counsel of the Company to the effect that the execution of such document is authorized or permitted hereunder, and with respect to amendments adding Collateral, an opinion of counsel of the Company addressing customary perfection, and if such additional Collateral consists of equity interests of any Person, priority matters with respect to such additional Collateral.

(d) The holders of Junior Lien Obligations and the Junior Lien Representatives agree that each Security Document that secures Junior Lien Obligations (but not also securing Parity Lien Obligations) will include the following language:

“Notwithstanding anything herein to the contrary, the lien and security interest granted to the Collateral Trustee pursuant to this Agreement and the exercise of any right or remedy by such Collateral Trustee hereunder are subject to the provisions of the Collateral Trust Agreement, dated as of November 9, 2006, among, the Company, the other Pledgors from time to time party thereto, The Bank of New York, as Trustee under the Indenture (as defined therein) and The Bank of New York, as Collateral Trustee (as amended, supplemented, amended and restated or otherwise modified and in effect from time to time, the “*Collateral Trust Agreement*”). In the event of any conflict between the terms of the Collateral Trust Agreement and this Agreement, the terms of the Collateral Trust Agreement will govern.”

; *provided, however*, that if the jurisdiction in which any such Junior Lien Document will be filed prohibits the inclusion of the language above or would prevent a document containing such language from being recorded, the Junior Lien Representatives and the Parity Lien Representatives agree, prior to such Junior Lien Document being entered into, to negotiate in good faith replacement language stating that the lien and security interest granted under such Junior Lien Document is subject to the provisions of this Agreement.

SECTION 7.2 Voting. In connection with any matter under this Agreement requiring a vote of holders of Secured Debt, each Series of Secured Debt will cast its votes in accordance with the Secured Debt Documents governing such Series of Secured Debt. The amount of Secured Debt to be voted by a Series of Secured Debt will equal, without duplication, (1) the aggregate principal amount of Secured Debt held by such Series of Secured Debt (including outstanding letters of credit whether or not then available or drawn), *plus* (2) other than in connection with an exercise of remedies, the aggregate unfunded commitments to extend credit which, when funded, would constitute Indebtedness of such Series of Secured Debt. Following and in accordance with the outcome of the applicable vote under its Secured Debt Documents, the Secured Debt Representative of each Series of Secured Debt will cast all of its votes as a block in respect of any vote under this Agreement.

SECTION 7.3 Further Assurances; Insurance.

(a) The Company and each of the other Pledgors will do or cause to be done all acts and things that may be required, or that the Collateral Trustee from time to time may reasonably request, to assure and confirm that the Collateral Trustee holds, for the benefit of the holders of Secured Obligations, duly created and enforceable and perfected Liens upon the Collateral (including any property or assets that are acquired or otherwise become Collateral after the date hereof), in each case as contemplated by, and with the Lien priority required under, the Secured Debt Documents.

(b) Upon the reasonable request of the Collateral Trustee or any Secured Debt Representative at any time and from time to time, the Company and each of the other Pledgors will promptly execute, acknowledge and deliver such security documents, instruments, certificates, notices and other documents, and take such other actions as may be reasonably required, or that the Collateral Trustee may reasonably request, to create, perfect, protect, assure or enforce the Liens and benefits intended to be conferred, in each case as contemplated by the Secured Debt Documents for the benefit of holders of Secured Obligations.

(c) The Company and the other Pledgors will maintain insurance as may be required by the Indenture or any other Secured Debt Document or by law. Upon request of the Collateral Trustee, the Company and other Pledgors will furnish to the Collateral Trustee full information as to their property and liability insurance carriers.

(d) All insurance policies required by Section 7.3(c) will:

(1) provide that, with respect to third party liability insurance, the Collateral Trustee, for the benefit of the Secured Parties, shall be named as an additional insured, with a waiver of subrogation;

(2) name the Collateral Trustee, for the benefit of the Secured Parties, as a loss payee and additional insured for amounts in excess of $5,000,000; and

(3) provide that (x) no cancellation or termination of such insurance shall be effective until 30 days after written notice is given by the insurers to the Collateral Trustee of such cancellation or termination, (provided that only 10 days written notice is required if such cancellation or termination is as a result of the non-payment of premiums).

(f) Upon the request of the Collateral Trustee, the Company and the other Pledgors will permit the Collateral Trustee or any of its agents or representatives, at reasonable times and intervals upon reasonable prior notice, to visit their offices and sites and inspect any of the Collateral and to discuss matters relating to the Collateral with their respective officers and independent public accountants. The Company and the other Pledgors shall, at any reasonable time and from time to time upon reasonable prior notice, permit the Collateral Trustee or any of its agents or representatives to examine and make copies of and abstracts from the records and books of account of the Company and the other Pledgors and their Subsidiaries, all at the Company's expense.

SECTION 7.4 Perfection of Junior Trust Estate.

Solely for purposes of perfecting the Liens of the Collateral Trustee in its capacity as agent of the holders of Junior Lien Obligations and the Junior Lien Representatives in any portion of the Junior Trust Estate in the possession or control of the Collateral Trustee (or its agents or bailees) as part of the Senior Trust Estate including any instruments, goods, negotiable documents, tangible chattel paper, electronic chattel paper, certificated securities, money, deposit accounts and securities accounts, the Collateral Trustee, the holders of Parity Lien Obligations and the Parity Lien Representatives hereby acknowledge that the Collateral Trustee also holds such property as agent for the benefit of the Collateral Trustee for the benefit of the holders of Junior Lien Obligations and the Junior Lien Representatives.

SECTION 7.5 Successors and Assigns.

(a) Except as provided in Section 5.2 and 5.16 the Collateral Trustee may not, in its capacity as such, delegate any of its duties or assign any of its rights hereunder, and any attempted delegation or assignment of any such duties or rights shall be null and void.

(b) All obligations of the Collateral Trustee hereunder will inure to the sole and exclusive benefit of, and be enforceable by, each Secured Debt Representative, on its own behalf and on behalf of each present and future holder of Secured Obligations, who will be entitled to enforce this Agreement as a third-party beneficiary hereof, and all of their respective successors and assigns.

(c) Neither the Company nor any other Pledgor may delegate any of its duties, except in accordance with the Indenture or assign any of its rights hereunder, and any attempted delegation or assignment of any such duties or rights will be null and void. All obligations of the Company and the other Pledgors hereunder will inure to the sole and exclusive benefit of, and be enforceable by, the Collateral Trustee and each Secured Debt Representative, on behalf of itself and on behalf of each present and future holder of Secured Obligations, whom will be entitled to enforce this Agreement as a third-party beneficiary hereof, and all of their respective successors and assigns.

SECTION 7.6 Delay and Waiver. No failure to exercise, no course of dealing with respect to the exercise of, and no delay in exercising, any right, power or remedy arising under this Agreement or any of the other Security Documents will impair any such right, power or remedy or operate as a waiver thereof. No single or partial exercise of any such right, power or remedy will preclude any other or future exercise thereof or the exercise of any other right, power or remedy. The remedies herein are cumulative and are not exclusive of any remedies provided by law.

SECTION 7.7 Notices. Any communications, including notices and instructions, between the parties hereto or notices provided herein to be given, shall be in writing and shall be given to the following addresses:

If to the Collateral Trustee:	The Bank of New York 101 Barclay Street, 8 W New York, NY 10286 Attn: Corporate Trust Administration Fax: (212) 815-5707
If to the Company or any other Pledgor:	Sabine Pass LNG, L.P. 717 Texas Avenue Suite 3100 Houston, Texas 77022 Attn: Graham McArthur Fax: (713) 649-5459 Email: gmcarthur@cheniere.com
If to the Trustee:	The Bank of New York 101 Barclay Street, 8 W New York, NY 10286 Attn: Corporate Trust Administration Fax: (212) 815-5707

and if to any other Secured Debt Representative, to such address as it may specify by written notice to the parties named above.

All notices and communications will be mailed by first class mail, certified or registered, return receipt requested, or by overnight air courier guaranteeing next day delivery, to the relevant address set forth above or, as to holders of Secured Debt, to its Secured Debt Representative. To the extent applicable, any notice or communication will also be so mailed to any Person described in § 313(c) of the Trust Indenture Act of 1939, as amended, to the extent required thereunder. Failure to mail a notice or communication to a holder of Secured Debt or any defect in it will not affect its sufficiency with respect to other holders of Secured Debt.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it, provided that no notice or communication to the Collateral Trustee or the Trustee shall be deemed received by it unless such notice or communication is actually received by it at its address (including via fax) set forth above.

SECTION 7.8 Notice Following Discharge of Parity Lien Obligations. Promptly following the Discharge of Parity Lien Obligations with respect to one or more Series of Parity Secured Debt, each Parity Lien Representative with respect to each applicable Series of Parity Secured Debt that is so discharged will provide written notice of such discharge to the Collateral Trustee and to each other Secured Debt Representative.

SECTION 7.9 Entire Agreement. This Agreement states the complete agreement of the parties relating to the undertaking of the Collateral Trustee set forth herein and supersedes all oral negotiations and prior writings in respect of such undertaking.

SECTION 7.10 Compensation; Expenses. The Pledgors jointly and severally agree to pay, promptly upon demand:

(1) such compensation to the Collateral Trustee and its agents as the Company and the Collateral Trustee may agree in writing from time to time;

(2) all reasonable costs and expenses incurred by the Collateral Trustee and its agents in the preparation, execution, delivery, filing, recordation, administration or enforcement of this Agreement or any other Security Document or any consent, amendment, waiver or other modification relating hereto or thereto;

(3) all reasonable fees, expenses and disbursements of legal counsel and any auditors, accountants, consultants or appraisers or other professional advisors and agents engaged by the Collateral Trustee or any Secured Debt Representative incurred in connection with the negotiation, preparation, closing, administration, performance or enforcement of this Agreement and the other Security Documents or any consent,

amendment, waiver or other modification relating hereto or thereto and any other document or matter requested by the Company or any other Pledgor;

(4) all reasonable costs and expenses incurred by the Collateral Trustee and its agents in creating, perfecting, preserving, releasing or enforcing the Collateral Trustee's Liens on the Collateral, including filing and recording fees, expenses and taxes, stamp or documentary taxes, search fees, and title insurance premiums;

(5) all other reasonable costs and expenses incurred by the Collateral Trustee and its agents in connection with the negotiation, preparation and execution of the Security Documents and any consents, amendments, waivers or other modifications thereto and the transactions contemplated thereby or the exercise of rights or performance of obligations by the Collateral Trustee thereunder;

(6) after the occurrence of any Secured Debt Default, all costs and expenses incurred by the Collateral Trustee, its agents and any Secured Debt Representative in connection with the preservation, collection, foreclosure or enforcement of the Collateral subject to the Security Documents or any interest, right, power or remedy of the Collateral Trustee or in connection with the collection or enforcement of any of the Secured Obligations or the proof, protection, administration or resolution of any claim based upon the Secured Obligations in any Insolvency or Liquidation Proceeding, including all fees and disbursements of attorneys, accountants, auditors, consultants, appraisers and other professionals engaged by the Collateral Trustee, its agents or the Secured Debt Representatives; and

(7) all filing and recordation fees, expenses and taxes.

The agreements in this Section 7.10 will survive repayment of all other Secured Obligations and the removal or resignation of the Collateral Trustee.

SECTION 7.11 Indemnity.

(a) The Pledgors jointly and severally agree to defend, indemnify, pay and hold harmless the Collateral Trustee, each Secured Debt Representative, each holder of Secured Obligations and each of their respective Affiliates and each and all of the directors, officers, partners, trustees, employees, attorneys and agents, and (in each case) their respective heirs, representatives, successors and assigns (each of the foregoing, an "***Indemnitee***") from and against any and all Indemnified Liabilities; *provided*, no Indemnitee will be entitled to indemnification hereunder with respect to any Indemnified Liability to the extent such Indemnified Liability is found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of such Indemnitee.

(b) All amounts due under this Section 7.11 will be payable upon demand.

(c) To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in Section 7.11(a) may be unenforceable in whole or in part because they violate any law or public policy, each of the Pledgors will contribute the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them.

(d) No Pledgor will ever assert any claim against any Indemnitee, on any theory of liability, for any lost profits or special, indirect or consequential damages or (to the fullest extent a claim for punitive damages may lawfully be waived) any punitive damages arising out of, in connection with, or as a result of, this Agreement or any other Secured Debt Document or any agreement or instrument or transaction contemplated hereby or relating in any respect to any Indemnified Liability, and each of the Pledgors hereby forever waives, releases and agrees not to sue upon any claim for any such lost profits or special, indirect, consequential or (to the fullest extent lawful) punitive damages, whether or not accrued and whether or not known or suspected to exist in its favor.

(e) The agreements in this Section 7.11 will survive repayment of all other Secured Obligations and the removal or resignation of the Collateral Trustee.

SECTION 7.12 Severability. If any provision of this Agreement is invalid, illegal or unenforceable in any respect or in any jurisdiction, the validity, legality and enforceability of such provision in all other respects and of all remaining provisions, and of such provision in all other jurisdictions, will not in any way be affected or impaired thereby.

SECTION 7.13 Headings. Section headings herein have been inserted for convenience of reference only, are not to be considered a part of this Agreement and will in no way modify or restrict any of the terms or provisions hereof.

SECTION 7.14 Obligations Secured. All obligations of the Pledgors set forth in or arising under this Agreement will be Secured Obligations and are secured by all Liens granted by the Security Documents.

SECTION 7.15 Governing Law. THE INTERNAL LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THIS AGREEMENT WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

SECTION 7.16 Consent to Jurisdiction. All judicial proceedings brought against any party hereto arising out of or relating to this Agreement or any of the other Security Documents may be brought in any state or federal court of competent jurisdiction in the State, County and City of New York. By executing and delivering this Agreement, each Pledgor, for itself and in connection with its properties, irrevocably:

(1) accepts generally and unconditionally the nonexclusive jurisdiction and venue of such courts;

(2) waives any defense of forum non conveniens;

(3) agrees that service of all process in any such proceeding in any such court may be made by registered or certified mail, return receipt requested, to such party at its address provided in accordance with Section 7.7;

(4) agrees that service as provided in clause (3) above is sufficient to confer personal jurisdiction over such party in any such proceeding in any such court and otherwise constitutes effective and binding service in every respect; and

(5) agrees each party hereto retains the right to serve process in any other manner permitted by law or to bring proceedings against any party in the courts of any other jurisdiction.

SECTION 7.17 Waiver of Jury Trial. Each party to this Agreement waives its rights to a jury trial of any claim or cause of action based upon or arising under this Agreement or any of the other Security Documents or any dealings between them relating to the subject matter of this Agreement or the intents and purposes of the other Security Documents. The scope of this waiver is intended to be all-encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this Agreement and the other Security Documents, including contract claims, tort claims, breach of duty claims and all other common law and statutory claims. Each party to this Agreement acknowledges that this waiver is a material inducement to enter into a business relationship, that each party hereto has already relied on this waiver in entering into this Agreement, and that each party hereto will continue to rely on this waiver in its related future dealings. Each party hereto further warrants and represents that it has reviewed this waiver with its legal counsel and that it knowingly and voluntarily waives its jury trial rights following consultation with legal counsel. This waiver is irrevocable, meaning that it may not be modified either orally or in writing (other than by a mutual written waiver specifically referring to this Section 7.17 and executed by each of the parties hereto), and this waiver will apply to any subsequent amendments, renewals, supplements or modifications of or to this Agreement or any of the other Security Documents or to any other documents or agreements relating thereto. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

SECTION 7.18 Counterparts. This Agreement may be executed in any number of counterparts (including by facsimile), each of which when so executed and delivered will be deemed an original, but all such counterparts together will constitute but one and the same instrument.

SECTION 7.19 Effectiveness. This Agreement will become effective upon the execution of a counterpart hereof by each of the parties hereto and receipt by each party of written notification of such execution and written or telephonic authorization of delivery thereof.

SECTION 7.20 Additional Pledgors. The Company will cause each Person that becomes a Pledgor or is required by any Secured Debt Document to become a party to this

Agreement to become a party to this Agreement, for all purposes of this Agreement, by causing such Person to execute and deliver to the Collateral Trustee a Collateral Trust Joinder, whereupon such Person will be bound by the terms hereof to the same extent as if it had executed and delivered this Agreement as of the date hereof. The Company shall promptly provide each Secured Debt Representative with a copy of each Collateral Trust Joinder executed and delivered pursuant to this Section 7.20; provided, however, that the failure to so deliver a copy of the Collateral Trust Joinder to any then existing Secured Debt Representative shall not affect the inclusion of such Person as a Pledgor if the other requirements of this Section 7.20 are complied with.

SECTION 7.21 Continuing Nature of this Agreement. This Agreement, including the subordination provisions hereof, will be reinstated if at any time any payment or distribution in respect of any of the Parity Lien Obligations is rescinded or must otherwise be returned in an Insolvency or Liquidation Proceeding or otherwise by any holder of Parity Lien Obligations or Parity Lien Representative or any representative of any such party (whether by demand, settlement, litigation or otherwise). In the event that all or any part of a payment or distribution made with respect to the Parity Lien Obligations is recovered from any holder of Parity Lien Obligations or any Parity Lien Representative in an Insolvency or Liquidation Proceeding or otherwise, such payment or distribution received by any holder of Junior Lien Obligations or Junior Lien Representative with respect to the Junior Lien Obligations from the proceeds of any Collateral or any title insurance policy required by any real property mortgage at any time after the date of the payment or distribution that is so recovered, whether pursuant to a right of subrogation or otherwise, that Junior Lien Representative or that holder of a Junior Lien Obligation, as the case may be, will forthwith deliver the same to the Collateral Trustee, for the account of the holders of the Parity Lien Obligations and other Obligations secured by a Permitted Prior Lien, to be applied in accordance with Section 3.4. Until so delivered, such proceeds will be held by that Junior Lien Representative or that holder of a Junior Lien Obligation, as the case may be, for the benefit of the holders of the Parity Lien Obligations and other Obligations secured by a Permitted Prior Lien.

SECTION 7.22 Insolvency. This Agreement will be applicable both before and after the commencement of any Insolvency or Liquidation Proceeding by or against any Pledgor. The relative rights, as provided for in this Agreement, will continue after the commencement of any such Insolvency or Liquidation Proceeding on the same basis as prior to the date of the commencement of any such case, as provided in this Agreement.

SECTION 7.23 Rights and Immunities of Secured Debt Representatives. The Trustee will be entitled to all of the rights, protections, immunities and indemnities set forth in the Indenture and any future Secured Debt Representative will be entitled to all of the rights, protections, immunities and indemnities set forth in any Credit Facility, indenture or other agreement governing the applicable Secured Debt with respect to which such Person will act as representative, in each case as if specifically set forth herein. In no event will any Secured Debt Representative be liable for any act or omission on the part of the Pledgors or the Collateral Trustee hereunder.

SECTION 7.24 Crest Obligations. Except as expressly provided herein, no provision other than the preamble, Article 1, Sections 2.3, 2.4, 3.1(a), 3.1(b), 3.4, 3.7 and 4.1, Articles V

and VI, and Sections 7.9, 7.12, 7.13, 7.15, 7.16, 7.17, 7.18 and 7.23 and this Section 7.24 of this Agreement shall be applicable to Crest or inure to its benefit.

SECTION 7.25 Amendments to Material Project Agreements. If any of the Company's counterparties under any Material Project Agreement requests (or the Company makes such request on behalf of the counterparty) a consent or approval of the Collateral Trustee with respect to any amendment, modification, change order, waiver, consent, suspension, rescission or termination of such Material Project Agreement, the Collateral Trustee shall provide such consent or approval to such counterparty if (a) a copy of such amendment, modification, change order, waiver, consent, suspension, rescission or termination has been delivered to the Collateral Trustee along with a certificate of an authorized officer of the Company certifying that the proposed amendment, modification, change order, waiver, consent, suspension, rescission or termination could not reasonably be expected to have a Material Adverse Effect or (b) the Company has obtained the consent of a majority of the holders of the Notes to such amendment, modification, change order, waiver, consent, suspension, rescission or termination (and the Company or the Trustee has provided a copy of such consent (or other evidence thereof) to the Collateral Trustee. Any consent or approval granted by the Collateral Trustee pursuant to this Section 7.25 shall be solely for the benefit of the counterparty of the Company under the applicable Material Project Agreement.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties hereto have caused this Collateral Trust Agreement to be executed by their respective officers or representatives as of the day and year first above written.

SABINE PASS LNG, L.P.
By: Sabine Pass LNG–GP, Inc., its general partner

By: /s/ Graham McArthur
Name: Graham McArthur
Title: Treasurer

Signature Page – Collateral Trust Agreement

THE BANK OF NEW YORK, as Trustee under the Indenture

By: /s/ Beata Hryniewicka
Name: Beata Hryniewicka
Title: Assistant Vice President

THE BANK OF NEW YORK, not individually but solely in its capacity as Collateral Trustee

By: /s/ Beata Hryniewicka
Name: Beata Hryniewicka
Title: Assistant Vice President

SABINE PASS LNG-LP, LLC
as a Pledgor

By: /s/ Graham McArthur
Name: Graham McArthur
Title: Treasurer

SABINE PASS LNG-GP, INC.
as a Pledgor

By: /s/ Graham McArthur
Name: Graham McArthur
Title: Treasurer

[FORM OF]
ADDITIONAL SECURED DEBT DESIGNATION

Reference is made to the Collateral Trust Agreement dated as of November 9, 2006 (as amended, supplemented, amended and restated or otherwise modified and in effect from time to time, the "***Collateral Trust Agreement***") among Sabine Pass LNG, L.P. (the "***Company***"), the Pledgors from time to time party thereto, The Bank of New York, as Trustee under the Indenture (as defined therein) and The Bank of New York, as Collateral Trustee. Capitalized terms used but not otherwise defined herein shall have the meaning set forth in the Collateral Trust Agreement. This Additional Secured Debt Designation is being executed and delivered in order to designate additional secured debt as either Parity Secured Debt or Junior Lien Debt entitled to the benefit of the Collateral Trust Agreement.

The undersigned, the duly appointed [*specify title*] of the Company hereby certifies on behalf of the Company that:

(A) [*insert name of the Company or other Pledgor*] intends to incur additional Secured Debt ("***Additional Secured Debt***") which will be [*select appropriate alternative*] [Parity Secured Debt permitted by each applicable Secured Debt Document to be secured by a Parity Lien Equally and Ratably with all previously existing and future Parity Secured Debt] or [Junior Lien Debt permitted by each applicable Secured Debt Document to be secured with a Junior Lien Equally and Ratably with all previously existing and future Junior Lien Debt];

(B) the name and address of the Secured Debt Representative for the Additional Secured Debt for purposes of Section 7.7 of the Collateral Trust Agreement is:

____

____

Telephone: ______________________________
Fax: ________________________________

(C) Each of the Company and each other Pledgor has duly authorized, executed (if applicable) and recorded (or caused to be recorded) in each appropriate governmental office all relevant filings and recordations to ensure that the Additional Secured Debt is secured by the Collateral in accordance with the Security Documents; and

(D) the Company has caused a copy of this Additional Secured Debt Designation to be delivered to each existing Secured Debt Representative.

IN WITNESS WHEREOF, the Company has caused this Additional Secured Debt Designation to be duly executed by the undersigned officer as of__________, 20__.

SABINE PASS LNG, L.P.
By: Sabine Pass LNG–GP, Inc., its general partner

By: ______________________________
Name:
Title:

ACKNOWLEDGEMENT OF RECEIPT

The undersigned, the duly appointed Collateral Trustee under the Collateral Trust Agreement, hereby acknowledges receipt of an executed copy of this Additional Secured Debt Designation.

The Bank of New York, as Collateral Trustee

By: ______________________________
Name: ______________________________
Title: ______________________________

[FORM OF]
COLLATERAL TRUST JOINDER – ADDITIONAL DEBT

Reference is made to the Collateral Trust Agreement dated as of November 9, 2006 (as amended, supplemented, amended and restated or otherwise modified and in effect from time to time, the "***Collateral Trust Agreement***") among Sabine Pass LNG, L.P. (the"***Company***"), the Pledgors from time to time party thereto, The Bank of New York, as Trustee under the Indenture (as defined therein) and The Bank of New York, as Collateral Trustee. Capitalized terms used but not otherwise defined herein shall have the meaning set forth in the Collateral Trust Agreement. This Collateral Trust Joinder is being executed and delivered pursuant to Section 3.8 of the Collateral Trust Agreement as a condition precedent to the debt for which the undersigned is acting as agent being entitled to the benefits of being additional secured debt under the Collateral Trust Agreement.

1. Joinder. The undersigned, ____________________________, a ____________________________, (the "***New Representative***") as [trustee, administrative agent] under that certain [*described applicable indenture, Credit Facilities or other document governing the additional secured* debt] hereby agrees to become party as [a Junior Lien Representative] [a Parity Lien Representative] under the Collateral Trust Agreement for all purposes thereof on the terms set forth therein, and to be bound by the terms of the Collateral Trust Agreement as fully as if the undersigned had executed and delivered the Collateral Trust Agreement as of the date thereof.

2. Lien Sharing and Priority Confirmation.

[*Option A: to be used if Additional Debt is Junior Lien Debt*] The undersigned New Representative, on behalf of itself and each holder of Obligations in respect of the Series of Junior Lien Debt for which the undersigned is acting as Junior Lien Representative hereby agrees, for the enforceable benefit of all holders of each existing and future Series of Parity Secured Debt and Junior Lien Debt, each existing and future Parity Lien Representative, each other existing and future Junior Lien Representative and each existing and future holder of Permitted Prior Liens and as a condition to being treated as Secured Debt under the Collateral Trust Agreement that:

(a) all Junior Lien Obligations will be and are secured Equally and Ratably by all Junior Liens at any time granted by the Company or any other Pledgor to secure any Obligations in respect of any Series of Junior Lien Debt, whether or not upon property otherwise constituting collateral for such Series of Junior Lien Debt, and that all such Junior Liens will be enforceable by the Collateral Trustee for the benefit of all holders of Junior Lien Obligations Equally and Ratably;

(b) the New Representative and each holder of Obligations in respect of the Series of Junior Lien Debt for which the undersigned is acting as Junior Lien Representative are bound by the provisions of this Agreement, including the provisions relating to the ranking of Junior Liens and the order of application of proceeds from the enforcement of Junior Liens; and

(c) the Collateral Trustee shall perform its obligations under the Collateral Trust Agreement and the other Security Documents.**[or]**

[*Option B: to be used if Additional Debt is Parity Secured Debt*] The undersigned New Representative, on behalf of itself and each holder of Obligations in respect of the Series of Parity Secured Debt for which the undersigned is acting as Parity Lien Representative hereby agrees, for the enforceable benefit of all holders of each existing and future Series of Parity Secured Debt and Junior Lien Debt, each existing and future Junior Lien Representative, each other existing and future Parity Lien Representative and each existing and future holder of Permitted Prior Liens and as a condition to being treated as Secured Debt under the Collateral Trust Agreement that:

(a) all Parity Lien Obligations will be and are secured Equally and Ratably by all Parity Liens at any time granted by the Company or any other Pledgor to secure any Obligations in respect of any Series of Parity Secured Debt, whether or not upon property otherwise constituting collateral for such Series of Parity Secured Debt, and that all such Parity Liens will be enforceable by the Collateral Trustee for the benefit of all holders of Parity Lien Obligations Equally and Ratably;

(b) the New Representative and each holder of Obligations in respect of the Series of Parity Secured Debt for which the undersigned is acting as Parity Lien Representative are bound by the provisions of this Agreement, including the provisions relating to the ranking of Parity Liens and the order of application of proceeds from the enforcement of Parity Liens; and

(c) the Collateral Trustee shall perform its obligations under the Collateral Trust Agreement and the other Security Documents.

3. Governing Law and Miscellaneous Provisions. The provisions of Article 7 of the Collateral Trust Agreement will apply with like effect to this Collateral Trust Joinder.

IN WITNESS WHEREOF, the parties hereto have caused this Collateral Trust Joinder to be executed by their respective officers or representatives as of __________, 20____.

[INSERT NAME OF THE NEW REPRESENTATIVE]

By: ____________________
Name: ____________________
Title: ____________________

The Collateral Trustee hereby acknowledges receipt of this Collateral Trust Joinder and agrees to act as Collateral Trustee for the New Representative and the holders of the Obligations represented thereby:

The Bank of New York,
as Collateral Trustee

By: ____________________
Name: ____________________
Title: ____________________

EXHIBIT C
to Collateral Trust Agreement

[FORM OF]
COLLATERAL TRUST JOINDER – ADDITIONAL PLEDGOR

Reference is made to the Collateral Trust Agreement dated as of November 9, 2006 (as amended, supplemented, amended and restated or otherwise modified and in effect from time to time, the "***Collateral Trust Agreement***") among Sabine Pass LNG, L.P. (the "***Company***"), the Pledgors from time to time party thereto, The Bank of New York, as Trustee under the Indenture (as defined therein) and The Bank of New York, as Collateral Trustee. Capitalized terms used but not otherwise defined herein shall have the meaning set forth in the Collateral Trust Agreement. This Collateral Trust Joinder is being executed and delivered pursuant to Section 7.20 of the Collateral Trust Agreement.

1. Joinder. The undersigned, ___________________________, a ___________________________, hereby agrees to become party as a Pledgor under the Collateral Trust Agreement for all purposes thereof on the terms set forth therein, and to be bound by the terms of the Collateral Trust Agreement as fully as if the undersigned had executed and delivered the Collateral Trust Agreement as of the date thereof.

2. Governing Law and Miscellaneous Provisions. The provisions of Article 7 of the Collateral Trust Agreement will apply with like effect to this Collateral Trust Joinder.

IN WITNESS WHEREOF, the parties hereto have caused this Collateral Trust Joinder to be executed by their respective officers or representatives as of__________, 20____.

[____]

By: ______________________________
Name: ______________________________
Title: ______________________________

The Collateral Trustee hereby acknowledges receipt of this Collateral Trust Joinder and agrees to act as Collateral Trustee with respect to the Collateral pledged by the new Pledgor:

The Bank of New York,
as Collateral Trustee

By: ______________________________
Name: ______________________________
Title: ______________________________

Exhibit 10.2

Execution Version

AMENDED AND RESTATED
PARITY LIEN SECURITY AGREEMENT

Dated as of November 9, 2006

between

SABINE PASS LNG, L.P.,
as Company

and

THE BANK OF NEW YORK,
as Collateral Trustee

TABLE OF CONTENTS

		Page
ARTICLE I DEFINITIONS AND INTERPRETATION		2
1.01	Certain Defined Terms	2
1.02	Interpretation	5
ARTICLE II THE COLLATERAL		5
2.01	Grant for the benefit of the Parity Lien Secured Parties	5
2.02	Grant for the benefit of Crest	7
2.03	Priority	7
2.04	Amendment and Restatement of Prior Security Agreement; Confirmation of Grant of Security	7
2.05	Perfection	7
2.06	Preservation and Protection of Security Interests.	8
2.07	Attorney-in-Fact.	10
2.08	Instrument	11
2.09	Rights and Obligation.	11
2.10	Release and Termination	12
2.11	Intellectual Property.	12
ARTICLE III COLLATERAL ACCOUNTS		12
ARTICLE IV REPRESENTATIONS AND WARRANTIES		13
4.01	Title	13
4.02	No Other Financing Statements	13
4.03	Perfection Representations	14
4.04	Other Perfection Matters	14
4.05	Fair Labor Standards Act	14
4.06	No Further Consents, etc	14
ARTICLE V COVENANTS		15
5.01	Books and Records	15
5.02	Legal Status	15
5.03	Sales and Other Liens	15
5.04	Further Assurances	15
ARTICLE VI REMEDIES		16
6.01	Events of Default, Etc.	16
6.02	Deficiency	18
6.03	Private Sale	18
6.04	Application of Proceeds	19

ARTICLE VII COLLATERAL TRUSTEE MAY PERFORM 19

ARTICLE VIII REINSTATEMENT 19

ARTICLE IX EXCULPATORY PROVISIONS 20

ARTICLE X MISCELLANEOUS 20

10.01	No Waiver; Remedies Cumulative	20
10.02	Notices	20
10.03	Expenses	21
10.04	Waivers, etc	21
10.05	Successors and Assigns	21
10.06	Survival	21
10.07	Agreements Superseded	21
10.08	Severability	22
10.09	Captions	22
10.10	Counterparts	22
10.11	CONSENT TO JURISDICTION	22
10.12	Certain Matters Relating to Collateral Located in the State of Louisiana	22
10.13	Waiver of Jury Trial	24
10.14	**GOVERNING LAW**	24
10.15	Supremacy Clause	24
10.16	Subordination of Lien	24

Annex A:	Project Documents
Schedule 2.06(a):	Amounts Payable by Instrument or Tangible Chattel Paper
Schedule 2.06(c):	Investment Property
Schedule 2.06(f):	Commercial Tort Claims
Schedule 4.04:	UCC Filing Offices

This AMENDED AND RESTATED PARITY LIEN SECURITY AGREEMENT, dated as of November 9, 2006 (this "***Agreement***"), is made between SABINE PASS LNG, L.P., a Delaware limited partnership (the "***Company***") and THE BANK OF NEW YORK, a New York banking corporation, as collateral trustee (the "***Collateral Trustee***") on behalf of and for the benefit of the Secured Parties (defined below).

RECITALS

A. Capitalized terms used in this Agreement have the meanings assigned to them above or in Article I below.

B. The Company (a) on the date hereof, will issue senior secured notes due November 30, 2013 and senior secured notes due November 30, 2016 (together, the "***Initial Notes***") under an indenture, dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "***Indenture***"), between the Company and The Bank of New York, in its capacity as indenture trustee (the "***Trustee***") and (b) in the future may issue additional senior secured notes (together with the Initial Notes, the "***Notes***") under the Indenture and/or may otherwise incur additional secured indebtedness raking *pari passu* with the Notes (such other secured indebtedness together with the Notes, the "***Parity Secured Debt***").

C. The Company may, from time to time, incur additional future Parity Secured Debt that will, be secured Equally and Ratably with the Notes by Liens on all present and future Collateral.

D. In order to cause the Liens encumbering the Collateral and created herein to secure Equally and Ratably, the Notes and all other future Parity Lien Obligations, the Company and the other Pledgors will enter into a collateral trust arrangement pursuant to the Collateral Trust Agreement, dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "***Collateral Trust Agreement***") among the Company, the Pledgors, the Trustee, the other Secured Debt Representatives party thereto from time to time and the Collateral Trustee.

E. Pursuant to the Crest Settlement Documents, the Company is prohibited from creating or allowing to be created any lien, security interest or other encumbrance on any of the Company's assets for borrowed money that is senior to or *pari passu* with the obligations of the Company to Crest and therefore the Company desires to grant in favor of the Collateral Trustee for the benefit of Crest, a secured lien that is senior to the Lien granted by the Company to the Collateral Trustee in favor of the Parity Lien Secured Parties.

F. The Company, Société Générale, as agent, and HSBC Bank USA, National Association, as collateral agent thereunder (in such capacity, the "***Prior Collateral Agent***"), were parties to a security agreement, dated as of February 25, 2005 (as amended, restated, supplemented and otherwise modified from time to time, the "***Prior Security***

Agreement") pursuant to which the Company granted an interest in all of its assets to the Prior Collateral Agent. Pursuant to a letter agreement dated as of the date hereof, the Prior Collateral Agent has assigned all of its rights under the Prior Security Agreement to the Collateral Trustee for the benefit of the Secured Parties. The Collateral Trustee for the benefit of the Secured Parties shall have no liability for any action or inaction of the Prior Collateral Agent. The Prior Security Agreement is hereunder declared amended and restated as the Agreement.

G. It is a requirement under the Indenture and a condition precedent to the issuance of the Notes that the Company shall have executed and delivered this Agreement.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

1.01 Certain Defined Terms.

(a) Unless otherwise defined herein, all capitalized terms used in this Agreement that are defined in the Collateral Trust Agreement (including those terms incorporated by reference) shall have the respective meanings assigned to them in the Collateral Trust Agreement.

(b) The terms "***Accounts***", "***Chattel Paper***", "***Commercial Tort Claims***", "***Deposit Account***", "***Document***", "***Electronic Chattel Paper***", "***Equipment***", "***Fixtures***", "***General Intangibles***", "***Goods***", "***Instrument***", "***Inventory***", "***Investment Property***", "***Letter of Credit***", "***Letter-of-Credit Rights***", "***Payment Intangible***", "***Proceeds***", "***Record***" and "***Software***" shall have the respective meanings ascribed thereto in Article 9 of the Uniform Commercial Code. In addition to the terms defined in the preamble, recitals and the first sentence of this Section 1.01(b), the following terms shall have the following respective meanings:

"***Assigned Agreement***" shall have the meaning assigned to that term in Section 2.01.

"***Cheniere***" means Cheniere Energy, Inc., a Delaware corporation.

"***Collateral***" shall have the meaning assigned to that term in Section 2.01.

"***Collateral Accounts***" means the "Accounts" under and as defined in the Security Deposit Agreement.

"***Copyrights***" means, collectively, (a) all copyrights, copyright registrations and applications for copyright registrations, (b) all renewals and extensions of all copyrights,

copyright registrations and applications for copyright registration and (c) all rights, now existing or hereafter coming into existence: (i) to all income, royalties, damages and other payments (including in respect of all past, present or future infringements) now or hereafter due or payable under or with respect to any of the foregoing, (ii) to sue for all past, present and future infringements with respect to any of the foregoing and (iii) otherwise accruing under or pertaining to any of the foregoing throughout the world.

"*Crest*" means Crest Investment Company, a Texas corporation.

"***Crest Cheniere Indemnity***" means that certain Indemnification Agreement, dated May 9, 2005, executed by Cheniere relating to the Settlement Agreement.

"***Crest Default Remedy Instruction***" means, collectively any instruction by Crest to the Collateral Trustee in writing to exercise remedies under the this Agreement as a result of the Company's failure to make any payment in respect of the Crest Obligations after written demand by Crest.

"***Crest Obligations***" means all obligations of the Company in favor of Crest under the Crest Settlement Documents.

"***Crest Settlement Documents***" means (a) the Settlement Agreement, (b) the Assumption Agreement, (c) the Crest Cheniere Indemnity and (d) any and all other agreements and documents heretofore or hereafter entered into by any subsidiary of Cheniere pursuant to Section 1.07 of the Settlement Agreement.

"*Event of Default*" means (a) an "Event of Default" under and as defined in the Indenture or (b) any other Secured Debt Default.

"*Gas*" means any hydrocarbon or mixture of hydrocarbons consisting predominantly of methane which is in a gaseous state.

"*Intellectual Property*" means all Copyrights, all Patents and all Trademarks, together with (a) all inventions, processes, production methods, proprietary information, know-how and trade secrets, (b) all licenses or user or other agreements granted to the Company with respect to any of the foregoing, in each case whether now or hereafter owned or used, (c) all information, customer lists, identification of suppliers, data, plans, blueprints, specifications, designs, drawings, recorded knowledge, surveys, engineering reports, test reports, manuals, materials standards, processing standards, performance standards, catalogs, computer and automatic machinery software and programs, (d) all field repair data, sales data and other information relating to sales or service of products now or hereafter manufactured, (e) all accounting information and all media in which or on which any information or knowledge or data or records may be recorded or stored and all computer programs used for the compilation or printout of such information, knowledge, records or data, (f) all licenses, consents, permits, variances, certifications and approvals of governmental agencies now or hereafter held by the

Company, in each case, to the extent assignable and (g) all causes of action, claims and warranties now owned or hereafter acquired by the Company in respect of any of the foregoing.

"***Loss Proceeds***" shall have the meaning ascribed thereto in the Security Deposit Agreement.

"***Motor Vehicles***" means motor vehicles, tractors, trailers and other like property, whether or not the title thereto is governed by a certificate of title or ownership.

"***Patents***" means, collectively, (a) all patents and patent applications, (b) all reissues, divisions, continuations, renewals, extensions and continuations-in-part of all patents or patent applications and (c) all rights, now existing or hereafter coming into existence: (i) to all income, royalties, damages, and other payments (including in respect of all past, present and future infringements) now or hereafter due or payable under or with respect to any of the foregoing, (ii) to sue for all past, present and future infringements with respect to any of the foregoing and (iii) otherwise accruing under or pertaining to any of the foregoing throughout the world, including all inventions and improvements described or discussed in all such patents and patent applications.

"***Prior Collateral Agent***" shall have the meaning ascribed thereto in the recitals.

"***Project***" means the Sabine Pass LNG receiving terminal in Cameron Parish, Louisiana, including associated storage tanks, unloading docks, vaporizers and related facilities.

"***Project Document***" means each of the agreements or other documents listed on Annex A and each other agreement to which the Company is party including contracts or agreements for legal, accounting, engineering, environmental, consulting and other professional services in connection with the Project.

"***Secured Obligations***" means the Parity Lien Obligations and the Crest Obligations.

"***Secured Parties***" mean all holders of Parity Lien Obligations, the Parity Lien Representatives and Crest.

"***Settlement Agreement***" means that certain Settlement and Purchase Agreement, dated as of June 14, 2001, by and among Cheniere, Cheniere FLNG, L.P., Crest, Crest Energy, L.L.C., and Freeport LNG Terminal, LLC.

"***Site***" shall have the meaning ascribed thereto in the Multiple Indebtedness Mortgage, Assignment of Rents and Leases and Security Agreement, dated as of November 9, 2006 between the Company and the Collateral Trustee.

"***Trademarks***" means, collectively, (a) all trade names, trademarks and service marks, logos, trademark and service mark registrations and applications for trademark and service mark registrations, (b) all renewals and extensions of any of the foregoing and (c) all

rights, now existing or hereafter coming into existence: (i) to all income, royalties, damages and other payments (including in respect of all past, present and future infringements) now or hereafter due or payable under or with respect to any of the foregoing, (ii) to sue for all past, present and future infringements with respect to any of the foregoing and (iii) otherwise accruing under or pertaining to any of the foregoing throughout the world, together, in each case, with the product lines and goodwill of the business connected with the use of, or otherwise symbolized by, each such trade name, trademark and service mark. Notwithstanding the foregoing, "Trademark" does not and shall not include any Trademark that would be rendered invalid, abandoned, void or unenforceable by reason of its being included as a Trademark for the purposes of this Agreement.

"***Uniform Commercial Code***" or "***UCC***" means the Uniform Commercial Code as in effect in the State of New York from time to time; provided, that if by reason of mandatory provisions of law, the perfection or the effect of perfection or non-perfection of any security interests hereunder in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, "***UCC***" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for the purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection.

1.02 Interpretation. The rules of interpretation set forth in Section 1.2 of the Collateral Trust Agreement shall apply to, and are hereby incorporated by reference in, this Agreement.

ARTICLE II

THE COLLATERAL

2.01 Grant for the benefit of the Parity Lien Secured Parties. As collateral security for the prompt payment in full when due (whether at stated maturity, upon acceleration, on any optional or mandatory prepayment date or otherwise) and performance of the Parity Lien Obligations, the Company hereby pledges and grants to the Collateral Trustee for the benefit of the Parity Lien Secured Parties, a security interest in all of its right, title and interest in and to the following property, assets and revenues, whether now owned or in the future acquired by it and whether now existing or in the future coming into existence and wherever located (collectively, the "***Collateral***"):

(a) the Collateral Accounts and all amendments, extensions, renewals, and replacements thereof whether under the same or different account number, together with all funds, cash, monies, credit balances, financial assets, investments, Instruments, certificates of deposit, promissory notes, and any other property (including any Permitted Investments) at any time on deposit therein or credited to any of the foregoing, all rights to payment or withdrawal therefrom, and all proceeds, accounts receivable arising in the ordinary course, products, accessions, profits, gains, and interest thereon of or in respect of any of the foregoing;

(b) the agreements, contracts and documents listed in Annex A (including all exhibits and schedules thereto) and each additional Project Document to which the Company is or may from time to time be a party or of which it is or may from time to time be a beneficiary, whether executed by the Company or by an agent on behalf of the Company, as each such agreement, contract and document may be amended, supplemented or modified and in effect from time to time (such agreements, contracts and documents, being individually, an "***Assigned Agreement***", and collectively, the "***Assigned Agreements***") including all rights of the Company (i) to receive moneys thereunder, whether or not earned by performance or for property that has been or is to be sold, leased, licensed, assigned or otherwise disposed of pursuant thereto, (ii) to receive proceeds of any performance or payment bond, liability or business interruption insurance, indemnity, warranty, guaranty or letters of credit with respect thereto, (iii) to all claims of the Company for damages arising out of, for breach of or default thereunder by any party other than the Company and (iv) to take any action to terminate, amend, supplement, modify or waive performance thereof, to perform thereunder and to compel performance and otherwise exercise all remedies thereunder;

(c) all Accounts, Deposit Accounts, Instruments, Documents, Chattel Paper (including Electronic Chattel Paper), Letters of Credit and Letter-of-Credit Rights, Inventory, Equipment, Fixtures (including those located on or forming part of the Site), Investment Property, Payment Intangibles, Software and, to the extent not already covered by the other enumerated categories of Collateral described in this clause (c), all Goods and General Intangibles; including all liquefied natural gas and Gas owned by the Company and the Project to be constructed on or near the Site pursuant to the plans and specifications set forth in the EPC Contract, all other machinery, apparatus, installation facilities, including all goods of the Company that are spare parts and related supplies, and all goods obtained by the Company in exchange for any such goods, all substances, if any, commingled with or added to such goods, all upgrades and other improvements to such goods and all other tangible personal property owned by the Company or in which the Company has rights, and all fixtures and all parts thereof and accessions thereto;

(d) all Investment Property and "Financial Assets" and "Securities Account" (each as defined in the UCC);

(e) all Commercial Tort Claims, including as listed on Schedule 2.01(e) attached hereto (as such schedule may be amended, supplemented or otherwise modified from time to time);

(f) all Government Approvals now or hereafter held in the name, or for the benefit, of the Company or of the Project provided, that any Government Approval that by its terms or by operation of law (in each case, other than to the extent any such term would be rendered ineffective pursuant to Section 9-406, 9-407, 9-408 or 9-409 of the UCC) would be breached or become void, voidable, terminable or revocable if mortgaged, pledged or assigned hereunder or if a security interest therein was granted

hereunder, are, in each case, expressly excepted from the Collateral to the extent necessary so as to avoid such voidness, avoidability, terminability or revocability;

(g) all Records of the Company directly related to, or necessary for the use of, the foregoing Collateral included in clauses (a) - (e);

(h) all Intellectual Property; and

(i) all other tangible and intangible personal Property whatsoever of the Company and all cash, products, offspring, rents, revenues, issues, profits, royalties, income, benefits, accessions, equity contributions, additions, substitutions and replacements of and to any and all of the foregoing, including all Proceeds of and to any of the Property the Company described in the preceding paragraphs of this Section 2.01 (including any Loss Proceeds or other Proceeds of insurance thereon (whether or not the Collateral Trustee is loss payee thereof), and any indemnity, warranty or guarantee, payable by any reason of loss or damage to or otherwise with respect to any of the foregoing, and all causes of action, claims and warranties now or hereafter held by the Company in respect of any of the items listed above).

2.02 Grant for the benefit of Crest. As collateral security for the prompt payment in full when due of the Crest Obligations now existing or hereafter arising, the Company hereby pledges and grants to the Collateral Trustee for the benefit of Crest, and hereby grants to the Collateral Trustee for the benefit of Crest, a security interest in all of the Company's right, title and interest in, to and under the Collateral, whether now owned or in the future acquired by it and whether now existing or hereafter coming into existence and wherever located.

2.03 Priority. The relative priority of the liens granted pursuant to Section 2.01 and 2.02 shall be as set forth in the Collateral Trust Agreement.

2.04 Amendment and Restatement of Prior Security Agreement; Confirmation of Grant of Security. The Company hereby acknowledges that the Prior Collateral Agent assigned all of its rights under the Prior Security Agreement to the Collateral Trustee. This Agreement is hereby deemed to be an amendment and restatement of the Prior Security Agreement. The Company hereby confirms that all Collateral (as defined in the Prior Security Agreement (prior to giving effect to this amendment and restatement)) encumbered by the Prior Security Agreement will continue to secure to the fullest extent possible the payment and performance of the obligations secured by this Agreement.

2.05 Perfection. Concurrently with the execution and delivery of this Agreement, the Company shall (a) file such financing statements and other documents in such offices included, but not limited to, the United States Patent and Trademark Office and the United States Copyright Office as shall be necessary to perfect and establish the priority of the Liens granted by this Agreement, (b) file amendments to any existing financing statements to reflect the assignment from the Prior Collateral Agent to the Collateral Trustee

for the benefit of the Secured Parties of the security interest granted by the Company under the Prior Security Agreement and (c) take all such other actions as shall be necessary to perfect and establish the priority of the Liens granted by this Agreement.

2.06 Preservation and Protection of Security Interests. In order to further ensure the attachment, perfection and priority of, and the ability of the Collateral Trustee for the benefit of the Parity Lien Secured Parties to enforce, the Collateral Trustee's security interest for the benefit of the Parity Lien Secured Parties in the Collateral, the Company represents and warrants to the Parity Lien Secured Parties on the date hereof and as of and on the date of each extension of credit by any Parity Lien Secured Party pursuant to any Parity Lien Document and covenants as follows and agrees, in each case at its own expense, to take the following actions with respect to the following Collateral:

(a) Schedule 2.06(a) (as such schedule may be amended, supplemented or otherwise modified from time to time) lists all amounts payable under or in connection with any of the Collateral that are evidenced by any Instrument or Tangible Chattel Paper. Subject to Section 2.08, each Instrument and each item of Tangible Chattel Paper listed in Schedule 2.06(a) (i) in which Company currently has rights and (ii) in which Company acquires rights after the date hereof, has been and will be promptly, as the case may be, properly endorsed, assigned and delivered to the Collateral Trustee for the benefit of the Secured Parties, accompanied by duly executed instruments of transfer or assignment in blank and that the Collateral Trustee for the benefit of the Secured Parties has a perfected first priority security interest therein.

(b) Except as permitted by the Indenture and other Parity Lien Documents, the Company has no Deposit Accounts or Securities Accounts other than the Collateral Accounts. Subject to the Lien in favor of Crest, except as permitted by the Indenture and other Parity Lien Documents, the Collateral Trustee for the benefit of the Secured Parties has a first priority security interest in the Collateral Accounts. The Company shall not hereafter establish and maintain any other Deposit Account or Securities Accounts other than (i) Deposit Accounts and Securities Accounts which are used to deposit and hold disbursements made to the Company from the Construction Account in accordance with the Security Deposit Agreement, provided that the funds in such Deposit Accounts and Securities Accounts are used to pay Construction Expenses (as defined in the Security Deposit Agreement) and provided that with respect to each such Deposit Account and Securities Account, the Company shall make a good faith and commercially reasonable effort to cause the financial institution at which any such account is opened to execute a customary account control agreement in favor of the Collateral Trustee promptly following the opening of any such account, and (ii) any account (A) which is open as of the date hereof, (B) in which any amounts deposited therein will be transferred to the Construction Account as soon as practicable after such deposit is made and (C) which will be closed no later than December 31, 2006.

(c) Schedule 2.06(c) (as such schedule may be amended, supplemented or otherwise modified from time to time) sets forth all certificates or instruments

representing or evidencing Investment Property comprising any part of the Collateral and all such certificates and instruments have been delivered to the Collateral Trustee in suitable form for transfer by delivery or accompanied by duly executed instruments of transfer or assignment in blank and that the Collateral Trustee has a perfected first priority security interest therein. The Company agrees that all certificates or instruments representing or evidencing Investment Property comprising any part of the Collateral acquired by the Company after the date hereof shall promptly (but in any event within five days after receipt thereof by the Company) be delivered to and held by or on behalf of the Collateral Trustee pursuant thereto. The Collateral Trustee shall have the right, at any time upon the occurrence and during the continuance of any Event of Default, to endorse, assign or otherwise transfer to or to register in the name of the Collateral Trustee or any of its nominees or endorse for negotiation any or all of the Investment Property. In addition, upon the occurrence and during the continuance of an Event of Default, the Collateral Trustee shall have the right at any time to exchange certificates representing or evidencing Investment Property for certificates of smaller or larger denominations.

(d) If the Company shall at any time own or acquire, directly or through a nominee, any uncertificated securities constituting Investment Property, the Company shall promptly notify the Collateral Trustee thereof and pursuant to an agreement in form and substance satisfactory to the Collateral Trustee, either (1) cause the issuer to agree to comply with instructions from the Collateral Trustee as to such securities, without further consent of the Company or such nominee or (2) register the Collateral Trustee for the benefit of the Secured Parties as the registered owner thereof on the books and records of the issuer.

(e) If the Company is at any time a beneficiary under a Letter of Credit now or hereafter issued, the Company shall promptly notify the Collateral Trustee thereof and the Company shall, at the request of the Collateral Trustee, pursuant to an agreement in form and substance reasonably satisfactory to the Collateral Trustee, either (i) arrange for the issuer and any confirmer of such Letter of Credit to consent to an assignment to the Collateral Trustee of the proceeds of any drawing under the Letter of Credit or (ii) arrange for the Collateral Trustee to become the transferee beneficiary of such Letter of Credit, with the Collateral Trustee agreeing, in each case, that the proceeds of any drawing under the Letter of Credit are to be applied as provided in the Collateral Trust Agreement.

(f) Schedule 2.06(f) (as such schedule may be amended or supplemented from time to time) sets forth all Commercial Tort Claims of the Company. If the Company shall at any time hold or acquire a Commercial Tort Claim, the Company shall immediately notify the Collateral Trustee in writing together with the brief details thereof and grant to the Collateral Trustee in such writing a security interest therein and in the Proceeds thereof, all upon the terms of this Agreement.

(g) If the Company moves any item of Equipment with a book value greater than $25,000,000 to any location other than the Site, it shall, within ten Business Days of

such move, notify the Collateral Agent in writing of such move, such notice to clearly describe such new location and provide such other information in connection therewith as the Collateral Trustee may reasonably request.

(h) The Company shall grant the Collateral Trustee or its designee from time to time, including but not limited to during the pendency of a Default or an Event of Default, reasonable access to all of its books and records, quality control and performance test data, all other data relating to the Project and construction progress and the physical facilities of the Project and an opportunity to discuss accounting matters with the Company's independent auditors, provided that all such inspections are conducted during normal business hours in a manner that does not unreasonably disrupt the construction or operation of the Project. The Collateral Trustee shall also have the right to monitor, witness and appraise the construction, testing and operation of the Project. So long as a Default or any Event of Default has occurred and is continuing, the reasonable fees and documented expenses of such persons shall be for the account of the Company.

(i) The Company shall give, execute, deliver, file or record any and all financing statements, notices, contracts, agreements or other instruments, obtain any and all Government Approvals and take any and all steps that may be necessary to create, perfect, establish the priority of, or to preserve the validity, perfection or priority of, the Liens granted by this Agreement or to enable the Collateral Trustee to exercise and enforce its rights, remedies, powers and privileges under this Agreement with respect to such Liens.

(j) The Company shall maintain, hold and preserve full and accurate Records concerning the Collateral, and stamp or otherwise mark such Records in such manner as may reasonably be required in order to reflect the Liens granted by this Agreement.

(k) The Company shall at any time upon request of the Collateral Trustee, cause the Collateral Trustee for the benefit of the Secured Parties to be listed as the lienholder on any certificate of title or ownership covering any Motor Vehicle (other than Motor Vehicles constituting Inventory) and within 120 days of such request deliver evidence of the same to the Collateral Trustee.

2.07 Attorney-in-Fact. Subject to the rights of the Company under Sections 2.08 and 2.09, the Company hereby appoints the Collateral Trustee as its attorney-in-fact for the purpose of carrying out the provisions of this Agreement and, following the occurrence and during the continuation of an Event of Default, taking any action and executing any instruments which the Collateral Trustee may deem necessary or reasonably advisable to accomplish the purposes of this Agreement, to preserve the validity, perfection and priority of the Liens granted by this Agreement and to exercise its rights, remedies, powers and privileges under Article VI of this Agreement. This appointment as attorney-in-fact is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, the Collateral Trustee shall be entitled under this Agreement, following the occurrence and during the continuation of an Event of Default (a) to ask, demand, collect, sue for, recover, receive and give receipt and discharge for amounts due and to become due

under and in respect of all or any part of the Collateral, (b) to receive, endorse and collect any Instruments or other drafts, documents and Chattel Paper in connection with clause (a) above (including any draft or check representing the proceeds of insurance or the return of unearned premiums), (c) to file any claims or take any action or proceeding that the Collateral Trustee may deem necessary or reasonably advisable for the collection of all or any part of the Collateral, including the collection of any compensation due and to become due under any contract or agreement with respect to all or any part of the Collateral, (d) to execute, in connection with any sale or disposition of the Collateral under Article VI, any endorsements, assignments, bills of sale or other instruments of conveyance or transfer with respect to all or any part of the Collateral, (e) to obtain and adjust insurance required to be maintained by the Company pursuant to the Indenture or any other Parity Lien Document and (f) to pay and discharge any taxes or Liens (other than Permitted Prior Liens) levied or placed upon or threatened against the Collateral, the legality or validity thereof and the amounts necessary to discharge the same to be determined by the Collateral Trustee in its sole discretion, any such payments made by the Collateral Trustee to become Obligations of the Company to the Collateral Trustee, due and payable immediately without demand.

2.08 Instrument. So long as no Event of Default shall have occurred and be continuing, the Company may retain for collection in the ordinary course of business any Instruments comprising any part of the Collateral obtained by it in the ordinary course of business, and the Collateral Trustee shall, promptly upon the written request of an officer of the Company, and at the expense, of the Company make appropriate arrangements for making any Instruments pledged by the Company available to the Company for purposes of presentation, collection or renewal. Any such arrangement shall be effected, to the extent deemed appropriate by the Collateral Trustee, against trust receipt or like document.

2.09 Rights and Obligation.

(a) The Company shall remain liable to perform its duties and obligations under the contracts and agreements included in the Collateral in accordance with their respective terms to the same extent as if this Agreement had not been executed and delivered. The exercise by the Collateral Trustee or any Secured Party of any right, remedy, power or privilege in respect of this Agreement shall not release the Company from any of its duties and obligations under such contracts and agreements. Neither the Collateral Trustee nor any Parity Lien Secured Party shall have a duty, obligation or liability under such contracts and agreements or in respect to any Government Approval included in the Collateral by reason of this Agreement or any other Security Document, nor shall the Collateral Trustee or any Parity Lien Secured Party be obligated to perform any of the duties or obligations of the Company under any such contract or agreement or any such Government Approval or to take any action to collect or enforce any claim (for payment) under any such contract or agreement or Government Approval.

(b) No Lien granted by this Agreement in the Company's right, title and interest in any contract, agreement or Government Approval shall be deemed to be a consent by the Collateral Trustee or any Secured Party to any such contract, agreement or Government Approval.

(c) No reference in this Agreement to proceeds or to the sale or other disposition of Collateral shall authorize the Company to sell or otherwise dispose of any Collateral except to the extent otherwise expressly permitted by the terms of the Secured Debt Documents.

(d) Neither the Collateral Trustee nor any Secured Party shall be required to take steps necessary to preserve any rights against prior parties to any part of the Collateral.

2.10 Release and Termination

(a) Continuing Security Interest; Termination. This Agreement shall create a continuing assignment of and security interest in the Collateral and shall (a) remain in full force and effect until the Discharge of Parity Lien Obligations, (b) be binding upon the Company, its successors and assigns and (c) inure, together with the rights and remedies of the Collateral Trustee hereunder, to the benefit of the Collateral Trustee and the other Secured Parties and their respective successors, transferees and assigns.

(b) Releases. All or any portion of the Collateral shall be released from the security interest created hereby in accordance with Article 4 of the Collateral Trust Agreement.

2.11 Intellectual Property. For the purpose of enabling the Collateral Trustee for the benefit of the Parity Lien Secured Parties to exercise its rights, remedies, powers and privileges under Article VI at that time or times as the Collateral Trustee is lawfully entitled to exercise those rights, remedies, powers and privileges, and for no other purpose, the Company hereby grants to the Collateral Trustee for the benefit of the Parity Lien Secured Parties, to the extent assignable, an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to the Company) to use, assign, license or sublicense any Intellectual Property of the Company which is directly related to, or necessary and incidental to the use of, any of the Collateral, together with reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer programs used for the compilation or printout of those items.

COLLATERAL ACCOUNTS

The Company agrees and confirms for the benefit of the Parity Lien Secured Parties that (a) pursuant to the Security Deposit Agreement, it has caused to be established with the Depositary Agent each of the Construction Account, the Operating Account, the DSR Account, the Debt Payment Account, the Revenue Account, the Distribution Account, Asset Sale Proceeds Account and Loss Proceeds Account, in each case in the name of the Collateral Trustee for the benefit of the Secured Parties and (b) it has instructed (or, on or before the effectiveness of each Project Document that is entered into after the date hereof, will instruct) each of the other parties to the Project Documents that all payments constituting revenues resulting from the ownership or operation of the Project due or to become due to the Company under or in connection with each such Project Document shall be made directly to the Collateral Trustee for deposit to the Revenue Account in accordance with the terms of the Collateral Trust Agreement.

If, notwithstanding the foregoing, any such payment or proceeds are remitted directly to the Company, the Company shall hold such funds in trust for the Collateral Trustee and shall promptly remit such payments for deposit to the Revenue Account in accordance with the Collateral Trust Agreement. In addition to the foregoing, the Company agrees for the benefit of the Parity Lien Secured Parties that if the proceeds of any Collateral hereunder (including the payments made in respect of the Collateral Accounts) shall be received by it, the Company shall as promptly as possible transfer such Proceeds to the Collateral Trustee for deposit to the Revenue Account. Until so deposited, all such proceeds shall be held in trust by the Company for and as the property of the Collateral Trustee and shall not be commingled with any other funds or property of the Company.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

As of and on the date hereof, and as of and on the date of each extension of credit by any Parity Lien Secured Party pursuant to any Parity Lien Document, the Company represents and warrants to the Collateral Trustee for the benefit of the Parity Lien Secured Parties as follows:

4.01 Title. The Company is the sole beneficial owner of the Collateral in which it purports to grant a security interest pursuant to Section 2, and such Collateral is free and clear of all Liens, except for Permitted Prior Liens.

4.02 No Other Financing Statements. The Company has not executed and is not aware of any currently effective financing statement or other instrument similar in effect that is on file in any recording office covering all or any part of the Company's interest in the Collateral, except such as may have been filed pursuant to this Agreement (including the Crest Obligations) and the other Security Documents evidencing Permitted Prior Liens and the Junior Lien Obligations, and so long as the Discharge of Parity Lien Obligations has not occurred, the Company will not execute or authorize to be filed in any public office any financing statement (or similar statement or instrument of registration under the law of any jurisdiction) or statements relating to the Collateral, except for (i) financing statements filed or to be filed in respect of and covering the security interests granted hereby by the Company, (ii) financing statements filed or to be filed in respect of Permitted Prior Liens or (iii) precautionary financing statements filed or to be filed in respect of operating leases of equipment entered into by the Company. The Company has not assigned any of its rights under the Instruments referred to in Section 2.01(c) except as expressly permitted under the Parity Lien Documents. The Company has not consented to, and is not otherwise aware of, any Person, other than the Collateral Trustee and the Depositary Agent, having either control (within the meaning of common law applicable to this Agreement), sole dominion, or "control" (within the meaning of the Uniform Commercial Code) over any interest in any Collateral Accounts or any funds or other property deposited therein.

4.03 Perfection Representations.

(a) The name of the Company shown on the signature pages to this Agreement is the exact legal name of the Company. The Company is a limited partnership and its "location" (within the meaning of the Uniform Commercial Code) is Delaware. The offices where the Company keeps Records concerning the Collateral and a set of the original counterparts of the Assigned Agreements are located at the addresses specified for the Company in Section 10.02, or such other location as specified in the most recent notice delivered pursuant to Section 5.01.

(b) The Company has not (i) within the period of one year prior to the date hereof, changed its "location" (within the meaning of the UCC), (ii) changed its name, or (iii) heretofore become a "new debtor" (within the meaning of the UCC) with respect to a currently effective security agreement previously entered into by any other Person.

4.04 Other Perfection Matters. Upon the filing of financing statements or other appropriate instruments pursuant to the Uniform Commercial Code in the offices set forth on Schedule 4.04 attached hereto, the Collateral Trustee's Liens in the Collateral granted hereunder shall be valid, continuing (subject to any requirement of the Uniform Commercial Code with respect to the filing of continuation statements), and perfected to the extent any such Lien may be perfected by the filing of a financing statement or other appropriate instrument. Upon the execution and delivery of the Security Deposit Agreement and the establishment of the Collateral Accounts, the Collateral Trustee's Liens in the Collateral Accounts and in any funds or other property from time to time deposited therein shall be valid, continuing, and perfected to the extent any such Lien may be perfected by "control" (within the meaning of the Uniform Commercial Code). All other action necessary or reasonably requested by the Collateral Trustee for the benefit of the Secured Parties to protect and perfect the Liens in the Collateral has been duly taken with respect to any Collateral that the Company now owns or in which the Company now has a right. The Liens granted by this Agreement in favor of the Collateral Trustee are subject to no other Liens, except Permitted Prior Liens.

4.05 Fair Labor Standards Act. Any goods now or hereafter produced by the Company or any of its Subsidiaries included in the Collateral have been and will be produced in compliance with the requirements of the Fair Labor Standards Act, as amended.

4.06 No Further Consents, etc. No authorization, approval or other action by, and no notice to or filing with, any Government Authority or regulatory body is required for either (i) the grant by the Company of the Liens purported to be created in favor of the Collateral Trustee hereunder or (ii) the exercise by the Collateral Trustee of any rights or remedies in respect of any Collateral (whether specifically granted or created hereunder or created or provided for by applicable law), except for the filings contemplated by 2.05(a) above and as may be required, in connection with the disposition of any Investment Property, by laws generally affecting the offering and sale of securities and authorizations or notices required to be obtained or provided by the Collateral Trustee in the event the Collateral Trustee becomes the owner of the Collateral pursuant to Article VI hereof. All actions and consents, including all filings, notices, registrations and recordings necessary or desirable for the exercise by the

Collateral Trustee of the voting or other rights provided for in this Agreement or the exercise of remedies in respect of the Collateral have been made or obtained.

ARTICLE V

COVENANTS

The Company covenants and agrees for the benefit of the Parity Lien Secured Parties that, until the Parity Lien Obligations have been indefeasibly paid in full:

5.01 Books and Records. The Company shall (a) stamp or otherwise mark the Records in its possession that relate to the Collateral in order to reflect the Liens granted by this Agreement and (b) give the Collateral Trustee at least 30 calendar days' notice before it changes the office where the Company keeps the Records.

5.02 Legal Status. The Company shall not (i) change its type of organization or jurisdiction of organization or (ii) change its legal name or the name under which it does business from the name shown on the signature pages to this Agreement unless, in either case, it shall have given the Collateral Trustee at least 30 days' prior written notice and taken all necessary steps to maintain the continuous validity, perfection and the same or better priority of Collateral Trustee's security interest in the Collateral granted hereby.

5.03 Sales and Other Liens. The Company shall not (a) create, incur, assume or suffer to exist any Lien (other than Permitted Prior Liens) upon any Collateral or (b) file or suffer to be on file or authorize to be filed, in any jurisdiction, any financing statement or like instrument with respect to all or any part of the Collateral in which the Collateral Trustee is not named as the sole secured party for the benefit of the Secured Parties (except for financing statements related to Permitted Prior Liens and precautionary financing statements filed or to be filed in respect of operating leases of equipment entered into by the Company).

5.04 Further Assurances.

(a) The Company agrees that, from time to time upon the written request of the Collateral Trustee, the Company will execute and deliver such further documents and do such other acts and things as the Collateral Trustee may reasonably request in order fully to effect the purposes of this Agreement.

(b) The Company hereby authorizes the Collateral Trustee and/or any Secured Party (it being understood and agreed that the Collateral Trustee has no obligation in any circumstance) to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral without the signature of the Company where permitted by law. Such financing statements may describe the Collateral in the same manner as described herein or may describe such property as "all assets" or "all personal property of the debtor, whether now existing or hereafter acquired." Copies of any such statement or amendment thereto shall be delivered to the Company.

(c) The Company shall pay all filing, registration and recording fees or re-filing, re-registration and re-recording fees, and all other expenses incident to the execution and acknowledgment of this Agreement, any agreement supplemental hereto and any instruments of further assurance, and all federal, state, county and municipal stamp taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Agreement, any agreement supplemental hereto and any instruments of further assurance.

ARTICLE VI

REMEDIES

6.01 Events of Default, Etc. Subject to the provisions hereof, if any Event of Default shall have occurred and be continuing, the Company agrees for the benefit of the Parity Lien Secured Parties that:

(a) the Collateral Trustee in its sole discretion may require the Company to, and the Company shall, assemble the Collateral owned by it at such place or places, reasonably convenient to both the Collateral Trustee and the Company, designated in the Collateral Trustee's request;

(b) the Collateral Trustee in its sole discretion may make any reasonable compromise or settlement it deems desirable with respect to any of the Collateral and may extend the time of payment, arrange for payment in installments, or otherwise modify the terms of all or any part of the Collateral;

(c) the Collateral Trustee in its sole discretion may, in its name or in the name of the Company or otherwise, demand, sue for, collect or receive any money or property at any time payable or receivable on account of or in exchange for all or any part of the Collateral, but shall be under no obligation to do so;

(d) the Collateral Trustee in its sole discretion may, upon 10 Business Days' prior written notice to the Company of the time and place, with respect to all or any part of the Collateral which shall then be or shall thereafter come into the possession, custody or control of the Collateral Trustee or any other Secured Party or any of their respective agents, sell, lease or otherwise dispose of all or any part of such Collateral, at such place or places and at such time or times as the Collateral Trustee deems best, for cash, on credit or for future delivery (without thereby assuming any credit risk) and at public or private sale, without demand of performance or notice of intention to effect any such disposition of or time or place of any such sale (except such notice as is required above or by applicable statute and cannot be waived), and the Collateral Trustee or any other Secured Party or any other Person may be the purchaser, lessee or recipient of any or all of the Collateral so disposed of at any public sale (or, to the extent permitted by law, at any private sale) and thereafter hold the same absolutely, free from any claim or right of whatsoever kind, including any right or equity of redemption (statutory or otherwise), of the Company, any such demand, notice and right or equity being hereby expressly

waived and released to the extent permitted by applicable Government Rule. The Collateral Trustee shall not be obligated to make any sale pursuant to any such notice. The Collateral Trustee may, in its sole discretion, at any such sale restrict the prospective bidders or purchasers as to their number, nature of business and investment intention to the extent necessary to comply with applicable Government Rule. The Collateral Trustee may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which the sale may be so adjourned. In case of any sale of all or any part of the Collateral on credit or for future delivery, the Collateral so sold may be retained by the Collateral Trustee until the full selling price is paid by the purchaser thereof, but neither the Collateral Trustee nor any other Secured Party shall incur any liability in case of the failure of such purchaser to take up and pay for the Collateral so sold, and, in case of any such failure, such Collateral may again be sold pursuant to the provisions hereof;

(e) the Collateral Trustee shall have, and in its sole discretion may exercise, all of the rights, remedies, powers and privileges with respect to the Collateral of a secured party under the Uniform Commercial Code (whether or not the Uniform Commercial Code is in effect in the jurisdiction where such rights, remedies, powers and privileges are asserted) and such additional rights, remedies, powers and privileges to which a secured party is entitled under the laws in effect in any jurisdiction where any rights, remedies, powers and privileges in respect of this Agreement or the Collateral may be asserted, including the right, to the maximum extent permitted by applicable Government Rule, to exercise all voting, consensual and other powers of ownership pertaining to the Collateral as if the Collateral Trustee were the sole and absolute owner of the Collateral (and the Company agrees to take all such action as may be appropriate to give effect to such right);

(f) the Collateral Trustee for the benefit of the Parity Lien Secured Parties may exercise the voting and other consensual rights the Company would otherwise be entitled to exercise in the Investment Property and the rights of the Company therein shall immediately cease and, upon such exercise by the Collateral Trustee, all such rights shall thereupon become vested in the Collateral Trustee for the benefit of the Parity Lien Secured Parties, which shall thereupon have the sole right to exercise such voting and other consensual rights and the Company shall, at its sole cost and expense, deliver to the Collateral Trustee for the benefit of the Parity Lien Secured Parties all proxies and other instruments as the Collateral Trustee may reasonably request to exercise such voting and consensual rights; and

(g) all rights of the Company to receive distributions from Investment Property which it would otherwise be authorized to receive and retain hereof shall immediately cease, and all such rights shall thereupon become vested in the Collateral Trustee for the benefit of the Secured Parties, which shall thereupon have the sole right to receive and hold as Collateral and the Company shall, at its sole cost and expense, deliver to the Collateral Trustee for the benefit of the Parity Lien Secured Parties all dividend

payment orders and other instruments as the Collateral Trustee for the benefit of the Secured Parties may reasonably request to receive all dividends and other distributions which it may be entitled to receive hereunder.

The proceeds of, and other realization upon, the Collateral by virtue of the exercise of remedies under thisSection 6.01 shall be applied in accordance with Section 6.04.

It shall be a condition precedent to any sale or transfer of the Collateral that such purchaser or transferee thereof enter into an assumption agreement substantially in the form of the Assumption Agreement unless, at the time of each such transfer, Cheniere or any of its direct or indirect affiliates, joint ventures, and subsidiaries that are involved in the LNG business have under contract at one or more LNG facilities it retains, the right and obligation to process and receive a tariff for processing at least one billion cubic feet of gas per day, for a period of at least five years following such transfer of assets. To the extent any purchaser or transferee is required to enter into any such assumption agreement, it shall be assigned the benefits of the Crest Cheniere Indemnity.

The Company recognizes that, by reason of certain prohibitions contained in the Securities Act of 1933, as amended, and applicable state securities laws, the Collateral Trustee may be compelled, with respect to any sale of all or any part of the Collateral constituting Investment Property, to limit purchasers to those who will agree, among other things, to acquire such Collateral for their own account, for investment and not with a view to the distribution or resale thereof. The Company for the benefit of the Parity Lien Secured Parties acknowledges that any such private sale may be at prices and on terms less favorable to the Collateral Trustee than those obtainable through a public sale without such restrictions, and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner and that the Collateral Trustee shall have no obligation to engage in public sales and no obligation to delay the sale of any Collateral constituting Investment Property for the period of time necessary to permit the respective issuer thereof to register it for public sale.

The Company acknowledges that the Collateral Trustee shall have no obligation to marshall any of the Collateral.

6.02 Deficiency. If the proceeds of, or other realization upon, the Collateral by virtue of the exercise of remedies underSection 6.01 are insufficient to cover the costs and expenses of such exercise and the payment in full of the other Parity Lien Obligations, the Company shall remain liable to the Parity Lien Secured Parties for any deficiency.

6.03 Private Sale. The Collateral Trustee and the Parity Lien Secured Parties shall incur no liability as a result of the sale, lease or other disposition of all or any part of the Collateral at any private sale pursuant to Section 6.01 conducted in a commercially reasonable manner. To the extent permitted by applicable Government Rule, the Company hereby waives any claims against the Collateral Trustee or any Parity Lien Secured Party arising by reason of the fact that the price at which the Collateral may have been sold at such a private sale was less than the price which might have been obtained at a public sale or was less than the

aggregate amount of the Secured Obligations, even if the Collateral Trustee accepts the first offer received and does not offer the Collateral to more than one offeree.

6.04 Application of Proceeds. Except as otherwise expressly provided in this Agreement, the proceeds of, or other realization upon, all or any part of the Collateral by virtue of the exercise of remedies under Section 6.01, and any other cash at the time held by the Collateral Trustee underArticle III or this Article VI at the time of the exercise of such remedies, shall be applied by the Collateral Trustee in accordance with the terms of the Collateral Trust Agreement.

As used in this Article VI, "***Proceeds***" of Collateral shall mean cash, securities and other property realized in respect of, and distributions in kind of, Collateral, including any property received under any bankruptcy, reorganization or other similar proceeding as to the Company or any issuer of, or account debtor or other Company on, any of the Collateral.

6.05 Crest Remedies. If Crest shall have delivered a Crest Default Remedy Instruction to the Collateral Trustee, the Collateral Trustee for the benefit of Crest shall have all of the rights and remedies with respect to the Collateral of a secured party under the Uniform Commercial Code.

ARTICLE VII

COLLATERAL TRUSTEE MAY PERFORM

If the Company shall fail to observe or perform any of the terms, conditions, covenants and agreements to be observed or performed by it under this Agreement, the Collateral Trustee may (but shall not be obligated to), to the extent legally practicable (and so long as the rights of the Collateral Trustee shall not be adversely affected thereby (as determined by the Collateral Trustee)), upon reasonable notice to the Company, do the same or cause it to be done or performed or observed at the expense of the Company, in its name, and the Company hereby authorizes the Collateral Trustee to do.

ARTICLE VIII

REINSTATEMENT

This Agreement and the Lien created hereunder shall automatically be reinstated if and to the extent that for any reason any payment by or on behalf of the Company in respect of the Parity Lien Obligations is rescinded or must otherwise be restored by any holder of the Parity Lien Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise.

ARTICLE IX

EXCULPATORY PROVISIONS

Notwithstanding anything herein to the contrary, the liability of the Collateral Trustee shall be limited, and the Collateral Trustee shall be entitled to indemnification and all rights, benefits, privileges, immunities and other protections as provided in Article 5 and 6 of the Collateral Trust Agreement, which provisions are incorporated by reference as if set forth in full herein.

ARTICLE X

MISCELLANEOUS

10.01 No Waiver; Remedies Cumulative. No failure or delay by any Parity Lien Secured Party in exercising any remedy, right, power or privilege under this Agreement or any other Parity Lien Document shall operate as a waiver of that remedy, right, power or privilege, nor shall any single or partial exercise of that remedy, right, power or privilege preclude any other or further exercise of that remedy, right, power or privilege or the exercise of any other remedy, right, power or privilege. The remedies, rights, powers and privileges provided by this Agreement are cumulative and not exclusive of any remedies, rights, powers or privileges provided by the other Parity Lien Documents or by applicable Government Rule.

10.02 Notices. All notices, requests and other communications provided for in this Agreement shall be given or made in writing (including by fax) and delivered to the intended recipient at the address specified below or, as to any party, at such other address as is designated by that party in a notice to each other party. Except as otherwise provided in this Agreement, all such communications shall be deemed to have been duly given when transmitted and received by fax or personally delivered or, in the case of a mailed notice or notice sent by courier, upon receipt, in each case given or addressed as provided in this Section 10.02.

If to the Company:

Sabine Pass LNG, L.P.
717 Texas Ave.
Ste 3100
Houston, TX 77002
Attn: Graham McArthur
Fax: (713) 659-5459
Email: gmcarthur@cheniere.com

If to the Collateral Trustee:

The Bank of New York
101 Barclay Street, 8W
New York, NY 10286
Attn: Corporate Trust Administration
Fax: 212 815 5707

10.03 Expenses. The Company hereby agrees to reimburse the Collateral Trustee and each of the Secured Parties for all reasonable costs and expenses incurred by them hereunder as provided in Section 7.10 of the Collateral Trust Agreement.

10.04 Waivers, etc. This Agreement may be amended, supplemented or modified only by an instrument in writing signed by the Company and the Collateral Trustee acting in accordance with the Collateral Trust Agreement, and any provision of this Agreement may be waived by the Collateral Trustee acting in accordance with the Collateral Trust Agreement; provided that no amendment, supplement, modification or waiver shall, unless by an instrument in writing signed by the Collateral Trustee acting with the consent of all of the Secured Debt Representatives, alter the terms of this Section 10.04. Any waiver shall be effective only in the specific instance and for the specified purpose for which it was given.

10.05 Successors and Assigns. This Agreement, together with the other Security Documents, shall be binding upon and inure to the benefit of the respective successors and assigns of the Company, the Collateral Trustee for the benefit of the Parity Lien Secured Parties, the other Secured Parties and each holder of any of the Secured Obligations (provided, however, that the Company shall not assign or transfer its rights hereunder without the prior consent of the Collateral Trustee for the benefit of the Parity Lien Secured Parties acting in accordance with Indenture and the other Parity Lien Documents).

The Company shall not assign or transfer its rights or obligations under this Agreement without the prior written consent of the Collateral Trustee.

10.06 Survival. Each representation and warranty made, or deemed to be made, in or pursuant to this Agreement shall survive the making or deemed making of that representation and warranty, and no Secured Party shall be deemed to have waived, by reason of making any extension of credit, any default under any of the Parity Lien Documents that may arise by reason of that representation or warranty proving to have been false or misleading, notwithstanding that such or any other Secured Party may have had notice or knowledge or reason to believe that such representation or warranty was false or misleading at the time that extension of credit was made.

10.07 Agreements Superseded. This Agreement, together with the other Parity Lien Documents, constitutes the entire agreement and understanding among the parties to this Agreement with respect to the matters covered by this Agreement and supersedes any and all prior agreements and understandings, written or oral, with respect to such matters.

10.08 Severability. Any provision of this Agreement that is held to be invalid, illegal or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions of this Agreement, and the invalidity, illegality or unenforceability of a particular provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10.09 Captions. The table of contents, captions and section headings appearing in this Agreement are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

10.10 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any party to this Agreement may execute this Agreement by signing any such counterpart; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signatures are physically attached to the same counterpart. Delivery of an executed counterpart of a signature page to this Agreement by hand or by fax shall be effective as the delivery of a fully executed counterpart of this Agreement.

10.11 CONSENT TO JURISDICTION. **ALL LEGAL ACTIONS OR PROCEEDINGS BROUGHT AGAINST THE COMPANY MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE BOROUGH OF MANHATTAN IN THE STATE OF NEW YORK, AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT, THE COMPANY ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, THE JURISDICTION OF THE AFORESAID COURTS, AND IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT. THE COMPANY HEREBY EXPRESSLY AND IRREVOCABLY WAIVES ANY CLAIM OR DEFENSE IN ANY SUCH ACTION OR PROCEEDING BASED ON ANY ALLEGED LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS OR ANY SIMILAR BASIS. THE COMPANY HEREBY APPOINTS AND DESIGNATES CT CORPORATION SYSTEM, WHOSE ADDRESS IS 111 EIGHTH AVENUE, 13TH FLOOR, NEW YORK, NY 10011, OR ANY OTHER PERSON HAVING AND MAINTAINING A PLACE OF BUSINESS IN THE STATE OF NEW YORK WHOM THE COMPANY MAY FROM TIME TO TIME HEREAFTER DESIGNATE (HAVING GIVEN 30 DAYS' NOTICE THEREOF TO THE COLLATERAL TRUSTEE), AS THE DULY AUTHORIZED AGENT FOR RECEIPT OF SERVICE OF LEGAL PROCESS. NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE PARTIES TO BRING PROCEEDINGS IN THE COURTS OF ANY OTHER JURISDICTION OR TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW.**

10.12 Certain Matters Relating to Collateral Located in the State of Louisiana With respect to Collateral which is located in the state of Louisiana, notwithstanding anything contained herein to the contrary:

(a) Acceleration, Executory Process; Confession of Judgment. The Parity Lien Obligations may be accelerated in accordance with the terms and conditions of the applicable Secured Debt Documents. Upon such acceleration, that portion of the Parity Lien Obligations so accelerated shall become immediately do and payable, and upon such acceleration, the Collateral Trustee may, at its option (and, if so instructed by an Act of Required Debtholder, shall), declare the Parity Lien Obligations at once due and payable without further demand, notice or putting the Company in default, and cause all and singular the Collateral to be seized and sold under executory or other legal process, issued by any court of competent jurisdiction, with or without appraisement, at the option of the Collateral Trustee, to the highest bidder, for cash.

(b) Confession of Judgment. For purposes of foreclosure by executory process, the Company hereby confesses judgment in favor of the Collateral Trustee for the full amount of the Secured Obligations, including principal and interest, together with all attorney's fees and costs, and any and all monies that may become due to the Collateral Trustee for the benefit of the Secured Parties under the terms hereof or secured hereby.

(c) Company's Waiver of Rights. To the fullest extent permitted by law, the Company hereby waives:

(i) the benefit of appraisement provided for in Articles 2332, 2336, 2723 and 2724 of the Louisiana Code of Civil Procedure, to the extent applicable, and all other laws conferring the same;

(ii) the demand and three days notice of demand as provided in Articles 2639 and 2721 of the Louisiana Code of Civil Procedure;

(iii) the notice of seizure provided by Articles 2293 of the Louisiana Code of Civil Procedure; and

(iv) the three days delay provided for in Articles 2331 and 2722 of the Louisiana Code of Civil Procedure.

(d) Special Appointment of Collateral Trustee as Agent. In addition to all of the rights and remedies of the Collateral Trustee hereunder, so long as this Agreement remains in effect, the Collateral Trustee is, pursuant to Louisiana R.S. 9:5388, hereby appointed by the Company as agent and attorney-in-fact of the Company, coupled with an interest, to carry out and enforce all or any specified portion of the incorporeal rights comprising part of the Collateral.

(e) Civil Law Terminology. All references in this Agreement to "real property", "personal property", "easements" and "receiver" shall mean and include "immovable property", "movable property", "servitudes" and "keeper" respectively.

10.13 Waiver of Jury Trial. **THE COMPANY AND THE COLLATERAL TRUSTEE (ON BEHALF OF ITSELF AND EACH OTHER SECURED PARTY) HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE GOVERNMENT RULE, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.**

10.14 **GOVERNING LAW**. **THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, EXCEPT AS REQUIRED BY MANDATORY PROVISIONS OF LAW AND EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTEREST HEREUNDER, OR REMEDIES HEREUNDER, ARE GOVERNED BY THE LAW OF ANY JURISDICTION OTHER THAN THE STATE OF NEW YORK.**

10.15 Supremacy Clause. In the event of any conflict between any terms and provisions set forth in this Agreement and those set forth in the Collateral Trust Agreement, the terms and provisions of the Collateral Trust Agreement shall supersede and control the terms and provisions of this Agreement.

10.16 Subordination of Lien. The parties hereto intend that the security interests created under this Agreement in favor of the Collateral Trustee for the benefit of the Parity Lien Secured Parties shall be effectively subordinated to the security interests created under this Agreement in favor of the Collateral Trustee for the benefit of Crest.

[*Signature page follows*.]

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

SABINE PASS LNG, L.P.

By: Sabine Pass LNG – G.P., Inc.
its general partner

By: /s/ Graham McArthur
Name: Graham McArthur
Title: Treasurer

Signature Page - Security Agreement

THE BANK OF NEW YORK, not individually but solely in its capacity as Collateral Trustee

By: /s/ Beata Hryniewicka
Name: Beata Hryniewicka
Title: Vice President

ANNEX A

Project Documents

1. Lump Sum Turnkey for the Engineering, Procurement and Construction of the Sabine Pass LNG Receiving, Storage and Regasification Terminal, dated as of December 18, 2004, between Sabine Pass LNG, L.P. and Bechtel Corporation (Phase 1).
2. Agreement for Engineering, Procurement, Construction and Management of the Sabine Pass Phase 2 LNG Receiving, Storage and Regasification Terminal Expansion, dated as of July 21, 2006, between Sabine Pass LNG, L.P. and Bechtel Corporation (Phase 2).
3. EPC LNG Unit Rate Soil Improvement Contract, dated as of July 21, 2006, between Sabine Pass LNG, L.P. and Remedial Construction Services, L.P.
4. EPC LNG Tank Contract, dated as of July 21, 2006, among Sabine Pass LNG, Zachary Construction Corporation and Diamond LNG LLC
5. Operation & Maintenance Agreement, dated as of February 25, 2005, between Cheniere LNG O&M Services and Sabine Pass LNG, L.P.
6. Management Services Agreement, dated as of February 25, 2005, between Sabine Pass LNG, L.P. and Sabine Pass LNG—GP, Inc.
7. Lease Agreement, dated January 15, 2005, between Crain Brothers Ranch, Inc. and Sabine Pass LNG, L.P., as amended by an Amendment to Lease, dated February 24, 2005
8. Lease Agreement, dated January 15, 2005, between Crain Lands Ranch, Inc. and Sabine Pass LNG, L.P., as amended by an Amendment to Lease, dated February 24, 2005
9. Lease Agreement, dated January 15, 2005, between George A. Davis, Linda Dianne Dlouhy, Mary P. Lakhardi, Carmen V. Gebhardt, Sharon D. Faulk, Sandra D. Davis, Martha Davis Johnson, Lonnie A. Davis, Jr., Daniel D. Davis, Wilma Davis Bride, William Earl Guthrie, Jr., James Austin Guthrie, Edwin Scott Henry, Candace Henry Olivier, Charles Gregory Henry, Daniel Ellender, Amy Ellender and Sally Ellender Gay and Sabine Pass LNG, L.P.
10. LNG Terminal Use Agreement, dated November 8, 2004, between Chevron U.S.A, Inc. and Sabine Pass LNG, L.P., as amended , restated, supplemented or otherwise modified from time to time.
11. Guaranty Agreement dated December 15, 2004, executed by Chevron Corporation, guaranteeing the obligations of Chevron U.S.A. under that certain LNG Terminal Use Agreement, dated as of November 8, 2004.

12. LNG Terminal Use Agreement, dated September 2, 2004, between Total LNG USA Inc. and Sabine Pass LNG, L.P. as amended, restated, supplemented or otherwise modified from time to time.

13. Parent Guarantee dated as of November 5, 2004, executed by Total S.A., guaranteeing certain payment obligations of Total LNG USA, Inc. under that certain LNG Terminal Use Agreement, dated as of September 2, 2004.

14. Amended and Restated LNG Terminal Use Agreement, dated November 9, 2006, between Cheniere Marketing, Inc. and Sabine Pass LNG, L.P.

15. J&S Cheniere Letter Agreement, dated November 9, 2006, among J&S Cheniere, S.A., Cheniere Marketing, Inc. and Sabine Pass LNG, L.P.

16. Indemnification Agreement, dated May 9, 2005, between Cheniere Energy, Inc. and Sabine Pass LNG, L.P.

17. Guaranty Agreement dated November 9, 2006 executed by Cheniere Energy, Inc., guaranteeing the obligations of Cheniere Marketing, Inc., under that certain Amended and Restated LNG Terminal Use Agreement, dated as of November 9, 2006 between Cheniere Marketing, Inc. and Sabine Pass LNG, L.P.

18. Tank Contractor's Parent Guarantee dated as of July 21, 2006 executed by Mitsubishi Heavy Industries, Ltd. in favor of Sabine Pass LNG, L.P., guaranteeing the obligations of Zachry Construction Corporation and Diamond LNG LLC, under that certain Engineering, Procurement and Construction (EPC) LNG Tank Contract, executed by and among Sabine Pass LNG, L.P., Diamond LNG LLC and Zachry Construction Corporation dated as of July 21, 2006.

Schedule 2.06(a)
Amounts Payable by Instrument or Tangible Chattel Paper

None

Schedule 2.06(c)
Investment Property

None

Schedule 2.06(f)
Commercial Tort Claims of Company

None

Schedule 4.04
UCC Filing Offices

1. Secretary of State of the State of Delaware
2. Clerk of Court of Cameron Parish, Louisiana, for inclusion in the Louisiana Secretary of State Master UCC Index

Exhibit 10.3

RECORDING REQUESTED BY AND
WHEN RECORDED, RETURN TO:

Latham & Watkins LLP
885 Third Avenue Suite 1000
New York, New York 10022
Attn: Betsy J. Mukamal, Esq.

THIRD AMENDED AND RESTATED MULTIPLE INDEBTEDNESS MORTGAGE,
ASSIGNMENT OF RENTS AND LEASES
AND SECURITY AGREEMENT

Dated as of November 9, 2006

by

SABINE PASS LNG, L.P.
a Delaware limited partnership,
Mortgagor

to and for the benefit of

THE BANK OF NEW YORK
Collateral Trustee as Mortgagee

TABLE OF CONTENTS

		Page
ARTICLE 1 - DEFINITIONS		**7**
1.1	DEFINED TERMS	7
1.1	ACCOUNTING TERMS	9
1.2	THE RULES OF INTERPRETATION	9
1.3	PRIORITY. THE RELATIVE PRIORITY OF THE LIENS GRANTED HEREUNDER SHALL BE AS SET FORTH IN THE COLLATERAL TRUST AGREEMENT.	9
ARTICLE 2 - GENERAL COVENANTS AND PROVISIONS		**9**
2.1	MORTGAGOR PERFORMANCE OF THE COLLATERAL TRUST AGREEMENT	9
2.2	GENERAL REPRESENTATIONS, COVENANTS AND WARRANTIES	9
2.3	COMPLIANCE WITH LEGAL REQUIREMENTS	9
2.4	INSURANCE; APPLICATION OF INSURANCE PROCEEDS; APPLICATION OF EMINENT DOMAIN PROCEEDS.	10
2.5	ASSIGNMENT OF RENTS	10
2.6	MORTGAGEE ASSUMES NO OBLIGATIONS	11
2.7	FURTHER ASSURANCES	11
2.8	ACTS OF MORTGAGOR	11
2.9	AFTER-ACQUIRED PROPERTY	11
2.10	MORTGAGED PROPERTY	12
2.11	POWER OF ATTORNEY	12
2.12	COVENANT TO PAY	12
2.13	SECURITY AGREEMENT	13
ARTICLE 3 - REMEDIES		**13**
3.1	ACCELERATION OF MATURITY	13
3.2	PROTECTIVE ADVANCES	14
3.3	INSTITUTION OF EQUITY PROCEEDINGS	14
3.4	MORTGAGEE'S POWER OF ENFORCEMENT	14
3.5	MORTGAGEE'S RIGHT TO ENTER AND TAKE POSSESSION, OPERATE AND APPLY INCOME	15
3.6	SEPARATE SALES	16
3.7	WAIVER OF APPRAISEMENT, MORATORIUM, VALUATION, STAY, EXTENSION AND REDEMPTION LAWS	16
3.8	KEEPER	17
3.9	SUITS TO PROTECT THE MORTGAGED PROPERTY	17
3.10	PROOFS OF CLAIM	17
3.11	MORTGAGOR TO PAY AMOUNTS SECURED HEREBY ON ANY DEFAULT IN PAYMENT; APPLICATION OF MONIES BY MORTGAGEE	18
3.12	DELAY OR OMISSION; NO WAIVER	18
3.13	NO WAIVER OF ONE DEFAULT TO AFFECT ANOTHER	18
3.14	DISCONTINUANCE OF PROCEEDINGS; POSITION OF PARTIES RESTORED	19
3.15	REMEDIES CUMULATIVE	19
3.16	INTEREST AFTER ACTIONABLE DEFAULT	19
3.17	FORECLOSURE; EXPENSES OF LITIGATION	19
3.18	DEFICIENCY JUDGMENTS	20
3.19	**WAIVER OF JURY TRIAL**	20
3.20	EXCULPATION OF MORTGAGEE	21

ARTICLE 4 - GENERAL **21**

4.1 DISCHARGE 21
4.2 NO WAIVER 21
4.3 EXTENSION, REARRANGEMENT OR RENEWAL OF OBLIGATIONS 21
4.4 FORCIBLE DETAINER 21
4.5 WAIVER OF STAY OR EXTENSION 22
4.6 NOTICES 22
4.7 SEVERABILITY 22
4.8 APPLICATION OF PAYMENTS 22
4.9 **GOVERNING LAW** 22
4.10 ENTIRE AGREEMENT 22
4.11 AMENDMENTS 23
4.12 SUCCESSORS AND ASSIGNS 23
4.13 RENEWAL, ETC 23
4.14 FUTURE ADVANCES 23
4.15 SEVERABILITY AND COMPLIANCE WITH USURY LAW 23
4.16 RELEASE OF COLLATERAL 24
4.17 COLLATERAL TRUST AGREEMENT CONTROLS 24
4.18 TIME OF THE ESSENCE 24
4.19 COUNTERPART EXECUTION 24

ARTICLE 5 – SUBJECT LEASE **25**

5.1 MORTGAGOR REPRESENTS, WARRANTS AND AGREES AS FOLLOWS: 25
5.2 TREATMENT OF SUBJECT LEASE IN BANKRUPTCY 26
5.3 REJECTION OF LEASE BY LESSOR 26
5.4 ASSIGNMENT OF CLAIMS TO MORTGAGEE 27
5.5 OFFSET BY MORTGAGOR 27
5.6 MORTGAGOR'S ACQUISITION OF INTEREST IN LEASED PARCEL 27
5.7 NEW LEASE ISSUED TO MORTGAGEE 27

ARTICLE 6 – STATE SPECIFIC PROVISIONS **28**

6.1 LOUISIANA REMEDIES. 28
6.2 DECLARATION OF FACT 29
6.3 TAXPAYER IDENTIFICATION NUMBER 29
6.4 CUMULATIVE REMEDIES 29
6.5 LOUISIANA TERMS 29
6.6 NOVATION 30
6.7 WAIVERS OF CERTIFICATES 30
6.8 SUBORDINATION. 30

THIRD AMENDED AND RESTATED MULTIPLE INDEBTEDNESS MORTGAGE,
ASSIGNMENT OF RENTS AND LEASES
AND SECURITY AGREEMENT

BE IT KNOWN, that on the 9th day of November, 2006, before me, the undersigned Notary Public, duly commissioned and qualified in and for the State and County set forth below, and in the presence of the undersigned competent witnesses:

PERSONALLY CAME AND APPEARED:

Sabine Pass LNG, L.P. (the "Mortgagor") (TIN 20-0466069) a Delaware limited partnership, domiciled at 717 Texas Avenue, Suite 3100, Houston, Texas 77002, organized pursuant to a Certificate of Limited Partnership dated October 20, 2003, filed in the office of the Secretary of State, State of Delaware on October 20, 2003 which filed partnership documents and registered to do business in Louisiana on December 16, 2003; whose chief executive office is declared to be at 717 Texas Avenue, Suite 3000, Houston, Texas 77002;

who declared as follows:

Mortgagor does hereby enter into this Third Amended and Restated Multiple Indebtedness Mortgage, Assignment of Leases and Rents and Security Agreement (as modified, supplemented, amended, consolidated or extended from time to time, this "Mortgage") effective as of November 9th, 2006, in favor of THE BANK OF NEW YORK as Collateral Trustee for the benefit of, the Secured Parties, (together with its successors and assigns, in such capacities, the "Collateral Trustee" and "Mortgagee"). Capitalized terms used in this Mortgage and not otherwise defined herein shall have the meanings ascribed to them in the Collateral Trust Agreement.

Recitals

A. Mortgagor (a) on the date hereof, will issue senior secured notes due November 30, 2013 and senior secured notes due November 30, 2016 (together, the "Initial Notes") under an indenture, dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Indenture"), between Mortgagor and The Bank of New York as trustee (together with its successors and assigns, in such capacity, the "Trustee"), and (b) in the future may issue additional senior secured notes (together with the Initial Notes, the "Notes") under the Indenture and/or may otherwise incur additional secured indebtedness ranking *pari passu* with the Notes (such other secured indebtedness together with the Notes, the "Parity Secured Debt").

B. Mortgagor may, from time to time, incur additional future Parity Secured Debt that will be secured Equally and Ratably with the Notes by Liens on all present and future Collateral.

C. Mortgagor and the other Pledgors have entered into a collateral trust arrangement pursuant to the Collateral Trust Agreement, dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the **"**Collateral Trust Agreement**"**) among the Company, the Pledgors, the Trustee, the other Secured Debt Representatives party thereto from time to time and the Collateral Trustee.

D. Pursuant to the Crest Settlement Documents (as defined herein), the Mortgagor is prohibited from creating or allowing to be created any lien, security interest or other encumbrance on any of Mortgagor's assets that is senior to or pari passu with the obligations of the Mortgagor under the Crest Settlement Documents; therefore, the Mortgagor hereby grants in favor of the Mortgagee for the benefit of Crest, a secured lien and security interest with respect to the Mortgaged Property which such lien shall be senior to the liens and security interests of the holders of the Parity Lien Obligations.

E. Mortgagor, Société Générale, as agent, and HSBC Bank USA, National Association, as collateral agent thereunder (in such capacity, the**"**Prior Collateral Agent**"**), were parties to a security agreement, dated as of February 25, 2005 (as amended, restated, supplemented and otherwise modified from time to time, the **"**Prior Security Agreement**"**) pursuant to which Mortgagor granted a secured interest in all of its assets to the Prior Collateral Agent. Pursuant to an instrument dated as of the date hereof, the Prior Collateral Agent has assigned all of its rights under the Prior Security Agreement to the Collateral Trustee.

F. Mortgagor, Société Générale, as agent, and HSBC Bank USA, National Association, as collateral agent thereunder were parties to Multiple Indebtedness Mortgage, Assignment of Leases and Rents and Security Agreement dated as of February 25, 2005 (the "Original Mortgage"), as amended by that certain First Amendment to Multiple Indebtedness Mortgage, Assignment of Leases and Rents and Security Agreement dated as of January 19, 2006 (the "First Amendment") and by that certain Second Amendment to Multiple Indebtedness Mortgage, Assignment of Leases and Rents and Security Agreement (the "Second Amendment" and together with the Original Mortgage and the First Amendment, the "Assigned Mortgage") pursuant to which Mortgagor granted a secured interest in the Property to the Prior Collateral Agent.

G. Pursuant to an instrument dated as of the date hereof, the Prior Collateral Agent has assigned all of its rights under the Assigned Mortgage to the Collateral Trustee. The Assigned Mortgage is hereunder declared amended and restated as the Agreement.

H. It is a requirement under the Indenture and a condition precedent to the issuance of the Notes that the Mortgagor shall have executed and delivered this Agreement.

I. As set forth more fully below, Mortgagor intends to secure its payment and performance of the Secured Obligations by and with the Mortgaged Property (as defined below) owned by Mortgagor and other Real Property, the ownership and other real right in which of Mortgagor may not be evidenced in the official records of the parish in which the Real Property is situated as of the date of this act. This Mortgage is being granted to establish a mortgage affecting the Real Property owned by Mortgagor as of the date of this act and,

pursuant to Louisiana Civil Code Article 3292, to establish a mortgage affecting the other Real Property if and when the ownership of, or other real right in, the other Real Property is subsequently acquired by or otherwise evidenced in Mortgagor.

Agreement

NOW, THEREFORE, to secure the prompt and complete payment and performance, when and as required, due and/or payable, of all of the Secured Obligations, by acceleration or otherwise, or arising out of or in connection therewith, and in consideration of the covenants herein contained and in the Collateral Trust Agreement and intending to be legally bound, does hereby specially mortgage, affect, hypothecate, and grant a continuing security interest, assign and pledge unto Mortgagee, for the benefit of the Secured Parties as set forth in the Collateral Trust Agreement, all of Mortgagor's estate, right, title, interest, property, claim and demand, now or hereafter arising, in and to the following property and rights (herein collectively called the "Mortgaged Property"):

(a) the lands and premises more particularly described in Exhibit A hereto (which such lands and premises shall include all property interests in those certain leases described on Exhibit A, as the same may be amended, restated, renewed or extended in the future in compliance with this Mortgage, including any options to purchase, extend or renew provided for in such leases (collectively, the "Subject Lease") and any estoppel, nondisturbance, attornment and recognition agreement benefiting Mortgagor with respect to the Subject Lease, together with all credits, deposits, privileges, rights, estates, title and interest of Mortgagor as tenant under the Subject Lease (including all rights of Mortgagor to treat the Subject Lease as terminated under Section 365(h) (a "365(h) Election") of the Bankruptcy Code, or any other state or federal insolvency, reorganization, moratorium or similar law for the relief of debtors (a "Bankruptcy Law"), or any comparable right provided under any other Bankruptcy Law, together with all rights, remedies and privileges related thereto), and all books and records that contain records or other evidence of payments of rent or security made under the Subject Lease and all of Mortgagor's claims and rights to the payment of damages that may arise from a lessor's failure to perform under the Subject Lease, or rejection of the Subject Lease under any Bankruptcy Law (a "Lease Damage Claim"), Mortgagee having the right, at any time and from time to time, to notify such lessor of the rights of Mortgagee hereunder), (all such lands and premises collectively, the "Site");

(b) any and all servitudes, easements, leases, licenses, option rights, rights-of-way and other rights used in connection with the Site or as a means of ingress and egress thereto and therefrom, all servitudes or easements for ingress and egress and easements for water, natural gas and sewage pipelines, running in favor of Mortgagor, or appurtenant to the Site, and any and all sidewalks, alleys, strips and gores of land adjacent thereto or used in connection therewith together with all and singular the appurtenances thereto, and with any land lying within the right-of-way of any streets, open or proposed, adjoining the same (collectively, the "Easements"; and the Site and the Easements collectively referred to herein as the "Real Property");

(c) all buildings, structures, fixtures and other improvements now or hereafter constructed, placed or erected on the Real Property (collectively, the "Improvements");

(d) all machinery, apparatus, equipment, fittings, fixtures, generators, boilers, turbines and other articles of personal property, including all goods and all goods which become fixtures, now owned or hereafter acquired by Mortgagor and now or hereafter located on, attached to or used in the operation of or in connection with the Real Property and/or the Improvements, and all replacements thereof, additions thereto and substitutions therefor, to the fullest extent permitted by applicable law (all of the foregoing being hereinafter collectively called the "Equipment");

(e) all raw materials, work in process and other materials used or consumed in the construction of, or now or hereafter located on or used in connection with, the Real Property, the Improvements and/or the Equipment, (including, without limitation, fuel and fuel deposits, now or hereafter located on the Real Property or elsewhere or otherwise owned by Mortgagor) (the above items, together with the Equipment, being hereinafter collectively called the "Tangible Collateral");

(f) all rights, powers, privileges and other benefits of Mortgagor (to the extent assignable) now or hereafter obtained by Mortgagor from any Governmental Authority (as such term is defined in the Indenture), including, without limitation, all licenses, certificates, permits and other similar instruments and documents, issued in the name of Mortgagor, governmental actions relating to the ownership, operation, management and use of the Real Property, Improvements, Equipment or Tangible Collateral, and any improvements, modifications or additions thereto;

(g) all the lands and interests in lands hereafter acquired by Mortgagor in connection with or appurtenant to the Site, and all income, rents, rent equivalents, issues, profits, revenues (including all oil and gas or other mineral royalties and bonuses), deposits and other benefits from the Site and the Improvements (including all receivables and other obligations now existing or hereafter arising or created out of the sale, lease, sublease, license, concession or other grant of the right of the use and occupancy of property or rendering of services by Mortgagor or any operator or manager of the Mortgaged Property or the commercial space located in the Improvements or acquired from others) (collectively, the "Rents") and all proceeds from the sale or other disposition of the Leases (as defined herein) and the right to receive and apply the Rents and/or any other property or rights subject to the lien hereof, including (without limitation) all interests of Mortgagor, whether as lessor or lessee, in any leases of land hereafter made and all rights of Mortgagor thereunder;

(h) any and all other property in any way associated or used in connection with or appurtenant to the Real Property, Improvements, Equipment or Tangible Collateral that may from time to time, by delivery or by writing of any kind, be subjected to the lien hereof by Mortgagor or by anyone on its behalf or with its consent, or which may come into the possession or be subject to the control of Mortgagee pursuant to this Mortgage, being hereby collaterally assigned to Mortgagee and subjected or added to the lien or estate created by this

Mortgage forthwith upon the acquisition thereof by Mortgagor, as fully as if such property were now owned by Mortgagor and were specifically described in this Mortgage and subjected to the lien and security interest hereof; and Mortgagee is hereby authorized to receive any and all such property as and for additional security hereunder;

(i) all the remainder or remainders, reversion or reversions, Rents, revenues, issues, profits, royalties, income, proceeds and other benefits derived from any of the foregoing, all of which are hereby assigned to Mortgagee, who is hereby authorized to collect and receive the same, to give proper receipts and acquittances therefor and to apply the same in accordance with the provisions of this Mortgage;

(j) all Proceeds, as defined in the UCC (defined below), including all proceeds, products, offspring, Rents, profits or receipts, in whatever form, arising from the Mortgaged Property, including (i) cash, instruments and other property received, receivable or otherwise distributed in respect of or in exchange for any or all of the Mortgaged Property, (ii) the collection, sale, lease, sublease, concession, exchange, assignment, licensing or other disposition of, or realization upon, any item or portion of the Mortgaged Property (including all claims of Mortgagor against third parties for loss of, damage to, destruction of, or for proceeds payable under, or unearned premiums with respect to, policies of insurance in respect of, any the Mortgaged Property now existing or hereafter arising), (iii) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to Mortgagor from time to time with respect to any of the Mortgaged Property, (iv) any and all payments (in any form whatsoever) made or due and payable to Mortgagor from time to time in connection with the requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Mortgaged Property by any Governmental Authority (or any person acting under color of Governmental Authority) and (v) any and all other amounts from time to time paid or payable under or in connection with any of the Mortgaged Property;

(k) all agreements to which Mortgagor is a party or which are assigned to Mortgagor in any management agreement or any other document and which are executed in connection with the construction, operation and management of the Improvements located on the Mortgaged Property (including agreements for the sale, lease or exchange of goods or other property and/or the performance of services by it, in each case whether now in existence or hereafter arising or acquired) as any such agreements have been or may be from time to time amended, supplemented or otherwise modified;

(l) all general intangibles, now owned or hereafter acquired by Mortgagor, including (i) all obligations or indebtedness owing to Mortgagor from whatever source arising, (ii) all unearned premiums accrued or to accrue under all insurance policies for the Mortgaged Property obtained by Mortgagor, all proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims (including proceeds of insurance, condemnation awards, and all rights of Mortgagor to refunds of real estate taxes and assessments), (iii) all royalties and license fees, (iv) all rights or claims in respect of refunds for taxes paid, and (v) all judgments, awards of damages and settlements which may result from any damage to all or any portion of the Real Property

or Improvements or any part thereof or to any rights appurtenant thereto, together with the right to receive proceeds attributable to the insurance loss of the Real Property or Improvements, as provided in La. R.S. 9:5386;

(m) all instruments, chattel paper or letters of credit, evidencing, representing, arising from or existing in respect of, relating to, securing or otherwise supporting the payment of, any of the Mortgaged Property (including promissory notes, drafts, bills of exchange and trade acceptances) and chattel paper obtained by Mortgagor in connection with the Mortgaged Property (including all ledger sheets, computer records and printouts, databases, programs, books of account and files of Mortgagor relating thereto) and such notes or other obligations of indebtedness owing to Mortgagor from whatever source arising, in each case now owned or hereafter acquired by Mortgagor and relating to the Mortgaged Property;

(n) all inventory, whether now or hereafter existing or acquired, and which arises out of or is used in connection with, directly or indirectly, the ownership and operation of the Mortgaged Property, all documents representing the same and all Proceeds and products of the same, including all goods, merchandise, raw materials, work in process and other personal property, wherever located, now or hereafter owned or held by Mortgagor for manufacture, processing, the providing of services or sale, use or consumption in the operation of the Mortgaged Property (including fuel, supplies and similar items and all substances commingled therewith or added thereto) and rights and claims of Mortgagor against anyone who may store or acquire the same for the account of Mortgagor, or from whom Mortgagor may purchase the same; and

(o) all Permits used in connection with the ownership, operation, use or occupancy of the Mortgaged Property, but excluding any of the Permits which by their terms or by operation of law prohibit or do not allow assignment or which would become void solely by virtue of a security interest being granted therein.

The Rents and Leases are pledged on a parity with the Land and Improvements and not secondarily. This Mortgage has been executed by Mortgagor pursuant to Article 3298 of the Louisiana Civil Code for the purpose of securing Secured Obligations that may now be existing and/or that may arise in the future as provided herein, with the preferences and priorities provided under applicable Louisiana law. The assignment of Leases and the Rents therefrom is given to the fullest extent allowed by La. R.S. 9:4401 to secure Secured Obligations up to a maximum amount outstanding at any time and from time to time of $3,000,000,000.

ANYTHING TO THE CONTRARY CONTAINED HEREIN NOTWITHSTANDING, THE MAXIMUM AMOUNT OF INDEBTEDNESS SECURED OR THAT UNDER ANY CONTINGENCY MAY BE SECURED HEREBY AT ANY TIME AND FROM TIME TO TIME IS THREE BILLION AND NO/100 DOLLARS ($3,000,000,000).

The Mortgaged Property to remain so specially mortgaged, affected and hypothecated, unto and in favor of the Mortgagee and any future holder or holders of the Secured Obligations until the full and final payment of the Parity Lien Obligations thereof, Mortgagor being hereby

obligated not to sell, alienate, deteriorate or otherwise encumber the Mortgaged Property to the prejudice of this act except as may be permitted under the Indenture and not to permit or suffer the same to be so sold, alienated, deteriorated or encumbered except as may be permitted under the Secured Debt Documents.

PROVIDED ALWAYS, that when and as set forth in the Collateral Trust Agreement and upon the observance and performance by Mortgagor of its covenants and agreements set forth herein and therein, then Mortgagee shall execute and deliver a release and cancellation of this Mortgage as provided herein below.

ARTICLE 1- DEFINITIONS

1.1 Defined Terms. Any term defined by reference to an agreement, instrument or other document shall have the meaning so assigned to it whether or not such document is in effect. In addition, for purposes of this Mortgage, the following definitions shall apply:

"Actionable Default" means either a Secured Debt Default (as defined in the Collateral Trust Agreement or a Crest Default Remedy Instruction.

"Bankruptcy Law" has the meaning ascribed to it in the Granting Clauses.

"Cheniere" means Cheniere Energy, Inc., a Delaware corporation.

"Collateral Trust Agreement" has the meaning ascribed to it in the recitals hereof.

"Collateral Trustee" has the meaning ascribed to it in the preamble hereof.

"Crest" means Crest Investment Company, a Texas corporation.

"Crest Cheniere Indemnity" means any indemnity arrangement heretofore or hereafter provided by Cheniere in favor of any of its subsidiaries pursuant to the Crest Settlement Documents.

"Crest Default Remedy Instruction" means any instruction by Crest to the Mortgagee in writing to exercise remedies under the this Mortgage as a result of the Mortgagor's failure to make any payment in respect of the Crest Obligations after written demand by Crest.

"Crest Obligations" means all obligations of the Mortgagor under the Crest Settlement Documents.

"Crest Settlement Documents" means collectively (a) that certain Settlement and Purchase Agreement, dated as of June 14, 2001 (the 'Settlement Agreement"), by and among Cheniere, Cheniere FLNG, L.P., Crest, Crest Energy, L.L.C., and Freeport LNG Terminal, LLC, (b) that certain assumption and adoption document, dated May 9, 2005,

executed by the Mortgagor among others, pursuant to the Settlement Agreement, (c) that certain Indemnification Agreement, dated May 9, 2005, executed by Cheniere, relating thereto and (d) any and all other agreements and documents heretofore or hereafter entered into by any subsidiary of Cheniere pursuant to Section 1.07 of the Settlement Agreement.

"Easements" has the meaning ascribed to it in the Granting Clauses.

"Equipment" has the meaning ascribed to it in the Granting Clauses.

"Improvements" has the meaning ascribed to it in the Granting Clauses.

"Land" means the real property described on Exhibit A.

"Lease Damage Claim" has the meaning ascribed to it in the Granting Clauses.

"Leases" has the meaning ascribed to it in the Section 2.5.

"Legal Requirements" has the meaning ascribed to it in Section 2.3.

"Mortgaged Property" has the meaning ascribed to it in the Granting Clauses.

"Permitted Encumbrances" has the meaning ascribed to it in Section 2.2.

"Proceeds" has the meaning ascribed to it in the Granting Clauses.

"Real Property" has the meaning ascribed to it in the Granting Clauses.

"Secured Obligations" shall mean all Parity Lien Obligations as defined in the Collateral Trust Agreement together with all Crest Obligations.

"Site" has the meaning ascribed to it in the Granting Clauses.

"State" has the meaning ascribed to it in Section 2.13.

"Subject Lease" has the meaning ascribed to it in the Granting Clauses

"Tangible Collateral" has the meaning ascribed to it in the Granting Clauses.

"Tenant Leases" has the meaning ascribed to it in Section 2.5.

"Trustee" has the meaning ascribed to it in the preamble hereof.

"UCC" has the meaning ascribed to it in Section 2.13.

"365(h) Election" has the meaning ascribed to it in the Granting Clauses.

1.1 Accounting Terms. As used herein and in any certificate or other document made or delivered pursuant hereto, accounting terms not defined herein shall have the respective meanings given to them under GAAP.

1.2 The Rules of Interpretation. The rules of interpretation as set forth in the Collateral Trust Agreement shall govern the terms, conditions and provisions hereof. In the event of any conflict between those set forth in this Mortgage and the Collateral Trust Agreement, the latter shall be deemed controlling and shall preempt the former.

1.3 Priority. The relative priority of the liens granted hereunder shall be as set forth in the Collateral Trust Agreement.

ARTICLE 2- GENERAL COVENANTS AND PROVISIONS

2.1 Mortgagor Performance of the Collateral Trust Agreement. Mortgagor shall perform, observe and comply with each and every provision hereof, and with each and every provision contained in the Collateral Trust Agreement and shall promptly pay to Mortgagee, when payment shall become due, the amounts provided for thereunder with interest thereon, if any, and all other sums required to be paid by Mortgagor under this Mortgage and the Indenture, at the time and in the manner provided herein and therein.

2.2 General Representations, Covenants and Warranties. Mortgagor, to the best of its knowledge, represents, covenants and warrants that as of the date hereof: (a) Mortgagor has good and marketable title to that portion of the Real Property which constitutes real property interests, free and clear of all encumbrances except the permitted encumbrances set forth on Schedule B of the applicable title policy, if any ("Permitted Encumbrances"); (b) Mortgagor has the right to hold, occupy and enjoy its interest in the Real Property, and has good right, full power and lawful authority to mortgage the same as provided herein and, subsequent to the occurrence and continuance of an Actionable Default, Mortgagee may at all times peaceably and quietly enter upon, hold, occupy and enjoy the Real Property in accordance with the terms hereof; (c) all costs arising from construction of any improvements, the performance of any labor and the purchase of all Mortgaged Property have been or shall be paid when due; (d) the Site has access for ingress and egress to dedicated street(s); and (e) no material part of the Mortgaged Property has been damaged, destroyed, condemned or abandoned.

2.3 Compliance with Legal Requirements. Mortgagor shall promptly comply in all material respects with all governmental statutes, laws, rules, orders, regulations, ordinances, judgments, decrees and injunctions of Governmental Authorities affecting either the Mortgaged Property or any part thereof or the construction, use, alteration or operation thereof, or any part thereof (whether now or hereafter enacted and in force), and all permits, licenses and authorizations and regulations relating thereto, and all covenants, agreements, restrictions and encumbrances contained in any instruments, at any time in force affecting such Mortgaged Property or any part thereof (collectively "Legal Requirements") relating to its use and occupancy of the Mortgaged Property, whether or not such compliance requires work or remedial measures that are ordinary or

extraordinary, foreseen or unforeseen, structural or nonstructural, or that interfere with the use or enjoyment of the Mortgaged Property.

2.4 Insurance; Application of Insurance Proceeds; Application of Eminent Domain Proceeds.

2.4.1 Mortgagor shall at its sole expense obtain for, deliver to (or deliver certificates evidencing), assign and maintain for the benefit of Mortgagee, during the term of this Mortgage, insurance policies insuring the Mortgaged Property (to the extent insurable) and liability insurance policies, all in accordance with the requirements of the Indenture. Mortgagor shall pay promptly when due any premiums on such insurance policies and on any renewals thereof. In the event of the foreclosure of this Mortgage or any other transfer of the Mortgaged Property in extinguishment of the indebtedness and other sums secured hereby, all right, title and interest of Mortgagor in and to all casualty insurance policies, and renewals thereof then in force, shall pass to the purchaser or grantee in connection therewith.

2.4.2 All insurance proceeds and all awards payable with respect to any taking of the Real Property or Improvements shall be paid and/or shall be applied in accordance with the provisions of the Collateral Trust Agreement.

2.5 Assignment of Rents. Mortgagor unconditionally and absolutely assigns to Mortgagee all of Mortgagor’s right, title and interest in and to: all leases, subleases, occupancy agreements, licenses, rental contracts and other similar agreements now or hereafter existing relating to the use or occupancy of the Mortgaged Property, together with all guarantees, modifications, extensions and renewals thereof; and all Rents, issues, profits, income and proceeds due or to become due from tenants of the Mortgaged Property (the “Tenant Leases”), including rentals and all other payments of any kind under any Tenant Leases now existing or hereafter entered into, together with all deposits (including security deposits) of tenants thereunder. Subject to the provisions below, Mortgagee shall have the right, power and authority to: notify any person that the Tenant Leases have been assigned to Mortgagee and that all Rents and other obligations are to be paid directly to Mortgagee, whether or not Mortgagee has commenced or completed foreclosure or taken possession of the Mortgaged Property; settle compromise, release, extend the time of payment of, and make allowances, adjustments and discounts of any Rents or other obligations under the Tenant Leases; enforce payment of Rents and other rights under the Tenant Leases, prosecute any action or proceeding, and defend against any claim with respect to Rents and Tenant Leases; enter upon, take possession of and operate the Mortgaged Property; lease all or any part of the Mortgaged Property; and/or perform any and all obligations of Mortgagor under the Leases and exercise any and all rights of Mortgagor therein contained to the full extent of Mortgagor’s rights and obligations thereunder, with or without the bringing of any action or the appointment of a receiver. At Mortgagee’s request, Mortgagor shall deliver a copy of this Mortgage to each tenant under a Tenant Lease. Mortgagor irrevocably directs any tenant, without any requirement for notice to or consent by Mortgagor, to comply with all demands of Mortgagee under this Section and to turn over to Mortgagee on demand all Rents which it receives. Mortgagee shall have the right, but not the obligation, to use and apply all Rents received hereunder in such order and such manner as Mortgagee may determine in accordance with the Collateral Trust Agreement. Notwithstanding that this is an absolute assignment of the Rents and Tenant Leases and not merely the collateral

assignment of, or the grant of a lien or security interest in the Rents and Tenant Leases, Mortgagee grants to Mortgagor a revocable license to collect and receive the Rents and to retain, use and enjoy such Rents. Such license may be revoked by Mortgagee only upon the occurrence and during the continuance of any Actionable Default. Mortgagor shall apply any Rents which it receives to the payment due under the Secured Obligations, taxes, assessments, water charges, sewer Rents and other governmental charges levied, assessed or imposed against the Mortgaged Property, insurance premiums, and other obligations of lessor under the Tenant Leases before using such proceeds for any other purpose.

2.6 Mortgagee Assumes No Obligations. It is expressly agreed that, anything herein contained to the contrary notwithstanding, Mortgagor shall remain obligated under all agreements which are included in the definition of "Mortgaged Property" and shall perform all of its obligations thereunder in accordance with the provisions thereof, and neither Mortgagee nor any of the Secured Parties shall have any obligation or liability with respect to such obligations of Mortgagor, nor shall Mortgagee or any of the Secured Parties be required or obligated in any manner to perform or fulfill any obligations or duties of Mortgagor under such agreements, or to make any payment or to make any inquiry as to the nature or sufficiency of any payment received by it, or to present or file any claim or take any action to collect or enforce the payment of any amounts which have been assigned to Mortgagee hereunder or to which Mortgagee or the Secured Parties may be entitled at any time or times.

2.7 Further Assurances. Mortgagor shall, from time to time, at its expense, promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or that Mortgagee may reasonably request, in order to perfect and continue the lien and security interest granted hereby and to enable Mortgagee to obtain the full benefits of the lien and security interest granted or intended to be granted hereby. Mortgagor shall keep the Mortgaged Property free and clear of all Liens, other than Permitted Encumbrances and Permitted Prior Liens (as defined in the Collateral Trust Agreement). Without limiting the generality of the foregoing, Mortgagor shall execute and record or file this Mortgage and each amendment hereto, and such financing or continuation statements, or amendments thereto, and such other instruments, endorsements or notices, as may be necessary, or as Mortgagee may reasonably request, in order to perfect and preserve the lien and security interest granted or purported to be granted hereby. Mortgagor hereby authorizes Mortgagee to file one or more financing statements or continuation statements, and amendments thereto, relative to all or any part of the Mortgaged Property necessary to preserve or protect the lien and security interest granted hereby without the signature of Mortgagor where permitted by law.

2.8 Acts of Mortgagor. Mortgagor hereby represents and warrants that it has not mortgaged, hypothecated, assigned or pledged and hereby covenants that it will not mortgage, hypothecate, assign or pledge, so long as this Mortgage shall remain in effect, any of its right, title or interest in and to the Mortgaged Property or any part thereof, to anyone other than Mortgagee.

2.9 After-Acquired Property. Any and all of the Mortgaged Property which is hereafter acquired shall immediately, without any further conveyance, assignment or act on the part of Mortgagor or Mortgagee, become and be subject to the lien and security interest of this Mortgage as fully and completely as though specifically described herein, all as and to the extent contemplated

by Article 3292 of the Louisiana Civil Code. If and whenever from time to time Mortgagor shall hereafter acquire any real property or interest therein which constitutes or is intended to constitute part of the Mortgaged Property hereunder, Mortgagor shall promptly give notice thereof to Mortgagee and Mortgagor shall forthwith execute, acknowledge and deliver to Mortgagee a supplement to this Mortgage in form and substance reasonably satisfactory to Mortgagee subjecting the property so acquired to the lien and security interest of this Mortgage. At the same time, if Mortgagee so requests, Mortgagor shall deliver to Mortgagee either (i) an endorsement to the lender's policy of title insurance issued to Mortgagee insuring the lien of this Mortgage, or (ii) a new lender's title policy (which shall include tie in coverage relating to the lender's policy described in (i), above), in each case which shall insure to Mortgagee in form and substance reasonably satisfactory to Mortgagee that the lien and security interest of this Mortgage as insured under such title insurance policy or policies encumbers such later acquired property and that Mortgagor's title to such property meets all of the applicable requirements of the Secured Debt Documents with respect to title to Mortgagor's real property interests.

2.10 Mortgaged Property. Mortgagor shall observe all applicable covenants, easements and other restrictions of record with respect to the Site, the Easements or to any other part of the Mortgaged Property, in all material respects.

2.11 Power of Attorney. Mortgagor does hereby irrevocably constitute and appoint Mortgagee its true and lawful attorney (which appointment is coupled with an interest), with full power of substitution, for Mortgagor and in the name, place and stead of Mortgagor or in Mortgagee's own name, for so long as any of the Parity Lien Obligations are outstanding, to ask, demand, collect, receive, receipt for and sue for any and all Rents, income and other sums which are assigned hereunder with full power to endorse the name of Mortgagor on all instruments given in payment or in part payment thereof, to settle, adjust or compromise any claims thereunder as fully as Mortgagor itself could do and in its discretion file any claim or take any action or proceeding, either in its own name or in the name of Mortgagor or otherwise, which Mortgagee may deem necessary or appropriate to protect and preserve the right, title and interest of Mortgagee in and to such Rents, income and other sums and the security intended to be afforded hereby; *provided* that Mortgagee shall not exercise such rights unless an Actionable Default has occurred and is continuing.

2.12 Covenant to Pay. If an Actionable Default has occurred and is continuing, then Mortgagee, among its other rights and remedies, shall have the right, but not the obligation, to pay, observe or perform the obligations of Mortgagor herein, in whole or in part, and with such modifications as Mortgagee reasonably shall deem advisable. All sums, including, without limitation, reasonable attorneys fees', so expended or incurred by Mortgagee by reason of the default of Mortgagor, or by reason of the bankruptcy or insolvency of Mortgagor, as well as, without limitation, sums expended or incurred to sustain the lien or estate of this Mortgage or its priority, or to protect or enforce any rights of Mortgagee hereunder, or to recover any of the Secured Obligations, or for repairs, maintenance, alterations, replacements or improvements thereto or for the protection thereof, or for real estate taxes or other governmental assessments or charges against any part of the Mortgaged Property, or premiums for insurance of the Mortgaged Property, shall be entitled to the benefit of the lien on the Mortgaged Property as of the date of the recording of this Mortgage, shall be deemed to be added to and be part of the Secured Obligations secured hereby,

whether or not the result thereof causes the total amount of the Secured Obligations to exceed the stated amount set forth in the first and second introductory paragraphs of the Recitals of this Mortgage.

2.13 Security Agreement.

2.13.1 This Mortgage shall also be a security agreement between Mortgagor and Mortgagee covering the Mortgaged Property constituting personal property or fixtures (hereinafter collectively called "UCC Collateral") governed by the Uniform Commercial Code ('UCC") of the state in which the Real Property is located (the "State") as such UCC Collateral may be more specifically set forth in any financing statement delivered in connection with this Mortgage, and, as further security for the payment and performance of the Secured Obligations, Mortgagor hereby grants to Mortgagee a continuing security interest in such portion of the Mortgaged Property to the full extent that the Mortgaged Property may be subject to the UCC. In addition to Mortgagee's other rights hereunder, Mortgagee shall have all rights of a secured party under the UCC, as is in effect in the relevant jurisdiction, or other applicable laws or in equity. Mortgagor hereby authorizes the filing of, and if requested by Mortgagee, Mortgagor shall execute and deliver to Mortgagee, all financing statements and such further assurances that may be reasonably required by Mortgagee to establish, create, perfect (to the extent the same can be achieved by the filing of a financing statement) and maintain the validity and priority of Mortgagee's security interests, and Mortgagor shall bear all reasonable costs thereof, including all UCC searches. If Mortgagee should dispose of any of the Mortgaged Property comprising the UCC Collateral pursuant to the UCC, ten (10) days' prior written notice by Mortgagee to Mortgagor shall be deemed to be reasonable notice; *provided, however*, that Mortgagee may dispose of such property in accordance with the foreclosure procedures of this Mortgage in lieu of proceeding under the UCC. Mortgagee may from time to time execute and deliver at Mortgagor's expense all continuation statements, termination statements, amendments, partial releases, or other instruments relating to all financing statements by and between Mortgagor and Mortgagee. Except as otherwise provided in the Collateral Trust Agreement, but otherwise subject to the provisions thereof, if an Actionable Default shall occur and be continuing, (a) Mortgagee, in addition to any other rights and remedies which it may have, may exercise immediately and without demand to the extent permitted by law, any and all rights and remedies granted to a secured party under the UCC, as in effect in any relevant jurisdiction, including, without limiting the generality of the foregoing, the right to take possession of the UCC Collateral or any part thereof, and to take such other measures as Mortgagee may deem necessary for the care, protection and preservation of such collateral and (b) upon request or demand of Mortgagee, Mortgagor shall at its expense, assemble the UCC Collateral and make it available to Mortgagee at a convenient place acceptable to Mortgagee. Mortgagor shall pay to Mortgagee on demand any and all expenses, including reasonable attorneys' fees and disbursements incurred or paid by Mortgagee in protecting the interest in the UCC Collateral and in enforcing Mortgagee's rights hereunder with respect to such UCC Collateral.

ARTICLE 3- REMEDIES

3.1 Acceleration of Maturity. The Parity Lien Obligations may be accelerated in accordance with the terms and conditions of the applicable Secured Debt Documents. Upon such

acceleration, that portion of the Parity Lien Obligations so accelerated shall become immediately become due and payable.

3.2 Protective Advances. If an Actionable Default shall have occurred and is continuing, then without thereby limiting Mortgagee's other rights or remedies, waiving or releasing any of Mortgagor's obligations, or imposing any obligation on Mortgagee, Mortgagee for the benefit of the Secured Parties may either advance any amount owing or perform any or all actions that Mortgagee considers necessary or appropriate to cure such default. All such advances shall constitute "Protective Advances." No sums advanced or performance rendered by Mortgagee shall cure, or be deemed a waiver of, any Actionable Default.

3.3 Institution of Equity Proceedings. If an Actionable Default occurs and is continuing, Mortgagee for the benefit of the Secured Parties, may institute an action, suit or proceeding in equity for specific performance of this Mortgage which shall be specifically enforceable by injunction or other equitable remedy.

3.4 Mortgagee's Power of Enforcement.

(a) If an Actionable Default occurs and is continuing, Mortgagee for the benefit of the Secured Parties shall be entitled, at its option and in its sole and absolute discretion, to institute a proceeding or proceedings for the complete foreclosure of this Mortgage in which case the Mortgaged Property or any interest therein may be sold for cash or upon credit in one or more parcels or in several interests or portions and in any order or manner in accordance with the laws of the jurisdiction in which such Mortgaged Property is located, and sell for cash or upon credit the Mortgaged Property or any part thereof and all estate, claim, demand, right, title and interest of Mortgagor therein and rights of redemption thereof, pursuant to the provisions contained herein or as otherwise permitted in accordance with the laws of the jurisdiction in which such Mortgaged Property is located, at one or more sales, as an entity or in parcels, at such time and place, upon such terms and after such notice thereof as may be required or permitted by the laws of the State. Mortgagee for the benefit of the Secured Parties may require Mortgagor to pay monthly in advance to Mortgagee for the benefit of the Secured Parties, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of any portion of the Mortgaged Property occupied by Mortgagor and require Mortgagor to vacate and surrender possession to Mortgagee of the Mortgaged Property or to such receiver and, in default thereof, evict Mortgagor by summary proceedings or otherwise. It shall be a condition precedent to any sale or transfer of the Mortgaged Property or any part thereof to any purchaser or transferee, that such purchaser or transferee enter into an assumption agreement substantially in the form of the assumption and adoption dated May 9, 2005 which is one of the Crest Settlement Documents unless, at the time of each such transfer, Cheniere or any of its direct or indirect affiliates, joint ventures, and subsidiaries that are involved in the LNG business have under contract at one or more LNG facilities it retains, the right and obligation to process and receive a tariff for processing at least one Bcf of gas per day, for a period of at least five years following such transfer of assets. To the extent any purchaser or transferee is required to enter into any such assumption agreement, it shall be assigned the benefits of the Crest Cheniere Indemnity.

(b) If any Actionable Default occurs and is continuing, Mortgagee for the benefit of the Secured Parties may, either with or without entry or taking possession of the Mortgaged Property, and without regard to whether or not the indebtedness and other sums secured hereby shall be due and without prejudice to the right of Mortgagee thereafter to bring an action or proceeding to foreclose or any other action for any default existing at the time such earlier action was commenced, proceed by any appropriate action or proceeding: (a) to enforce payment of the Secured Obligations, to the extent permitted by law, or the performance of any term hereof or any other right; (b) to foreclose this Mortgage in any manner provided by law for the foreclosure of mortgages or deeds of trust on real property and to sell, as an entirety or in separate lots or parcels, the Mortgaged Property or any portion thereof pursuant to the laws of the State or under the judgment or decree of a court or courts of competent jurisdiction, and Mortgagee shall be entitled to recover in any such proceeding all costs and expenses incident thereto, including reasonable attorneys' fees in such amount as shall be awarded by the court; (c) to the extent not prohibited by the laws of the State, to exercise any or all of the rights and remedies available to it under the Secured Debt Documents; and (d) to pursue any other remedy available to it. Mortgagee shall take action either by such proceedings or by the exercise of its powers with respect to entry or taking possession, or both, as Mortgagee may determine.

(c) The remedies described in this Section may be exercised with respect to all or any portion of the UCC Collateral, either simultaneously with the sale of any real property encumbered hereby or independent thereof. Mortgagee for the benefit of the Secured Parties shall at any time be permitted to proceed with respect to all or any portion of the UCC Collateral in any manner permitted by the UCC. Mortgagor agrees that Mortgagee's inclusion of all or any portion of the UCC Collateral in a sale or other remedy exercised with respect to the real property encumbered hereby, as permitted by the UCC, is a commercially reasonable disposition of such property.

3.5 Mortgagee's Right to Enter and Take Possession, Operate and Apply Income.

(a) If an Actionable Default occurs and is continuing, Mortgagor, upon demand of Mortgagee, shall forthwith surrender to Mortgagee for the benefit of the Secured Parties the actual possession and, if and to the extent permitted by law, Mortgagee itself, or by such officers or agents as it may appoint, may enter and take possession of all of the Mortgaged Property, including the Tangible Collateral, without liability for trespass, damages or otherwise, and may exclude Mortgagor and its agents and employees wholly therefrom and may have joint access with Mortgagor to the books, papers and accounts of Mortgagor.

(b) If an Actionable Default has occurred and is continuing and Mortgagor shall for any reason fail to surrender or deliver the Mortgaged Property or any part thereof after Mortgagee's demand, Mortgagee for the benefit of the Secured Parties may obtain a judgment or decree conferring on Mortgagee for the benefit of the Secured Parties the right to immediate possession or requiring Mortgagor to deliver immediate possession of all or part of such property to Mortgagee for the benefit of the Secured Parties and Mortgagor hereby specifically consents to the entry of such judgment or decree. Mortgagor shall pay to Mortgagee for the benefit of the Secured Parties, upon demand, all costs and expenses of obtaining such judgment or decree and reasonable

compensation to Mortgagee for the benefit of the Secured Parties, their attorneys and agents, and all such costs, expenses and compensation shall, until paid, be secured by the lien of this Mortgage.

(c) Upon every such entering upon or taking of possession, Mortgagee for the benefit of the Secured Parties may hold, store, use, operate, manage and control the Mortgaged Property and conduct the business thereof, and, from time to time in its sole and absolute discretion and without being under any duty to so act:

(1) make all necessary and proper maintenance, repairs, renewals and replacements thereto and thereon, and all necessary additions, betterments and improvements thereto and thereon and purchase or otherwise acquire fixtures, personalty and other property in connection therewith;

(2) insure or keep the Mortgaged Property insured;

(3) manage and operate the Mortgaged Property and exercise all the rights and powers of Mortgagor in their name or otherwise with respect to the same;

(4) enter into agreements with others to exercise the powers herein granted Mortgagee, all as Mortgagee from time to time may determine; and shall apply the monies so received by Mortgagee in such priority as provided by the Collateral Trust Agreement; and/or

(5) rent or sublet the Mortgaged Property or any portion thereof for any purpose permitted by this Mortgage.

Mortgagee shall surrender possession of the Mortgaged Property to Mortgagor (i) as may be required by law or court order, or (ii) when all amounts under any of the terms of the Secured Debt Documents, including this Mortgage, shall have been paid current and all Actionable Defaults have been cured or waived. The same right of taking possession, however, shall exist if any subsequent Actionable Default shall occur and be continuing.

3.6 Separate Sales. To the extent permitted by law or Legal Requirements upon and during the continuation of an Actionable Default, the Mortgaged Property may be sold in one or more parcels and in such manner and order as Mortgagee, in its sole discretion, may elect, it being expressly understood and agreed that the right of sale arising out of any Actionable Default shall not be exhausted by any one or more sales and shall not affect the lien or security interest of this Mortgage on the remaining portion of the Mortgaged Property.

3.7 Waiver of Appraisement, Moratorium, Valuation, Stay, Extension and Redemption Laws Mortgagor agrees to the full extent permitted by law that ,if an Actionable Default occurs and is continuing, neither Mortgagor nor anyone claiming through or under it shall or will set up, claim or seek to take advantage of any appraisement, moratorium, valuation, stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Mortgage or the absolute sale of the Mortgaged Property or any portion thereof or the final and absolute putting into possession thereof, immediately after such sale, of the purchasers thereof, and Mortgagor for itself and all who may at any time claim through or under it,

hereby waives, to the full extent that it may lawfully so do, the benefit of all such laws, and any and all right to have the assets comprising the Mortgaged Property marshaled upon any foreclosure of the lien and security interest hereof and agrees that Mortgagee or any court having jurisdiction to foreclose such lien may sell the Mortgaged Property in part or as an entirety.

3.8 Keeper. If an Actionable Default occurs and is continuing, Mortgagee for the benefit of the Secured Parties, to the extent permitted by law, and without regard to the value, adequacy or occupancy of the security for the indebtedness and other sums secured hereby, shall be entitled as a matter of right if it so elects to the appointment of a keeper to enter upon and take possession of the Mortgaged Property and to collect all earnings, revenues and receipts and apply the same as the court may direct, and such keeper may be appointed by any court of competent jurisdiction upon application by Mortgagee. To the extent permitted by law or Legal Requirement, Mortgagee for the benefit of the Secured Parties may have a keeper appointed without notice to Mortgagor or any third party, and Mortgagee may waive any requirement that the keeper post a bond. To the extent permitted by law or Legal Requirement, Mortgagee for the benefit of the Secured Parties shall have the power to designate and select the Person who shall serve as the keeper and to negotiate all terms and conditions under which such keeper shall serve. To the extent permitted by law or Legal Requirement, any keeper appointed on Mortgagee's behalf may be an Affiliate of Mortgagee. The reasonable expenses, including keeper's fees, reasonable attorneys' fees, costs and agents' compensation, incurred pursuant to the powers herein contained shall be secured by this Mortgage. The right to enter and take possession of and to manage and operate the Mortgaged Property and to collect all earnings, revenues and receipts, whether by a keeper or otherwise, shall be cumulative to any other right or remedy available to Mortgagee for the benefit of the Secured Parties under this Mortgage, the Collateral Trust Agreement or otherwise available to Mortgagee and may be exercised concurrently therewith or independently thereof, but such rights shall be exercised in a manner which is otherwise in accordance with and consistent with the Collateral Trust Agreement. Mortgagee shall be liable to account only for such earnings, revenues and receipts (including, without limitation, security deposits) actually received by Mortgagee, whether received pursuant to this section or any other provision hereof. Notwithstanding the appointment of any keeper or other custodian, Mortgagee shall be entitled as pledge to the possession and control of any cash, deposits, or instruments at the time held by, or payable or deliverable under the terms of this Mortgage to, Mortgagee.

3.9 Suits to Protect the Mortgaged Property. Mortgagee for the benefit of the Secured Parties shall have the power and authority to institute and maintain any suits and proceedings as Mortgagee, in its sole and absolute discretion, may deem advisable (a) to prevent any impairment of the Mortgaged Property by any acts which may be unlawful or in violation of this Mortgage, (b) to preserve or protect its interest in the Mortgaged Property, or (c) to restrain the enforcement of or compliance with any legislation or other Legal Requirements that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order might impair the security hereunder or be prejudicial to Mortgagee's interest.

3.10 Proofs of Claim. In the case of any receivership, insolvency, reorganization, arrangement, adjustment, composition or other judicial proceedings affecting Mortgagor, any Affiliate or any guarantor, co-maker or endorser of any of Mortgagor's obligations, its creditors or its property, Mortgagee, to the extent permitted by law, shall be entitled to file such proofs of claim

or other documents as it may deem necessary or advisable in order to have its claims allowed in such proceedings for the entire amount due and payable by Mortgagor under the Secured Debt Documents, at the date of the institution of such proceedings, and for any additional amounts which may become due and payable by Mortgagor after such date.

3.11 Mortgagor to Pay Amounts Secured Hereby on Any Default in Payment; Application of Monies by Mortgagee

(a) In case of a foreclosure sale of all or any part of the Mortgaged Property and of the application of the proceeds of sale to the payment of the sums secured hereby, to the extent permitted by law, Mortgagee shall be entitled to enforce payment from Mortgagor of any additional amounts then remaining due and unpaid and to recover judgment against Mortgagor for any portion thereof remaining unpaid, with interest at the default interest rate as set forth in the Indenture for the applicable Series of Secured Debt or as otherwise provided by law.

(b) Mortgagor hereby agrees, to the extent permitted by law, that no recovery of any such judgment by Mortgagee or other action by Mortgagee and no attachment or levy of any execution upon any of the Mortgaged Property or any other property shall in any way affect the Lien and security interest of this Mortgage upon the Mortgaged Property or any part thereof or any Lien, rights, powers or remedies of Mortgagee hereunder, but such Lien, rights, powers and remedies shall continue unimpaired as before.

(c) Any monies collected or received by Mortgagee under this Mortgage shall be first applied as set forth in the Collateral Trust Agreement.

3.12 Delay or Omission; No Waiver. No delay or omission of Mortgagee to exercise any right, power or remedy upon any Actionable Default shall exhaust or impair any such right, power or remedy or shall be construed to waive any such Actionable Default or to constitute acquiescence therein. Every right, power and remedy given to Mortgagee whether contained herein or in the Collateral Trust Agreement or otherwise available to Mortgagee may be exercised from time to time and as often as may be deemed expedient by Mortgagee.

3.13 No Waiver of One Default to Affect Another. No waiver of any Actionable Default hereunder shall extend to or affect any subsequent or any other Actionable Default then existing, or impair any rights, powers or remedies consequent thereon. If Mortgagee (a) grants forbearance or an extension of time for the payment of any sums secured hereby; (b) takes other or additional security for the payment thereof; (c) waives or does not exercise any right granted in this Mortgage, the Collateral Trust Agreement; (d) releases any part of the Mortgaged Property from the lien or security interest of this Mortgage or any other instrument securing the Secured Obligations; (e) consents to the filing of any map, plat or replat of the Real Property or any part thereof; (f) consents to the granting of any easement on the Real Property; or (g) makes or consents to any agreement changing the terms of this Mortgage or the other Secured Debt Documents or the Collateral Trust Agreement subordinating the lien or any charge hereof, no such act or omission shall release, discharge, modify, change or affect the liability under this Mortgage or otherwise of Mortgagor, or any subsequent purchaser of the Mortgaged Property or any part thereof or any maker, co-signer, surety or guarantor with respect to any other matters not addressed by such act or

omission. No such act or omission shall preclude Mortgagee from exercising any right, power or privilege herein granted or intended to be granted in case of any Actionable Default then existing or of any subsequent Actionable Default, nor, except as otherwise expressly provided in an instrument or instruments executed by Mortgagee, shall the lien or security interest of this Mortgage be altered thereby, except to the extent expressly provided in such acts or omissions. In the event of the sale or transfer by operation of law or otherwise of all or any part of the Mortgaged Property, Mortgagee, without notice to any person, firm or corporation, is hereby authorized and empowered to deal with any such vendee or transferee with reference to the Mortgaged Property or the indebtedness secured hereby, or with reference to any of the terms or conditions hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any of the liabilities or undertakings hereunder, or waiving its right to declare such sale or transfer an Actionable Default as provided herein. Notwithstanding anything to the contrary contained in this Mortgage or any other Security Document, (i) in the case of any non-monetary Actionable Default, Mortgagee may continue to accept payments due hereunder without thereby waiving the existence of such or any other Actionable Default and (ii) in the case of any monetary Actionable Default, Mortgagee may accept partial payments of any sums due hereunder without thereby waiving the existence of such Actionable Default if the partial payment is not sufficient to completely cure such Actionable Default.

3.14 Discontinuance of Proceedings; Position of Parties Restored. If Mortgagee shall have proceeded to enforce any right or remedy under this Mortgage by foreclosure, entry of judgment or otherwise and such proceedings shall have been discontinued or abandoned for any reason, or such proceedings shall have resulted in a final determination adverse to Mortgagee, then and in every such case Mortgagor and Mortgagee shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of Mortgagee shall continue as if no such proceedings had occurred or had been taken.

3.15 Remedies Cumulative. Subject to the provisions of Sections 4.15 hereof, no right, power or remedy, including without limitation remedies with respect to any security for the Secured Obligations, conferred upon or reserved to Mortgagee by this Mortgage or any other Security Document is exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or under any other Security Document, now or hereafter existing at law, in equity or by statute, and Mortgagee shall be entitled to resort to such rights, powers, remedies or security as Mortgagee shall in its sole and absolute discretion deem advisable.

3.16 Interest After Actionable Default. If an Actionable Default shall have occurred and is continuing, all sums outstanding and unpaid under the Secured Debt Documents, including this Mortgage, shall, at Mortgagee's option, subject to the provisions of the Collateral Trust Agreement, bear interest at the interest rate on the applicable Series of Secured Debt or as otherwise provided by law, as provided in the applicable Secured Debt Documents, until such Actionable Default has been cured. Mortgagor's obligation to pay such interest shall be secured by this Mortgage.

3.17 Foreclosure; Expenses of Litigation. If any action or proceeding be commenced to foreclose this Mortgage, reasonable attorneys' fees for services in the supervision of said foreclosure proceeding shall be allowed to the Mortgagee for the benefit of the Secured Parties as

part of the foreclosure costs. In the event of foreclosure of the lien hereof, there shall be allowed and included as additional indebtedness all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after foreclosure sale or entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies and guarantees, and similar data and assurances with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to a bidder at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Mortgaged Property or any portion thereof. All expenditures and expenses of the nature in this section mentioned, and such expenses and fees as may be incurred in the protection of the Mortgaged Property and the maintenance of the lien and security interest of this Mortgage, including the reasonable fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this Mortgage or any other Security Document, the Mortgaged Property or any portion thereof, including, without limitation, civil, probate, appellate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the default interest rate as set forth in the Indenture for the applicable Series of Secured Debt or as otherwise provided by law and shall be secured by this Mortgage. Mortgagee waives its right to any statutory fee in connection with any judicial or nonjudicial foreclosure of the lien hereof and agrees to accept a reasonable fee for such services.

3.18 Deficiency Judgments. If, after foreclosure of this Mortgage, there shall remain any deficiency with respect to any amounts payable under the Secured Debt Documents, including hereunder, or any amounts secured hereby, and Mortgagee for the benefit of the Secured Parties shall institute any proceedings to recover such deficiency or deficiencies, all such amounts shall continue to bear interest at the default interest rate as set forth in the Indenture for the applicable Series of Secured Debt or as otherwise provided by law. Mortgagor waives any defense to Mortgagee's recovery against Mortgagor of any deficiency after any foreclosure sale of the Mortgaged Property. Subject to the Collateral Trust Agreement, to the extent permitted by law, Mortgagor expressly waives any defense or benefits that may be derived from any statute granting Mortgagor any defense to any such recovery by Mortgagee. In addition, Mortgagee shall be entitled to recovery of all of its reasonable costs and expenditures (including without limitation any court imposed costs) in connection with such proceedings, including its reasonable attorneys' fees, appraisal fees and the other costs, fees and expenditures referred to in Section 3.17 above. This provision shall survive any foreclosure or sale of the Mortgaged Property, any portion thereof and/or the extinguishment of the lien hereof.

3.19 **WAIVER OF JURY TRIAL. MORTGAGEE AND MORTGAGOR EACH WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE ARISING OUT OF, CONNECTED WITH, RELATED TO OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS MORTGAGE OR ANY OTHER SECURITY DOCUMENT. ANY SUCH DISPUTES SHALL BE RESOLVED IN A BENCH TRIAL WITHOUT A JURY.**

3.20 Exculpation of Mortgagee. The acceptance by Mortgagee of the assignment contained herein with all of the rights, powers, privileges and authority created hereby shall not, prior to entry upon and taking possession of the Mortgaged Property by Mortgagee, be deemed or construed to make Mortgagee a "mortgagee in possession", nor thereafter or at any time or in any event obligate Mortgagee to appear in or defend any action or proceeding relating to the Mortgaged Property, nor shall Mortgagee, prior to such entry and taking, be liable in any way for any injury or damage to person or property sustained by any person in or about the Mortgaged Property.

ARTICLE 4- GENERAL

4.1 Discharge. Mortgagor shall be released from the covenants, agreements and obligations of Mortgagor contained in this Mortgage and as set forth in the Collateral Trust Agreement and, in connection therewith, Mortgagee, at the request and the expense of Mortgagor, shall promptly execute a release or cancellation and such other documents as may be reasonably requested by Mortgagor to evidence the discharge and satisfaction of this Mortgage and the release of Mortgagor from its obligations hereunder.

4.2 No Waiver. The exercise of the privileges granted in this Mortgage to perform Mortgagor's obligations under the agreements which constitute the Mortgaged Property shall in no event be considered or constitute a waiver of any right which Mortgagee or any other Secured Party may have at any time, including any right of acceleration. No delay or omission to exercise any right, remedy or power accruing upon any default shall impair any such right, remedy or power or shall be construed to be a waiver of any such default or acquiescence therein; and every such right, remedy and power may be exercised from time to time and as often as may be deemed expedient.

4.3 Extension, Rearrangement or Renewal of Obligations. It is expressly agreed that any of the Secured Obligations at any time secured hereby may be from time to time extended for any period, or with the consent of Mortgagor rearranged or renewed, and that any part of the security herein described, or any other security for the Secured Obligations, may be waived or released, without altering, varying or diminishing the force, effect or lien or security interest of this Mortgage; and the lien and security interest granted by this Mortgage shall continue as a prior lien and security interest on all of the Mortgaged Property not expressly so released, until the Secured Obligations are fully paid and this Mortgage is terminated in accordance with the provisions of the Collateral Trust Agreement; and no other security now existing or hereafter taken to secure the payment of the Secured Obligations or any part thereof or the performance of any obligation or liability of Mortgagor whatever shall in any manner impair or affect the security given by this Mortgage; and all security for the payment of the Secured Obligations or any part thereof and the performance of any obligation or liability shall be taken, considered and held as cumulative.

4.4 Forcible Detainer. Mortgagor agrees for itself and all persons claiming by, through or under it, that subsequent to foreclosure hereunder in accordance with this Mortgage and applicable law if Mortgagor shall hold possession of the Mortgaged Property or any part thereof, Mortgagor or the persons so holding possession shall be guilty of trespass; and any such persons (including Mortgagor) failing or refusing to surrender possession upon demand shall be guilty of forcible detainer and shall be liable to Mortgagee or any purchaser in foreclosure, as applicable, for

reasonable rental on said premises, and shall be subject to eviction and removal in accordance with law.

4.5 Waiver of Stay or Extension. To the extent permitted to be waived by law, Mortgagor shall not at any time insist upon or plead or in any manner whatever claim the benefit or advantage of any stay, extension or moratorium law now or at any time hereafter in force in any locality where the Mortgaged Property or any part thereof may or shall be situated, nor shall Mortgagor claim any benefit or advantage from any law now or hereafter in force providing for the valuation or appraisement of the Mortgaged Property or any part thereof prior to any sale thereof to be made pursuant to any provision of this Mortgage or to a decree of any court of competent jurisdiction, nor after any such sale shall Mortgagor claim or exercise any right conferred by any law now or at any time hereafter in force to redeem the Mortgaged Property so sold or any part thereof; and Mortgagor hereby expressly waives all benefit or advantage of any such law or laws and the appraisement of the Mortgaged Property or any part thereof, and covenants that Mortgagor shall not hinder or delay the execution of any power herein granted and delegated to Mortgagee but that Mortgagor shall permit the execution of every such power as though no such law had been made.

4.6 Notices. Except where certified or registered mail notice is required by applicable law, any notice to Mortgagor or Mortgagee required or permitted hereunder shall be deemed to be given when given in the manner prescribed in the Collateral Trust Agreement.

4.7 Severability. All rights, powers and remedies provided herein may be exercised only to the extent that the exercise thereof does not violate any applicable law, and are intended to be limited to the extent necessary so that they will not render this Mortgage invalid, unenforceable or not entitled to be recorded, registered or filed under any applicable law. In the event any term or provision contained in this Mortgage is in conflict, or may hereafter be held to be in conflict, with the laws of the State or of the United States of America, this Mortgage shall be affected only as to such particular term or provision, and shall in all other respects remain in full force and effect.

4.8 Application of Payments. In the event that any part of the Secured Obligations cannot lawfully be secured hereby, or in the event that the lien and security interest hereof cannot be lawfully enforced to pay any part of the Secured Obligations, or in the event that the lien or security interest created by this Mortgage shall be invalid or unenforceable as to any part of the Secured Obligations, then all payments on the Secured Obligations shall be deemed to have been first applied to the complete payment and liquidation of that part of the Secured Obligations which is not secured by this Mortgage and the unsecured portion of the Secured Obligations shall be completely paid and liquidated prior to the payment and liquidation of the remaining secured portion of the Secured Obligations.

4.9 **GOVERNING LAW. THIS MORTGAGE IS GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE.**

4.10 Entire Agreement. This Mortgage and the other Secured Debt Documents represent the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties.

4.11 Amendments. This Mortgage may be amended, supplemented or otherwise modified only by an instrument in writing signed by Mortgagor and Mortgagee.

4.12 Successors and Assigns. All terms of this Mortgage shall run with the land and bind each of Mortgagor and Mortgagee and their respective successors and assigns, and all persons claiming under or through Mortgagor or Mortgagee, as the case may be, or any such successor or assign, and shall inure to the benefit of Mortgagee and Mortgagor, and their respective successors and assigns.

4.13 Renewal, Etc. Mortgagee may at any time and from time to time renew or extend this Mortgage, or alter or modify the same in any way, or waive any of the terms, covenants or conditions hereof in whole or in part and may release any portion of the Mortgaged Property or any other security, and grant such extensions and indulgences in relation to the Secured Obligations as Mortgagee may determine, without the consent of any junior lienor or encumbrancer and without any obligation to give notice of any kind thereto and without in any manner affecting the priority of the lien and security interest hereof on any part of the Mortgaged Property; provided that nothing in this Section 4.13 shall grant Mortgagee the right to alter or modify the Mortgage without the consent of the Mortgagor unless otherwise specifically permitted in this Mortgage.

4.14 Future Advances. This Mortgage is executed and delivered to secure, among other things, Mortgagor's guaranty of future advances under the Secured Debt Documents. It is understood and agreed that this Mortgage secures Mortgagor's guaranty of present and future advances made pursuant to the Secured Debt Documents and that the lien of such future advances shall relate to the date of this Mortgage. Anything herein contained to the contrary notwithstanding, it is expressly understood and agreed that this Mortgage is granted pursuant to and in accordance with the provisions of Louisiana Civil Code Article 3298, to secure indebtedness that may now exist or that may be incurred, granted or extended of even date herewith or that may arise or be incurred, granted or extended in the future (including particularly, but not limited to, Mortgagor's guaranty of future advances under the Secured Debt Documents), all of which shall constitute a portion of the Secured Obligations whether or not Mortgagor should agree or consent thereto or therewith and without the necessity that the note or notes or other instruments evidencing such additional or further indebtedness should make reference to the fact that such note or notes other instruments are secured hereby.

4.15 Severability and Compliance With Usury Law. The Secured Debt Documents are intended to be performed in accordance with, and only to the extent permitted by, all applicable Legal Requirements. If any provision of any of the Secured Debt Documents or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of the instrument in which such provision is contained, nor the application of such provision to other persons or circumstances, nor the other instruments referred to hereinabove, shall be affected thereby, but rather shall be enforceable to the greatest extent permitted by law. It is expressly stipulated and agreed to be the intent of Mortgagor and Mortgagee at all times to comply with the applicable State law governing the maximum rate or amount of interest payable on or in connection with the Secured Obligations (or applicable United States federal law to the extent that it permits Mortgagee to contract for, charge, take, reserve or receive a greater amount of interest than under State law). If the applicable law is ever judicially interpreted

so as to render usurious any amount called for under the Secured Debt Documents, or contracted for, charged, taken, reserved or received with respect to the extensions of credit evidenced by the Secured Debt Documents or if acceleration of the maturity of the Secured Obligations or if any prepayment by Mortgagor results in Mortgagor having paid any interest in excess of that permitted by law, then it is Mortgagor's and Mortgagee's express intent that all excess amounts theretofore collected by Mortgagee be credited on the principal balance due under the Secured Debt Documents (or, if the Secured Debt Documents have been or would thereby be paid in full, refunded to Mortgagor), and the provisions of the Secured Debt Documents immediately be deemed reformed and the amounts thereafter collectible thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder. The right to accelerate maturity of the Secured Obligations does not include the right to accelerate any interest which has not otherwise accrued on the date of such acceleration, and Mortgagee does not intend to collect any unearned interest in the event of acceleration. All sums paid or agreed to be paid to Mortgagee for the use, forbearance or detention of the Secured Obligations shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of the Secured Obligations until payment in full so that the rate or amount of interest on account of the Secured Obligations does not exceed the applicable usury ceiling.

4.16 Release of Collateral.

(a) Notwithstanding any provision herein to the contrary, the Mortgaged Property or any part thereof shall be released from the security interest created by this Mortgage at any time or from time to time upon the request of the Mortgagor; provided that the requirements of the Secured Debt Documents, if any, have been satisfied. Upon satisfaction of such requirements, the Mortgagee shall execute, deliver and acknowledge any necessary or proper instruments of termination, satisfaction or release to evidence the release of any Mortgaged Property permitted to be released pursuant to this Mortgage in each case as required by, and in accordance with, the Secured Debt Documents.

(b) Collateral Trustee may release Mortgaged Property or any part thereof from the security interest created hereunder upon the sale or disposition of such Mortgaged Property pursuant to the Mortgagee's powers, rights and duties with respect to remedies provided herein, in each case as required by, and in accordance with, the Secured Debt Documents.

4.17 Collateral Trust Agreement Controls. In the event of any conflict between any terms and provisions set forth in this Mortgage and those set forth in any other Secured Debt Document, the terms and provisions of the Collateral Trust Agreement shall supersede and control the terms and provisions of this Mortgage.

4.18 Time of the Essence. Mortgagor acknowledges that time is of the essence in performing all of Mortgagor's obligations set forth herein.

4.19 Counterpart Execution. This Mortgage may be executed by the parties hereto in any number of counterparts (and be each of the parties hereof on separate counterparts), each of

which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

ARTICLE 5 – SUBJECT LEASE

5.1 Mortgagor represents, warrants and agrees as follows:

5.1.1 Mortgagor has delivered to Mortgagee a true, correct and complete copy of the Subject Lease, including all amendments and modifications, written or oral existing as of the date hereof.

5.1.2 Mortgagor has not executed or entered into any modifications or amendments of the Subject Lease, either orally or in writing, other than written amendments that have been disclosed to Agent in writing. Mortgagor shall not enter into any new leases of all or any portion of the Mortgaged Property or any modifications or amendments of the Subject Lease except with Mortgagee's prior written consent which consent shall not be unreasonably withheld or delayed.

5.1.3 No default now exists under the Subject Lease. No event has occurred that, with the giving of notice or the passage of time or both, would constitute such a default or would entitle Mortgagor or any other party under the Subject Lease to cancel the same or otherwise avoid its obligations.

5.1.4 Except for this Mortgage or other assignments in favor of Mortgagee, Mortgagor has not executed any assignment or pledge of the Subject Lease or of Mortgagor's right, title and interest in the same.

5.1.5 This Mortgage conforms and complies with the Subject Lease, does not constitute a violation or default under the Subject Lease, and is and shall at all times constitute a valid lien (subject only to matters permitted by this Mortgage) on Mortgagor's interests in the Subject Lease.

5.1.6 Mortgagor shall pay, when due and payable, the rentals, additional rentals, and other charges required by, and payable under, the Subject Lease in accordance with the Subject Lease.

5.1.7 Mortgagor shall perform and observe all terms, covenants, and conditions that Mortgagor must perform and observe as lessee under the Subject Lease, and do everything necessary to preserve and to keep unimpaired Mortgagor's rights under the Subject Lease. Mortgagor shall provide all insurance required by the Subject Lease. All such insurance shall comply with this Mortgage. Mortgagor shall enforce the Lessor's obligations of the lessors under the Subject Lease so that Mortgagor may enjoy all its rights as lessee under the Subject Lease. Mortgagor shall furnish to Mortgagee all information that Agent may reasonably request from time to time concerning Mortgagor's compliance with the Subject Lease.

5.1.8 Mortgagor shall promptly deliver to Agent a copy of any notice of default or termination that it receives from any lessor of the Subject Lease.

5.1.9 Mortgagor shall not, without Mortgagee's consent, consent or refuse to consent to any action that a lessor under a Subject Lease takes or desires to take pursuant to the terms and provisions of such Lease if such action has a material adverse effect on the Subject Lease or Mortgagor's rights thereunder.

5.1.10 Mortgagor's obligations under this Mortgage are independent of and in addition to Mortgagor's obligations under the Subject Lease. Nothing in this Mortgage shall be construed to require Mortgagor or Mortgagee to take or omit to take any action that would cause a default under the Subject Lease.

5.2 Treatment of Subject Lease in Bankruptcy.

5.2.1 If a lessor under a Subject Lease rejects or disaffirms, or seeks or purports to reject or disaffirm, the Subject Lease pursuant to any Bankruptcy Law, then Mortgagor shall not exercise the 365(h) Election except as otherwise provided in this paragraph. To the extent permitted by law, Mortgagor shall not suffer or permit the termination of any Subject Lease by exercise of the 365(h) Election or otherwise without Mortgagee's consent. Mortgagor acknowledges that because the Subject Lease is a primary element of Mortgagee's security for the Secured Obligations secured hereunder, it is not anticipated that Mortgagee would consent to termination of the Subject Lease. If Mortgagor makes any 365(h) Election in violation of this Mortgage, then such 365(h) Election shall be void and of no force or effect.

5.2.2 Mortgagor hereby assigns to Mortgagee the 365(h) Election with respect to the Subject Lease until the Secured Obligations secured hereunder have been satisfied in full. Mortgagor acknowledges and agrees that the foregoing assignment of the 365(h) Election and related rights is one of the rights that Mortgagee may use at any time to protect and preserve Mortgagee's other rights and interests under this Mortgage. Mortgagor further acknowledges that exercise of the 365(h) Election in favor of terminating the Subject Lease would constitute waste prohibited by this Mortgage. Mortgagor acknowledges and agrees that the 365(h) Election is in the nature of a remedy available to Mortgagor under the Subject Lease, and is not a property interest that Mortgagor can separate from the Subject Lease as to which it arises. Therefore, Mortgagor agrees and acknowledges that exercise of the 365(h) Election in favor of preserving the right to possession under the Subject Lease shall not be deemed to constitute Mortgagee's taking or sale of the Land (or any element thereof) and shall not entitle Mortgagor to any credit against the Secured Obligations secured hereunder or otherwise impair Mortgagee's remedies.

5.2.3 Mortgagor acknowledges that if the 365(h) Election is exercised in favor of Mortgagor's remaining in possession under the Subject Lease, then Mortgagor's resulting occupancy rights, as adjusted by the effect of Section 365 of the Bankruptcy Code, shall then be part of the Mortgaged Property and shall be subject to the lien of this Mortgage.

5.3 Rejection of Lease by Lessor. If a lessor rejects or disaffirms the Subject Lease or purports or seeks to disaffirm such Subject Lease pursuant to any Bankruptcy Law, then:

5.3.1 Mortgagor shall remain in possession of the Land demised under the Subject Lease and shall perform all acts necessary for Mortgagor to remain in such possession

for the unexpired term of such Subject Lease (including all renewals), whether the then existing terms and provisions of such Subject Lease require such acts or otherwise; and

5.3.2 All the terms and provisions of this Mortgage and the lien created by this Mortgage shall remain in full force and effect and shall extend automatically to all of Mortgagor's rights and remedies arising at any time under, or pursuant to, Section 365(h) of the Bankruptcy Code, including all of Mortgagor's rights to remain in possession of the Land.

5.4 Assignment of Claims to Mortgagee. Mortgagor, immediately upon learning that the a lessor under a Subject Lease has failed to perform the terms and provisions under the Subject Lease (including by reason of a rejection or disaffirmance or purported rejection or disaffirmance of such Subject Lease pursuant to any Bankruptcy Law), shall notify Mortgagee of any such failure to perform. Mortgagor unconditionally assigns, transfers, and sets over to Mortgagee any and all Lease Damage Claims. This assignment constitutes a present, irrevocable, and unconditional assignment of the Lease Damage Claims, and shall continue in effect until the Secured Obligations secured hereunder have been satisfied in full.

5.5 Offset by Mortgagor. If pursuant to Section 365(h)(2) of the Bankruptcy Code or any other similar Bankruptcy Law, Mortgagor seeks to offset against any rent under the Subject Lease the amount of any Lease Damage Claim, then Mortgagor shall notify Mortgagee of its intent to do so at least 20 days before effecting such offset. Such notice shall set forth the amounts proposed to be so offset and the basis for such offset. If Mortgagee reasonably objects to all or any part of such offset, then Mortgagor shall not effect any offset of the amounts to which Mortgagee reasonably objects. If Mortgagee approves such offset, then Mortgagor may effect such offset as set forth in Mortgagor's notice. Neither Mortgagee's failure to object, nor any objection or other communication between Mortgagee and Mortgagor that relates to such offset, shall constitute Mortgagee's approval of any such offset. Mortgagor shall indemnify Mortgagee against any offset against the rent reserved in any Subject Lease.

5.6 Mortgagor's Acquisition of Interest in Leased Parcel. If Mortgagor acquires the ownership or any other interest in any Land or Improvements originally subject to the Subject Lease, then, such acquired interest shall immediately become subject to the lien and security interest of this Mortgage as fully and completely, and with the same effect, as if Mortgagor now owned it and as if this Mortgage specifically described it, without need for the delivery and/or recording of a supplement to this Mortgage or any other instrument. In the event of any such acquisition, the ownership and leasehold interests in such Land or Improvements, unless Mortgagee elects otherwise in writing, remain separate and distinct and shall not merge, notwithstanding any principle of law to the contrary.

5.7 New Lease Issued to Mortgagee. If the Subject Lease is for any reason whatsoever terminated before the expiration of its term and, pursuant to any provision of the Subject Lease, Mortgagee or its designee shall acquire from such lessor a new lease of the relevant leased premises, then Mortgagor shall have no right, title or interest in or to such new lease or the estate created thereby.

ARTICLE 6– STATE SPECIFIC PROVISIONS

In the event of any conflict between the terms and provisions of any of the other Articles of this Mortgage and this Article 5, the terms and provisions of this Article 5 shall govern and control.

6.1 Louisiana Remedies. In addition to and not in lieu or limitation of its other remedies set out in this Mortgage or in any of the Security Documents which are enforceable under Louisiana or other applicable law, should one or more Actionable Defaults occur or exist under this Mortgage, Mortgagee, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights and remedies provided by law:

(a) Seizure and Sale of Mortgaged Property. In the event that Mortgagee elects to commence appropriate Louisiana foreclosure proceedings under this Mortgage, Mortgagee may cause the Mortgaged Property, or any part or parts thereof, to be immediately seized and sold, whether in term of court or in vacation, under ordinary or executory process, in accordance with applicable Louisiana law, to the highest bidder for cash, with or without appraisement, and without the necessity of making additional demand upon or notifying Mortgagor or placing Mortgagor in default, all of which are expressly waived.

(b) Confession of Judgment. Solely for purposes of foreclosure under Louisiana executory process procedures, Mortgagor confesses judgment and acknowledges to be indebted unto and in favor of Mortgagee, for the full amount of the Secured Obligations, whether now existing or arising hereafter, in principal, interest, costs, expenses, attorneys' fees and other fees and charges. Mortgagor further confesses judgment and acknowledges to be indebted unto and in favor of Mortgagee in the amount of all additional advances that Mortgagee may make on Mortgagor's behalf pursuant to this Mortgage, together with interest thereon. To the extent permitted under applicable Louisiana law, Mortgagor additionally waives: (a) the benefit of appraisal as provided in Articles 2332, 2336, 2723 and 2724 of the Louisiana Code of Civil Procedure, and all other laws with regard to appraisal upon judicial sale; (b) the demand and three (3) days' delay as provided under Articles 2639 and 2721 of the Louisiana Code of Civil Procedure; (c) the notice of seizure as provided under Articles 2293 and 2721 of the Louisiana Code of Civil Procedure; (d) the three (3) days' delay provided under Articles 2331 and 2722 of the Louisiana Code of Civil Procedure; and (e) all other benefits provided under Articles 2331, 2722 and 2723 of the Louisiana Code of Civil Procedure and all other Articles not specifically mentioned above.

(c) Keeper. Should any or all of the Mortgaged Property be seized as an incident to an action for the recognition or enforcement of this Mortgage, by executory process, ordinary process, sequestration, attachment, writ of fieri facias or otherwise, Mortgagor hereby agrees that the court issuing any such order shall, if requested by Mortgagee, appoint Mortgagee, or any agent designated by Mortgagee, or any person or entity named by Mortgagee at the time such seizure is requested, or any time thereafter, as Keeper of the Mortgaged Property. The designation is pursuant to La. R.S. 9:5136 through 5140.2, inclusive, as the same may be amended, and the Mortgagee shall be entitled to all the rights and benefits afforded thereunder. It is hereby agreed that the Keeper shall be entitled to receive as compensation, in excess of its

reasonable costs and expenses incurred in the administration or preservation of the Mortgaged Property, an amount equal to $75.00 per day, which shall be included as Secured Obligations secured by this Mortgage. The designation of Keeper made herein shall not be deemed to require the Mortgagees to provoke the appointment of such a Keeper.

(d) Specific Performance. Mortgagee may, in addition to the foregoing remedies, or in lieu thereof, in Mortgagee's sole discretion, commence an appropriate action against Mortgagor seeking specific performance of any covenant contained herein, or in aid of the execution or enforcement of any power herein granted.

6.2 Declaration of Fact. Should it become necessary for Mortgagee to foreclose under this Mortgage, all declarations of fact, which are made under an authentic act before a Notary Public in the presence of two witnesses, by a person declaring such facts to lie within his or her knowledge, shall constitute authentic evidence for purposes of executory process and also for purposes of La. R.S. 9:3509.1, La. R.S. 9:3504(D)(6) and La. R.S. 10:9-508, where applicable. The Mortgagor specifically agrees that such an affidavit by a representative of the Mortgagee as to the existence, amount, terms and maturity of the Secured Obligations and of a default thereunder shall constitute authentic evidence of such facts for the purpose of executory process.

6.3 Taxpayer Identification Number. Mortgagor hereby represents and warrants that its taxpayer identification number and chief executive office are correct as set forth in the introductory paragraphs of this Mortgage. No change shall be made to its taxpayer identification number, chief executive office or entity structure without Mortgagor first giving Mortgagee written notice within 10 days of the effective date of the change, or as otherwise set forth in the Collateral Trust Agreement.

6.4 Cumulative Remedies. Mortgagee's remedies as provided in this Mortgage shall be cumulative in nature and nothing under this Mortgage shall be construed as to limit or restrict the options and remedies available to Mortgagee following any Actionable Default, or to in any way limit or restrict the rights and ability of Mortgagee to proceed directly against Mortgagor and/or against any guarantor, surety or endorser of the Secured Obligations, or to proceed against other collateral directly or indirectly securing any such Secured Obligations.

6.5 Louisiana Terms. Each reference to a "lien" will include a reference to a "mortgage" and/or "security interest", as appropriate. Each reference to an "easement" or "easements" will include a reference to a "servitude" and "servitudes". Each reference to a county will include a reference to a Louisiana parish. The terms "land", "real property", and "real estate" will mean "immovable property" as that term is used in the Louisiana Civil Code. The term "personal property" or "personalty" will mean "movable property" as that term is used in the Louisiana Civil Code. The term "tangible" will include "corporeal" as that term is used in the Louisiana Civil Code. The term "intangible" will include "incorporeal" as that term is used in the Louisiana Civil Code. References to the "UCC" or the "Uniform Commercial Code" shall include the Louisiana Commercial Laws, La. R.S. 10:1-101 et seq. The term "condemnation" will include "expropriation" as that term is used in Louisiana law.

6.6 Novation. The Secured Obligations secured by this Mortgage will continue with respect to any new obligation arising from any novation (subjective or objective) of the extinguished obligation as permitted by Louisiana Civil Code Article 1884, as well as to any other renewals, refinancings, modifications, amendments, revisions or extensions of the Secured Obligations.

6.7 Waivers of Certificates. The parties to this Mortgage hereby waive the production of mortgage, conveyance, tax, paving, assignment of accounts receivable and other certificates and relieve and release the Notary before whom this Mortgage was passed from all responsibilities and liabilities in connection therewith.

6.8 Subordination. The liens and security interests created under this Mortgage in favor of the Mortgagee for the benefit of the holders of the Parity Lien Obligations shall effectively be subordinated to the security interests created under this Mortgage in favor of the Mortgagee for the benefit of Crest, provided, however that no such subordination shall prevent or preclude Mortgagee from exercising any of its available remedies hereunder or under any other Security Document.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Thus DONE AND PASSED, on the day, and in the month and year first written above, in the City of Houston, County of Harris, State of Texas, by the undersigned Mortgagor in the presence of the undersigned competent witnesses, who hereunto sign their names with Mortgagor and me, Notary, after due reading of the whole.

WITNESSES:

/s/ Jacque Bateman
Printed Name: Jacque Bateman

/s/ Randall R. Cummins
Printed Name: Randall R. Cummins

Sabine Pass LNG, L.P.,
a Delaware limited partnership

By: Sabine Pass LNG- GP, Inc., its General Partner

By: /s/ Graham A. McArthur
Name: Graham A. McArthur
Title: Treasurer

Amanda Hoyt
Notary Public

Printed Name of Notary: Amanda Hoyt

My Commission Expires: October 12, 2008

[seal]

Thus DONE AND PASSED, on the day, and in the month and year first written above, in the City of New York, County of New York, State of New York, by the undersigned Mortgagee in the presence of the undersigned competent witnesses, who hereunto sign their names with Mortgagee and me, Notary, after due reading of the whole.

WITNESSES:

/s/ Julie Salovitch-Miller
Printed Name: Julie Salovitch-Miller
Vice President

/s/ Alexander Pabon
Printed Name: Alexander Pabon

The Bank of New York,
not individually but solely in its capacity as Collateral Trustee

By: /s/ Beata Hryniewicka
Name: Beata Hryniewicka
Title: Assistant Vice President

/s/ Carlos R. Luciano
Notary Public

Printed Name of Notary: Carlos R. Luciano

My Commission Expires: 4/30/2010

[seal]

S

EXHIBIT A

LEASES

Parcel A: Leasehold estate created by that certain Lease Agreement dated effective January 15, 2005, by and between Crain Lands, L.L.C., as Lessor, and Sabine Pass LNG, L.P., as Lessee, recorded on February 25, 2005, under Entry No. 291098 of the records of Cameron Parish, Louisiana, as amended by that certain Amendment to Lease dated effective February 24,2005, by and between Crain Lands, L.L.C., as Lessor, and Sabine Pass LNG, L.P., as Lessee, recorded on February 25, 2005, under Entry No. 291099 of the records of Cameron Parish, Louisiana, as further amended by that certain Second Amendment to Lease dated July 18, 2006 by and between Crain Lands, L.L.C. as Lessor, and Sabine Pass LNG, L.P. as Lessee, recorded on July 25, 2006 under Entry No. 299244 of the records of Cameron Parish, Louisiana, covering the lands described as "Parcel A" and Tract "A" on Schedule IA attached hereto and made a part hereof.

Parcel B: Leasehold estate created by that certain Lease Agreement dated effective January 15, 2005, by and between Crain Brothers Ranch, Inc., Marguerite Domatti as Trustee of M.A. Domatti Management Trust, Eva L. Domatti individually and as Trustee, Domatti Family Living Trust, Erika Domatti and Renata Domatti, collectively, as Lessor, and Sabine Pass LNG, L.P., as Lessee, recorded on February 25, 2005, under Entry No. 291100 of the records of Cameron Parish, Louisiana, as amended by that certain Amendment to Lease dated effective February 24, 2005, by and between Crain Brothers Ranch, Inc., Marguerite Domatti as Trustee of M.A. Domatti Management Trust, Eva L. Domatti individually and as Trustee of Domatti Family Living Trust, Erika Domatti and Renata Domatti, collectively, as Lessor, and Sabine Pass LNG, L.P., as Lessee, recorded on February 25, 2005, under Entry No. 291101 of the records of Cameron Parish, Louisiana, covering the lands described as "Parcel B" on Schedule IB attached hereto and made a part hereof.

Parcel C: Leasehold estate created by that certain Lease Agreement dated effective January 15, 2005, by and between George A. Davis, et al, as Lessors, and Sabine Pass LNG, L.P., as Lessee, recorded on February 25,2005, in Conveyance Book 999 under Entry No. 291103 of the records of Cameron Parish, Louisiana, as amended by that certain Amendment to Lease dated effective February 24, 2005, by and between George A. Davis, et al, as Lessors, and Sabine Pass LNG, L.P., as Lessee, recorded January 5, 2006, under File No. 295504, of the records of Cameron Parish, Louisiana, covering the lands described as "Parcel C" on Schedule IC attached hereto and made a part hereof.

DESCRIPTION OF SITE

PARCEL "A"

COMMENCING AT NATIONAL GEODETIC SURVEY MONUMENT PATSY AZ MK THAT HAS NAD 83(1992) LOUISIANA SOUTH ZONE (1702) LAMBERT COORDINATES OF N=469,996.61FEET AND E=2,468,956.13 FEET ; THENCE S.79°19'35"E., A DISTANCE OF 8,687.99 FEET TO A FOUND 3" DIAMETER TRANSITE PIPE 113.95' N 01°17'51"E OF TRUE POSITION ON THE EAST LINE OF SECTION 18, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA; SAID POINT BEING THE POINT OF BEGINNING; THENCE S.01°17'51"W., A DISTANCE OF 5,166.18 FEET TO A FOUND 1" DIAMETER IRON PIPE, BEING THE SOUTHEAST CORNER OF SECTION 18, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA; THENCE S.01°17'48"W., A DISTANCE OF 1,320.82 FEET TO A FOUND 1" DIAMETER IRON PIPE, BEING THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA; THENCE N.88°39'31"W., A DISTANCE OF 2,643.51 FEET TO A SET 1" DIAMETER IRON PIPE; THENCE N.88°41'32"W., A DISTANCE OF 1,620.05 FEET TO A FOUND 1" DIAMETER IRON PIPE 296.70' S 88°41'32" E OF TRUE POSITION; SAID POINT BEING ON THE PRESENT LEFT DESCENDING BANKLINE OF THE SABINE RIVER NAVIGATION CHANNEL; THENCE N.29°52'38"W., A DISTANCE OF 12.72 FEET ALONG SAID BANKLINE; THENCE N.18°31'24"W., A DISTANCE OF 18.66 FEET ALONG SAID BANKLINE; THENCE N.26°45'04"W., A DISTANCE OF 58.42 FEET ALONG SAID BANKLINE; THENCE N.30°56'03"W., A DISTANCE OF 14.89 FEET ALONG SAID BANKLINE; THENCE N.29°08'03"W., A DISTANCE OF 31.05 FEET ALONG SAID BANKLINE; THENCE N.28°47'01"W., A DISTANCE OF 34.51 FEET ALONG SAID BANKLINE; THENCE N.23°47'36"W., A DISTANCE OF 36.47 FEET ALONG SAID BANKLINE; THENCE N.21°41'44"W., A DISTANCE OF 43.25 FEET ALONG SAID BANKLINE; THENCE N.25°27'34"W., A DISTANCE OF 52.61 FEET ALONG SAID BANKLINE; THENCE N.32°17'16"W., A DISTANCE OF 34.76 FEET ALONG SAID BANKLINE; THENCE N.05°22'54"E., A DISTANCE OF 27.74 FEET ALONG SAID BANKLINE; THENCE N.19°21'40"E., A DISTANCE OF 16.59 FEET ALONG SAID BANKLINE; THENCE N.34°50'15"W., A DISTANCE OF 25.40 FEET ALONG SAID BANKLINE; THENCE N.49°44'00"E., A DISTANCE OF 13.27 FEET ALONG SAID BANKLINE; THENCE N.74°33'57"W., A DISTANCE OF 16.21 FEET ALONG SAID BANKLINE; THENCE N.26°00'42"W., A DISTANCE OF 22.59 FEET ALONG SAID BANKLINE; THENCE N.21°12'16"W., A DISTANCE OF 30.37 FEET ALONG SAID BANKLINE; THENCE N.24°14'15"W., A DISTANCE OF 37.05 FEET ALONG SAID BANKLINE; THENCE N.28°04'47"W., A DISTANCE OF 18.88 FEET ALONG SAID BANKLINE; THENCE N.48°19'14"W., A DISTANCE OF 11.90 FEET ALONG SAID BANKLINE; THENCE N.02°09'00"W., A DISTANCE OF 10.18 FEET ALONG SAID BANKLINE; THENCE N.34°55'22"W., A DISTANCE OF 15.52 FEET ALONG SAID BANKLINE; THENCE N.37°36'50"W., A

DISTANCE OF 16.61 FEET ALONG SAID BANKLINE; THENCE N.21°54’21”W., A DISTANCE OF 9.67 FEET ALONG SAID BANKLINE; THENCE N.76°12’32”W., A DISTANCE OF 11.40 FEET ALONG SAID BANKLINE; THENCE N.13°55’29”W., A DISTANCE OF 9.34 FEET ALONG SAID BANKLINE; THENCE N.40°58’04”W., A DISTANCE OF 8.07 FEET ALONG SAID BANKLINE; THENCE N.85°52’40”W., A DISTANCE OF 8.39 FEET ALONG SAID BANKLINE; THENCE N.51°58’58”W., A DISTANCE OF 18.44 FEET ALONG SAID BANKLINE; THENCE N.45°59’08”W., A DISTANCE OF 12.29 FEET ALONG SAID BANKLINE; THENCE N.29°23’59”W., A DISTANCE OF 24.58 FEET ALONG SAID BANKLINE; THENCE N.38°49’16”W., A DISTANCE OF 21.04 FEET ALONG SAID BANKLINE; THENCE N.21°19’37”W., A DISTANCE OF 20.92 FEET ALONG SAID BANKLINE; THENCE N.27°55’57”W., A DISTANCE OF 18.85 FEET ALONG SAID BANKLINE; THENCE N.25°58’30”W., A DISTANCE OF 18.33 FEET ALONG SAID BANKLINE; THENCE N.13°39’55”W., A DISTANCE OF 15.21 FEET ALONG SAID BANKLINE; THENCE N.26°53’58”W., A DISTANCE OF 19.38 FEET ALONG SAID BANKLINE; THENCE N.22°11’11”W., A DISTANCE OF 18.12 FEET ALONG SAID BANKLINE; THENCE S.12°24’20”W., A DISTANCE OF 269.63 FEET TO A POINT ALONG THE EAST LIMIT OF THE SABINE RIVER NAVIGATION CHANNEL; THENCE N.32°34’53”W., A DISTANCE OF 904.94 FEET ALONG SAID LIMIT OF CHANNEL; THENCE S.77°35’21”E., A DISTANCE OF 489.63 FEET TO A POINT ON THE PRESENT LEFT DESCENDING BANKLINE OF THE SABINE RIVER NAVIGATION CHANNEL; THENCE N.00°29’32”W., A DISTANCE OF 34.81 FEET ALONG THE PRESENT LEFT DESCENDING BANKLINE OF THE SABINE RIVER NAVIGATION CHANNEL; THENCE N.04°48’54”E., A DISTANCE OF 24.71 FEET ALONG SAID BANKLINE; THENCE N.08°20’11”W., A DISTANCE OF 26.71 FEET ALONG SAID BANKLINE; THENCE N.14°34’49”W., A DISTANCE OF 37.60 FEET ALONG SAID BANKLINE; THENCE N.23°27’40”E., A DISTANCE OF 23.01 FEET ALONG SAID BANKLINE; THENCE N.33°57’37”E., A DISTANCE OF 24.40 FEET ALONG SAID BANKLINE; THENCE N.02°13’08”W., A DISTANCE OF 8.55 FEET ALONG SAID BANKLINE; THENCE N.50°20’38”E., A DISTANCE OF 13.69 FEET ALONG SAID BANKLINE; THENCE N.39°10’19”E., A DISTANCE OF 14.47 FEET ALONG SAID BANKLINE; THENCE N.02°52’22”W., A DISTANCE OF 24.68 FEET ALONG SAID BANKLINE; THENCE N.23°00’02”E., A DISTANCE OF 26.34 FEET ALONG SAID BANKLINE; THENCE N.28°43’38”E., A DISTANCE OF 17.92 FEET ALONG SAID BANKLINE; THENCE N.30°10’48”E., A DISTANCE OF 19.06 FEET ALONG SAID BANKLINE; THENCE N.15°32’58”E., A DISTANCE OF 27.83 FEET ALONG SAID BANKLINE; THENCE N.18°40’59”E., A DISTANCE OF 16.94 FEET ALONG SAID BANKLINE; THENCE N.18°47’18”E., A DISTANCE OF 18.41 FEET ALONG SAID BANKLINE; THENCE N.04°58’25”E., A DISTANCE OF 12.33 FEET ALONG SAID BANKLINE; THENCE N.03°39’40”E., A DISTANCE OF 5.48 FEET ALONG SAID BANKLINE; THENCE N.49°39’22”W., A DISTANCE OF 7.73 FEET ALONG SAID BANKLINE; THENCE N.25°00’51”W., A DISTANCE OF 7.82 FEET ALONG SAID BANKLINE; THENCE N.01°38’38”W., A DISTANCE OF 8.37 FEET ALONG SAID BANKLINE; THENCE N.14°32’44”E., A DISTANCE OF 8.10 FEET ALONG SAID BANKLINE; THENCE N.02°42’23”E., A DISTANCE OF 18.55 FEET ALONG SAID BANKLINE; THENCE N.01°34’29”W., A DISTANCE OF 25.47 FEET ALONG SAID BANKLINE; THENCE N.00°54’03”W., A DISTANCE OF 20.10 FEET

ALONG SAID BANKLINE; THENCE N.07°38’44”E., A DISTANCE OF 19.96 FEET ALONG SAID BANKLINE; THENCE N.10°06’29”E., A DISTANCE OF 13.61 FEET ALONG SAID BANKLINE; THENCE N.72°15’10”E., A DISTANCE OF 11.78 FEET ALONG SAID BANKLINE; THENCE N.56°54’25”E., A DISTANCE OF 8.84 FEET ALONG SAID BANKLINE; THENCE N.05°58’49”W., A DISTANCE OF 23.84 FEET ALONG SAID BANKLINE; THENCE N.07°14’23”E., A DISTANCE OF 20.62 FEET ALONG SAID BANKLINE; THENCE N.08°50’41”E., A DISTANCE OF 27.34 FEET ALONG SAID BANKLINE; THENCE N.07°53’16”W., A DISTANCE OF 39.87 FEET ALONG SAID BANKLINE; THENCE N.08°08’55”W., A DISTANCE OF 33.03 FEET ALONG SAID BANKLINE; THENCE N.05°28’55”W., A DISTANCE OF 27.35 FEET ALONG SAID BANKLINE; THENCE N.13°06’43”W., A DISTANCE OF 27.36 FEET ALONG SAID BANKLINE; THENCE N.00°20’15”E., A DISTANCE OF 13.24 FEET ALONG SAID BANKLINE; THENCE N.08°37’32”W., A DISTANCE OF 20.90 FEET ALONG SAID BANKLINE; THENCE N.23°58’43”W., A DISTANCE OF 22.15 FEET ALONG SAID BANKLINE; THENCE N.35°33’35”W., A DISTANCE OF 23.52 FEET ALONG SAID BANKLINE; THENCE N.25°47’37”W., A DISTANCE OF 32.15 FEET ALONG SAID BANKLINE; THENCE N.27°33’37”W., A DISTANCE OF 25.54 FEET ALONG SAID BANKLINE; THENCE N.61°40’59”W., A DISTANCE OF 31.67 FEET ALONG SAID BANKLINE; THENCE N.67°54’57”W., A DISTANCE OF 69.78 FEET ALONG SAID BANKLINE; THENCE N.75°28’20”W., A DISTANCE OF 68.07 FEET ALONG SAID BANKLINE; THENCE N.78°59’34”W., A DISTANCE OF 27.54 FEET ALONG SAID BANKLINE; THENCE N.30°12’01”W., A DISTANCE OF 49.12 FEET ALONG SAID BANKLINE; THENCE N.31°45’05”W., A DISTANCE OF 59.59 FEET ALONG SAID BANKLINE; THENCE N.33°17’17”W., A DISTANCE OF 41.77 FEET ALONG SAID BANKLINE; THENCE N.30°14’26”W., A DISTANCE OF 50.16 FEET ALONG SAID BANKLINE; THENCE N.30°11’36”W., A DISTANCE OF 58.49 FEET ALONG SAID BANKLINE; THENCE N.32°16’47”W., A DISTANCE OF 72.58 FEET ALONG SAID BANKLINE; THENCE N.45°21’02”W., A DISTANCE OF 23.22 FEET ALONG SAID BANKLINE; THENCE N.47°00’50”W., A DISTANCE OF 13.96 FEET ALONG SAID BANKLINE; THENCE N.86°55’18”W., A DISTANCE OF 12.59 FEET ALONG SAID BANKLINE; THENCE N.01°03’18”E., A DISTANCE OF 15.21 FEET ALONG SAID BANKLINE; THENCE N.28°34’20”W., A DISTANCE OF 24.48 FEET ALONG SAID BANKLINE; THENCE N.29°48’54”W., A DISTANCE OF 14.11 FEET ALONG SAID BANKLINE; THENCE N.32°54’11”W., A DISTANCE OF 20.64 FEET ALONG SAID BANKLINE; THENCE N.43°31’52”W., A DISTANCE OF 24.66 FEET ALONG SAID BANKLINE; THENCE N.41°01’49”W., A DISTANCE OF 27.60 FEET ALONG SAID BANKLINE; THENCE N.64°31’06”W., A DISTANCE OF 31.60 FEET ALONG SAID BANKLINE; THENCE N.61°16’18”W., A DISTANCE OF 27.12 FEET ALONG SAID BANKLINE; THENCE N.72°49’51”W., A DISTANCE OF 16.99 FEET ALONG SAID BANKLINE; THENCE S.81°12’50”W., A DISTANCE OF 38.79 FEET ALONG SAID BANKLINE; THENCE N.87°34’41”W., A DISTANCE OF 25.06 FEET ALONG SAID BANKLINE; THENCE N.83°02’49”W., A DISTANCE OF 29.64 FEET ALONG SAID BANKLINE; THENCE N.87°32’34”W., A DISTANCE OF 25.63 FEET ALONG SAID BANKLINE; THENCE S.17°39’58”W., A DISTANCE OF 10.21 FEET ALONG SAID BANKLINE; THENCE S.41°48’12”W., A DISTANCE OF 6.37 FEET ALONG SAID BANKLINE; THENCE N.65°28’08”W., A DISTANCE OF 6.75 FEET

ALONG SAID BANKLINE; THENCE N.40°52’29”W., A DISTANCE OF 8.21 FEET ALONG SAID BANKLINE; THENCE N.86°51’04”W., A DISTANCE OF 12.87 FEET ALONG SAID BANKLINE; THENCE S.73°11’33”W., A DISTANCE OF 11.71 FEET ALONG SAID BANKLINE; THENCE S.68°15’02”W., A DISTANCE OF 8.61 FEET ALONG SAID BANKLINE; THENCE N.52°53’57”W., A DISTANCE OF 15.03 FEET ALONG SAID BANKLINE; THENCE N.68°20’17”W., A DISTANCE OF 16.87 FEET ALONG SAID BANKLINE; THENCE N.72°42’23”W., A DISTANCE OF 22.03 FEET ALONG SAID BANKLINE; THENCE N.45°38’10”W., A DISTANCE OF 26.94 FEET ALONG SAID BANKLINE; THENCE N.45°50’23”W., A DISTANCE OF 46.02 FEET ALONG SAID BANKLINE; THENCE N.37°14’07”W., A DISTANCE OF 51.10 FEET ALONG SAID BANKLINE; THENCE N.44°07’34”W., A DISTANCE OF 40.05 FEET ALONG SAID BANKLINE; THENCE N.57°25’15”W., A DISTANCE OF 54.67 FEET ALONG SAID BANKLINE; THENCE N.68°07’09”W., A DISTANCE OF 41.16 FEET ALONG SAID BANKLINE; THENCE N.85°14’10”W., A DISTANCE OF 22.18 FEET ALONG SAID BANKLINE; THENCE N.72°03’58”W., A DISTANCE OF 31.35 FEET ALONG SAID BANKLINE; THENCE N.29°10’04”W., A DISTANCE OF 26.22 FEET ALONG SAID BANKLINE; THENCE N.17°44’58”W., A DISTANCE OF 14.62 FEET ALONG SAID BANKLINE; THENCE N.32°02’36”W., A DISTANCE OF 15.81 FEET ALONG SAID BANKLINE; THENCE N.41°18’36”W., A DISTANCE OF 20.70 FEET ALONG SAID BANKLINE; THENCE N.53°25’25”W., A DISTANCE OF 32.96 FEET ALONG SAID BANKLINE; THENCE N.63°21’05”W., A DISTANCE OF 20.85 FEET ALONG SAID BANKLINE; THENCE N.50°23’40”W., A DISTANCE OF 28.75 FEET ALONG SAID BANKLINE; THENCE N.55°45’42”W., A DISTANCE OF 24.69 FEET ALONG SAID BANKLINE; THENCE N.60°07’26”W., A DISTANCE OF 23.12 FEET ALONG SAID BANKLINE; THENCE N.67°04’53”W., A DISTANCE OF 21.52 FEET ALONG SAID BANKLINE; THENCE N.30°23’04”W., A DISTANCE OF 26.96 FEET ALONG SAID BANKLINE; THENCE N.39°14’32”W., A DISTANCE OF 34.71 FEET ALONG SAID BANKLINE; THENCE N.43°31’15”W., A DISTANCE OF 33.42 FEET ALONG SAID BANKLINE; THENCE N.48°10’14”W., A DISTANCE OF 27.96 FEET ALONG SAID BANKLINE; THENCE N.73°13’43”W., A DISTANCE OF 24.84 FEET ALONG SAID BANKLINE; THENCE N.66°20’34”W., A DISTANCE OF 20.11 FEET ALONG SAID BANKLINE; THENCE S.65°15’23”W., A DISTANCE OF 30.59 FEET ALONG SAID BANKLINE; THENCE N.46°15’48”W., A DISTANCE OF 61.16 FEET ALONG SAID BANKLINE; THENCE N.40°15’43”W., A DISTANCE OF 37.33 FEET ALONG SAID BANKLINE; THENCE N.41°17’58”W., A DISTANCE OF 27.04 FEET ALONG SAID BANKLINE; THENCE N.32°33’53”W., A DISTANCE OF 21.03 FEET ALONG SAID BANKLINE; THENCE N.45°30’58”W., A DISTANCE OF 30.46 FEET ALONG SAID BANKLINE; THENCE N.28°31’26”W., A DISTANCE OF 11.88 FEET ALONG SAID BANKLINE; THENCE N.26°24’44”W., A DISTANCE OF 31.01 FEET ALONG SAID BANKLINE; THENCE N.31°05’40”W., A DISTANCE OF 23.31 FEET ALONG SAID BANKLINE; THENCE N.30°04’31”W., A DISTANCE OF 25.35 FEET ALONG SAID BANKLINE; THENCE N.25°14’42”W., A DISTANCE OF 25.78 FEET ALONG SAID BANKLINE; THENCE N.03°42’22”E., A DISTANCE OF 21.46 FEET ALONG SAID BANKLINE; THENCE N.50°34’04”E., A DISTANCE OF 11.22 FEET ALONG SAID BANKLINE; THENCE N.11°24’24”W., A DISTANCE OF 35.65 FEET ALONG SAID BANKLINE; THENCE N.17°01’22”E., A DISTANCE OF 35.66 FEET

ALONG SAID BANKLINE; THENCE N.03°24’05”E., A DISTANCE OF 44.53 FEET ALONG SAID BANKLINE; THENCE N.01°29’04”E., A DISTANCE OF 65.04 FEET ALONG SAID BANKLINE; THENCE N.00°03’30”W., A DISTANCE OF 51.98 FEET ALONG SAID BANKLINE; THENCE N.06°30’02”W., A DISTANCE OF 48.10 FEET ALONG SAID BANKLINE; THENCE N.06°32’31”W., A DISTANCE OF 53.53 FEET ALONG SAID BANKLINE; THENCE N.21°24’28”W., A DISTANCE OF 58.43 FEET ALONG SAID BANKLINE; THENCE N.26°23’11”W., A DISTANCE OF 82.08 FEET ALONG SAID BANKLINE; THENCE N.08°27’21”W., A DISTANCE OF 57.54 FEET ALONG SAID BANKLINE; THENCE N.08°32’39”W., A DISTANCE OF 81.96 FEET ALONG SAID BANKLINE; THENCE N.18°43’14”W., A DISTANCE OF 37.13 FEET ALONG SAID BANKLINE; THENCE N.22°11’51”W., A DISTANCE OF 46.12 FEET ALONG SAID BANKLINE; THENCE N.34°23’42”W., A DISTANCE OF 61.23 FEET ALONG SAID BANKLINE; THENCE N.44°10’04”W., A DISTANCE OF 42.16 FEET ALONG SAID BANKLINE; THENCE N.24°32’28”W., A DISTANCE OF 41.51 FEET ALONG SAID BANKLINE; THENCE N.12°34’16”W., A DISTANCE OF 18.84 FEET ALONG SAID BANKLINE; THENCE N.19°13’09”E., A DISTANCE OF 35.51 FEET ALONG SAID BANKLINE; THENCE N.23°33’06”E., A DISTANCE OF 36.89 FEET ALONG SAID BANKLINE; THENCE N.22°18’03”E., A DISTANCE OF 42.95 FEET ALONG SAID BANKLINE; THENCE N.18°23’00”E., A DISTANCE OF 51.23 FEET ALONG SAID BANKLINE; THENCE N.13°23’25”E., A DISTANCE OF 53.86 FEET ALONG SAID BANKLINE; THENCE N.02°27’53”E., A DISTANCE OF 25.42 FEET ALONG SAID BANKLINE; THENCE N.20°53’28”E., A DISTANCE OF 40.59 FEET ALONG SAID BANKLINE; THENCE N.38°49’39”E., A DISTANCE OF 38.56 FEET ALONG SAID BANKLINE; THENCE N.31°39’05”E., A DISTANCE OF 40.69 FEET ALONG SAID BANKLINE; THENCE N.47°36’02”E., A DISTANCE OF 60.93 FEET TO A SET 1-1/4” DIAMETER IRON PIPE 50.34’ S 88°43’54” E OF TRUE POSITION ALONG SAID BANKLINE; THENCE S.88°43’54”E., A DISTANCE OF 968.48 FEET TO A SET 1-1/4” DIAMETER IRON PIPE ON THE EAST LINE OF SECTION 13, TOWNSHIP 15 SOUTH, RANGE 16 WEST, CAMERON PARISH, LOUISIANA; THENCE N.01°20’01”E., A DISTANCE OF 884.99 FEET TO A FOUND 3/4” DIAMETER IRON PIPE ALONG THE EAST LINE OF SECTION 13, TOWNSHIP 15 SOUTH, RANGE 16 WEST, CAMERON PARISH, LOUISIANA; THENCE S.88°36’02”E., A DISTANCE OF 1,254.17 FEET TO A SET 1-1/4” DIAMETER IRON PIPE; THENCE N.01°10’26”E., A DISTANCE OF 1,460.45 FEET TO A SET 1-1/4” DIAMETER IRON PIPE ON THE NORTH LINE OF SECTION 18, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA; THENCE S.88°41’06”E., A DISTANCE OF 2,106.04 FEET TO A SET 1-1/4” DIAMETER IRON PIPE 100.31’ N 88°41’06” W OF TRUE POSITION ALONG THE NORTH LINE OF SECTION 18, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA TO A POINT ON THE CENTERLINE OF THE ASPHALTIC CONCRETE TRAVELING SURFACE OF THE LOUISIANA STATE HIGHWAY NO. 82; THENCE S.73°39’31”E., A DISTANCE OF 94.01 FEET ALONG THE CENTERLINE OF THE ASPHALTIC CONCRETE TRAVELING SURFACE OF THE LOUISIANA STATE HIGHWAY NO. 82; THENCE S.76°03’46”E., A DISTANCE OF 106.02 FEET ALONG THE CENTERLINE OF THE ASPHALTIC CONCRETE TRAVELING SURFACE OF THE LOUISIANA STATE HIGHWAY NO. 82; THENCE S.77°52’01”E., A DISTANCE OF 99.86 FEET ALONG

THE CENTERLINE OF THE ASPHALTIC CONCRETE TRAVELING SURFACE OF THE LOUISIANA STATE HIGHWAY NO. 82; THENCE S.79°43’53”E., A DISTANCE OF 100.71 FEET ALONG THE CENTERLINE OF THE ASPHALTIC CONCRETE TRAVELING SURFACE OF THE LOUISIANA STATE HIGHWAY NO. 82; THENCE S.81°53’56”E., A DISTANCE OF 106.20 FEET ALONG THE CENTERLINE OF THE ASPHALTIC CONCRETE TRAVELING SURFACE OF THE LOUISIANA STATE HIGHWAY NO. 82; THENCE S.84°15’23”E., A DISTANCE OF 118.24 FEET ALONG THE CENTERLINE OF THE ASPHALTIC CONCRETE TRAVELING SURFACE OF THE LOUISIANA STATE HIGHWAY NO. 82; THENCE S.86°28’19”E., A DISTANCE OF 111.66 FEET ALONG THE CENTERLINE OF THE ASPHALTIC CONCRETE TRAVELING SURFACE OF THE LOUISIANA STATE HIGHWAY NO. 82; THENCE S.88°16’02”E., A DISTANCE OF 216.77 FEET ALONG THE CENTERLINE OF THE ASPHALTIC CONCRETE TRAVELING SURFACE OF THE LOUISIANA STATE HIGHWAY NO. 82; THENCE S.89°06’51”E., A DISTANCE OF 336.48 FEET ALONG THE CENTERLINE OF THE ASPHALTIC CONCRETE TRAVELING SURFACE OF THE LOUISIANA STATE HIGHWAY NO. 82; THENCE S.88°54’09”E., A DISTANCE OF 346.61 FEET ALONG THE CENTERLINE OF THE ASPHALTIC CONCRETE TRAVELING SURFACE OF THE LOUISIANA STATE HIGHWAY NO. 82; THENCE S.88°33’37”E., A DISTANCE OF 115.58 FEET ALONG THE CENTERLINE OF THE ASPHALTIC CONCRETE TRAVELING SURFACE OF THE LOUISIANA STATE HIGHWAY NO. 82; THENCE S.87°11’40”E., A DISTANCE OF 108.18 FEET ALONG THE CENTERLINE OF THE ASPHALTIC CONCRETE TRAVELING SURFACE OF THE LOUISIANA STATE HIGHWAY NO. 82; THENCE S.84°49’32”E., A DISTANCE OF 77.14 FEET ALONG THE CENTERLINE OF THE ASPHALTIC CONCRETE TRAVELING SURFACE OF THE LOUISIANA STATE HIGHWAY NO. 82 TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL IS SITUATED IN SECTIONS 18 AND 19, TOWNSHIP 15 SOUTH, RANGE 15 WEST, AND SECTION 13 TOWNSHIP 15 SOUTH, RANGE 16 WEST, CAMERON PARISH, LOUISIANA, IS MADE REFERENCE TO AS PARCEL “A” ON THAT PLAT OF SURVEY PREPARED BY LONNIE G. HARPER & ASSOCIATES, INC. DATED FEBRUARY 4, 2005 AND LAST REVISED FEBRUARY 24, 2005, AND CONTAINS 33,183,906.88 SQUARE FEET OR 761.7977 ACRES, MORE OR LESS.

LESS AND EXCEPT FROM PARCEL A:

COMMENCING AT NATIONAL GEODETIC SURVEY MONUMENT PATSY AZ MK THAT HAS NAD 83(1992) LOUISIANA SOUTH ZONE (1702) LAMBERT COORDINATES OF N=469,996.61FEET AND E=2,468,956.13 FEET; THENCE S.39°33’52”E., A DISTANCE OF 4,817.58 FEET TO A SET ONE AND A QUARTER INCH DIAMETER IRON PIPE; SAID POINT BEING THE POINT OF BEGINNING; THENCE N.88°43’54”W., A DISTANCE OF 833.28 FEET TO A SET ONE AND A QUARTER INCH DIAMETER IRON PIPE 50.34’ S 88°43’54” E OF TRUE POSITION; SAID POINT BEING ON THE PRESENT LEFT DESCENDING BANKLINE OF THE

SABINE RIVER NAVIGATION CHANNEL; THENCE S.47°36’02”W., A DISTANCE OF 60.93 FEET ALONG SAID BANKLINE; THENCE S.31°39’05”W., A DISTANCE OF 40.69 FEET ALONG SAID BANKLINE; THENCE S.38°49’39”W., A DISTANCE OF 38.56 FEET ALONG SAID BANKLINE; THENCE S.20°53’28”W., A DISTANCE OF 40.59 FEET ALONG SAID BANKLINE; THENCE S.02°27’53”W., A DISTANCE OF 25.42 FEET ALONG SAID BANKLINE; THENCE S.13°23’25”W., A DISTANCE OF 53.86 FEET ALONG SAID BANKLINE; THENCE S.18°23’00”W., A DISTANCE OF 51.23 FEET ALONG SAID BANKLINE; THENCE S.22°18’03”W., A DISTANCE OF 42.95 FEET ALONG SAID BANKLINE; THENCE S.23°33’06”W., A DISTANCE OF 36.89 FEET ALONG SAID BANKLINE; THENCE S.19°13’09”W., A DISTANCE OF 35.51 FEET ALONG SAID BANKLINE; THENCE S.12°34’16”E., A DISTANCE OF 18.84 FEET ALONG SAID BANKLINE; THENCE S.24°32’28”E., A DISTANCE OF 41.51 FEET ALONG SAID BANKLINE; THENCE S.44°10’04”E., A DISTANCE OF 42.16 FEET ALONG SAID BANKLINE; THENCE S.34°23’42”E., A DISTANCE OF 61.23 FEET ALONG SAID BANKLINE; THENCE S.22°11’51”E., A DISTANCE OF 46.12 FEET ALONG SAID BANKLINE; THENCE S.18°43’14”E., A DISTANCE OF 37.13 FEET ALONG SAID BANKLINE; THENCE S.08°32’39”E., A DISTANCE OF 81.96 FEET ALONG SAID BANKLINE; THENCE S.08°27’21”E., A DISTANCE OF 57.54 FEET ALONG SAID BANKLINE; THENCE S.26°23’11”E., A DISTANCE OF 82.08 FEET ALONG SAID BANKLINE; THENCE S.21°24’28”E., A DISTANCE OF 58.43 FEET ALONG SAID BANKLINE; THENCE S.06°32’31”E., A DISTANCE OF 53.53 FEET ALONG SAID BANKLINE; THENCE S.06°30’02”E., A DISTANCE OF 48.10 FEET ALONG SAID BANKLINE; THENCE S.00°03’30”E., A DISTANCE OF 51.98 FEET ALONG SAID BANKLINE; THENCE S.01°29’04”W., A DISTANCE OF 65.04 FEET ALONG SAID BANKLINE; THENCE S.03°24’05”W., A DISTANCE OF 44.53 FEET ALONG SAID BANKLINE; THENCE S.17°01’22”W., A DISTANCE OF 35.66 FEET ALONG SAID BANKLINE; THENCE S.11°24’24”E., A DISTANCE OF 35.65 FEET ALONG SAID BANKLINE; THENCE S.50°34’04”W., A DISTANCE OF 11.22 FEET ALONG SAID BANKLINE; THENCE S.03°42’22”W., A DISTANCE OF 21.46 FEET ALONG SAID BANKLINE; THENCE S.25°14’42”E., A DISTANCE OF 25.78 FEET ALONG SAID BANKLINE; THENCE S.30°04’31”E., A DISTANCE OF 25.35 FEET ALONG SAID BANKLINE; THENCE S.31°05’40”E., A DISTANCE OF 23.31 FEET ALONG SAID BANKLINE; THENCE S.26°24’44”E., A DISTANCE OF 31.01 FEET ALONG SAID BANKLINE; THENCE S.28°31’26”E., A DISTANCE OF 11.88 FEET ALONG SAID BANKLINE; THENCE S.45°30’58”E., A DISTANCE OF 30.46 FEET ALONG SAID BANKLINE; THENCE S.32°33’53”E., A DISTANCE OF 21.03 FEET ALONG SAID BANKLINE; THENCE S.41°17’58”E., A DISTANCE OF 27.04 FEET ALONG SAID BANKLINE; THENCE S.40°15’43”E., A DISTANCE OF 37.33 FEET ALONG SAID BANKLINE; THENCE S.46°15’48”E., A DISTANCE OF 61.16 FEET ALONG SAID BANKLINE; THENCE N.65°15’23”E., A DISTANCE OF 30.59 FEET ALONG SAID BANKLINE; THENCE S.66°20’34”E., A DISTANCE OF 20.11 FEET ALONG SAID BANKLINE; THENCE S.73°13’43”E., A DISTANCE OF 24.84 FEET ALONG SAID BANKLINE; THENCE S.48°10’14”E., A DISTANCE OF 27.96 FEET ALONG SAID BANKLINE; THENCE S.43°31’15”E., A DISTANCE OF 33.42 FEET ALONG SAID BANKLINE; THENCE S.39°14’32”E., A DISTANCE OF 34.71 FEET ALONG SAID BANKLINE; THENCE S.30°23’04”E., A DISTANCE OF

26.96 FEET ALONG SAID BANKLINE; THENCE S.67°04’53”E., A DISTANCE OF 21.52 FEET ALONG SAID BANKLINE; THENCE S.60°07’26”E., A DISTANCE OF 23.12 FEET ALONG SAID BANKLINE; THENCE S.55°45’42”E., A DISTANCE OF 24.69 FEET ALONG SAID BANKLINE; THENCE S.50°23’40”E., A DISTANCE OF 28.75 FEET ALONG SAID BANKLINE; THENCE S.63°21’05”E., A DISTANCE OF 20.85 FEET ALONG SAID BANKLINE; THENCE S.53°25’25”E., A DISTANCE OF 32.96 FEET ALONG SAID BANKLINE; THENCE S.41°18’36”E., A DISTANCE OF 20.70 FEET ALONG SAID BANKLINE; THENCE S.32°02’36”E., A DISTANCE OF 15.81 FEET ALONG SAID BANKLINE; THENCE S.17°44’58”E., A DISTANCE OF 14.62 FEET ALONG SAID BANKLINE; THENCE S.29°10’04”E., A DISTANCE OF 26.22 FEET ALONG SAID BANKLINE; THENCE S.72°03’58”E., A DISTANCE OF 31.35 FEET ALONG SAID BANKLINE; THENCE S.85°14’10”E., A DISTANCE OF 22.18 FEET ALONG SAID BANKLINE; THENCE S.68°07’09”E., A DISTANCE OF 41.16 FEET ALONG SAID BANKLINE; THENCE S.57°25’15”E., A DISTANCE OF 54.67 FEET ALONG SAID BANKLINE; THENCE S.44°07’34”E., A DISTANCE OF 40.05 FEET ALONG SAID BANKLINE; THENCE S.37°14’07”E., A DISTANCE OF 51.10 FEET ALONG SAID BANKLINE; THENCE S.45°50’23”E., A DISTANCE OF 46.02 FEET ALONG SAID BANKLINE; THENCE S.45°38’10”E., A DISTANCE OF 20.31 FEET TO A SET ONE AND A QUARTER INCH DIAMETER IRON PIPE 49.96 FEET N02°48’04”E OF TRUE POSITION; THENCE N.02°48’04”E., A DISTANCE OF 1,849.52 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL IS SITUATED IN SECTION 13, TOWNSHIP 15 SOUTH, RANGE 16 WEST, CAMERON PARISH, LOUISIANA, IS MADE REFERENCE TO AS TRACT “B” ON THAT PLAT OF SURVEY PREPARED BY LONNIE G. HARPER & ASSOCIATES, INC. DATED APRIL 27, 2006 AND CONTAINS 1,304,468.95 SQUARE FEET OR 29.9465 ACRES.

TRACT “A”

COMMENCING AT NATIONAL GEODETIC SURVEY MONUMENT PATSYAZ MK THAT HAS NAD 83(1992) LOUISIANA SOUTH ZONE (1702) LAMBERT COORDINATES OF N=469,996.61FEET AND E=2,468,956.13 FEET; THENCE S.51°45’32”E., A DISTANCE OF 4,590.62 FEET TO A SET ONE AND A QUARTER INCH DIAMETER IRON PIPE; SAID POINT BEING THE POINT OF BEGINNING; THENCE N.35°45’31”E., A DISTANCE OF 848.45 FEET TO A SET ONE AND A QUARTER INCH DIAMETER IRON PIPE; THENCE N.04°26’02”E., A DISTANCE OF 632.85 FEET TO A SET ONE AND A QUARTER INCH DIAMETER IRON PIPE; THENCE N.42°42’54”E., A DISTANCE OF 1,026.57 FEET TO A SET ONE AND A QUARTER INCH DIAMETER IRON PIPE; THENCE S.64°09’09”E., A DISTANCE OF 1,547.44 FEET TO A SET ONE AND A QUARTER INCH DIAMETER IRON PIPE; THENCE N.88°41’06”W., A DISTANCE OF 1,731.70 FEET TO A SET ONE AND A QUARTER INCH DIAMETER IRON PIPE; THENCE S.01°10’26”W., A DISTANCE OF 1,460.45 FEET; THENCE N.88°36’02”W., A DISTANCE OF 872.84 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL IS SITUATED IN SECTIONS 7 AND 18, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA, IS MADE REFERENCE TO AS TRACT “A” ON THAT PLAT OF SURVEY PREPARED BY LONNIE G. HARPER & ASSOCIATES, INC. DATED APRIL 27, 2006, AND CONTAINS 1,350,998.89 SQUARE FEET OR 31.0147 ACRES.

PARCEL “B”

COMMENCING AT NATIONAL GEODETIC SURVEY MONUMENT PATSY AZ MK THAT HAS NAD 83(1992) LOUISIANA SOUTH ZONE (1702) LAMBERT COORDINATES OF N=469,996.61FEET AND E=2,468,956.13 FEET; THENCE S.79°19’35”E., A DISTANCE OF 8,687.99 FEET TO A FOUND 3” DIAMETER TRANSITE PIPE 113.95’ N 01°17’51”E OF TRUE POSITION ON THE EAST LINE OF SECTION 18, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA; THENCE S.01°17’51”W., A DISTANCE OF 5,166.18 FEET TO A FOUND 1” DIAMETER IRON PIPE, BEING THE SOUTHEAST CORNER OF SECTION 18, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA; THENCE S.01°17’48”W., A DISTANCE OF 1,320.82 FEET TO A FOUND 1” DIAMETER IRON PIPE, BEING THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA; THENCE N.88°39’31”W., A DISTANCE OF 250.69 FEET TO A SET 1” DIAMETER IRON PIPE ALONG THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA; SAID POINT BEING THE POINT OF BEGINNING; THENCE S.01°18’01”W., A DISTANCE OF 1,726.79 FEET TO A SET 1” DIAMETER IRON PIPE ON THE 1917 SMITH AND BALDWIN MEANDER LINE ; THENCE N.68°45’04”W., A DISTANCE OF 264.71 FEET ALONG SAID MEANDER LINE; THENCE N.80°57’34”W., A DISTANCE OF 528.00 FEET ALONG SAID MEANDER LINE; THENCE S.88°32’26”W., A DISTANCE OF 462.00 FEET ALONG SAID MEANDER LINE; THENCE N.82°27’34”W., A DISTANCE OF 435.60 FEET ALONG SAID MEANDER LINE TO A POINT ON THE LEFT DESCENDING BANKLINE OF THE SABINE RIVER; THENCE N.70°12’34”W., A DISTANCE OF 56.07 FEET ALONG SAID BANKLINE; THENCE N.51°06’21”W., A DISTANCE OF 103.04 FEET ALONG SAID BANKLINE; THENCE N.29°10’12”W., A DISTANCE OF 47.30 FEET ALONG SAID BANKLINE; THENCE N.24°56’20”W., A DISTANCE OF 49.96 FEET ALONG SAID BANKLINE; THENCE N.22°45’34”W., A DISTANCE OF 54.44 FEET ALONG SAID BANKLINE; THENCE N.19°49’12”W., A DISTANCE OF 46.15 FEET ALONG SAID BANKLINE; THENCE N.18°45’21”W., A DISTANCE OF 43.15 FEET ALONG SAID BANKLINE; THENCE N.03°22’42”W., A DISTANCE OF 41.51 FEET ALONG SAID BANKLINE; THENCE N.04°34’39”W., A DISTANCE OF 39.82 FEET ALONG SAID BANKLINE; THENCE N.14°32’45”W., A DISTANCE OF 19.99 FEET ALONG SAID BANKLINE; THENCE N.38°23’36”W., A DISTANCE OF 17.60 FEET ALONG SAID BANKLINE; THENCE N.44°39’18”W., A DISTANCE OF 78.35 FEET ALONG SAID BANKLINE; THENCE N.50°28’04”W., A DISTANCE OF 19.19 FEET ALONG SAID BANKLINE;

THENCE N.58°42’00”W., A DISTANCE OF 26.20 FEET ALONG SAID BANKLINE; THENCE N.38°46’44”W., A DISTANCE OF 9.32 FEET ALONG SAID BANKLINE; THENCE N.63°26’22”W., A DISTANCE OF 16.86 FEET ALONG SAID BANKLINE; THENCE N.66°47’14”W., A DISTANCE OF 13.35 FEET ALONG SAID BANKLINE; THENCE N.73°44’32”W., A DISTANCE OF 15.12 FEET ALONG SAID BANKLINE; THENCE N.67°44’58”W., A DISTANCE OF 15.26 FEET ALONG SAID BANKLINE; THENCE S.85°43’57”W., A DISTANCE OF 17.09 FEET ALONG SAID BANKLINE; THENCE S.84°56’37”W., A DISTANCE OF 28.16 FEET ALONG SAID BANKLINE; THENCE N.89°58’38”W., A DISTANCE OF 37.89 FEET ALONG SAID BANKLINE; THENCE S.89°06’48”W., A DISTANCE OF 22.04 FEET ALONG SAID BANKLINE; THENCE S.84°58’36”W., A DISTANCE OF 19.92 FEET ALONG SAID BANKLINE; THENCE S.72°58’59”W., A DISTANCE OF 14.76 FEET ALONG SAID BANKLINE; THENCE S.82°41’01”W., A DISTANCE OF 15.85 FEET ALONG SAID BANKLINE; THENCE N.89°32’13”W., A DISTANCE OF 44.53 FEET ALONG SAID BANKLINE; THENCE N.84°09’59”W., A DISTANCE OF 24.87 FEET ALONG SAID BANKLINE; THENCE N.88°25’18”W., A DISTANCE OF 22.69 FEET ALONG SAID BANKLINE; THENCE S.80°30’33”W., A DISTANCE OF 20.43 FEET ALONG SAID BANKLINE; THENCE S.87°15’17”W., A DISTANCE OF 19.73 FEET ALONG SAID BANKLINE; THENCE N.78°45’23”W., A DISTANCE OF 13.37 FEET ALONG SAID BANKLINE; THENCE N.70°40’45”W., A DISTANCE OF 12.58 FEET TO A FOUND 1” DIAMETER IRON PIPE 11.70’ N.01%%D18’42”E. OF TRUE POSITION; THENCE N.01°18’42”E., A DISTANCE OF 1,033.85 FEET TO A SET 1” DIAMETER IRON PIPE, BEING THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA; THENCE S.88°39’31”E., A DISTANCE OF 2,392.82 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL IS SITUATED IN SECTION 19, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA, IS MADE REFERENCE TO AS PARCEL “B” ON THAT PLAT OF SURVEY PREPARED BY LONNIE G. HARPER & ASSOCIATES, INC. DATED FEBRUARY 4, 2005 AND LAST REVISED FEBRUARY 24, 2005, AND CONTAINS 3,516,397.00 SQUARE FEET OR 80.7254 ACRES, MORE OR LESS.

PARCEL “C”

COMMENCING AT NATIONAL GEODETIC SURVEY MONUMENT PATSY AZ MK THAT HAS NAD 83 (1992) LOUISIANA SOUTH ZONE (1702) LAMBERT COORDINATES OF N=469,996.61 FEET AND E= 2,468,956.13 FEET; THENCE S 79º19’35” E, A DISTANCE OF 8,687.99 FEET TO A FOUND 3” DIAMETER TRANSITE PIPE 113.95’ N 01º17’51” E OF TRUE POSITION ON THE EAST LINE OF SECTION 18, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA; THENCE S 01º17’51” W, A DISTANCE OF 5,166.18 FEET TO A FOUND 1” DIAMETER IRON PIPE, BEING THE SOUTHEAST CORNER OF SECTION 18, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA; THENCE S 01º17’48” W, A DISTANCE OF 1,320.82 FEET TO A FOUND 1”

DIAMETER IRON PIPE, BEING THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA; SAID POINT BEING THE POINT OF BEGINNING; THENCE S 01º18'01" W, A DISTANCE OF 1,747.98 FEET TO A FOUND 1" DIAMETER IRON PIPE ON THE 1917 SMITH AND BALDWIN MEANDER LINE; THENCE N 83º49'35"W, A DISTANCE OF 251.60 FEET TO A SET 1" DIAMETER IRON PIPE ALONG SAID MEANDER LINE; THENCE N 01º18'01" E, A DISTANCE OF 1,726.79 FEET TO A SET 1" DIAMETER IRON PIPE ON THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA; THENCE S 88º39'31" E, A DISTANCE OF 250.69 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL IS SITUATED IN SECTION 19, TOWNSHIP 15 SOUTH, RANGE 15 WEST, CAMERON PARISH, LOUISIANA, IS MADE REFERENCE TO AS PARCEL "C" ON THAT PLAT OF SURVEY PREPARED BY LONNIE G. HARPER & ASSOCIATES DATED FEBRUARY 4, 2005 AND LAST REVISED FEBRUARY 24, 2005, AND CONTAINS 435,598.20 SQUARE FEET OR 10.0000 ACRES, MORE OR LESS.

Exhibit 10.4

Execution Version

AMENDED AND RESTATED
PARITY LIEN PLEDGE AGREEMENT

Dated as of November 9, 2006

among

SABINE PASS LNG–LP, LLC
and
SABINE PASS LNG–GP, INC.,
as Pledgors

SABINE PASS LNG, L.P.,
as the Company

and

THE BANK OF NEW YORK,
as Collateral Trustee

TABLE OF CONTENTS

		Page
ARTICLE I DEFINITIONS AND INTERPRETATION		2
1.01	Certain Defined Terms	2
1.02	Interpretation	5
ARTICLE II REPRESENTATIONS AND WARRANTIES		5
ARTICLE III PLEDGE AGREEMENT COLLATERAL		8
3.01	Pledge for the benefit of the Parity Lien Secured Parties	8
3.02	Pledge for the benefit of Crest	9
3.03	Priority.	9
3.04	Amendment and Restatement of Prior Security Agreement; Confirmation of Pledge of Security	9
ARTICLE IV COVENANTS		9
ARTICLE V FURTHER ASSURANCES; REMEDIES		10
5.01	Delivery and Other Perfection	10
5.02	Other Financing Statements and Liens	12
5.03	Pledge Agreement Collateral	12
5.04	Event of Default	13
5.05	Removals, Etc.	14
5.06	Private Sale	15
5.07	Application of Proceeds	15
5.08	Attorney-in-Fact	15
5.09	Perfection	16
5.10	Continuing Security Interest; Termination and Releases	16
5.11	Further Assurances	16
ARTICLE VI CREST REMEDIES		16
ARTICLE VII MISCELLANEOUS		17
7.01	Expenses of Pledgor’s Agreements and Duties	17
7.02	Collateral Trustee’s Right to Perform on Pledgor’s Behalf	17
7.03	Waivers of Rights Inhibiting Enforcement	17
7.04	No Waiver	18
7.05	Notices	18
7.06	Waivers, Etc.	18
7.07	Successors and Assigns	19
7.08	Counterparts; Effectiveness	19
7.09	Agents, Etc.	19
7.10	Severability	19
7.11	The Collateral Trustee	19
7.12	Headings	19
7.13	Limitation of Liability	19

7.14	Security Interest Absolute	20
7.15	Subrogation	21
7.16	Reinstatement	21
7.17	NO THIRD PARTY BENEFICIARIES	21
7.18	CONSENT TO JURISDICTION	21
7.19	WAIVER OF JURY TRIAL	22
7.20	GOVERNING LAW	22
7.21	Supremacy Clause	22
7.22	Subordination of Liens	23

Schedule 1.01 Project Documents
Schedule 5.09 Financing Statements and other Documents for Perfection

This AMENDED AND RESTATED PARITY LIEN PLEDGE AGREEMENT, dated as of November 9, 2006 (this "***Agreement***"), is made among SABINE PASS LNG–LP, LLC, a Delaware limited liability company ("***Sabine LP***") and SABINE PASS LNG–GP, INC., a Delaware corporation ("***Sabine GP***" and each of Sabine LP and Sabine GP, a "***Pledgor***" and, collectively, the "***Pledgors***"), SABINE PASS LNG, L.P., a Delaware limited partnership (the "***Company***") THE BANK OF NEW YORK, a New York banking corporation, acting hereunder as collateral trustee (in such capacity, together with its successors and assigns in such capacity, the "***Collateral Trustee***") on behalf of and for the benefit of the Secured Parties (defined below).

RECITALS

A. Capitalized terms used in this Agreement have the meanings assigned to them above or in Article I below.

B. The Company (a) on the date hereof, will issue senior secured notes due November 30, 2013 and senior secured notes due November 30, 2016 (together, the "***Initial Notes***") under an indenture, dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "***Indenture***"), between the Company and The Bank of New York, in its capacity as indenture trustee (the "***Trustee***") and (b) in the future may issue additional senior secured notes (together with the Initial Notes, the "***Notes***") under the Indenture and/or may otherwise incur additional secured indebtedness raking *pari passu* with the Notes (such other secured indebtedness together with the Notes, the "***Parity Secured Debt***").

C. The Company may, from time to time, incur additional future Parity Secured Debt that will be secured Equally and Ratably with the Notes by Liens on all present and future Collateral (as defined herein).

D. In order to cause the Liens encumbering the Collateral and created herein to secure Equally and Ratably, the Notes and all other future Parity Lien Obligations, the Company and the other Pledgors will enter into a collateral trust arrangement pursuant to the Collateral Trust Agreement, dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "***Collateral Trust Agreement***") among the Company, the Pledgors, the Trustee, the other Secured Debt Representatives party thereto from time to time and the Collateral Trustee.

E. Pursuant to the Crest Settlement Documents, the Pledgors are prohibited from creating or allowing to be created any lien, security interest or other encumbrance on any of the Pledgors' assets for borrowed money that is senior to or *pari passu* with the obligations of the Pledgors to Crest and therefore the Pledgors desire to grant in favor of the Collateral Trustee for the benefit of Crest, a secured lien that is senior to the Lien granted by the Pledgors to the Collateral Trustee in favor of the Parity Lien Secured Parties.

F. The Pledgors, the Company, Société Générale, as agent, and HSBC Bank USA, National Association, as collateral agent thereunder (in such capacity, the "***Prior Collateral Agent***"), were parties to a pledge agreement, dated as of February 25, 2005 (as amended, restated, supplemented and otherwise modified from time to time, the "***Prior Pledge***

Agreement”) pursuant to which the Company granted an interest in all of its assets to the Prior Collateral Agent. Pursuant to a letter agreement dated as of the date hereof, the Prior Collateral Agent has assigned all of its rights under the Prior Pledge Agreement to the Collateral Trustee for the benefit of the Secured Parties. The Collateral Trustee shall have no liability for any action or inaction of the Prior Collateral Agent. The Prior Pledge Agreement is hereunder deemed amended and restated as this Agreement.

G. It is a requirement under the Indenture, and a condition precedent to the issuance of the Notes, that the Pledgors shall have executed and delivered this Agreement.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

1.01 Certain Defined Terms.

(a) Unless otherwise defined herein, all capitalized terms used in this Agreement that are defined in the Collateral Trust Agreement (including those terms incorporated by reference) shall have the respective meanings assigned to them in the Collateral Trust Agreement.

“*Cheniere*” means Cheniere Energy, Inc., a Delaware corporation.

“*Contest*” means, with respect to any Person, with respect to any Taxes or any Lien imposed on Property of such Person (or the related underlying claim for labor, material, supplies or services) by any Government Authority for Taxes or with respect to obligations under ERISA or any Mechanics’ Lien (each, a **“*Subject Claim*”**), a contest of the amount, validity or application, in whole or in part, of such Subject Claim pursued in good faith and by appropriate legal, administrative or other proceedings diligently conducted so long as: (a) adequate reserves have been established with respect to such Subject Claim in accordance with GAAP, (b) during the period of such contest the enforcement of such Subject Claim is effectively stayed and any Lien (including any inchoate Lien) arising by virtue of such Subject Claim shall, if required by applicable Government Rule, be effectively secured by posting of cash collateral or a surety bond (or similar instrument) by a reputable surety company, (c) neither the Collateral Trustee nor any other Secured Party could reasonably be expected to be exposed to any risk of criminal liability or civil liability as a result of such contest and (d) the failure to pay such Subject Claim under the circumstances described above could not otherwise reasonably be expected to have a Material Adverse Effect. The term **“*Contest*”** used as a verb shall have a correlative meaning.

“*Crest*” means Crest Investment Company, a Texas corporation.

"***Crest Cheniere Indemnity***" means that certain Indemnification Agreement, dated May 9, 2005, executed by Cheniere relating to the Settlement Agreement.

"***Crest Default Remedy Instruction***" means any instruction by Crest to the Collateral Trustee in writing to exercise remedies under this Agreement as a result of a Pledgor's failure to make any payment in respect of the Crest Obligations after written demand by Crest.

"***Crest Obligations***" means all obligations of the Pledgors under the Crest Settlement Documents.

"***Crest Settlement Documents***" means collectively (a) the Settlement Agreement, (b) the Assumption Agreement, (c) the Crest Cheniere Indemnity and (d) any and all other agreements and documents heretofore or hereafter entered into by any subsidiary of Cheniere pursuant to Section 1.07 of the Settlement Agreement.

"*ERISA*" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"*Event of Default*" means (a) an "Event of Default" under and as defined in the Indenture or (b) any other Secured Debt Default.

"*Investment Property*" shall have the respective meaning of investment property ascribed thereto in Article 9 of the Uniform Commercial Code.

"*Management Services Agreement*" means the agreement dated February 25, 2005 between the Company and Sabine GP for the management, administration, development and operations of the Project and for the management and administration of the Company, as amended and in effect from time to time.

"*Material Adverse Effect*" means any event or condition which has a material adverse effect on the business or financial condition of the Company or the ability of the Company to perform its payment obligations under the Notes.

"*Mechanics' Liens*" means carriers', warehousemen's, workmen's, materialmen's, construction or other like statutory Liens.

"*Partnership Agreement*" means the Fifth Amended and Restated Agreement of Limited Partnership of the Company effective as of the date of the Indenture, as amended and in effect from time to time.

"*Pledge Agreement Collateral*" shall have the meaning assigned to such term in Article III hereof.

"*Pledgors*" shall have the meaning assigned to such term in the preamble.

"***Prior Collateral Agent***" shall have the meaning assigned to such term in the recitals.

"***Project***" means the Sabine Pass LNG receiving terminal in Cameron Parish, Louisiana, including associated storage tanks, unloading docks, vaporizers and related facilities.

"***Project Document***" means each of the agreements or other documents listed on Schedule 1.01 and each other agreement to which the Company is party including contracts or agreements for legal, accounting, engineering, environmental, consulting and other professional services in connection with the Project.

"***Property***" means any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

"***Records***" shall have the meaning assigned to such term in Article II(a) hereof.

"***Restricted Payments***" shall have the meaning given such term in the Indenture.

"***Secured Obligations***" means the Parity Lien Obligations and the Crest Obligations.

"***Secured Parties***" means all holders of Parity Lien Obligations, the Parity Lien Representatives and Crest.

"***Settlement Agreement***" means that certain Settlement and Purchase Agreement, dated as of June 14, 2001, by and among Cheniere, Cheniere FLNG, L.P., Crest, Crest Energy, L.L.C., and Freeport LNG Terminal, LLC.

"***Site***" shall have the meaning ascribed thereto in the Multiple Indebtedness Mortgage, Assignment of Rents and Leases and Security Agreement, dated November 9, 2006 between the Company and the Collateral Trustee.

"***Taxes***" shall mean, with respect to any Person, all taxes, assessments, imposts, duties, governmental charges or levies imposed directly or indirectly on such Person or its income, profits or Property by any Government Authority. The term "***Tax***" shall have a correlative meaning.

"***Transaction Documents***" means each Secured Debt Document and each Material Project Agreement (as defined in the Indenture).

"***Uniform Commercial Code***" or "***UCC***" shall mean the Uniform Commercial Code as in effect in the State of New York from time to time;provided, that if by reason of mandatory provisions of law, the perfection or the effect of perfection or non-perfection of any security interests hereunder in any Pledge Agreement Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, "***UCC***" shall mean the

Uniform Commercial Code as in effect in such other jurisdiction for the purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection.

1.02 Interpretation. The rules of interpretation set forth in Section 1.2 of the Collateral Trust Agreement shall apply to, and are hereby incorporated by reference in, this Agreement.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Each Pledgor represents and warrants with respect to itself to the Collateral Trustee for the benefit of the Parity Lien Secured Parties that:

(a) The principal place of business and chief executive office of such Pledgor and the office where such Pledgor keeps its records concerning the Pledge Agreement Collateral (hereinafter, collectively, the **"*Records*"**) is located at such Pledgor's address for notices set forth in Section 6.05.

(b) Sabine GP is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and is duly qualified to do business and is in good standing in all places where necessary in light of the business it conducts and the property it owns and in light of the transactions contemplated by this Agreement, the Partnership Agreement and each other Transaction Document to which it is a party. Sabine LP is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware and is duly qualified to do business and is in good standing in all places where necessary in light of the business it conducts and the property it owns and in light of the transactions contemplated by this Agreement, the Partnership Agreement and each other Transaction Document to which it is a party.

(c) Such Pledgor has the full corporate or limited liability company power, as the case may be, authority and legal right to execute, deliver and perform its obligations under this Agreement, the Partnership Agreement and each other Transaction Document to which it is a party. The execution, delivery and performance by such Pledgor of this Agreement, the Partnership Agreement and each other Transaction Document to which it is a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate and limited liability company action, as the case may be, of such Pledgor. Each of this Agreement, the Partnership Agreement and each other Transaction Document to which it is a party has been duly executed and delivered by such Pledgor, is in full force and effect and is the legal, valid and binding obligation of such Pledgor, enforceable against such Pledgor in accordance with its terms, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) the application of general principles of equity (regardless of whether enforcement thereof is sought in a proceeding at law or in equity). Such Pledgor

is not in default in the performance of any covenant or obligation set forth in this Agreement, the Partnership Agreement, any other Transaction Document to which it is a party or any other indenture or loan or credit agreement or other agreement, lease or instrument to which it is a party or by which any of its property may be bound or affected except any such default that could not reasonably be expected to result in a Material Adverse Effect.

(d) The execution, delivery and performance by such Pledgor of this Agreement, the Partnership Agreement and each other Transaction Document to which it is a party and the consummation of the transactions contemplated hereby and thereby do not:

(i) require any consent or approval of the board of directors, any shareholder, member or manager, as the case may be, of such Pledgor or any other Person that has not been duly obtained and each such consent or approval that has been obtained is in full force and effect,

(ii) violate any provision of the charter documents of such Pledgor or any applicable Government Rule or Government Approval applicable to such Pledgor,

(iii) conflict with, result in a breach of or constitute a default under any provision of any resolution of the board of directors or managers, as the case may be, of such Pledgor or any indenture or loan or credit agreement or other material agreement, lease or instrument to which such Pledgor is a party or by which it or any of its property may be bound or affected except any such conflict, breach or default that could not reasonably be expected to result in a Material Adverse Effect, or

(iv) result in, or require the creation or imposition of, any Lien, upon or with respect to the Pledge Agreement Collateral, except for Permitted Prior Liens.

Such Pledgor is not in violation of any applicable Government Rule except any such violation that could not reasonably be expected to result in a Material Adverse Effect.

(e) This Agreement creates in favor of the Collateral Trustee, for the benefit of the Secured Parties, a valid lien on and security interest in all of such Pledgor’s right, title and interest in, to and under the Pledge Agreement Collateral, subject to no other Lien except Permitted Prior Liens, securing the payment and performance of the Secured Obligations, and all filings and other actions necessary to create, preserve, validate, perfect and protect such Lien and the Priority thereof have been duly made or taken (other than any such filings or other actions permitted to be made or taken after the date hereof in accordance with this Agreement and the other Secured Documents).

(f) No Government Approval by, and no filing with, any Government Authority is required to be obtained by such Pledgor in connection with this Agreement,

the Partnership Agreement or any other Transaction Document to which it is a party and the transactions contemplated hereby and thereby, including (i) the grant by such Pledgor of the Liens purported to be created in favor of the Collateral Trustee hereunder or (ii) the exercise by the Collateral Trustee of any rights or remedies in respect of any Pledge Agreement Collateral (whether specifically granted or created hereunder or created or provided for by applicable law), except for such Government Approvals and such filings heretofore obtained or made and in full force and effect and for the filing of the financing statements in the relevant jurisdictions) and as may be required, in connection with the disposition of any Investment Property, by laws generally affecting the offering and sale of securities. All actions and consents, including all filings, notices, registrations and recordings necessary or desirable for the exercise by the Collateral Trustee of the voting or other rights provided for in this Agreement or the exercise of remedies in respect of the Pledge Agreement Collateral have been made or obtained.

(g) Such Pledgor is the sole legal and beneficial owner of the Pledge Agreement Collateral in which it purports to grant a security interest pursuant to Article III hereof, and no Lien exists upon the Pledge Agreement Collateral (and, with respect to its partnership interest in the Company, no right or option, except as provided in the Partnership Agreement, to acquire the same exists in favor of any other Person), except for the pledge and security interest in favor of the Collateral Trustee for the benefit of the Secured Parties created or provided for herein and except for Permitted Prior Liens.

(h) There is no action, suit or proceeding at law or in equity by or before any Government Authority, arbitral tribunal or other body now pending, or to the knowledge of such Pledgor, threatened, against or affecting such Pledgor or any of its property or the Pledge Agreement Collateral which could reasonably be expected to result in a Material Adverse Effect.

(i) Such Pledgor has filed, or caused to be filed, all tax and information returns that are required to have been filed by it in any jurisdiction, and has paid (prior to their delinquency dates) all Taxes shown to be due and payable on such returns and all other Taxes payable by it, to the extent the same have become due and payable, except to the extent there is Contest thereof by such Pledgor or to the extent that the failure to file such returns or to pay such Taxes could reasonably be expected to result in a Material Adverse Effect, and no tax Liens have been filed and no claims are being asserted with respect to any such Taxes except any such tax Liens and claims that could not be reasonably be expected to result in a Material Adverse Effect.

(j) Such Pledgor is not an “investment company” or an entity “controlled” by an “investment company” as such terms are defined in the Investment Company Act of 1940, as amended, or an “investment advisor” within the meaning of the Investment Company Act of 1940, as amended.

(k) Such Pledgor is a partner in the Company and its partnership interest together with the interest of the other Pledgor constitutes 100% of the authorized, issued and outstanding partnership interests in the Company as of the date hereof. The Company has opted in the Partnership Agreement for its partnership interests to be treated as securities under the uniform commercial code of its jurisdiction of organization.

ARTICLE III

PLEDGE AGREEMENT COLLATERAL

3.01 Pledge for the benefit of the Parity Lien Secured Parties As collateral security for the prompt payment in full when due (whether at stated maturity, by acceleration or otherwise) of the Parity Lien Obligations now existing or hereafter arising, each Pledgor hereby pledges, assigns, hypothecates and transfers to the Collateral Trustee for the benefit of the Parity Lien Secured Parties, and hereby grants to the Collateral Trustee for the benefit of the Parity Lien Secured Parties, a lien on and security interest in all of such Pledgor's right, title and interest in, to and under the following, whether now owned by such Pledgor or hereafter acquired and whether now existing or hereafter coming into existence and wherever located (all being collectively referred to herein as the "***Pledge Agreement Collateral***"):

(a) its partnership interest in the Company, including, without limitation, all of its right, title and interest in, to and under the Partnership Agreement, including, without limitation, (i) all rights of such Pledgor to receive moneys due but unpaid and to become due under or pursuant to the Partnership Agreement, (ii) all rights of such Pledgor to participate in the operation or management of the Company and to take actions or consent to actions in accordance with the provisions of the Partnership Agreement, (iii) all rights of such Pledgor to property of the Company, (iv) all rights of such Pledgor to receive proceeds of any insurance, bond, indemnity, warranty or guaranty with respect to the Partnership Agreement, (v) all claims of such Pledgor for damages arising out of or for breach of or default under the Partnership Agreement and (vi) all rights of such Pledgor to terminate, amend, supplement, modify or waive performance under the Partnership Agreement, to perform thereunder and to compel performance and otherwise to exercise all remedies thereunder;

(b) all certificates representing its partnership interest or a distribution or return of capital upon or with respect to its partnership interest or resulting from a split-up, revision, reclassification or other like change of the Pledge Agreement Collateral or otherwise received in exchange therefor, and any subscription warrants, rights or options issued to the holders of, or otherwise in respect of the Pledge Agreement Collateral; and

(c) to the extent not included in the foregoing, all proceeds, products, offspring, rents, revenues, issues, profits, royalties, income, benefits, accessions, additions, substitutions and replacements of and to any and all of the foregoing.

3.02 Pledge for the benefit of Crest. As collateral security for the prompt payment in full when due of the Crest Obligations now existing or hereafter arising, each Pledgor hereby pledges, assigns, hypothecates and transfers to the Collateral Trustee for the benefit of Crest, and hereby grants to the Collateral Trustee for the benefit of Crest, a lien on and security interest in all of such Pledgor's right, title and interest in, to and under the Pledge Agreement Collateral, whether now owned by such Pledgor or hereafter acquired and whether now existing or hereafter coming into existence and wherever located.

3.03 Priority. The relative priority of the liens granted pursuant to Sections 3.01 and 3.02 shall be as set forth in the Collateral Trust Agreement.

3.04 Amendment and Restatement of Prior Security Agreement; Confirmation of Pledge of Security The Pledgors hereby acknowledge that the Prior Collateral Agent assigned all of its rights under the Prior Pledge Agreement to the Collateral Trustee. This Agreement is hereby deemed to be an amendment and restatement of the Prior Pledge Agreement. The Pledgors hereby confirm that all Pledge Agreement Collateral (as defined in the Prior Pledge Agreement (prior to giving effect to this amendment and restatement) encumbered by the Prior Pledge Agreement will continue to secure to the fullest extent possible the payment and performance of the obligations secured by this Agreement, whether now or hereafter existing, under or in respect of the Indenture of any other Parity Lien Document.

ARTICLE IV

COVENANTS

Each Pledgor covenants and agrees for the benefit of the Parity Lien Secured Parties that, until the Parity Lien Obligations have been indefeasibly paid in full:

(a) Such Pledgor shall not (i) cancel or terminate the Partnership Agreement or consent to or accept any cancellation or termination thereof or (ii) amend, supplement or modify (or petition, request or take any other legal or administrative action that seeks to amend, supplement or modify) the Partnership Agreement except as permitted pursuant to the Indenture and any other applicable provision of any Parity Lien Document or (iii) take or otherwise consent to any action that would result in an Event of Default.

(b) Such Pledgor shall preserve and maintain its corporate or limited liability company existence, as the case may be, and all of its rights, privileges and franchises that are necessary for the maintenance of its existence and the due performance of its obligations under this Agreement and the Partnership Agreement.

(c) Such Pledgor shall pay and discharge all Taxes now or hereafter imposed on such Pledgor, on its income or profits, on any of its property or upon the Liens provided for herein, prior to the date on which penalties attach thereto, except to the extent that the failure to pay such Taxes could not reasonably be expected to result in a

Material Adverse Effect; provided that such Pledgor shall have the right to Contest the validity or amount of any such Tax.

(d) Such Pledgor shall not create, incur, assume or suffer to exist any Lien upon any of the Pledge Agreement Collateral other than Permitted Prior Liens.

(e) Such Pledgor shall promptly but in no case later than five Business Days upon obtaining knowledge of any action, suit or proceeding at law or in equity by or before any Government Authority, arbitral tribunal or other body pending or threatened against such Pledgor which could reasonably be expected to result in a Material Adverse Effect with respect to it, furnish to the Collateral Trustee a notice of such event describing the same in reasonable detail and, together with such notice or as soon thereafter as possible, a description of the action that such Pledgor has taken or proposes to take with respect thereto.

(f) Sabine GP shall not sell, assign, transfer or otherwise dispose of all or any part of its partnership interest in the Company, in a manner so as to cause the occurrence of a Change of Control (as defined in the Indenture) without causing the Company to comply with the relevant provisions of the Indenture including Section 4.15.

(g) Such Pledgor shall not petition, request or take, or consent to, any action to terminate, dissolve or liquidate the Company or commence or consent to the commencement of any proceeding seeking the termination, dissolution or liquidation of the Company.

(h) Such Pledgor shall not take, or consent to, any action to cause the Company to elect not to have its partnership interests be treated as securities (for purposes of the UCC).

ARTICLE V

FURTHER ASSURANCES; REMEDIES

In furtherance of the grant of the lien and security interest pursuant to Article III hereof, each Pledgor hereby agrees with the Collateral Trustee for the benefit of the Parity Lien Secured Parties as follows:

5.01 Delivery and Other Perfection. Such Pledgor shall:

(a) if any of the certificates, warrants, rights, options or other property required to be pledged by such Pledgor under Article III hereof are received by such Pledgor, forthwith:

(i) transfer and deliver to the Collateral Trustee for the benefit of the Parity Lien Secured Parties such certificates, warrants, rights, options or other property so received by such Pledgor all of which thereafter shall be held by the

Collateral Trustee, pursuant to the terms of this Agreement, as part of the Pledge Agreement Collateral; and/or

(ii) take such other action as shall be necessary or appropriate to duly record the Liens created hereunder in such certificates, warrants, rights, options or other property;

(b) give, execute, deliver, file and/or record any financing statement, continuation statement, notice, instrument, document, agreement or other papers that may be required:

(i) to create, preserve, perfect or validate the security interest granted pursuant hereto so that the Collateral Trustee's security interest in the Pledge Agreement Collateral shall at all times be valid, perfected and enforceable against such Pledgor and all third parties, as security for the Parity Lien Secured Obligations, and that the applicable Pledge Agreement Collateral shall not at any time be subject to any Lien, other than a Permitted Prior Lien, that is prior to, on priority with or junior to such security interest, or

(ii) to enable the Collateral Trustee to exercise and enforce its rights hereunder with respect to such pledge and security interest, including, without limitation, causing any or all of the Pledge Agreement Collateral to be transferred of record into the name of the Collateral Trustee or its nominee (and the Collateral Trustee agrees that if any Pledge Agreement Collateral is transferred into its name or the name of its nominee, the Collateral Trustee shall thereafter promptly give to such Pledgor copies of any notices and communications received by it with respect to the Pledge Agreement Collateral).

Without limiting the generality of the foregoing, such Pledgor shall, if any Pledge Agreement Collateral shall be evidenced by a promissory note or other instrument, deliver and pledge to the Collateral Trustee such note or instrument duly endorsed or accompanied by duly executed instruments of transfer or assignment, all in such form and substance as will allow the Collateral Trustee for the benefit of the Parity Lien Secured Parties to realize upon the Pledge Agreement Collateral pursuant to Section 5.05 hereof;

(c) maintain, hold and preserve full and accurate records, and stamp or otherwise mark such records in such manner as may reasonably be required in order to reflect the security interests granted by this Agreement; and

(d) permit representatives or agents of the Collateral Trustee, upon reasonable notice, at any time during normal business hours to conduct reasonable inspections and examinations of, and make reasonable abstracts from, its Records and, upon reasonable request of the Collateral Trustee, forward to the Collateral Trustee copies of all communications relating to the Pledge Agreement Collateral and copies of any material notices or communications received by such Pledgor with respect to the Pledge

Agreement Collateral, all in such manner as the Collateral Trustee may reasonably require.

5.02 Other Financing Statements and Liens. Without the prior consent of the Collateral Trustee (granted with the written authorization of the Parity Lien Secured Parties in accordance with the Indenture), no Pledgor shall file or suffer to be on file, or authorize or permit to be filed or to be on file, in any jurisdiction, any financing statement or like instrument with respect to the Pledge Agreement Collateral in which the Collateral Trustee for the benefit of the Parity Lien Secured Parties is not named as the sole secured party for the benefit of the Secured Parties other than in connection with the Crest Obligations and the Junior Lien Obligations and as permitted under each of the Secured Debt Documents.

5.03 Pledge Agreement Collateral.

(a) So long as no Event of Default shall have occurred and be continuing, each Pledgor shall have the right to exercise all voting, consensual and other powers of ownership pertaining to the Pledge Agreement Collateral for all purposes not inconsistent with the terms of this Agreement, any Project Document or any other Transaction Document; and the Collateral Trustee shall execute and deliver to each Pledgor or cause to be executed and delivered to each Pledgor all such proxies, powers of attorney, dividend and other orders, and all such instruments, without recourse, as such Pledgor may reasonably request for the purpose of enabling such Pledgor to exercise the rights and powers which it is entitled to exercise pursuant to this Section 5.03(a).

(b) Each Pledgor shall be entitled to receive and retain any and all Restricted Payments to which it is entitled under the Partnership Agreement and, in the case of Sabine GP, all amounts payable to it in accordance with the Management Services Agreement, and distribute as dividends or otherwise any and all such Restricted Payments, to the extent that such Restricted Payments are made by the Company in accordance with the Indenture and the other Parity Lien Documents.

(c) If any Event of Default shall have occurred and be continuing, and whether or not the Collateral Trustee or any other Secured Party exercises any available right to declare any Secured Obligation due and payable or seeks or pursues any other relief or remedy available to it under applicable Government Rule or under this Agreement or any other Secured Documents, all Restricted Payments to which any Pledgor is entitled under the Partnership Agreement, the Indenture and the other Parity Lien Documents while such Event of Default continues, shall be paid directly to the Collateral Trustee and retained by it as part of the Pledge Agreement Collateral, subject to the terms of this Agreement, and, if the Collateral Trustee shall so request, each Pledgor agrees to execute and deliver to the Collateral Trustee appropriate additional dividend, distribution and other orders and documents to that end, provided that if such Event of Default is waived or cured, any such Restricted Payment theretofore paid to the Collateral Trustee, and not otherwise applied in accordance with any of the Secured Debt Documents shall, upon request of such Pledgor (except to the extent theretofore applied to the Secured Obligations), be returned by the Collateral Trustee to such Pledgor.

5.04 Event of Default. If any Event of Default shall occur and be continuing then,

(a) the Collateral Trustee for the benefit of the Parity Lien Secured Parties shall have the rights and the obligations with respect to this Agreement as more particularly provided in the Collateral Trust Agreement and the Indenture;

(b) the Collateral Trustee for the benefit of the Parity Lien Secured Parties, may, without notice to each Pledgor and at such time or times as the Collateral Trustee for the benefit of the Parity Lien Secured Parties in its sole discretion may determine, exercise any or all of such Pledgor's rights in, to and under, or in any way connected with or related to any of the Pledge Agreement Collateral and the Collateral Trustee shall otherwise have all of the rights and remedies with respect to the Pledge Agreement Collateral of a secured party under the Uniform Commercial Code (whether or not said Uniform Commercial Code is in effect in the jurisdiction where the rights and remedies are asserted) and such additional rights and remedies to which a secured party is entitled under the laws in effect in any jurisdiction where any rights and remedies hereunder may be asserted;

(c) upon written notice from the Collateral Trustee, all rights of each Pledgor to exercise the voting and other consensual rights it would otherwise be entitled to exercise in the Pledge Agreement Collateral shall immediately cease, and all such rights shall thereupon become vested in the Collateral Trustee for the benefit of the Parity Lien Secured Parties, which shall thereupon have the sole right to exercise such voting and other consensual rights and each Pledgor shall, at its sole cost and expense, deliver to the Collateral Trustee for the benefit of the Parity Lien Secured Parties all proxies and other instruments as the Collateral Trustee for the benefit of the Parity Lien Secured Parties may reasonably request to exercise such voting and consensual rights;

(d) the Collateral Trustee may make any reasonable compromise or settlement deemed desirable with respect to any of the Pledge Agreement Collateral and may extend the time of payment, arrange for payment in installments, or otherwise modify the terms, of any of the Pledge Agreement Collateral;

(e) the Collateral Trustee may, in its name or in the name of each Pledgor or otherwise, demand, sue for, collect or receive any money or property at any time payable or receivable on account of or in exchange for any of the Pledge Agreement Collateral, but shall be under no obligation to do so;

(f) the Collateral Trustee shall upon an Act of Required Debtholders upon 10 Business Days' prior notice to each Pledgor of the time and place, with respect to the Pledge Agreement Collateral or any part thereof which shall then be or shall thereafter come into the possession, custody or control of the Collateral Trustee, the other Secured Parties or any of their respective agents, sell, lease, assign or otherwise dispose of all or any part of such Pledge Agreement Collateral, at such place or places as the Collateral

Trustee deems best, and for cash or for credit or for future delivery (without thereby assuming any credit risk), at public or private sale, without demand of performance or notice of intention to effect any such disposition or of the time or place thereof (except such notice as is required above or by applicable statute and cannot be waived), and the Collateral Trustee or any other Secured Party or anyone else may be the purchaser, lessee, assignee or recipient of any or all of the Pledge Agreement Collateral so disposed of at any public sale (or, to the maximum extent permitted by applicable Government Rule, at any private sale) and thereafter hold the same absolutely, free from any claim or right of whatsoever kind, including any right or equity of redemption (statutory or otherwise), of any Pledgor, any such demand, notice and right or equity being hereby expressly waived and released to the maximum extent permitted by applicable Government Rule. The Collateral Trustee may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which the sale may be so adjourned; and

(g) all rights of each Pledgor to receive distributions from the Pledge Agreement Collateral which it would otherwise be authorized to receive and retain hereof shall immediately cease, and all such rights shall thereupon become vested in the Collateral Trustee, which shall thereupon have the sole right to receive and hold as Collateral and each Pledgor shall, at its sole cost and expense, deliver to the Collateral Trustee all dividend payment orders and other instruments as the Collateral Trustee may reasonably request to receive all dividends and other distributions which it may be entitled to receive hereunder.

The proceeds of each collection, sale or other disposition under this 5.04 shall be applied in accordance with 5.07 hereof.

Each Pledgor recognizes that, by reason of certain prohibitions contained in the Securities Act of 1933, as amended, and applicable state securities laws, the Collateral Trustee may be compelled, with respect to any sale of all or any part of the Pledge Agreement Collateral, to limit purchasers to those who will agree, among other things, to acquire the Pledge Agreement Collateral for their own account, for investment and not with a view to the distribution or resale thereof. Each Pledgor acknowledges that any such private sale may be at prices and on terms less favorable to the Collateral Trustee than those obtainable through a public sale without such restrictions, and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner and that the Collateral Trustee shall have no obligation to engage in public sales and no obligation to delay the sale of any Pledge Agreement Collateral for the period of time necessary to permit the respective issuer thereof to register it for public sale.

5.05 Removals, Etc. No Pledgor shall:

(a) maintain any of its Records at any office or maintain its principal place of business or chief executive office at any place other than at such Pledgor's address for notices set forth on the signature pages hereto,

(b) change its legal name, or the name under which it does business, from the name shown on the signature pages hereto, or

(c) change its type of organization or jurisdiction of organization, in each case, unless it shall have given the Collateral Trustee at least 30 days prior written notice.

5.06 Private Sale. The Collateral Trustee and the other Secured Parties shall incur no liability as a result of the sale of the Pledge Agreement Collateral, or any part thereof, at any private sale pursuant to 5.04 hereof conducted in a commercially reasonable manner. Each Pledgor hereby waives, to the maximum extent permitted by applicable Government Rule, any claims against the Collateral Trustee or any other Secured Party arising by reason of the fact that the price at which the Pledge Agreement Collateral may have been sold at such a commercially reasonable private sale was less than the price which might have been obtained at a public sale or was less than the aggregate amount of the Secured Obligations, even if, to the extent that it is commercially reasonable to do so, the Collateral Trustee accepts the first offer received and does not offer the Pledge Agreement Collateral to more than one offeree. It shall be a condition precedent to any sale or transfer of the Pledge Agreement Collateral that such purchaser or transferee thereof enter into an assumption agreement substantially in the form of the Assumption Agreement unless, at the time of each such transfer, Cheniere or any of its direct or indirect affiliates, joint ventures, and subsidiaries that are involved in the LNG business have under contract at one or more LNG facilities it retains, the right and obligation to process and receive a tariff for processing at least one billion cubic feet of gas per day, for a period of at least five years following such transfer of assets. To the extent any purchaser or transferee is required to enter into any such assumption agreement, it shall be assigned the benefits of the Crest Cheniere Indemnity.

5.07 Application of Proceeds. Except as otherwise herein expressly provided, the proceeds of any collection, sale or other realization of all or any part of the Pledge Agreement Collateral pursuant hereto shall be remitted to the Collateral Trustee in the form received with all necessary endorsements and, to the maximum extent permitted by applicable Government Rule, be applied in accordance with Section 3.4 of the Collateral Trust Agreement.

5.08 Attorney-in-Fact. Without limiting any rights or powers granted by this Agreement to the Collateral Trustee while no Event of Default has occurred and is continuing, upon the occurrence and during the continuance of any Event of Default the Collateral Trustee is hereby appointed the attorney-in-fact of the Pledgors for the purpose of carrying out the provisions of this Article V and taking any action and executing any instruments which may be reasonably required to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, so long as the Collateral Trustee shall be entitled under this Article V to make

collections in respect of the Pledge Agreement Collateral, the Collateral Trustee shall have the right and power to receive, endorse and collect all checks made payable to the order of the Pledgors representing any dividend, payment or other distribution in respect of the Pledge Agreement Collateral or any part thereof and to give full discharge for the same.

5.09 Perfection. Prior to the Closing Date, each Pledgor shall file or cause to be filed such financing statements and other documents in the offices set forth on Schedule 5.09 hereto and such other offices as may be necessary to perfect the security interests granted by Article III hereof. Each Pledgor hereby authorizes the Collateral Trustee (it being understood and agreed that the Collateral Trustee has no obligation in any circumstance) to file one or more financing or continuation statements, and amendments thereto, relating to all or any part of the Pledge Agreement Collateral without the signature of such Pledgor where permitted by applicable Government Rule; provided that such authorization shall not release such Pledgor from its obligations under Section 5.01(b) hereof. Copies of any such statement or amendment thereto shall be delivered to such Pledgor.

5.10 Continuing Security Interest; Termination and Releases.

(a) Continuing Security Interest; Termination. This Agreement shall create a continuing assignment of and security interest in the Collateral and shall (i) remain in full force and effect until the Discharge of Parity Lien Obligations, (ii) be binding upon the Company, its successors and assigns and (iii) inure, together with the rights and remedies of the Collateral Trustee hereunder, to the benefit of the Collateral Trustee and the Secured Parties and their respective successors, transferees and assigns.

(b) Releases. All or any portion of the Collateral shall be released from the security interests created hereby in accordance with Article 4 of the Collateral Trust Agreement.

5.11 Further Assurances. Each Pledgor agrees that, from time to time upon the request of the Collateral Trustee, each Pledgor shall execute and deliver such further documents and do such other acts and things as the Collateral Trustee may reasonably request in order fully to effectuate the purposes of this Agreement.

ARTICLE VI
CREST REMEDIES

If Crest shall have delivered a Crest Default Remedy Instruction to the Collateral Trustee, the Collateral Trustee for the benefit of Crest shall have all of the rights and remedies with respect to the Pledge Agreement Collateral of a secured party under the Uniform Commercial Code.

ARTICLE VII

MISCELLANEOUS

7.01 Expenses of Pledgor's Agreements and Duties. The terms, conditions, covenants and agreements to be observed or performed by each Pledgor under this Agreement shall be observed or performed by it at its sole cost and expense.

7.02 Collateral Trustee's Right to Perform on Pledgor's Behalf. If any Pledgor shall fail to observe or perform any of the terms, conditions, covenants and agreements to be observed or performed by it under this Agreement, the Collateral Trustee may (but shall not be obligated to), to the extent legally practicable (and so long as the rights of the Collateral Trustee shall not be adversely affected thereby (as determined by the Collateral Trustee)), upon reasonable notice to such Pledgor, do the same or cause it to be done or performed or observed at the expense of such Pledgor, either in its name or in the name and on behalf of such Pledgor, and such Pledgor hereby authorizes the Collateral Trustee to do.

7.03 Waivers of Rights Inhibiting Enforcement. For the benefit of each Parity Lien Secured Party, each Pledgor waives:

(a) any claim that, as to any part of the Pledge Agreement Collateral, a public sale, should the Collateral Trustee elect so to proceed, is, in and of itself, not a commercially reasonable method of sale for the Pledge Agreement Collateral,

(b) the right to assert in any action or proceeding between it and the Collateral Trustee relating to this Agreement any offsets or counterclaims (other than mandatory counterclaims) that it may have,

(c) except as otherwise provided in this Agreement, TO THE EXTENT PERMITTED BY APPLICABLE LAW, NOTICE OR JUDICIAL HEARING IN CONNECTION WITH THE COLLATERAL TRUSTEE'S TAKING POSSESSION OR DISPOSITION OF ANY OF THE PLEDGE AGREEMENT COLLATERAL INCLUDING ANY AND ALL PRIOR NOTICE AND HEARING FOR ANY PREJUDGMENT REMEDY OR REMEDIES AND ANY SUCH RIGHT THAT SUCH PLEDGOR WOULD OTHERWISE HAVE UNDER THE CONSTITUTION OR ANY STATUTE OF THE UNITED STATES OR OF ANY STATE, AND ALL OTHER REQUIREMENTS AS TO THE TIME, PLACE AND TERMS OF SALE OR OTHER REQUIREMENTS WITH RESPECT TO THE ENFORCEMENT OF THE COLLATERAL TRUSTEE'S RIGHTS HEREUNDER,

(d) all rights of redemption, appraisement, valuation, stay and extension or moratorium, and

(e) all other rights the exercise of which would, directly or indirectly, prevent, delay or inhibit the enforcement of any of the rights or remedies under this Agreement or the absolute sale of the Pledge Agreement Collateral, now or hereafter in force under any

applicable Government Rule, and each Pledgor, for itself and all who may claim under it, insofar as it or they now or hereafter lawfully may, hereby waive the benefit of all such laws and rights.

7.04 No Waiver. No failure on the part of the Collateral Trustee or any of its agents to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or remedy hereunder shall operate as a waiver thereof, and no single or partial exercise by the Collateral Trustee for the benefit of the Parity Lien Secured Parties or any of its agents of any right, power or remedy hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies provided herein for the benefit of the Parity Lien Secured Parties are cumulative and are not exclusive of any remedies provided by applicable Government Rule.

7.05 Notices. All notices, requests and other communications provided for in this Agreement shall be given or made in writing (including by telecopy) and delivered to the intended recipient at the address specified below or, as to any party, at such other address as is designated by that party in a notice to each other party. Except as otherwise provided in this Agreement, all such communications shall be deemed to have been duly given when transmitted and received by fax or personally delivered or, in the case of a mailed notice or notice sent by courier, upon receipt, in each case given or addressed as provided in this Section 7.05.

If to the Pledgors:

Sabine Pass LNG–LP, LLC
2215 –B Renaissance Drive, Suite 5
Las Vegas, NV 88119
Fax: (702) 966-4247

Sabine Pass LNG–GP, Inc.
717 Texas Avenue, Suite 3100
Houston, TX 77022
Attention: Graham McArthur
Fax: (713) 659-5459
Email: gmcarthur@cheniere.com

If to the Collateral Trustee:

The Bank of New York
101 Barclay Street, 8 W
New York, NY 10286
Attn: Corporate Trust Administration
Fax: 212 815 5707

7.06 Waivers, Etc. This Agreement may be amended, supplemented or modified only by an instrument in writing signed by each Pledgor and the Collateral Trustee

acting on behalf of the Parity Lien Secured Parties in accordance with the Collateral Trust Agreement, and any provision of this Agreement may be waived by the Collateral Trustee acting on behalf of the Parity Lien Secured Parties in accordance with the Collateral Trust Agreement; provided that no amendment, supplement, modification or waiver shall, unless by an instrument in writing signed by the Collateral Trustee acting with the consent of all of the Secured Debt Representatives, alter the terms of this Section 7.06. Any waiver shall be effective only in the specific instance and for the specified purpose for which it was given.

7.07 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of each Pledgor, the Collateral Trustee for the benefit of the Secured Parties and each holder of any of the Secured Obligations (provided, however, that no Pledgor shall assign or transfer its rights hereunder without the prior consent of the Collateral Trustee for the benefit of the Parity Lien Secured Parties acting in accordance with Indenture and the other Parity Lien Documents).

7.08 Counterparts; Effectiveness. This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument and either of the parties hereto may execute this Agreement by signing any such counterpart. This Agreement shall become effective at such time as the Collateral Trustee and the Pledgors shall have received counterparts hereof signed by all of the intended parties hereto.

7.09 Agents, Etc. The Collateral Trustee may employ agents and attorneys-in-fact in connection herewith and shall not be responsible for the negligence or misconduct of any such agents or attorneys-in-fact selected by it in good faith. Each Pledgor acknowledges that it has received a copy of the Indenture, Security Agreement, Collateral Trust Agreement, and any other Parity Lien Document in effect as of the date hereof or if any Pledgor becomes a party hereto on another date, as in effect on such other date as the same apply hereto and acknowledges and agrees to the terms and conditions of the Indenture and the Security Agreement as the same apply hereto.

7.10 Severability. If any provision hereof is invalid or unenforceable in any jurisdiction, then, to the fullest extent permitted by applicable Government Rule, (a) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in order to carry out the intentions of the parties hereto as nearly as may be possible and (b) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

7.11 The Collateral Trustee. As provided in Section 2.1 of the Collateral Trust Agreement, the Secured Parties have appointed The Bank of New York, as their Collateral Trustee for purposes of this Agreement.

7.12 Headings. Headings appearing herein are used solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

7.13 Limitation of Liability. (a) NEITHER THE COLLATERAL TRUSTEE NOR ANY OTHER SECURED PARTY SHALL HAVE LIABILITY WITH

RESPECT TO, AND EACH PLEDGOR HEREBY WAIVES, RELEASES AND AGREES NOT TO SUE FOR:

(i) ANY LOSS OR DAMAGE SUSTAINED BY SUCH PLEDGOR, OR ANY LOSS, DAMAGE, DEPRECIATION OR OTHER DIMINUTION IN THE VALUE OF ANY PLEDGE AGREEMENT COLLATERAL, THAT MAY OCCUR AS A RESULT OF, IN CONNECTION WITH, OR THAT IS IN ANY WAY RELATED TO, ANY EXERCISE OF ANY RIGHT OR REMEDY UNDER THIS AGREEMENT EXCEPT FOR ANY SUCH LOSS, DAMAGE, DEPRECIATION OR DIMINUTION TO THE EXTENT THAT THE SAME IS THE RESULT OF ACTS OR OMISSIONS ON THE PART OF SUCH SECURED PARTY CONSTITUTING WILLFUL MISCONDUCT OR GROSS NEGLIGENCE; OR

(ii) ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES SUFFERED BY SUCH PLEDGOR IN CONNECTION WITH ANY CLAIM RELATED TO THIS AGREEMENT.

(b) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE LIABILITY OF THE COLLATERAL TRUSTEE SHALL BE LIMITED AND THE COLLATERAL TRUSTEE SHALL BE ENTITLED TO INDEMNIFICATION AND ALL RIGHTS, BENEFITS, PRIVILEGES, IMMUNITIES AND OTHER PROTECTIONS AS PROVIDED IN ARTICLES 5 AND 6 OF THE COLLATERAL TRUST AGREEMENT, WHICH PROVISIONS ARE INCORPORATED BY REFERENCE AS IF SET FORTH IN FULL HEREIN.

7.14 Security Interest Absolute. The rights and remedies of the Collateral Trustee for the benefit of the Parity Lien Secured Parties hereunder, the Liens created hereby and the obligations of each Pledgor in favor of the Collateral Trustee for the benefit of the Parity Lien Secured Parties hereunder are absolute, irrevocable and unconditional, irrespective of:

(a) the validity or enforceability of any of the Secured Obligations, the Partnership Agreement, any other Secured Documents or any other agreement or instrument relating thereto;

(b) any amendment to, waiver of, consent to or departure from, or failure to exercise any right, remedy, power or privileges under or in respect of, any of the Secured Obligations, the Partnership Agreement, any other Secured Documents or any other agreement or instrument relating thereto;

(c) the acceleration of the maturity of any of the Secured Obligations or any other modification of the time of payment thereof;

(d) any substitution, release or exchange of any other security for or guarantee of any of the Secured Obligations or the failure to create, preserve, validate, perfect or

protect any other Lien granted to, or purported to be granted to, or in favor of, the Collateral Trustee or any other Secured Party; or

(e) any other event or circumstance whatsoever which might otherwise constitute a legal or equitable discharge of a surety or a guarantor other than payment or performance of the Secured Obligations, it being the intent of this Section 6.14 that the obligations of each Pledgor hereunder shall be absolute, irrevocable and unconditional under any and all circumstances.

7.15 Subrogation. To the greatest extent permitted by Government Rule, no Pledgor shall exercise, and each Pledgor hereby irrevocably waives, any claim, right or remedy that it may now have or may hereafter acquire against the Company arising under or in connection with this Agreement, including, without limitation, any claim, right or remedy of subrogation, contribution, reimbursement, exoneration, indemnification or participation arising under contract, by Government Rule or otherwise in any claim, right or remedy of the Collateral Trustee against the Company or any other Person or any Collateral which the Collateral Trustee may now have or may hereafter acquire until the date the Parity Lien Obligations are indefeasibly paid in full. If, notwithstanding the preceding sentence, any amount shall be paid to any Pledgor on account of such subrogation rights at any time when any of the Parity Lien Obligations shall not have been paid in full, such amount shall be held by such Pledgor in trust for the Collateral Trustee and the Parity Lien Secured Parties, segregated from other funds of such Pledgor and be turned over to the Collateral Trustee in the exact form received by such Pledgor (duly endorsed by such Pledgor to the Collateral Trustee for the benefit of the Secured Parties, if required), to be applied against the Parity Lien Obligations, whether matured or unmatured, in accordance with the Indenture and the Security Documents.

7.16 Reinstatement. This Agreement and the Liens created hereunder shall automatically be reinstated if and to the extent that for any reason any payment by or on behalf of the Company in respect of the Parity Lien Secured Obligations is rescinded or must otherwise be restored by any holder of the Parity Lien Secured Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, and each Pledgor shall indemnify the Collateral Trustee and its employees, officers and agents on demand for all reasonable and documented fees, costs and expenses (including, without limitation, the reasonable fees, costs and expenses of counsel) incurred by the Collateral Trustee or its employees, officers or agents in connection with such rescission or restoration.

7.17 NO THIRD PARTY BENEFICIARIES. **THE AGREEMENTS OF THE PARTIES HERETO ARE SOLELY FOR THE BENEFIT OF EACH PLEDGOR, THE COLLATERAL TRUSTEE AND THE OTHER SECURED PARTIES, AND NO PERSON (OTHER THAN THE PARTIES HERETO, THE OTHER SECURED PARTIES AND THEIR SUCCESSORS AND ASSIGNS PERMITTED HEREUNDER) SHALL HAVE ANY RIGHTS HEREUNDER.**

7.18 CONSENT TO JURISDICTION. **ALL LEGAL ACTIONS OR PROCEEDINGS BROUGHT AGAINST ANY PLEDGOR, SECURED PARTY OR THE**

COMPANY WITH RESPECT TO THIS AGREEMENT OR ANY OTHER SECURED DOCUMENTS MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE BOROUGH OF MANHATTAN IN THE STATE OF NEW YORK, AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT EACH PLEDGOR, THE COMPANY AND THE COLLATERAL TRUSTEE ACCEPT FOR THEMSELVES AND IN CONNECTION WITH THEIR PROPERTIES, THE JURISDICTION OF THE AFORESAID COURTS, AND IRREVOCABLY AGREE TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT. EACH PLEDGOR, THE COMPANY AND THE COLLATERAL TRUSTEE HEREBY EXPRESSLY AND IRREVOCABLY WAIVE ANY CLAIM OR DEFENSE IN ANY SUCH ACTION OR PROCEEDING BASED ON ANY ALLEGED LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS OR ANY SIMILAR BASIS. EACH PLEDGOR HEREBY APPOINTS AND DESIGNATES CT CORPORATION SYSTEM, WHOSE ADDRESS IS 111 EIGHTH AVENUE, 13TH FLOOR, NEW YORK, NY 10011, OR ANY OTHER PERSON HAVING AND MAINTAINING A PLACE OF BUSINESS IN THE STATE OF NEW YORK WHOM SUCH PLEDGOR MAY FROM TIME TO TIME HEREAFTER DESIGNATE (HAVING GIVEN 30 DAYS' NOTICE THEREOF TO THE COLLATERAL TRUSTEE, AS THE DULY AUTHORIZED AGENT FOR RECEIPT OF SERVICE OF LEGAL PROCESS. NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE PARTIES TO BRING PROCEEDINGS IN THE COURTS OF ANY OTHER JURISDICTION OR TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW.

7.19 WAIVER OF JURY TRIAL. **AS AMONG EACH PLEDGOR, THE COMPANY AND THE COLLATERAL TRUSTEE (ON BEHALF OF ITSELF AND EACH OTHER SECURED PARTY) AND AS TO THIS AGREEMENT AND EACH SECURED DOCUMENT AND PROJECT DOCUMENT TO WHICH SUCH PERSONS ARE A PARTY, (ON BEHALF OF ITSELF AND EACH OTHER SECURED PARTY) EACH PLEDGOR, THE COMPANY AND THE COLLATERAL TRUSTEE HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT OR COUNTERCLAIM ARISING IN CONNECTION WITH THIS AGREEMENT, AND ANY SUCH SECURED DOCUMENT AND PROJECT DOCUMENT.**

7.20 GOVERNING LAW. **THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, EXCEPT AS REQUIRED BY MANDATORY PROVISIONS OF LAW AND EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTEREST HEREUNDER, OR REMEDIES HEREUNDER, ARE GOVERNED BY THE LAW OF ANY JURISDICTION OTHER THAN THE STATE OF NEW YORK.**

7.21 Supremacy Clause. In the event of any conflict between any terms and provisions set forth in this Agreement and those set forth in the Collateral Trust Agreement, the terms and provisions of the Collateral Trust Agreement shall supersede and control the terms and

provisions of this Agreement. Subordination of Liens. The parties hereto intend that the security interests created under this Agreement in favor of the Collateral Trustee for the benefit of the Secured Parties shall be effectively subordinated to the security interests created under this Agreement in favor of the Collateral Trustee for the benefit of Crest.

[Signature page follows.]

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

SABINE PASS LNG–LP, LLC

By: /s/ Graham A. McArthur
Name: Graham A. McArthur
Title: Treasurer

Signature Page – Pledge Agreement

SABINE PASS LNG – GP, INC.

By: /s/ Graham A. McArthur
Name: Graham A. McArthur
Title: Treasurer

Signature Page – Pledge Agreement

THE BANK OF NEW YORK, not individually but solely in its capacity as Collateral Trustee

By: /s/ Beata Hryniewicka
Name: Beata Hryniewicka
Title: Assistant Vice President

Signature Page – Pledge Agreement

SABINE PASS LNG, L.P.
By: Sabine Pass LNG–GP, Inc., its general partner

By: /s/ Graham McArthur
Name: Graham McArthur
Title: Treasurer

Signature Page – Pledge Agreement

Schedule 1.01

Project Documents

1. Lump Sum Turnkey for the Engineering, Procurement and Construction of the Sabine Pass LNG Receiving, Storage and Regasification Terminal, dated as of December 18, 2004, between Sabine Pass LNG, L.P. and Bechtel Corporation (Phase 1).
2. Agreement for Engineering, Procurement, Construction and Management of the Sabine Pass Phase 2 LNG Receiving, Storage and Regasification Terminal Expansion, dated as of July 21, 2006, between Sabine Pass LNG, L.P. and Bechtel Corporation (Phase 2).
3. EPC LNG Unit Rate Soil Improvement Contract, dated as of July 21, 2006, between Sabine Pass LNG, L.P. and Remedial Construction Services, L.P.
4. EPC LNG Tank Contract, dated as of July 21, 2006, among Sabine Pass LNG, L.P., Zachary Construction Corporation and Diamond LNG LLC
5. Operation & Maintenance Agreement, dated as of February 25, 2005, between Cheniere LNG O&M Services and Sabine Pass LNG, L.P..
6. Management Services Agreement, dated as of February 25, 2005, between Sabine Pass LNG, L.P. and Sabine Pass LNG-GP, Inc.
7. Lease Agreement, dated January 15, 2005, between Crain Brothers Ranch, Inc. and Sabine Pass LNG, L.P., as amended by an Amendment to Lease, dated February 24, 2005
8. Lease Agreement, dated January 15, 2005, between Crain Lands Ranch, Inc. and Sabine Pass LNG, L.P., as amended by an Amendment to Lease, dated February 24, 2005
9. Lease Agreement, dated January 15, 2005, between George A. Davis, Linda Dianne Dlouhy, Mary P. Lakhardi, Carmen V. Gebhardt, Sharon D. Faulk, Sandra D. Davis, Martha Davis Johnson, Lonnie A. Davis, Jr., Daniel D. Davis, Wilma Davis Bride, William Earl Guthrie, Jr., James Austin Guthrie, Edwin Scott Henry, Candace Henry Olivier, Charles Gregory Henry, Daniel Ellender, Amy Ellender and Sally Ellender Gay and Sabine Pass LNG, L.P.
10. LNG Terminal Use Agreement, dated November 8, 2004, between Chevron U.S.A, Inc. and Sabine Pass LNG, L.P., as amended , restated, supplemented or otherwise modified from time to time.
11. Guaranty Agreement dated December 15, 2004, executed by Chevron Corporation, guaranteeing the obligations of Chevron U.S.A. under that certain LNG Terminal Use Agreement, dated as of November 8, 2004.

12. LNG Terminal Use Agreement, dated September 2, 2004, between Total LNG USA Inc. and Sabine Pass LNG, L.P. as amended, restated, supplemented or otherwise modified from time to time.

13. Parent Guarantee dated as of November 5, 2004, executed by Total S.A., guaranteeing certain payment obligations of Total LNG USA, Inc. under that certain LNG Terminal Use Agreement, dated as of September 2, 2004.

14. Amended and Restated LNG Terminal Use Agreement, dated November 9, 2006, between Cheniere Marketing, Inc. and Sabine Pass LNG, L.P.

15. J&S Cheniere Letter Agreement, dated November 9, 2006, among J&S Cheniere, S.A., Cheniere Marketing, Inc. and Sabine Pass LNG, L.P.

16. Indemnification Agreement, dated May 9, 2005, between Cheniere Energy, Inc. and Sabine Pass LNG, L.P.

17. Guaranty Agreement dated November 9, 2006 executed by Cheniere Energy, Inc., guaranteeing the obligations of Cheniere Marketing, Inc., under that certain Amended and Restated LNG Terminal Use Agreement, dated as of November 9, 2006 between Cheniere Marketing, Inc. and Sabine Pass LNG, L.P.

18. Tank Contractor's Parent Guarantee dated as of July 21, 2006 executed by Mitsubishi Heavy Industries, Ltd. in favor of Sabine Pass LNG, L.P., guaranteeing the obligations of Zachry Construction Corporation and Diamond LNG LLC, under that certain Engineering, Procurement and Construction (EPC) LNG Tank Contract, executed by and among Sabine Pass LNG, L.P., Diamond LNG LLC and Zachry Construction Corporation dated as of July 21, 2006.

Schedule 5.09

The Secretary of State of the State of Delaware

Schedule 5.09

Exhibit 10.5

Execution Version

SECURITY DEPOSIT AGREEMENT

dated as of November 9, 2006

by and among

SABINE PASS LNG, L.P.,
as the Company

THE BANK OF NEW YORK,
in its capacity as Collateral Trustee

and

THE BANK OF NEW YORK,
in its capacity as Depositary Agent

Table of Contents

		Page
ARTICLE I DEFINITIONS		2
Section 1.1	Defined Terms	2
Section 1.2	Interpretation	8
Section 1.3	Uniform Commercial Code Definitions	8
ARTICLE II APPOINTMENT OF DEPOSITARY AGENT; ESTABLISHMENT OF ACCOUNTS		8
Section 2.1	Acceptance of Appointment of Depositary Agent	8
Section 2.2	Establishment of Accounts	9
Section 2.3	Security Interests	10
Section 2.4	Accounts Maintained as UCC “Securities Accounts”	10
Section 2.5	Jurisdiction of Depositary Agent	11
Section 2.6	Degree of Care; Liens	12
Section 2.7	Subordination of Lien; Waiver of Set-Off	12
Section 2.8	No Other Agreements	12
Section 2.9	Notice of Adverse Claims	12
Section 2.10	Rights and Powers of the Collateral Trustee	12
Section 2.11	Termination	12
ARTICLE III THE ACCOUNTS		13
Section 3.1	Construction Account	13
Section 3.2	Revenue Account	14
Section 3.3	Debt Payment Account	17
Section 3.4	Operating Account	17
Section 3.5	DSR Account	18
Section 3.6	Loss Proceeds Account	18
Section 3.7	Asset Sale Proceeds Account	19
Section 3.8	Distribution Account	20
Section 3.9	Invasion of Accounts	21
Section 3.10	Investment of Accounts	21
Section 3.11	Disposition of Accounts Upon Discharge Date	22
Section 3.12	Account Balance Statements	22
Section 3.13	Trigger Event Date	22
Section 3.14	Transfers from Accounts; Withdrawal Certificates	23
ARTICLE IV DEPOSITARY AGENT		23
Section 4.1	Appointment of Depositary Agent, Powers and Immunities	23
Section 4.2	Reliance by Depositary Agent	25
Section 4.3	Court Orders	25
Section 4.4	Resignation or Removal	25

ARTICLE V EXPENSES; INDEMNIFICATION; FEES		27
Section 5.1	Compensation and Expenses	27
Section 5.2	Indemnification	27
Section 5.3	Prompt Payment	28
ARTICLE VI MISCELLANEOUS		28
Section 6.1	Amendments; Etc.	28
Section 6.2	Addresses for Notices	28
Section 6.3	Governing Law; Jurisdiction	29
Section 6.4	Headings	30
Section 6.5	Limited Third Party Beneficiaries	30
Section 6.6	No Waiver	30
Section 6.7	Severability	30
Section 6.8	Successors and Assigns	30
Section 6.9	Execution in Counterparts	30
Section 6.10	Regarding the Collateral Trustee	30
Section 6.11	Intercreditor Provisions	30
Section 6.12	Force Majeure	30
Section 6.13	Consequential Damages	31
Section 6.14	Patriot Act.	31

APPENDICES

Appendix A:	FORM OF OFFICER'S CERTIFICATE
Appendix B:	FORM OF WITHDRAWAL CERTIFICATE

This SECURITY DEPOSIT AGREEMENT, dated as of November 9, 2006 (this "***Agreement***"), is entered into by and among SABINE PASS LNG, L.P., a Delaware limited partnership (the "***Company***"), THE BANK OF NEW YORK, a New York banking corporation as Collateral Trustee (in such capacity and together with its successors in such capacity, the "***Collateral Trustee***"), and THE BANK OF NEW YORK, a New York banking corporation, in its capacity as Agent, bank and securities intermediary for the Secured Parties (in such capacity, the "***Depositary Agent***").

RECITALS

A. Capitalized terms used in this Agreement have the meanings assigned to them above or in Article I below.

B. The Company (a) on or about the date hereof, will issue senior secured notes due November 30, 2013 and senior secured notes due November 30, 2016 (together, the "***Initial Notes***") under an indenture, dated on or about the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "***Indenture***"), between the Company and The Bank of New York, in its capacity as indenture trustee and (b) in the future may issue additional senior secured notes under the Indenture (together with the Initial Notes, the "***Notes***") and/or may otherwise incur additional secured indebtedness ranking *pari passu* with the Notes ("***Parity Secured Debt***").

C. As security for the Notes and other Parity Secured Debt, the Company has assigned and granted a security interest in, pursuant to certain Security Documents entered into between the Company and the Collateral Trustee, all of its right, title and interest in, to and under, all present and future property of the Company to the Collateral Trustee in trust for the benefit of the Secured Parties.

D. Pursuant to the Crest Settlement Documents, the Company and the other Pledgors are prohibited from creating or allowing to be created any lien, security interest or other encumbrance on any o the Pledgors assets for borrowed money that is senior to or *pari passu* with the obligations of the Pledgors to Crest and therefore the Pledgors have, under the Security Documents, granted in favor of the Collateral Trustee for the benefit of Crest, a secured Lien that is senior to the Lien granted by the Pledgors to the Collateral Trustee in favor of the Secured Parties.

E. It is a requirement under the Indenture and a condition precedent to the issuance of the Notes that the Company shall have executed and delivered this Agreement.

F. The Company and the other Pledgors intend to secure the Obligations under the Indenture and any future Parity Secured Debt on a priority basis (subject to the Obligations of the Company under the Assumption Agreement which the Company intends to secure on a priority basis to the Parity Secured Debt) and, subject to such priority, intend to secure the Obligations under the Indenture, any other Parity Lien Document and the Assumption Agreement, with Liens on all present and future Collateral to the extent that such Liens have been provided for in the applicable Security Documents.

G. The Company has granted a Lien in favor of the Collateral Trustee for the benefit of the holders of Parity Lien Obligations and the Parity Lien Representatives and may, in the future, grant a subordinated Lien in favor of the Collateral Trustee for the benefit of the holder of Junior Lien Obligations and the Junior Lien Representatives on all of its rights, titles, interests in, to and under the accounts established pursuant to this Agreement and all of the funds deposited therein or credited thereto as security for the payment and performance in full of the Secured Obligations.

H. The Collateral Trustee and the Company desire to appoint the Depositary Agent as the depositary to hold and administer money deposited in or credited to the accounts established pursuant to this Agreement and funded with, among other things, revenues received by the Company from the Project.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company hereby agrees with the Collateral Trustee and the Depositary Agent (each for the benefit of the Secured Parties) as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Defined Terms. The following capitalized terms shall have the following respective meanings; *provided* that capitalized terms used herein but not defined in this Section 1.1 shall have the meanings ascribed to them in the Collateral Trust Agreement or, if not defined therein, Section 1.3:

"***Acceptable Guarantee***" means an unconditional guarantee, from an entity with long term unsecured and unguaranteed senior debt rated not less than A from S&P and A2 from Moody's.

"***Acceptable Letter of Credit***" means an irrevocable letter of credit from a bank or trust company with a combined capital and surplus of at least $1,000,000,000 whose long term unsecured and unguaranteed senior debt rated not less than A from S&P and A2 from Moody's.

"***Account Collateral***" has the meaning set forth in Section 2.3(a).

"***Accounts***" has the meaning set forth in Section 2.2.

"***Asset Sale Proceeds Account***" has the meaning set forth in Section 2.2(g).

"Bankruptcy Law" means Title 11, U.S. Code or any similar federal or state law for the relief of debtors.

"***Collateral Trust Agreement***" means that certain Collateral Trust Agreement, dated as of the date hereof, by and among the Company and the other Pledgors from time to time party

thereto, The Bank of New York in its capacity as Trustee under the Indenture and as Collateral Trustee and any other Secured Debt Representative from time to time party thereto.

"***Collateral Trustee***" has the meaning set forth in the Preamble.

"***Company***" has the meaning set forth in the Preamble.

"***Construction Account***" has the meaning set forth in Section 2.2(a).

"*Construction Expenses*" means the construction and start-up costs of the Project (including the purchase of LNG for cool-down of the Project) and other expenses (including taxes, operating expenses, management fees and, fees due to the Trustee, the Collateral Trustee and the title company in the ordinary course in connection with the Secured Debt Documents) incidental to the financing, construction and commissioning of the Project.

"***Construction Sub-Account***" has the meaning set forth in Section 2.2(c).

"***Debt Payment Account***" has the meaning set forth in Section 2.2(e).

"***Default***" means any event that is, or with the passage of time or the giving of notice or both would be, an "Event of Default" or similar event under the Indenture or any other Secured Debt Document.

"***Depositary Agent***" has the meaning set forth in the Preamble.

"***Discharge Date***" means the date on which the Discharge of Parity Lien obligations and the Discharge of Junior Lien Obligations has occurred.

"***Distribution Account***" has the meaning set forth in Section 2.2(f).

"***DSR Account***" has the meaning set forth in Section 2.2(b).

"***Event of Default***" means an "Event of Default" or similar event under the Indenture or any other Secured Debt Document.

"***Event of Loss***" means, whether in respect of a single event or a series of related events, any of the following:

(1) any loss, destruction or damage of the Project;

(2) any actual condemnation, seizure or taking by exercise of the power of eminent domain or otherwise of the Project, or confiscation of the Project or the requisition of the use of the Project in each case by a governmental authority; or

(3) any settlement in lieu of clause (2) above.

"***Financial Assets***" has the meaning set forth in Section 2.4.

"***Guarantors***" means each Subsidiary of the Company that executes a Note Guarantee in accordance with the provisions of the Indenture, and such Person's respective successors and assigns, in each case, until the Note Guarantee of such Person has been released in accordance with the provisions of the Indenture.

"***Indemnified Person***" means the Depositary Agent, including its officers, directors, agents, Affiliates and employees.

"***Interest Payment Dates***" means May 30 and November 30 of each year, commencing on May 30, 2007, or if any such day is not a Business Day, the next succeeding Business Day.

"***Interest Payment Sub-Account***" has the meaning set forth in Section 2.2(e)

"***Loss Proceeds Account***" has the meaning set forth in Section 2.2(h)

"***Management Services Agreement***" means the agreement dated February 25, 2005 between the Company and the Sabine GP for the management, administration, development and operation of the Project and for the management and administration of the Company, as amended and in effect from time to time.

"***Monthly Date***" means the last Business Day of each month.

"***Monthly Transfer Date***" has the meaning set forth in Section 3.2(c).

"***Moody's***" means Moody's Investors Service, Inc.

"***Net Loss Proceeds***" means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Event of Loss, including, without limitation, insurance proceeds, condemnation awards or damages awarded by any judgment, net of:

(1) the direct costs in recovery of such proceeds (including, without limitation, legal, accounting, appraisal and insurance adjuster fees and any relocation expenses incurred as a result thereof);

(2) amounts required to be and actually applied to the repayment of Indebtedness (other than Indebtedness that is subordinated in right of payment to the Notes or the Note Guarantees) permitted under the Indenture that is secured by a Permitted Lien on the asset or assets that were the subject of such Event of Loss that ranks prior to the security interest of the Collateral Trustee in those assets; and

(3) any taxes or tax distributions paid or payable as a result of the receipt of such cash proceeds.

"***Net Proceeds***" means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the direct costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses

incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements.

"***O&M Agreement***" means the agreement between the Company and the Operator for the operation of the Project, as amended and in effect from time to time.

"***Officer's Certificate***" means an officer's certificate delivered by the Company in the form of Appendix A attached hereto.

"***Operating Account***" means the Account of such name established pursuant to Section 2.2(d).

"***Operating Period Required Amount***" has the meaning set forth in Section 3.5(a)(iii).

"***Operation and Maintenance Expenses***" means, for any period, the sum, computed without duplication, of the following: (a) general and administrative expenses including expense reimbursements payable to the manager pursuant to the Partnership Agreement and for ordinary course fees and costs of the manager pursuant to the Management Services Agreement plus (b) expenses for operating the Project and maintaining it in good repair and operating condition payable during such period, including the ordinary course fees and costs of the Operator payable pursuant to the O&M Agreement plus (c) insurance costs payable during such period plus (d) applicable sales and excise taxes (if any) payable or reimbursable by the Company during such period plus (e) franchise taxes payable by the Company during such period plus (f) property taxes payable by the Company during such period plus (g) any other direct taxes (if any) payable by the Company during such period plus (h) costs and fees attendant to the obtaining and maintaining in effect the Government Approvals payable during such period plus (i) legal, accounting and other professional fees attendant to any of the foregoing items payable during such period plus (j) all other cash expenses payable by the Company in the ordinary course of business. Operation and Maintenance Expenses shall exclude, to the extent included above: (i) payments into any of the Accounts during such period, (ii) payments of any kind with respect to Restricted Payments during such period, (iii) depreciation for such period, (iv) any capital expenditure including permitted capital expenditures and (v) any payments of any kind with respect to any restoration during such period.

"***Operator***" means Cheniere LNG O&M Services, L.P. or such other person from time to time party to the O&M Agreement as 'Operator'.

"***Parent***" means Cheniere Energy, Inc., a Delaware corporation.

"***Partnership Agreement***" means the Fifth Amended and Restated Agreement of Limited Partnership of the Company, effective as of November 9, 2006, as amended and in effect from time to time.

"***Permitted Investments***" means:

(a) United States dollars;

(b) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (*provided* that the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than one year from the date of acquisition;

(c) marketable general obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof maturing within one year from the date of acquisition thereof and, at the time of acquisition thereof, having a credit rating of "A" or better from either S&P or Moody's;

(d) certificates of deposit, demand deposit accounts and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year and overnight bank deposits, in each case, with any domestic commercial bank having capital and surplus in excess of $500,000,000 and a Thomson Bank Watch Rating of "B" or better;

(e) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clauses (b), (c) and (d) above entered into with any financial institution meeting the qualifications specified in clause (d) above;

(f) commercial paper or tax exempt obligations having one of the two highest ratings obtainable from Moody's or S&P and, in each case, maturing within six months after the date of acquisition; and

(g) money market funds at least 95% of the assets of which constitute Permitted Investments of the kinds described in clauses (a) through (f) of this definition or a money market fund or a qualified investment fund (including any such fund for which the Collateral Trustee or any Affiliate thereof acts as an advisor or a manager) given one of the two highest long-term ratings available from S&P or Moody's.

"***Phase 1***" means the initial 2.6 billion cubic feet per day of regasification capacity of the Project, including the construction of three LNG storage tanks, two unloading docks, vaporizers and related facilities.

"***Phase 2***" means the additional two LNG storage tanks, vaporizers and related facilities required to enable the Project to achieve a maximum regasification capacity of 4.0 billion cubic feet per day.

"***Phase 2 EPC Arrangements***" means the arrangements for the engineering, procurement and construction of Phase 2 by the Company with Bechtel Corporation, Remedial Construction Services, L.P., Diamond LNG LLC and Zachry Construction Corporation, respectively, in connection with the construction of Phase 2.

"***Phase 1 EPC Contract***" means the lump sum turnkey agreement for the engineering, procurement and construction of Phase 1 by and between the Company and the Bechtel Corporation dated as of December 18, 2004, as amended and in effect from time to time.

"***Phase 1 Target Completion***" has the meaning given to "Target Completion" in the Phase 1 EPC Contract.

"***Principal Payment Sub-Account***" has the meaning set forth in Section 2.2(e).

"***Project***" means the Company's LNG receiving terminal in Cameron Parish, Louisiana, including associated storage tanks, unloading docks, vaporizers, tugs and related facilities.

"***Property***" means any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

"***Required Debt Payment Amount***" means, on any date of determination thereof, the amount equal to (1) the aggregate amount of interest on the Notes due on the immediately succeeding Interest Payment Date, *multiplied by* (2) the number of months passed since the preceding Interest Payments Date, *divided by* (3) six.

"***Restricted Payment***" has the meaning set forth in the Indenture.

"***Restricted Payment Conditions***" means:

(1) no Default or Event of Default (as defined in the Indenture) has occurred and is continuing or would occur as a consequence of such Restricted Payment; and

(2) the Company has successfully achieved Phase 1 Target Completion; and

(3) the Company would, at the time of such Restricted Payment and after giving pro forma effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period (or if fewer than four fiscal quarters have elapsed since the achievement of Phase 1 Target Completion, the number of full fiscal quarters that have elapsed), have been permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio (as defined in the Indenture) test set forth in Section 4.09(a) of the Indenture (for the avoidance of doubt, the Restricted Payment itself will not be considered in such pro forma calculation); and

(4) the Debt Payment Account has on deposit the Required Debt Payment Amount; and

(5) the DSR Account has on deposit the Operating Period Required Amount.

"***Restricted Subsidiary***" has the meaning provided in the Indenture.

"***Revenue Account***" means the Account of such name established pursuant to Section 2.2(c).

"***S&P***" means Standard & Poor's Ratings Group.

"***Senior Debt***" means:

(1) all Indebtedness of the Company or any Guarantor permitted to be incurred under the terms of the Indenture, unless the instrument under which such Indebtedness is incurred expressly provides that it is subordinated in right of payment to the Notes or any Note Guarantee, and

(2) all Obligations with respect to the items listed in the preceding clause (1).

Notwithstanding anything to the contrary in the preceding, Senior Debt will not include:

(1) any liability for federal, state, local or other taxes owed or owing by the Company;

(2) any intercompany Indebtedness of the Company or any of its Subsidiaries to the Company or any of its Affiliates;

(3) any trade payables;

(4) the portion of any Indebtedness that is incurred in violation of this Indenture; or

(5) Indebtedness which is classified as non-recourse in accordance with GAAP or any unsecured claim arising in respect thereof by reason of the application of Section 1111(b)(1) of the Bankruptcy Law.

"***State Tax Sharing Agreement***" has the meaning provided in the Indenture.

"***Subsidiary***" has the meaning provided in the Indenture.

"***Trigger Event Date***" has the meaning set forth in Section 3.13(a).

"***Withdrawal Certificate***" means a Withdrawal Certificate delivered by the Company substantially in the form of Appendix B attached hereto.

Section 1.2 Interpretation. The rules of interpretation set forth in Section 1.2 of the Collateral Trust Agreement shall apply to, and are hereby incorporated by reference in, this Agreement.

Section 1.3 Uniform Commercial Code Definitions. All terms defined in the UCC shall have the respective meanings given to those terms in the UCC, except where the context otherwise requires.

ARTICLE II
APPOINTMENT OF DEPOSITARY AGENT; ESTABLISHMENT OF ACCOUNTS

Section 2.1 Acceptance of Appointment of Depositary Agent.

(a) The Depositary Agent hereby agrees to act as depositary agent, as "securities intermediary" (within the meaning of Section 8-102(14) of the UCC) with respect to the Accounts and the Financial Assets credited to such Accounts, and as "bank" (within the meaning

of 9-102(a) of the UCC) with respect to the Accounts and credit balances not constituting Financial Assets credited thereto and to accept all cash, payments, other amounts and Permitted Investments to be delivered to or held by the Depositary Agent pursuant to the terms of this Agreement. The Depositary Agent shall hold and safeguard the Accounts during the term of this Agreement in accordance with the provisions of this Agreement.

(b) The Company shall not have any rights to withdraw or transfer funds from the Accounts, as third party beneficiary or otherwise, except as permitted by this Agreement and to direct the investment of monies held in the Accounts as permitted by Section 3.10.

Section 2.2 Establishment of Accounts. The Depositary Agent hereby establishes the following accounts (inclusive of any sub-account thereof unless otherwise specified herein, the "***Accounts***") in the name of the Company and in the form of trust accounts and sub-accounts thereof, which shall be maintained at all times until the termination of this Agreement:

(a) an Account entitled "Sabine LNG Construction Account" (the "***Construction Account***");

(b) an Account entitled "Sabine LNG DSR Account" (the "***DSR Account***");

(c) an Account entitled "Sabine LNG Revenue Account" (the "***Revenue Account***"), within which a sub-account entitled "Sabine LNG Construction Sub-Account" (the "***Construction Sub-Account***") shall be established and maintained;

(d) an Account entitled "Sabine LNG Operating Account" (the "***Operating Account***");

(e) an Account entitled "Sabine LNG Debt Payment Account" (the "***Debt Payment Account***"), within which a sub-account entitled "Principal Payment Sub-Account" (the "***Principal Payment Sub-Account***") and a sub-account entitled "Interest Payment Sub-Account" (the "***Interest Payment Sub-Account***") shall be established and maintained;

(f) an Account entitled "Sabine LNG Distribution Account" (the "***Distribution Account***");

(g) an Account entitled "Sabine LNG Asset Sale Proceeds Account" (the "***Asset Sale Proceeds Account***"); and

(h) an Account entitled "Sabine LNG Loss Proceeds Account" (the "***Loss Proceeds Account***") shall be established and maintained.

For administrative purposes, additional sub-accounts within the Accounts may be established and created by the Depositary Agent from time to time in accordance with this Agreement as separate trust accounts.

All amounts from time to time held in each Account shall be disbursed in accordance with the terms hereof, shall constitute the property of the Company and shall be (a) subject to the Lien of the Collateral Trustee (for the benefit of the Secured Parties) and

(b) held in the sole custody and "control" (within the meaning of Section 8-106(d) of the UCC) of the Collateral Trustee for the purposes and on the terms set forth in this Agreement and all such amounts shall constitute a part of the Collateral and shall not constitute payment of any Secured Obligations or any other obligation of the Company, *provided*, *however*, that the Liens on all of the Company's rights, titles and interests in, to and under the DSR Account shall be solely for the benefit of the Trustee for the benefit of the holders of the Notes and Crest, as applicable.

Section 2.3 Security Interests.

(a) As collateral security for the prompt and complete payment and performance when due of all Secured Obligations, the Company has pledged, assigned, hypothecated and transferred to the Collateral Trustee (for the benefit of the Secured Parties) and has granted to the Collateral Trustee (for the benefit of the Secured Parties) a Lien on all of the Company's rights, titles and interests in, to and under (i) each Account and (ii) all cash, instruments, investment property, securities, "security entitlements" (as defined in Section 8-102(a)(17) of the UCC) and other Financial Assets at any time on deposit in any Account, including all income, earnings and distributions thereon and all proceeds, products and accessions of and to any and all of the foregoing, including whatever is received or receivable upon any collection, exchange, sale or other disposition of any of the foregoing and any property into which any of the foregoing is converted, whether cash or non-cash proceeds, and any and all other amounts paid or payable under or in connection with any of the foregoing (collectively, the "***Account Collateral***"), *provided*, *however*, that the Liens on all of the Company's rights, titles and interests in, to and under the DSR Account shall be solely for the benefit of the Trustee for the benefit of the holders of the Notes and Crest, as applicable. The relative priority with respect to the Liens granted pursuant to this Section 2.3(a) shall be as set forth in the Collateral Trust Agreement.

(b) The Depositary Agent is the agent of the Collateral Trustee (for the benefit of the Secured Parties) for the purpose of receiving payments contemplated hereunder and for the purpose of perfecting the Lien of the Collateral Trustee (for the benefit of the Secured Parties) in and to the Accounts and the other Account Collateral; *provided* that the Depositary Agent shall not be responsible to take any action to perfect or maintain the perfection of such Lien except through the performance of its express obligations hereunder or upon the written direction of the Collateral Trustee (for the benefit of the Secured Parties) complying with this Agreement. This Agreement constitutes a "security agreement" as defined in Article 9 of the UCC.

Section 2.4 Accounts Maintained as UCC "Securities Accounts". The Depositary Agent hereby agrees and confirms that it has established the Accounts as set forth and defined in this Agreement. Depositary Agent agrees that (a) each such Account established by Depositary Agent is and will be maintained as a "securities account" (within the meaning of Section 8-501 of the UCC); (b) the Company has been designated as the "entitlement holder" (within the meaning of Section 8-102(a)(7) of the UCC) in respect of the "financial assets" (within the meaning of Section 8-102(a)(9) of the UCC, the "***Financial Assets***") credited to such Accounts that are "securities accounts"; (c) all Financial Assets in registered form or payable to or to the order of and credited to any such Account shall be registered in the name of, payable to or to the order of, or specially endorsed to, Depositary Agent or in blank, or credited to another securities account maintained in the name of Depositary Agent; and (d) in no case will any Financial Asset

credited to any such Account be registered in the name of, payable to or to the order of, or endorsed to, the Company except to the extent the foregoing have been subsequently endorsed by the Company to Depositary Agent or in blank. Each item of Property (including a security, security entitlement, investment property, instrument or obligation, share, participation, interest or other property whatsoever) credited to any Account shall to the fullest extent permitted by law be treated as a Financial Asset. Until the Discharge Date, the Collateral Trustee for the benefit of the Secured Parties shall have "control" (within the meaning of Section 8-106(d)(2) or Section 9-104(a) (as applicable) of the UCC) of the Accounts and the Company's "security entitlements" (within the meaning of Section 8-102(a)(17) of the UCC) with respect to the Financial Assets credited to the Account. All property delivered to the Depositary Agent pursuant to this Agreement will be promptly credited to the applicable Account. The Company hereby irrevocably directs, and the Depositary Agent (in its capacity as securities intermediary) hereby agrees, that the Depositary Agent will comply with all instructions and orders (including entitlement orders within the meaning of Section 8-102(a)(8) of the UCC) regarding each Account and any Financial Asset therein originated by the Collateral Trustee without the further consent of the Company or any other Person. In the case of a conflict between any instruction or order originated by the Collateral Trustee and any instruction or order originated by the Company or any other Person other than a court of competent jurisdiction, the instruction or order originated by the Collateral Trustee shall prevail. The Depositary Agent shall not change the name or account number of any Account without the prior written consent of the Collateral Trustee and at least five Business Days' prior notice to the Company, and shall not change the entitlement holder.

To the extent that the Accounts are not considered "securities accounts" (within the meaning of Section 8-501(a) of the UCC), the Accounts shall be deemed to be and maintained as "deposit accounts" (as defined in Section 9-102(a)(29) of the UCC) to the extent a security interest can be granted and perfected under the UCC in the Accounts as deposit accounts, which the Company shall maintain with the Depositary Agent acting not as a securities intermediary but as a "bank" (within the meaning of Section 9-102(a)(8) of the UCC). The Depositary Agent shall not have title to the funds on deposit in the Accounts, and shall credit the Accounts with all receipts of interest, dividends and other income received on the Property held in the Accounts. The Depositary Agent shall administer and manage the Accounts in compliance with all the terms applicable to the Accounts pursuant to this Agreement, and shall be subject to and comply with all the obligations that the Depositary Agent owes to the Collateral Trustee with respect to the Accounts, including all subordination obligations, pursuant to the terms of this Agreement. The Depositary Agent hereby agrees to comply with any and all instructions (within the meaning of Section 9-104(a)(2) of the UCC) originated by the Collateral Trustee for the benefit of the Secured Parties directing disposition of funds and all other Property in the Accounts without any further consent of the Company or any other Person.

Section 2.5 Jurisdiction of Depositary Agent. The Company, the Collateral Trustee and the Depositary Agent agree that, for purposes of the UCC, notwithstanding anything to the contrary contained in any other agreement relating to the establishment and operation of the Accounts, the jurisdiction of the Depositary Agent (in its capacity as the securities intermediary and bank) is the State of New York and the laws of the State of New York govern the establishment and operation of the Accounts.

Section 2.6 Degree of Care; Liens. The Depositary Agent shall exercise the same degree of care in administering the funds held in the Accounts and the investments purchased with such funds in accordance with the terms of this Agreement as Depositary Agent exercises in the ordinary course of its day-to-day business in administering other funds and investments for its own account and as required by Government Rules. The Depositary Agent is not party to and shall not execute and deliver, or otherwise become bound by, any agreement under which the Depositary Agent agrees with any Person other than the Collateral Trustee to comply with entitlement orders or instructions originated by such Person relating to any of the Accounts or the security entitlements that are the subject of this Agreement. The Depositary Agent shall not grant any Lien on any Financial Asset, other than any Lien granted to the Collateral Trustee under the Secured Debt Documents.

Section 2.7 Subordination of Lien; Waiver of Set-Off. In the event that the Depositary Agent has or subsequently obtains by agreement, operation of law or otherwise a Lien in any Account or in any Account Collateral, the Depositary Agent agrees that such Lien shall be subordinate to the Lien of the Collateral Trustee. The financial assets standing to the credit of the Accounts and any other Account Collateral will not be subject to deduction, set-off, banker's lien, or any other right in favor of any Person other than the Collateral Trustee (except to the extent of fees, charges and expenses incurred in connection with the purchase or sale of Permitted Investments, fees, expenses and indemnities payable to the Depositary hereunder, and returned items and chargebacks either for uncollected checks or other items of payment and transfers previously credited to one or more of the Accounts, and the Company and the Collateral Trustee hereby authorize the Depositary Agent to debit the Account for such amounts).

Section 2.8 No Other Agreements. None of the Depositary Agent, the Collateral Trustee and the Company have entered or will enter into any agreement with respect to any Account or in any Account Collateral, other than this Agreement and the other Secured Debt Documents.

Section 2.9 Notice of Adverse Claims. The Depositary Agent hereby represents that, except for the claims and interests of the Collateral Trustee and the Company in each of the Accounts, the Depositary Agent, (a) as of the Closing Date, has no actual knowledge of, and has received no written notice of, and (b) as of each date on which any Account is established pursuant to this Agreement, has received no written notice of any claim to, or interest in, any Account or in any other Account Collateral. If any Person asserts any Lien (including any writ, garnishment, judgment, warrant of attachment, execution or similar process) against any Account or in any other Account Collateral, the Depositary Agent, upon obtaining actual knowledge thereof, will promptly notify the Collateral Trustee and Company thereof.

Section 2.10 Rights and Powers of the Collateral Trustee. The rights and powers granted to the Collateral Trustee by the Secured Parties have been granted in order to, among other things, perfect their Lien in the Accounts and the other Account Collateral and to otherwise act as their agent with respect to the matters contemplated hereby.

Section 2.11 Termination. This Agreement shall remain in full force and effect until the Discharge Date.

ARTICLE III

THE ACCOUNTS

Section 3.1 Construction Account.

(a) Deposits into Construction Account. The Company shall deposit, or cause to be deposited, into the Construction Account each of the following upon receipt thereof, and the Depositary Agent shall deposit any such amounts received directly by it into the Construction Account upon receipt thereof:

(i) proceeds of $886,677,557.96 from the issuance of the Initial Notes (as defined in the Indenture);

(ii) amounts required to be transferred to the Construction Account from the Revenue Account pursuant to Section 3.2(b);

(iii) the net proceeds of any Indebtedness issued by the Company prior to Phase 1 Target Completion for construction of Phase 1 and/or Phase 2; and

(iv) any other amounts required to be transferred to the Construction Account in accordance with the terms of this Agreement or any other Secured Debt Document.

(b) Disbursements from the Construction Account.

(i) *Construction Period.* The Company may request disbursements from the Construction Account by submitting a duly completed and executed Withdrawal Certificate to the Depositary Agent and Trustee no more frequently than once per month. Each such Withdrawal Certificate shall include the amount of the proposed withdrawal and the purpose of the proposed withdrawal (including details regarding the nature of the relevant Construction Expenses) and a certification of an authorized officer that (A) no Event of Default under the Indenture or event of default under any other Parity Lien Document has occurred and is continuing, (B) the Company has sufficient funds (including amounts available in the Construction Account, binding equity commitments with respect to funds, anticipated insurance proceeds and/or additional borrowings available to be incurred and permitted to be incurred under the terms of the Indenture and any other Parity Lien Documents) necessary to achieve Phase 1 Target Completion and (C) the requested funds are to be used to fund obligations which are concurrently due and payable or are reasonably estimated to become due and payable within the next 45 days in each case in accordance with the then existing Construction Budget and Schedule (as defined in the Indenture). Subject to Section 3.14, upon receipt before 12:00 Noon (New York City time) on any Business Day by the Depositary Agent, Depositary Agent shall make the withdrawals, transfers and payments as specified in the applicable Withdrawal Certificate as soon as reasonably practicable, and in any event within two Business Days following receipt of such Withdrawal Certificate. Disbursements from the Construction Account shall be used solely (X) to fund Construction Expenses and (Y) subject to Section 3.2(d), to be transferred to other Accounts as expressly set forth herein.

(ii) *Transfers of Interest*. On each Monthly Date, the Depositary Agent will transfer interest accrued on amounts in the Construction Account to the DSR Account until an aggregate of $20,000,000 has been transferred to the DSR Account pursuant to this clause.

(iii) *Phase 1 Target Completion*. Upon receipt by the Depositary Agent of (A) an Officer's Certificate certifying that Phase I Target Completion has occurred together with (B) a duly completed and executed Withdrawal Certificate from the Company, any remaining funds in the Construction Account will be applied as set forth in such Withdrawal Certificate, (1) first, to fund the Operating Account with an amount sufficient to cover any outstanding incurred Construction Expenses, operating expenses or maintenance capital expenditure and the next 45 days of the Project's estimated operating expenses and maintenance capital expenditure; (2) second, to pay any outstanding principal on the Notes then due and payable; (3) to fund the Interest Payment Sub-Account in an amount equal to the product of (x) six *minus* the number of full calendar months remaining until the next Interest Payment Date, *divided* by six *times* (y) the amount of interest due on the Notes on the next Interest Payment Date; and (4) fourth, to fund any shortfall in the DSR Account such that the DSR Account contains the Operating Period Required Amount. After all funds have been applied as described in (1) through (4) above, the remaining funds, if any, shall be transferred to the Construction Sub-Account in the Revenue Account.

(c) Closing Date Deposits and Application of Funds. Notwithstanding Section 3.1(b), the Collateral Agent shall instruct the Depositary Agent to make (and the Depositary Agent shall make) such withdrawals and transfers from the Construction Account on the date hereof as are set forth in the funds flow instructions agreed to by the Company, the Initial Purchasers (as defined in the Indenture) and the Trustee and provided to the Collateral Agent. Such withdrawals and transfers may include certain estimated expenses and fees to be paid on or after the date hereof.

Section 3.2 Revenue Account.

(a) Deposits into Revenue Account.

(i) The Company shall deposit, or cause to be deposited, into the Revenue Account, all revenues of the Company, including advance reservation or similar payments under terminal use or similar agreements in respect of the Project capacity, sales tax reimbursements, all operating revenues from the Project except as otherwise expressly set forth herein and the proceeds of all Indebtedness issued by the Company except as otherwise expressly set forth herein. If any such amounts are received by the Company, the Company shall hold such payments in trust for the Depositary Agent and shall promptly remit such payments to the Depositary Agent for deposit in the Revenue Account, in the form received, with any necessary endorsements.

(ii) Any amounts transferred from the Construction Account pursuant to clause 3.1(b)(iii) above shall be deposited in the Revenue Account.

(iii) If the Depositary Agent receives monies without adequate instruction with respect to the proper Account in which such monies are to be deposited, the Depositary Agent shall deposit such monies into the Revenue Account and notify the Company and the Collateral Trustee of the receipt of such monies. Upon receipt of written instructions from the Company, the Depositary Agent shall transfer such monies from the Revenue Account to the Account specified by such instructions.

(b) Disbursements from Revenue Account prior to Phase 1 Target Completion. Prior to Phase 1 Target Completion, within two Business Days of receipt of a duly completed and executed Withdrawal Certificate from the Company, the Depositary Agent shall make the following withdrawals and transfers to the extent of monies available in the Revenue Account in the following order of priority all in accordance with such Withdrawal Certificate and this Agreement:

(i) *First*, to pay Obligations then due and payable under the Assumption Agreement;

(ii) *Second*, after making each applicable withdrawal and transfer specified in clause *first* above, to the extent that amounts on deposit in the DSR Account are not sufficient to pay interest on the Notes on the next Interest Payment Date, to the DSR Account in an amount sufficient to make such payment plus such additional amount as the Company may elect;

(iii) *Third*, after making each applicable withdrawal specified in clauses *first* and *second*, if the Company has complied with the requirements of Section 3.1(b)(i) but sufficient funds for the disbursements requested by the Company pursuant to Section 3.1(b)(i) are not available in the Construction Account, an amount that, together with any amount available in the Construction Account, is sufficient for such disbursement. For avoidance of doubt, the Company must still meet all requirements of Section 3.1(b), including clause (B) thereof.

(c) Disbursements from Revenue Account following Phase 1 Target Completion. The Company hereby irrevocably authorizes the Depositary Agent to make withdrawals and transfers specified in clauses (i) through (vi) below on one day in each calendar month specified by the Company in each Withdrawal Certificate (each such date a "***Monthly Transfer Date***") to the extent of monies then available in the Revenue Account and not segregated in a separate sub-account thereof or otherwise for any specific purpose expressly provided for herein, upon the receipt by the Depositary Agent of a duly completed and executed Withdrawal Certificate at least two Business Days prior to the applicable Monthly Transfer Date setting forth the amounts to be withdrawn from the Revenue Account and the amounts to be transferred in the following order of priority all in accordance with such Withdrawal Certificate and this Agreement:

(i) *first*, to the Operating Account, an amount sufficient to cover the succeeding 45 days of Operation and Maintenance Expenses, maintenance capital expenditures and obligations due and payable under the Assumption Agreement and, so long as the relevant

state or local combined, consolidated or unitary tax return is properly filed that includes the Company and Parent, the State Tax Sharing Agreement;

(ii) *second*, after making each applicable withdrawal and transfer specified in clause *first* above, to the Interest Payment Sub-Account of the Debt Payment Account, 1/6th of the amount of interest due on the Notes and any other Parity Secured Debt on the next Interest Payment Date (plus any shortfall from any prior month subsequent to the preceding Interest Payment Date);

(iii) *third*, after making each applicable withdrawal and transfer specified in clause *first* and *second* above, to the Principal Payment Sub-Account of the Debt Payment Account, an amount sufficient to pay outstanding principal then due and payable or expected to be due and payable on or before the next Monthly Date on the Notes and any other Parity Secured Debt, *provided* that if the Company has notified the Depositary Agent and the Collateral Trustee that the Company intends to refinance any such outstanding principal then due and payable or expected to become due and payable and the Depositary Agent subsequently receives written notice from the applicable Parity Debt Representative that such payment of principal has been made in full, the Depositary Agent shall transfer the amount of such principal payment to the Revenue Account for further application in accordance with this Section 3.2(c) and *provided* further that the proceeds applied to refinance any such outstanding Indebtedness need not be deposited in the Revenue Account but may be paid directly to the applicable Parity Debt Representative;

(iv) *fourth*, after making each applicable withdrawal and transfer specified in clause *first* through *third* above, to the Distribution Account, an amount sufficient to pay Taxes payable by the Company or the Guarantors in the amounts permitted pursuant to the Indenture;

(v) *fifth*, after making each applicable withdrawal and transfer specified in clause *first* through *fourth* above, to the DSR Account, an amount that together with the (A) funds in such account plus (B) any Acceptable Letter of Credit or Acceptable Guarantees procured by the Company for the benefit of the Collateral Trustee equals the Operating Period Required Amount or such greater amount as the Company may elect; and

(vi) *sixth*, after making each applicable withdrawal and transfer specified in clause *first* through *fifth* above, to the Distribution Account for all other purposes permitted by the Indenture and other Secured Debt Documents including Restricted Payments, subject to the limitations contained in the Indenture.

(d) Construction Sub-Account. Notwithstanding the foregoing, any Indebtedness issued or incurred to complete construction of Phase 1 and/or construction of Phase 2, and not expended prior to Phase 1 Target Completion, shall be maintained in the Construction Sub-Account within the Revenue Account to pay Construction Expenses. The Company may request disbursements from the Construction Sub-Account by submitting a duly completed and executed Withdrawal Certificate to the Depositary Agent and Trustee, which Withdrawal Certificate shall state the amount of the proposed withdrawal and contain a certification of an Authorized Officer that the requested funds are required to pay Construction Expenses which are concurrently due

and payable or are reasonably estimated to become due and payable within the next 45 days. Subject to Section 3.14, upon receipt before 12:00 Noon (New York City time) on any Business Day by the Depositary Agent, Depositary Agent shall make the withdrawals, transfers and payments as specified in the applicable Withdrawal Certificate as soon as reasonably practicable, and in any event within two Business Days following receipt of such Withdrawal Certificate. Any and all such amounts that the Company subsequently determines are not required to be applied to complete the funding of construction of Phase 1 or Phase 2 and the conforming provision of any Parity Lien Document shall be used to make an offer to (X) all holders of the Notes pursuant to Section 3.10 of the Indenture and (Y) other holders of Parity Secured Debt to the extent the redemption or repayment of such Parity Secured Debt is required pursuant to conforming provisions of the applicable Parity Lien Document(s). If any funds remain in the Construction Sub-Account after consummation of the aforesaid offer, such funds shall, upon the Company's request in a duly completed and executed Withdrawal Certificate, be transferred to the Distribution Account.

Section 3.3 Debt Payment Account.

(a) Deposits into the Debt Payment Account. On each Monthly Transfer Date, to the extent funds are available in the Revenue Account for such purpose, the Depositary Agent shall transfer the amounts specified in the applicable Withdrawal Certificate to the Interest Payment Sub-Account and the Principal Payment Sub-Account as set forth in clauses (ii) and (iii) of Section 3.2(c), as applicable.

(b) Disbursements from the Debt Payment Account.

(i) On each Interest Payment Date, amounts on deposit in the Interest Payment Sub-Account shall be transferred to the Trustee to be applied to pay interest on the Notes as specified in written instructions to be given to the Depositary Agent by the Trustee.

(ii) On each other date on which interest is due on any other Parity Secured Debt, if required pursuant to the applicable Parity Lien Documents, amounts on deposit in the Interest Payment Sub-Account shall be transferred to the applicable Parity Secured Debt Representative to be applied to pay interest on such Parity Secured Debt as specified in written instructions to be given to the Depositary Agent by the applicable Parity Secured Debt Representative.

Section 3.4 Operating Account.

(a) Deposits into Operating Account. On each Monthly Transfer Date, to the extent funds are available in the Revenue Account for such purpose, the Depositary Agent shall transfer the amounts specified in the applicable Withdrawal Certificate from the Revenue Account to the Operating Account as set forth in clause (i) of Section 3.2(c).

(b) Disbursements from Operating Account. Following receipt by the Depositary Agent of a duly completed and executed Withdrawal Certificate detailing the amounts and Persons to be paid, the Depositary Agent shall transfer funds in the Operating Account to any Person to whom a payment is due, or is expected to become due within 45 days of the date of

such Withdrawal Certificate, in respect of Operation and Maintenance Expenses, in each case as, when and to the extent specified in such Withdrawal Certificate.

Section 3.5 DSR Account.

(a) Deposits into DSR Account. The Company shall cause to be deposited (or, in the case of clause (iii) below with respect to amounts previously deposited, to remain on deposit) into the DSR Account:

(i) on the date hereof, an amount that, together with (A) interest expected to be earned thereon and (B) amounts expected to be transferred to the DSR Account from the Construction Account pursuant to Section 3.1(b)(ii), is expected to be sufficient to pay all interest expected to be due and payable on the Notes on the first five Interest Payment Dates;

(ii) on each Monthly Date prior to Phase 1 Target Completion, interest accrued on amounts in the Construction Account and transferred as specified in Section 3.1(b)(ii); and

(iii) on each Monthly Transfer Date from and after Phase 1 Target Completion, to the extent of funds available in the Revenue Account pursuant to clause 3.2(c)(v), (1) an amount equal to interest due and payable on the Notes on the next succeeding Interest Payment Date (as of any date of determination, the "***Operating Period Required Amount***") less any amounts already on deposit in the DSR Account or (2) such greater amount as the Company may elect.

(b) Disbursements from DSR Account prior to Phase 1 Target Completion. On each Interest Payment Date prior to Phase 1 Target Completion, the Depositary Agent shall transfer from the DSR Account to the Trustee the total amount of interest then due and payable on the Notes.

(c) Disbursements from DSR Account following Phase 1 Target Completion. Following Phase 1 Target Completion, the Depositary Agent shall make the following disbursements from the DSR Account:

(i) if on any Interest Payment Date funds available in the Debt Payment Account are insufficient to pay the amount of interest then due and payable on the Notes, to the Trustee for payment of such interest, the amount necessary to make such interest payment is in full; and

(ii) if requested pursuant to a duly completed and executed Withdrawal Certificate, on any date after the Phase 1 Target Completion, to the Revenue Account, the amount of funds in the DSR Account in excess of the Operating Period Required Amount.

Section 3.6 Loss Proceeds Account.

(a) Deposits into Loss Proceeds Account. The Company shall cause all Net Loss Proceeds to be deposited into the Loss Proceeds Account.

(b) Disbursement from Loss Proceeds Account. After any Event of Loss, the Company may apply the Net Loss Proceeds from the Event of Loss to the rebuilding, repair, replacement or construction of improvements to the Project, with no obligation to make any purchase of any notes, *provided* that with respect to any Event of Loss that results in Net Loss Proceeds equal to or greater than $100,000,000:

(i) the Company delivers to the Collateral Trustee within 120 days of such Event of Loss a written opinion from a reputable contractor that the Project can be rebuilt, repaired, replaced or constructed and operating within 540 days following such Event of Loss; and

(ii) the Company delivers to the Collateral Trustee within 120 days of such Event of Loss a certificate from an Authorized Officer certifying that the Company has available from Net Loss Proceeds, cash on hand, binding equity commitments with respect to funds, anticipated insurance proceeds and/or available borrowings under Indebtedness permitted under the Indenture to complete the rebuilding, repair, replacement or construction described in clause (i) above and to pay debt service on its Indebtedness during the repair or restoration period.

(c) Excess Loss Proceeds. Any Net Loss Proceeds that are not reinvested (or committed for reinvestment by the Company) within 540 days following an Event of Loss, as required in clause (b) above, will be deemed "***Excess Loss Proceeds***." If at any time the aggregate amount of Excess Loss Proceeds in the Loss Proceeds Account exceeds $100,000,000, all Excess Loss Proceeds in the Loss Proceeds Account shall be (upon receipt by Depositary Agent and Collateral Trustee of an Officer's Certificate sufficiently describing the Company's compliance with applicable provisions of the Indenture and any other applicable Secured Debt Documents) made available for application in connection with an "Event of Loss Offer" under and as defined in the Indenture. If any Excess Loss Proceeds remain after consummation of an Event of Loss Offer, such Excess Loss Proceeds shall, upon the Company's request in a duly completed and executed Withdrawal Certificate delivered together with a duly completed and executed Officer's Certificate certifying to the Company's compliance with the applicable terms of the Indenture and any other applicable Party Lien Document, be transferred to the Distribution Account.

Section 3.7 Asset Sale Proceeds Account.

(a) Deposits into Asset Sale Proceeds Account. The Company shall cause all Net Proceeds from any Asset Sale to be deposited into the Asset Sale Proceeds Account.

(b) Disbursements from Asset Sales Proceeds Account. Within 360 days after the receipt of any Net Proceeds from an Asset Sale, the Company (or the applicable Restricted Subsidiary, as the case may be) may apply an amount equal to such Net Proceeds:

(i) to repay Senior Debt; or

(ii) to make any capital expenditure or to purchase Replacement Assets (or enter into a binding agreement to make such capital expenditure or to purchase such Replacement Assets; provided that (a) such capital expenditure or purchase is consummated within the later of (x) 360 days after the receipt of the Net Proceeds from the related Asset Sale and (y) 180 days after the date of such binding agreement and (b) if such capital expenditure or purchase is not consummated within the period set forth in subclause (a), the amount not so applied will be deemed to be Excess Proceeds (as defined below)).

(c) Any Net Proceeds from Asset Sales that are not applied or invested as provided in the preceding paragraphs will constitute "***Excess Proceeds***". If at any time the aggregate amount of Excess Proceeds in the Asset Sale Proceeds Account exceeds $25,000,000, all Excess Proceeds in the Asset Sale Proceeds Account shall be (upon receipt by Depositary Agent and Collateral Trustee of an Officer's Certificate sufficiently describing the Company's compliance with applicable provisions of the Indenture and any other applicable Secured Debt Documents) made available for application in connection with an "Asset Sale Offer" under and as defined in the Indenture. If any Excess Proceeds remain after consummation of an Asset Sale Offer, such Excess Proceeds shall, upon the Company's request in a duly completed and executed Withdrawal Certificate delivered together with a duly completed and executed Officer's Certificate certifying to the Company's compliance with the applicable terms of the Indenture and any other applicable Party Lien Document, be transferred to the Distribution Account.

Section 3.8 Distribution Account

(a) Deposits into Distribution Account. Amounts may be deposited into the Distribution Account to the extent permitted pursuant to clauses *fourth* and *sixth* of Section 3.2(c), Section 3.6(c) and Section 3.7(c)

(b) Disbursements from Distribution Account. After Phase 1 Target Completion:

(i) On each Monthly Transfer Date, after Phase 1 Target Completion, on which the Restricted Payment Conditions are satisfied and after all transfers required under Sections 3.2(c) and Section 3.9 have been made, the Depositary Agent shall, to the extent directed by the Company pursuant to a duly completed and executed Withdrawal Certificate delivered together with a duly completed and executed Officer's Certificate certifying that the Restricted Payment Conditions have been met, received by the Depositary Agent at least two Business Days prior to the applicable payment date, make payments or distributions from the Distribution Account, to the extent of Permitted Investments on deposit in or credited to the Distribution Account and to the extent permitted under the Indenture and any other Secured Debt Documents; and

(ii) On each Monthly Transfer Date on which no Default or Event of Default has occurred or is continuing, the Company may, pursuant to a duly completed and executed Withdrawal Certificate delivered together with a duly completed and executed Officer's Certificate certifying that no Event of Default exists, received by the Depositary Agent at least two Business Days prior to the applicable payment date, make payments or distributions from the Distribution Account to pay Construction Expenses.

Section 3.9 Invasion of Accounts.

(a) One Business Day prior to any Business Day on which (i) Operation and Maintenance Expenses are due and payable and the monies on deposit in or credited to the Operating Account are not anticipated to be adequate to pay such Operation and Maintenance Expenses or (ii) interest or principal is due and payable under the Note Documents or any other Parity Lien Documents and the monies on deposit in the Debt Payment Account (including the Interest Payment Sub-Account or Principal Payment Sub-Account, as applicable) are not anticipated to be adequate to pay such interest or principal, then the Depositary Agent shall (based on and as instructed pursuant to an Officer's Certificate) withdraw from the Accounts specified below to the extent funds are available in such Accounts in the order of priority set forth below and transfer to the Operating Account or the Debt Service Account (including the Interest Payment Sub-Account or Principal Payment Sub-Account, as applicable) (as applicable and in an order of priority consistent with the priorities established by Section 3.1(c)) an amount sufficient to cause the balance in such Accounts (when taken together with all other amounts deposited therein or credited thereto at such time) to equal the amount of such Operation and Maintenance Expenses, interest, or principal payments (as applicable) due and payable by the Company on such Business Day:

first, from the Distribution Account; and

second, to the extent monies in the Distribution Account are not adequate for such purpose, from the Revenue Account.

Section 3.10 Investment of Accounts. (a) Amounts deposited in the Accounts under this Agreement shall, at the Company's written request and direction, be invested by the Depositary Agent in Permitted Investments, in each case as specifically directed by the Company that will mature in such amounts and not later than such times as may be necessary to provide monies when needed to make payments from such monies as provided in this Agreement. Except as otherwise provided herein (including pursuant to Section 3.1(b)(ii)), net interest or gain received, if any, from such investments shall be deposited into the Revenue Account. Any loss shall be charged to the applicable Account. The Depositary Agent shall have no responsibility or liability for any loss which may result from any investment made pursuant to this Agreement, or for any loss resulting from the sale of such investment.

(b) Absent written instructions from the Company, the Depositary Agent shall invest the amounts held in the Accounts under this Agreement in Permitted Investments described in clause (b) of such definition. In the event that at any time amounts are funded into an Account after 11:00 am New York City time on any Business Day, the Depositary Agent shall have no obligation to invest or reinvest such amounts on the date on which such amounts are funded. Instructions with respect to the investment of amounts received into an Account after 11:00 am New York City time shall be deemed to apply for the following Business Day.

(c) If and when cash is required for the making of any transfer, disbursement or withdrawal in accordance with this Agreement (it being understood that cash shall not be required for any transfer between Accounts unless Permitted Investments do not exist in the Account from which monies are being transferred in appropriate amounts in order to permit such

transfer), the Company shall cause Permitted Investments to be sold or otherwise liquidated into cash (without regard to maturity) as and to the extent necessary in order to make such transfers, disbursements or withdrawals required pursuant to this Agreement. The Depositary Agent shall comply with any instruction from the Company with respect to the liquidation of such Permitted Investments. In the event any such investments are so redeemed prior to the maturity thereof, neither the Depositary Agent nor the Collateral Trustee shall be liable for any loss, penalties, fees or expenses relating thereto.

(d) For purposes of determining responsibility for any income tax payable on account of any income or gain on any Permitted Investment hereunder, such income or gain shall be for the account of the Company. The Company shall provide the Depositary Agent with certified tax identification numbers by furnishing appropriate forms W-9 or W-8 and such other forms and documents that the Depositary Agent may request.

Section 3.11 Disposition of Accounts Upon Discharge Date. If the Depositary Agent shall have received a certificate from the Collateral Trustee stating that the Discharge Date shall have occurred, all amounts remaining in the Accounts shall be remitted to the Company or as otherwise directed in writing by the Company.

Section 3.12 Account Balance Statements. The Depositary Agent shall, on a monthly basis within 15 days after the end of each month and at such other times as the Collateral Trustee or the Company may from time to time reasonably request, provide to the Collateral Trustee and the Company, fund balance statements in respect of each of the Accounts, sub-accounts and amounts held in any of the Accounts. Such balance statement shall also include deposits, withdrawals and transfers from and to any Account and sub-accounts and the net investment income or gain received and collected in each such Account and sub-account. The Depositary Agent shall maintain records of all receipts, disbursements, and investments of funds with respect to the Accounts until the third anniversary of the Discharge Date. Within 90 days after the end of each year, the Depositary Agent shall furnish to the Collateral Trustee, with a copy to the Company, a report setting forth in reasonable detail the account balance, receipts, disbursements, transfers, investment transactions and accruals for each of the Accounts and sub-accounts during such year. The Depositary Agent shall promptly notify the Collateral Trustee (with a copy to the Company) of its receipt and the amount of any funds received from any Person that is, or is required hereunder to be, deposited into any Account, specifying the Account in which such funds have been deposited. The Depositary Agent shall upon request give notice to the Collateral Trustee and the Company of the location of the Accounts and sub-accounts.

Section 3.13 Trigger Event Date. (a) On and after any date on which the Depositary Agent receives written notice from the Collateral Trustee that (i) a payment default on the Notes or any other Secured Debt Document has occurred and is continuing or (ii) an Event of Default has occurred and is continuing and the maturity of the Notes or any other Secured Debt Document has been accelerated (the date of receipt of such notice, the "***Trigger Event Date***"), notwithstanding anything to the contrary contained herein (including Article III), the Depositary Agent shall thereafter accept all notices and instructions required or permitted to be given to the Depositary Agent pursuant to the terms of this Agreement only from the Collateral Trustee and not from the Company or any other Person and the Depositary Agent shall not withdraw, transfer, pay or otherwise distribute any monies in any of the Accounts except pursuant to such

notices and instructions from the Collateral Trustee unless the Depositary Agent shall have received notice from the Collateral Trustee that such payment default has been waived, cured or no longer exists or that the acceleration of the maturity of the Notes or such other Secured Debt Document has been rescinded, as the case may be, in which event the terms of this Section 3.13 shall thereafter be inapplicable to such payment default or acceleration, as the case may be.

(b) Within three Business Days of a Trigger Event Date, the Depositary Agent shall render an accounting of all monies in the Accounts as of such Trigger Event Date to the Collateral Trustee.

(c) All of the Collateral Trustee's rights and remedies with respect to the Accounts and the other Account Collateral shall be subject to the terms of the Collateral Trust Agreement. Accordingly, from and after a Trigger Event Date, the Collateral Trustee shall have the right to control the Accounts, use the Account Collateral to repay the Secured Obligations and sell, dispose or realize on the Account Collateral, in each case in accordance with the Collateral Trust Agreement.

(d) From and after a Trigger Event Date, and notwithstanding anything herein to the contrary (but without limiting any of the Secured Parties' rights or remedies under the Secured Debt Documents and in each case subject to the terms of the Collateral Trust Agreement), the Collateral Trustee (or the Depositary Agent at the Collateral Trustee's direction) shall be permitted to (i) liquidate and make Permitted Investments, (ii) direct the disposition of the funds in each of the Accounts, (iii) pay Construction Expenses and Operation and Maintenance Expenses then due and payable and (iv) pay interest and principal in accordance with the priorities established by Section 3.2(c) and the Collateral Trust Agreement.

Section 3.14 Transfers from Accounts; Withdrawal Certificates.

(a) Whenever required under this Agreement and unless otherwise specified, all amounts required to be transferred from one Account to any other Account shall be so transferred by the Depositary Agent as soon as reasonably practicable.

(b) The Company shall not be permitted to submit to the Depositary Agent more than one Withdrawal Certificate per calendar month with respect to the Construction Account, Revenue Account, Operating Account and Distribution Account.

ARTICLE IV

DEPOSITARY AGENT

Section 4.1 Appointment of Depositary Agent, Powers and Immunities. The Company and the Collateral Trustee, on behalf of the Secured Parties, hereby each appoint the Depositary Agent to act as its agent hereunder, with such powers as are expressly delegated to the Depositary Agent by the terms of this Agreement, together with such other powers as are reasonably incidental thereto. The Depositary Agent shall not have any duties or responsibilities except those expressly set forth in this Agreement and no implied duties or covenants shall be read against the Depositary Agent. Without limiting the generality of the foregoing, the Depositary Agent shall take all actions as the Collateral Trustee shall direct it to perform in

accordance with the express provisions of this Agreement. Notwithstanding anything to the contrary contained herein, the Depositary Agent shall not be required to take any action which is contrary to this Agreement or Government Rules. Neither the Depositary Agent nor any of its Affiliates shall be responsible to the Secured Parties for any recitals, statements, representations or warranties made by the Company contained in this Agreement or any other Project Document or Secured Debt Document or in any certificate or other document referred to or provided for in, or received by any Secured Party under this Agreement or any other Project Document or Secured Debt Document for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Depositary Agent Agreement or any other Project Document or any other document referred to or provided for herein or therein or for any failure by the Company to perform its obligations hereunder or thereunder. The Depositary Agent shall not be required to ascertain or inquire as to the performance by the Company or any other Person of any of its obligations under this Agreement or any other document or agreement contemplated hereby or thereby. The Depositary Agent shall not be (a) required to initiate or conduct any litigation or collection proceeding hereunder or under any other Secured Debt Document or (b) responsible for any action taken or omitted to be taken by it hereunder (except for its own gross negligence or willful misconduct) or in connection with any other Secured Debt Document. Except as otherwise provided under this Agreement, the Depositary Agent shall take action under this Agreement only as it shall be directed in writing. Whenever in the administration of this Agreement the Depositary Agent shall deem it necessary or desirable that a factual matter be proved or established in connection with the Depositary Agent taking, suffering or omitting to take any action hereunder, such matter (unless other evidence in respect thereof is herein specifically prescribed) may be deemed to be conclusively proved or established by an Officer's Certificate of the Company or a certificate of an officer of the Collateral Trustee, if appropriate. The Depositary Agent shall have the right at any time to seek instructions concerning the administration of this Agreement from the Collateral Trustee, the Company or any court of competent jurisdiction. The Depositary Agent shall have no obligation to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder. The Depositary Agent shall not be liable for any error of judgment made in good faith by an officer or officers of the Depositary Agent, unless it shall be conclusively determined by a court of competent jurisdiction that the Depositary Agent was grossly negligent or acting with willful misconduct in ascertaining the pertinent facts. The Depositary Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any misconduct or negligence on the part of, or for the supervision of, any agent, attorney, custodian or nominee so appointed. Neither the Depositary Agent nor any of its officers, directors, employees or agents shall be liable for any action taken or omitted under this Agreement or in connection therewith except to the extent caused by the Depositary Agent's gross negligence or willful misconduct, as determined by the final judgment of a court of competent jurisdiction, no longer subject to appeal or review. The Depositary Agent shall not be deemed to have knowledge of an Event of Default unless the Depositary Agent shall have received written notice thereof. The rights, privileges, protections and benefits given to the Depositary Agent, including, without limitation, its rights to be indemnified, are extended to, and shall be enforceable by, the Depositary Agent in each of its capacities hereunder, and to each agent, custodian and other Persons employed by the Collateral Trustee in accordance herewith to act hereunder.

Section 4.2 Reliance by Depositary Agent. The Depositary Agent shall be entitled to conclusively rely upon and shall not be bound to make any investigation into the facts or matters stated in any certificate of the Company or Collateral Trustee, or any other notice or other document (including any electronic transmission, cable, telegram or telecopy) believed by it to be genuine and to have been signed or sent by or on behalf of the proper Person or Persons, and upon advice and statement of legal counsel, independent accountants and other experts selected by the Depositary Agent and shall have no liability for its actions taken thereupon, unless due to the Depositary Agent's willful misconduct or gross negligence. Without limiting the foregoing, the Depositary Agent shall be required to make payments to the Collateral Trustee only as set forth herein. The Depositary Agent shall be fully justified in failing or refusing to take any action under this Agreement (a) if such action would, in the reasonable opinion of the Depositary Agent, be contrary to applicable Government Rule or the terms of this Agreement, (b) if such action is not specifically provided for in this Agreement and it shall not have received any such advice or concurrence of the Collateral Trustee as it deems appropriate or (c) if, in connection with the taking of any such action that would constitute an exercise of remedies under this Agreement (whether such action is or is intended to be an action of the Depositary Agent or the Collateral Trustee), it shall not first be indemnified to its satisfaction by the Secured Parties (other than the Collateral Trustee (in its individual capacity) or any other agent or trustee under any of the Secured Debt Documents (in their respective individual capacities)) against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Depositary Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement in accordance with a request of the Collateral Trustee or one or more other Secured Parties, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Secured Parties.

Section 4.3 Court Orders. The Depositary Agent is hereby authorized, in its exclusive discretion, to obey and comply with all writs, orders, judgments or decrees issued by any court or administrative agency affecting any money, documents or things held by the Depositary Agent. The Depositary Agent shall not be liable to any of the parties hereto or any of the Secured Parties or their successors, heirs or personal representatives by reason of the Depositary Agent's compliance with such writs, orders, judgments or decrees, notwithstanding such writ, order, judgment or decree is later reversed, modified, set aside or vacated.

Section 4.4 Resignation or Removal. Subject to the appointment and acceptance of a successor Depositary Agent as provided below, the Depositary Agent may resign at any time by giving 30 days' written notice thereof to the Collateral Trustee and the Company, *provided* that in the event the Depositary Agent is also the Collateral Trustee, it must also at the same time resign as the Collateral Trustee. The Depositary Agent may be removed at any time with or without cause by the Collateral Trustee. So long as no Event of Default shall have then occurred and be continuing, the Company shall have the right to remove the Depositary Agent for cause upon 60 days' notice to the Depositary Agent and the Collateral Trustee. In the event that the Depositary Agent shall decline to take any action without first receiving adequate indemnity from the Company or the Secured Parties and, having received an indemnity, shall continue to decline to take such action, the Company and the Collateral Trustee shall be deemed to have sufficient cause to remove the Depositary Agent. Notwithstanding anything to the contrary, no resignation or removal of the Depositary Agent shall be effective until: (i) a successor Depositary Agent is appointed in accordance with this Section 4.4, (ii) the resigning or removed Depositary

Agent has transferred to its successor all of its rights and obligations in its capacity as the Depositary Agent under this Agreement and the other Secured Debt Documents, and (iii) the successor Depositary Agent has executed and delivered an agreement to be bound by the terms hereof and perform all duties required of the Depositary Agent hereunder. Within 30 days of receipt of a written notice of any resignation or removal of the Depositary Agent, so long as no Event of Default shall have then occurred and be continuing, the Company shall appoint a successor Depositary Agent reasonably acceptable to the Collateral Trustee; *provided*, that if the Collateral Trustee does not confirm such acceptance or reject such appointee in writing within 30 days following selection of such successor by the Company, then it shall be deemed to have given acceptance thereof and such successor shall be deemed appointed as the Depositary Agent hereunder. If no successor Depositary Agent shall have been appointed by the Company and shall have accepted such appointment within 30 days after the retiring Depositary Agent's giving of notice of resignation or the removal of the retiring Depositary Agent or if an Event of Default shall have then occurred and be continuing, then the retiring Depositary Agent may apply to a court of competent jurisdiction to appoint a successor Depositary Agent, which shall be a bank or trust company which has an office in New York, New York and that has a combined capital surplus of at least $500,000,000 or at least $100,000,000 and is a wholly owned subsidiary of a bank or trust company that has a combined capital surplus of at least $500,000,000 and is reasonably acceptable to the Collateral Trustee; *provided*, that if the Collateral Trustee does not confirm such acceptance or reject such appointee in writing within 30 days following selection of such successor by the retiring Depositary Agent, then it shall be deemed to have given acceptance thereof and such successor shall be deemed appointed as the Depositary Agent hereunder. Upon the acceptance of any appointment as Depositary Agent hereunder by the successor Depositary Agent, (a) such successor Depositary Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Depositary Agent, and the retiring Depositary Agent shall be discharged from its duties and obligations hereunder and (b) the retiring Depositary Agent shall promptly transfer all monies and Permitted Investments within its possession or control to the possession or control of the successor Depositary Agent and shall execute and deliver such notices, instructions and assignments as may be necessary or desirable to transfer the rights of the Depositary Agent with respect to the monies and Permitted Investments to the successor Depositary Agent. After the retiring Depositary Agent's resignation or removal hereunder as Depositary Agent, the provisions of this Article IV and of Article V shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as Depositary Agent. Any corporation into which the Depositary Agent may be merged or converted or with which it may be consolidated or any corporation resulting from any merger, conversion or consolidation to which the Depositary Agent shall be a party, or any corporation succeeding to the business of the Depositary Agent shall be the successor of the Depositary Agent hereunder without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

ARTICLE V

EXPENSES; INDEMNIFICATION; FEES

Section 5.1 Compensation and Expenses. The Company agrees to pay to the Depositary Agent (a) the Depositary Agent's fees in accordance with a fee schedule provided by the Depositary Agent to the Company prior to the date hereof and (b) the amount of any and all of the Depositary Agent's reasonable and documented out-of-pocket expenses, including the reasonable and documented fees and expenses of its counsel (and any local counsel) and of any accountants, experts or agents, which the Depositary Agent may incur in connection with (i) the administration of this Security Deposit Agreement, (ii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Account Collateral or (iii) the exercise or enforcement (whether through negotiations, legal proceedings or otherwise) of any of the rights of the Depositary Agent under this Secured Deposit Agreement.

Section 5.2 Indemnification.

(a) The Company, whether or not any of the transactions contemplated hereby shall be consummated, hereby assumes liability for and agrees to defend, indemnify and hold harmless each Indemnified Person from and against any Claims which may be imposed on, incurred by or asserted against an Indemnified Person in any way relating to or arising or alleged to arise out of: (a) the financing, ownership, operation or maintenance of the Project, or any part thereof; (b) any latent or other defects in the Project whether or not discoverable by an Indemnified Person or the Company; (c) any violation of environmental laws, environmental claims or other loss of or damage relating to the Project; (d) any breach by the Company of any of its representations or warranties under the Secured Debt Documents or failure by the Company to perform or observe any covenant or agreement to be performed by it under any of the Secured Debt Documents; (e) personal injury, death or property damage relating to the Project, including Claims based on strict liability in tort and (f) this Agreement and the transactions contemplated hereby (including the performance by the Depositary Agent of its duties, rights and obligations hereunder); *provided*, that the foregoing indemnities in clauses (a) through (f) shall not, as to any Indemnified Person, apply to Claims to the extent they arise out of or result from (i) the gross negligence or willful misconduct of such Indemnified Person as determined in a final, non-appealable judgment by a court of competent jurisdiction, (ii) any breach of any obligation or representation or warranty of such Indemnified Person under any Secured Debt Document, or (iii) any taxes (other than taxes incurred by such Indemnified Person as a result of its receipt of an amount payable under this Section 5.2(a)) owed by the Indemnified Person in its individual capacity.

(b) To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in clause (a) may be unenforceable in whole or in part because they are violative of any law or public policy, the Company shall contribute the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all indemnified liabilities incurred pursuant to clause (a) by any Indemnified Person.

(c) The agreements in this Section 5.2 shall survive termination of this Agreement.

Section 5.3 Prompt Payment. All amounts due under this Article V shall be payable by the Company within ten days after receipt of written demand therefor.

ARTICLE VI

MISCELLANEOUS

Section 6.1 Amendments; Etc. No amendment or waiver of any provision of this Agreement nor consent to any departure by the Company herefrom shall in any event be effective unless the same shall be in writing and signed by each of the parties hereto and is otherwise in accordance with the terms of the Collateral Trust Agreement. Any such amendment, waiver or consent shall be effective only in the specific instance and for the specified purpose for which given.

Section 6.2 Addresses for Notices. All notices, requests and other communications provided for hereunder shall be in writing and, except as otherwise required by the provisions of this Agreement, shall be sufficiently given and shall be deemed given when personally delivered or, if mailed by registered or certified mail, postage prepaid, or sent by overnight delivery or telecopy, upon receipt by the addressee, in each case addressed to the parties as follows (or such other address as shall be designated by such party in a written notice to each other party):

Company:	Sabine Pass LNG, L.P. 717 Texas Ave. Suite 3100 Houston, TX Attention: Graham McArthur Fax: (713) 659-5459 email: gmcarthur@cheniere.com
Collateral Trustee:	The Bank of New York as Collateral Trustee 101 Barclay Street 8W New York, NY 10286 Attention: Corporate Trust Administration Fax: (212) 815-5707
Depositary Agent:	The Bank of New York as Depositary Agent 101 Barclay Street 8W New York, NY 10286 Attention: Corporate Trust Administration Fax: (212) 815-5707

Section 6.3 Governing Law; Jurisdiction.

(a) THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK EXCLUDING CHOICE OF LAW PRINCIPLES OF SUCH LAWS WHICH WOULD REQUIRE THE APPLICATION OF THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK (OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

(b) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT AND ANY ACTION FOR ENFORCEMENT OF ANY JUDGMENT IN RESPECT THEREOF MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH OF THE PARTIES HERETO HEREBY ACCEPTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE NON-EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS AND APPELLATE COURTS FROM ANY THEREOF. THE COMPANY HEREBY IRREVOCABLY DESIGNATES, APPOINTS AND EMPOWERS CT CORPORATION SYSTEM AS ITS DESIGNEE, APPOINTEE AND AGENT TO RECEIVE, ACCEPT AND ACKNOWLEDGE FOR AND ON ITS BEHALF, AND IN RESPECT OF ITS PROPERTY, SERVICE OF ANY AND ALL LEGAL PROCESS, SUMMONS, NOTICES AND DOCUMENTS WHICH MAY BE SERVED IN ANY ACTION OR PROCEEDING IN THE STATE OF NEW YORK. IF FOR ANY REASON SUCH DESIGNEE, APPOINTEE AND AGENT SHALL CEASE TO BE AVAILABLE TO ACT AS SUCH, THE COMPANY AGREES TO DESIGNATE A NEW DESIGNEE, APPOINTEE AND AGENT IN NEW YORK CITY ON THE TERMS AND FOR THE PURPOSES OF THIS PROVISION SATISFACTORY TO THE COLLATERAL TRUSTEE. THE COMPANY IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO THE COMPANY AT ITS ADDRESS REFERRED TO IN SECTION 6.2. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT IT MAY DO SO UNDER APPLICABLE LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY OF THE AFORESAID ACTIONS OR PROCEEDINGS ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT BROUGHT IN THE COURTS REFERRED TO ABOVE AND HEREBY FURTHER IRREVOCABLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. NOTHING HEREIN SHALL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED IN ANY OTHER JURISDICTION.

(c) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY MATTER ARISING HEREUNDER.

Section 6.4 Headings. Section and Article headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect.

Section 6.5 Limited Third Party Beneficiaries. This Agreement and the rights and benefits hereof shall inure to the benefit of each of the parties hereto and its respective successors and assigns and shall inure to the benefit of the Secured Parties.

Section 6.6 No Waiver. No failure on the part of the Depositary Agent, the Collateral Trustee or any of the Secured Parties or any of their nominees or representatives to exercise, and no course of dealing with respect to, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise by the Depositary Agent, the Collateral Trustee or any of the Secured Parties or any of their nominees or representatives of any right, power or remedy hereunder preclude any other or future exercise thereof or the exercise of any other right, power or remedy, nor shall any waiver of any single Event of Default or other breach or default be deemed a waiver of any other Event of Default or other breach or default theretofore or thereafter occurring.

Section 6.7 Severability. If any provision of this Agreement or the application thereof shall be invalid or unenforceable to any extent, (a) the remainder of this Agreement and the application of such remaining provisions shall not be affected thereby and (b) each such remaining provision shall be enforced to the greatest extent permitted by law.

Section 6.8 Successors and Assigns. All covenants, agreements, representations and warranties in this Agreement by each party hereto shall bind and, to the extent permitted hereby, shall inure to the benefit of and be enforceable by their respective successors and assigns and the Secured Parties, whether so expressed or not.

Section 6.9 Execution in Counterparts. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement or any document or instrument delivered in connection herewith by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement or such other document or instrument, as applicable.

Section 6.10 Regarding the Collateral Trustee. The Collateral Trustee shall be afforded all of the rights, powers, protections, immunities and indemnities set forth in the Collateral Trust Agreement as if the same were specifically set forth herein.

Section 6.11 Intercreditor Provisions. In the event of any conflict between the provisions set forth in this Agreement and those set forth in the Collateral Trust Agreement, the provisions of the Collateral Trust Agreement shall supersede and control the terms and provisions of this Agreement.

Section 6.12 Force Majeure. In no event shall the Collateral Trustee or Depositary Agent be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including

strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of god, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Collateral Trustee or Depositary Agent shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 6.13 Consequential Damages. Anything in this Agreement to the contrary notwithstanding, in no event shall any of the parties hereto be liable under or in connection with this Agreement for indirect, special, incidental, punitive or consequential losses or damages of any kind whatsoever, including but not limited to lost profits, whether or not foreseeable, even if such party has been advised of the possibility thereof and regardless of the form of action in which such damages are sought.

Section 6.14 Patriot Act. The Company hereby acknowledges that the Depositary Agent is subject to federal laws, including the Customer Identification Program (CIP) requirements under the USA PATRIOT Act and its implementing regulations, pursuant to which the Company must obtain, verify and record information that allows the Depositary Agent to identify the Company. Accordingly, prior to opening an Account hereunder the Depositary Agent will ask the Company to provide certain information including, but not limited to, the Company's name, physical address, tax identification number and other information that will help the Depositary Agent to identify and verify the Company's identity such as organizational documents, certificate of good standing, license to do business, or other pertinent identifying information. The Company agrees that the Depositary Agent cannot open an Account hereunder unless and until the Company verifies the Company's identity in accordance with its CIP.

[*Signature page follows.*]

IN WITNESS WHEREOF, the parties hereto have caused this Security Deposit Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

SABINE PASS LNG, L.P.

By: Sabine Pass LNG–GP, Inc., its general partner

By: /s/ Graham McArthur
Name: Graham McArthur
Title: Treasurer

Signature Page – Security Deposit Agreement

THE BANK OF NEW YORK, not individually but solely in its capacity as Collateral Trustee

By: /s/ Beata Hryniewicka
Name: Beata Hryniewicka
Title: Assistant Vice President

Signature Page – Security Deposit Agreement

THE BANK OF NEW YORK not individually but solely in its capacity as Depositary Agent

By: /s/ Beata Hryniewicka
Name: Beata Hryniewicka
Title: Assistant Vice President

Signature Page – Security Deposit Agreement

Exhibit 10.6

AMENDED AND RESTATED LNG TERMINAL USE AGREEMENT

between

CHENIERE MARKETING, INC.

and

SABINE PASS LNG, L.P.

Amended and Restated as of November 9, 2006

TABLE OF CONTENTS

PART ONE PRINCIPAL COMMERCIAL TERMS AND CONDITIONS		**i**
A.	Term	i
B.	Services Quantity	ii
C.	Fee and Retainage	ii
D.	Notices	iii
E.	Other Customers	iii
G.	Customer Cooperation Regarding SABINE Financing	iv
H.	Amendment and Restatement	iv
PART TWO GENERAL TERMS AND CONDITIONS		1
Article 1	**DEFINITIONS**	**1**
Article 2	**SERVICES AND SCOPE**	**8**
2.1	Services to be Provided by SABINE	8
2.2	Additional Services	8
2.3	Activities Outside Scope of this Agreement	8
Article 3	**SALE AND PURCHASE OF SERVICES**	**9**
3.1	Services	9
3.2	Customer's Use of Services	10
3.3	No Pre-Delivery Right	10
3.4	Failure to Take Delivery of Gas at Delivery Point	10
3.5	Sabine Pass Services Manual	11
Article 4	**COMPENSATION FOR SERVICES**	**11**
4.1	Fee	11
4.2	Taxes and New Regulatory Costs	11
4.3	Services Unavailability	12
4.4	Services Provided to Other Customers	12
Article 5	**SCHEDULING**	**12**
5.1	Annual Delivery Program	12
5.2	Three Month Schedules	15
5.3	Gas Delivery	16
5.4	Standard	17
5.5	Scheduling Representative	17
5.6	Scheduling Coordination Among Customer and Other Customers	18
Article 6	**COMMERCIAL START DATE**	**18**
Article 7	**SABINE PASS FACILITY**	**18**

	7.1	Sabine Pass Facility	18
	7.2	Compatibility of Sabine Pass Facility with LNG Vessels	20
	7.3	Customer Inspection Rights	21
Article 8	**TRANSPORTATION AND UNLOADING**		**21**
	8.1	LNG Vessels	21
	8.2	Sabine Pass Marine Operations Manual	24
	8.3	LNG Vessel Inspections; Right to Reject LNG Vessel	24
	8.4	Advance Notices Regarding LNG Vessel and Cargoes	25
	8.5	Notice of Readiness	27
	8.6	Berthing Assignment	28
	8.7	Unloading Time	29
	8.8	Unloading at the Sabine Pass Facility	30
	8.9	LNG Vessel Not Ready for Unloading; Excess Berth Time	31
Article 9	**RECEIPT OF LNG**		**32**
	9.1	Title, Custody and Risk of Loss	32
	9.2	No Encumbrance	32
	9.3	Receipt of LNG	33
	9.4	Quality and Measurement of Customer’s LNG	33
	9.5	Off-Specification LNG	34
Article 10	**REDELIVERY OF GAS**		**35**
	10.1	General	35
	10.2	Customer’s Responsibility	36
	10.3	Specifications and Measurement of Gas at the Delivery Point	36
	10.4	Nonconforming Gas	37
Article 11	**PAYMENT**		**38**
	11.1	Monthly Statements	38
	11.2	Other Statements	38
	11.3	Adjustments, Audit	38
	11.4	Payment Due Dates	39
	11.5	Payment	40
	11.6	Nonpayment	40
	11.7	Disputed Statements	40
	11.8	Final Settlement	41
Article 12	**DUTIES, TAXES AND OTHER GOVERNMENTAL CHARGES**		**41**
Article 13	**INSURANCE**		**41**
	13.1	SABINE’s Insurance	41
	13.2	Customer’s Insurance	42
	13.3	Port Liability Agreement	43

Article 14	**LIABILITIES**	**43**
	14.1 Limitation of Liability of SABINE	43
	14.2 Consequential Loss or Damage	44
	14.3 Parties' Liability	44
Article 15	**FORCE MAJEURE**	**44**
	15.1 Events of Force Majeure	44
	15.2 Limitation on Scope of Force Majeure for Customer	45
	15.3 Notice	45
	15.4 Measures	45
	15.5 No Extension of Term	45
	15.6 Settlement of Industrial Disturbances	46
	15.7 Allocation of Services	46
Article 16	**CURTAILMENT OF SERVICES OR TEMPORARY DISCONTINUATION OF SERVICES**	**46**
	16.1 Scheduled Curtailment or Temporary Discontinuation of Services	46
	16.2 Unscheduled Curtailment or Temporary Discontinuation of Services	46
Article 17	**ASSIGNMENT**	**47**
	17.1 Restrictions on Assignment	47
	17.2 Permitted Assignments	47
	17.3 Assignment as Novation	49
Article 18	**TERMINATION**	**50**
	18.1 Early Termination Events	50
	18.2 Other Termination Provisions	50
	18.3 Consequences of Termination	51
Article 19	**APPLICABLE LAW**	**51**
Article 20	**DISPUTE RESOLUTION**	**51**
	20.1 Dispute Resolution	51
	20.2 Expert Determination	54
Article 21	**CONFIDENTIALITY**	**55**
	21.1 Confidentiality Obligation	55
	21.2 Public Announcements	56
Article 22	**REPRESENTATIONS AND WARRANTIES**	**57**
	22.1 Representations and Warranties of Customer	57
	22.2 Representations and Warranties of SABINE	57
Article 23	**NOTICES**	**58**

Article 24	**COORDINATION**	**58**
	24.1 Terminal Operations Coordination Committee	58
	24.2 Coordination Prior to Commercial Start Date	59
	24.3 Coordination After Commercial Start Date	59
Article 25	**MISCELLANEOUS**	**60**
	25.1 Amendments	60
	25.2 Approvals	60
	25.3 Successors and Assigns	60
	25.4 Waiver	60
	25.5 No Third Party Beneficiaries	60
	25.6 Rules of Construction	61
	25.7 Survival of Rights	61
	25.8 Rights and Remedies	61
	25.9 Interpretation	61
	25.10 Disclaimer of Agency	62
	25.11 No Sovereign Immunity	62
	25.12 Severance of Invalid Provisions	63
	25.13 Compliance with Laws	63
	25.14 Conflicts of Interest	63
	25.15 Expenses	63
	25.16 Scope	64
	25.17 Counterpart Execution	64
	25.18 Other Customer Rights Generally	64
	25.19 Implementation of Other Customer Rights Under Section 25.18	65

Annex I Measurements and Tests of LNG at Receipt Point
Annex II Measurements and Tests for Gas at Delivery Point

Exhibit A Sabine Pass Services Manual
Exhibit B Form of Port Liability Agreement

AMENDED AND RESTATED LNG TERMINAL USE AGREEMENT

This AMENDED AND RESTATED LNG TERMINAL USE AGREEMENT (the "**Agreement**"), dated as of this 9th day of November, 2006, amending and restating that certain LNG Terminal Use Agreement effective as of March 31, 2006 (the "**Effective Date**") is made by and between **Cheniere Marketing, Inc. (f/k/a Cheniere LNG Marketing, Inc.)**, a company incorporated under the laws of Delaware with an office at 717 Texas Avenue, Suite 3100, Houston, Texas, U.S.A. 77002 ("**Customer**"); and **Sabine Pass LNG, L.P.**, a Delaware limited partnership with a place of business at 717 Texas Avenue, Suite 3100, Houston, Texas, U.S.A. 77002 ("**SABINE**").

RECITALS

WHEREAS, SABINE intends to construct, own and operate an LNG terminal facility near the mouth of the Sabine River in Cameron Parish, Louisiana capable of performing certain LNG terminalling services, including: the berthing of LNG vessels; the unloading, receiving and storing of LNG; the regasification of LNG; and the delivery of natural gas to the Delivery Point;

WHEREAS, Customer desires to purchase such LNG terminalling services from SABINE;

WHEREAS, SABINE desires to make such LNG terminalling services available to Customer and to Other Customers in accordance with the terms hereof; and

WHEREAS, the Parties entered into a terminal use agreement dated as of March 31, 2006 ("**Original TUA**") and desire to amend and restate the Original TUA as set forth herein;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties hereto and for the mutual covenants contained herein, SABINE and Customer hereby agree as follows:

PART ONE
PRINCIPAL COMMERCIAL TERMS AND CONDITIONS

The Parties hereby incorporate the General Terms and Conditions included as Part Two of this Agreement.

A. Term

1. General. Subject to the provisions of this Agreement, the term of this Agreement ("**Term**") shall consist of the Initial Term and, if applicable, any Extension Term.

2. Initial Term. The initial term of this Agreement ("**Initial Term**") shall commence on the Effective Date and shall continue in full force and effect until the expiration of twenty (20) years from the Commercial Start Date.

3. Extension Term. Customer shall have the option of up to four (4) additional ten (10) year extension terms (each an "**Extension Term**"). Customer must: (a)

notify SABINE in writing of its good faith desire to elect the applicable Extension Term at least five (5) years prior to the expiration of the then current Term; and (b) no later than four (4) years prior to the expiration of the then current Term send SABINE a binding confirmation ("**Binding Confirmation**") that the Term is extended by an Extension Term. Upon Customer's delivery of a Binding Confirmation to SABINE, this Agreement will then be automatically extended for the applicable Extension Term. The Fee for an Extension Term shall be determined in the same manner as the Fee for the Initial Term.

B. Services

1. The "**Maximum LNG Reception Quantity**" shall be the quantity of LNG that Customer shall have the right to deliver to SABINE in any Contract Year which shall be equal to seven hundred eighty one million eight hundred thirty thousand (781,830,000) MMBTU per Contract Year. The quantity above shall be adjusted pursuant to Section 3.1(b)(i) for leap years and for the first and last Contract Years.

2. The "**Maximum Gas Redelivery Rate**" shall be equal to two million one hundred thousand (2,100,000) MMBTU per day.

3. Customer shall at all times have the right to maintain the LNG equivalent of at least six (6) billion Standard Cubic Feet of Customer's LNG in storage at the Sabine Pass Facility.

4. Notwithstanding Clauses B.1, B.2, and B3, the Maximum LNG Reception Quantity, the Maximum Gas Redelivery Rate and the right to storage shall be adjusted downward to the extent that and for so long as the Sabine Pass Facility is unable to provide Services up to such amounts as a result of the timing of the start dates under the Existing Customer Agreements or delays in the Sabine Pass Expansion Commercial Operations Completion; provided, however, that any such downward adjustment to the Maximum LNG Reception Quantity shall not be considered in calculating the Reservation Fee and Operating Fee pursuant to Clause C.

C. Fee and Retainage

The fees to be paid under this Agreement in accordance with Article 4 shall consist of the following:

1. A "**Reservation Fee**" payable per month equal to the product of:

a. twenty eight cents ($0.28) per MMBTU, and

b. the quotient of the Maximum LNG Reception Quantity divided by twelve (12).

2. An **"Operating Fee"** payable per month equal to the product of:

a. four cents ($0.04) per MMBTU, and

b. the quotient of the Maximum LNG Reception Quantity divided by twelve (12).

The Operating Fee shall be adjusted for inflation on January 1 of each Contract Year based on the increase in the United States Consumer Price Index (All Urban Consumers) from a basis set on January 1 of the year in which the Commercial Start Date occurs.

Notwithstanding the above, the aggregate monthly Reservation Fee and Operating Fee from the Commercial Start Date until December 31, 2008 shall be deemed to be a total of five million dollars ($5,000,000) per month.

3. "**Retainage**" equal to two percent (2%) of the LNG delivered at the Receipt Point for Customer's account. Included in such Retainage is fuel, including fuel for self-generated power and Gas unavoidably lost.

D. Notices

Pursuant to Article 23, the Parties have designated the following addresses for purposes of notices:

Sabine Pass LNG, L.P.	**Cheniere Marketing, Inc.**
717 Texas Avenue, Suite 3100	717 Texas Avenue, Suite 3100
Houston, Texas 77002	Houston, Texas 77002
Attention: President	Attention: President
Fax: (713) 659-5459	Fax: (713) 659-5459
Telephone: (713) 659-1361	Telephone: (713) 659-1361

E. Other Customers

Customer and SABINE acknowledge that TOTAL LNG USA, Inc. ("**Total**") and Chevron U.S.A., Inc. ("**Chevron**") are Other Customers of the Sabine Pass Facility. Customer and SABINE agree that Customer's rights under this Agreement: (1) are subject to Total's rights under that certain Terminal Use Agreement dated September 2, 2004, as amended, between Total and SABINE **("Total TUA")**; and (2) are subject to Chevron's rights under that certain Terminal Use Agreement dated November 8, 2004, as amended, between Chevron and SABINE **("Chevron TUA")**. No provision of this Agreement shall be effective if and to the extent that it conflicts with a provision of an Existing Customer Agreement.

This Agreement is subject the obligations of Cheniere LNG, Inc. ("Cheniere LNG") under that certain Option Agreement (the "Option Agreement") dated December 23, 2003 between Cheniere LNG and J&S Cheniere, S.A. ("J&S Cheniere"), but only as it applies to the Sabine Pass Facility. If J&S Cheniere and SABINE enter into a terminal use agreement pursuant to the Option Agreement, Customer agrees to relinquish sufficient

capacity, up to 200 mmcf/d, under this Agreement to allow SABINE to satisfy its obligations under any such terminal use agreement entered into with J&S Cheniere.

F. Customer Cooperation Regarding SABINE Financing

Customer acknowledges that SABINE may obtain financing for the cost of construction of the Sabine Pass Facility and may refinance those loans (together the "**Financing**"). In addition to Customer's obligations under Section 17.2(c), Customer shall cooperate in a timely manner with SABINE in SABINE's efforts to obtain and maintain the Financing throughout the Term of the Agreement, including by: (a) supplying the Lenders information concerning Customer (that is in Customer's possession and is not of a proprietary nature) reasonably requested by the Lenders; (b) executing such additional documentation as is reasonably requested by Lenders; and (c) taking such other actions as Lenders may reasonably request in relation to the Financing.

G. Amendment and Restatement

As of the Effective Date, the Original TUA shall be amended and restated in its entirety by this Agreement and shall be of no further force and effect.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be duly executed and signed by its duly authorized officer as of the Effective Date.

Sabine Pass LNG, L.P.

By: Sabine Pass LNG-GP, Inc., its General Partner

By: /s/ Graham A. McArthur

Name: Graham A. McArthur
Title: Treasurer

Cheniere Marketing, Inc.

By: /s/ Don. A. Turkleson

Name: Don A. Turkleson
Title: Chief Financial Officer

PART TWO
GENERAL TERMS AND CONDITIONS

ARTICLE 1
DEFINITIONS

In addition to any terms or expressions defined elsewhere in this Agreement, the terms or expressions set forth below shall have the following meanings in this Agreement:

1.1 "**Adverse Weather Conditions**" means weather and sea conditions actually experienced at or near the Sabine Pass Facility that are sufficiently severe either: (a) to prevent an LNG Vessel from proceeding to berth, or unloading or departing from berth, in accordance with one or more of the following: (i) regulations published by a Governmental Authority; (ii) an Approval; or (iii) an order of a Pilot; or (b) to cause an actual determination by the master of an LNG Vessel that it is unsafe for such vessel to berth, unload or depart from berth.

1.2 "**Affiliate**" means a Person (other than a Party) that directly or indirectly controls, is controlled by, or is under common control with, a Party to this Agreement, and for such purposes the terms "control", "controlled by" and other derivatives shall mean the direct or indirect ownership of fifty percent (50%) or more of the voting rights in a Person.

1.3 "**Aggregate Contracted Capacity**" means, for each Contract Year, the sum of Customer's Maximum LNG Reception Quantity and the maximum LNG reception quantity of the Other Customers in such Contract Year.

1.4 "**Agreement**" means this agreement (including Part One and Part Two hereof), together with the Annexes and Exhibits attached hereto, which are hereby incorporated into and made a part hereof, as the same may be hereafter amended.

1.5 "**Annual Delivery Program**" shall have the meaning set forth in Section 5.1(f).

1.6 "**Approvals**" means all consents, authorizations, licenses, waivers, permits, approvals and other similar documents from or by a Governmental Authority.

1.7 "**Available Unloading Date**" means at any time an Unloading Date at one (1) of the two (2) berths that is not a Scheduled Unloading Date for Customer or one of the Other Customers at that berth.

1.8 "**Base Rate**" means: (a) the interest rate per annum equal to: (i) the prime rate (sometimes referred to as the base rate) for corporate loans as published by The Wall Street Journal in the money rates section on the applicable date; or (ii) in the event The Wall Street Journal ceases or fails to publish such a rate, the prime rate (or an equivalent thereof) in the United States for corporate loans determined as the average of the rates referred to as prime rate, base rate, or the equivalent thereof quoted by J.P. Morgan Chase & Co., or any successor thereof, for short term corporate loans in New York on the applicable date; plus (b) two percent (2%). The Base Rate shall change as and when the underlying components thereof change, without notice to any Person.

1.9 “**British Thermal Unit**” or “**BTU**” means the amount of heat required to raise the temperature of one (1) avoirdupois pound of pure water from 59.0 degrees Fahrenheit to 60.0 degrees Fahrenheit at an absolute pressure of 14.696 pounds per square inch.

1.10 “**Business Day**” means any day that is not a Saturday, Sunday or legal holiday in the State of Texas, or a day on which banking institutions chartered by the State of Texas, or the United States of America, are legally required or authorized to close.

1.11 “**Cargo**” means a quantity of LNG expressed in MMBTU carried by an LNG Vessel in relation to which SABINE will render Services to Customer hereunder.

1.12 “**Central Time**” means U.S. Central Time Zone, as adjusted for Daylight Saving Time and Standard Time.

1.13 “**Claims**” shall have the meaning set forth in Section 9.2(a) of this Agreement.

1.14 **“Commercial Operations Completion”** means completion of the Sabine Pass Phase 1 Facility so that the Sabine Pass Facility is ready to be used for its intended purpose to provide the Services hereunder, with the contractor under the engineering, procurement and construction contract for the facilities described in Section 7.1(b) having achieved all minimum acceptance requirements under such contract sufficient to provide the Services under this Agreement.

1.15 “**Commercial Start Date**” shall have the meaning set forth in Article 6.

1.16 “**Contract Year**” means each annual period starting on January 1 and ending on December 31 during the Term of this Agreement; provided, however, that: (a) the first Contract Year shall commence on the Commercial Start Date and end on the following December 31; and (b) the last Contract Year shall commence on January 1 immediately preceding the last day of the Term and end on the last day of the Term as set forth in Clause A.

1.17 “**Cubic Meter**” means a volume equal to the volume of a cube each edge of which is one (1) meter.

1.18 “**Customer**” means the Party identified as the Customer in the preamble to this Agreement, unless and until substituted in whole by an assignee by novation in accordance with Section 17.3, whereupon such assignee shall become Customer to the extent of such assignment.

1.19 “**Customer’s Inventory**” means, at any given time, the quantity in MMBTU that represents LNG and Gas owed by SABINE for Customer’s account. Customer’s Inventory shall be determined after deduction of Retainage in accordance with Clause C.

1.20 “**Customer’s LNG**” means, for the purposes of the Services, LNG received at the Receipt Point for Customer’s account.

1.21 “**Delivery Point**” means the point of interconnect between the tailgate of the Sabine Pass

Facility and a Downstream Pipeline.

1.22 "**Dispute**" means any dispute, controversy or claim (of any and every kind or type, whether based on contract, tort, statute, regulation, or otherwise) arising out of, relating to, or connected with this Agreement, including any dispute as to the construction, validity, interpretation, termination, enforceability or breach of this Agreement, as well as any dispute over arbitrability or jurisdiction.

1.23 "**Downstream Pipeline**" means all Gas pipelines with a connection at the Delivery Point which transport Gas from the Sabine Pass Facility.

1.24 "**Effective Date**" means the date set forth in the preamble of this Agreement.

1.25 "**Existing Customer Agreements**" means the Total TUA and the Chevron TUA.

1.26 "**Expected Receipt Quantity**" means, with respect to a given Cargo, Customer's reasonable estimate of the quantity of LNG (in MMBTU) expected to be unloaded at the Receipt Point, as set forth in the notice delivered pursuant to Sections 5.1(b)(ii) and 5.2(a), as such notice may be subsequently amended pursuant to Section 8.4(a).

1.27 "**Extension Term**" shall have the meaning set forth in Clause A.3.

1.28 "**Fee**" shall have the meaning set forth in Section 4.1.

1.29 "**Financing**" shall have the meaning set forth in Clause F.

1.30 "**Force Majeure**" shall have the meaning set forth in Section 15.1.

1.31 "**for Customer**", "**for Customer's account**", "**on behalf of Customer**" or other phrases containing similar wording shall include LNG delivered to the Sabine Pass Facility at Customer's direction as well as Customer's Inventory derived therefrom.

1.32 "**Gas**" means any hydrocarbon or mixture of hydrocarbons consisting predominantly of methane which is in a gaseous state.

1.33 "**Governmental Authority**" means, in respect of any country, any national, regional, state, or local government, any subdivision, agency, commission or authority thereof (including any maritime authorities, port authority or any quasi-governmental agency) having jurisdiction over a Party, the Sabine Pass Facility, Customer's Inventory, an LNG Vessel, a Transporter, or a Downstream Pipeline, as the case may be, and acting within its legal authority.

1.34 "**GPA**" shall have the meaning set forth in Annex I.

1.35 "**Gross Heating Value**" means the quantity of heat expressed in BTUs produced by the complete combustion in air of one (1) cubic foot of anhydrous gas, at a temperature of 60.0 degrees Fahrenheit and at an absolute pressure of 14.696 pounds per square inch, with the air at the same temperature and pressure as the gas, after cooling the products of

the combustion to the initial temperature of the gas and air, and after condensation of the water formed by combustion.

1.36 "**Henry Hub Price**" shall mean, with respect to any month, the final settlement price in dollars per MMBTU as published by the New York Mercantile Exchange for the Henry Hub Natural Gas futures contract for Gas to be delivered during such month, such final price to be based upon the last trading day for the contract for such month; provided, however, that if the Henry Hub Natural Gas futures contract ceases to be traded, the Parties shall select a comparable index to be used in its place that maintains the intent and economic effect of the original index.

1.37 "**Initial Term**" shall have the meaning set forth in Clause A.2.

1.38 "**International LNG Terminal Standards**" means, to the extent not inconsistent with the express requirements of this Agreement, the international standards and practices applicable to the design, construction, equipment, operation or maintenance of LNG receiving and regasification terminals, established by the following (such standards to apply in the following order of priority): (a) a Governmental Authority having jurisdiction over SABINE; (b) the Society of International Gas Tanker and Terminal Operators ("**SIGTTO**") to the extent adopted by SABINE; and (c) any other internationally recognized non-governmental agency or organization with whose standards and practices it is customary for Reasonable and Prudent Operators of LNG receiving and regasification terminals to comply.

1.39 "**International LNG Vessel Standards**" means, to the extent not inconsistent with the expressed requirements of this Agreement, the international standards and practices applicable to the ownership, design, equipment, operation or maintenance of LNG vessels established by the following (such standards to apply in the following order of priority): (a) a Governmental Authority; (b) the International Maritime Organization; (c) SIGTTO; and (d) any other internationally recognized non-governmental agency or organization with whose standards and practices it is customary for Reasonable and Prudent Operators of LNG vessels to comply.

1.40 "**Lender**" means any entity providing temporary or permanent debt financing to SABINE in connection with construction or refinancing of the Sabine Pass Facility.

1.41 "**Liabilities**" means all liabilities, costs, claims, disputes, demands, arbitrations, suits, legal or administrative proceedings, judgments, damages, losses and expenses (including reasonable attorneys' fees and other reasonable costs of arbitration, litigation or defense), and any and all fines, penalties and assessments of, or responsibilities to, Governmental Authorities.

1.42 "**Liquids**" means liquid hydrocarbons capable of being extracted from LNG at the Sabine Pass Facility, consisting predominately of ethane, propane, butane and longer-chain hydrocarbons.

1.43 "**LNG**" means Gas in a liquid state at or below its boiling point at a pressure of approximately one (1) atmosphere.

1.44 "**LNG Suppliers**" means, in relation to performance of the obligations of SABINE and Customer under this Agreement, those Persons who agree in writing pursuant to an LNG purchase and sale agreement to supply or sell LNG to Customer for delivery to the Sabine Pass Facility.

1.45 "**LNG Vessel**" means an ocean-going vessel suitable for transporting LNG that Customer or an LNG Supplier uses for transportation of LNG to the Sabine Pass Facility.

1.46 "**Loading Port**" means the port at which a Cargo is loaded on board an LNG Vessel.

1.47 "**Maximum Gas Redelivery Rate**" shall have the meaning set forth in Clause B.

1.48 "**Maximum LNG Reception Quantity**" shall have the meaning set forth in Clause B.1.

1.49 "**MMBTU**" means 1,000,000 BTUs.

1.50 "**Minimum Gas Redelivery Rate**" shall have the meaning set forth in Section 5.3(d).

1.51 "**New Regulatory Costs**" shall have the meaning set forth in Section 4.2(a)(ii).

1.52 "**Notice of Readiness**" or "NOR" shall have the meaning set forth in Section 8.4(e).

1.53 "**Operating Fee**" shall have the meaning set forth in Section 4.2(a)(ii).

1.54 "**Original TUA**" shall have the meaning set forth in the fourth recital to this Agreement.

1.55 "**Other Customers**" means, from time to time, Persons (other than Customer) purchasing LNG terminalling services from SABINE similar to the Services, regardless of the short-term or long-term duration of such terminal use agreement.

1.56 "**Party**" and "**Parties**" means SABINE and Customer, and their respective successors and assigns.

1.57 "**Person**" means any individual, sole proprietorship, corporation, trust, company, voluntary association, partnership, joint venture, limited liability company, unincorporated organization, institution, Governmental Authority or any other legal entity.

1.58 "**Pilot**" means any Person engaged by Transporter to come on board an LNG Vessel to assist the master in pilotage, mooring and unmooring of such LNG Vessel.

1.59 "**Pilot Boarding Station**" shall have the meaning set forth in Section 8.4(e).

1.60 "**Port Charges**" means all charges of whatsoever nature (including rates, tolls, dues of every description, and payments in lieu of taxes) in respect of an LNG Vessel entering or leaving the Sabine Pass Facility, including charges imposed by fire boats, tugs and other escort vessels, the U.S. Coast Guard, a Pilot, and any other Person assisting an LNG Vessel to enter or leave the Sabine Pass Facility. Port Charges shall include port use fees, throughput fees and similar fees payable by users of the Sabine Pass Facility (or by

SABINE on behalf of such users) to the local authorities.

1.61 “**Proposed Unloading Date**” means, for any applicable Contract Year, an unloading date proposed by Customer pursuant to Section 5.1.

1.62 “**psig**” means pounds per square inch gauge.

1.63 “**Reasonable and Prudent Operator**” means a Person seeking in good faith to perform its contractual obligations, and in so doing, and in the general conduct of its undertaking, exercising that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances and conditions.

1.64 “**Receipt Point**” means the point at the Sabine Pass Facility at which the flange coupling of the Sabine Pass Facility’s receiving line joins the flange coupling of the LNG unloading manifold on board an LNG Vessel.

1.65 “**Regasified LNG**” means Gas derived from the conversion of LNG (received by SABINE at the Receipt Point) from its liquid state to a gaseous state.

1.66 “**Reservation Fee**” shall have the meaning set forth in Clause C.1.

1.67 “**Retainage**” shall have the meaning set forth in Clause C.3.

1.68 “**SABINE**” means Sabine Pass LNG, L.P. and its successors and assigns.

1.69 **“Sabine Pass Expansion Commercial Operations Completion”** means completion of the Sabine Pass Expansion Facilities so that the Sabine Pass Facility is ready to be used for its intended purpose to provide the Services hereunder, with the contractor under the engineering, procurement and construction contract for the facilities described in Section 7.1(c) having achieved all minimum acceptance requirements under such contract sufficient to provide the Services under this Agreement.

1.70 “**Sabine Pass Expansion Facilities**” means the LNG receiving terminal facilities described in Section 7.1(c).

1.71 “**Sabine Pass Facility**” means the Sabine Pass Phase 1 Facilities and the Sabine Pass Expansion Facilities (including the port, berthing and unloading facilities, LNG storage facilities, and regasification facilities, together with equipment and facilities related thereto) necessary to provide Services hereunder, as such facilities will be constructed and modified from time to time in accordance with this Agreement.

1.72 “**Sabine Pass Marine Operations Manual**” shall have the meaning set forth in Section 8.2.

1.73 “**Sabine Pass Phase 1 Facilities**” means the LNG receiving terminal facilities described in Section 7.1(b).

1.74 “**Sabine Pass Services Manual**” shall have the meaning set forth in Section 3.5.

1.75 “**Sabine Pass Website**” means the internet based computer system used by SABINE to communicate with Customer and Other Customers regarding LNG terminalling services at the Sabine Pass Facility.

1.76 “**SABINE Taxes**” shall have the meaning set forth in Section 4.2(a)(i).

1.77 “**Scheduled Unloading Date**” means, for any applicable Contract Year, an Unloading Date that is allocated either to Customer or any Other Customer pursuant to Section 5.1 or 5.2.

1.78 “**Scheduling Representative**” means the individual appointed by Customer in accordance with Section 5.5.

1.79 “**Services**” shall have the meaning set forth in Sections 2.1 and 3.1(b).

1.80 “**Services Unavailability**” shall have the meaning set forth in Section 4.3.

1.81 “**Standard Cubic Foot**” means the quantity of Gas, free of water vapor, occupying a volume equal to the volume of a cube whose edge is one (1) foot at a temperature of 60.0 degrees Fahrenheit and at an absolute pressure of 14.696 pounds per square inch.

1.82 “**Taxes**” means all customs, taxes, royalties, excises, fees, duties, levies, sales and use taxes and value added taxes, charges and all other assessments, including payments in lieu of taxes, which may now or hereafter be enacted, levied or imposed, directly or indirectly, by a Governmental Authority, except Port Charges and taxes based on income, revenues, gross receipts or net worth and all state franchise, license and similar taxes required for the maintenance of corporate existence that are assessed against a Party.

1.83 “**Term**” shall have the meaning set forth in Clause A.1.

1.84 “**Transporter**” means any Person who owns or operates an LNG Vessel.

1.85 “**Unloading Date**” means a twenty-four (24) hour window starting at 6:00 a.m., Central Time on a specified day and ending twenty-four (24) consecutive hours thereafter.

1.86 “**Vacated LNG**” shall have the meaning set forth in Section 9.1(c).

ARTICLE 2
SERVICES AND SCOPE

2.1 Services to be Provided by SABINE

During the Term and subject to the provisions of this Agreement, SABINE shall make available the following services to Customer (such available services being herein referred to as the "**Services**") in the manner set forth herein:

(a) reasonable access to a berth for LNG Vessels at the Sabine Pass Facility;

(b) the unloading and receipt of LNG from LNG Vessels at the Receipt Point;

(c) the storage of Customer's Inventory;

(d) the regasifying of LNG;

(e) the transportation and delivery of such Regasified LNG to the Delivery Point (it being acknowledged that SABINE may, at its option, cause Gas to be redelivered to Customer at the Delivery Point from sources other than Regasified LNG); and

(f) other activities directly related to performance by SABINE of the foregoing, including metering, custody transfer and reporting.

2.2 Additional Services

From time to time during the Term, the representatives of SABINE and Customer may supplement this Agreement in accordance with Section 25.1 to provide that SABINE will also make available services to Customer in addition to the Services set forth in Section 2.1.

2.3 Activities Outside Scope of this Agreement

The Parties confirm that except to the extent specifically set forth herein, the following activities, *inter alia*, are not Services provided by SABINE to Customer and, therefore, such activities are outside of the scope of this Agreement:

(a) harbor, mooring and escort services, including those relating to tugs, service boats, line boats, fire boats, and other escort vessels;

(b) the construction, operation, ownership, maintenance, repair and removal of facilities downstream of the Delivery Point;

(c) the transportation of Gas beyond the Delivery Point;

(d) the marketing of Gas and all activities related thereto (except as expressly provided in Section 3.4); and

(e) the removal, marketing and transportation of Liquids and all activities related thereto. SABINE reserves the right to separate and/or extract Liquids from LNG upstream of the Delivery Point, provided that such separation does not result in Gas failing to meet the quality specifications at the Delivery Point required under Section 10.3 and provided, further, that SABINE delivers at the Delivery Point a quantity of Gas that is the thermal equivalent of the quantity of Gas nominated for delivery by Customer pursuant to Section 5.3(b). If Customer desires to have SABINE cause the Sabine Pass Facility to obtain the facilities necessary to reduce the Gross Heating Value of LNG and/or Gas (such capability being referred to as "**BTU Control**"), then Customer shall notify SABINE of such desire in writing, and the Parties shall discuss such matter in accordance with the following procedure:

(i) SABINE will investigate: (a) the construction of facilities to extract Liquids and/or inject nitrogen which are either an integral part of the Sabine Pass Facility or a separate project from the Sabine Pass Facility; and (b) the processing of Gas to extract Liquids and/or inject nitrogen in existing facilities in the area; and

(ii) if SABINE elects to construct facilities or make other processing arrangements to achieve BTU Control, the Parties shall discuss a commercially reasonable arrangement to compensate SABINE for such facilities or processing.

ARTICLE 3
SALE AND PURCHASE OF SERVICES

3.1 Services

(a) Purchase and Sale of Services. During each Contract Year, SABINE shall make available to Customer, and Customer shall purchase and pay for in an amount equal to the Fee, the Services as described in Section 3.1(b).

(b) Services. The Services SABINE shall make available to Customer during each Contract Year, and which Customer shall purchase and pay for pursuant to Section 4.1, shall consist of the following:

(i) Unloading of LNG. SABINE shall make the Sabine Pass Facility available during a sufficient number of Unloading Dates during each Contract Year to permit the berthing, unloading and receipt as ratably as practical throughout such Contract Year of a quantity of Customer's LNG equal to the Maximum LNG Reception Quantity; provided, however, that for purposes of the first and last Contract Years and any Contract Year that is a leap year, the Maximum LNG Reception Quantity shall be prorated based upon the ratio that the number of days during such Contract Year bears to three hundred sixty-five (365);

(ii) Storage of Customer's Inventory. Customer's LNG shall be stored by SABINE and then redelivered to Customer in accordance with Section 3.1(b)(iii) below; and

(iii) Redelivery of Gas. Each day during the Contract Year, SABINE shall make Gas from Customer's Inventory available to Customer at the Delivery Point in the quantities nominated by Customer pursuant to this Agreement.

3.2 Customer's Use of Services

(a) Use Generally. Customer shall be entitled to use the Services in whole or in part by itself, or Customer may assign its rights and obligations as provided in Article 17.

(b) Expiration of Services. Notwithstanding any other term or condition of this Agreement, Customer's failure or inability: (i) in any Contract Year to deliver Customer's Maximum LNG Reception Quantity to SABINE; or (ii) on any day to take Gas for redelivery at the Delivery Point at the rate nominated in accordance with Section 5.3(a), including any portion of the Services not used in connection with a Partial Assignment, shall not serve to increase or decrease the Services to which Customer is entitled under Section 3.1(b) in any subsequent time period.

3.3 No Pre-Delivery Right

On any given day during a Contract Year, Customer shall not be entitled to receive quantities of Gas in excess of Customer's Inventory.

3.4 Failure to Take Delivery of Gas at Delivery Point

If on any day Customer fails to: (a) nominate the quantity of Gas required by Section 5.3(b) to be redelivered for its account at the Delivery Point on the following day; or (b) fails materially to take redelivery at the Delivery Point of Gas at the rate nominated in accordance with Section 5.3(b) for its account on such day, and such failure is for reasons other than an event of Force Majeure or the inability of a Downstream Pipeline to take delivery of Customer's Gas, such inability being not reasonably within the control of Customer, then SABINE may, at its sole discretion, take title to the quantity of Gas not nominated or taken on such day, free and clear of any Claims, and sell or otherwise dispose of such Gas using good faith efforts to obtain commercially reasonable prices and to minimize costs. Customer shall indemnify, defend and hold harmless SABINE, its Affiliates, and their respective directors, officers, members and employees, for the actual and reasonable costs incurred by SABINE as a result of such sale or other disposition of same by SABINE. SABINE shall credit to Customer's account the net proceeds from the sale or other disposition of Gas from Customer's Inventory to which it takes title hereunder, minus actual transportation costs, any other third party charges and an administrative fee of five U.S. cents ($0.05) per MMBTU; provided, however, that if the amount of the credit exceeds the amount due to SABINE under the next monthly statement, then SABINE agrees to pay any such excess amount to Customer within five

(5) Business Days after delivery of such monthly statement. In the event SABINE is required to dispose of Customer's Gas more than three (3) times in any Contract Year, the administrative fee shall be increased to ten U.S. cents ($0.10) per MMBTU for each occasion thereafter in such Contract Year.

3.5 Sabine Pass Services Manual

Acting as a Reasonable and Prudent Operator, SABINE shall develop and maintain a single services manual (the "**Sabine Pass Services Manual**"), applicable to Customer and all Other Customers, which shall take into consideration International LNG Terminal Standards, and which shall contain detailed implementation procedures consistent with the terms and provisions of this Agreement necessary for performance of this Agreement with regard to the matters set forth in Exhibit A attached hereto (but excluding the matters governed by the Sabine Pass Marine Operations Manual). SABINE shall deliver to Customer and all Other Customers a copy of the Sabine Pass Services Manual and any amendments thereto promptly after they have been finalized or amended, as the case may be. Customer shall comply and cause its Scheduling Representative to comply with such Sabine Pass Services Manual in all respects. SABINE will undertake to develop a Services Manual that is consistent with this Agreement; however, in the event of a conflict between the terms of this Agreement and the Sabine Pass Services Manual, the terms of this Agreement shall control.

ARTICLE 4
COMPENSATION FOR SERVICES

4.1 Fee

Commencing with the Commercial Start Date, each month Customer shall, as full compensation for the performance by SABINE of its obligations under this Agreement, bear the Retainage and in addition pay to SABINE the sum of the following three (3) components (such sum collectively referred to as the "**Fee**").

(a) the Reservation Fee paid monthly in advance (prorated for any partial month);

(b) the Operating Fee paid monthly in advance (prorated for any partial month); and

(c) any additional charges to be paid by Customer under Section 4.2 herein.

4.2 Taxes and New Regulatory Costs

(a) If any Governmental Authority:

(i) imposes any Taxes on SABINE (excluding any Taxes on the capital revenue or income derived by SABINE) with respect to the Services, or on the Sabine Pass Facility ("**SABINE Taxes**"); or

(ii) subsequent to November 8, 2004, has enacted or does enact any safety or security related regulations which increases the costs of SABINE in

relation to the Services or the Sabine Pass Facility ("**New Regulatory Costs**");

then, Customer shall bear such SABINE Taxes and New Regulatory Costs proportionately with Other Customers with Customer's share being determined for the given Contract Year based on the following ratio:

(x) Maximum LNG Reception Quantity; divided by

(y) Aggregate Contracted Capacity.

For the purposes hereof, SABINE Taxes shall not be reduced due to any inability to obtain, or the loss or expiration of, any abatement of SABINE Taxes; shall include any early payment of SABINE Taxes; and shall exclude any Taxes paid by Customer pursuant to Section 4.2(b).

(b) If any Governmental Authority imposes a sales or use tax on Customer's Retainage or any Tax or fee on the Services provided by SABINE to Customer, such tax shall be paid by Customer or reimbursed to SABINE by Customer if assessed on and paid by SABINE.

4.3 Services Unavailability

If some or all of the Services are unavailable to Customer on any day (or portion of a day) during the Term as a result of: (a) Force Majeure; or (b) an unscheduled curtailment or temporary discontinuation of Services pursuant to Section 16.2 (collectively a "**Services Unavailability**"), the Parties agree that the Fee shall not be adjusted. SABINE shall use its reasonable efforts to restore Customer's Services and allow Customer the ability to make-up any Services that have been lost as a result of the interruption of Services to the Sabine Pass Facility for no additional compensation.

4.4 Services Provided to Other Customers

Customer acknowledges that: (i) the compensation paid by Customer from time to time for Services may be less than, or more than, the price paid by Other Customers for the same or similar LNG terminalling services; and (ii) SABINE makes no representations or warranties to Customer in this regard.

ARTICLE 5
SCHEDULING

5.1 Annual Delivery Program

Procedures for the receipt of LNG at the Receipt Point and redelivery of Gas at the Delivery Point will be detailed in the Sabine Pass Services Manual, as modified from time to time, but generally in accordance with the following:

(a) SABINE Deliverables. Not later than one hundred and twenty (120) days prior to the beginning of each Contract Year, SABINE shall provide to the Scheduling Representative a non-binding written assessment of the dates of any planned maintenance to or modifications of the Sabine Pass Facility for such Contract Year and the expected impact of such activities on the availability of Services. SABINE shall use reasonable endeavors to limit the number of days of any planned maintenance to or modifications of the Sabine Pass Facility.

(b) Notice from Scheduling Representative. Not later than one hundred and five (105) days prior to the beginning of each Contract Year, the Scheduling Representative shall provide SABINE with the following:

(i) a programming schedule for the unloading of up to the Maximum LNG Reception Quantity over the course of the next Contract Year, which schedule shall specify, for each Cargo to be delivered to the Receipt Point, the proposed arrival date (the "**Proposed Unloading Date**") of the applicable LNG Vessel and which schedule must result in a delivery pattern whereby: (a) deliveries in any given month do not materially exceed one twelfth (1/12) of the Maximum LNG Reception Quantity; (b) deliveries in any given month are generally ratable over the month; (c) deliveries take into consideration the planned maintenance and modification dates furnished to Customer by SABINE as set forth in Section 5.1(a); and (d) deliveries shall not be scheduled so as to utilize both unloading berths simultaneously; and

(ii) for each Proposed Unloading Date proposed pursuant to Section 5.1(b)(i), the name of the LNG Vessel expected to deliver LNG to the Sabine Pass Facility (if the identity of the LNG Vessel is known to Customer at such time), the Expected Receipt Quantity, and the anticipated Gross Heating Value of the LNG to be delivered.

(c) Notices from Other Customers. Customer acknowledges that Other Customers will submit similar notices to SABINE regarding the matters provided for in Section 5.1(b).

(d) Customer Preliminary Receipt Schedule. SABINE shall take into consideration the notices that it receives from the Scheduling Representative and the Other Customers and, not later than ninety (90) days prior to the beginning of each Contract Year, SABINE shall issue to Customer via the Sabine Pass Website (or via an alternative electronic means of transmitting written communications if the Sabine Pass Website is unavailable) a preliminary receipt schedule for such Contract Year (the "**Customer Preliminary Receipt Schedule**") showing a "**Scheduled Unloading Date**" for the LNG Vessel carrying each of Customer's scheduled Cargos, which schedule must result in a delivery pattern in which: (i) deliveries in any given month do not materially exceed one twelfth (1/12) of the Maximum LNG Reception Quantity; (ii) deliveries in any given month are generally ratable over the month; (iii) SABINE's planned maintenance and

modification dates are reflected; and (iv) deliveries are not scheduled so as to utilize both unloading berths simultaneously. Customer may propose to SABINE to change any such Scheduled Unloading Date, and SABINE agrees to give due consideration to, and use reasonable efforts to accommodate, such change.

(e) Other Customers' Preliminary Receipt Schedules and Mutual Cooperation. Customer acknowledges that SABINE will issue to each Other Customer via the Sabine Pass Website (or alternative electronic means) a preliminary receipt schedule similar to the Customer Preliminary Receipt Schedule described in Section 5.1(d), but customized for each such Other Customer ("**Other Customers' Preliminary Receipt Schedules**"). Customer also acknowledges that conflicts will occur in the preparation of the Customer Preliminary Receipt Schedule and Other Customers' Preliminary Receipt Schedules because of the joint use of the Sabine Pass Facility among Customer and Other Customers. Accordingly, Customer agrees to cooperate with SABINE to assist SABINE in resolving any such conflict to the extent such cooperation does not result in material additional costs to Customer or unduly adversely impact the Services provided to Customer hereunder.

(f) Consultation; Annual Delivery Program. If the Scheduling Representative desires to consult with SABINE regarding the contents of the Customer Preliminary Receipt Schedule, the Scheduling Representative shall, no later than fifteen (15) days from the issuance of the Customer Preliminary Receipt Schedule, request to meet with SABINE by providing notice thereof (the "**Consultation Notice**") to SABINE, and SABINE shall, no later than fifteen (15) days after receipt of the Consultation Notice, meet with the Scheduling Representative to discuss the Customer Preliminary Receipt Schedule. If: (i) the Scheduling Representative does not submit a Consultation Notice to SABINE on a timely basis; or (ii) the Scheduling Representative and SABINE meet pursuant to a Consultation Notice and are able during such meeting to agree upon revisions to the Customer Preliminary Receipt Schedule, then such Customer Preliminary Receipt Schedule, as so revised (and as updated from time to time for such Contract Year in accordance with the provisions of this Agreement by SABINE via the Sabine Pass Website), together with the planned maintenance and modification dates selected by SABINE, shall constitute the "**Annual Delivery Program**". If the Scheduling Representative and SABINE meet pursuant to a Consultation Notice and are unable during such meeting to agree upon revisions to the Customer Preliminary Receipt Schedule, then SABINE shall determine, while using its reasonable efforts to accommodate Customer's views, the Annual Delivery Program. Such Annual Delivery Program shall, to the extent practicable, result in a delivery pattern in which: (i) deliveries in any given month do not materially exceed one twelfth (1/12) of the Maximum LNG Reception Quantity; (ii) deliveries in any given month are generally ratable over the month; (iii) SABINE's planned maintenance and modification dates are reflected; and (iv) deliveries are not scheduled so as to utilize both unloading berths simultaneously. SABINE shall issue via the Sabine Pass Website (or via an alternative electronic means of transmitting written communications if the Sabine Pass Website is unavailable)

the Annual Delivery Program no later than sixty (60) days prior to the first day of the Contract Year.

(g) Other Customers' Annual Delivery Programs. Customer acknowledges that SABINE shall issue to each Other Customer a final receipt schedule similar to the Annual Delivery Program described in Section 5.1(f) but customized for each such Other Customer (such schedules referred to as "**Other Customers' Annual Delivery Programs**").

(h) Adjustment to Schedules. Upon written request by Customer, SABINE shall use reasonable efforts to modify the time periods expressly set forth in Sections 5.1(b) and 5.1(d) to allow Customer to interface these periods with corresponding time periods for scheduling agreed upon by Customer and its LNG Suppliers. For purposes of this Section 5.1, SABINE shall be deemed to have used reasonable efforts if SABINE rejects Customer's request because it determines, acting as a Reasonable and Prudent Operator, that any such modification would infringe on the contractual rights of Other Customers.

(i) Available Unloading Dates. Throughout the Contract Year, SABINE shall maintain on the Sabine Pass Website (or via an alternative electronic means of transmitting written communications if the Sabine Pass Website is unavailable) a current list of Available Unloading Dates.

(j) Equal Customer Treatment. SABINE has entered into an agreement with an Other Customer that allows the Other Customer the first choice of Unloading Dates at the Sabine Pass LNG Terminal for only one (1) berth and only in the preparation of such Other Customer's Annual Delivery Program. As of the Effective Date, this Other Customer has an annual maximum LNG reception quantity equivalent to approximately one (1) billion Standard Cubic Feet per day. With this exception, Customer shall have equal priority with all Other Customers, including the Other Customer referenced above, in the scheduling of Unloading Dates and berth access, including all Unloading Date Change Requests.

5.2 Three Month Schedules

(a) Proposed Schedules. Not later than the first (1st) day of each month in a Contract Year, Customer shall deliver the following to SABINE: a proposed three-month forward plan of delivery of LNG (**"Proposed Three Month Unloading Schedule"**), which follows the Annual Delivery Program as nearly as practicable and sets forth by voyages and the projected dates thereof the pattern of shipments forecast for each of the next three (3) months and the Expected Receipt Quantity of each such shipment.

(b) Three Month Unloading Schedules. Thereafter, and not later than the twentieth (20th) day of each month in which a Proposed Three Month Unloading Schedule is delivered, SABINE shall deliver the following to Customer: a final three-month forward plan of delivery of LNG (**"Three Month Unloading Schedule"**), which

shall supersede Customer's Proposed Three Month Unloading Schedule and prior Three Month Unloading Schedules as well as the portion of the Annual Delivery Program covering the same time periods and which shall reflect to the extent operationally practicable Customer's Proposed Three Month Unloading Schedule.

(c) Customer Changes to the Annual Delivery Program or Three Month Unloading Schedule. At any time following the issuance of the Annual Delivery Program and any applicable Three Month Unloading Schedule, Customer's Scheduling Representative may submit to SABINE a written request to change a Scheduled Unloading Date to any Available Unloading Date (such request to change, a "**Customer Unloading Date Change Request**"). Customer understands that: (a) Other Customers shall also have the right to submit to SABINE similar scheduling requests (each an "**Other Customer Unloading Date Change Request**"); (b) SABINE shall have no obligation to consult with the Scheduling Representative, Customer, or Other Customers regarding any Customer Unloading Date Change Request or Other Customer Unloading Date Change Request (collectively, "**Unloading Date Change Requests**"); and (c) SABINE shall accept any Unloading Date Change Request on a first-come, first-served basis. Upon accepting a Customer Unloading Date Change Request, SABINE shall notify Customer via the Sabine Pass Website (or via an alternative electronic means of transmitting written communications if the Sabine Pass Website is unavailable) as soon as practical but not later than 5:00 p.m. Central Time of the day following the date of receipt by SABINE of the applicable Unloading Date Change Request. Notwithstanding anything herein to the contrary, Customer shall use its reasonable efforts to keep to a minimum the number of Customer Unloading Date Change Requests it submits to SABINE.

(d) Other Modifications to the Annual Deliver Program or Three Month Unloading Schedule. If Customer is unable to berth during its Scheduled Unloading Date due to a Force Majeure event (an "**Unloading Services Unavailability**"), each affected Scheduled Unloading Date allocated to Customer during such period shall be cancelled, to the extent affected; provided, however, that in the event of an Unloading Services Unavailability causing the cancellation of one or more Scheduled Unloading Dates allocated to Customer and/or Other Customers, SABINE shall make reasonable efforts to change the Three Month Unloading Schedule and Other Customers' Annual Delivery Programs in order to maximize efficient usage of the Sabine Pass Facility to assist Customer and Other Customers to unload quantities of LNG which would otherwise have been unloaded at the Sabine Pass Facility during such cancelled Scheduled Unloading Dates.

5.3 Gas Delivery

(a) Preliminary Nomination Schedule. Not later than the fifteenth (15th) day of each month, commencing the month immediately prior to the Commercial Start Date, Scheduling Representative shall provide to SABINE a nonbinding nomination schedule ("**Preliminary Nomination Schedule**") that sets forth, for each day of

the succeeding month, the quantities of Gas Customer expects to nominate for redelivery for its account at the Delivery Point.

(b) Daily Nomination Schedule. Each day by no later than 9:00 a.m. Central Time Customer shall notify SABINE of its actual nomination of the quantities of Gas to be redelivered, by hour, for its account at the Delivery Point on the following day in compliance with this Section 5.3(b) and Sections 5.3(c) and 5.3(d). SABINE shall be obligated to redeliver such quantities to Customer in accordance with its nomination. Any nomination submitted by Customer's Scheduling Representative in accordance with the foregoing provision, which does not specify a non-uniform flow pattern, shall be ratable throughout the day and shall remain in effect until changed by it in accordance with such provision.

(c) Maximum Gas Redelivery Rate. Except as modified pursuant to Section 5.3(e), Customer's daily nomination shall not exceed the lesser of:

(i) the Maximum Gas Redelivery Rate; and

(ii) the projected remaining quantity of Customer's Inventory at 9:00 a.m. Central Time on that day.

(d) Minimum Gas Redelivery Rate. Customer's daily nomination shall not be less than Customer's commercially reasonable share of tank boil-off ("**Minimum Gas Redelivery Rate**").

(e) Changes in Gas Redelivery Rates. To the extent, on any day, that SABINE has the ability to allow Customer to nominate a higher Gas redelivery rate than the Maximum Gas Redelivery Rate or a lower Gas redelivery rate than the Minimum Gas Redelivery Rate, SABINE shall advise Customer of the amount of such change that is available on such day.

5.4 Standard

SABINE shall act as a Reasonable and Prudent Operator in performing the scheduling activities required by this Article 5.

5.5 Scheduling Representative

By no later than six (6) months prior to the Commercial Start Date, Customer shall appoint an individual to act as Scheduling Representative for the purposes of this Article 5; provided, however, that Customer shall have the right to change its appointed Scheduling Representative at any time by notice to SABINE. Unless otherwise stated herein, Customer hereby authorizes the Scheduling Representative to do and perform any and all acts for and on behalf of Customer with regard to scheduling matters provided for in this Article 5. SABINE acknowledges that Customer and any Other Customer may agree to coordinate their activities so as to make the most efficient use of the Sabine Pass Facility, and may for purposes of this Agreement and the terminal use agreements of the Other Customers jointly appoint a Scheduling Representative.

5.6 Scheduling Coordination Among Customer and Other Customers

Customer shall have the right to request SABINE to arrange a joint meeting with Other Customers with respect to any matter in relation to the performance of this Article 5. SABINE shall use reasonable efforts to organize such a meeting, provided that SABINE may elect to include additional Other Customers if SABINE determines that such matter affects such additional Other Customers. If the Other Customers invited by SABINE agree to participate in such a joint meeting among Customer, Other Customers and SABINE, the joint meeting shall be held as soon as practical. SABINE shall have the right to settle any scheduling disputes that may arise among Customer and Other Customers. Unless otherwise agreed, any such joint meeting shall be held in Houston, Texas or by telephone, as appropriate.

ARTICLE 6
COMMERCIAL START DATE

The "**Commercial Start Date**" shall be the later of January 1, 2008 or the date on which Commercial Operations Completion occurs, regardless of whether any unloading of Customer's LNG at the Sabine Pass Facility actually occurs on such date.

ARTICLE 7
SABINE PASS FACILITY

7.1 Sabine Pass Facility

(a) Standard of Operation. SABINE shall cause the Sabine Pass Facility to be constructed and commissioned so as to achieve Commercial Operations Completion. On and after the Commercial Start Date, SABINE shall at all times provide, maintain and operate (or cause to be provided, maintained and operated) the Sabine Pass Facility taking into consideration the following: (i) International LNG Terminal Standards; and (ii) to the extent not inconsistent with International LNG Terminal Standards, such good and prudent practices as are generally followed in the LNG industry by Reasonable and Prudent Operators of LNG receiving and regasification terminals.

(b) Sabine Pass Phase 1 Facilities to be Provided. Subject to Section 7.1(a), the Sabine Pass Phase 1 Facilities shall include the following:

(i) appropriate systems for communications with LNG Vessels;

(ii) two unloading berths, each capable of berthing an LNG Vessel having a displacement of no more than 166,600 tonnes, an overall length of no more than 1,140 feet, a beam of no more than 175 feet, and a draft of no more than 40 feet, which LNG Vessels can safely reach, fully laden, and safely depart, and at which LNG Vessels can lie safely berthed and unload safely afloat;

(iii) lighting sufficient to permit unloading operations by day or by night, to the extent permitted by Governmental Authorities and Pilots (it being acknowledged, however, that SABINE shall in no event be obligated to allow nighttime berthing operations at the Sabine Pass Facility if SABINE determines, acting as a Reasonable and Prudent Operator, that such operations during nighttime hours could pose safety risks to the Sabine Pass Facility, an LNG Vessel, or a third party);

(iv) unloading facilities capable of receiving LNG at a rate of up to an average of 12,000 Cubic Meters per hour when the pressure at the Receipt Point is at least 5.6 bars (gauge), with three (3) unloading arms each having a reasonable operating envelope to allow for ship movement and manifold strainers of sixty (60) mesh;

(v) a vapor return line system of sufficient capacity to transfer to an LNG Vessel quantities of Gas necessary for the safe unloading of LNG at the required rates, pressures and temperatures;

(vi) facilities allowing ingress and egress between the Sabine Pass Facility and the LNG Vessel by: (a) representatives of Governmental Authorities for purposes of unloading operations; and (b) an independent surveyor for purposes of conducting tests and measurements of LNG on board the LNG Vessel in accordance with Annex I;

(vii) LNG storage facilities with a working capacity of approximately four hundred eighty thousand (480,000) Cubic Meters of LNG;

(viii) LNG regasification facilities with a total daily capacity of up to 2.6 billion Standard Cubic Feet; and

(ix) metering, piping and flange at the Delivery Point necessary for the purpose of connecting to the Downstream Pipeline.

(c) Sabine Pass Expansion Facilities to be Provided. Subject to Section 7.1(a), the Sabine Pass Expansion Facilities shall include at least the following:

(i) LNG storage facilities with a working capacity of approximately three hundred twenty thousand (320,000) Cubic Meters of LNG; and

(ii) LNG regasification facilities with a total daily capacity of approximately 1.4 billion Standard Cubic Feet.

(d) Facilities Not Provided. Services and facilities not provided at the Sabine Pass Facility include the following:

(i) facilities and loading lines for liquid or gaseous nitrogen to service an LNG Vessel;

(ii) facilities for providing bunkers; and

(iii) facilities for the handling and delivery to the LNG Vessel of ship's stores, provisions and spare parts.

(e) Expansion. SABINE shall have the right, but not the obligation, from time to time, to expand the Sabine Pass Facility or to construct or acquire other facilities.

7.2 Compatibility of Sabine Pass Facility with LNG Vessels

(a) Sabine Pass Facility General Specifications. SABINE has provided to Customer the general specifications for the LNG berthing and unloading facilities of the Sabine Pass Facility as of the date hereof.

(b) LNG Vessel Compatibility. Customer shall ensure, at no cost to SABINE, that each of the LNG Vessels is fully compatible with the Sabine Pass Facility as set forth in such general specifications. Should an LNG Vessel fail materially either to be compatible with the Sabine Pass Facility, or to be in compliance with the provisions of Article 8, Customer shall not employ such LNG Vessel until it has been modified to be so compatible or to so comply.

(c) Modifications to Terminal Generally. The Parties agree that, after the date hereof, SABINE shall be entitled to modify the Sabine Pass Facility in any manner whatsoever, provided that: (x) such modifications do not render the Sabine Pass Facility incompatible with an LNG Vessel that was previously compatible with the Sabine Pass Facility under Section 7.2(b) above; (y) such modifications, once finalized, do not reduce the ability of SABINE to provide the Services to Customer on the basis set forth in this Agreement; and (z) such modifications do not otherwise conflict with SABINE's obligations under this Agreement. Notwithstanding the foregoing, SABINE may modify the Sabine Pass Facility in a manner that would render it incompatible with an LNG Vessel provided that:

(i) such modification is necessary for SABINE to comply with its obligations under Section 7.1(a); or

(ii) the LNG Vessel is capable of being modified, and such modification is minor in nature, to maintain compatibility with both the Sabine Pass Facility and other terminals in its normal/intended trade and, in connection with a modification, SABINE reimburses Customer for the reasonable actual costs incurred by Customer in causing Transporter to modify the LNG Vessel to maintain compatibility with the Sabine Pass Facility as so modified; provided, further, that Customer shall use its best efforts to minimize costs to be borne by SABINE hereunder, shall notify SABINE reasonably in advance of the nature and expected cost of all such LNG Vessel modifications by Transporter, and shall certify to SABINE the actual amount and detail of all costs incurred for which such reimbursement from SABINE is requested.

(d) Modifications to Terminal Resulting From Changes in International LNG Vessel Standards. In the event of a change in International LNG Vessel Standards which requires an LNG Vessel to be modified but such vessel modification would render such LNG Vessel incompatible with the Sabine Pass Facility, then SABINE shall use its best efforts to modify the Sabine Pass Facility to render it compatible with such modified LNG Vessel provided that:

(i) such modifications do not render the Sabine Pass Facility incompatible with another LNG vessel that was previously compatible with the Sabine Pass Facility;

(ii) such modifications, once finalized, do not reduce the Services; and

(iii) such modifications do not otherwise conflict with SABINE's obligations under this Agreement.

7.3 Customer Inspection Rights

Upon obtaining SABINE's prior written consent, which consent shall not be unreasonably withheld or delayed, a reasonable number of Customer's designated representatives (including LNG Suppliers) may from time to time (including during the period of initial construction) inspect the operation of the Sabine Pass Facility so long as such inspection occurs from 8:00 a.m. Central Time to 5:00 p.m. Central Time on a Business Day. Any such inspection shall be at Customer's sole risk and expense. Customer (and its designees) shall carry out any such inspection without any interference with or hindrance to the safe and efficient operation of the Sabine Pass Facility. Customer's right to inspect and examine the Sabine Pass Facility shall be limited to verifying SABINE's compliance with SABINE's obligations under this Agreement and shall not entitle Customer to make direct requests to SABINE regarding any aspect of the Sabine Pass Facility. No inspection (or lack thereof) of the Sabine Pass Facility by Customer hereunder, or any requests or observations made to SABINE or its representatives by or on behalf of Customer in connection with any such inspection, shall (a) modify or amend SABINE's obligations, representations, warranties and covenants under this Agreement or under any agreement or instrument contemplated by this Agreement; or (b) constitute an acceptance or waiver by Customer of SABINE's obligations under this Agreement.

ARTICLE 8
TRANSPORTATION AND UNLOADING

8.1 LNG Vessels

(a) Customer to Cause LNG Vessels to Comply. Customer shall be responsible for the transportation of LNG from the Loading Port to the Receipt Point. In this regard, Customer shall cause each LNG Vessel to comply with the requirements of this Article 8 in all respects.

(b) Approvals and Documentation. Each LNG Vessel shall comply with the regulations of, and obtain all Approvals required by, Governmental Authorities to enable such LNG Vessel to enter, leave and carry out all required operations at the Sabine Pass Facility. Each LNG Vessel shall at all times have on board valid documentation evidencing all such Approvals. Each LNG Vessel shall comply fully with the International Safety Management Code for the Safe Operation of Ships and Pollution Prevention effective July 1, 1998, and at all times be in possession of a valid safety management certificate.

(c) Tugs, Fireboats, Escort Vessels and Port Charges. Customer shall arrange for, or cause the appropriate Person to arrange for, such number and types of tugs, line boats, fireboats and other escort vessels as are required by Governmental Authorities to attend the LNG Vessel so as to permit safe and efficient movement of the LNG Vessel within the maritime safety areas located in the approaches to and from the Sabine Pass Facility. SABINE requires that Customer arrange for, or cause the appropriate Person to arrange for, a minimum of three (3) 5000-horsepower, greater than fifty (50) short tons bollard pull tug boats with fire-fighting capability. Customer shall pay all Port Charges directly to the appropriate Person.

(d) LNG Vessel Requirements. Each LNG Vessel must satisfy the following requirements:

(i) Specifications. Except as otherwise mutually agreed in writing by the Parties, each LNG Vessel shall be compatible with the specifications of the Sabine Pass Facility identified in Section 7.1(b). Notwithstanding the foregoing, in the event an LNG Vessel is compatible with the specifications set forth in Section 7.1(b) or otherwise acceptable to SABINE, but a Governmental Authority or Pilot prohibits or otherwise hinders the utilization of such LNG Vessel, Customer's obligations under this Agreement shall not be excused or suspended by reason of Customer's inability (pursuant to the foregoing) to use such a vessel as an LNG Vessel.

(ii) LNG Vessel Capacity. Except as otherwise agreed in writing by SABINE, each LNG Vessel shall have an LNG cargo containment capacity of no less than eighty seven thousand six hundred (87,600) Cubic Meters.

(iii) Condition of the LNG Vessel. Each LNG Vessel shall be, in accordance with International LNG Vessel Standards: (a) fitted in every way for the safe loading, unloading, handling and carrying of LNG in bulk at atmospheric pressure; and (b) tight, staunch, strong and otherwise seaworthy with cargo handling and storage systems (including instrumentation) necessary for the safe loading, unloading, handling, carrying and measuring of LNG in good order and condition. The location of the unloading manifold shall allow a safe margin for movement of the arms within the operating envelope.

(iv) Classification Society. Each LNG Vessel shall at all times be maintained in class with any of the following: American Bureau of Shipping, Lloyd's Register for Shipping, Bureau Veritas, Germanischer Lloyd, NKK, Det Norske Veritas or any other classification society that is mutually agreeable to the Parties.

(v) Construction. Each LNG Vessel shall have been constructed to all applicable International LNG Vessel Standards (including the International Code for the Construction and Equipment of Ships Carrying Liquefied Gases in Bulk).

(vi) Operation and Maintenance. Each LNG Vessel shall comply with, and shall be fully equipped, supplied and maintained to comply with, all applicable International LNG Vessel Standards. Unless approved by SABINE in writing, which approval shall not be unreasonably withheld or delayed, an LNG Vessel shall be prohibited from engaging in any maintenance, repair or in-water surveys while berthed at the Sabine Pass Facility. Each LNG Vessel shall comply fully with the guidelines of any Governmental Authority of the United States, including the National Oceanographic and Atmospheric Administration (NOAA), in relation to actions to avoid strikes in U.S. waters with protected sea turtles and cetaceans (e.g., whales and other marine mammals) and with regard to the reporting of any strike by the LNG Vessel which causes injury to such protected species.

(vii) Crew. The officers and crew of each LNG Vessel shall have the ability, experience, licenses and training commensurate with the performance of their duties in accordance with internationally accepted standards as adopted on first-class LNG vessels and as required by Governmental Authorities and any labor organization having jurisdiction over the LNG Vessel or her crew. Without in any way limiting the foregoing, the master, chief engineer, all cargo engineers and all deck officers shall be fluent in written and oral English and shall maintain all records and provide all reports with respect to the LNG Vessel in English.

(viii) Communications. Each LNG Vessel shall have communication equipment complying with applicable regulations of Governmental Authorities and permitting such LNG Vessel to be in constant communication with the Sabine Pass Facility and with other vessels in the area (including fireboats, escort vessels and other vessels employed in port operations).

(ix) Pumping Time. Provided that the Sabine Pass Facility supplies a suitable vapor return line meeting the requirements of Section 7.1(b)(v), then:

a. an LNG Vessel with an LNG cargo containment capacity less than or equal to one hundred forty thousand (140,000) Cubic Meters

shall be capable of unloading LNG in a maximum of fifteen (15) hours; and

b. an LNG Vessel with an LNG cargo containment capacity greater than one hundred forty thousand (140,000) Cubic Meters shall be capable of unloading LNG in the number of hours derived after applying the following formula:

15 + x = maximum LNG unloading time (in hours)

where:

x = y/12,000 Cubic Meters; and

y = the LNG cargo containment capacity of the LNG Vessel in excess of 140,000 Cubic Meters.

Time for connecting, cooling, stripping and disconnecting, and cooling of liquid arms shall not be included in the computation of pumping time.

(x) Prequalification. Customer shall prequalify LNG Vessels which it intends to berth at the Sabine Pass Facility by providing information reasonably required by SABINE to ensure each LNG Vessel complies with this Article 8 and other reasonable operating requirements of SABINE.

8.2 Sabine Pass Marine Operations Manual

Acting as a Reasonable and Prudent Operator, SABINE shall develop and maintain a single marine operations manual (the "**Sabine Pass Marine Operations Manual**") that governs activities at the Sabine Pass Facility, applies to all LNG Vessels and vessels used by Other Customers and which shall take into consideration International LNG Vessel Standards (but excluding the matters governed by the Sabine Pass Services Manual). SABINE shall deliver to Customer and all Other Customers a copy of the Sabine Pass Marine Operations Manual and any amendments thereto promptly after they have been finalized or amended, as the case may be. Customer shall comply, and shall cause its Scheduling Representative to comply, with such Sabine Pass Marine Operations Manual in all respects.

8.3 LNG Vessel Inspections; Right to Reject LNG Vessel

(a) Inspections. During the Term, on prior reasonable notice to Customer, SABINE acting as a Reasonable and Prudent Operator may, at its sole risk, send its representatives (including an independent internationally recognized maritime consultant) to inspect during normal working hours any LNG Vessel as SABINE may consider necessary to ascertain whether the LNG Vessel complies with the provisions of this Agreement. SABINE shall bear the costs and expenses in connection with any inspection conducted hereunder. Any such inspection may include, as far as is practicable having regard to the LNG Vessel's operational

schedule, examination of the LNG Vessel's hull, cargo and ballast tanks, machinery, boilers, auxiliaries and equipment; examination of the LNG Vessel's deck and engine scrap/rough and fair copy/official log books; review of records of surveys by the LNG Vessel's classification society and relevant Governmental Authorities; and review of the LNG Vessel's operating procedures and performance of surveys, both in port and at sea. Any inspection carried out pursuant to this Section 8.3(a): (i) shall not interfere with, or hinder, any LNG Vessel's safe and efficient construction or operation; and (ii) shall not entitle SABINE or any of its representatives to make any request or recommendation directly to Transporter except through Customer. No inspection (or lack thereof) of an LNG Vessel hereunder shall: (x) modify or amend Customer's obligations, representations, warranties and covenants under this Agreement or under any agreement or instrument contemplated by this Agreement; or (y) constitute an acceptance or waiver by SABINE of Customer's obligations under this Agreement.

(b) Right to Reject LNG Vessel. SABINE shall have the right to reject any LNG Vessel that Customer intends to use to deliver LNG to the Sabine Pass Facility if such LNG Vessel does not comply materially with the provisions of this Agreement, provided that:

(i) neither the exercise nor the non-exercise of such right shall reduce the responsibility of Customer to SABINE in respect of such LNG Vessel and her operation, nor increase SABINE's responsibilities to Customer or third parties for the same; and

(ii) Customer's obligations under this Agreement shall not be excused or suspended by reason of Customer's inability (pursuant to the foregoing) to use a vessel as an LNG Vessel.

8.4 Advance Notices Regarding LNG Vessel and Cargoes

(a) Change in Expected Receipt Quantity. If, subsequent to issuing the notice required under Section 5.1(b)(ii) and Section 5.2(a), Customer anticipates a change, by way of either increase or decrease, of at least five percent (5%) in the Expected Receipt Quantity for a particular Cargo, Customer shall promptly provide notice thereof to SABINE and include in such notice Customer's new estimate of the Expected Receipt Quantity. SABINE shall use reasonable endeavors to accept any increase in the quantity but shall at all times have the right not to accept such new increased quantity if, in its sole discretion, such increased quantity would conflict with any Other Customer's unloading schedule or entitlement to Services or exceed Customer's Service entitlements at the Sabine Pass Facility.

(b) LNG Vessel Nomination. As soon as practicable but no later than five (5) days prior to the scheduled loading date for a Cargo (unless the Cargo is a diversion cargo, in which case the deadline shall be as soon as practicable after such diversion), Customer shall notify SABINE of the information specified below:

(i) name of LNG Vessel and, in reasonable detail, the dimensions, specifications, operator, and owner of such LNG Vessel;

(ii) name of Loading Port;

(iii) expected departure date of LNG Vessel from Loading Port;

(iv) estimated arrival date at the Sabine Pass Facility; and

(v) any changes in the Expected Receipt Quantity since Customer's prior notice.

Moreover, if the vessel that Customer proposes to use as an LNG Vessel has not, within the immediately preceding Contract Year, delivered LNG to the Sabine Pass Facility, Customer shall notify SABINE thereof at least sixty (60) days prior to the applicable Scheduled Unloading Date.

(c) LNG Vessel Movements. With respect to each Cargo of LNG to be delivered hereunder, Customer shall give, or cause the master of the LNG Vessel to give, to SABINE the following notices:

(i) A first notice ("**First Notice**"), which shall be sent upon the departure of the LNG Vessel from the Loading Port and which shall set forth the time and date that loading was completed, the volume (expressed in Cubic Meters) of LNG loaded on board the LNG Vessel, the estimated time of arrival of the LNG Vessel at the Pilot Boarding Station ("**ETA**"), and any operational deficiencies in the LNG Vessel that may affect its performance at the Sabine Pass Facility or berth;

(ii) A second notice ("**Second Notice**"), which shall be sent ninety-six (96) hours prior to the ETA set forth in the First Notice, stating the LNG Vessel's then ETA. If, thereafter, such ETA changes by more than six (6) hours, Customer shall give promptly, or cause the master of the LNG Vessel to give promptly, to SABINE notice of the corrected ETA;

(iii) A third notice ("**Third Notice**"), which shall be sent twenty-four (24) hours prior to the ETA set forth in the Second Notice (as corrected), confirming or amending such ETA. If, thereafter, such ETA changes by more than three (3) hours, Customer shall give promptly, or cause the master of the LNG Vessel to give promptly, to SABINE notice of the corrected ETA;

(iv) A fourth notice ("**Final Notice**"), which shall be sent twelve (12) hours prior to the ETA set forth in the Third Notice (as corrected), confirming or amending such ETA. If, thereafter, such ETA changes by more than one (1) hour, Customer shall give promptly, or cause the master of the LNG Vessel to give promptly, to SABINE notice of the corrected ETA; and

(v) An NOR, which shall be given at the time prescribed in Section 8.5(a) below.

Provided, however, the above notice requirements shall be waived by SABINE to the extent Customer is unable to practically provide the applicable notice as a result of Customer choosing to deliver recently acquired spot LNG Cargoes.

(d) Characteristics of Cargoes. With the First Notice, Customer shall notify SABINE, or cause SABINE to be notified, for SABINE's information only, of the following characteristics of the LNG comprising its Cargo as determined at the time of loading:

(i) Gross Heating Value per unit;

(ii) molecular percentage of individual hydrocarbon components and nitrogen;

(iii) average temperature; and

(iv) density at loading.

(e) Right to Reject Certain Quantities. Without prejudice to any other rights and remedies arising hereunder or by law or otherwise, SABINE shall for any reason have the right to reject, and shall not be required to unload, those quantities of LNG on board an LNG Vessel that exceed one hundred and five percent (105%) of the Expected Receipt Quantity for such Cargo as specified in, whichever is applicable: (i) the notice delivered pursuant to Section 5.1(b)(ii) or Section 5.2(a) and utilized by SABINE for the purposes of determining Annual Delivery Program or any Three Month Unloading Schedule, respectively; or (ii) any subsequent notice delivered pursuant to Section 8.4(a) and accepted by SABINE.

8.5 Notice of Readiness

(a) Issuance. Subject to any applicable restrictions, including any nighttime transit restrictions imposed by Governmental Authorities or Pilots or any other reasonable timing restrictions imposed by SABINE (in light of SABINE's obligation to have the capability to provide Services twenty-four (24) hours a day, seven (7) days a week), the master of an LNG Vessel or its agent shall give to SABINE its notice of readiness ("**NOR**"), to unload upon arrival of such LNG Vessel at the specific location off the Sabine Pass Facility at which Pilots customarily board the LNG Vessel (such location referred to as the "**Pilot Boarding Station**").

(b) Effectiveness. An NOR given under Section 8.5(a) shall become effective as follows:

(i) For an LNG Vessel arriving at the Pilot Boarding Station at any time before 6:00 a.m. Central Time on the Scheduled Unloading Date allocated

to such LNG Vessel, an NOR shall be deemed effective at 6:00 a.m. Central Time on such Scheduled Unloading Date;

(ii) For an LNG Vessel arriving at the Pilot Boarding Station at any time between the period of 6:00 a.m. Central Time on the Scheduled Unloading Date allocated to such LNG Vessel and 6:00 a.m. Central Time on the day immediately following such Scheduled Unloading Date, an NOR shall become effective at the time of its issuance; or

(iii) For an LNG Vessel arriving at the Pilot Boarding Station at any time after the expiration of the Scheduled Unloading Date, an NOR shall become effective upon SABINE's notice to the LNG Vessel that it is ready to receive the LNG Vessel at berth.

8.6 Berthing Assignment

(a) General Rule. SABINE shall determine the berthing sequence of all LNG Vessels at the Sabine Pass Facility in order to ensure compliance with the Annual Delivery Program and Three Month Unloading Schedules. If an LNG Vessel is not ready to unload for any reason, SABINE may refuse to allow it to berth.

(b) Timely Arrival. SABINE shall berth an LNG Vessel arriving before or during its Scheduled Unloading Date at the first opportunity that SABINE determines such LNG Vessel will not interfere with berthing and unloading of any other scheduled LNG vessel with a higher berthing priority. Berthing priority for LNG vessels arriving before or during their respective Scheduled Unloading Dates shall be determined as follows:

(i) The first berthing priority on any day shall be for LNG vessels with a Scheduled Unloading Date on such day. Priority within this group shall be given to the LNG vessel which has first given SABINE its NOR; and

(ii) The second berthing priority on any day shall be for LNG vessels with a Scheduled Unloading Date on a future day. Priority within this group shall be given to the LNG vessel which has first given SABINE its NOR.

For the avoidance of doubt, SABINE will allow berthing and unloading of LNG vessels from the priority group in Section 8.6(b)(ii) above only if, in SABINE's sole judgment, such berthing and unloading will not cause the Sabine Pass Facility to lack either berthing space or sufficient storage capacity to allow unloading of an LNG vessel from the priority group in Section 8.6(b)(i).

(c) Late Arrival. SABINE shall berth an LNG Vessel arriving after its Scheduled Unloading Date at the first opportunity that SABINE reasonably determines such LNG Vessel will not cause the Sabine Pass Facility to lack either berthing space or sufficient storage capacity to allow unloading of an LNG vessel from the priority group in Section 8.6(b)(i).

8.7 Unloading Time

(a) Allotted Unloading Time. The allotted unloading time for each LNG Vessel ("**Allotted Unloading Time**") shall be thirty-six (36) hours, subject to extensions for:

(i) reasons attributable to Customer, a Pilot, a Governmental Authority, the LNG Vessel or its master, crew, owner or operator, tugs, line boats, service boats, fire boats or other escort vessels, or attributable to any other party whose performance is required for the transiting and berthing of the LNG Vessel and whose performance is outside the control of SABINE;

(ii) Force Majeure;

(iii) unscheduled curtailment or temporary discontinuation of operations at the Sabine Pass Facility in accordance with Section 16.2; provided that in the circumstances described in Section 16.2(a), the repairs giving rise to such curtailment or discontinuance are reasonably necessary for the delivery of Services to Customer or Other Customers or for reasons of safety;

(iv) occupancy of the berth by an LNG vessel that arrived at berth at the Sabine Pass Facility no later than 6:00 p.m. Central Time of the scheduled unloading window allocated to such LNG vessel, which shall result in an extension of no more than nine (9) hours;

(v) additional time to unload an LNG Vessel with an LNG cargo containment capacity greater than one hundred forty thousand (140,000) Cubic Meters, such increase over thirty-six (36) hours to be calculated in the same manner as increases over twenty-four (24) hours under Section 8.9(b)(i)b;

(vi) failure of an LNG Vessel to send the Final Notice pursuant to Section 8.4(c)(iv) or, pursuant to Section 8.4(c)(ii), failure of an LNG Vessel to give an NOR within six (6) hours of the ETA given to SABINE in the Second Notice; and

(vii) night time transit restrictions.

For the avoidance of doubt, SABINE shall have the right to delay berthing of the LNG Vessel for any of the reasons set forth in (i) to (viii) above.

(b) Actual Unloading Time. The actual unloading time for each LNG Vessel ("**Actual Time**") shall commence when the NOR is effective and shall end when the unloading and return lines of the LNG Vessel are disconnected from the Sabine Pass Facility's unloading and return lines.

(c) Demurrage

In the event Actual Unloading Time exceeds Allotted Unloading Time (including any extension in accordance with Section 8.7(a) ("**Demurrage Event**"), SABINE shall pay to Customer as liquidated damages demurrage in United States dollars

(which shall be prorated for a portion of a day) determined in accordance with the rate set out in the following table:

LNG Vessel Cargo Capacity	Demurrage Rate in $/day
Less than 120,000 Cubic Meters	$ 45,000
120,000 Cubic Meters or greater up to, but not including, 160,000 Cubic Meters	$ 55,000
160,000 Cubic Meters or greater up to, but not including, 200,000 Cubic Meters	$ 65,000
200,000 Cubic Meters or greater	$ 83,000

If a Demurrage Event occurs, Customer shall invoice SABINE for such demurrage within thirty (30) days pursuant to Section 11.2.

(d) Excess Boil-Off. If an LNG Vessel is delayed in berthing at the Sabine Pass Facility and/or commencement of unloading due to an event occurring at the Sabine Pass Facility and for a reason that would not result in an extension of Allotted Unloading Time under Section 8.7, and if, as a result thereof, the commencement of unloading is delayed beyond twenty-four (24) hours after the Notice of Readiness is effective; then, for each full hour by which commencement of unloading is delayed beyond such twenty-four (24) hour period, SABINE shall pay Customer as liquidated damages an amount, on account of excess boil-off, equal to the Henry Hub Price for the month in which the delay occurs multiplied by the quantity in MMBTUs equal to 0.0052% of the Cargo. Customer shall invoice SABINE for such excess boil-off pursuant to Section 11.2. This provision shall not apply if the LNG Vessel has onboard reliquefaction capability for boil-off.

8.8 Unloading at the Sabine Pass Facility

(a) Efficiency. SABINE shall cooperate with Transporters (or their agents) and with the master of each LNG Vessel to facilitate the continuous and efficient delivery of LNG hereunder.

(b) Vapor Return Line. During unloading of each Cargo of LNG, SABINE shall return to the LNG Vessel Gas in such quantities as are necessary for the safe unloading of the LNG at such rates, pressures and temperatures as may be required by the design of the LNG Vessel, and such returned Gas shall not be deemed to be volume unloaded for Customer’s account.

8.9 LNG Vessel Not Ready for Unloading; Excess Berth Time

(a) Vessel Not Ready for Unloading. If any LNG Vessel, previously believed to be ready for unloading, is determined not to be ready after being berthed, SABINE may direct the LNG Vessel's master to vacate the berth and proceed to anchorage, whether or not other LNG vessels are awaiting the berth, unless it appears reasonably certain to SABINE that such LNG Vessel can be made ready without disrupting the overall unloading schedule of the Sabine Pass Facility or operations of the Sabine Pass Facility. When an unready LNG Vessel at anchorage becomes ready for unloading, its master shall notify SABINE. Upon the re-berthing of any LNG Vessel vacated pursuant to this Section 8.9(a), Customer shall be responsible for any actual costs incurred by SABINE acting as a Reasonable and Prudent Operator as a result of such LNG Vessel not being ready for unloading.

(b) Berth Limitations.

(i) An LNG Vessel shall complete unloading and vacate the berth as soon as possible but not later than the following allowed berth time:

a. twenty-four (24) hours after the LNG Vessel has been berthed, in the case of an LNG Vessel with an LNG cargo containment capacity less than or equal to one hundred forty thousand (140,000) Cubic Meters; or

b. in accordance with the following formula, in the case of an LNG Vessel with an LNG cargo containment capacity greater than one hundred forty thousand (140,000) Cubic Meters:

24 + x = allowed berth time (in hours)

where:

x = y/12,000 Cubic Meters; and

y = the LNG cargo containment capacity of the LNG Vessel in excess of 140,000 Cubic Meters.

(ii) Notwithstanding the foregoing, the aforementioned time restrictions shall be extended for: (a) reasons attributable to SABINE; (b) reasons attributable to a Pilot or to a Governmental Authority; (c) Force Majeure; and (d) nighttime transit restrictions.

(iii) If an LNG Vessel fails to depart at the end of its allowed berth time, SABINE may direct the LNG Vessel to vacate the berth and proceed to sea at utmost dispatch.

(iv) If an LNG Vessel fails to vacate the berth after receipt of SABINE's notice to do so under this Section 8.9, Customer shall reimburse SABINE for any and all reasonable and actual damages SABINE incurs as a result thereof, including amounts SABINE becomes contractually obligated to pay as demurrage or excess boil-off to any Other Customer.

(v) In the event an LNG Vessel fails to vacate the berth pursuant to this Section 8.9 and Customer is not taking actions to cause it to vacate the berth, SABINE may effect such removal at the expense of the Customer.

ARTICLE 9
RECEIPT OF LNG

9.1 Title, Custody and Risk of Loss

(a) Title to Customer's Inventory, Risk of Loss. Subject to Section 3.4, SABINE shall not assume title or risk of loss with respect to Customer's Inventory even during periods when it is in the possession and control of SABINE. For the avoidance of doubt, title and risk of loss with respect to Retainage shall pass to SABINE at the Receipt Point.

(b) Possession and Control. Possession and control of Customer's LNG shall pass from Customer to SABINE upon delivery of same at the Receipt Point. Possession and control of Customer's Gas shall pass from SABINE to Customer upon delivery of same at the Delivery Point.

(c) Vacated LNG. Customer agrees that SABINE may from time to time vacate from storage any quantity of Customer's LNG as deemed appropriate by SABINE in its sole discretion to achieve efficient operation of the Sabine Pass Facility (**"Vacated LNG"**). Customer hereby consents to the transfer by SABINE of title and risk of loss for any quantity of Vacated LNG to itself, an Affiliate, or any other party. Such transfers shall not affect the responsibility of SABINE to store or otherwise account for Customer's Inventory, as provided in Section 3.1(b)(ii), and to make available a quantity of Gas expressed in MMBTU equivalent to that of the Vacated LNG in accordance with Customer's nominations, as provide in Section 3.1(b)(iii).

9.2 No Encumbrance

(a) Customer's Covenants. Customer agrees to fully defend, indemnify and hold SABINE and its Affiliates harmless against all Encumbrances and Liabilities relating to such Encumbrances (collectively, "**Claims**") regarding Customer's Inventory, including Claims brought by Other Customers, other than any Claims caused by SABINE's acts or omissions. For purposes of this Section 9.2(a), the term "**Encumbrance**" shall include any mortgage, pledge, lien, charge, adverse claim, proprietary right, assignment by way of security, security interest, title retention, preferential right or trust arrangement or any other security agreement or arrangement having the effect of security.

(b) SABINE's Covenants. SABINE covenants that it will deliver to Customer at the Delivery Point all Gas held for Customer's account free from all Claims relating thereto caused by SABINE's acts or omissions. SABINE agrees to fully defend, indemnify and hold Customer and its Affiliates harmless from and against all Claims regarding Customer's Inventory caused by the acts or omissions of SABINE and Other Customers.

9.3 Receipt of LNG

The receipt of LNG from an LNG Vessel at the Receipt Point shall be carried out by use of pumps and other equipment on the LNG Vessel under such reasonable and customary conditions as are specified in the Sabine Pass Marine Operations Manual.

9.4 Quality and Measurement of Customer's LNG

Customer's LNG shall be measured and tested in accordance with Annex I. Customer shall ensure that all LNG delivered at the Receipt Point for Customer's account shall conform to the following specifications:

(a) Gross Heating Value.

LNG when delivered by Customer to SABINE shall have, in a gaseous state, a Gross Heating Value of not less than 950 BTU per Standard Cubic Foot and not more than 1165 BTU per Standard Cubic Foot.

(b) Components.

(i) The LNG when delivered by Customer to SABINE shall, in a gaseous state, contain not less than eighty-four molecular percentage (84.0 MOL%) of methane (C_1) and, for the components and substances listed below, such LNG shall not contain more than the following:

a. Nitrogen (N2), 1.5 MOL%;

b. Ethane (C2), 11 MOL%;

c. Propane (C3), 3.5 MOL%;

d. Butanes (C4) and heavier, 2 MOL%;

e. Pentanes (C5) and heavier, 0.09 MOL%;

f. Hydrogen sulfide (H2S), 0.25 grains per 100 Standard Cubic Feet; and

g. Total sulfur content, 1.35 grains per 100 Standard Cubic Feet.

(ii) The LNG when delivered by Customer to SABINE shall contain no water, active bacteria or bacterial agents (including sulfate reducing bacteria or acid producing bacteria) or other contaminants or extraneous material.

9.5 Off-Specification LNG

(a) Refusal of Off-Spec LNG. Without prejudice to any other rights and remedies of SABINE hereunder, SABINE may refuse to take delivery of all or part of any LNG not conforming to the quality specifications set forth in Section 9.4 ("**Off-Spec LNG**").

(b) Notice. Customer shall provide notice to SABINE as soon as reasonably practicable of any existing or anticipated failure of the LNG available for delivery to SABINE hereunder to conform to the quality specifications set forth in Section 9.4, giving details of the nature and expected magnitude of the variance, the cause of the non-compliance and the probable duration thereof, including the Cargoes and Scheduled Unloading Dates to be affected thereby. If so notified, SABINE shall as soon as possible inform Customer whether it intends to reject any of such Off-Spec LNG. If SABINE is notified by Customer prior to the commencement of unloading of a Cargo at the Sabine Pass Facility that the LNG is Off-Spec LNG and the quantity is delivered to the Sabine Pass Facility, SABINE shall use reasonable endeavors to take delivery of any Cargoes which it would otherwise be entitled to reject; provided, however that SABINE shall be entitled to delay unloading of Off-Spec LNG for the period of time reasonably required for SABINE to determine whether it can take delivery of such Off-Spec LNG pursuant to this Section 9.5(b). Subject to SABINE first using its reasonable endeavors to take delivery of any Cargoes containing Off-Spec LNG, SABINE shall:

(i) notify Customer that SABINE will take delivery of some or all of the affected Cargoes, without prejudice to SABINE's rights and remedies with respect to such Off-Spec LNG other than SABINE's right to reject said Cargo; or

(ii) reject all or any of the affected Cargoes.

(c) Customer's Responsibility. If SABINE accepts delivery of a Cargo of Off-Spec LNG which it would otherwise be entitled to reject, Customer shall:

(i) bear the financial responsibility for all reasonable and actual incremental costs (other than capital costs) and Liabilities incurred by SABINE or any of SABINE's Affiliates, in each case acting as a Reasonable and Prudent Operator, in connection with receiving and treating Off-Spec LNG by such means as are appropriate, including mixing such Off-Spec LNG with lower calorific value Gas or injecting nitrogen if facilities to allow for such mixing or injection presently exist at the Sabine Pass Facility; and

(ii) indemnify and hold harmless SABINE, its Affiliates and their respective directors, officers and employees from any and all Liabilities, including any of same attributable to claims of any Person and any Other Customers, which arise out of, are incident to, or result from the acceptance, handling, disposal or use of Off-Spec LNG.

(d) No Continuing Waiver. Acceptance of Off-Spec LNG shall not prevent SABINE from refusing future deliveries of Off-Spec LNG. No waiver by SABINE of any default by Customer of any of the specifications set forth in this Article 9 shall ever operate as a continuing waiver of such specification or as a waiver of any subsequent default, whether of a like or different character.

(e) Extended Delivery of Off-Spec LNG. If: (i) Customer notifies SABINE pursuant to Section 9.5(b) of an anticipated delivery of two (2) or more Cargoes of Off-Spec LNG; and (ii) the Parties agree for SABINE to incur incremental capital costs in order to accept delivery of such Cargoes, then Customer shall, in addition to its payment and indemnification obligations under Section 9.5(c), bear the financial responsibility for and directly fund, at SABINE's election, all such incremental capital costs.

ARTICLE 10
REDELIVERY OF GAS

10.1 General

(a) Delivery Point. SABINE shall deliver to Customer at the Delivery Point the quantity of Gas nominated by Customer for any day pursuant to Section 5.3.

(b) Commingled Stream. Customer acknowledges and agrees that Gas from Customer's Inventory may be delivered by SABINE in a commingled stream, including Gas derived from LNG received by SABINE from Other Customers. Customer furthers acknowledges and agrees that Customer shall have no right to receive Gas of the same quality as Customer's LNG. SABINE shall deliver at the Delivery Point a quantity of Gas that is, less Retainage, equal (in MMBTU) to the quantity of LNG received by SABINE for Customer's account at the Receipt Point, and which Gas shall satisfy the requirements set forth in Section 10.3.

(c) Odorization. SABINE will deliver Gas from Customer's Inventory at the Delivery Point in its natural state without the addition of any odorizing agent, and SABINE shall not be obligated to add odorizing agents to any Gas unless required to do so by a Governmental Authority. SABINE does not assume any responsibility for Liabilities by reason of the fact that it has not odorized the Gas from Customer's Inventory prior to its delivery to Customer, except to the extent such liabilities arise from a failure to comply with the requirements of a Governmental Authority.

10.2 Customer's Responsibility

(a) Downstream Arrangements. Customer shall arrange for the transportation of Gas by Downstream Pipelines in order to meet its obligations to take redelivery of Gas in accordance with the provisions of Section 3.4 at the rates nominated by it pursuant to Section 5.3. In this regard, Customer shall be solely responsible for making all necessary arrangements with third parties at or downstream of the Delivery Point to enable SABINE to deliver Gas to Downstream Pipelines on a timely basis pursuant to the terms and conditions of this Agreement. Customer shall also be solely responsible for ensuring that all such arrangements are consistent with the terms and conditions of this Agreement and shall require all relevant third parties to confirm to SABINE all of Customer's nominations and scheduling of deliveries of Gas, such confirmation to be by telephone, electronic transmission, or other means acceptable to SABINE and the Downstream Pipelines. Such third-party arrangements shall be timely communicated to, and coordinated with, SABINE, and SABINE shall have no liability whatsoever for any failure of any such third party to provide downstream arrangements. The rules, guidelines, and policies of a Downstream Pipeline transporting or purchasing any Gas for or from Customer at the Delivery Point (as may be changed from time to time by the Downstream Pipeline) shall set forth, among other things, the manner in which Gas from Customer's Inventory is transported from the Delivery Point. Customer and SABINE recognize that the receipt and delivery on the Downstream Pipeline's facilities of Gas shall be subject to the operational procedures of such Downstream Pipeline.

(b) Imbalance Charges. Customer shall use its reasonable efforts to avoid imposition of any scheduling fees, imbalance charges, cash out costs or similar costs, fees or damages for imbalances ("**Imbalance Charges**") imposed by any Downstream Pipeline. Customer shall indemnify and hold harmless SABINE, its Affiliates and their respective directors, officers and employees from all Liabilities arising out of, incident to or resulting from any Imbalance Charges directly resulting from Customer's acts or omissions.

(c) Limitation. Customer shall ensure that its Gas transportation and sales arrangements are in compliance with all applicable laws and regulations.

10.3 Specifications and Measurement of Gas at the Delivery Point

Gas delivered to Customer at the Delivery Point shall be measured and tested in accordance with Annex II. SABINE shall ensure that all Gas delivered at the Delivery Point for Customer's account shall conform to the following specifications:

(a) Gross Heating Value. Gas when delivered by SABINE to Customer shall have a Gross Heating Value of not less than 950 BTU per Standard Cubic Foot and not more than 1165 BTU per Standard Cubic Foot.

(b) Components

(i) Gas when delivered by SABINE to Customer shall contain not less than eighty-two molecular percentage (82 MOL%) of methane (C_1) and, for the components and substances listed below, such Gas shall not contain more than the following:

a. Nitrogen (N_2), 3 MOL%;

b. Pentanes (C_5) and heavier, 0.1 MOL%;

c. Hydrogen sulfide (H_2S), 0.25 grains per 100 Standard Cubic Feet;

d. Total sulfur content, 5 grains per 100 Standard Cubic Feet;

e. Oxygen (O_2), 10 parts per million;

f. Carbon dioxide (CO_2), 2 MOL%; and

g. Water (H_2O), 7 pounds per one million Standard Cubic Feet.

(ii) Gas when delivered by SABINE to Customer shall contain no active bacteria or bacterial agents (including sulfate reducing bacteria or acid producing bacteria) or other contaminants or extraneous material.

(c) Gas Delivery Pressure. Gas from Customer's Inventory shall be delivered to the Delivery Point at the pressure necessary for the Gas to enter the system of the appropriate Downstream Pipeline but no greater than the maximum lawful operating pressure of the Downstream Pipeline, provided, however, that such pressure shall not be required to be less than 1000 psig and shall not be required to be greater than 1440 psig and at a temperature of not less than 40° Fahrenheit.

10.4 Nonconforming Gas

(a) Right to Reject. Unless SABINE has accepted Off-Spec LNG from Customer pursuant to Section 9.5, Customer shall have the right to reject Gas that does not conform to the specifications set forth in Section 10.3 ("**Nonconforming Gas**") if the failure of such Nonconforming Gas to satisfy such specifications would: (i) be grounds for an operator of a Downstream Pipeline or a Person under contract with Customer to purchase such Gas ("**Downstream Purchaser**") to reject such Nonconforming Gas; or (ii) otherwise materially and adversely affect Customer, in Customer's reasonable opinion.

(b) SABINE Indemnity. If Customer accepts delivery of Non-Conforming Gas which it would otherwise be entitled to reject, SABINE shall indemnify and hold harmless Customer, its Affiliates and their respective directors, officers and employees from any and all Liabilities, including any of same attributable to claims of any Person (including Other Customers, a Downstream Pipeline, and a

Downstream Purchaser), which arise out of, are incident to, or result from the acceptance, handling, disposal or use of Non-Conforming Gas. If Customer accepts delivery of Non-Conforming Gas which it would otherwise be entitled to reject, SABINE shall bear the financial responsibility for all reasonable and actual incremental costs (other than capital costs) and Liabilities incurred by Customer or any of Customer's Affiliates, in each case acting as a Reasonable and Prudent Operator, in connection with accepting delivery of Non-Conforming Gas.

ARTICLE 11
PAYMENT

11.1 Monthly Statements

Between the first (1st) day of each month and the tenth (10th) day of each month, commencing with the month prior to the Commercial Start Date, SABINE shall deliver to Customer a statement setting forth the following:

(a) the Reservation Fee for the following month;

(b) the Operating Fee for the following month; and

(c) any charges under Section 4.2 and/or Section 8.9 for the prior month.

11.2 Other Statements

If any other moneys are due from one Party to the other hereunder and if provision for the invoicing of that amount due is not made elsewhere in this Article 11, then the Party to whom such moneys are due shall furnish a statement therefore to the other Party, along with pertinent information showing the basis for the calculation thereof.

11.3 Adjustments, Audit

(a) General. If, within ninety (90) days of the issuance by SABINE of a statement, SABINE acquires information indicating the necessity of an adjustment to such statement rendered hereunder, then SABINE shall promptly serve on Customer a written notice setting forth that information. Unless otherwise provided herein, after obtaining that information, SABINE shall promptly prepare and serve on Customer an adjusted statement, showing the necessary payment, the calculation of the payment amount, and the Party from whom the payment is owed. In the event Customer issued a statement and subsequently acquires information indicating the necessity of an adjustment to such statement, Customer shall follow the same procedure in issuing an adjusted statement.

(b) Audit. Upon thirty (30) days written notice issued within six (6) months of the conclusion of any Contract Year, Customer shall have the right to cause an internationally recognized firm of accountants, appointed by Customer at Customer's sole expense, to audit the books, records and accounts of SABINE that are directly relevant to the determination of SABINE Taxes and New

Regulatory Costs, LNG receipts and Gas deliveries for such prior Contract Year, as provided in statements issued to Customer pursuant to this Article 11. Such audit shall be conducted at the head office of SABINE and shall be completed within the Contract Year in which Customer's notice is sent to SABINE. If Customer obtains information indicating the necessity of an adjustment to any statement rendered hereunder, then within ninety (90) days following completion of the audit pertaining to the affected Contract Year, Customer shall promptly serve on SABINE a statement pursuant to Section 11.2 and written notice setting forth the information and basis for such statement. If Customer waives its right to conduct an audit, statements may be contested by Customer only if, within a period of ninety (90) days after the end of the Contract Year, Customer serves on SABINE notice questioning their correctness. If no such notice is served, statements shall be deemed correct and accepted by both Parties. Promptly after resolution of any Dispute as to a statement, the amount of any overpayment or underpayment (plus interest as provided in Section 11.4(c)) shall be paid by SABINE or Customer to the other, as the case may be.

(c) Records. SABINE shall keep all books and records relevant to such audit for a period of three (3) years following the end of the relevant Contract Year; provided that where SABINE is on notice of a Dispute, SABINE shall keep all such books, records, and other information until such Dispute has been finally resolved.

11.4 Payment Due Dates

(a) Due Date for Payment of Monthly Statement. Each monthly statement submitted pursuant to Section 11.1 shall become due and payable on the later of: (i) ten (10) days after delivery by SABINE of such monthly statement; or (ii) the twenty-fifth (25th) day of the month in which such monthly statement was received; provided that if such day is not a Business Day, it shall become due and payable on the next Business Day.

(b) Due Date for Payment of Other Statements. Each statement submitted pursuant to Section 11.2 shall become due and payable on the thirtieth (30th) day after the date on which it is received; provided that if such payment due date is not a Business Day, the due date for such payment shall be extended to the next Business Day. For purposes of this Section 11.4(b), a facsimile copy of an invoice shall be deemed received by a Party on the next Business Day following the day on which it was sent.

(c) Interest. Except as provided in Section 11.4(d), if the full amount of any statement is not paid when due, the unpaid amount thereof shall bear interest at the Base Rate, compounded annually, from and including the day following the due date up to and including the date when payment is made.

(d) Recurring Late Payments. If three (3) monthly statements submitted pursuant to Section 11.1 in a Contract Year are not paid when due, then, in addition to the remedies provided in Section 11.6 any late payment thereafter shall bear a charge

equal to two percent (2%) of the unpaid amount thereof in lieu of interest at the Base Rate as provided in Section 11.4(c).

11.5 Payment

Each Party shall pay, or cause to be paid, in United States dollars in immediately available funds, all amounts that become due and payable by such Party pursuant to any statement issued hereunder, to a bank account or accounts designated by and in accordance with instructions issued by the other Party. Each payment of any amount owing hereunder shall be in the full amount due without reduction or offset for any reason (except as expressly allowed under this Agreement), including Taxes, exchange charges, or bank transfer charges. Notwithstanding the preceding sentence, the paying Party shall not be responsible for a designated bank's disbursement of amounts remitted to such bank, and a deposit in immediately available funds of the full amount of each statement with such bank shall constitute full discharge and satisfaction of the statement.

11.6 Nonpayment

The term "**Cumulative Delinquency Amount**" shall mean, with respect to a Party, the cumulative amount, expressed in United States dollars, that is owed by that Party to the other Party under this Agreement and is past due. Without prejudice to a Party's right of offset, if a Party's failure to pay when due an amount owing hereunder causes its Cumulative Delinquency Amount to exceed three (3) times the Reservation Fee, then the Party to which such amount is owed shall have the right, upon giving thirty (30) days written notice (such notice hereinafter referred to as the "**Delinquency Notice**") to the owing Party, to suspend performance of its obligations under this Agreement until such amount, with interest in accordance with Section 11.4(c), has been paid in full; provided, however, that: (a) no such suspension of a Party's obligations under this Section 11.6 shall excuse the owing Party from the performance of its obligations hereunder; and (b) in the event that SABINE suspends performance under this Section 11.6: (i) Customer shall continue to be liable for the Fee pursuant to Section 4.1; and (ii) SABINE may offer Customer's unutilized Services to the Other Customers. If any such Cumulative Delinquency Amount has not been paid within sixty (60) days after the issuance of the Delinquency Notice, then the Party to whom such amount is owed shall have the right, upon not less than thirty (30) days notice to the other Party, to terminate this Agreement without the necessity of any further action, unless within that thirty (30) day period, the Party to which such amount is owed receives payments from or on behalf of the owing Party equal to the Cumulative Delinquency Amount. Any such termination shall be without prejudice to any other rights and remedies of the terminating Party arising hereunder or by law or otherwise, including the right of such Party to receive payment in respect of all obligations and claims that arose or accrued prior to such termination or by reason of such default by the owing Party.

11.7 Disputed Statements

In the event of disagreement concerning any statement, Customer or SABINE (as the case may be) shall make provisional payment of the total amount thereof and shall

immediately notify the other Party of the reasons for such disagreement, except that in the case of an obvious error in computation, Customer or SABINE (as the case may be) shall pay the correct amount disregarding such error. Subject to Section 11.3(b), statements may be contested by Customer or SABINE (as the case may be) only if, within a period of ninety (90) days after a Party's receipt thereof, Customer or SABINE (as the case may be) serves on the other Party notice questioning their correctness. If no such notice is served, statements shall be deemed correct and accepted by both Parties. Promptly after resolution of any Dispute as to a statement, the amount of any overpayment or underpayment (plus interest as provided in Section 11.4(c)) shall be paid by SABINE or Customer to the other, as the case may be.

11.8 Final Settlement

Within sixty (60) days after expiration of the Term, SABINE and Customer shall determine the amount of any final reconciliation payment. After the amount of the final settlement has been determined, SABINE shall send a statement to Customer, or Customer shall send a statement to SABINE, as the case may be, in United States dollars for amounts due under this Section 11.8, and SABINE or Customer, as the case may be, shall pay such final statement no later than twenty (20) days after the date of receipt thereof.

ARTICLE 12
DUTIES, TAXES AND OTHER GOVERNMENTAL CHARGES

Notwithstanding Section 4.2, Customer shall be responsible for and pay, or cause to be paid, all Taxes that may be imposed or levied on Customer's Inventory (including receipt or redelivery thereof) and the LNG Vessels including any sales and use taxes that may be imposed on the Services or on SABINE for providing the Services to Customer. Customer shall reimburse and hold harmless SABINE for any such Taxes that may be required by law to be remitted by SABINE and shall pay such additional amount (including Taxes and corresponding interest at the Base Rate) as is necessary to ensure receipt by SABINE of the full amounts otherwise due to it under this Agreement. Notwithstanding the foregoing, neither Party shall be responsible for Taxes on the capital, revenue or income derived by the other Party. If any Governmental Authority requires Customer or SABINE to remit Taxes for which the other Party is responsible, the Party responsible for such Taxes shall promptly reimburse the other Party for such Taxes. Any Party entitled to an exemption from any such Taxes or charges shall furnish the other Party any necessary documentation thereof.

ARTICLE 13
INSURANCE

13.1 SABINE's Insurance

SABINE shall be responsible for obtaining and maintaining insurance for the Sabine Pass Facility to the extent required by applicable law; and additional insurance, as is reasonably necessary and available on reasonable commercial terms, against such other risks and at such levels as a Reasonable and Prudent Operator of a shared use LNG

receiving and regasification terminal would obtain. SABINE shall obtain such insurance from a reputable insurer (or insurers) reasonably believed to have adequate financial reserves. SABINE shall exercise its best efforts to collect any amount due to SABINE under such insurance policies. Any insurance policy required pursuant to this Section 13.1 shall contain a standard waiver of subrogation endorsement. In the event of a casualty that destroys or materially impairs the Sabine Pass Facility, SABINE, upon consent of Lenders, shall be required to utilize such insurance proceeds to cause the facility to be rebuilt or repaired as quickly as commercially practicable. Upon request of Customer, SABINE shall provide to Customer satisfactory evidence that the insurance required pursuant to this Section 13.1 is in effect. In any event SABINE shall be required to obtain the following insurance coverages:

(a) Commercial General Liability Insurance / Marine Terminal Operator's Liability Insurance;

(b) Workers' Compensation / Employer's Liability;

(c) All-Risk Property Insurance; and

(d) Wharfingers Liability Insurance.

In addition, during construction of the Sabine Pass Facility, SABINE shall cause the contractor under the engineering, procurement and construction contract to carry an appropriate level of insurance, including Construction All-Risk Insurance.

13.2 Customer's Insurance

(a) Loss of Product Insurance. Customer acknowledges that SABINE shall not at any time be responsible for securing or maintaining loss of product insurance covering the risk of loss of Customer's Inventory and that Customer shall be responsible for insuring against such risk. If Customer elects to obtain loss of product insurance that insures the physical damage or loss of Customer's Inventory, SABINE shall, upon request of Customer, provide Customer all documents and information reasonably necessary to enable Customer to obtain such loss of product insurance.

(b) LNG Vessel Insurance. Customer shall ensure that insurances are procured and maintained for each LNG Vessel in accordance with the following provisions. In all cases, such insurance shall establish insurance coverages consistent with insurances to the standards which a ship owner operating reputable LNG vessels, as a Reasonable and Prudent Operator, should observe in insuring LNG vessels of similar type, size, age and trade as such LNG Vessel. In this regard:

(i) Hull and Machinery Insurance shall be placed and maintained with reputable marine underwriters; and

(ii) Protection & Indemnity Insurance ("**P&I Insurance**") shall be placed and maintained as an unlimited entry, if such entry is available, with, and

subject to, and on the basis of, the rules of any of the reputable international P&I insurance associations experienced in providing P&I Insurance for LNG vessels.

(c) Evidence of Insurance. Prior to the commencement of deliveries to the Sabine Pass Facility and thereafter at least once each Contract Year, Customer shall furnish the following evidence of insurance to SABINE in relation to each LNG Vessel: cover notes, certificates of entry, the latest rules of the particular provider, and detailed written information concerning all required insurance policies. These policies shall provide SABINE with thirty (30) days prior written notice of any cancellation, material change or alteration in coverage. These policies shall also contain a waiver of subrogation clause and name SABINE as an additional insured. The receipt of such information shall not impose any obligation on SABINE.

13.3 Port Liability Agreement

Notwithstanding any other provision of this Agreement and any rights that a Transporter may have under applicable law, each of SABINE and Customer agree to the Port Liability Agreement set forth in Exhibit B in relation to Liabilities for incidents involving an LNG Vessel occurring at the Sabine Pass Facility. Customer shall cause Transporter to execute the Port Liability Agreement in the form set forth on Exhibit B prior to Transporter's LNG Vessel's arrival at the Sabine Pass Facility. In the event a Transporter fails to execute such Port Liability Agreement, Customer shall indemnify and hold SABINE harmless from any Liabilities incurred by SABINE arising from such failure.

ARTICLE 14
LIABILITIES

14.1 Limitation of Liability of SABINE

In no case shall the liability of SABINE to Customer arising out of, relating to, or connected with an Event under this Agreement exceed three (3) times the Reservation Fee; provided, however, that the foregoing limitation shall not apply to Liabilities caused by the Gross Negligence/Willful Misconduct of SABINE.

For purposes of this Section 14.1, an "**Event**" means any occurrence or series of occurrences having the same origin, and "**Gross Negligence/Willful Misconduct**" means any act or failure to act (whether sole, joint or concurrent) by SABINE which was intended to cause, or which was in reckless disregard of or wanton indifference to, harmful consequences SABINE knew, or should have known, such act or failure would have on the safety or property of another Person.

14.2 Consequential Loss or Damage

Notwithstanding any other provision of this Agreement to the contrary, no Party shall be liable to the other Party for or in respect of:

(a) any consequential loss or damage, including loss of profits or business interruption; or

(b) any special, incidental or punitive damages

suffered or incurred by the other Party or any Person resulting from breach of or failure to perform this Agreement or the breach of any representation or warranty hereunder, whether express or implied, and whether such damages are claimed under breach of warranty, breach of contract, tort, or other theory or cause of action at law or in equity, except to the extent such damages have been awarded to a third party and are subject to allocation between or among the parties to the Dispute. For purposes of this Agreement, any amounts payable by Customer to its Gas purchasers or Gas suppliers for replacement Gas or other similar Liabilities shall be deemed to be a consequential loss or damage.

14.3 Parties' Liability

Customer's sole recourse and remedy under this Agreement for a breach hereof or a default hereunder shall be against SABINE and its assets. Except as otherwise provided herein, SABINE's sole recourse and remedy under this Agreement shall be against Customer and its assets for a breach hereof or a default hereunder. In the event of a breach of this Agreement, the non-breaching Party shall exercise commercially reasonable efforts to mitigate its damages resulting therefrom.

ARTICLE 15
FORCE MAJEURE

15.1 Events of Force Majeure

Neither Party shall be liable to the other for any delay or failure in performance hereunder if and to the extent such delay or failure is a result of Force Majeure. Subject to the provisions of this Article 15, the term "**Force Majeure**" shall mean any cause not within the control of the Party claiming suspension, and which by the exercise of due diligence, such Party has been unable to prevent or overcome, including without limitation acts of God, the government, or a public enemy: strikes, lockout, or other industrial disturbances; wars, blockades or civil disturbances of any kind; epidemics, Adverse Weather Conditions, fires, explosions, arrests and restraints of governments or people; freezing of, breakage or accident to, or the necessity for making repairs or alterations to tanks, machinery or lines of pipe, and unplanned outages of the Sabine Pass Facility. Nothing in this Article 15 shall be construed to require a Party to observe a higher standard of conduct than that required of a Reasonable and Prudent Operator as a condition to claiming the existence of Force Majeure.

15.2 Limitation on Scope of Force Majeure for Customer

Notwithstanding Section 15.1 of this Agreement, no Force Majeure shall relieve, suspend, or otherwise excuse Customer from performing any obligation to indemnify, reimburse, hold harmless or otherwise pay SABINE under this Agreement, including the obligations set forth in Clause C, Sections 3.4, 4.1, 7.3, 8.9, 9.2, 9.5, 10.2 and Article 4, Article 11, Article 12 and Article 20.

15.3 Notice

A Force Majeure event shall take effect at the moment such an event or circumstance occurs. Upon the occurrence of a Force Majeure event that prevents, interferes with or delays the performance by SABINE or Customer, in whole or in part, of any of its obligations hereunder, the Party affected shall give notice thereof to the other Party describing such event and stating the obligations the performance of which are affected (either in the original or in supplemental notices) and stating, as applicable:

(a) the estimated period during which performance may be prevented, interfered with or delayed, including, to the extent known or ascertainable, the estimated extent of such reduction in performance;

(b) the particulars of the program to be implemented to resume normal performance hereunder;

(c) the anticipated portion of the Services for a Contract Year that will not be made available or received, as the case may be, by reason of Force Majeure; and

(d) where Section 15.7 applies, the quantity of Services that SABINE reasonably expects to allocate to Customer.

Such notices shall thereafter be updated at least monthly during the period of such claimed Force Majeure specifying the actions being taken to remedy the circumstances causing such Force Majeure.

15.4 Measures

In order to resume normal performance of this Agreement within the shortest time practicable, the Party affected by the Force Majeure shall take all measures to this end which are commercially reasonable under the circumstances, taking into account the consequences resulting from such event of Force Majeure. Prior to resumption of normal performance, the Parties shall continue to perform their obligations under this Agreement to the extent not excused by such event of Force Majeure.

15.5 No Extension of Term

The Term shall not be extended as a result of or by the duration of an event of Force Majeure.

15.6 Settlement of Industrial Disturbances

Settlement of strikes, lockouts, or other industrial disturbances shall be entirely within the discretion of the Party experiencing such situations, and nothing herein shall require such Party to settle industrial disputes by yielding to demands made on it when it considers such action inadvisable.

15.7 Allocation of Services

If, as a result of an event of Force Majeure, SABINE is unable to meet its contractual obligations to Customer and any Other Customers under LNG terminal use agreements, SABINE shall allocate the available capability of the Sabine Pass Facility to perform activities similar to the Services to Customer and Other Customers in a reasonable manner based on the ratio that the Maximum LNG Reception Quantity bears to the Aggregate Contracted Capacity for the remainder of such Contract Year.

ARTICLE 16
CURTAILMENT OF SERVICES
OR TEMPORARY DISCONTINUATION OF SERVICES

16.1 Scheduled Curtailment or Temporary Discontinuation of Services

To the extent that SABINE has notified Customer under Section 5.1(a) in connection with the preparation of the Annual Delivery Program of maintenance to or modification of the Sabine Pass Facility, SABINE shall, in addition to the rights set forth in Section 16.2, have the right during any Contract Year to curtail or temporarily discontinue the Services, in whole or in part due to such maintenance or modification. During the period of such curtailment or temporary discontinuation of Services, SABINE shall, from time to time, use reasonable endeavors to update Customer on the expected progress towards completing the maintenance or modification, whichever applicable. For purposes of this Section 16.1, a curtailment of or temporary discontinuation of Services shall mean any curtailment or temporary discontinuation lasting no more than three (3) consecutive days. Notwithstanding the foregoing, SABINE agrees that, for purposes of this Section 16.1, neither a curtailment nor a temporary discontinuation of Services pursuant to this Section shall reduce SABINE’s obligations to provide Services for Customer’s LNG in a quantity up to the Maximum LNG Reception Quantity.

16.2 Unscheduled Curtailment or Temporary Discontinuation of Services

SABINE shall have the right to curtail or temporarily discontinue the Services, in whole or in part, at any time in order to: (a) repair the Sabine Pass Facility or (b) protect persons and property, including the Sabine Pass Facility, from harm or damage due to operational or safety conditions. SABINE shall use reasonable endeavors to provide Customer such notice of curtailment or temporary discontinuation as is reasonable under the circumstances, and such notice may be issued for a specific period of time or until further notice is given. If, as a result of any unscheduled curtailment or temporary discontinuation of Services pursuant to this Section 16.2, SABINE is unable to meet its

contractual obligations to Customer and any Other Customers under LNG terminal use agreements, SABINE shall allocate the available capability of the Sabine Pass Facility to perform activities similar to the Services to Customer and Other Customers in a reasonable manner based on the ratio that the Maximum LNG Reception Quantity bears to the Aggregate Contracted Capacity for the remainder of such Contract Year. If a curtailment or temporary discontinuation of Services occurs under this Section 16.2, SABINE may direct Customer to adjust receipts of LNG and deliveries of Gas from Customer's Inventory as the case may be; provided that SABINE shall use commercially reasonable efforts to implement such curtailment or discontinuance of Services among Customer and Other Customers as equitably as reasonably practicable under the circumstances. Notwithstanding the foregoing, SABINE shall have no responsibility to inform Transporters, LNG Vessels, Downstream Pipelines, LNG Suppliers, or any other Persons involved in the transaction as to such curtailment or temporary discontinuation of Services.

ARTICLE 17
ASSIGNMENT

17.1 Restrictions on Assignment

(a) Consent of Other Party Required. Except as otherwise provided in this Article 17, neither this Agreement nor any rights or obligations hereunder may be assigned by any Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld.

(b) Obligation of Assignee. If consent is granted pursuant to Section 17.1(a) or in the case of an assignment permitted under Section 17.2 (other than Section 17.2(c) or 17.2(d)), the assignee to such assignment must, as a condition to such assignment, deliver to the non-assigning Party its written undertaking to be bound by and perform all obligations of the assignor under this Agreement.

(c) Certain Restrictions

Notwithstanding anything to the contrary contained herein, (i) this Agreement shall not be assignable by Customer, in whole or in part, prior to the first business day after the occurrence of the Commercial Start Date as defined in the Existing Customer Agreement with TOTAL LNG USA, Inc.); (ii) no assignment shall be authorized hereunder that triggers or is likely to trigger the provisions of article 13 of that certain Omnibus Agreement between TOTAL LNG USA, Inc. and SABINE dated September 2, 2004; and (iii) no assignment by Customer other than to an Affiliate, including an assignment of all rights and obligations, shall include the rights set forth in Section 25.18 and Section 25.19, which rights shall remain with Customer following any such assignment.

17.2 Permitted Assignments

(a) Affiliates of SABINE. Notwithstanding the provisions of Section 17.1, SABINE may freely assign all of its rights and obligations under this Agreement to an Affiliate, upon notice to, but without requiring the consent of, Customer.

(b) Affiliates of Customer. Subject to the provisions of Section 17.1(c), and notwithstanding the provisions of Section 17.1(a), Customer may freely assign all of its rights and obligations under this Agreement to an Affiliate upon notice to, but without requiring the consent of, SABINE.

(c) Financing. Notwithstanding the provisions of Section 17.1, SABINE shall be entitled to assign, mortgage, or pledge all or any of its rights, interests, and benefits hereunder to secure payment of any indebtedness incurred or to be incurred in connection with the construction and term financing of the Sabine Pass Facility. Customer shall provide to the Lenders to whom such indebtedness is owed a consent to assignment or similar document in form and substance customary for similar financing transactions and agreed by such Lenders and Customer. Moreover, Customer agrees to enter into customary direct agreements with such Lenders in form and substance customary for similar financing transactions and agreed by such Lenders and Customer covering matters that are customary in project financings of this type, including Lender assignments or security rights with respect to this Agreement (appended hereto as Exhibit C), direct notices to Lenders and Lenders step-in/step-out rights; provided, however, in no event shall Customer be required to agree to any amendment to this Agreement or to provide (or cause to be provided) any guaranty or similar commitment in favor of Lenders, or any other Person. No assignment under this Section 17.2(c) shall serve as a novation to this Agreement.

(d) Partial Assignments. Subject to the provisions of Section 17.1(c), Customer may assign a portion of the Services it is entitled to hereunder (a "**Partial Assignment**") for any period of time up to and including the remainder of the Term, or all of its entitlements for a period of time that is less than the remaining Term, upon notice but without the prior consent of SABINE, to one or more assignees, provided that; and:

(i) Customer and all assignees designate one of them, or a third party, to act on behalf of Customer and all assignees as Scheduling Representative for purposes of giving and receiving all notices, statements and other communications from or to Customer and exercising all rights of Customer under this Agreement (including all rights under Clause A, Sections 2.3, 3.5, 8.2, 10.2, 11.3, 18.1, 20.1, and 20.2) jointly, without delay or hindrance to each Party's performance of this Agreement; and

(ii) no Partial Assignment shall reduce the responsibility of Customer or SABINE in respect of the Services or increase SABINE's responsibilities to Customer and the assignees under this Agreement. Customer shall remain liable for all payments due under this Agreement and SABINE shall continue to send all statements required under Article 11 to

Customer. Customer shall indemnify and hold SABINE harmless from any Liabilities incurred by SABINE arising from a failure by Customer and all assignees to designate a Scheduling Representative under Section 17.2(d)(i) above.

17.3 Assignment as Novation

(a) Except as provided in Section 17.2(b), an assignment under this Article 17 of all, but not less than all, of Customer's or SABINE's rights and obligations under this Agreement for the remaining Term of the Agreement shall not serve as a novation of this Agreement unless and until, but shall serve as a novation if:

(i) the assignee delivers to the non-assigning Party its written undertaking to be bound by and perform all obligations of the assignor (including the assumption of all liabilities of the assignor from the Effective Date through the date of such assignment) under this Agreement, as if it were the assignor; and

(ii) in the case of Customer, assignee having demonstrated to SABINE that its creditworthiness (including credit support from an irrevocable letter of credit, a parent guarantee or other security) at the time of the assignment is reasonably acceptable to SABINE. For the purposes of the preceding sentence, the creditworthiness at the time of the assignment of the proposed assignee shall be deemed acceptable to SABINE if: (i) the credit rating of such assignee is at such time equivalent to or better than no less than two of the following three ratings: "A3" by Moody's Investor Service, "A-" by Standard and Poor's and "A-" by Fitch Ratings; and (ii) the minimum market capitalization of such assignee is three billion five hundred million U.S. dollars ($3,500,000,000); or

(iii) in the case of SABINE, assignee having demonstrated to Customer that:

a. its creditworthiness at the time of the assignment is the same or better than the creditworthiness of SABINE; and

b. it has succeeded to substantially all of the assets comprising the Sabine Pass Facility and is willing and able to make available the Services to Customer.

(b) In the event of a novation, the assignee shall be deemed to be a Party to this Agreement for all purposes with respect to rights and obligations pertaining to operations hereunder from and after the effective date of the assignment and the assignor shall be relieved of all rights and obligations hereunder from and after the effective date of the assignment.

ARTICLE 18
TERMINATION

18.1 Early Termination Events

(a) Termination by Customer. Customer may terminate this Agreement pursuant to the other provisions of this Article 18, if:

(i) SABINE has declared Force Majeure with respect to a period that is either projected by SABINE to extend for eighteen (18) months or has in fact extended eighteen (18) months;

(ii) From and after the Commercial Start Date, for reasons not excused by Force Majeure or Customer's actions:

a. SABINE failed to deliver to the Delivery Point an amount aggregating to 201,972,750 MMBTUs or more of Customer's total Gas nominations in a twelve (12) month period;

b. SABINE has failed entirely to receive for Customer's account at least seventeen (17) Cargoes, nominated by Customer, over a period of ninety (90) consecutive days; or

c. SABINE failed to unload at the Receipt Point, or has notified Customer that it would be unable to unload, the aggregate of fifty three (53) Cargoes or more scheduled in the Customer LNG Receipt Schedule for a twelve (12) month period.

(b) Termination by SABINE. SABINE may terminate this Agreement pursuant to the other provisions of this Article 18 if Customer passes a resolution, commences proceedings or has proceedings commenced against it (which are not stayed within sixty (60) days of service thereof) in the nature of bankruptcy or reorganization resulting from insolvency or for its liquidation of, or the appointment of a receiver, trustee in bankruptcy or liquidator of, its undertaking or assets.

(c) Notice. SABINE or Customer, as the case may be, shall give notice of its exercise of any termination right hereunder to the other Party.

(d) Cure. At any time after the expiration of a period of thirty (30) days after the terminating Party gives notice of termination pursuant to Section 18.1(c), such Party may terminate this Agreement with immediate effect by giving notice of such termination; provided, however, that the terminating Party may not terminate this Agreement if the circumstances giving rise to such termination right have been fully remedied or have ceased to apply.

18.2 Other Termination Provisions

This Agreement is also subject to the termination provisions provided in Section 11.6.

18.3 Consequences of Termination

Termination of this Agreement under this Article 18 or any other provision of this Agreement shall be without prejudice to any other rights and remedies of either Party arising hereunder or by law or otherwise which arose or accrued prior to or as a result of such termination or by reason of default of either Party, provided, however, that in no event shall Customer be entitled to recover damages or pursue any other remedy against SABINE in relation to Services which would have been performed by SABINE after the date of termination by Customer.

ARTICLE 19
APPLICABLE LAW

The substantive laws of the State of New York, United States of America, exclusive of any conflicts of laws principles that could require the application of any other law, shall govern this Agreement for all purposes, including the resolution of all Disputes between or among the Parties.

ARTICLE 20
DISPUTE RESOLUTION

20.1 Dispute Resolution

(a) Arbitration. Any Dispute (other than a Dispute regarding measurement under Annex I or Annex II) shall be exclusively and definitively resolved through final and binding arbitration, it being the intention of the Parties that this is a broad form arbitration agreement designed to encompass all possible disputes.

(b) Rules. The arbitration shall be conducted in accordance with the International Arbitration Rules (the "**Rules**") of the American Arbitration Association ("**AAA**") (as then in effect).

(c) Number of Arbitrators. The arbitral tribunal ("**Tribunal**") shall consist of three (3) arbitrators, who shall endeavor to complete the final hearing in the arbitration within six (6) months after the appointment of the last arbitrator.

(d) Method of Appointment of the Arbitrators. If there are only two (2) parties to the Dispute, then each party to the Dispute shall appoint one (1) arbitrator within thirty (30) days of the filing of the arbitration, and the two arbitrators so appointed shall select the presiding arbitrator within thirty (30) days after the latter of the two arbitrators has been appointed by the parties to the Dispute. If a party to the Dispute fails to appoint its Party-appointed arbitrator or if the two Party-appointed arbitrators cannot reach an agreement on the presiding arbitrator within the applicable time period, then the AAA shall serve as the appointing authority and shall appoint the remainder of the three arbitrators not yet appointed. If the arbitration is to be conducted by three arbitrators and there are more than two parties to the Dispute, then within thirty (30) days of the filing of the arbitration,

all claimants shall jointly appoint one arbitrator and all respondents shall jointly appoint one arbitrator, and the two arbitrators so appointed shall select the presiding arbitrator within thirty (30) days after the latter of the two arbitrators has been appointed by the parties to the Dispute. For the purposes of appointing arbitrators under this Article 20: (i) Customer and all persons whose interest in this Agreement derives from them shall be considered as one Party; and (ii) SABINE and all persons whose interest in this Agreement derives from SABINE shall be considered as one Party. If either all claimants or all respondents fail to make a joint appointment of an arbitrator, or if the Party-appointed arbitrators cannot reach an agreement on the presiding arbitrator within the applicable time period, then the AAA as the appointing authority shall make the prescribed appointment.

(e) Consolidation. If the Parties initiate multiple arbitration proceedings under this Agreement, the subject matters of which are related by common questions of law or fact and which could result in conflicting awards or obligations, then either Party may request prior to the appointment of the arbitrators for such multiple or subsequent disputes that all such proceedings be consolidated into a single arbitral proceeding. Such request shall be directed to the AAA, which shall consolidate appropriate proceedings into a single proceeding unless consolidation would result in undue delay for the arbitration of the Disputes.

(f) Place of Arbitration. Unless otherwise agreed by all parties to the Dispute, the place of arbitration shall be Houston, Texas.

(g) Language. The arbitration proceedings shall be conducted in the English language, and the arbitrators shall be fluent in the English language.

(h) Entry of Judgment. The award of the arbitral tribunal shall be final and binding. Judgment on the award of the arbitral tribunal may be entered and enforced by any court of competent jurisdiction. The Parties agree that service of process for any action to enforce an award may be accomplished according to the procedures of Article 23, as well as any other procedure authorized by law.

(i) Notice. All notices required for any arbitration proceeding shall be deemed properly given if given in accordance with Article 23.

(j) Qualifications and Conduct of the Arbitrators. All arbitrators shall be and remain at all times wholly impartial, and, once appointed, no arbitrator shall have any *ex parte* communications with any of the parties to the Dispute concerning the arbitration or the underlying Dispute other than communications directly concerning the selection of the presiding arbitrator, where applicable.

(k) Interim Measures. Any party to the Dispute may apply to a court in Harris County, Texas for interim measures: (i) prior to the constitution of the arbitral tribunal (and thereafter as necessary to enforce the arbitral tribunal’s rulings); or (ii) in the absence of the jurisdiction of the arbitral tribunal to rule on interim

measures in a given jurisdiction. The Parties agree that seeking and obtaining such interim measures shall not waive the right to arbitration. The arbitrators (or in an emergency the presiding arbitrator acting alone in the event one or more of the other arbitrators is unable to be involved in a timely fashion) may grant interim measures including injunctions, attachments and conservation orders in appropriate circumstances, which measures may be immediately enforced by court order. Hearings on requests for interim measures may be held in person, by telephone, by video conference or by other means that permit the parties to the Dispute to present evidence and arguments.

(l) Costs and Attorneys' Fees. The arbitral tribunal is authorized to award costs of the arbitration in its award, including: (i) the fees and expenses of the arbitrators; (ii) the costs of assistance required by the tribunal, including its experts; (iii) the fees and expenses of the administrator; (iv) the reasonable costs for legal representation of a successful Party; and (v) any such costs incurred in connection with an application for interim or emergency relief and to allocate those costs between the parties to the Dispute. The costs of the arbitration proceedings, including attorneys' fees, shall be borne in the manner determined by the arbitral tribunal.

(m) Interest. The award shall include pre-award and post-award interest, as determined by the arbitral award, from the date of any default or other breach of this Agreement until the arbitral award is paid in full. Interest shall accrue at the Base Rate.

(n) Currency of Award. The arbitral award shall be made and payable in United States dollars, free of any tax or other deduction.

(o) Waiver of Challenge to Decision or Award. To the extent permitted by law, the Parties hereby waive any right to appeal from or challenge any arbitral decision or award, or to oppose enforcement of any such decision or award before a court or any governmental authority, except with respect to the limited grounds for modification or non-enforcement provided by any applicable arbitration statute or treaty.

(p) Confidentiality. Any arbitration or expert determination relating to a Dispute (including a settlement resulting from an arbitral award, documents exchanged or produced during an arbitration proceeding, and memorials, briefs or other documents prepared for the arbitration) shall be confidential and may not be disclosed by the Parties, their employees, officers, directors, counsel, consultants, and expert witnesses, except (in accordance with Article 21) to the extent necessary to enforce this Section 20.1 or any arbitration award, to enforce other rights of a party to the Dispute, or as required by law; provided, however, that breach of this confidentiality provision shall not void any settlement, expert determination or award.

20.2 Expert Determination

(a) General. In the event of any disagreement between the Parties regarding a measurement under Annex I or Annex II (a "**Measurement Dispute**"), the Parties hereby agree that such Measurement Dispute shall be resolved by an expert selected as provided in this Section 20.2. The expert is not an arbitrator of the Measurement Dispute and shall not be deemed to be acting in an arbitral capacity. The Party desiring an expert determination shall give the other Party to the Measurement Dispute notice of the request for such determination. If the Parties to the Measurement Dispute are unable to agree upon an expert within ten (10) days after receipt of the notice of request for an expert determination, then, upon the request of any of the Parties to the Measurement Dispute, the International Centre for Expertise of the International Chamber of Commerce shall appoint such expert and shall administer such expert determination through the ICC's Rules for Expertise. The expert shall be and remain at all times wholly impartial, and, once appointed, the expert shall have no *ex parte* communications with any of the Parties to the Measurement Dispute concerning the expert determination or the underlying Measurement Dispute. The Parties to the Measurement Dispute shall cooperate fully in the expeditious conduct of such expert determination and provide the expert with access to all facilities, books, records, documents, information and personnel necessary to make a fully informed decision in an expeditious manner. Before issuing a final decision, the expert shall issue a draft report and allow the Parties to the Measurement Dispute to comment on it. The expert shall endeavor to resolve the Measurement Dispute within thirty (30) days (but no later than sixty (60) days) after his appointment, taking into account the circumstances requiring an expeditious resolution of the matter in dispute.

(b) Final and Binding. The expert's decision shall be final and binding on the Parties to the Measurement Dispute unless challenged in an arbitration pursuant to Section 20.1 within thirty (30) days of the date the expert's decision. If challenged: (i) the decision shall remain binding and be implemented unless and until finally replaced by an award of the arbitrators; (ii) the decision shall be entitled to a rebuttable presumption of correctness; and (iii) the expert shall not be appointed in the arbitration as an arbitrator or as advisor to either Party without the written consent of both Parties.

(c) Arbitration of Expert Determination. In the event that a Party requests Expert Determination for a Measurement Dispute which raises issues that require determination of other matters in addition to correct measurement under Annex I or Annex II, then either Party may elect to refer the entire Measurement Dispute for arbitration under Section 20.1. In such case, the arbitrators shall be competent to make any measurement determination that is part of a Dispute. An Expert Determination not referred to arbitration shall proceed and shall not be stayed during the pendency of an arbitration.

ARTICLE 21
CONFIDENTIALITY

21.1 Confidentiality Obligation

Neither this Agreement nor information or documents that come into the possession of a Party by means of the other Party in connection with the performance of this Agreement may be used or communicated to Persons (other than the Parties) without the mutual written agreement of the Parties, except that either Party shall have the right to disclose such information or documents without obtaining the other Party's prior consent in any of the situations described below:

(a) accountants, other professional consultants or underwriters, provided such disclosure is solely to assist the purpose for which the aforesaid were so engaged and further provided that such Persons agree to hold such information or documents under terms of confidentiality equivalent to this Section 21.1, and for the benefit of the Parties;

(b) Lenders and other providers or prospective providers of finance to SABINE in relation to the Sabine Pass Facility, provided that such Persons agree to hold such information or documents confidential, and for the benefit of the Parties, for a period of at least three (3) years (excepting information in connection with the Fee, which shall be held confidential during the Term);

(c) bona fide prospective purchasers of all or a part of a Party's or its Affiliate's business, and bona fide prospective assignees of all or part of a Party's interest in this Agreement, provided that such Persons agree to hold such information or documents under terms of confidentiality equivalent to this Section 21.1, and for the benefit of the Parties;

(d) to legal counsel, provided such disclosure is solely to assist the purpose for which the aforesaid were so engaged;

(e) if required by any court of law or any law, rule, or regulation, or if requested by a Governmental Authority (including the United States Securities and Exchange Commission) having or asserting jurisdiction over a Party and having or asserting authority to require such disclosure in accordance with that authority, or pursuant to the rules of any recognized stock exchange or agency established in connection therewith;

(f) to prospective assignees permitted under Article 17, to prospective and actual LNG Suppliers and to any prospective and actual purchasers under the Customer's Gas sales contracts from Customer's Inventory, in each case only to the extent required for the execution and/or administration of such contracts;

(g) to its Affiliates, its shareholders and partners, or its shareholders' and partners' Affiliates, provided that such recipient entity has a bona fide business need for

such information and agrees to hold such information or documents under terms of confidentiality equivalent to this Section 21.1;

(h) to any Government Authorities to the extent such disclosure assists SABINE and Customer in obtaining Approvals;

(i) to an expert in connection with the resolution of a Dispute pursuant to Section 20.2 or to an arbitration tribunal in connection with the resolution of a Dispute under Section 20.1; and

(j) to the extent any such information or document has entered the public domain other than through the fault or negligence of the Party making the disclosure.

Notwithstanding the foregoing, Customer acknowledges and agrees that certain providers of finance to SABINE as well as SABINE's shareholders and partners may disclose this Agreement and information or documents disclosed pursuant to this Section 21.1 if required by any court of law or any law, rule, or regulation, or if requested by a Governmental Authority having or asserting jurisdiction over such Persons and having or asserting authority to require such disclosure in accordance with that authority, or pursuant to the rules of any recognized stock exchange or agency established in connection therewith.

21.2 Public Announcements

(a) General. Neither Party may issue or make any public announcement, press release or statement regarding this Agreement unless, prior to the release of the public announcement, press release or statement, such Party furnishes the other Party with a copy of such announcement, press release or statement, and obtains the approval of the other Party, such approval not to be unreasonably withheld; provided that, notwithstanding any failure to obtain such approval, no Party shall be prohibited from issuing or making any such public announcement, press release or statement if in the sole discretion of the disclosing Party it is deemed appropriate to do so in order to comply with the applicable laws, rules or regulations of any Governmental Authority, legal proceedings or stock exchange having jurisdiction over such Party.

(b) Promotional Materials. Notwithstanding any provision in Section 21.2(a) to the contrary, either Party may, with the consent of the other Party not to be unreasonably withheld, use the following in external announcements and publications: (i) information concerning the signing of this Agreement; (ii) the general nature of the Services; and (iii) the general nature of Customer's involvement in the Sabine Pass Facility project.

ARTICLE 22
REPRESENTATIONS AND WARRANTIES

22.1 Representations and Warranties of Customer

As of the date hereof and until the expiration of this Agreement, Customer represents, undertakes and warrants that:

(a) Customer is and shall remain duly formed and in good standing under the laws of Delaware and duly qualified to do business in the State of Louisiana;

(b) Customer has the requisite power, authority and legal right to execute and deliver, and to perform its obligations under, this Agreement;

(c) Customer has not incurred any liability to any financial advisor, broker or finder for any financial advisory, brokerage, finder's or similar fee or commission in connection with the transactions contemplated by this Agreement for which Customer or any of its Affiliates could be liable; and

(d) neither the execution, delivery nor performance of this Agreement violates or will violate, results or will result in a breach of or constitutes or will constitute a default under any provision of Customer's organizational documents, any law, judgment, order, decree, rule or regulation of any court, administrative agency or other instrumentality of any Governmental Authority or of any other material agreement or instrument to which Customer is a party.

22.2 Representations and Warranties of SABINE

As of the date hereof and until the expiration of this Agreement, SABINE represents, undertakes and warrants that:

(a) SABINE is and shall remain duly formed and in good standing under the laws of the State of Delaware and duly qualified to do business in the State of Louisiana;

(b) SABINE has the requisite power, authority and legal right to execute and deliver, and to perform its obligations under this Agreement;

(c) SABINE has not incurred any liability to any financial advisor, broker or finder for any financial advisory, brokerage, finder's or similar fee or commission in connection with the transactions contemplated by this Agreement for which Customer or any of its Affiliates could be liable; and

(d) neither the execution, delivery nor performance of this Agreement, violates or will violate, results or will result in a breach of, or constitutes or will constitute a default under, any provision of SABINE's organizational documents, any law, judgment, order, decree, rule or regulation of any court, administrative agency or other instrumentality of any Governmental Authority or of any other material agreement or instrument to which SABINE is a party.

ARTICLE 23
NOTICES

Except as otherwise specifically provided, all notices authorized or required between the Parties by any of the provisions of this Agreement shall be in writing (in English) and delivered in person or by courier service or by any electronic means of transmitting written communications which provides written confirmation of complete transmission, and addressed to such Party. Oral communication does not constitute notice for purposes of this Agreement, and e-mail addresses and telephone numbers for the Parties are listed as a matter of convenience only. The foregoing notwithstanding, notices given from LNG Vessels at sea may be given by radio, and notices required under Article 5 may be given by e-mail. A notice given under any provision of this Agreement shall be deemed delivered only when received by the Party to whom such notice is directed, and the time for such Party to deliver any notice in response to such originating notice shall run from the date the originating notice is received. "**Received**" for purposes of this Article 23 shall mean actual delivery of the notice, or delivery of the notice to the address of the Party specified in Clause D or, in the event notice was given by radio from an LNG Vessel at sea, actual receipt of the communication by radio, or to be thereafter notified in accordance with this Article 23. Each Party shall have the right to change its address at any time and/or designate that copies of all such notices be directed to another Person at another address by giving written notice thereof to the other Party.

ARTICLE 24
COORDINATION

24.1 Terminal Operations Coordination Committee

(a) Establishment of Terminal Operations Coordination Committee. Not later than ninety (90) days following the execution of this Agreement, the Parties shall form a joint coordination committee (**"Terminal Operations Coordination Committee"**) to serve as a forum for the Parties to coordinate and consult regarding the provisions of Sections 24.2 and 24.3.

(b) Representatives. The Terminal Operations Coordination Committee shall be comprised of such equal number of representatives from each of Customer and SABINE as the Parties may agree from time to time.

(c) Limitation of Authority. Notwithstanding anything herein to the contrary in this Section 24.1, the Terminal Operations Coordination Committee shall have no authority to bind or make agreements on behalf of Customer or SABINE or to issue instructions to or direct or exercise authority over Customer or SABINE or any of their respective officers, employees, advisors or agents or to waive or modify any provision hereof.

(d) Expenses. Each Party shall bear all costs and expenses incurred its respective representatives to the Terminal Operations Coordination Committee shall be borne by SABINE.

24.2 Coordination Prior to Commercial Start Date

(a) Terminal Operations Coordination Committee Meetings. The Terminal Operations Coordination Committee shall meet: (i) within six (6) months following the execution of this Agreement and thereafter on a frequency of no more than a quarterly basis until the Commercial Start Date; and (ii) upon request of either Party upon at least fifteen (15) days prior notice (or such shorter time as the Parties may agree), which notice shall include an agenda for the proposed meeting and any appropriate supporting documentation. Such meetings shall be held at such place as the Parties may agree from time to time. At such meetings, the Terminal Operations Coordination Committee shall coordinate the Parties' activities with respect to the performance of the Parties prior to the Commercial Start Date.

(b) Construction Progress Reports. At least fifteen (15) days prior to each quarterly Terminal Operations Coordination Committee meeting, each Party shall furnish to the other a schedule update and interim progress report specifying the progress since the last report and the expected progress towards completing the construction, testing and operational start-up of the Sabine Pass Facility (such schedules and interim progress reports hereinafter referred to as a **"Progress Report")**. Each Progress Report shall include, as applicable: (i) the status and progress of all construction and an update of the construction schedule; (ii) the status and an update of construction approvals, permits and authorizations not yet received; and (iii) any other information which a Party may reasonably request to evaluate the status and progress of the above matters. If any material change occurs with respect to any of the above matters subsequent to the most recent Progress Report hereunder, the issuing Party shall promptly give notice to the other Party.

24.3 Coordination After Commercial Start Date

(a) Terminal Operations Coordination Committee Meetings. After the Commercial Start Date, the Terminal Operations Coordination Committee shall meet on a yearly basis or such other time as the Parties may mutually agree. Such meetings shall be held at such place as the Parties may agree from time to time. At such meetings, the Terminal Operations Coordination Committee shall discuss the matters set forth on Exhibit A attached hereto.

(b) Correlation Tests. To assist in the proper determination of the amount of LNG delivered under this Agreement, the Parties shall perform periodically correlation tests (each a **"Correlation Test"**) of SABINE's gas chromatograph at the Sabine Pass Facility and of LNG Supplier's gas chromatograph at the applicable liquefaction facility. The procedure for such tests shall be agreed upon by the Parties, subject to the following conditions:

(i) At least sixty (60) days prior to the Commercial Start Date, the laboratory staffs of the Parties shall jointly develop detailed testing methods based on GPA standards (as appropriate), such standards to be modified to conform to measurement and testing standards set forth in the Sabine Pass Services Manual. The first Correlation Test shall take

place no later than ninety (90) days after the Commercial Start Date. Thereafter, a Correlation Test shall be conducted on a yearly basis unless the Parties mutually agree to a two (2) or three (3) year interval between tests in consideration of the consistency of prior test results;

(ii) Customer shall obtain a calibrated sample for determining response factors, with such sample being transported from SABINE's laboratory to the other by LNG Vessels. The results of these tests shall be made available to both Parties; and

(iii) Each Correlation Test shall be performed with the same procedure in the respective laboratory chromatograph with a view to achieving similar testing results within GPA tolerance allowances.

ARTICLE 25
MISCELLANEOUS

25.1 Amendments

This Agreement may not be amended, modified, varied or supplemented except by an instrument in writing signed by SABINE and Customer.

25.2 Approvals

Each Party shall use reasonable endeavors to maintain in force all Approvals necessary for its performance under this Agreement. Customer and SABINE shall cooperate fully with each other wherever necessary for this purpose.

25.3 Successors and Assigns

This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the Parties.

25.4 Waiver

No failure to exercise or delay in exercising any right or remedy arising from this Agreement shall operate or be construed as a waiver of such right or remedy. Performance of any condition or obligation to be performed hereunder shall not be deemed to have been waived or postponed except by an instrument in writing signed by the Party who is claimed to have granted such waiver or postponement. No waiver by either Party shall operate or be construed as a waiver in respect of any failure or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver.

25.5 No Third Party Beneficiaries

The interpretation of this Agreement shall exclude any rights under legislative provisions conferring rights under a contract to Persons not a party to that contract. Nothing in this

Agreement shall otherwise be construed to create any duty to, or standard of care with reference to, or any liability to, any Person other than a Party.

25.6 Rules of Construction

(a) Drafting. Each provision of this Agreement shall be construed as though all Parties participated equally in the drafting of the same. Consequently, the Parties acknowledge and agree that any rule of construction that a document is to be construed against the drafting Party shall not be applicable to this Agreement.

(b) Priority.

(i) In the event of a conflict between the terms of this Agreement excluding Annexes I and II and Exhibits A, B and C (the '**Base Agreement**") and the terms of Annexes I and II and Exhibits A, B and C then all terms of the Base Agreement shall take precedence over Annexes I and II and Exhibits A, B and C.

(ii) In the event that any conflict arises between this Agreement and the Sabine Pass Marine Operations Manual, this Agreement shall prevail. In the event that any conflict arises between this Agreement and the Sabine Pass Services Manual, this Agreement shall prevail.

25.7 Survival of Rights

Any termination or expiration of this Agreement shall be without prejudice to any rights, remedies, obligations and liabilities which may have accrued to a Party pursuant to this Agreement or otherwise under applicable law. All rights or remedies which may have accrued to the benefit of either Party (and any of this Agreement's provisions necessary for the exercise of such accrued rights or remedies) prior to the termination or expiration of this Agreement shall survive such termination or expiration. Furthermore, the provisions of Article 11, Article 12, Article 14, Article 19, Article 20, Article 21, Article 23, and Article 25 shall survive the termination or expiration of this Agreement.

25.8 Rights and Remedies

Except where this Agreement expressly provides to the contrary, the rights and remedies contained in this Agreement are cumulative and not exclusive of any rights and remedies provided by law.

25.9 Interpretation

(a) Headings. The topical headings used in this Agreement are for convenience only and shall not be construed as having any substantive significance or as indicating that all of the provisions of this Agreement relating to any topic are to be found in any particular Article or that an Article relates only to the topical heading.

(b) Singular and Plural. Reference to the singular includes a reference to the plural and vice versa.

(c) Gender. Reference to any gender includes a reference to all other genders.

(d) Article. Unless otherwise provided, reference to any Article, Section, Annex or Exhibit means an Article, Section, Annex or Exhibit of this Agreement. In addition, reference to a Clause means a reference to a Clause in Part One and reference to an Article or Section means a reference to an Article or Section of Part Two.

(e) Include. The words "**include**" and "**including**" shall mean include or including without limiting the generality of the description preceding such term and are used in an illustrative sense and not a limiting sense.

(f) Time Periods. References to "**day**," "**month**," "**quarter**" and "**year**" shall, unless otherwise stated or defined, mean a day, month, quarter and year of the Gregorian calendar, respectively. For the avoidance of doubt, a "**day**" shall commence at 24:00 midnight.

(g) Statutory References. Unless the context otherwise requires, any reference to a statutory provision is a reference to such provision as amended or re-enacted or as modified by other statutory provisions from time to time and includes subsequent legislation and regulations made under the relevant statute.

(h) Currency. References to United States dollars shall be a reference to the lawful currency from time to time of the United States of America.

25.10 Disclaimer of Agency

The rights, duties, obligations and liabilities of the Parties under this Agreement shall be individual, not joint or collective. It is not the intention of the Parties to create, nor shall this Agreement be deemed or construed to create, nor shall the Parties report for any purpose any transaction occurring pursuant to this Agreement as: (a) a partnership, joint venture or other association or a trust; nor (b) a lease or sales transaction with respect to any portion of the Sabine Pass Facility. This Agreement shall not be deemed or construed to authorize any Party to act as an agent, servant or employee for the other Party for any purpose whatsoever except as explicitly set forth in this Agreement. In their relations with each other under this Agreement, the Parties shall not be considered fiduciaries.

25.11 No Sovereign Immunity

Any Party that now or hereafter has a right to claim sovereign immunity for itself or any of its assets hereby waives any such immunity to the fullest extent permitted by the laws of any applicable jurisdiction. This waiver includes immunity from: (a) any expert determination or arbitration proceeding commenced or to be commenced pursuant to this Agreement; (b) any judicial, administrative or other proceedings to aid the expert

determination or arbitration commenced pursuant to this Agreement; and (c) any effort to confirm, enforce, or execute any decision, settlement, award, judgment, service of process, execution order or attachment (including pre-judgment attachment) that results from an expert determination, mediation, arbitration or any judicial or administrative proceedings commenced pursuant to this Agreement. Each Party acknowledges that its rights and obligations hereunder are of a commercial and not a governmental nature.

25.12 Severance of Invalid Provisions

If and for so long as any provision of this Agreement shall be deemed to be judged invalid for any reason whatsoever, such invalidity shall not affect the validity or operation of any other provision of this Agreement except only so far as shall be necessary to give effect to the construction of such invalidity, and any such invalid provision shall be deemed severed from this Agreement without affecting the validity of the balance of this Agreement.

25.13 Compliance with Laws

In performance of their respective obligations under this Agreement, each Party agrees to comply with all applicable laws, statutes, rules, regulations, judgments, decrees, injunctions, writs and orders, and all interpretations thereof, of all Governmental Authorities having jurisdiction over such Party.

25.14 Conflicts of Interest

SABINE shall avoid any conflict between its own interests and the interests of Customer in relation to obtaining LNG terminalling services from the Sabine Pass Facility. In this regard, SABINE shall not become one of the Other Customers during the Term hereof unless Customer has first consented in writing (such consent not to be unreasonably withheld or delayed) to such expanded business role by SABINE. In no event shall: (a) any of SABINE's joint venture partners or affiliated entities of any kind be restricted from becoming one of the Other Customers during the Term hereof; or (b) any partner, shareholder, member, or other equity owner of SABINE be restricted from becoming one of the Other Customers during the Term hereof. Except as provided above, the Parties and their Affiliates are free to engage or invest (directly or indirectly) in an unlimited number of activities or businesses, any one or more of which may be related to or in competition with the business activities contemplated under this Agreement, without having or incurring any obligation to offer any interest in such business activities to the other Party.

25.15 Expenses

Each Party shall be responsible for and bear all of its own costs and expenses incurred in connection with the preparation and negotiation of this Agreement.

25.16 Scope

This Agreement constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes and replaces any provisions on the same subject contained in any other agreement between the Parties, whether written or oral, prior to the date of the original execution hereof.

25.17 Counterpart Execution

This Agreement may be executed in any number of counterparts and each such counterpart shall be deemed an original Agreement for all purposes; provided that no Party shall be bound to this Agreement unless and until both Parties have executed a counterpart. For purposes of assembling all counterparts into one document, Customer is authorized to detach the signature page from one or more counterparts and, after signature thereof by the respective Party, attach each signed signature page to a counterpart.

25.18 Other Customer Rights Generally

(a) Additional Sabine Pass Facility Capabilities. In addition to its rights pursuant to Article 3 with respect to the Services (and without any additional charge or fee payable to SABINE whatsoever other than Retainage and Port Charges), Customer shall at all times while the Sabine Pass Facility is operational have the following exclusive rights:

(i) Excess Capability. The right to commercial use and enjoyment of all services (including LNG Vessel berthing and unloading, LNG receipt, LNG storage, LNG regasification, Gas redelivery, and all other related services (whether directly or indirectly)) to the maximum extent available on a given day from the Sabine Pass Facility ("**Excess Capability**"), such Excess Capability to be reasonably determined within facility limitations assuming operation thereof by SABINE as a Reasonable and Prudent Operator, including:

a. *Unsold Services*. Services that SABINE is not contractually obligated to make available to any Other Customer pursuant to the provisions of an Existing Customer Agreement; and

b. *Unutilized Services*. Services that an Other Customer elects (either expressly, implicitly or through inaction) not to use under its Existing Customer Agreement ("**Unutilized Services**").

For the avoidance of doubt, Customer's use of any Excess Capability shall be in addition and without prejudice to its rights to the Services;

(ii) LNG Segregation. The right to commercial use and enjoyment of the ability of the Sabine Pass Facility to segregate LNG receipts into specific LNG storage tanks and the ability of such facility to withdraw quantities of Gas from specific storage tanks for revaporization; and

(iii) Variable Pressure / Temperature. The right to commercial use and enjoyment of the ability of the Sabine Pass Facility to alter the pressure and temperature of Gas during regasification and/or Gas redelivery at the Delivery Point; and

(b) Additional LNG Storage. If requested by Customer, SABINE shall construct, or permit the construction of, an additional LNG storage tank with a working capacity of approximately one hundred sixty thousand (160,000) Cubic Meters of LNG for the benefit of Customer at the Sabine Pass Facility, promptly upon: (i) receipt by SABINE of all Approvals for such construction and operation; (ii) receipt by SABINE of any required Lender approvals; and (iii) SABINE obtaining financing for construction of such additional LNG storage tank reasonably acceptable in form and content to SABINE. Subject to (i), (ii) and (iii) above, SABINE shall cause completion of such additional LNG storage tank as soon as possible but no later than four (4) years after such Customer request.

25.19 Implementation of Other Customer Rights Under Section 25.18

(a) Modification of Associated Limitations Under this Agreement. In order to enable Customer to fully exercise its rights under Section 25.18, the Parties agree that the associated operational, scheduling, and commercial limitations which would otherwise apply to Customer's rights to Services are hereby deemed to not apply to Customer's rights under Section 25.18. Accordingly, any other provision of this Agreement notwithstanding, the following shall not apply to Customer's exercise, use and enjoyment of its rights under Section 25.18, provided that in no event shall the operation of this Section 25.19(a) have an unreasonable adverse impact on the operations of the Sabine Pass Facility:

(i) limitations on the right of Customer to: (a) schedule and unload quantities in excess of the Maximum LNG Reception Quantity; or (b) nominate and receive Gas at rates in excess of the Maximum Gas Redelivery Rate or at rates less than Minimum Gas Redelivery Rate; and

(ii) obligations of Customer to provide operational notices, if the giving of such operational notices would be impractical or impossible under the circumstances.

(b) No Adverse Effects on Customer's Rights. The Parties hereto acknowledge and agree that SABINE has conveyed and granted to Customer all remaining Services and other capacity rights available at the Sabine Pass Facility over and above those conveyed and granted under the Total TUA and Chevron TUA. SABINE hereby covenants and agrees that it will not, without the prior written approval of Customer, (i) enter into any agreement with any other Person if such agreement or amendment would have an unreasonable adverse impact on Customer's rights hereunder; or (ii) market additional services (including LNG Vessel berthing and unloading, LNG receipt, LNG storage, LNG regasification, Gas redelivery, and related services) to any other Person.

(c) Cooperation. Subject to at all times SABINE being responsible for the operation of the Sabine Pass Facility, the Parties shall cooperate closely with regard to the

information requirements necessary for SABINE and Customer to determine the quantities and extent of Excess Capability, both on a current and prospective basis. In this regard, SABINE shall provide to Customer all relevant non-confidential information at a frequency reasonably requested by Customer, with such frequency to include real-time information.

(d) No Breach of Existing Customer Agreements. For the avoidance of doubt, the Parties confirm that, in interpreting and implementing the provisions of Section 25.18 and this Section 25.19, in no event shall SABINE be obligated to provide services to Customer or take any other action which would cause SABINE to breach its contractual obligations under the Existing Customer Agreements.

ANNEX I

MEASUREMENTS AND TESTS FOR LNG AT RECEIPT POINT

1. Parties to Supply Devices

a) General. Unless otherwise agreed, Customer and SABINE shall supply equipment and conform to procedures that are in accordance with the latest appropriate International Organization for Standards ("**ISO**") documents.

b) Customer Devices. Customer or Customer's agent shall supply, operate and maintain, or cause to be supplied, operated and maintained, suitable gauging devices for the liquid level in LNG tanks of the LNG Vessels, pressure and temperature measuring devices, and any other measurement or testing devices which are incorporated in the structure of LNG vessels or customarily maintained on board ship.

c) SABINE Devices. SABINE shall supply, operate and maintain, or cause to be supplied, operated and maintained, devices required for collecting samples and for determining quality and composition of the LNG and any other measurement or testing devices which are necessary to perform the measurement and testing required hereunder at the Sabine Pass Facility.

d) Dispute. Any Dispute arising under this Annex I shall be submitted to an Expert under Section 20.2.

2. Selection of Devices

All devices provided for in this Annex I shall be approved by SABINE, acting as a Reasonable and Prudent Operator. The required degree of accuracy (which shall in any case be within the permissible tolerances defined herein and in the applicable standards referenced herein) of such devices selected shall be mutually agreed upon by Customer and SABINE. In advance of the use of any device, the Party providing such device shall cause tests to be carried out to verify that such device has the required degree of accuracy.

3. Verification of Accuracy and Correction for Error

a) Accuracy. Accuracy of devices used shall be tested and verified at the request of either Party, including the request by a Party to verify accuracy of its own devices. Each Party shall have the right to inspect at any time the measurement devices installed by the other Party, provided that the other Party is notified in advance. Testing shall be performed only when both Parties are represented, or have received adequate advance notice thereof, using methods recommended by the manufacturer or any other method agreed to by SABINE and Customer. At the request of any Party hereto, any test shall be witnessed and verified by an independent surveyor mutually agreed upon by Customer and SABINE.

Permissible tolerances shall be as defined herein or as defined in the applicable standards referenced herein.

b) Inaccuracy. Inaccuracy of a device exceeding the permissible tolerances shall require correction of previous recordings, and computations made on the basis of those recordings, to zero error with respect to any period which is definitely known or agreed upon by the Parties as well as adjustment of the device. All invoices issued during such period shall be amended accordingly to reflect such correction, and an adjustment in payment shall be made between Customer and SABINE. If the period of error is neither known nor agreed upon, and there is no evidence as to the duration of such period of error, corrections shall be made and invoices amended for each receipt of LNG made during the last half of the period since the date of the most recent calibration of the inaccurate device. However, the provisions of this Paragraph 3 shall not be applied to require the modification of any invoice that has become final pursuant to Section 11.7.

c) Costs and Expenses of Test Verification. All costs and expenses for testing and verifying SABINE's measurement devices shall be borne by SABINE, and all costs and expenses for testing and verifying Customer's measurement devices shall be borne by Customer. The fees and charges of independent surveyors for measurements and calculations shall be borne directly by Customer.

4. Tank Gauge Tables of LNG Vessels

a) Initial Calibration. Customer shall arrange or caused to be arranged, for each tank of each LNG Vessel, a calibration of volume against tank level. Customer shall provide SABINE or its designee, or cause SABINE or its designee to be provided, with a certified copy of tank gauge tables for each tank of each LNG Vessel verified by a competent impartial authority or authorities mutually agreed upon by the Parties. Such tables shall include correction tables for list, trim, tank contraction and any other items requiring such tables for accuracy of gauging.

Tank gauge tables prepared pursuant to the above shall indicate volumes in cubic meters expressed to the nearest thousandth (1/1000), with LNG tank depths expressed in meters to the nearest hundredth (1/100).

b) Presence of Representatives. SABINE and Customer shall each have the right to have representatives present at the time each LNG tank on each LNG Vessel is volumetrically calibrated.

c) Recalibration. If the LNG tanks of any LNG Vessel suffer distortion of such nature as to create a reasonable doubt regarding the validity of the tank gauge tables described herein (or any subsequent calibration provided for herein), Customer or Customer's agent shall recalibrate the damaged tanks, and the vessel shall not be employed as an LNG Vessel hereunder until appropriate corrections are made. If mutually agreed between Customer and SABINE representatives, recalibration of damaged tanks can be deferred until the next time when such

damaged tanks are warmed for any reason, and any corrections to the prior tank gauge tables will be made from the time the distortion occurred. If the time of the distortion cannot be ascertained, the Parties shall mutually agree on the time period for retrospective adjustments.

5. Units of Measurement and Calibration

The Parties shall co-operate in the design, selection and acquisition of devices to be used for measurements and tests in order that all measurements and tests may be conducted in the SI system of units, except for the quantity delivered which is expressed in MMBTU, the Gross Heating Value (Volume Based) which is expressed in BTU/SCF and the pressure which is expressed in millibar and temperature in Celsius. In the event that it becomes necessary to make measurements and tests using a new system of units of measurements, the Parties shall establish agreed upon conversion tables.

6. Accuracy of Measurement

All measuring equipment must be maintained, calibrated and tested in accordance with the manufacturer's recommendations. In the absence of a manufacturer's recommendation, the minimum frequency of calibration shall be one hundred eighty (180) days, unless otherwise mutually agreed between the Parties. Documentation of all tests and calibrations will be made available by the Party performing the same to the other Party. Acceptable accuracy and performance tolerances shall be:

a) Liquid Level Gauging Devices.

Each LNG tank of the LNG Vessel shall be equipped with primary and secondary liquid level gauging devices as per Paragraph 7(b) of this Annex I.

The measurement accuracy of the primary gauging devices shall be plus or minus seven point five (± 7.5) millimeters and the secondary liquid level gauging devices shall be plus or minus ten (± 10) millimeters.

The liquid level in each LNG tank shall be logged or printed.

b) Temperature Gauging Devices.

The temperature of the LNG and of the vapor space in each LNG tank shall be measured by means of a number of properly located temperature measuring devices sufficient to permit the determination of average temperature.

The measurement accuracy of the temperature gauging devices shall be as follows:

(i) in the temperature range of minus one hundred sixty five to minus one hundred forty degree Celsius (-165C to -140°C), the accuracy shall be plus or minus zero point two degree Celsius (± 0.2 °C);

(ii) in the temperature range of minus one hundred forty to plus forty degree Celsius (-140C to +40 °C), the accuracy shall be plus or minus one point five degree Celsius (± 1.5 °C).

The temperature in each LNG tank shall be logged or printed.

c) Pressure Gauging Devices.

Each LNG tank of the LNG Vessel shall have one (1) absolute pressure gauging device.

The measurement accuracy of the pressure gauging device shall be plus or minus one percent (± 1%) of the measuring range.

The pressure in each LNG tank shall be logged or printed.

d) List and Trim Gauging Devices.

A list gauging device and a trim gauging device shall be installed. These shall be interfaced with the custody transfer system.

The measurement accuracy of the list and the trim gauging devices shall be better than plus or minus zero point zero five (±0.05) degrees for list and plus or minus zero point zero one (± 0.01) degrees for trim.

7. Gauging and Measuring LNG Volumes Delivered

a) Gauge Tables. Upon SABINE's representative and the independent surveyor, if present, arriving on board the LNG Vessel prior to the commencement of or during unloading, Customer or Customer's representative shall make available to them a certified copy of tank gauge tables for each tank of the LNG Vessel.

b) Gauges. Volumes of LNG delivered pursuant to this Agreement shall be determined by gauging the LNG in the tanks of the LNG Vessels before and after unloading. Each LNG Vessel's tank shall be equipped with a minimum of two (2) sets of level gauges, each set utilizing a different measurement principle. Comparison of the two (2) systems, designated as Primary and Secondary Measurement Systems, shall be performed from time to time to ensure compliance with the acceptable performance tolerances stated herein.

c) Gauging Process. Gauging the liquid in the tanks of the LNG Vessels and measuring of liquid temperature, vapor temperature and vapor pressure in each LNG tank, trim and list of the LNG Vessels, and atmospheric pressure shall be performed, or caused to be performed, by Customer before and after unloading. SABINE's representative shall have the right to be present while all measurements are performed and shall verify the accuracy and acceptability of all such measurements. The first gauging and measurements shall be made immediately before the commencement of unloading. The second gauging and

measurements shall take place immediately after the completion of unloading. The liquid level in the LNG Vessel before and after the unloading shall be determined by at least two (2) separate tank gaugings to be conducted at least fifteen (15) minutes apart.

d) Records. Copies of gauging and measurement records shall be furnished to SABINE immediately upon completion of unloading.

e) Gauging Liquid Level of LNG. The level of the LNG in each LNG tank of the LNG Vessel shall be gauged by means of the primary gauging device installed in the LNG Vessel for that purpose. The level of the LNG in each tank shall be logged or printed.

Measurement of the liquid level in each LNG tank of the LNG Ship shall be made to the nearest millimeter by using the primary liquid level gauging devices. Should the primary devices fail, the secondary device shall be used.

Five (5) readings shall be made following manufacturer’s recommendations on reading interval. The arithmetic average of the readings rounded to the nearest millimeter using one (1) decimal place shall be deemed the liquid level.

f) Determination of Temperature. The temperature of the LNG and of the vapor space in each LNG tank shall be measured by means of a sufficient number of properly located temperature measuring devices to permit the determination of average temperature. Temperatures shall be measured at the same time as the liquid level measurements and shall be logged or printed.

In order to determine the temperature of liquid and vapor respectively in the LNG Vessel one (1) reading shall be taken at each temperature gauging device in each LNG tank. An arithmetic average of such readings rounded to the nearest zero point one degree Celsius (0.1 °C) using two (2) decimal places with respect to vapor and liquid in all LNG tanks shall be deemed the final temperature of the vapor and liquid respectively.

Customer shall cause each cargo tank in the LNG Vessel to be provided with a minimum of five (5) temperature measuring devices. One such measuring device shall be located in the vapor space at the top of each cargo tank, one near the bottom of each cargo tank and the remainder distributed at appropriate intervals from the top to the bottom of the cargo tank. These devices shall be used to determine the average temperatures of the liquid cargo and the vapor in the cargo tank.

The average temperature of the vapor in an LNG Vessel shall be determined immediately before unloading by means of the temperature measuring devices specified above at the same time as when the liquid level is measured. The temperature measuring devices shall be fully surrounded by the vapor. This determination shall be made by taking the temperature readings of the temperature measuring devices in question to the nearest zero point zero one

degrees Celsius (0.01°C), and if more than one of the devices are fully surrounded by the vapor, by averaging those readings, and rounding to one (1) decimal place.

g) Determination of Pressure. The pressure of the vapor in each LNG tank shall be determined by means of pressure measuring devices installed in each LNG tank of the LNG Vessels. The atmospheric pressure shall be determined by readings from the standard barometer installed in the LNG Vessels. Pressures shall be measured at the same time as the liquid level measurements, and shall be logged or printed.

Customer shall cause the LNG Vessel to be provided with pressure measuring equipment capable of determining the absolute pressure of the vapor in each cargo tank with an accuracy equal to or better than plus or minus one percent (± 1%) of the measuring range.

The pressure of the vapor in an LNG Vessel shall be determined immediately before unloading at the same time as when the liquid level is measured.

Such determination shall be made by taking the pressure readings of the pressure measuring devices to the nearest millibar, then averaging these readings and rounding to a whole millibar.

h) Determination of Density. The LNG density shall be calculated using the method described within ISO 6976-2000, Calculation of calorific values, density, relative density and Wobbe Index from composition. This method shall be updated to conform to any official published revision of that document. Should any improved data, method of calculation or direct measurement device become available which is acceptable to both Customer and SABINE, such improved data, method or device shall then be used. If density is determined by measurements, the results shall be measured at the same time as the liquid level measurements and shall be logged or printed.

8. Samples for Quality Analysis

a) General. Flow proportional representative liquid samples shall be collected from an appropriate point located as close as practical to the unloading line starting two (2) hours after the beginning of transfer and ending two (2) hours before the end of transfer. Samples taken when biphasic or overheated LNG is suspected to be in the main transfer line will be disregarded. These incremental samples will be passed through a vaporizer, and samples of the vaporized liquid will be analyzed. The resulting analyses, which are proportional to time, will be mathematically flow rate weighted to yield an analysis that is representative of the unloaded Cargo. This flow rate weighted analysis shall be used for all appropriate calculations associated with the delivered Cargo. Should the automatic sampling system fail during the unloading, manual samples shall be collected and analyzed for accounting purposes.

b) Manual Samples. Prior to the end of the unloading cycle, two (2) spot samples shall be collected from the vaporizer. 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 and then distributed to Customer and SABINE. SABINE shall retain one (1) sample for a period of thirty (30) days, unless the analysis is in dispute. If the analysis is in dispute, the sample will be retained until the dispute is resolved.

Sampling and analysis methods and procedures that differ from the above may be employed with the mutual agreement of the Parties.

9. Quality Analysis

a) Certification and Deviation. Chromatograph calibration gasses shall be provided and their composition certified by an independent third party. From time to time, deviation checks shall be performed to verify the accuracy of the gas composition mole percentages and resulting calculated physical properties. Analyses of a sample of test gas of known composition resulting when procedures that are in accordance with the above mentioned standards have been applied will be considered as acceptable if the resulting calculated gross real heating value is within plus or minus zero point three percent (± 0. 3%) of the known gross real heating value of the test gas sample. If the deviation exceeds the tolerance stated, the gross real heating value, relative density and compressibility previously calculated will be corrected immediately. Previous analyses will be corrected to the point where the error occurred, if this can be positively identified to the satisfaction of both Parties. Otherwise it shall be assumed that the drift has been linear since the last recalibration and correction shall be based on this assumption.

b) GPA Standard 2261. All samples shall be analyzed by SABINE to determine the molar fraction of the hydrocarbon and other components in the sample by gas chromatography using a mutually agreed method in accordance with GPA Standard 2261 - Method of Analysis for Gas and Similar Gaseous Mixtures by Gas Chromatography, current as of January 1, 1990 and as periodically updated or as otherwise mutually agreed by the Parties. If better standards for analysis are subsequently adopted by GPA or other recognized competent impartial authority, upon mutual agreement of Customer and SABINE, they shall be substituted for the standard then in use, but such substitution shall not take place retroactively. A calibration of the chromatograph or other analytical instrument used shall be performed by SABINE immediately prior to the analysis of the sample of LNG delivered. SABINE shall give advance notice to Customer of the time SABINE intends to conduct a calibration thereof, and Customer shall have the right to have a representative present at each such calibration; provided, however, SABINE will not be obligated to defer or reschedule any calibration in order to permit the representative of Customer to be present.

c) GPA Standard 2377 and 2265. SABINE shall determine the presence of Hydrogen Sulfide (H_2S) by use of GPA Standard 2377 - Test of Hydrogen Sulfide and Carbon Dioxide in Gas Using Length of Stain Tubes. If necessary, the concentration of H_2S and total sulfur will be determined using one or more of the following methods as is appropriate: gas chromatography, Gas Processors Standard 2265 - Standard for Determination of Hydrogen Sulfide and Mercaptan Sulfur in Gas (Cadmium Sulfate - Iodometric Titration Method) or any other method that is mutually acceptable.

10. Operating Procedures

a) Notice. Prior to conducting operations for measurement, gauging, sampling and analysis provided in this Annex I, the Party responsible for such operations shall notify the appropriate representatives of the other Party, allowing such representatives reasonable opportunity to be present for all operations and computations; provided that the absence of the other Party's representative after notification and opportunity to attend shall not prevent any operations and computations from being performed.

b) Independent Surveyor. At the request of either Party any measurement, gauging, sampling and analysis shall be witnessed and verified by an independent surveyor mutually agreed upon by Customer and SABINE. The results of such surveyor's verifications shall be made available promptly to each Party.

c) Preservation of Records. All records of measurement and the computed results shall be preserved by the Party responsible for taking the same, or causing the same to be taken, and made available to the other Party for a period of not less than three (3) years after such measurement and computation.

11. Quantities Delivered

a) Calculation of MMBTU Quantities. The quantity of MMBTU delivered shall be calculated by SABINE and verified by Customer. Either Party may, at its own expense, require the measurements and calculations and/or their verification by an independent surveyor, mutually agreed upon by the Parties. Consent to an independent surveyor proposed by a Party shall not be unreasonably withheld by the other Party.

b) Determination of Gross Real Heating Value. All component values shall be in accordance with the latest revision of ISO 6579 and the latest revision of the reference standards therein.

c) Determination of Volume of LNG Unloaded.

(i) The LNG volume in the tanks of the LNG Vessel before and after unloading (valves have to be closed) shall be determined by gauging on the basis of the tank gauge tables provided for in Paragraph 6. The volume of LNG remaining in the tanks after unloading of the LNG Vessel

shall be subtracted from the volume before unloading and the resulting volume shall be taken as the volume of the LNG delivered from the LNG Vessel.

The volume of LNG stated in cubic meters to the nearest zero point zero zero one (0.001) cubic meter, shall be determined by using the tank gauge tables and by applying the volume corrections set forth therein.

(ii) Gas returned to the LNG Vessel during unloading shall not be deemed to be volume unloaded for Customer's account.

(iii) If failure of the primary gauging and measuring devices of an LNG Vessel should make it impossible to determine the LNG volume, the volume of LNG unloaded shall be determined by gauging the liquid level using the secondary gauging and measurement devices. If an LNG Vessel is not so equipped, the volume of LNG delivered shall be determined by gauging the liquid level in SABINE's onshore LNG storage tanks immediately before and after unloading the LNG Vessel, and such volume shall have added to it an estimated LNG volume, agreed upon by the Parties, for boil-off from such tanks during the unloading of such LNG Vessel and have added to it the volume of any LNG that has been pumped from the LNG Vessel's tanks during unloading. SABINE shall provide Customer, or cause Customer to be provided with, a certified copy of tank gauge tables for each onshore LNG tank which is to be used for this purpose, such tables to be verified by a competent impartial authority.

12. <u>Calculations</u>

The calculation procedures contained in this Section are generally in accordance with the Institute of Petroleum Measurement Manual, Part XII, the Static Measurement of Refrigerated Hydrocarbon Liquids, Section 1, IP 251/76.

d = density of LNG unloaded at the prevailing composition and temperature Tl in kg/m3, rounded to two (2) decimal places, calculated according to the method specified in Paragraph 12.1 of this Annex I.

Hi = gross heating value (mass based) of component "i" in MJ/kg, in accordance with Paragraph 12.6.1 of this Annex I.

Hm = gross heating value (mass based) of the LNG unloaded in MJ/kg, calculated in accordance with the method specified in Paragraph 12.3 of this Annex I, rounded to four (4) decimal places.

Hv = gross heating value (volume based) of the LNG unloaded in BTU/SCF, calculated in accordance with the method specified in Paragraph 12.5 of this Annex I.

K1 = volume correction in m3/kmol, at temperature Tl, obtained by linear interpolation from Paragraph 12.6.3 of this Annex I, rounded to six (6) decimal places.

K2	=	volume correction in m3/kmol, at temperature Tl obtained by linear interpolation from Paragraph 12.6.4 of this Annex I, rounded to six (6) decimal places.
Mi	=	molecular mass of component "i" in kg/kmol, in accordance with Paragraph 12.6.1 of this Annex I.
P	=	average absolute pressure of vapor in an LNG Vessel immediately before unloading, in millibars, rounded to a whole millibar.
Q	=	number of MMBTU contained in the LNG delivered, rounded to the nearest ten (10) MMBTU.
T1	=	average temperature of the liquid cargo in the LNG Vessel immediately after unloading, in degrees Celsius, rounded to one (1) decimal place.
Tv	=	average temperature of the vapor in an LNG Vessel immediately before unloading, in degrees Celsius, rounded to one (1) decimal place.
V	=	the volume of the liquid cargo unloaded, in cubic meters, rounded to three (3) decimal places.
Vh	=	the volume of the liquid cargo in an LNG Vessel immediately after unloading, in cubic meters, rounded to three (3) decimal places.
Vb	=	the volume of the liquid cargo in an LNG Vessel immediately before unloading, in cubic meters, rounded to three (3) decimal places.
Vi	=	molar volume of component "i" at temperature Tl, in m3/kmol, obtained by linear interpolation from Paragraph 12.6.2 of this Annex I, rounded to six (6) decimal places.
Xi	=	molar fraction of component "i" of the LNG samples taken from the receiving line, rounded to four (4) decimal places, determined by gas chromatographic analysis.
Xm	=	the value of Xi for methane.
Xn	=	the value of Xi for nitrogen.

12.1 Density Calculation Formula

The density of the LNG unloaded which is used in the MMBTU calculation in 12.4 of this Annex I shall be calculated from the following formula derived from the revised Klosek-McKinley method:

$$d = \frac{\sum(Xi \times Mi)}{\sum(Xi \times Vi) - \left[K1 + \frac{(K2 - K1) \times Xn}{0.0425}\right] \times Xm}$$

In the application of the above formula, no intermediate rounding shall be made if the accuracy of "d" is thereby affected.

12.2 Calculation of Volume Delivered

The volume, in cubic meters, of each LNG cargo unloaded shall be calculated by using the following formula:

$$V = Vb - Vh$$

12.3 Calculation of Gross Heating Value (Mass Based)

The gross heating value (mass based), in MJ/kg, of each LNG cargo unloaded shall be calculated by using the following formula:

$$Hm = \frac{\sum(Xi \times Mi \times Hi)}{\sum(Xi \times Mi)}$$

12.4 MMBTU Calculation of the Quantity of LNG Unloaded

The number of MMBTU contained in the LNG unloaded shall be calculated using the following formula:

$$Q = \frac{1}{1055.12} \times \{ (V \times d \times Hm) - ((V \times \frac{288.15}{273.15 + Tv} \times \frac{P}{1013.25} \times 37.7) \}$$

The derivation of the conversion factor 1/1055.12 in the formula in this Paragraph for the conversion of MJ into MMBTU is obtained from GPA-2145:1994 and IP-251:1976 as follows:

(a) *q(T,P)* means the gross heating value (measured at temperature T and pressure P), contained in a given quantity of gas;

(b) q(60°F, 14.696 psia) in MJ = 1/1.00006 x q(15°C, 1013.25 millibar) in MJ;

(c) 1 MMBTU corresponds to 1055.06 MJ;

(d) q(60°F, 14.696 psia) in MMBTU = 1/1055.06 x q(60°F, 14.696 psia) in MJ; and

(e) Combining (b) and (d) above yields:

q(60°F, 14.696 psia) in MMBTU = 1/1055.12 x q(15°C, 1013.25 millibar) in MJ.

Hence the number of MJ derived shall be divided by 1055.12 to obtain the number of MMBTU for invoicing purposes.

12.5 Calculation of Gross Heating Value (Volume Based)

The calculation of the Gross Heating Value (Volume Based) in BTU/SCF shall be derived from the same compositional analysis as is used for the purposes of calculating the Gross Heating Value (Mass Based) *Hm* and the following formula shall apply:

$$Hv = 1.13285 \times \sum (Xi \times Mi \times Hi)$$

The derivation of the conversion factor 1.13285 for the conversion of MJ/kmol into BTU/SCF is obtained as follows:

(a) molar gross heating value = S *(Xi* x *Mi* x *Hi)* MJ/kmol;

(b) 1 kmol = 2.20462 lbmol;

(c) 1 lbmol = 379.482 SCF;

(d) hence 1 kmol = 836.614 SCF; and

(e) *Hv* = 1,000,000/ (1055.12 x 836.614) x S *(Xi* x *Mi* x *Hi)* BTU/SCF; or

Hv = 1.13285 x S (*Xi* x *Mi* x *Hi*) BTU/SCF,

12.6 Data

(a) Values of *Hi* and *Mi*

Component	*Hi* (in MJ/kg)	*Mi* (in kg/kmol)
Methane	55.575	16.043
Ethane	51.950	30.070
Propane	50.368	44.097
Iso-Butane	49.388	58.123
N-Butane	49.546	58.123
Iso-Pentane	48.949	72.150
N-Pentane	49.045	72.150
N-Hexane	48.716	86.177
Nitrogen	0	28.013
Carbon Dioxide	0	44.010
Oxygen	0	31.999

Source: GPA Publication 2145 Sl-96: "Physical Constants of Paraffin Hydrocarbons and other components of natural gas".

(b) Values of *Vi* (cubic meter/kmol)

Temperature	-150°C	-154°C	-158°C	-160°C	-162°C	-166°C	-170°C
Methane	0.039579	0.038983	0.038419	0.038148	0.037884	0.037375	0.036890
Ethane	0.048805	0.048455	0.048111	0.047942	0.047774	0.047442	0.047116
Propane	0.063417	0.063045	0.062678	0.062497	0.062316	0.061957	0.061602
Iso-Butane	0.079374	0.078962	0.078554	0.078352	0.078151	0.077751	0.077356
N-Butane	0.077847	0.077456	0.077068	0.076876	0.076684	0.076303	0.075926
Iso-Pentane	0.092817	0.092377	0.091939	0.091721	0.091504	0.091071	0.090641
N-Pentane	0.092643	0.092217	0.091794	0.091583	0.091373	0.090953	0.090535
N-Hexane	0.106020	0.105570	0.105122	0.104899	0.104677	0.104236	0.103800
Nitrogen	0.055877	0.051921	0.048488	0.046995	0.045702	0.043543	0.041779
Carbon Diox	0.027950	0.027650	0.027300	0.027200	0.027000	0.026700	0.026400
Oxygen	0.03367	0.03275	0.03191	0.03151	0.03115	0.03045	0.02980

Source: National Bureau of Standards Interagency Report 77-867, Institute of Petroleum IP251/76 for Oxygen.
Note: For intermediate values of temperature and molecular mass a linear interpolation shall be applied

(c) Values of Volume Correction Factor, *K1* (cubic meter/kmol)

Molecular Mass of Mixture	-150°C	-154°C	-158°C	-160°C	-162°C	-166°C	-170°C
16.0	-0.000012	-0.000010	-0.000009	-0.000009	-0.000008	-0.000007	-0.000007
16.5	0.000135	0.000118	0.000106	0.000100	0.000094	0.000086	0.000078
17.0	0.000282	0.000245	0.000221	0.000209	0.000197	0.000179	0.000163
17.2	0.000337	0.000293	0.000261	0.000248	0.000235	0.000214	0.000195
17.4	0.000392	0.000342	0.000301	0.000287	0.000274	0.000250	0.000228
17.6	0.000447	0.000390	0.000342	0.000327	0.000312	0.000286	0.000260
17.8	0.000502	0.000438	0.000382	0.000366	0.000351	0.000321	0.000293
18.0	0.000557	0.000486	0.000422	0.000405	0.000389	0.000357	0.000325
18.2	0.000597	0.000526	0.000460	0.000441	0.000423	0.000385	0.000349
18.4	0.000637	0.000566	0.000499	0.000477	0.000456	0.000412	0.000373
18.6	0.000677	0.000605	0.000537	0.000513	0.000489	0.000440	0.000397
18.8	0.000717	0.000645	0.000575	0.000548	0.000523	0.000467	0.000421
19.0	0.000757	0.000685	0.000613	0.000584	0.000556	0.000494	0.000445
19.2	0.000800	0.000724	0.000649	0.000619	0.000589	0.000526	0.000474
19.4	0.000844	0.000763	0.000685	0.000653	0.000622	0.000558	0.000503
19.6	0.000888	0.000803	0.000721	0.000688	0.000655	0.000590	0.000532
19.8	0.000932	0.000842	0.000757	0.000722	0.000688	0.000622	0.000561
20.0	0.000976	0.000881	0.000793	0.000757	0.000721	0.000654	0.000590
25.0	0.001782	0.001619	0.001475	0.001407	0.001339	0.001220	0.001116
30.0	0.002238	0.002043	0.001867	0.001790	0.001714	0.001567	0.001435

Source: National Bureau of Standards Interagency Report 77-867.

Note 1: Molecular mass of mixture equals S (*Xi* x *Mi*).

Note 2: For intermediate values of temperature and molecular mass a linear interpolation shall be applied.

(d) Values of Volume Correction Factor, *K2* (cubic meter/kmol)

Molecular Mass of Mixture	-150°C	-154°C	-158°C	-160°C	-162°C	-166°C	-170°C
16.0	-0.000039	-0.000031	-0.000024	-0.000021	-0.000017	-0.000012	-0.000009
16.5	0.000315	0.000269	0.000196	0.000178	0.000162	0.000131	0.000101
17.0	0.000669	0.000568	0.000416	0.000377	0.000341	0.000274	0.000210
17.2	0.000745	0.000630	0.000478	0.000436	0.000397	0.000318	0.000246
17.4	0.000821	0.000692	0.000540	0.000495	0.000452	0.000362	0.000282
17.6	0.000897	0.000754	0.000602	0.000554	0.000508	0.000406	0.000318
17.8	0.000973	0.000816	0.000664	0.000613	0.000564	0.000449	0.000354
18.0	0.001049	0.000878	0.000726	0.000672	0.000620	0.000493	0.000390
18.2	0.001116	0.000939	0.000772	0.000714	0.000658	0.000530	0.000425
18.4	0.001184	0.001000	0.000819	0.000756	0.000696	0.000567	0.000460
18.6	0.001252	0.001061	0.000865	0.000799	0.000735	0.000605	0.000496
18.8	0.001320	0.001121	0.000912	0.000841	0.000773	0.000642	0.000531
19.0	0.001388	0.001182	0.000958	0.000883	0.000811	0.000679	0.000566
19.2	0.001434	0.001222	0.000998	0.000920	0.000844	0.000708	0.000594
19.4	0.001480	0.001262	0.001038	0.000956	0.000876	0.000737	0.000623
19.6	0.001526	0.001302	0.001078	0.000992	0.000908	0.000765	0.000652
19.8	0.001573	0.001342	0.001118	0.001029	0.000941	0.000794	0.000681
20.0	0.001619	0.001382	0.001158	0.001065	0.000973	0.000823	0.000709
25.0	0.002734	0.002374	0.002014	0.001893	0.001777	0.001562	0.001383
30.0	0.003723	0.003230	0.002806	0.002631	0.002459	0.002172	0.001934

Source: National Bureau of Standards Interagency Report 77-867.

Note 1: Molecular mass of mixture equals S (*Xi* x *Mi*).

Note 2: For intermediate values of temperature and molecular mass a linear interpolation shall be applied.

ANNEX II

MEASUREMENTS AND TESTS FOR GAS AT DELIVERY POINT

1. Applicability. The measurement procedures in this Annex II shall apply to the measurement of quantities (volume, energy) Gas delivered by SABINE for Customer's Account at the Delivery Point.

2. Unit of Measurement. All Gas delivered at the Delivery Point shall be measured in MMBTU.

3. Metering.

   (a) Metering Equipment. SABINE shall supply, operate and maintain (or cause to be supplied, operated and maintained at or near the Delivery Point) the following:

      (i) meters with redundancy and other equipment as is necessary to accurately measure the volume of Gas delivered at the Delivery Point hereunder;

      (ii) devices for collecting samples and for determining the quality and composition of Gas delivered at the Delivery Point hereunder; and

      (iii) and any other measurement or testing devices which are necessary to perform the measurement and testing required hereunder at the Delivery Point.

   (collectively, the "**Downstream Metering Equipment**"). The Downstream Metering Equipment shall be designed and installed in accordance with the current recommendations of the American Gas Association, Report No. 3 and 9 for Ultrasonic Metering.

   (b) General. A pressure transmitter shall be installed on each meter tube to measure the static pressure at the plane of the upstream differential pressure tapping. The temperature of the flowing Gas shall be measured on each meter tube by a platinum resistance thermometer installed in a thermowell so that the probe tip is in the center one-third of the pipe. Each meter run shall be provided with a dedicated microprocessor-based flow computer system powered by an appropriate back-up power supply.

   (c) Measuring and Density Standards. Gas shall be measured by ultrasonic meters. Ultrasonic meters shall be constructed and operated, Gas shall be measured, and properties shall be determined in accordance with American Gas Association, Report No. 9 and any subsequent modification and amendment thereof. The compressibility and density shall be calculated in accordance with the latest revision of the American Gas Association, Report No. 9. Metering equipment shall include the use of flow conditioners, straightening vanes, and pulsation dampening devices where necessary. Meter tubes shall be of a design

incorporating suitable access for periodic internal inspection, including access for internal inspection of the upstream side of the flow conditioner. Electronic gas measurement with a continuous readout of pressure, temperature, and Gas flow rate shall be used. All computations shall be made as prescribed in the above cited standard.

(d) Ultrasonic Metering Standard. All ultrasonic metering shall comply with the American Gas Association, Report No. 9 and any subsequent modification and amendment thereof.

4. Determination of Gross Heating Value.

(a) GPA 2261 and 2145. The heating value of the Gas delivered by SABINE at the Delivery Point shall be determined by gas chromatograph. The composition of the Gas shall be continuously measured by on-line chromatographs. The Gross Heating Value of the Gas shall be calculated using results from the on-line chromatograph. The chromatographs will analyze all hydrocarbon components, up to and including at least the Nonanes+ group, and inerts having a concentration of greater than zero point zero zero two mole percent (0.002%). The determination of Gas composition shall be in accordance with the GPA Standard 2261 – Analysis for Natural Gas and Similar Gaseous Mixtures by Gas Chromatography. All physical properties used in quality and quantity calculations shall be based on these compositional analyses and the component values published in GPA 2145, or the latest revision thereof. Water vapor content shall be included in the component analyses. The sample analysis cycle time shall be less than six (6) minutes. The maximum response time from sample probe to analyzer shall be four (4) minutes. In the event of failure of the on-line Gas chromatograph, chromatograph analysis of samples collected proportional to the flow through the meters shall be used. Auto-calibration of the Gas chromatograph shall be conducted on a weekly basis or as otherwise mutually agreed by the Parties.

(b) GPA 2145. Back-up composite samples of the flowing Gas shall be obtained weekly to be used for relative density (specific gravity), Gross Heating Value, and compressibility factors in case of electronic failure. Composite sampling of the flowing stream shall be by use of a mutually agreeable continuous sampler, designed and installed to sample proportionally to the flow rate. The end point of each composite sample chromatographic analysis shall be the Nonane+ fraction, and values for this fraction shall be based on the C9 value in the latest revision of GPA Standard 2145 – Table of Physical Constants of Paraffin Hydrocarbons and Other Components of Natural Gas. All component values shall be in accordance with such standard.

(c) Quarterly Deviation Checks. Monthly gas chromatograph deviation checks shall be made on Gas composition mole percentages and resulting Gross Heating Value. Analyses of a sample of test Gas of known composition resulting when procedures that are in accordance with the above mentioned standards have been

applied will be considered as acceptable if the resulting calculated Gross Heating Value is within plus or minus five (5) BTU per Standard Cubic Foot of the known Gross Heating Value. If the deviation exceeds the tolerance stated, Gross Heating Value, relative density, and compressibility previously calculated will be corrected immediately. Previous analyses will be corrected to the point where the error occurred. If the point that the error occurred cannot be determined, previous analyses will be corrected for one-half the period since the last verification test, not to exceed a correction period of six (6) months.

(d) Corrections for Water Content. The heating value on a dry basis for Gas containing water shall be corrected in accordance with standards followed by the American Gas Association. Moisture content of flowing Gas shall be determined as often as found necessary in real practice by use of a mutually acceptable calculation or test instrument, which could include a Meco Moisture Analyzer.

5. Operating Procedures

(a) Notice. Prior to conducting operations for measurement, calibration, sampling and analysis provided in Annex II, the Party responsible for such operations shall notify the appropriate representatives of the other Party, allowing such representatives reasonable opportunity to be present for all operations and computations; provided that the absence of the other Party's representative after notification and opportunity to attend shall not prevent any operations and computations from being performed.

(b) Independent Surveyor. At the request of either Party any measurement, calibration, sampling and analysis shall be witnessed and verified by an independent surveyor mutually agreed upon by Customer and SABINE. The results of such surveyor's verifications shall be made available promptly to each Party.

(c) Preservation of Records. All records of measurement and the computed results shall be preserved by the Party responsible for taking the same, or causing the same to be taken, and made available to the other Party for a period of not less than three (3) years after such measurement and computation.

6. Verification. At least once each month, and in addition, from time to time upon at least two (2) weeks prior written notice by either Party to the other, SABINE shall verify or cause to be verified the accuracy of the Downstream Metering Equipment. When as a result of such test any of the Downstream Metering Equipment is found to be out of calibration within the accuracy provided by the manufacturer in the specification for such equipment, no adjustment shall be made to the Fee. If the testing of the Downstream Metering Equipment demonstrates that any meter is out of calibration by more than the accuracy provided by the manufacturer in the specifications for such equipment, the applicable Downstream Metering Equipment reading for the actual period during which out of calibration measurements were made shall be estimated as follows, in descending order of priority:

(a) by using the registration of any check meter or meters if installed and accurately registering;

(b) by correcting the error if the percentage of error is ascertainable by calibration, test, or mathematical calculation; or

(c) by estimating the quantity of delivery by measuring deliveries during prior periods under similar conditions when any meter was registering accurately.

If the actual period that such equipment has been out of calibration cannot be determined to the mutual satisfaction of SABINE and Customer, the adjustment shall be for a period equal to one-half of the time elapsed since the most recent test. The previous payments made by Customer to SABINE for this period shall be subtracted from the amount of payments that are calculated to have been owed under this Agreement. The difference (which may be a positive or negative amount) shall be added to the next monthly statement pursuant to Section 11.2.

7. Costs. The cost of the monthly testing and calibration of the Downstream Metering Equipment shall be borne by SABINE. The cost of any testing and calibration of the Downstream Metering Equipment beyond the monthly test permitted above shall also be paid by SABINE, unless the request to test any of the Downstream Metering Equipment is made by Customer and the results of such test requested by Customer demonstrate that the Downstream Metering Equipment is less than one percent (1%) out of calibration or outside of the accuracy given by the manufacturer, in which case the cost of such testing and calibration shall be for Customer’s account. Each Party shall comply with any reasonable request of the other Party concerning the sealing of the Downstream Metering Equipment, the presence of a representative of Customer when the seals are broken and tests are conducted, and other matters affecting the accuracy, testing and calibration of the Downstream Metering Equipment.

8. Disputes. Any Dispute arising under this Annex II shall be submitted to an Expert under Section 20.2.

EXHIBIT A

SABINE PASS SERVICES MANUAL

The Sabine Pass Services Manual referred to in Section 3.5 shall address the following matters and other matters of a similar nature:

1. Details associated with the implementation of Sections 5.1 and 5.2 among SABINE, Customer and Other Customers;
2. Details associated with the Gas delivery procedures in Section 5.3 among SABINE, Customer and Other Customers;
3. Details associated with the content and format of the Sabine Pass Website;
4. Details associated with the invoicing process under Article 11 including:
    a. Format of invoices (electronic and original)
    b. Numbering systems/codes for all invoice-related documents.

EXHIBIT B

PORT LIABILITY AGREEMENT

THIS PORT LIABILITY AGREEMENT (this "**Agreement**") is effective as of __________, 20__, and is made by and between Sabine Pass LNG L.P., a Delaware limited partnership ("**SABINE**"), represented herein by Sabine Pass LNG-GP, Inc., its General Partner, and [INSERT NAME(S) OF VESSEL OWNER(S)], a [TYPE OF ENTITY AND JURISDICTION OF ORGANIZATION] (collectively "**Vessel Owner**").

RECITALS

WHEREAS, Vessel Owner, using the LNG vessel set forth below under its name and signature ("Vessel"), proposes to deliver certain quantities of liquefied natural gas to SABINE at its marine terminal and receiving, storage and regasification facilities located on the Sabine River, Cameron Parish, Louisiana (as more fully defined below, the "**Marine Terminal**"); and

WHEREAS, Vessel Owner and SABINE (collectively, the "**Parties**" and individually a "**Party**") have agreed to allocate the risk of and responsibility for loss and damage resulting from an Incident (as defined below) at the Marine Terminal in the following manner;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. The following terms shall have the following meanings when used herein:

   "**Affiliate**" means, with respect to any Person, any other Person which, directly or indirectly, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or otherwise.

   "**Incident**" means any occurrence or series of occurrences having the same origin arising out of or relating to the Vessel's use of the Marine Terminal in which there is any one or more of the following: (i) loss of or damage to the Marine Terminal or the Vessel; (ii) injury to the employees and agents comprising Terminal Interests or Vessel Interests; (iii) loss or damage, other than to the Marine Terminal or the Vessel, caused or contributed to by the Vessel, including but not limited to, injury to third parties or damage to the property of third parties; or (iv) an obstruction or danger affecting or interfering with the normal operation of the Marine Terminal or the Port.

   "**Terminal Interests**" means: (i) SABINE; (ii) all Affiliates of SABINE; (iii) all Persons (other than the Vessel Interests and Persons providing fire boats, tugs and escort vessels to Vessel at the Port) employed or providing services at the Marine Terminal in connection with the unloading, storage, or regasification of LNG at the Marine Terminal; and (iv) the employees and agents of all Persons referred to in this paragraph.

"**Marine Terminal**" means SABINE's marine terminal and LNG receiving, storage and regasification facilities located at the Port, including all berths, buoys, gear, craft, equipment, plant, facilities and property of any kind (whether afloat or ashore) located thereat or adjacent thereto and in the ownership, possession or control of the Terminal Interests.

"**Person**" means any individual, firm, corporation, trust, partnership, association, joint venture (incorporated or unincorporated), or other business entity.

"**Port**" means the port at or near the mouth of the Sabine River, Cameron Parish, Louisiana, including its anchorage, turning basin and approaches into the Marine Terminal associated therewith.

"**Vessel Interests**" means: (i) Vessel Owner; (ii) all Affiliates participating in the ownership and/or operation of Vessel; (iii) all Persons (other than the Terminal Interests) participating, employed, or providing services in connection with the ownership or operation (including all operations related to navigation and berthing/unberthing) of the Vessel; and (iv) the employees and agents of all Persons referred to in this paragraph.

2. In all circumstances, the master of the Vessel shall remain solely responsible on behalf of the Vessel Interests for the proper navigation and safety of the Vessel and her cargo.

3. Any liability arising from an Incident shall, as between the Vessel Interests and the Terminal Interests, be borne: (i) by the Vessel Interests alone, if the Vessel Interests are wholly or partially at fault and the Terminal Interests are not at fault; (ii) by the Terminal Interests alone, if the Terminal Interests are wholly or partially at fault and the Vessel Interests are not at fault; (iii) by the Vessel Interests and the Terminal Interests, in proportion to the degree of their respective fault, if both are at fault and the degree of such fault can be established; or (iv) by the Vessel Interests and the Terminal Interests equally if neither of them appears to be at fault or it is not possible to establish the degree of their respective fault. In this regard, any acts or omissions of Persons providing fire boats, tugs and escort vessels to Vessel at the Port shall be deemed to be the responsibility of the Vessel Interests.

4.

(i) SABINE shall be solely responsible for claims brought by any employee and/or member of the family or dependent of any employee of SABINE arising out of or consequent upon the personal injury, loss or damage to property of, or death of such employee, family member or dependent, and SABINE shall indemnify and hold any Vessel Owner harmless in the event any such employee, or any family member or dependent thereof, or the executor, administrator, or personal representative of any of the foregoing, shall bring such a claim against any Vessel Owner.

(ii) The Vessel Owners shall be solely responsible for claims brought by any employee and/or member of the family or dependent of any employee of any Vessel Owner arising out of or consequent upon the personal injury, loss or

damage to property of, or death of such employee, family member or dependent, and each Vessel Owner shall indemnify and hold SABINE harmless in the event any such employee, or any family member or dependent thereof, or the executor, administrator or personal representative of any of the foregoing, shall bring such claim against SABINE.

(iii) SABINE and the Vessel Owners shall consult together to the extent practicable before either makes any payment which would fall due to be indemnified by the other under the terms of Sections 4(i) or 4(ii). The indemnities contained in Sections 4(i) and 4(ii) are separate and distinct from, and independent of, the obligations undertaken and the responsibilities and exceptions from and the limitations of liability provided in Sections 2, 3, 5 and 6 of this Agreement.

(iv) The cross indemnities provided in this Section 4 are intended to be binding regardless of fault or negligence on the part of the party in whose favor they are being given.

5.

(i) Subject to Section 5(ii) below, the total aggregate liability of the Vessel Interests to the Terminal Interests, however arising, in respect of any one Incident, shall not exceed one hundred fifty million U.S. dollars ($150,000,000). Payment of an aggregate sum of one hundred fifty million U.S. dollars ($150,000,000) to any one or more of the Terminal Interests in respect of any one Incident shall be a complete defense to any claim, suit or demand relating to such Incident made by the Terminal Interests against the Vessel Interests. The liability of the Vessel Interests hereunder shall be joint and several.

(ii) Vessel Interests shall provide to the Terminal Interests at all times sufficient written evidence that the Vessel's Protection and Indemnity Association has agreed to: (a) cover the Vessel Interests as a member of the Association against the liabilities and responsibilities provided for in this Agreement in accordance with its Rules; (b) give the Terminal Interests prior notice of cancellation of the Vessel's entry in such Protection and Indemnity Association; and (c) waive in favor of the Terminal Interests all rights of subrogation of claims by the Protection and Indemnity Association against the Terminal Interests to the extent such claims have been waived in this Agreement by the Vessel Interests.

6. As to matters subject to this Agreement and regardless of fault or negligence on the part of any Party, with respect to an Incident:

(i) except to the extent expressly preserved in this Agreement, Terminal Interests hereby expressly, voluntarily and intentionally waive any right or claims they might otherwise have against the Vessel Interests under applicable laws or under any port liability agreement or similar port conditions of use previously signed by the Master for the Port; and

(ii) except to the extent expressly preserved in this Agreement, Vessel Interests hereby expressly, voluntarily and intentionally waive any rights to limit their liability under the United States Limitation of Vessel Owners Liability Act or any other similar law or convention, as applicable. Such waiver shall include any right to petition a court, arbitral tribunal or other entity for limitation of liability, any right to claim limitation of liability as a defense in an action, and any other similar right under relevant law. The foregoing waivers shall apply to all Persons claiming through the Terminal Interests or through the Vessel Interests.

7. The substantive law of New York, without regard to any conflicts of law principles that could require the application of any other law, shall govern the interpretation of this Agreement and any dispute, controversy, or claim arising out of, relating to, or in any way connected with this Agreement, including, without limitation, the existence, validity, performance, or breach hereof.

8. If and for so long as any provision of this Agreement shall be deemed to be judged invalid for any reason whatsoever, such invalidity shall not affect the validity or operation of any other provision of this Agreement except only so far as shall be necessary to give effect to the construction of such invalidity, and any such invalid provision shall be deemed severed from this Agreement without affecting the validity of the balance of this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives effective as of the date first set forth above.

SABINE PASS LNG L.P.

By: SABINE PASS LNG-GP,
as General Partner

By:

Title:

[INSERT SIGNATURES OF EACH OF VESSEL OWNERS]

By:

Title:

As owner of the [Name of Vessel]
Registration No. [ ]
State of Registry [ ]

Exhibit 10.7

GUARANTEE AGREEMENT

THIS GUARANTEE AGREEMENT, dated as of November 9, 2006, (this "Guarantee Agreement"), is made by CHENIERE ENERGY, INC., a Delaware corporation (the "Guarantor"), in favor of SABINE PASS LNG, L.P., a Delaware limited partnership ("Sabine Pass").

WHEREAS, Cheniere Marketing, Inc., a Delaware corporation ("Cheniere Marketing"), is a wholly-owned subsidiary of Guarantor; and

WHEREAS, Cheniere Marketing and Sabine Pass have entered into that certain Terminal Use Agreement (the "TUA") as of the date hereof;

NOW THEREFORE, the parties hereto agree as follows:

The Guarantor hereby irrevocably and unconditionally guarantees the due and punctual payment in full of any and all obligations of Cheniere Marketing under the TUA for the period of the Initial Term (as such term is defined in the TUA) (the "Guaranteed Obligations"). Guarantor further agrees that the due and punctual payment of the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and that it will remain bound upon its guaranty hereunder notwithstanding any such extension or renewal of any Guaranteed Obligation. This guarantee is an absolute, present and continuing guarantee of payment and not of collectibility and is in no way conditional or contingent upon any attempt to collect from Cheniere LNG or upon any other action, occurrence or circumstance whatsoever.

This Guarantee Agreement expresses the entire understanding of the subject matter hereof; and all other understandings, written or oral, are hereby merged herein and superseded. No amendment of or supplement to this Guarantee Agreement, or waiver or modification of, or consent under, the terms hereof shall be effective unless in writing and signed by the party to be bound thereby.

This Guarantee Agreement shall be construed in accordance with and governed by the law of the State of Texas.

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee Agreement to be duly executed and delivered as of the date and year first above written.

CHENIERE ENERGY, INC.

By: /s/ Don A. Turkleson
Name: Don A. Tukleson
Title: Senior VP & CFO

Exhibit 10.8

November 9, 2006

Sabine Pass LNG, L.P.
717 Texas Avenue
Suite 3100
Houston, Texas 77002
Attention: President

Cheniere LNG, Inc.
717 Texas Avenue
Suite 3100
Houston, Texas 77002
Attention: President

Re: Option Agreement dated December 23, 2003 ("Option Agreement") between J&S Cheniere, S.A. ("J&S Cheniere") and Cheniere LNG, Inc. ("Cheniere LNG")

Gentlemen:

This letter confirms our agreement with regard to the implementation of the captioned Option Agreement as it applies to the option for vaporization capacity in the Sabine Pass LNG terminal currently under construction in Cameron Parish, Louisiana. This letter does not apply to any potential option of J&S Cheniere under the Option Agreement for vaporization capacity which may be available at the Corpus Christi LNG terminal currently under development.

1. As disclosed in the most recent Cheniere Energy, Inc. Annual Report on Form 10-K, the terms of the terminal use agreement contemplated by the Option Agreement have not been negotiated or finalized, and it is anticipated that definitive arrangements with J&S Cheniere with respect to the Sabine Pass LNG Terminal will involve different terms and transaction structures then contemplated in the Option Agreement.

2. The parties hereto agree to continue to negotiate in good faith the different terms and transaction structures currently under discussion with J&S Cheniere as an alternative method to satisfy the terms of the Option Agreement, as applicable to the Sabine Pass LNG Terminal. To the extent required by any final agreement with J&S Cheniere, Cheniere Marketing, Inc. ("Cheniere Marketing") agrees to make available and/or relinquish up to 200 mmcf/d of capacity under its terminal use agreement with Sabine Pass LNG, L.P. ("Sabine Pass") to satisfy any agreement entered into with J&S Cheniere as a result of such negotiations.

3. If the different terms and transaction structures referred to in paragraph 2 above are not implemented with J&S Cheniere, Sabine Pass agrees, if required, to assume the obligations of Cheniere LNG under the Option Agreement, but only as it applies to the Sabine Pass LNG terminal. Cheniere LNG hereby consents to such assumption by Sabine Pass, but only to the extent set forth in the preceding sentence. In such event, if J&S

Cheniere and Sabine Pass enter into a TUA pursuant to the Option Agreement, Cheniere Marketing agrees to relinquish sufficient capacity, up to 200 mmcf/d, under its terminal use agreement with Sabine Pass to allow Sabine Pass to satisfy such TUA entered into between J&S Cheniere and Sabine Pass.

If the foregoing correctly reflects our understanding, kindly execute in the space provided below and this letter will evidence our agreement as to the Option and its implementation with regard to Sabine Pass.

Sincerely,

Cheniere Marketing, Inc.

By: /s/ Don A. Turkleson
Name: Don A. Turkleson
Title: Chief Financial Officer

AGREED AS OF THE DATE
FIRST ABOVE WRITTEN:

Cheniere LNG, Inc.

By: /s/ Graham A. McArthur
Name: Graham A. McArthur
Title: Treasurer

Sabine Pass LNG, L.P.

By: Sabine Pass LNG – GP, Inc, its
General Partner

By: /s/ Don A. Turkleson
Name: Don A. Turkleson
Title: Chief Financial Officer

Exhibit 10.9

Execution Copy

TAX SHARING AGREEMENT

Among and Between

Cheniere Energy, Inc.

AND

Sabine Pass LNG, L.P.

Dated as of November 9, 2006

TAX SHARING AGREEMENT

This Tax Sharing Agreement (the "**TSA**") entered into as of the 9th day of November, 2006, to be effective as set forth in Section 6.1 of this TSA, between Cheniere Energy Inc. ("**Cheniere**") a Delaware corporation with its principal office at 717 Texas Avenue, Suite 3100, Houston Texas 77002, and Sabine Pass LNG, L.P., a Delaware limited partnership and its direct and indirect subsidiaries (Sabine Pass LNG, L.P., together with its subsidiaries, the "**Partnership**"), which may be collectively referred to hereinafter as the "**Parties**" and individually as a "**Party**."

PREAMBLE

WHEREAS, the revised franchise tax imposed by the State of Texas under Chapter 171 of the Texas Tax Code ("Franchise Tax"), generally effective for returns due on or after January 1, 2008, requires taxable entities that are part of an affiliated group engaged in a unitary business to report as a combined group;

WHEREAS, Cheniere owns a controlling interest in the Partnership within the meaning of Texas Tax Code §171.0001(8) and expects to file Combined Returns for the combined group that includes Cheniere and the Partnership; and

WHEREAS, the Parties believe that the apportionment and allocation of the Franchise Tax between Cheniere and the Partnership is desirable.

NOW, THEREFORE, the Parties to this TSA, for good and valuable consideration, agree as follows:

ARTICLE I
DEFINITIONS

In addition to any defined terms which may have their meanings ascribed to them elsewhere in this TSA, the following defined terms shall have the following meanings:

"*Combined Return*" means a Franchise Tax return which reflects combined reporting that includes each of Cheniere's and the Partnership's reportable separate company Taxable Margin that is required to be apportioned among and between multiple taxing jurisdictions.

"*Combined Return Year*" means, with respect to the Franchise Tax, a period for which Cheniere and the Partnership are required to file a Combined Return.

"*Combined Tax Liability*" means, for any Combined Return Year, the Franchise Tax liability computed in accordance with Chapter 171 of the Texas Tax Code and shown on Cheniere's Combined Return, taking into account all credits to which Cheniere is entitled under the Franchise Tax.

"*Indenture*" means the Indenture dated as of November 9, 2006 among the Partnership, the Guarantors (as defined therein) and The Bank of New York, as trustee.

"*IRS*" means the Internal Revenue Service.

"*Other Unitary Taxes*" means a combined, consolidated or unitary state or local tax other than the Franchise Tax based upon or measured by net income, gross margins, gross receipts, or other similar tax attributes on an apportioned basis.

"*Other Unitary Return*" means a tax return which reflects combined, consolidated or unitary reporting of Cheniere and the Partnership in respect of Other Unitary Taxes.

"*Pro Forma Separate Company Tax Liability*" means, for any tax year, the Partnership's separate company Franchise Tax liability computed by the Partnership in accordance with Chapter 171 of the Texas Tax Code prepared on a stand-alone basis that includes only the reportable Taxable Margin of the Partnership, without regard to any temporary credits provided by Texas Tax Code §171.111. In arriving at its Pro Forma Separate Company Tax Liability, the Partnership shall be bound by any tax elections and shall adopt the same tax accounting methods that are elected and adopted by Cheniere in the determination of the Combined Tax Liability for such period.

"*Separate Return Year*" means, with respect to the Franchise Tax, a year which is not a Combined Return Year.

"*Taxable Margin*" has the meaning set forth in Section 171.101 of the Texas Tax Code.

"*Taxing Authority*" means, with respect to the Franchise Tax, the Texas Comptroller of Public Accounts or, with respect to any Other Unitary Tax, the governmental entity or political subdivision, agency, commission or authority thereof that imposes such Other Unitary Tax, and the agency, commission or authority charged with the assessment, determination or collection of such Other Unitary Tax for such entity or subdivision.

ARTICLE II
FILING OF COMBINED RETURNS

2.1 Filing of Combined Returns and Payment of Tax.

(a) Cheniere shall prepare and timely file all required Combined Returns and such applications for extension of time to file such Combined Returns and shall timely pay the Combined Tax Liability. The Partnership agrees to furnish to Cheniere all information as Cheniere may from time to time reasonably request that is necessary to allow Cheniere to timely file all required Combined Returns. The Partnership agrees to execute all election forms and other documents which may be necessary or appropriate to evidence such elections or otherwise as Cheniere may from time to time reasonably request.

(b) Cheniere shall be authorized to and shall undertake the following actions in connection with a Combined Return, including, without limitation:

(i) taking any and all action necessary or incidental to the preparation and filing of a Combined Return;

(ii) making elections and adopting accounting methods;

(iii) filing all extensions of time, including extensions of time for payment of tax;

(iv) filing claims for refund or credit; giving waivers or bonds;

(v) managing audits and other administrative proceedings conducted by any Taxing Authority;

(vi) executing closing agreements, settlement agreements, offers in compromise, and all other documents;

(vii) obtaining administrative rulings; and

(viii) contesting (both administratively and judicially) the proposal of adjustments to tax liability and the assessment of any deficiency.

(c) Cheniere shall determine the tax consequences to the Partnership of any audits, administrative or judicial proceedings that may affect the ultimate tax liability of Cheniere.

2.2 Cooperation.

(a) The Partnership agrees to cooperate with Cheniere in filing any Combined Return or consent or taking any other action contemplated by this TSA and agree to take such action as Cheniere may reasonably request in connection therewith.

(b) The authorization and obligations set forth herein under Article II shall survive the termination of this TSA with respect to any tax year (or portion thereof) ending on or prior to termination of this TSA.

2.3 Standard of Care.

Cheniere shall perform all duties to be performed by Cheniere under this TSA with a degree of skill, diligence and prudence.

ARTICLE III
ALLOCATION OF TAX LIABILITIES

3.1 Allocation of Combined Tax Liability to the Partnership.

(a) For Combined Returns first due on or after January 1, 2008, and for each subsequent tax year for which this TSA may remain in effect, the Partnership, for so long as it is included in a Combined Return, shall calculate and determine its share of the Combined Tax Liability to be an amount equal to the Pro Forma Separate Company Tax Liability. If the

Partnership ceases to be included on a Combined Return during a tax year, the Partnership shall calculate and determine its share of the Combined Tax Liability to be that portion of the Partnership's separate return tax liability that is allocable to the portion of the tax year in which the Partnership was included on a Combined Return. Calculations and determinations in this Article III shall be made by the Partnership in each tax year pursuant to this paragraph without regard to the actual Combined Tax Liability, if any, of Cheniere for such year.

(b) The Partnership shall be liable for all Franchise Tax applicable to such Party imposed with respect to all Separate Return Years.

ARTICLE IV
PAYMENTS

4.1 Payment of Tax by the Partnership.

If the Partnership has Pro Forma Separate Company Tax Liability (as determined under Article III), it shall pay to Cheniere an amount equal to its Pro Forma Separate Company Tax Liability if Cheniere, in its sole discretion, demands such payment. To the extent permitted under the provisions of Section 4.07 of the Indenture, the Partnership shall pay such amount to Cheniere on or before 45 days after the date for filing, including any extensions granted, the Combined Return to which such payments relate.

4.2 Estimated Combined Tax Payments.

Cheniere shall have the right to assess the Partnership its share of estimated Combined Tax payments to be made with respect to the projected Pro Forma Separate Company Tax Liability for each Combined Year, and to the extent permitted under the provisions of Section 4.07 of the Indenture, the Partnership shall pay the amount of such assessment to Cheniere within 30 days after such assessment if Cheniere, in its sole discretion, demands such payment. Cheniere shall not make a demand for payment of estimated Combined Tax payments any earlier than 15 days after Cheniere is required to make estimated tax payments of its Combined Tax Liability to the relevant taxing authority. The Partnership will receive credit for its payments of estimated Combined Tax in the computation of the payments under Article III and Section 4.1 of this TSA.

ARTICLE V
ADJUSTMENTS TO COMBINED TAX LIABILITY

5.1 Recomputations.

If a Combined Tax Liability is adjusted for any taxable period, whether such adjustment is by means of an amended return, claim for refund, examination by the IRS or Taxing Authority, reduced to settlement or otherwise determined or otherwise, the calculations made under this TSA shall be recomputed by giving effect to such adjustments. In all cases the recomputations required by the preceding sentence shall be performed consistently with the definition of "Combined Tax Liability."

5.2 The Partnership's Additional Tax Liability.

If, following such recomputation, the Parties determine that the Partnership is liable for additional payments under this TSA, to the extent permitted under the provisions of Section 4.07 of the Indenture the Partnership shall be obligated to pay to Cheniere such additional amount within ninety (90) days after the earlier of either of the following events which relate to such recomputation: (i) Cheniere files an amended Combined Return; or (ii) Cheniere settles an examination with the IRS or another Taxing Authority.

5.3 Interest and Penalties.

Any interest and/or penalty not specifically allocated to the Partnership by the Taxing Authority may be allocated to the Partnership upon such basis as Cheniere and the Partnership deem appropriate in view of all applicable circumstances.

ARTICLE VI
MISCELLANEOUS

6.1 Term of this Agreement.

This TSA is effective for the Franchise Tax Return first due on or after January 1, 2008, and all subsequent years. As such, this TSA shall apply to all taxable years or portions thereof for which a Combined Return was or is filed with respect to the Partnership that was included as part of such return(s), unless Cheniere and the Partnership agree in writing to another arrangement or otherwise agree to terminate this TSA. Notwithstanding such termination, this TSA shall continue in effect with respect to any payment or refund due for all taxable periods prior to termination.

6.2 Assignability.

The rights and obligations under this TSA of the Parties may not be assigned or otherwise transferred by a Party without the prior written and unanimous consent of all other signatories to this TSA, provided, however, no consent from any other Party shall be required with respect to any assignment and transfer to Cheniere.

6.3 Effect of Changes to the Texas Tax Code.

Any alteration, modification, addition, deletion, or other change in the federal income tax laws or regulations or the Texas Tax Code or regulations relating to Franchise Tax shall automatically be applicable to this TSA, provided, however, that if all the Parties to this TSA unanimously agree, this TSA shall be amended or terminated in the event of any such alteration, modification, addition, deletion or other change.

6.4 Other Unitary Taxes.

To the extent Cheniere is permitted or required to file an Other Unitary Return with the

Partnership on a consolidated, combined or unitary basis, the provisions of this TSA relating to Franchise Tax matters shall apply to such Other Unitary Taxes as if they were Franchise Taxes. If such an Other Unitary Return with respect to Other Unitary Taxes is not filed, the responsible party as required by applicable law shall be responsible for the reporting and payment of any Other Unitary Taxes applicable to such party.

6.5 Record Retention.

The Partnership shall make available to Cheniere all materials (including, without limitation, all books and records, accounting information, financial statements, returns, supporting schedules, work papers, correspondence, and other documents) relating to the Combined Returns filed for the taxable years during which this TSA was in effect during regular business hours for a period that is not less than the applicable federal record retention requirement period.

6.6 Binding Effect.

This TSA shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties hereto; but no assignment shall relieve any Party’s obligations hereunder without the written consent of the other Parties. In the event that the Partnership is no longer required to be included on a Combined Return with Cheniere, it shall be bound, nevertheless, by this TSA with respect to any matter that involves a taxable year (or portion thereof) during which it was included in a Combined Return.

6.7 Waivers, Etc.

The terms of this TSA may be waived, altered or amended only by an instrument in writing duly executed by all of the Parties. Any such amendment or waiver shall be binding upon all of the Parties.

6.8 Severability.

If any provision hereof is invalid and unenforceable in any jurisdiction, then, to the fullest extent permitted by law:

(a) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Parties in order to carry out the intentions of the Parties hereto as nearly as may be possible; and

(b) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

6.9 WAIVER OF JURY TRIAL.

THE PARTIES HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

6.10 Governing Law.

This TSA shall be governed by the laws of the State of Delaware.

[Signatures on following page]

IN WITNESS THEREOF, the Parties hereto have caused their names to be subscribed and executed by their respective authorized officers as indicated.

Cheniere Energy, Inc.

By: /s/ Graham A. McArthur
Name: Graham A. McArthur
Title: Treasurer

Sabine Pass LNG, L.P.

By Sabine Pass LNG-GP, Inc.
its general partner:

By: /s/ Graham A. McArthur
Name: Graham A. McArthur
Title: Treasurer