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

FORM 10-Q

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

For the quarterly period ended March 31, 2017

OR

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

For the transition period from_____to_____

CHENIERE ENERGY, INC.

(Exact name of registrant as specified in its charter)

Delaware	**001-16383**	**95-4352386**
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

700 Milam Street, Suite 1900 **Houston, Texas**		**77002**
(Address of principal executive offices)		(Zip code)

(713) 375-5000

(Registrant's telephone number, including area code)

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

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

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

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐	(Do not check if a smaller reporting company)
	Smaller reporting company ☐
	Emerging growth company ☐

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

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

As of April 28, 2017, the issuer had 237,881,592 shares of Common Stock outstanding.

CHENIERE ENERGY, INC.

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DEFINITIONS

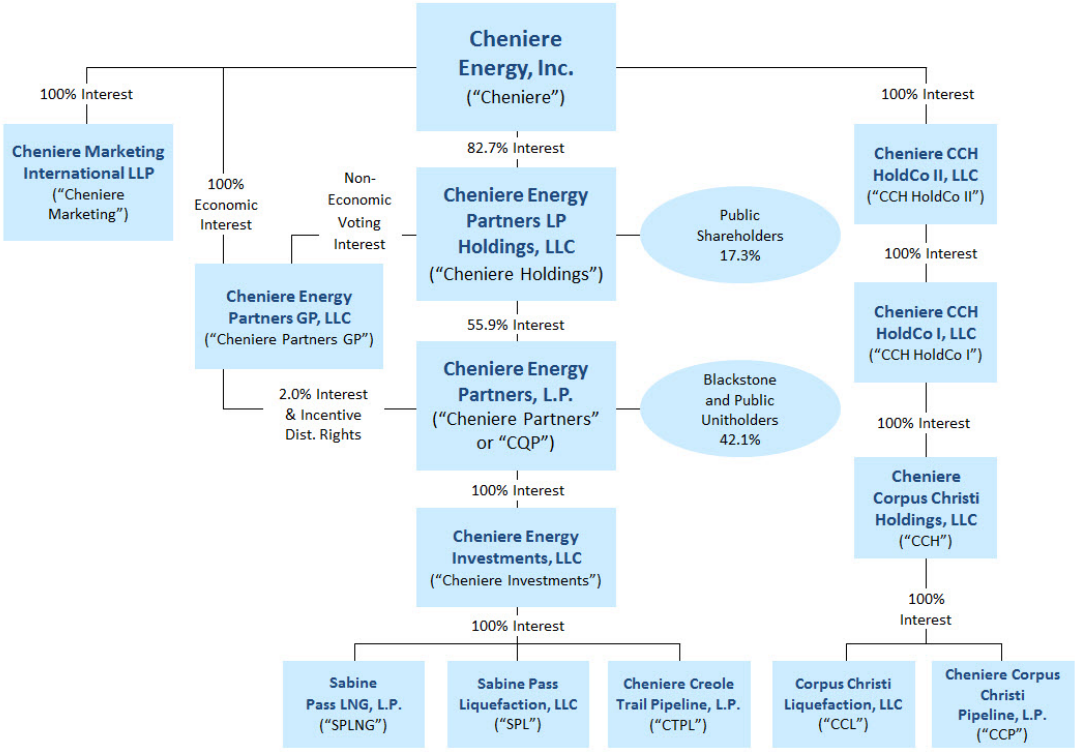
As used in this quarterly report, the terms listed below have the following meanings:

Common Industry and Other Terms

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

Abbreviated Organizational Structure

The following diagram depicts our abbreviated organizational structure as of March 31, 2017, including our ownership of certain subsidiaries, and the references to these entities used in this quarterly report:



Unless the context requires otherwise, references to "Cheniere," the "Company," "we," "us" and "our" refer to Cheniere Energy, Inc. (NYSE MKT: LNG) and its consolidated subsidiaries, including our publicly traded subsidiaries, Cheniere Partners (NYSE MKT: CQP) and Cheniere Holdings (NYSE MKT: CQH).

Unless the context requires otherwise, references to the "CCH Group" refer to CCH HoldCo II, CCH HoldCo I, CCH, CCL and CCP, collectively. References to the "CCL Stage III entities" refer to Corpus Christi Liquefaction Stage III, LLC and Cheniere Corpus Christi Pipeline Stage III, LLC.

PART I. FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

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

	March 31, 2017	December 31, 2016
	(unaudited)	
ASSETS		
Current assets		
Cash and cash equivalents	$ 923	$ 876
Restricted cash	1,000	860
Accounts and other receivables	290	218
Inventory	113	160
Derivative assets	19	24
Other current assets	74	100
Total current assets	2,419	2,238
Non-current restricted cash	1,018	91
Property, plant and equipment, net	22,016	20,635
Debt issuance costs, net	244	277
Non-current derivative assets	44	83
Goodwill	77	77
Other non-current assets, net	238	302
Total assets	$ 26,056	$ 23,703
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 54	$ 49
Accrued liabilities	683	637
Current debt, net	24	247
Deferred revenue	63	73
Derivative liabilities	47	71
Total current liabilities	871	1,077
Long-term debt, net	24,088	21,688
Non-current deferred revenue	5	5
Non-current derivative liabilities	38	45
Other non-current liabilities	59	49
Commitments and contingencies (see Note 15)		
Stockholders' equity		
Preferred stock, $0.0001 par value, 5.0 million shares authorized, none issued	—	—
Common stock, $0.003 par value		
Authorized: 480.0 million shares at March 31, 2017 and December 31, 2016		
Issued: 250.1 million shares at March 31, 2017 and December 31, 2016		
Outstanding: 237.9 million shares and 238.0 million shares at March 31, 2017 and December 31, 2016, respectively	1	1
Treasury stock: 12.2 million shares at March 31, 2017 and December 31, 2016, at cost	(375)	(374)
Additional paid-in-capital	3,218	3,211
Accumulated deficit	(4,180)	(4,234)
Total stockholders' deficit	(1,336)	(1,396)
Non-controlling interest	2,331	2,235
Total equity	995	839
Total liabilities and equity	$ 26,056	$ 23,703

CHENIERE ENERGY, INC. AND SUBSIDIARIES

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

	Three Months Ended March 31,	
	2017	**2016**
Revenues		
LNG revenues	$ 1,143	$ 3
Regasification revenues	68	65
Other revenues	—	1
Total revenues	1,211	69
Operating costs and expenses		
Cost of sales (excluding depreciation and amortization expense shown separately below)	624	15
Operating and maintenance expense	78	36
Development expense	3	2
Selling, general and administrative expense	54	66
Depreciation and amortization expense	70	24
Restructuring expense	6	7
Impairment expense	—	10
Total operating costs and expenses	835	160
Income (loss) from operations	376	(91)
Other income (expense)		
Interest expense, net of capitalized interest	(165)	(76)
Loss on early extinguishment of debt	(42)	(1)
Derivative gain (loss), net	1	(181)
Other income	2	1
Total other expense	(204)	(257)
Income (loss) before income taxes and non-controlling interest	172	(348)
Income tax provision	—	(1)
Net income (loss)	172	(349)
Less: net income (loss) attributable to non-controlling interest	118	(28)
Net income (loss) attributable to common stockholders	$ 54	$ (321)
Net income (loss) per share attributable to common stockholders—basic and diluted	$ 0.23	$ (1.41)
Weighted average number of common shares outstanding—basic	232.4	228.1
Weighted average number of common shares outstanding—diluted	232.7	228.1

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

CHENIERE ENERGY, INC. AND SUBSIDIARIES

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

	Total Stockholders' Equity							
	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Deficit	Non-controlling Interest	Total Equity
	Shares	Par Value Amount	Shares	Amount				
Balance at December 31, 2016	238.0	$ 1	12.2	$ (374)	$ 3,211	$ (4,234)	$ 2,235	$ 839
Issuance of stock to acquire additional interest in Cheniere Holdings	—	—	—	—	2	—	(2)	—
Forfeitures of restricted stock	(0.1)	—	—	—	—	—	—	—
Share-based compensation	—	—	—	—	5	—	—	5
Shares repurchased related to share-based compensation	—	—	—	(1)	—	—	—	(1)
Net income attributable to non-controlling interest	—	—	—	—	—	—	118	118
Distributions to non-controlling interest	—	—	—	—	—	—	(20)	(20)
Net income	—	—	—	—	—	54	—	54
Balance at March 31, 2017	237.9	$ 1	12.2	$ (375)	$ 3,218	$ (4,180)	$ 2,331	$ 995

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

CHENIERE ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)
(unaudited)

	Three Months Ended March 31,	
	2017	**2016**
Cash flows from operating activities		
Net income (loss)	$ 172	$ (349)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization expense	70	24
Share-based compensation expense	24	16
Non-cash interest expense	20	17
Amortization of debt issuance costs, deferred commitment fees, premium and discount	17	13
Loss on early extinguishment of debt	42	1
Total losses on derivatives, net	44	182
Net cash used for settlement of derivative instruments	(29)	(9)
Impairment expense	—	10
Other	—	1
Changes in operating assets and liabilities:		
Accounts and other receivables	(6)	1
Inventory	54	(2)
Accounts payable and accrued liabilities	(76)	(28)
Deferred revenue	(11)	(1)
Other, net	(12)	(7)
Net cash provided by (used in) operating activities	309	(131)
Cash flows from investing activities		
Property, plant and equipment, net	(1,319)	(1,150)
Other	29	(18)
Net cash used in investing activities	(1,290)	(1,168)
Cash flows from financing activities		
Proceeds from issuances of debt	2,862	1,908
Repayments of debt	(703)	(415)
Debt issuance and deferred financing costs	(43)	(49)
Distributions and dividends to non-controlling interest	(20)	(20)
Payments related to tax withholdings for share-based compensation	(1)	(1)
Net cash provided by financing activities	2,095	1,423
Net increase in cash, cash equivalents and restricted cash	1,114	124
Cash, cash equivalents and restricted cash—beginning of period	1,827	1,736
Cash, cash equivalents and restricted cash—end of period	$ 2,941	$ 1,860

Balances per Consolidated Balance Sheets:

	March 31,	
	2017	**2016**
Cash and cash equivalents	$ 923	$ 1,095
Restricted cash	1,000	733
Non-current restricted cash	1,018	32
Total cash, cash equivalents and restricted cash	$ 2,941	$ 1,860

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

NOTE 1—NATURE OF OPERATIONS AND BASIS OF PRESENTATION

We are currently developing and constructing two natural gas liquefaction and export facilities. The Sabine Pass LNG terminal is located in Cameron Parish, Louisiana, on the Sabine-Neches Waterway less than four miles from the Gulf Coast. Cheniere Partners is developing, constructing and operating natural gas liquefaction facilities (the "SPL Project") at the Sabine Pass LNG terminal adjacent to the existing regasification facilities through a wholly owned subsidiary, SPL. Cheniere Partners plans to construct up to six Trains, which are in various stages of development, construction and operations. Trains 1 through 3 have commenced commercial operations, Train 4 is undergoing commissioning, Train 5 is under construction and Train 6 is being commercialized and has all necessary regulatory approvals in place. The Sabine Pass LNG terminal has operational regasification facilities owned by Cheniere Partners' wholly owned subsidiary, SPLNG, and a 94-mile pipeline that interconnects the Sabine Pass LNG terminal with a number of large interstate pipelines through a wholly owned subsidiary, CTPL.

In the second quarter of 2016, we started production at theSPL Project and began recognizing LNG revenues, which include fees that are received pursuant to our SPAs and our integrated LNG marketing activities. We also recognize regasification revenues, which include LNG regasification capacity reservation fees that are received pursuant to our TUAs and tug services fees that are received by Sabine Pass Tug Services, LLC, a wholly owned subsidiary of SPLNG.

We are developing and constructing a second natural gas liquefaction and export facility at the Corpus Christi LNG terminal, which is on nearly2,000 acres of land that we own or control near Corpus Christi, Texas, and a pipeline facility (collectively, the "CCL Project") through wholly owned subsidiaries CCL and CCP, respectively. The CCL Project is being developed in two stages for up to three Trains.

The CCL Stage III entities, our wholly owned subsidiaries, are also developingtwo additional Trains and one LNG storage tank at the Corpus Christi LNG terminal adjacent to the CCL Project, along with a second natural gas pipeline. We are also in various stages of developing other projects which, among other things, will require acceptable commercial and financing arrangements before we make a final investment decision ("FID").

Basis of Presentation

The accompanying unaudited Consolidated Financial Statements of Cheniere have been prepared in accordance withGAAP for interim financial information and with Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements and should be read in conjunction with the Consolidated Financial Statements and accompanying notes included in our annual report on Form 10-K for the year ended December 31, 2016. In our opinion, all adjustments, consisting only of normal recurring adjustments necessary for a fair presentation, have been included. Certain reclassifications have been made to conform prior period information to the current presentation. The reclassifications had no effect on our overall consolidated financial position, results of operations or cash flows.

Results of operations for the three months ended March 31, 2017 are not necessarily indicative of the results of operations that will be realized for the year ending December 31, 2017.

NOTE 2—RESTRICTED CASH

Restricted cash consists of funds that are contractually restricted as to usage or withdrawal and have been presented separately from cash and cash equivalents on our Consolidated Balance Sheets. As of March 31, 2017 and December 31, 2016, restricted cash consisted of the following (in millions):

	March 31, 2017	December 31, 2016
Current restricted cash		
SPL Project	$ 531	$ 358
CQP and cash held by guarantor subsidiaries	225	247
CCL Project	143	197
Cash held by our subsidiaries restricted to Cheniere	101	58
Total current restricted cash	$ 1,000	$ 860
Non-current restricted cash		
SPL Project	$ 1,000	$ —
CCL Project	—	73
Other	18	18
Total non-current restricted cash	$ 1,018	$ 91

NOTE 3—ACCOUNTS AND OTHER RECEIVABLES

As of March 31, 2017 and December 31, 2016, accounts and other receivables consisted of the following (in millions):

	March 31, 2017	December 31, 2016
Trade receivables		
SPL	$ 92	$ 88
Cheniere Marketing	185	121
Other accounts receivable	13	9
Total accounts and other receivables	$ 290	$ 218

Pursuant to the accounts agreement entered into with the collateral trustee for the benefit of SPL's debt holders, SPL is required to deposit all cash received into reserve accounts controlled by the collateral trustee. The usage or withdrawal of such cash is restricted to the payment of liabilities related to the SPL Project and other restricted payments.

NOTE 4—INVENTORY

As of March 31, 2017 and December 31, 2016, inventory consisted of the following (in millions):

	March 31, 2017	December 31, 2016
Natural gas	$ 19	$ 15
LNG	28	50
LNG in-transit	20	58
Materials and other	46	37
Total inventory	$ 113	$ 160

NOTE 5—PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, net consists of LNG terminal costs and fixed assets and other, as follows (in millions):

	March 31, 2017	December 31, 2016
LNG terminal costs		
LNG terminal	$ 10,414	$ 7,978
LNG terminal construction-in-process	11,972	12,995
LNG site and related costs	77	41
Accumulated depreciation	(618)	(555)
Total LNG terminal costs, net	21,845	20,459
Fixed assets and other		
Computer and office equipment	13	13
Furniture and fixtures	17	17
Computer software	86	85
Leasehold improvements	42	43
Land	61	61
Other	21	22
Accumulated depreciation	(69)	(65)
Total fixed assets and other, net	171	176
Property, plant and equipment, net	$ 22,016	$ 20,635

Depreciation expense during the three months ended March 31, 2017 and 2016 was $70 million and $24 million, respectively.

During the three months ended March 31, 2017 and 2016, we realized offsets to LNG terminal costs of $131 million and $14 million, respectively, that were related to the sale of commissioning cargoes because these amounts were earned prior to the start of commercial operations, during the testing phase for the construction of the SPL Project.

NOTE 6—DERIVATIVE INSTRUMENTS

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

- interest rate swaps to hedge the exposure to volatility in a portion of the floating-rate interest payments under certain of our credit facilities ("Interest Rate Derivatives");
- commodity derivatives consisting of natural gas supply contracts for the commissioning and operation of the SPL Project ("Physical Liquefaction Supply Derivatives") and associated economic hedges (collectively, the "Liquefaction Supply Derivatives");
- financial derivatives to hedge the exposure to the commodity markets in which we have contractual arrangements to purchase or sell physical LNG ("LNG Trading Derivatives"); and
- foreign currency exchange ("FX") contracts to hedge exposure to currency risk associated with operations in countries outside of the United States ("FX Derivatives").

None of our derivative instruments are designated as cash flow hedging instruments, and changes in fair value are recorded within our Consolidated Statements of Operations.

The following table (in millions) shows the fair value of our derivative instruments that are required to be measured at fair value on a recurring basis as of March 31, 2017 and December 31, 2016, which are classified as derivative assets, non-current derivative assets, derivative liabilities or non-current derivative liabilities in our Consolidated Balance Sheets.

	Fair Value Measurements as of							
	March 31, 2017				December 31, 2016			
	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
SPL Interest Rate Derivatives liability	$ —	$ —	$ —	$ —	$ —	$ (6)	$ —	$ (6)
CQP Interest Rate Derivatives asset	—	16	—	16	—	13	—	13
CCH Interest Rate Derivatives liability	—	(75)	—	(75)	—	(86)	—	(86)
Liquefaction Supply Derivatives asset (liability)	(2)	—	41	39	(4)	(2)	79	73
LNG Trading Derivatives asset (liability)	—	(3)	—	(3)	2	(5)	—	(3)
FX Derivatives asset	—	1	—	1	—	—	—	—

There have been no changes to our evaluation of and accounting for our derivative positions designated as Level 1 during the three months ended March 31, 2017. See Note 7—Derivative Instruments of our Notes to Consolidated Financial Statements in our annual report on Form 10-K for the year ended December 31, 2016 for additional information.

We value our Interest Rate Derivatives using valuations based on the initial trade prices. Using an income-based approach, subsequent valuations are based on observable inputs to the valuation model including interest rate curves, risk adjusted discount rates, credit spreads and other relevant data. The estimated fair values of our economic hedges related to the LNG Trading Derivatives are the amounts at which the instruments could be exchanged currently between willing parties. We value these derivatives using observable commodity price curves and other relevant data. We estimate the fair values of our FX Derivatives with a market approach using observable FX rates and other relevant data.

The fair value of our Physical Liquefaction Supply Derivatives is predominantly driven by market commodity basis prices and our assessment of the associated conditions precedent, including evaluating whether the respective market is available as pipeline infrastructure is developed. Upon the completion and placement into service of relevant pipeline infrastructure to accommodate marketable physical gas flow, we recognize a gain or loss based on the fair value of the respective natural gas supply contracts as of the reporting date.

The fair value of substantially all of our Physical Liquefaction Supply Derivatives is developed through the use of internal models which are impacted by inputs that are unobservable in the marketplace. As a result, the fair value of our Physical Liquefaction Supply Derivatives is designated as Level 3 within the valuation hierarchy. The curves used to generate the fair value of our Physical Liquefaction Supply Derivatives are based on basis adjustments applied to forward curves for a liquid trading point. In addition, there may be observable liquid market basis information in the near term, but terms of a particular Physical Liquefaction Supply Derivatives contract may exceed the period for which such information is available, resulting in a Level 3 classification. In these instances, the fair value of the contract incorporates extrapolation assumptions made in the determination of the market basis price for future delivery periods in which applicable commodity basis prices were either not observable or lacked corroborative market data. Internal fair value models include conditions precedent to the respective long-term natural gas supply contracts. As of March 31, 2017 and December 31, 2016, some of our Physical Liquefaction Supply Derivatives existed within markets for which the pipeline infrastructure is under development to accommodate marketable physical gas flow.

The following table includes quantitative information for the unobservable inputs for our Level 3Physical Liquefaction Supply Derivatives as of March 31, 2017:

	Net Fair Value Asset (in millions)	Valuation Technique	Significant Unobservable Input	Significant Unobservable Inputs Range
Physical Liquefaction Supply Derivatives	$41	Income Approach	Basis Spread	$(0.345) - $0.081

The following table (in millions) shows the changes in the fair value of our Level 3Physical Liquefaction Supply Derivatives during the three months ended March 31, 2017 and 2016:

	Three Months Ended March 31,	
	2017	2016
Balance, beginning of period	$ 79	$ 32
Realized and mark-to-market losses:		
Included in cost of sales (1)	(41)	(2)
Purchases and settlements:		
Purchases	4	—
Settlements (1)	(1)	—
Balance, end of period	$ 41	$ 30
Change in unrealized gains relating to instruments still held at end of period	$ (41)	$ (2)

(1) Does not include the decrease in fair value of $1 million related to the realized gains capitalized during thethree months ended March 31, 2016.

Derivative assets and liabilities arising from our derivative contracts with the same counterparty are reported on a net basis, as all counterparty derivative contracts provide for net settlement. The use of derivative instruments exposes us to counterparty credit risk, or the risk that a counterparty will be unable to meet its commitments in instances when our derivative instruments are in an asset position. Our derivative instruments are subject to contractual provisions which provide for the unconditional right of set-off for all derivative assets and liabilities with a given counterparty in the event of default.

Interest Rate Derivatives

SPL had entered into interest rate swaps("SPL Interest Rate Derivatives") to protect against volatility of future cash flows and hedge a portion of the variable interest payments on the credit facilities it entered into in June 2015 (the "2015 SPL Credit Facilities"). In March 2017, SPL settled the SPL Interest Rate Derivatives and recognized a derivative loss of $7 million in conjunction with the termination of approximately $1.6 billion of commitments under the 2015 SPL Credit Facilities, as discussed in Note 10—Debt.

During the three months ended March 31, 2017 there were no changes to the terms of the interest rate swaps("CQP Interest Rate Derivatives") entered into by CQP to hedge a portion of the variable interest payments on the credit facilities it entered into in February 2016 (the "2016 CQP Credit Facilities") or the interest rate swaps ("CCH Interest Rate Derivatives") entered into by CCH to hedge a portion of the variable interest payments on its credit facility(the "2015 CCH Credit Facility"). See Note 7—Derivative Instruments of our Notes to Consolidated Financial Statements in our annual report on Form 10-K for the year ended December 31, 2016 for additional information.

As of March 31, 2017, we had the following Interest Rate Derivatives outstanding:

	Initial Notional Amount	Maximum Notional Amount	Effective Date	Maturity Date	Weighted Average Fixed Interest Rate Paid	Variable Interest Rate Received
CQP Interest Rate Derivatives	$225 million	$1.3 billion	March 22, 2016	February 29, 2020	1.19%	One-month LIBOR
CCH Interest Rate Derivatives	$29 million	$5.5 billion	May 20, 2015	May 31, 2022	2.29%	One-month LIBOR

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

	March 31, 2017				December 31, 2016			
	SPL Interest Rate Derivatives	CQP Interest Rate Derivatives	CCH Interest Rate Derivatives	Total	SPL Interest Rate Derivatives	CQP Interest Rate Derivatives	CCH Interest Rate Derivatives	Total
Balance Sheet Location								
Non-current derivative assets	$ —	$ 16	$ —	$ 16	$ —	$ 16	$ —	$ 16
Derivative liabilities	—	—	(38)	(38)	(4)	(3)	(43)	(50)
Non-current derivative liabilities	—	—	(37)	(37)	(2)	—	(43)	(45)
Total derivative liabilities	—	—	(75)	(75)	(6)	(3)	(86)	(95)
Derivative asset (liability), net	$ —	$ 16	$ (75)	$ (59)	$ (6)	$ 13	$ (86)	$ (79)

The following table (in millions) shows the changes in the fair value and settlements of our Interest Rate Derivatives recorded in derivative gain (loss), net on our Consolidated Statements of Operations during the three months ended March 31, 2017 and 2016:

	Three Months Ended March 31,	
	2017	2016
SPL Interest Rate Derivatives loss	$ (2)	$ (11)
CQP Interest Rate Derivatives gain (loss)	2	(10)
CCH Interest Rate Derivatives gain (loss)	1	(160)

Commodity Derivatives

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

	March 31, 2017			December 31, 2016		
	Liquefaction Supply Derivatives (1)	LNG Trading Derivatives (2)	Total	Liquefaction Supply Derivatives (1)	LNG Trading Derivatives (2)	Total
Balance Sheet Location						
Derivative assets	$ 16	$ 2	$ 18	$ 13	$ 7	$ 20
Non-current derivative assets	28	—	28	67	—	67
Total derivative assets	44	2	46	80	7	87
Derivative liabilities	(4)	(5)	(9)	(7)	(10)	(17)
Non-current derivative liabilities	(1)	—	(1)	—	—	—
Total derivative liabilities	(5)	(5)	(10)	(7)	(10)	(17)
Derivative asset (liability), net	$ 39	$ (3)	$ 36	$ 73	$ (3)	$ 70
Notional amount (in million MMBtu) (3)	1,214	6		1,117	—	

(1) Does not include collateral of $5 million and $6 million deposited for such contracts, which is included in other current assets in our Consolidated Balance Sheets as of March 31, 2017 and December 31, 2016, respectively.

(2) Does not include collateral of $11 million and $10 million deposited for such contracts, which are included in other current assets in our Consolidated Balance Sheets as of March 31, 2017 and December 31, 2016, respectively.

(3) SPL had secured up to approximately 2,051 million MMBtu and 1,994 million MMBtu of natural gas feedstock through natural gas supply contracts as of March 31, 2017 and December 31, 2016, respectively.

The following table (in millions) shows the changes in the fair value, settlements and location of our Commodity Derivatives recorded on our Consolidated Statements of Operations during the three months ended March 31, 2017 and 2016:

		Three Months Ended March 31,	
	Statement of Operations Location (1)	2017	2016
LNG Trading Derivatives gain (loss)	LNG revenues	$ (6)	$ 5
Liquefaction Supply Derivatives loss (2)	Cost of sales	39	4

(1) Fair value fluctuations associated with commodity derivative activities are classified and presented consistently with the item economically hedged and the nature and intent of the derivative instrument.

(2) Does not include the realized value associated with derivative instruments that settle through physical delivery.

FX Derivatives

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

		Fair Value Measurements as of	
	Balance Sheet Location	March 31, 2017	December 31, 2016
FX Derivatives	Derivative assets	$ 1	$ 4
FX Derivatives	Derivative liabilities	—	(4)

The total notional amount of our FX Derivatives was $3 million and $11 million as of March 31, 2017 and December 31, 2016, respectively.

The following table (in millions) shows the changes in the fair value of our FX Derivatives recorded on our Consolidated Statements of Operations during the three months ended March 31, 2017 and 2016:

		Three Months Ended March 31,	
	Statement of Operations Location	2017	2016
FX Derivatives loss	LNG revenues	$ —	$ (2)

Balance Sheet Presentation

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

Offsetting Derivative Assets (Liabilities)	Gross Amounts Recognized	Gross Amounts Offset in the Consolidated Balance Sheets	Net Amounts Presented in the Consolidated Balance Sheets
As of March 31, 2017			
CQP Interest Rate Derivatives	$ 17	$ (1)	$ 16
CCH Interest Rate Derivatives	(82)	7	(75)
Liquefaction Supply Derivatives	48	(4)	44
Liquefaction Supply Derivatives	2	(7)	(5)
LNG Trading Derivatives	7	(5)	2
LNG Trading Derivatives	4	(9)	(5)
FX Derivatives	1	—	1
As of December 31, 2016			
SPL Interest Rate Derivatives	$ (6)	$ —	$ (6)
CQP Interest Rate Derivatives	16	—	16
CQP Interest Rate Derivatives	(3)	—	(3)
CCH Interest Rate Derivatives	(95)	9	(86)
Liquefaction Supply Derivatives	82	(2)	80
Liquefaction Supply Derivatives	(11)	4	(7)
LNG Trading Derivatives	21	(15)	6
LNG Trading Derivatives	(17)	8	(9)
FX Derivatives	5	(1)	4
FX Derivatives	(4)	—	(4)

NOTE 7—OTHER NON-CURRENT ASSETS

As of March 31, 2017 and December 31, 2016, other non-current assets consisted of the following (in millions):

	March 31, 2017	December 31, 2016
Advances made under EPC and non-EPC contracts	$ 20	$ 69
Advances made to municipalities for water system enhancements	99	99
Advances and other asset conveyances to third parties to support LNG terminals	46	53
Tax-related payments and receivables	28	31
Equity method investments	10	10
Cost method investments	5	5
Other	30	35
Total other non-current assets, net	$ 238	$ 302

Our cost method investments consist of interests in privately-held companies without a readily determinable fair value. The Company's cost method investments are assessed for impairment quarterly. We determined that it is not practicable to estimate the fair value of these investments on a regular basis and do not reassess the fair value of cost method investments if there are no identified events or changes in circumstances that may have a significant adverse effect on the fair value of the investment. We did not identify events or changes in circumstances that may have a significant adverse effect on the fair value of these investments during the three months ended March 31, 2017.

NOTE 8—NON-CONTROLLING INTEREST

As of March 31, 2017 and December 31, 2016, we owned 82.7% and 82.6%, respectively, of Cheniere Holdings as well as the director voting share, with the remaining non-controlling interest held by the public. Cheniere Holdings owns a 55.9% limited partner interest in Cheniere Partners in the form of 12.0 million common units, 45.3 million Class B units and 135.4 million subordinated units, with the remaining non-controlling interest held by Blackstone CQP Holdco LP and the public. We also own 100% of the general partner interest and the incentive distribution rights in Cheniere Partners. Both Cheniere Holdings and Cheniere Partners are accounted for as variable interest entities. For further information regarding variable interest entities, refer to our Notes to Consolidated Financial Statements in our annual report on Form 10-K for the year ended December 31, 2016.

NOTE 9—ACCRUED LIABILITIES

As of March 31, 2017 and December 31, 2016, accrued liabilities consisted of the following (in millions):

	March 31, 2017	December 31, 2016
Interest costs and related debt fees	$ 198	$ 273
Compensation and benefits	52	56
LNG terminals and related pipeline costs	408	284
Other accrued liabilities	25	24
Total accrued liabilities	$ 683	$ 637

NOTE 10—DEBT

As of March 31, 2017 and December 31, 2016, our debt consisted of the following (in millions):

	March 31, 2017	December 31, 2016
Long-term debt:		
SPL		
5.625% Senior Secured Notes due 2021 (“2021 SPL Senior Notes”), net of unamortized premium of $7 and $7	$ 2,007	$ 2,007
6.25% Senior Secured Notes due 2022 (“2022 SPL Senior Notes”)	1,000	1,000
5.625% Senior Secured Notes due 2023 (“2023 SPL Senior Notes”), net of unamortized premium of $5 and $6	1,505	1,506
5.75% Senior Secured Notes due 2024 (“2024 SPL Senior Notes”)	2,000	2,000
5.625% Senior Secured Notes due 2025 (“2025 SPL Senior Notes”)	2,000	2,000
5.875% Senior Secured Notes due 2026 (“2026 SPL Senior Notes”)	1,500	1,500
5.00% Senior Secured Notes due 2027 (“2027 SPL Senior Notes”)	1,500	1,500
4.200% Senior Secured Notes due 2028 (“2028 SPL Senior Notes”), net of unamortized discount of $1 and zero	1,349	—
5.00% Senior Secured Notes due 2037 (“2037 SPL Senior Notes”)	800	—
2015 SPL Credit Facilities	—	314
Cheniere Partners		
2016 CQP Credit Facilities	2,560	2,560
CCH		
7.000% Senior Secured Notes due 2024 (“2024 CCH Senior Notes”)	1,250	1,250
5.875% Senior Secured Notes due 2025 (“2025 CCH Senior Notes”)	1,500	1,500
2015 CCH Credit Facility	2,929	2,381
CCH HoldCo II		
11.0% Convertible Senior Notes due 2025 (“2025 CCH HoldCo II Convertible Senior Notes”)	1,203	1,171
Cheniere		
4.875% Convertible Unsecured Notes due 2021 (“2021 Cheniere Convertible Unsecured Notes”), net of unamortized discount of $140 and $146	966	960
4.25% Convertible Senior Notes due 2045 (“2045 Cheniere Convertible Senior Notes”), net of unamortized discount of $316 and $317	309	308
$750 million Cheniere Revolving Credit Facility (“Cheniere Revolving Credit Facility”)	—	—
Unamortized debt issuance costs	(290)	(269)
Total long-term debt, net	24,088	21,688
Current debt:		
$1.2 billion SPL Working Capital Facility (“SPL Working Capital Facility”)	—	224
$350 million CCH Working Capital Facility (“CCH Working Capital Facility”)	—	—
Cheniere Marketing trade finance facilities	24	23
Total current debt, net	24	247
Total debt, net	$ 24,112	$ 21,935

2017 Debt Issuances and Redemptions

Senior Notes

In February 2017, SPL issued an aggregate principal amount of$800 million of the 2037 SPL Senior Notes on a private placement basis in reliance on the exemption from registration provided for under Section 4(a)(2) of the Securities Act of 1933, as amended. In March 2017, SPL issued an aggregate principal amount of $1.35 billion, before discount, of the 2028 SPL Senior Notes. Net proceeds of the offerings of the 2037 SPL Senior Notes and the 2028 SPL Senior Notes were $789 million and $1.33 billion, respectively, after deducting the initial purchasers’ commissions (for the 2028 SPL Senior Notes) and estimated fees and

expenses. The net proceeds of the 2037 SPL Senior Notes were used to repay the then outstanding borrowings of $369 million under the 2015 SPL Credit Facilities and, along with the net proceeds of the 2028 SPL Senior Notes, the remainder is being used to pay a portion of the capital costs in connection with the construction of Trains 1 through 5 of the SPL Project in lieu of the terminated portion of the commitments under the 2015 SPL Credit Facilities.

In connection with the issuance of the 2037 SPL Senior Notes and the 2028 SPL Senior Notes, SPL terminated the remaining available balance of $1.6 billion under the 2015 SPL Credit Facilities, resulting in a write-off of debt issuance costs associated with the 2015 SPL Credit Facilities of $42 million during the three months ended March 31, 2017.

The 2037 SPL Senior Notes and the 2028 SPL Senior Notes accrue interest at fixed rates of 5.00% and 4.200%, respectively, and interest is payable semi-annually in arrears. The terms of the 2037 SPL Senior Notes are governed by an indenture which contains customary terms and events of default and certain covenants that, among other things, limit SPL's ability and the ability of SPL's restricted subsidiaries to incur additional indebtedness or issue preferred stock, make certain investments or pay dividends or distributions on capital stock or subordinated indebtedness or purchase, redeem or retire capital stock, sell or transfer assets, including capital stock of SPL's restricted subsidiaries, restrict dividends or other payments by restricted subsidiaries, incur liens, enter into transactions with affiliates, dissolve, liquidate, consolidate, merge, sell or lease all or substantially all of SPL's assets and enter into certain LNG sales contracts. The 2028 SPL Senior Notes are governed by the same common indenture as the other senior notes, which also contains customary terms and events of default, covenants and redemption terms.

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

In connection with the issuance of the 2028 SPL Senior Notes, SPL entered into a registration rights agreement (the "SPL Registration Rights Agreement"). Under the terms of the SPL Registration Rights Agreement, SPL has agreed, and any future guarantors will agree, to use commercially reasonable efforts to file with the SEC and cause to become effective a registration statement relating to an offer to exchange any and all of the 2028 SPL Senior Notes for a like aggregate principal amount of debt securities of SPL with terms identical in all material respects to the 2028 SPL Senior Notes sought to be exchanged (other than with respect to restrictions on transfer or to any increase in annual interest rate), within 360 days after March 6, 2017. Under specified circumstances, SPL has also agreed, and any future guarantors will also agree, to use commercially reasonable efforts to cause to become effective a shelf registration statement relating to resales of the 2028 SPL Senior Notes. SPL will be obligated to pay additional interest on the 2028 SPL Senior Notes if it fails to comply with its obligation to register them within the specified time period.

Cheniere Revolving Credit Facility

In March 2017, we entered into the Cheniere Revolving Credit Facility that may be used to fund, through loans and letters of credit, equity capital contributions to CCH HoldCo II and its subsidiaries for the development of the CCL Project and, provided that certain conditions are met, for general corporate purposes. No advances or letters of credit under the Cheniere Revolving Credit Facility are available until either (1) Cheniere's unrestricted cash and cash equivalents are less than $500 million or (2) Train 4 of the SPL Project has achieved substantial completion. We incurred $16 million of debt issuance costs related to the Cheniere Revolving Credit Facility during the three months ended March 31, 2017.

Loans under the Cheniere Revolving Credit Facility accrue interest at a variable rate per annum equal to LIBOR or the base rate (equal to the highest of (1) the prime rate, (2) the federal funds rate plus 0.50% and (3) one month LIBOR plus 1.00%), plus the applicable margin. The applicable margin for LIBOR loans is 3.25% per annum, and the applicable margin for base rate loans is 2.25% per annum. Interest on LIBOR loans is due and payable at the end of each LIBOR period, and interest on base rate loans is due and payable at the end of each calendar quarter. We will also pay (1) a commitment fee on the average daily amount of undrawn commitments at an annual rate of 0.75%, payable quarterly in arrears, and (2) a letter of credit fee at an annual rate equal to the applicable margin for LIBOR loans on the undrawn portion of all letters of credit issued under the Cheniere Revolving Credit Facility. Draws on any letters of credit will accrue interest at an annual rate equal to the base rate plus 2.0%.

The Cheniere Revolving Credit Facility matures on March 2, 2021 and contains representations, warranties and affirmative and negative covenants customary for companies like Cheniere with lenders of the type participating in the Cheniere Revolving Credit Facility that limit our ability to make restricted payments, including distributions, unless certain conditions are satisfied, as well as limitations on indebtedness, guarantees, hedging, liens, investments and affiliate transactions. Under the terms of the Cheniere Revolving Credit Facility, we are required to ensure that the sum of our unrestricted cash and the amount of undrawn commitments under the Cheniere Revolving Credit Facility is at least equal to the lesser of (1) 20% of the commitments under the Cheniere Revolving Credit Facility and (2) $100 million.

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

Credit Facilities

Below is a summary (in millions) of our credit facilities outstanding as of March 31, 2017:

	SPL Working Capital Facility	2016 CQP Credit Facilities	2015 CCH Credit Facility	CCH Working Capital Facility	Cheniere Revolving Credit Facility
Original facility size	$ 1,200	$ 2,800	$ 8,404	$ 350	$ 750
Outstanding balance	—	2,560	2,929	—	—
Commitments prepaid or terminated	—	—	2,420	—	—
Letters of credit issued	377	50	—	82	—
Available commitment	$ 823	$ 190	$ 3,055	$ 268	$ 750
Interest rate	LIBOR plus 1.75% or base rate plus 0.75%	LIBOR plus 2.25% or base rate plus 1.25% (1)	LIBOR plus 2.25% or base rate plus 1.25% (2)	LIBOR plus 1.50% - 2.00% or base rate plus 0.50% - 1.00%	LIBOR plus 3.25% or base rate plus 2.25%
Maturity date	December 31, 2020, with various terms for underlying loans	February 25, 2020, with principals due quarterly commencing on February 19, 2019	Earlier of May 13, 2022 or second anniversary of CCL Trains 1 and 2 completion date	December 14, 2021, with various terms for underlying loans	March 2, 2021

(1) There is a 0.50% step-up for both LIBOR and base rate loans beginning on February 25, 2019.

(2) There is a 0.25% step-up for both LIBOR and base rate loans following completion of the first two Trains of the CCL Project.

Convertible Notes

Below is a summary (in millions) of our convertible notes outstanding as of March 31, 2017:

	2021 Cheniere Convertible Unsecured Notes	2025 CCH HoldCo II Convertible Senior Notes	2045 Cheniere Convertible Senior Notes
Aggregate original principal	$ 1,000	$ 1,000	$ 625
Debt component, net of discount	$ 966	$ 1,203	$ 309
Equity component	$ 205	$ —	$ 194
Interest payment method	Paid-in-kind	Paid-in-kind (1)	Cash
Conversion by us (2)	—	(3)	(4)
Conversion by holders (2)	(5)	(6)	(7)
Conversion basis	Cash and/or stock	Stock	Cash and/or stock
Conversion value in excess of principal	$ —	$ —	$ —
Maturity date	May 28, 2021	March 1, 2025	March 15, 2045
Contractual interest rate	4.875%	11.0%	4.25%
Effective interest rate	8.3%	11.9%	9.4%
Remaining debt discount and debt issuance costs amortization period (8)	4.2 years	3.5 years	28.0 years

(1) Prior to the substantial completion of Train 2 of the CCL Project, interest will be paid entirely in kind. Following this date, the interest generally must be paid in cash; however, a portion of the interest may be paid in kind under certain specified circumstances.

(2) Conversion is subject to various limitations and conditions.

(3) Convertible on or after the later of March 1, 2020 and the substantial completion of Train 2 of the CCL Project, provided that our market capitalization is not less than $10.0 billion ("Eligible Conversion Date"). The conversion price is the lower of (1) a 10% discount to the average of the daily volume-weighted average price ("VWAP") of our common stock for the 90 trading day period prior to the date notice is provided, and (2) a 10% discount to the closing price of our common stock on the trading day preceding the date notice is provided.

(4) Redeemable at any time after March 15, 2020 at a redemption price payable in cash equal to the accreted amount of the 2045 Cheniere Convertible Senior Notes to be redeemed, plus accrued and unpaid interest, if any, to such redemption date.

(5) Initially convertible at $93.64 (subject to adjustment upon the occurrence of certain specified events), provided that the closing price of our common stock is greater than or equal to the conversion price on the conversion date.

(6) Convertible on or after the six-month anniversary of the Eligible Conversion Date, provided that our total market capitalization is not less than $10.0 billion, at a price equal to the average of the daily VWAP of our common stock for the 90 trading day period prior to the date on which notice of conversion is provided.

(7) Prior to December 15, 2044, convertible only under certain circumstances as specified in the indenture; thereafter, holders may convert their notes regardless of these circumstances. The conversion rate will initially equal 7.2265 shares of our common stock per $1,000 principal amount of the 2045 Cheniere Convertible Senior Notes, which corresponds to an initial conversion price of approximately $138.38 per share of our common stock (subject to adjustment upon the occurrence of certain specified events).

(8) We amortize any debt discount and debt issuance costs using the effective interest over the period through contractual maturity except for the 2025 CCH HoldCo II Convertible Senior Notes, which are amortized through the date they are first convertible by holders into our common stock.

Interest Expense

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

	Three Months Ended March 31,	
	2017	2016
Interest cost on convertible notes:		
Interest per contractual rate	$ 53	$ 49
Amortization of debt discount	7	9
Amortization of debt issuance costs	2	1
Total interest cost related to convertible notes	62	59
Interest cost on debt excluding convertible notes	292	234
Total interest cost	354	293
Capitalized interest	(189)	(217)
Total interest expense, net	$ 165	$ 76

Fair Value Disclosures

The following table (in millions) shows the carrying amount and estimated fair value of our debt:

	March 31, 2017		December 31, 2016	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Senior notes, net of premium or discount (1)	$ 15,611	$ 16,738	$ 14,263	$ 15,210
2037 SPL Senior Notes (2)	800	826	—	—
Credit facilities (3)	5,513	5,513	5,502	5,502
2021 Cheniere Convertible Unsecured Notes, net of discount (2)	966	1,025	960	983
2025 CCH HoldCo II Convertible Senior Notes (2)	1,203	1,398	1,171	1,328
2045 Cheniere Convertible Senior Notes, net of discount (4)	309	422	308	375

(1) Includes 2021 SPL Senior Notes, 2022 SPL Senior Notes, 2023 SPL Senior Notes, 2024 SPL Senior Notes, 2025 SPL Senior Notes, 2026 SPL Senior Notes, 2027 SPL Senior Notes, 2028 SPL Senior Notes, 2024 CCH Senior Notes and 2025 CCH Senior Notes. The Level 2 estimated fair value was based on quotes obtained from broker-dealers or market makers of these senior notes and other similar instruments.

(2) The Level 3 estimated fair value was calculated based on inputs that are observable in the market or that could be derived from, or corroborated with, observable market data, including our stock price and interest rates based on debt issued by parties with comparable credit ratings to us and inputs that are not observable in the market.

(3) Includes 2015 SPL Credit Facilities, SPL Working Capital Facility, 2016 CQP Credit Facilities, 2015 CCH Credit Facility, CCH Working Capital Facility, Cheniere Revolving Credit Facility and Cheniere Marketing trade finance facilities. The Level 3 estimated fair value approximates the principal amount because the interest rates are variable and reflective of market rates and the debt may be repaid, in full or in part, at any time without penalty.

(4) The Level 1 estimated fair value was based on unadjusted quoted prices in active markets for identical liabilities that we had the ability to access at the measurement date.

NOTE 11—RESTRUCTURING EXPENSE

During 2015 and 2016, we initiated and implemented certain organizational changes to simplify our corporate structure, improve our operational efficiencies and implement a strategy for sustainable, long-term stockholder value creation through financially disciplined development, construction, operation and investment. As a result of these efforts, we recorded $6 million and $7 million of restructuring charges and other costs associated with restructuring and operational efficiency initiatives during the three months ended March 31, 2017 and 2016, respectively, for which the majority of these charges required, or will require, cash expenditure. Included in these amounts are $3 million and $6 million for share-based compensation during the three months ended March 31, 2017 and 2016, respectively. All charges were recorded within the line item entitled “restructuring expense” on our Consolidated Statements of Operations and substantially all related to severance and other employee-related costs. As of both

March 31, 2017 and December 31, 2016, we had $6 million of accrued restructuring charges and other costs that were recorded as part of accrued liabilities on our Consolidated Balance Sheets. Organizational initiatives have been completed as of March 31, 2017.

NOTE 12—INCOME TAXES

We are not presently a taxpayer for federal or state income tax purposes and have not recorded a provision for federal or state income taxes in any of the periods included in the accompanying Consolidated Financial Statements. The net provision was immaterial for the three months ended March 31, 2017 for foreign income taxes. We have recorded a net provision of $1 million for the three months ended March 31, 2016 for foreign income taxes.

We experienced an ownership change within the provisions of Internal Revenue Code("IRC") Section 382 in 2008, 2010 and 2012. An analysis of the annual limitation on the utilization of our net operating losses ("NOLs") was performed in accordance with IRC Section 382. It was determined that IRC Section 382 will not limit the use of our NOLs in full over the carryover period. We will continue to monitor trading activity in our shares which may cause an additional ownership change which could ultimately affect our ability to fully utilize our existing NOL carryforwards.

NOTE 13—SHARE-BASED COMPENSATION

We have granted stock, restricted stock, restricted stock units, performance stock units, phantom units and options to purchase common stock to employees, outside directors and a consultant under the Amended and Restated 2003 Stock Incentive Plan, as amended, 2011 Incentive Plan, as amended (the "2011 Plan"), the 2015 Long-Term Cash Incentive Plan and the 2015 Employee Inducement Incentive Plan.

In January 2017, the issuance of awards with respect to 7.8 million shares of common stock available for issuance under the 2011 Plan was approved at a special meeting of our shareholders. In February 2017, our Board of Directors approved the award of 0.9 million restricted stock units and 0.2 million target performance stock units under the 2011 Plan to certain employees as part of the Long-Term Incentive program implemented in 2017. Restricted stock unit awards vest ratably over a three-year service period on each of the first, second and third anniversaries of the grant date, subject to forfeiture upon termination except in certain events and acceleration upon certain events including death or disability. Performance stock units provide for three-year cliff vesting with payouts based on the Company's cumulative distributable cash flow per share from January 1, 2018 through December 31, 2019 compared to a pre-established performance target. The number of shares that may be earned at the end of the vesting period ranges from 50 to 200 percent of the target award amount if the threshold performance is met. Both restricted stock units and performance stock units will be settled in Cheniere common stock and are classified as equity awards.

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

	Three Months Ended March 31, 2017			Three Months Ended March 31, 2016		
	Equity Awards	Liability Awards	Total Awards	Equity Awards	Liability Awards	Total Awards
Total share-based compensation	$ 5	$ 27	$ 32	$ 13	$ 4	$ 17
Capitalized share-based compensation	(1)	(7)	(8)	(1)	—	(1)
Total share-based compensation expense	$ 4	$ 20	$ 24	$ 12	$ 4	$ 16

For a further discussion of the Cheniere's Equity Incentive Plans, see Note 15—Share-Based Compensation of our Notes to Consolidated Financial Statements in our annual report on Form 10-K for the year ended December 31, 2016.

NOTE 14—NET INCOME (LOSS) PER SHARE ATTRIBUTABLE TO COMMON STOCKHOLDERS

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

The following table (in millions, except per share data) reconciles basic and diluted weighted average common shares outstanding for the three months ended March 31, 2017 and 2016:

	Three Months Ended March 31,	
	2017	2016
Weighted average common shares outstanding:		
Basic	232.4	228.1
Dilutive unvested stock	0.3	—
Diluted	232.7	228.1
Basic and diluted net income (loss) per share attributable to common stockholders	$ 0.23	$ (1.41)

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

	Three Months Ended March 31,	
	2017	2016
Stock options and unvested stock (1)	1.2	2.0
Convertible notes (2)	16.5	16.0
Total potentially dilutive common shares	17.7	18.0

(1) Does not include 5.1 million shares and 5.4 million shares for the three months ended March 31, 2017 and 2016, respectively, of unvested stock because the performance conditions had not yet been satisfied as of March 31, 2017 and 2016.

(2) Includes number of shares in aggregate issuable upon conversion of the 2021 Cheniere Convertible Unsecured Notes and the 2045 Cheniere Convertible Senior Notes. There were no shares included in the computation of diluted net income (loss) per share for the 2025 CCH HoldCo II Convertible Senior Notes because substantive non-market-based contingencies underlying the eligible conversion date have not been met as of March 31, 2017.

NOTE 15—COMMITMENTS AND CONTINGENCIES

We have various contractual obligations which are recorded as liabilities in our Consolidated Financial Statements. Other items, such as certain purchase commitments and other executed contracts which do not meet the definition of a liability as of March 31, 2017, are not recognized as liabilities.

Obligations under Certain Guarantee Contracts

Cheniere and certain of its subsidiaries enter into guarantee arrangements in the normal course of business to facilitate transactions with third parties. These arrangements include financial guarantees, letters of credit and debt guarantees. As of March 31, 2017 and December 31, 2016, there were no liabilities recognized under these guarantee arrangements.

Legal Proceedings

We may in the future be involved as a party to various legal proceedings, which are incidental to the ordinary course of business. We regularly analyze current information and, as necessary, provide accruals for probable liabilities on the eventual disposition of these matters. In the opinion of management, as of March 31, 2017, there were no pending legal matters that would reasonably be expected to have a material impact on our operating results, financial position or cash flows.

NOTE 16—BUSINESS SEGMENT INFORMATION

During the first quarter of 2017, we finalized our organizational changes to simplify our corporate structure, improve our operational efficiencies and implement a strategy for sustainable, long-term stockholder value creation through financially disciplined development, construction, operation and investment. As a result of these efforts, we revised the way we manage our business, which resulted in a change to our reportable segments. We previously had two reportable segments: LNG terminal segment and LNG and natural gas marketing segment. We have now determined that we operate as a single operating and reportable segment. Our chief operating decision maker makes resource allocation decisions and assesses performance based on financial information presented on a consolidated basis in the delivery of an integrated source of LNG to our customers.

Customer Concentration

The following table shows customers with revenues of10% or greater of total revenues and customers with accounts receivable balances of10% or greater of total accounts receivables:

	Percentage of Total Revenues		Percentage of Accounts Receivable	
	Three Months Ended March 31,		March 31,	December 31,
	2017	2016	2017	2016
Customer A	33%	—%	28%	34%
Customer B	13%	—%	14%	21%
Customer C	10%	—%	24%	28%
Customer D	19%	—%	16%	—%
Customer E	—%	—%	—%	12%

NOTE 17—SUPPLEMENTAL CASH FLOW INFORMATION

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

	Three Months Ended March 31,	
	2017	2016
Cash paid during the period for interest, net of amounts capitalized	$ 163	$ 15

The balance in property, plant and equipment, net funded with accounts payable and accrued liabilities was $503 million and $577 million as of March 31, 2017 and 2016, respectively.

NOTE 18—RECENT ACCOUNTING STANDARDS

The following table provides a brief description of recent accounting standards that had not been adopted by the Company as ofMarch 31, 2017:

Standard	Description	Expected Date of Adoption	Effect on our Consolidated Financial Statements or Other Significant Matters
ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, and subsequent amendments thereto	This standard provides a single, comprehensive revenue recognition model which replaces and supersedes most existing revenue recognition guidance and requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard requires that the costs to obtain and fulfill contracts with customers should be recognized as assets and amortized to match the pattern of transfer of goods or services to the customer if expected to be recoverable. The standard also requires enhanced disclosures. This guidance may be adopted either retrospectively to each prior reporting period presented subject to allowable practical expedients ("full retrospective approach") or as a cumulative-effect adjustment as of the date of adoption ("modified retrospective approach").	January 1, 2018	We continue to evaluate the effect of this standard on our Consolidated Financial Statements. Preliminarily, we plan to adopt this standard using the full retrospective approach and we do not currently anticipate that the adoption will have a material impact upon our revenues. The Financial Accounting Standards Board has issued and may issue in the future amendments and interpretive guidance which may cause our evaluation to change. Furthermore, we routinely enter into new contracts and we cannot predict with certainty whether the accounting for any future contract under the new standard would result in a significant change from existing guidance. Because this assessment is preliminary and the accounting for revenue recognition is subject to significant judgment, this conclusion could change as we finalize our assessment. We have not yet determined the impact that recognizing fulfillment costs as assets will have on our Consolidated Financial Statements.
ASU 2016-02, *Leases (Topic 842)*	This standard requires a lessee to recognize leases on its balance sheet by recording a lease liability representing the obligation to make future lease payments and a right-of-use asset representing the right to use the underlying asset for the lease term. A lessee is permitted to make an election not to recognize lease assets and liabilities for leases with a term of 12 months or less. The standard also modifies the definition of a lease and requires expanded disclosures. This guidance may be early adopted, and must be adopted using a modified retrospective approach with certain available practical expedients.	January 1, 2019	We continue to evaluate the effect of this standard on our Consolidated Financial Statements. Preliminarily, we anticipate a material impact from the requirement to recognize all leases upon our Consolidated Balance Sheets. Because this assessment is preliminary and the accounting for leases is subject to significant judgment, this conclusion could change as we finalize our assessment. We have not yet determined the impact of the adoption of this standard upon our results of operations or cash flows, whether we will elect to early adopt this standard or which, if any, practical expedients we will elect upon transition.
ASU 2016-16, *Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory*	This standard requires the immediate recognition of the tax consequences of intercompany asset transfers other than inventory. This guidance may be early adopted, but only at the beginning of an annual period, and must be adopted using a modified retrospective approach.	January 1, 2018	We are currently evaluating the impact of the provisions of this guidance on our Consolidated Financial Statements and related disclosures.

Additionally, the following table provides a brief description of recent accounting standards that were adopted by the Company during the reporting period:

Standard	Description	Date of Adoption	Effect on our Consolidated Financial Statements or Other Significant Matters
ASU 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory*	This standard requires inventory to be measured at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. This guidance may be early adopted and must be adopted prospectively.	January 1, 2017	The adoption of this guidance did not have a material impact on our Consolidated Financial Statements or related disclosures.
ASU 2016-09, *Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*	This standard primarily requires the recognition of excess tax benefits for share-based awards in the statement of operations and the classification of excess tax benefits as an operating activity within the statement of cash flows. The guidance also allows an entity to elect to account for forfeitures when they occur. This guidance may be early adopted, but all of the guidance must be adopted in the same period.	January 1, 2017	Upon adoption of this guidance, we made a cumulative effect adjustment to accumulated deficit for all excess tax benefits not previously recognized, offset by the change in valuation allowance, and for our election to account for forfeitures as they occur. The adoption of this guidance did not have a material impact on our Consolidated Financial Statements or related disclosures.
ASU 2017-04, *Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*	This standard simplifies the measurement of goodwill impairment by eliminating the requirement for an entity to perform a hypothetical purchase price allocation. An entity will instead measure the impairment as the difference between the carrying amount and the fair value of the reporting unit. This guidance may be early adopted beginning January 1, 2017, and must be adopted prospectively.	January 1, 2017	The adoption of this guidance did not have a material impact on our Consolidated Financial Statements or related disclosures.

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

Information Regarding Forward-Looking Statements

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

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

All of these types of statements, other than statements of historical or present facts or conditions, are forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "could," "should," "expect," "plan," "project," "intend," "anticipate," "believe," "estimate," "predict," "potential," "pursue," "target," "continue," the negative of such terms or other comparable terminology. The forward-looking statements contained in this quarterly report are largely based on our expectations, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors. Although we believe that such estimates are reasonable, they are inherently uncertain and involve a number of risks and uncertainties beyond our control. In addition, assumptions may prove to be inaccurate. We caution that the forward-looking statements contained in this quarterly report are not guarantees of future performance and that such statements may not be realized or the forward-looking statements or events may not occur. Actual results may differ materially from those anticipated or implied in forward-looking statements as a result of a variety of factors described in this quarterly report and in the other reports and other information that we file with the SEC. These forward-looking statements speak only as of the date made, and other than as required by law, we undertake no obligation to update or revise any forward-looking statement or provide reasons why actual results may differ, whether as a result of new information, future events or otherwise.

Our actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including those discussed under "Risk Factors" in our annual report on Form 10-K for the year ended December 31,

2016. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these risk factors. Other than as required under the securities laws, we assume no obligation to update or revise these forward-looking statements or provide reasons why actual results may differ.

Introduction

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

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

Overview of Business

Cheniere, a Delaware corporation, is a Houston-based energy company primarily engaged in LNG-related businesses. Our vision is to be recognized as the premier global LNG company and provide a reliable, competitive and integrated source of LNG to our customers while creating a safe, productive and rewarding work environment for our employees. We own and operate the Sabine Pass LNG terminal in Louisiana through our ownership interest in and management agreements with Cheniere Partners, which is a publicly traded limited partnership that we created in 2007. We own 100% of the general partner interest in Cheniere Partners and 82.7% of Cheniere Holdings, which is a publicly traded limited liability company formed in 2013 that owns a 55.9% limited partner interest in Cheniere Partners. We are currently developing and constructing two natural gas liquefaction and export facilities. The liquefaction of natural gas into LNG allows it to be shipped economically from areas of the world where natural gas is abundant and inexpensive to produce to other areas where natural gas demand and infrastructure exist to economically justify the use of LNG.

The Sabine Pass LNG terminal is located in Cameron Parish, Louisiana, on the Sabine-Neches Waterway less than four miles from the Gulf Coast. Cheniere Partners is developing, constructing and operating natural gas liquefaction facilities (the "SPL Project") at the Sabine Pass LNG terminal adjacent to the existing regasification facilities through a wholly owned subsidiary, SPL. Cheniere Partners plans to construct up to six Trains, which are in various stages of development, construction and operations. Trains 1 through 3 have commenced commercial operations, Train 4 is undergoing commissioning, Train 5 is under construction and Train 6 is being commercialized and has all necessary regulatory approvals in place. Each Train is expected to have a nominal production capacity, which is prior to adjusting for planned maintenance, production reliability and potential overdesign, of approximately 4.5 mtpa of LNG. The Sabine Pass LNG terminal has operational regasification facilities owned by Cheniere Partners' wholly owned subsidiary, SPLNG, that include existing infrastructure of five LNG storage tanks with capacity of approximately 16.9 Bcfe, two marine berths that can accommodate vessels with nominal capacity of up to 266,000 cubic meters and vaporizers with regasification capacity of approximately 4.0 Bcf/d. Cheniere Partners also owns a 94-mile pipeline that interconnects the Sabine Pass LNG terminal with a number of large interstate pipelines through a wholly owned subsidiary, CTPL.

We are developing and constructing a second natural gas liquefaction and export facility at the Corpus Christi LNG terminal, which is on nearly 2,000 acres of land that we own or control near Corpus Christi, Texas, and a pipeline facility (collectively, the "CCL Project") through wholly owned subsidiaries CCL and CCP, respectively. The CCL Project is being developed for up to three Trains, with expected aggregate nominal production capacity, which is prior to adjusting for planned maintenance, production reliability and potential overdesign, of approximately 13.5 mtpa of LNG, three LNG storage tanks with aggregate capacity of approximately 10.1 Bcfe and two marine berths that can each accommodate vessels with nominal capacity of up to 266,000 cubic meters. The CCL Project is being developed in stages. The first stage ("Stage 1") includes Trains 1 and 2, two LNG storage tanks, one complete marine berth and a second partial berth and all of the CCL Project's necessary infrastructure facilities. The second

stage ("Stage 2") includes Train 3, one LNG storage tank and the completion of the second partial berth. The CCL Project also includes a 23-mile natural gas supply pipeline that will interconnect the Corpus Christi LNG terminal with several interstate and intrastate natural gas pipelines (the "Corpus Christi Pipeline").

The CCL Stage III entities, our wholly owned subsidiaries separate from the CCH Group, are also developing two additional Trains and one LNG storage tank at the Corpus Christi LNG terminal adjacent to the CCL Project, along with a second natural gas pipeline. We remain focused on leveraging infrastructure through the expansion of our existing sites. We are also in various stages of developing other projects, including liquefaction projects and other infrastructure projects in support of natural gas supply and LNG demand, which, among other things, will require acceptable commercial and financing arrangements before we make a final investment decision ("FID").

Overview of Significant Events

Our significant accomplishments since January 1, 2017 and through the filing date of this Form 10-Q include the following:

Strategic

- Year to date, LNG from the SPL Project has been delivered to 6 new countries. As of April 2017, LNG from the SPL Project had reached 20 of the 39 LNG importing countries around the world.
- We completed a land acquisition and acquired rights to obtain additional upland and waterfront land adjacent to the CCL Project aggregating more than 500 acres.
- Midship Pipeline Company, LLC ("Midship Pipeline") signed precedent agreements to support construction of an approximately 200-mile interstate natural gas pipeline with expected capacity of 1.0 Bcf/d, to connect new production in the Anadarko Basin to Gulf Coast markets.

Operational

- 43 LNG cargoes (154 million MMBtu) were loaded from the SPL Project in the first quarter of 2017, and in early April 2017 we reached the milestone of 100 cumulative LNG cargoes exported from the SPL Project.
- SPL commenced production and shipment of LNG commissioning cargoes from Train 3 of the SPL Project in January 2017 and achieved substantial completion and commenced operating activities in March 2017.
- Commissioning activities for Train 4 of the SPL Project began in March 2017.

Financial

- In February and March 2017, SPL issued aggregate principal amounts of $800 million of 5.00% Senior Secured Notes due 2037 (the "2037 SPL Senior Notes") and $1.35 billion, before discount, of 4.200% Senior Secured Notes due 2028 (the "2028 SPL Senior Notes"), respectively. Net proceeds of the offerings of the 2037 SPL Senior Notes and 2028 SPL Senior Notes were $789 million and $1.33 billion, respectively, after deducting the initial purchasers' commissions (for the 2028 SPL Senior Notes) and estimated fees and expenses. The net proceeds of the 2037 SPL Senior Notes were used to repay the outstanding borrowings under the credit facilities SPL entered into in June 2015 (the "2015 SPL Credit Facilities") and, along with the net proceeds of the 2028 SPL Senior Notes, the remainder is being used to pay a portion of the capital costs in connection with the construction of Trains 1 through 5 of the SPL Project in lieu of the terminated portion of the commitments under the 2015 SPL Credit Facilities.
- In March 2017, we entered into a $750 million revolving credit agreement ("Cheniere Revolving Credit Facility") that may be used to fund the development of the CCL Project and, provided that certain conditions are met, for general corporate purposes.
- In January 2017, Fitch Ratings assigned SPL's senior secured debt an investment grade rating of BBB-.

Liquidity and Capital Resources

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

- SPL through project debt and borrowings and operating cash flows;

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

The following table (in millions) provides a summary of our liquidity position at March 31, 2017 and December 31, 2016:

	March 31, 2017	December 31, 2016
Cash and cash equivalents	$ 923	$ 876
Restricted cash designated for the following purposes:		
SPL Project	1,531	358
CQP and cash held by guarantor subsidiaries	225	247
CCL Project	143	270
Other	119	76
Available commitments under the following credit facilities:		
2015 SPL Credit Facilities	—	1,642
$1.2 billion SPL Working Capital Facility ("SPL Working Capital Facility")	823	653
$2.8 billion 2016 CQP Credit Facilities ("2016 CQP Credit Facilities")	190	195
2015 CCH Credit Facility ("2015 CCH Credit Facility")	3,055	3,603
$350 million CCH Working Capital Facility ("CCH Working Capital Facility")	268	350
Cheniere Revolving Credit Facility	750	—

For additional information regarding our debt agreements, see Note 10—Debt of our Notes to Consolidated Financial Statements.

Cheniere

Convertible Notes

In November 2014, we issued an aggregate principal amount of $1.0 billion Convertible Unsecured Notes due 2021 (the "2021 Cheniere Convertible Unsecured Notes"). The 2021 Cheniere Convertible Unsecured Notes are convertible at the option of the holder into our common stock at the then applicable conversion rate, provided that the closing price of our common stock is greater than or equal to the conversion price on the date of conversion. In March 2015, we issued the $625.0 million aggregate principal amount of 4.25% Convertible Senior Notes due 2045 (the "2045 Cheniere Convertible Senior Notes"). We have the right, at our option, at any time after March 15, 2020, to redeem all or any part of the 2045 Cheniere Convertible Senior Notes at a redemption price equal to the accreted amount of the 2045 Cheniere Convertible Senior Notes to be redeemed, plus accrued and unpaid interest, if any, to such redemption date. We have the option to satisfy the conversion obligation for the 2021 Cheniere Convertible Unsecured Notes and the 2045 Cheniere Convertible Senior Notes with cash, common stock or a combination thereof. See Note 10—Debt of our Notes to Consolidated Financial Statements in this quarterly report and Note 12—Debt of our Notes to Consolidated Financial Statements in our annual report on Form 10-K for the year ended December 31, 2016 for additional information regarding our convertible notes.

Cheniere Revolving Credit Facility

In March 2017, we entered into the Cheniere Revolving Credit Facility that may be used to fund, through loans and letters of credit, equity capital contributions to CCH HoldCo II and its subsidiaries for the development of the CCL Project and, provided that certain conditions are met, for general corporate purposes. No advances or letters of credit under the Cheniere Revolving Credit Facility are available until either (1) Cheniere's unrestricted cash and cash equivalents are less than $500 million or (2) Train 4 of the SPL Project has achieved substantial completion.

The Cheniere Revolving Credit Facility matures on March 2, 2021 and contains representations, warranties and affirmative and negative covenants customary for companies like Cheniere with lenders of the type participating in the Cheniere Revolving

Credit Facility that limit our ability to make restricted payments, including distributions, unless certain conditions are satisfied, as well as limitations on indebtedness, guarantees, hedging, liens, investments and affiliate transactions. Under the terms of the Cheniere Revolving Credit Facility, we are required to ensure that the sum of our unrestricted cash and the amount of undrawn commitments under the Cheniere Revolving Credit Facility is at least equal to the lesser of (1) 20% of the commitments under the Cheniere Revolving Credit Facility and (2) $100 million.

The Cheniere Revolving Credit Facility is secured by a first priority security interest (subject to permitted liens and other customary exceptions) in substantially all of our assets, including our interests in our direct subsidiaries (excluding CCH HoldCo II). See Note 10—Debt of our Notes to Consolidated Financial Statements in this quarterly report.

Cash Receipts from Subsidiaries

As of March 31, 2017, we had an 82.7% direct ownership interest in Cheniere Holdings. We receive dividends on our Cheniere Holdings shares from the distributions that Cheniere Holdings receives from Cheniere Partners. During each of the three months ended March 31, 2017 and 2016, we received $4 million in dividends on our Cheniere Holdings common shares.

Our ownership interest in the Sabine Pass LNG terminal is held through Cheniere Partners. As of March 31, 2017, we own 82.7% of Cheniere Holdings, which owns a 55.9% limited partner interest in Cheniere Partners in the form of 12.0 million common units, 45.3 million Class B units and 135.4 million subordinated units. We also own 100% of the general partner interest and the incentive distribution rights in Cheniere Partners. We receive quarterly equity distributions from Cheniere Partners related to our 2% general partner interest.

We also receive fees for providing management services to Cheniere Holdings, Cheniere Partners, SPLNG, SPL and CTPL. We received $47 million and $63 million in total service fees from Cheniere Holdings, Cheniere Partners, SPLNG, SPL and CTPL during the three months ended March 31, 2017 and 2016, respectively.

Cheniere Partners' common unit and general partner distributions are being funded from accumulated operating surplus. Neither we nor Cheniere Holdings received distributions on our subordinated units with respect to the quarters ended on or after June 30, 2010. Cheniere Partners will not make distributions on subordinated units until it generates additional cash flow from SPLNG, SPL, CTPL or other new business, which would be used to make quarterly distributions on our subordinated units before any increase in distributions to the common unitholders.

Cheniere Partners Class B Units

Cheniere Partners' Class B units are subject to conversion, mandatorily or at the option of the Class B unitholders under specified circumstances, into a number of common units based on the then-applicable conversion value of the Class B units. The Cheniere Partners Class B units are not entitled to cash distributions except in the event of a liquidation of Cheniere Partners, a merger, consolidation or other combination of Cheniere Partners with another person or the sale of all or substantially all of the assets of Cheniere Partners. On a quarterly basis beginning on the initial purchase date of the Class B units, the conversion value of the Class B units increases at a compounded rate of 3.5% per quarter, subject to an additional upward adjustment for certain equity and debt financings. The accreted conversion ratio of the Class B units owned by Cheniere Holdings and Blackstone CQP Holdco LP ("Blackstone CQP Holdco") was 1.97 and 1.92, respectively, as of March 31, 2017. Since Train 3 of the SPL Project achieved substantial completion in March 2017, the Class B units will mandatorily convert into common units on the first business day following the record date of Cheniere Partners' first distribution with respect to the quarter ended June 30, 2017 if not voluntarily converted by Blackstone CQP Holdco earlier.

The Class B units were issued at a discount to the market price of the Cheniere Partners common units into which they are convertible. This discount, totaling $2,130 million, represents a beneficial conversion feature. The beneficial conversion feature is similar to a dividend that will be distributed with respect to any Class B unit from its issuance date through its conversion date, resulting in an increase in Class B unitholders' equity and a decrease in common and subordinated unitholders' equity, including our equity interest in Cheniere Partners. Cheniere Partners amortizes the beneficial conversion feature through the mandatory conversion date of August 2017. Deemed dividends represented by the amortization of the beneficial conversion feature allocated to the Class B units held by Blackstone CQP Holdco are included in net income (loss) attributable to non-controlling interest and result in a reduction of income available to common stockholders. The impact to net income (loss) attributable to non-controlling interest due to the amortization of the beneficial conversion feature was approximately $84 million and $1 million during the three

months ended March 31, 2017 and 2016, respectively, and is anticipated to be approximately $748 million for the year ending December 31, 2017 based on the ownership interest as of March 31, 2017.

Cheniere Partners

In February 2016, Cheniere Partners entered into the 2016 CQP Credit Facilities. The 2016 CQP Credit Facilities consist of: (1) a $450 million CTPL tranche term loan that was used to prepay the $400 million term loan facility (the "CTPL Term Loan") in February 2016, (2) an approximately $2.1 billion SPLNG tranche term loan that was used to repay and redeem the approximately $2.1 billion of the senior notes previously issued by SPLNG in November 2016, (3) a $125 million DSR Facility that may be used to satisfy a six-month debt service reserve requirement and (4) a $115 million revolving credit facility that may be used for general business purposes. Cheniere Partners had $2.6 billion of outstanding borrowings under the 2016 CQP Credit Facilities as of both March 31, 2017 and December 31, 2016, and Cheniere Partners had $190 million and $195 million of available commitments and $50 million and $45 million aggregate amount of issued letters of credit as of March 31, 2017 and December 31, 2016, respectively.

The 2016 CQP Credit Facilities mature on February 25, 2020, and the outstanding balance may be repaid, in whole or in part, at any time without premium or penalty, except for interest hedging and interest rate breakage costs. The 2016 CQP Credit Facilities contain conditions precedent for extensions of credit, as well as customary affirmative and negative covenants and limit Cheniere Partners' ability to make restricted payments, including distributions, to once per fiscal quarter as long as certain conditions are satisfied. Under the terms of the 2016 CQP Credit Facilities, Cheniere Partners is required to hedge not less than 50% of the variable interest rate exposure on its projected aggregate outstanding balance, maintain a minimum debt service coverage ratio of at least 1.15x at the end of each fiscal quarter beginning March 31, 2019 and have a projected debt service coverage ratio of 1.55x in order to incur additional indebtedness to refinance a portion of the existing obligations.

The 2016 CQP Credit Facilities are unconditionally guaranteed by each subsidiary of Cheniere Partners other than SPL, certain of the subsidiaries of Cheniere Partners owning other development projects, as well as certain other specified subsidiaries and members of the foregoing entities.

See Note 10—Debt of our Notes to Consolidated Financial Statements in this quarterly report and Note 12—Debt of our Notes to Consolidated Financial Statements in our annual report on Form 10-K for the year ended December 31, 2016 for additional information regarding the 2016 CQP Credit Facilities.

Sabine Pass LNG Terminal

Liquefaction Facilities

The SPL Project is being developed and constructed at the Sabine Pass LNG terminal adjacent to the existing regasification facilities. We have received authorization from the FERC to site, construct and operate Trains 1 through 6. The following table summarizes the overall project status of the SPL Project as of March 31, 2017:

	SPL Trains 1 & 2	SPL Trains 3 & 4	SPL Train 5
Overall project completion percentage	100%	97.3%	63.1%
Completion percentage of:			
Engineering	100%	100%	99.2%
Procurement	100%	100%	93.0%
Subcontract work	100%	84.3%	46.0%
Construction	100%	96.7%	19.2%
Date of expected substantial completion	Train 1 Operational	Train 3 Operational	Train 5 2H 2019
	Train 2 Operational	Train 4 2H 2017	

We achieved substantial completion of Trains 1, 2 and 3 of the SPL Project and commenced operating activities in May 2016, September 2016 and March 2017, respectively, and started the commissioning of Train 4 of the SPL Project in March 2017.

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

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

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

In January 2016, the DOE issued an order authorizing SPL to export domestically produced LNG by vessel from the Sabine Pass LNG terminal toFTA countries and non-FTA countries over a two-year period commencing on January 15, 2016, in an aggregate amount up to the equivalent of 600Bcf of natural gas (however, exports to non-FTA countries under this order, when combined with exports tonon-FTA countries under the orders related to Trains 1 through 4 above, may not exceed 1,006Bcf/yr).

A party to the proceedings requested rehearings of the orders above related to the export of 803Bcf/yr, 203 Bcf/yr and 503.3 Bcf/yr to non-FTA countries. The DOE issued orders denying rehearing of the orders. The same party petitioned the U.S. Court of Appeals for the District of Columbia Circuit to review (1) the 203 Bcf/yr order to non-FTA countries and the order denying the request for rehearing of the same and (2) the 503.3 Bcf/yr order to non-FTA countries and the order denying the request for rehearing of the same. Both appeals are pending.

Customers

SPL has entered into six fixed price, 20-yearSPAs with extension rights with third parties to make available an aggregate amount of LNG that equates to approximately 19.75 mtpa of LNG, which is approximately 88% of the expected aggregate nominal production capacity of Trains 1 through 5. The obligation to make LNG available under the SPAs commences from the date of first commercial delivery for Trains 1 through 5, as specified in each SPA. Under these SPAs, the customers will purchase LNG from SPL for a price consisting of a fixed fee per MMBtu of LNG (a portion of which is subject to annual adjustment for inflation) plus a variable fee equal to 115% of Henry Hub per MMBtu of LNG. In certain circumstances, the customers may elect to cancel or suspend deliveries of LNG cargoes, in which case the customers would still be required to pay the fixed fee with respect to the contracted volumes that are not delivered as a result of such cancellation or suspension. The SPAs and contracted volumes to be made available under the SPAs are not tied to a specific Train; however, the term of eachSPA commences upon the start of operations of a specified Train.

In aggregate, the fixed fee portion to be paid by the third-party SPA customers is approximately $2.9 billion annually for Trains 1 through 5, with the applicable fixed fees starting from the date of first commercial delivery from the applicable Train. These fixed fees equal approximately $411 million, $564 million, $650 million, $648 million and $588 million for each of Trains 1 through 5, respectively.

Any LNG produced by SPL in excess of that required for other customers is sold by our integrated marketing function, in fulfilment of various sales commitments.

Natural Gas Transportation, Storage and Supply

To ensure SPL is able to transport adequate natural gas feedstock to the Sabine Pass LNG terminal, it has entered into transportation precedent and other agreements to secure firm pipeline transportation capacity with CTPL and third-party pipeline companies. SPL has entered into firm storage services agreements with third parties to assist in managing volatility in natural gas needs for the SPL Project. SPL has also entered into enabling agreements and long-term natural gas supply contracts with third parties in order to secure natural gas feedstock for the SPL Project. As of March 31, 2017, SPL has secured up to approximately2,051 million MMBtu of natural gas feedstock through long-term and short-term natural gas supply contracts.

Construction

SPL entered into lump sum turnkey contracts with Bechtel Oil, Gas and Chemicals, Inc.("Bechtel") for the engineering, procurement and construction of Trains 1 through 5 of the SPL Project, under which Bechtel charges a lump sum for all work performed and generally bears project cost risk unless certain specified events occur, in which case Bechtel may cause SPL to enter into a change order, or SPL agrees withBechtel to a change order.

The total contract prices of the EPC contract for Trains 1 and 2, the EPC contract for Trains 3 and 4 and the EPC contract for Train 5 of theSPL Project are approximately $4.1 billion, $3.9 billion and $3.0 billion, respectively, reflecting amounts incurred under change orders through March 31, 2017. Total expected capital costs for Trains 1 through 5 are estimated to be between $12.5 billion and $13.5 billion before financing costs and between $17.5 billion and $18.5 billion after financing costs including, in each case, estimated owner's costs and contingencies.

Final Investment Decision on Train 6

We will contemplate making an FID to commence construction of Train 6 of the SPL Project based upon, among other things, entering into an EPC contract, entering into acceptable commercial arrangements and obtaining adequate financing to construct Train 6.

Regasification Facilities

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

The remaining approximately 2.0 Bcf/d of capacity has been reserved under a TUA by SPL. SPL is obligated to make monthly capacity payments to SPLNG aggregating approximately $250 million annually, continuing until at least 20 years after SPL delivers its first commercial cargo at the SPL Project. SPL entered into a partial TUA assignment agreement with Total, whereby upon substantial completion of Train 3, SPL commenced gaining access to a portion of Total's capacity and other services provided under Total's TUA with SPLNG. This agreement provides SPL with additional berthing and storage capacity at the Sabine Pass LNG terminal that may be used to provide increased flexibility in managing LNG cargo loading and unloading activity, permit SPL to more flexibly manage its LNG storage capacity and accommodate the development of Trains 5 and 6. Notwithstanding any arrangements between Total and SPL, payments required to be made by Total to SPLNG will continue to be made by Total to SPLNG in accordance with its TUA.

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

Capital Resources

We currently expect that SPL's capital resources requirements with respect to Trains 1 through 5 of the SPL Project will be financed through borrowings and cash flows under the SPAs. We believe that with the net proceeds of borrowings, available commitments under the SPL Working Capital Facility and cash flows from operations, we will have adequate financial resources available to complete Trains 1 through 5 of the SPL Project and to meet our currently anticipated capital, operating and debt service requirements. SPL began generating cash flows from operations from the SPL Project in May 2016, when Train 1 achieved substantial completion and initiated operating activities. Trains 2 and 3 subsequently achieved substantial completion in September 2016 and March 2017, respectively. Additionally, during the three months ended March 31, 2017 and 2016, we realized offsets to LNG terminal costs of $131 million and $14 million, respectively, that were related to the sale of commissioning cargoes because these amounts were earned prior to the start of commercial operations, during the testing phase for the construction of those Trains of the SPL Project.

The following table (in millions) provides a summary of our capital resources from borrowings and available commitments for the Sabine Pass LNG Terminal, excluding equity contributions to our subsidiaries and cash flows from operations (as described in *Sources and Uses of Cash*), at March 31, 2017 and December 31, 2016:

	March 31, 2017	December 31, 2016
Senior notes (1)	$ 13,650	$ 11,500
Credit facilities outstanding balance (2)	2,560	3,097
Letters of credit issued (3)	377	324
Available commitments under credit facilities (3)	823	2,295
Total capital resources from borrowings and available commitments (4)	$ 17,410	$ 17,216

(1) Includes SPL's 5.625% Senior Secured Notes due 2021, 6.25% Senior Secured Notes due 2022, 5.625% Senior Secured Notes due 2023, 5.75% Senior Secured Notes due 2024, 5.625% Senior Secured Notes due 2025, 5.875% Senior Secured Notes due 2026 (the "2026 SPL Senior Notes"), 5.00% Senior Secured Notes due 2027 (the "2027 SPL Senior Notes"), 2028 SPL Senior Notes and 2037 SPL Senior Notes (collectively, the "SPL Senior Notes").

(2) Includes 2015 SPL Credit Facilities, SPL Working Capital Facility and CTPL and SPLNG tranche term loans outstanding under the 2016 CQP Credit Facilities.

(3) Includes 2015 SPL Credit Facilities and SPL Working Capital Facility. Does not include the letters of credit issued or available commitments under the 2016 CQP Credit Facilities, which are not specifically for the SPL Project.

(4) Does not include Cheniere's additional borrowings from 2021 Cheniere Convertible Unsecured Notes and the 2045 Cheniere Convertible Senior Notes, which may be used for the SPL Project.

For additional information regarding our debt agreements related to the Sabine Pass LNG Terminal, see Note 10—Debt of our Notes to Consolidated Financial Statements in this quarterly report and Note 12—Debt of our Notes to Consolidated Financial Statements in our annual report on Form 10-K for the year ended December 31, 2016.

Senior Secured Notes

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

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

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

2015 SPL Credit Facilities

In June 2015, SPL entered into the 2015 SPL Credit Facilities with commitments aggregating $4.6 billion to fund a portion of the costs of developing, constructing and placing into operation Trains 1 through 5 of the SPL Project. In February 2017, SPL

issued the 2028 SPL Senior Notes and a portion of the net proceeds of the issuance was used to repay the then outstanding borrowings of $369 million under the 2015 SPL Credit Facilities. In March 2017, SPL issued the 2028 SPL Senior Notes and SPL terminated the remaining available balance of $1.6 billion under the 2015 SPL Credit Facilities.

SPL Working Capital Facility

In September 2015, SPL entered into the SPL Working Capital Facility, which is intended to be used for loans to SPL ("SPL Working Capital Loans"), the issuance of letters of credit on behalf of SPL, as well as for swing line loans to SPL ("SPL Swing Line Loans"), primarily for certain working capital requirements related to developing and placing into operation the SPL Project. SPL may, from time to time, request increases in the commitments under the SPL Working Capital Facility of up to $760 million and, upon the completion of the debt financing of Train 6 of the SPL Project, request an incremental increase in commitments of up to an additional $390 million. As of March 31, 2017 and December 31, 2016, SPL had $823 million and $653 million of available commitments, $377 million and $324 million aggregate amount of issued letters of credit and zero and $224 million of loans outstanding under the SPL Working Capital Facility, respectively.

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

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

Corpus Christi LNG Terminal

Liquefaction Facilities

The CCL Project is being developed and constructed at the Corpus Christi LNG terminal, on nearly 2,000 acres of land that we own or control near Corpus Christi, Texas. In December 2014, we received authorization from the FERC to site, construct and operate Stages 1 and 2 of the CCL Project. The following table summarizes the overall project status of Stage 1 of the CCL Project:

		CCL Stage 1
Overall project completion percentage		59.1%
Project completion percentage of:		
Engineering		100%
Procurement		78.6%
Subcontract work		28.9%
Construction		30.7%
Expected date of substantial completion	Train 1	1H 2019
	Train 2	2H 2019

Through the CCL Stage III entities, which are separate from the CCH Group, we are developing two additional Trains and one LNG storage tank at the Corpus Christi LNG terminal adjacent to the CCL Project, along with a second natural gas pipeline, and we commenced the regulatory approval process in June 2015.

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

- CCL Project—FTA countries for a 25-year term and to non-FTA countries for a 20-year term up to a combined total of the equivalent of 767 Bcf/yr (approximately 15 mtpa) of natural gas. A party to the proceeding requested a rehearing of the authorization to non-FTA countries, which was denied by the DOE in May 2016. In July 2016, the same party petitioned the U.S. Court of Appeals for the District of Columbia Circuit to review the authorization to non-FTA countries and the DOE order denying the request for rehearing of the same. The appeal is pending.

- CCL Stage III entities—FTA countries for a 20-year term in an amount equivalent to 514 Bcf/yr (approximately 10 mtpa) of natural gas. The application for authorization to export that same 514 Bcf/yr of domestically produced LNG by vessel to non-FTA countries is currently pending before the DOE.

In each case, the terms of these authorizations begin on the earlier of the date of first export thereunder or the date specified in the particular order, which ranges from 7 to 10 years from the date the order was issued.

Customers

CCL has entered into seven fixed price, 20-year SPAs with extension rights with six third parties to make available an aggregate amount of LNG that equates to approximately 7.7 mtpa of LNG, which is approximately 86% of the expected aggregate nominal production capacity of Trains 1 and 2. The obligation to make LNG available under these SPAs commences from the date of first commercial delivery for Trains 1 and 2, as specified in each SPA. In addition, CCL has entered into one fixed price, 20-year SPA with a third party for another 0.8 mtpa of LNG that commences with the date of first commercial delivery for Train 3. Under these eight SPAs, the customers will purchase LNG from CCL for a price consisting of a fixed fee of $3.50 per MMBtu of LNG (a portion of which is subject to annual adjustment for inflation) plus a variable fee equal to 115% of Henry Hub per MMBtu of LNG. In certain circumstances, the customers may elect to cancel or suspend deliveries of LNG cargoes, in which case the customers would still be required to pay the fixed fee with respect to the contracted volumes that are not delivered as a result of such cancellation or suspension. The SPAs and contracted volumes to be made available under the SPAs are not tied to a specific Train; however, the term of each SPA commences upon the start of operations of a specified Train.

In aggregate, the fixed fee portion to be paid by the third-party SPA customers is approximately $1.4 billion annually for Trains 1 and 2, and $1.5 billion if we make a positive FID with respect to Stage 2 of the CCL Project, with the applicable fixed fees starting from the date of first commercial delivery from the applicable Train. These fixed fees equal approximately $550 million, $846 million and $140 million for each of Trains 1 through 3, respectively.

Any LNG produced by CCL that is not required for other customers is sold by our integrated marketing function, in fulfilment of various sales commitments.

Natural Gas Transportation, Storage and Supply

To ensure CCL is able to transport adequate natural gas feedstock to the Corpus Christi LNG terminal, it has entered into transportation precedent agreements to secure firm pipeline transportation capacity with CCP and certain third-party pipeline companies. CCL has entered into a firm storage services agreement with a third party to assist in managing volatility in natural gas needs for the CCL Project. CCL has also entered into enabling agreements with third parties, and will continue to enter into such agreements, in order to secure natural gas feedstock for the CCL Project. We expect to enter into gas supply contracts under these enabling agreements as and when required for the CCL Project. Among other things, these agreements would allow CCL to enter into natural gas purchases as and when required for the CCL Project on a spot or forward basis tied to Henry Hub or other market indices.

Construction

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

The total contract price of the EPC contract for Stage 1, which does not include the Corpus Christi Pipeline, is approximately $7.8 billion, reflecting amounts incurred under change orders through March 31, 2017. Total expected capital costs for Stage 1 are estimated to be between $9.0 billion and $10.0 billion before financing costs, and between $11.0 billion and $12.0 billion after financing costs including, in each case, estimated owner's costs and contingencies.

Pipeline Facilities

In December 2014, the FERC issued a certificate of public convenience and necessity under Section 7(c) of the Natural Gas Act of 1938, as amended, authorizing CCP to construct and operate the Corpus Christi Pipeline. The Corpus Christi Pipeline

is designed to transport 2.25 Bcf/d of natural gas feedstock required by the CCL Project from the existing regional natural gas pipeline grid. The construction of the Corpus Christi Pipeline commenced in January 2017.

Final Investment Decision on Stage 2

We will contemplate making an FID to commence construction of Stage 2 of the CCL Project based upon, among other things, entering into acceptable commercial arrangements and obtaining adequate financing to construct the facility.

Capital Resources

We expect to finance the construction costs of the CCL Project from one or more of the following: project financing, operating cash flow from CCL and CCP and equity contributions to our subsidiaries. The following table (in millions) provides a summary of our capital resources from borrowings and available commitments for the CCL Project, excluding equity contributions to our subsidiaries, at March 31, 2017 and December 31, 2016:

	March 31, 2017	December 31, 2016
Senior notes (1)	$ 2,750	$ 2,750
11% Convertible Senior Secured Notes due 2025	1,203	1,171
Credit facilities outstanding balance (2)	2,929	2,381
Letters of credit issued (2)	82	—
Available commitments under credit facilities (2)	3,323	3,953
Total capital resources from borrowings and available commitments (3)	$ 10,287	$ 10,255

(1) Includes CCH's 7.000% Senior Secured Notes due 2024 (the "2024 CCH Senior Notes") and 5.875% Senior Secured Notes due 2025 (the "2025 CCH Senior Notes" and collectively with the 2024 CCH Senior Notes, the "CCH Senior Notes").

(2) Includes 2015 CCH Credit Facility and CCH Working Capital Facility.

(3) Does not include Cheniere's additional borrowings from 2021 Cheniere Convertible Unsecured Notes, 2045 Cheniere Convertible Senior Notes and Cheniere Revolving Credit Facility, which may be used for the CCL Project.

For additional information regarding our debt agreements related to the CCL Project, see Note 10—Debt of our Notes to Consolidated Financial Statements.

2025 CCH HoldCo II Convertible Senior Notes

In May 2015, CCH HoldCo II issued $1.0 billion aggregate principal amount of 11% Convertible Senior Secured Notes due 2025 (the "2025 CCH HoldCo II Convertible Senior Notes") on a private placement basis. The 2025 CCH HoldCo II Convertible Senior Notes are convertible at the option of CCH HoldCo II or the holders, provided that various conditions are met. CCH HoldCo II is restricted from making distributions to Cheniere under agreements governing its indebtedness generally until, among other requirements, Trains 1 and 2 of the CCL Project are in commercial operation and a historical debt service coverage ratio and a projected fixed debt service coverage ratio of 1.20:1.00 are achieved.

CCH Senior Notes

In May and December 2016, CCH issued aggregate principal amounts of $1.25 billion of the 2024 CCH Senior Notes and $1.5 billion of the 2025 CCH Senior Notes, respectively. The CCH Senior Notes are jointly and severally guaranteed by its subsidiaries, CCL, CCP and Corpus Christi Pipeline GP, LLC ("CCP GP", and collectively with CCL and CCP, the "CCH Guarantors").

The indenture governing the CCH Senior Notes (the "CCH Indenture") contains customary terms and events of default and certain covenants that, among other things, limit CCH's ability and the ability of CCH's restricted subsidiaries to: incur additional indebtedness or issue preferred stock; make certain investments or pay dividends or distributions on membership interests or subordinated indebtedness or purchase, redeem or retire membership interests; sell or transfer assets, including membership or partnership interests of CCH's restricted subsidiaries; restrict dividends or other payments by restricted subsidiaries to CCH or

any of CCH's restricted subsidiaries; incur liens; enter into transactions with affiliates; dissolve, liquidate, consolidate, merge, sell or lease all or substantially all of the properties or assets of CCH and its restricted subsidiaries taken as a whole; or permit any CCH Guarantor to dissolve, liquidate, consolidate, merge, sell or lease all or substantially all of its properties and assets.

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

2015 CCH Credit Facility

In May 2015, CCH entered into the 2015 CCH Credit Facility. The obligations of CCH under the 2015 CCH Credit Facility are secured by a first priority lien on substantially all of the assets of CCH and its subsidiaries and by a pledge by CCH HoldCo I of its limited liability company interests in CCH. As of March 31, 2017 and December 31, 2016, CCH had $3.1 billion and $3.6 billion of available commitments and $2.9 billion and $2.4 billion of outstanding borrowings under the 2015 CCH Credit Facility, respectively.

The principal of the loans made under the 2015 CCH Credit Facility must be repaid in quarterly installments, commencing on the earlier of (1) the first quarterly payment date occurring more than three calendar months following project completion and (2) a set date determined by reference to the date under which a certain LNG buyer linked to Train 2 of the CCL Project is entitled to terminate its SPA for failure to achieve the date of first commercial delivery for that agreement. Scheduled repayments will be based upon a 19-year tailored amortization, commencing the first full quarter after the project completion and designed to achieve a minimum projected fixed debt service coverage ratio of 1.55:1.

Under the terms of the 2015 CCH Credit Facility, CCH is required to hedge not less than 65% of the variable interest rate exposure of its senior secured debt. CCH is restricted from making distributions under agreements governing its indebtedness generally until, among other requirements, the completion of the construction of Trains 1 and 2 of the CCL Project, funding of a debt service reserve account equal to six months of debt service and achieving a historical debt service coverage ratio and fixed projected debt service coverage ratio of at least 1.25:1.00.

CCH Working Capital Facility

In December 2016, CCH entered into the $350 million CCH Working Capital Facility, which is intended to be used for loans to CCH ("CCH Working Capital Loans"), the issuance of letters of credit on behalf of CCH, as well as for swing line loans to CCH ("CCH Swing Line Loans") for certain working capital requirements related to developing and placing into operation the CCL Project. Loans under the CCH Working Capital Facility are guaranteed by the CCH Guarantors. CCH may, from time to time, request increases in the commitments under the CCH Working Capital Facility of up to the maximum allowed under the Common Terms Agreement that was entered in concurrently with the 2015 CCH Credit Facility. CCH did not have any amounts outstanding under the CCH Working Capital Facility as of both March 31, 2017 and December 31, 2016, and CCH had $82 million and zero aggregate amount of issued letters of credit as of March 31, 2017 and December 31, 2016, respectively.

The CCH Working Capital Facility matures on December 14, 2021, and CCH may prepay the CCH Working Capital Loans, CCH Swing Line Loans and loans made in connection with a draw upon any letter of credit ("CCH LC Loans") at any time without premium or penalty upon three business days' notice and may re-borrow at any time. CCH LC Loans have a term of up to one year. CCH Swing Line Loans terminate upon the earliest of (1) the maturity date or earlier termination of the CCH Working Capital Facility, (2) the date that is 15 days after such CCH Swing Line Loan is made and (3) the first borrowing date for a CCH Working Capital Loan or CCH Swing Line Loan occurring at least four business days following the date the CCH Swing Line Loan is made. CCH is required to reduce the aggregate outstanding principal amount of all CCH Working Capital Loans to zero for a period of five consecutive business days at least once each year.

The CCH Working Capital Facility contains conditions precedent for extensions of credit, as well as customary affirmative and negative covenants. The obligations of CCH under the CCH Working Capital Facility are secured by substantially all of the assets of CCH and the CCH Guarantors as well as all of the membership interests in CCH and each of the CCH Guarantors on a *pari passu* basis with the CCH Senior Notes and the 2015 CCH Credit Facility.

Marketing

We market and sell LNG produced by the SPL Project and the CCL Project through our integrated marketing function. We are developing a portfolio of long- and medium-term SPAs to transport and unload commercial LNG cargoes to locations worldwide, which is primarily sourced by LNG produced by the SPL Project and the CCL Project but supplemented by volume procured from other locations worldwide, as needed. As of March 31, 2017, we have sold approximately 487 million MMBtu of LNG to be delivered to counterparties between 2017 and 2023, with delivery obligations conditional in certain circumstances. The cargoes have been sold either on a Free on Board basis (delivered to the counterparty at the Sabine Pass LNG terminal) or a Delivered at Terminal ("DAT") basis (delivered to the counterparty at their LNG receiving terminal). We have chartered LNG vessels to be utilized in DAT transactions. In addition, we have entered into a long-term agreement to sell LNG cargoes on a DAT basis. The agreement is conditioned upon the buyer achieving certain milestones, including reaching an FID related to certain projects and obtaining related financing.

Cheniere Marketing entered into uncommitted trade finance facilities for up to $470 million primarily to be used for the purchase and sale of LNG for ultimate resale in the course of its operations. The finance facilities are intended to be used for advances, guarantees or the issuance of letters of credit or standby letters of credit on behalf of Cheniere Marketing. As of March 31, 2017 and December 31, 2016, Cheniere Marketing had $24 million and $23 million in loans outstanding and $22 million and $12 million in standby letters of credit and guarantees outstanding under the finance facilities, respectively. Cheniere Marketing pays interest or fees on utilized commitments.

Corporate and Other Activities

We are required to maintain corporate and general and administrative functions to serve our business activities described above. We are also in various stages of developing other projects, including liquefaction projects and other infrastructure projects in support of natural gas supply and LNG demand, which, among other things, will require acceptable commercial and financing arrangements before we make an FID. We are exploring the development of a midscale liquefaction project using electric drive modular Trains, with an expected aggregate nominal production capacity of approximately 9.5 mtpa of LNG. Through Midship Pipeline, we have proposed the development of a pipeline with expected capacity of up to 1.4 Bcf/d connecting new gas production in the Anadarko Basin to Gulf Coast markets, including markets serving the SPL Project and the CCL Project, and completed the binding open season with commitments. We recently commenced the regulatory pre-filing process and expect to file formal applications for the required regulatory permits in 2017.

Sources and Uses of Cash

The following table (in millions) summarizes the sources and uses of our cash, cash equivalents and restricted cash for the three months ended March 31, 2017 and 2016. The table presents capital expenditures on a cash basis; therefore, these amounts differ from the amounts of capital expenditures, including accruals, which are referred to elsewhere in this report. Additional discussion of these items follows the table.

	Three Months Ended March 31,	
	2017	**2016**
Operating cash flows	$ 309	$ (131)
Investing cash flows	(1,290)	(1,168)
Financing cash flows	2,095	1,423
Net increase in cash, cash equivalents and restricted cash	1,114	124
Cash, cash equivalents and restricted cash—beginning of period	1,827	1,736
Cash, cash equivalents and restricted cash—end of period	$ 2,941	$ 1,860

Operating Cash Flows

Our operating cash flows increased from outflows of $131 million during the three months ended March 31, 2016 to inflows of $309 million during the three months ended March 31, 2017. The $440 million increase in operating cash inflows in 2017 compared to 2016 was primarily related to increased cash receipts from the sale of LNG cargoes, partially offset by increased operating costs and expenses as a result of the commencement of operations of Trains 1, 2 and 3 of the SPL Project in May 2016, September 2016 and March 2017, respectively.

Investing Cash Flows

Investing cash outflows during the three months ended March 31, 2017 and 2016 were $1.3 billion and $1.2 billion, respectively, and are primarily used to fund the construction costs for Trains 1 through 5 of the SPL Project and Trains 1 and 2 of the CCL Project. These costs are capitalized as construction-in-process until achievement of substantial completion. In addition to cash outflows for construction costs for the SPL Project and the CCL Project, we received $36 million during the three months ended March 31, 2017 from the return of collateral payments previously paid for the CCL Project, which was offset by $7 million for investments in unconsolidated entities and other projects. During the three months ended March 31, 2016, we used $18 million primarily to pay municipal water districts for water system enhancements that will increase potable water supply to our export terminals and for investments made in unconsolidated entities.

Financing Cash Flows

Financing cash inflows during the three months ended March 31, 2017 were $2.1 billion, primarily as a result of:

- issuances of aggregate principal amounts of $800 million of the 2037 SPL Senior Notes and $1.35 billion of the 2028 SPL Senior Notes;
- $55 million of borrowings and a $369 million repayment made under the 2015 SPL Credit Facilities;
- $548 million of borrowings under the 2015 CCH Credit Facility;
- $110 million of borrowings and $334 million of repayments made under the SPL Working Capital Facility;
- $43 million of debt issuance and deferred financing costs related to up-front fees paid upon the closing of these transactions;
- $20 million of distributions and dividends to non-controlling interest by Cheniere Partners and Cheniere Holdings; and
- $1 million paid for tax withholdings for share-based compensation.

Financing cash inflows during the three months ended March 31, 2016 were $1.4 billion, primarily as a result of:

- entering into the 2016 CQP Credit Facilities and borrowing $450 million to prepay the $400 million CTPL Term Loan;
- $660 million of borrowings under the 2015 SPL Credit Facilities;
- $125 million of borrowings and a $15 million repayment made under the SPL Working Capital Facility;
- $673 million of borrowings under the 2015 CCH Credit Facility;
- $49 million of debt issuance and deferred financing costs related to up-front fees paid upon the closing of these transactions;
- $20 million of distributions and dividends to non-controlling interest by Cheniere Partners and Cheniere Holdings; and
- $1 million paid for tax withholdings for share-based compensation.

Results of Operations

The following table summarizes the volume of operational and commissioning LNG cargoes that were loaded from the SPL Project and recognized on our Consolidated Financial Statements during the three months ended March 31, 2017:

(in million MMBtu)	**Operational**	**Commissioning**
Volume loaded during the current quarter	128	26
Volume loaded during the prior quarter but recognized during the current quarter	19	—
Less: volume loaded during the current quarter and in transit at the end of the quarter	(7)	(8)
Total volume recognized in the current quarter	140	18

Our consolidated net income attributable to common stockholders was $54 million, or $0.23 per share (basic and diluted), in the three months ended March 31, 2017, compared to a net loss attributable to common stockholders of $321 million, or $1.41 per share (basic and diluted), in the three months ended March 31, 2016. This $375 million increase in net income in 2017 was

primarily a result of increased income from operations and decreased derivative loss, net, which were partially offset by increased interest expense, net of amounts capitalized, and loss on early extinguishment of debt.

Revenues

	Three Months Ended March 31,		
(in millions)	2017	2016	Change
LNG revenues	$ 1,143	$ 3	$ 1,140
Regasification revenues	68	65	3
Other revenues	—	1	(1)
Total revenues	$ 1,211	$ 69	$ 1,142

We began recognizing LNG revenues from the SPL Project following the substantial completion and the commencement of operating activities of Train 1 in May 2016. Trains 2 and 3 subsequently achieved substantial completion in September 2016 and March 2017, respectively. Prior to substantial completion of a Train, amounts received from the sale of commissioning cargoes from that Train are offset against LNG terminal construction-in-process because these amounts are earned during the testing phase for the construction of those Trains of the SPL Project. During the three months ended March 31, 2017 and 2016, we realized offsets to LNG terminal costs of $131 million and $14 million, respectively, that were related to the sale of commissioning cargoes. During the three months ended March 31, 2017, we recognized revenues related to the sale of 140 million MMBtu of LNG from the SPL Project, of which approximately 76 million MMBtu of LNG was sold to third-party SPA customers for revenues of $462 million and the remainder of the volume was sold by our integrated marketing function. Additionally, LNG revenues included revenues of $48 million for the three months ended March 31, 2017 for 4 million MMBtu that we procured from third parties, as well as derivative gains and losses related to commodity derivatives. As additional Trains become operational, we expect our LNG revenues to increase in the future.

Operating costs and expenses

	Three Months Ended March 31,		
(in millions)	2017	2016	Change
Cost of sales	$ 624	$ 15	$ 609
Operating and maintenance expense	78	36	42
Development expense	3	2	1
Selling, general and administrative expense	54	66	(12)
Depreciation and amortization expense	70	24	46
Restructuring expense	6	7	(1)
Impairment expense	—	10	(10)
Total operating costs and expenses	$ 835	$ 160	$ 675

Our total operating costs and expenses increased $675 million during the three months ended March 31, 2017 compared to the three months ended March 31, 2016, primarily as a result of the commencement of operations of at the SPL Project in May 2016 upon the substantial completion of Train 1, followed by the substantial completion of Trains 2 and 3 in September 2016 and March 2017, respectively.

Cost of sales increased during the three months ended March 31, 2017 compared to the three months ended March 31, 2016 as a result of the commencement of operations at the SPL Project. Cost of sales includes costs incurred directly for the production and delivery of LNG from the SPL Project such as natural gas feedstock, variable transportation and storage costs, derivative gains and losses associated with economic hedges to secure natural gas feedstock for the SPL Project, and other related costs to convert natural gas into LNG, all to the extent not utilized for the commissioning process. Included in cost of sales during the three months ended March 31, 2017 and 2016 were vessel charter costs of $37 million and $9 million, respectively, which were incurred throughout the period, including the period prior to substantial completion of Trains 1 through 3 of the SPL Project.

Operating and maintenance expense increased during the three months ended March 31, 2017 as a result of the commencement of operations at the SPL Project. Operating and maintenance expense includes costs associated with operating and maintaining the SPL Project such as third-party service and maintenance contract costs, payroll and benefit costs of operations personnel, natural gas transportation and storage capacity demand charges, derivative gains and losses related to the sale and purchase of LNG associated with the regasification terminal, insurance and regulatory costs. Depreciation and amortization expense increased during the three months ended March 31, 2017 as we began depreciation of our assets related to Trains 1 through 3 of the SPL Project upon reaching substantial completion.

Partially offsetting the increases above was a decrease in selling, general and administrative expense, which was primarily due to the implementation of certain organizational changes to simplify our corporate structure, improve our operational efficiencies and implement a strategy for sustainable, long-term stockholder value creation through financially disciplined development, construction, operation and investment, and due to a reduction in professional services fees. Organizational initiatives have been completed as of March 31, 2017.

Impairment expense decreased during the three months ended March 31, 2017 compared to the three months ended March 31, 2016. The impairment expense recognized during the three months ended March 31, 2016 related to a corporate airplane that was written down to fair value based on market-based appraisals, which was ultimately sold by the end of the year. The impairment was recognized due to the potential disposition of the airplane in connection with the Company having initiated organizational changes and the associated focus for financially disciplined investment.

As additional Trains become operational, we expect our operating costs and expenses to increase in the future, including higher depreciation and amortization expense as the related assets begin to be depreciated upon reaching substantial completion.

Other expense (income)

	Three Months Ended March 31,		
(in millions)	**2017**	**2016**	**Change**
Interest expense, net of capitalized interest	$ 165	$ 76	$ 89
Loss on early extinguishment of debt	42	1	41
Derivative loss (gain), net	(1)	181	(182)
Other income	(2)	(1)	(1)
Total other expense	$ 204	$ 257	$ (53)

Interest expense, net of capitalized interest, increased $89 million in the three months ended March 31, 2017, as compared to the three months ended March 31, 2016, primarily as a result of an increase in our indebtedness outstanding (before premium, discount and unamortized debt issuance costs), from $18.8 billion as of March 31, 2016 to $24.8 billion as of March 31, 2017, and a decrease in the portion of total interest costs that could be capitalized as Trains 1 through 3 of the SPL Project were no longer in construction. For the three months ended March 31, 2017, we incurred $354 million of total interest cost, of which we capitalized $189 million which was directly related to the construction of the SPL Project and the CCL Project. For the three months ended March 31, 2016, we incurred $293 million of total interest cost, of which we capitalized $217 million which was directly related to the construction of the SPL Project and the CCL Project.

Loss on early extinguishment of debt increased $41 million in the three months ended March 31, 2017, as compared to the three months ended March 31, 2016. Loss on early extinguishment of debt recognized during the three months ended March 31, 2017 was attributable to the write-off of debt issuance costs upon termination of the remaining available balance of $1.6 billion under the 2015 SPL Credit Facilities in connection with the issuance of the 2028 SPL Senior Notes.

Derivative loss, net decreased $182 million from a $181 million net loss in the three months ended March 31, 2016 to a $1 million net gain in three months ended March 31, 2017. The net gain recognized during the three months ended March 31, 2017 was primarily due to a relative increase in the long-term forward LIBOR curve during the period, which was offset by a $7 million loss recognized upon the termination of interest rate swaps associated with approximately $1.6 billion of commitments that were terminated under the 2015 SPL Credit Facilities. The net loss recognized during the three months ended March 31, 2016 was due to a relative decrease in the long-term forward LIBOR curve during the period.

Other

	Three Months Ended March 31,		
(in millions)	**2017**	**2016**	**Change**
Income tax provision	$ —	$ 1	$ (1)
Net income (loss) attributable to non-controlling interest	118	(28)	146

Net income attributable to non-controlling interest increased $146 million in the three months ended March 31, 2017 as compared to the three months ended March 31, 2016, primarily due to the increase in consolidated net income recognized by Cheniere Partners in which the non-controlling interest is held. The consolidated net income recognized by Cheniere Partners increased from a net loss of $75 million in the three months ended March 31, 2016 to net income of $47 million in the three months ended March 31, 2017 primarily due to increased income from operations as a result of the commencement of operations at the SPL Project and decreased derivative loss, net, which were partially offset by increased interest expense, net of amounts capitalized

and increased loss on early extinguishment of debt. Additionally, net income attributable to non-controlling interest was reduced by approximately $84 million in amortization of the beneficial conversion feature on Cheniere Partners' Class B units.

Off-Balance Sheet Arrangements

As of March 31, 2017, we had no transactions that met the definition of off-balance sheet arrangements that may have a current or future material effect on our consolidated financial position or operating results.

Summary of Critical Accounting Estimates

The preparation of our Consolidated Financial Statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the amounts reported in the Consolidated Financial Statements and the accompanying notes. There have been no significant changes to our critical accounting estimates from those disclosed in our annual report on Form 10-K for the year ended December 31, 2016.

Recent Accounting Standards

For descriptions of recently issued accounting standards, see Note 18—Recent Accounting Standards of our Notes to Consolidated Financial Statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Cash Investments

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

Marketing and Trading Commodity Price Risk

We have entered into commodity derivatives consisting of natural gas supply contracts to secure natural gas feedstock for the SPL Project ("Liquefaction Supply Derivatives"). We have also entered into financial derivatives to hedge the exposure to the commodity markets in which we have contractual arrangements to purchase or sell physical LNG ("LNG Trading Derivatives"). In order to test the sensitivity of the fair value of the Liquefaction Supply Derivatives and the LNG Trading Derivatives to changes in underlying commodity prices, management modeled a 10% change in the commodity price for natural gas for each delivery location and a 10% change in the commodity price for LNG, respectively, as follows (in millions):

	March 31, 2017		December 31, 2016	
	Fair Value	Change in Fair Value	Fair Value	Change in Fair Value
Liquefaction Supply Derivatives	$ 39	$ 2	$ 73	$ 6
LNG Trading Derivatives	(3)	3	(3)	—

See Note 6—Derivative Instruments for additional details about our derivative instruments.

Interest Rate Risk

SPL, CQP and CCH have entered into interest rate swaps to hedge the exposure to volatility in a portion of the floating-rate interest payments under the 2015 SPL Credit Facilities ("SPL Interest Rate Derivatives"), the 2016 CQP Credit Facilities ("CQP Interest Rate Derivatives") and the 2015 CCH Credit Facility ("CCH Interest Rate Derivatives" and collectively, with the SPL Interest Rate Derivatives and the CQP Interest Rate Derivatives, the "Interest Rate Derivatives"), respectively. In order to test the sensitivity of the fair value of the Interest Rate Derivatives to changes in interest rates, management modeled a 10% change in the forward 1-month LIBOR curve across the remaining terms of the Interest Rate Derivatives as follows (in millions):

	March 31, 2017		December 31, 2016	
	Fair Value	Change in Fair Value	Fair Value	Change in Fair Value
SPL Interest Rate Derivatives	$ —	$ —	$ (6)	$ 2
CQP Interest Rate Derivatives	16	6	13	6
CCH Interest Rate Derivatives	(75)	52	(86)	52

Foreign Currency Exchange Risk

We have entered into foreign currency exchange ("FX") contracts to hedge exposure to currency risk associated with operations in countries outside of the United States ("FX Derivatives"). In order to test the sensitivity of the fair value of the FX Derivatives to changes in FX rates, management modeled a 10% change in FX rate between the U.S. dollar and the applicable foreign currencies. This 10% change in FX rates would have resulted in an immaterial change in the fair value of the FX Derivatives as of both March 31, 2017 and December 31, 2016.

ITEM 4. CONTROLS AND PROCEDURES

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

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

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We may in the future be involved as a party to various legal proceedings, which are incidental to the ordinary course of business. We regularly analyze current information and, as necessary, provide accruals for probable liabilities on the eventual disposition of these matters. There have been no material changes to the legal proceedings disclosed in our annual report on Form 10-K for the year ended December 31, 2016.

ITEM 1A. RISK FACTORS

There have been no material changes from the risk factors disclosed in our annual report on Form 10-K for the year ended December 31, 2016.

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

Purchase of Equity Securities by the Issuer and Affiliated Purchasers

The following table summarizes stock repurchases for the three months ended March 31, 2017:

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share (2)	Total Number of Shares Purchased as a Part of Publicly Announced Plans	Maximum Number of Shares That May Yet Be Purchased Under the Plans
January 1 - 31, 2017	3,463	$41.59	—	—
February 1 - 28, 2017	12,483	$47.17	—	—
March 1 - 31, 2017	—	$—	—	—

(1) Represents shares surrendered to us by participants in our share-based compensation plans to settle the participants' personal tax liabilities that resulted from the lapsing of restrictions on shares awarded to the participants under these plans.

(2) The price paid per share was based on the closing trading price of our common stock on the dates on which we repurchased shares from the participants under our share-based compensation plans.

Sale of Unregistered Securities

On February 28, 2017, we issued 59,116 unregistered shares of our common stock to Pacific Capital Management, LLC in reliance upon the exemption from registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended, pursuant to a privately negotiated stock-for-stock exchange transaction in which we acquired 115,348 common shares representing limited liability company interests in Cheniere Holdings.

ITEM 5. OTHER INFORMATION

Compliance Disclosure

Pursuant to Section 13(r) of the Exchange Act, if during the quarter ended March 31, 2017, we or any of our affiliates had engaged in certain transactions with Iran or with persons or entities designated under certain executive orders, we would be required to disclose information regarding such transactions in our quarterly report on Form 10-Q as required under Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012. During the quarter ended March 31, 2017, we did not engage in any transactions with Iran or with persons or entities related to Iran.

ITEM 6. EXHIBITS

Exhibit No.	Description
4.1	Tenth Supplemental Indenture, dated as of March 6, 2017, between Sabine Pass Liquefaction, LLC and The Bank of New York Mellon, as Trustee under the Indenture (Incorporated by reference to Exhibit 4.1 to Cheniere Partners' Current Report on Form 8-K (SEC File No. 001-33366), filed on March 6, 2017)
4.2	Form of 4.200% Senior Secured Note due 2028 (Included as Exhibit A-1 to Exhibit 4.1 above)
4.3	Indenture, dated as of February 24, 2017, between Sabine Pass Liquefaction, LLC, the guarantors that may become party thereto from time to time and The Bank of New York Mellon, as Trustee under the Indenture (Incorporated by reference to Exhibit 4.1 to Cheniere Partners' Current Report on Form 8-K (SEC File No. 001-33366), filed on February 27, 2017)
4.4	Form of 5.00% Senior Secured Note due 2037 (Included as Exhibit A-1 to Exhibit 4.3 above)
10.1†	Amended and Restated Cheniere Energy, Inc. Key Executive Severance Pay Plan (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (SEC File No. 001-16383), filed on February 24, 2017)
10.2*†	Form of Restricted Stock Unit Award Agreement under the Cheniere Energy, Inc. 2011 Incentive Plan (UK) (Grades 18-20)
10.3*†	Form of Restricted Stock Unit Award Agreement under the Cheniere Energy, Inc. 2011 Incentive Plan (UK) (Grade 17)
10.4*†	Form of Restricted Stock Unit Award Agreement under the Cheniere Energy, Inc. 2011 Incentive Plan (UK) (Grade 16 and Below)
10.5*†	Form of Restricted Stock Unit Award Agreement under the Cheniere Energy, Inc. 2011 Incentive Plan (Singapore) (Grade 16 and Below)
10.6*†	Form of Restricted Stock Unit Award Agreement under the Cheniere Energy, Inc. 2011 Incentive Plan (Chile) (Grade 16 and Below)
10.7*†	Form of Performance Stock Unit Award Agreement under the Cheniere Energy, Inc. 2011 Incentive Plan (UK) (Grades 18-20)
10.8*†	Form of Performance Stock Unit Award Agreement under the Cheniere Energy, Inc. 2011 Incentive Plan (UK) (Grade 17)
10.9*†	Form of Performance Stock Unit Award Agreement under the Cheniere Energy, Inc. 2011 Incentive Plan (UK) (Grade 16 and Below)
10.10	Second Omnibus Amendment and Waiver, dated as of January 20, 2017, to the Second Amended and Restated Common Terms Agreement, dated as of June 30, 2015, among Sabine Pass Liquefaction, LLC, as Borrower, the representatives and agents from time to time parties thereto, and Société Générale, as the Common Security Trustee and Intercreditor Agent (Incorporated by reference to Exhibit 10.73 to SPL's Registration Statement on Form S-4 (SEC File No. 333-215882), filed on February 3, 2017)
10.11	Amendment to the Common Terms Agreement, dated January 20, 2017, to the Second Amended and Restated Common Terms Agreement, dated as of June 30, 2015, among Sabine Pass Liquefaction, LLC, as Borrower, the representatives and agents from time to time parties thereto, and Société Générale, as the Common Security Trustee and Intercreditor Agent (Incorporated by reference to Exhibit 10.74 to SPL's Registration Statement on Form S-4 (SEC File No. 333-215882), filed on February 3, 2017)
10.12	Registration Rights Agreement, dated as of March 6, 2017, between Sabine Pass Liquefaction, LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated (Incorporated by reference to Exhibit 10.1 to Cheniere Partners' Current Report on Form 8-K (SEC File No. 001-33366), filed on March 6, 2017)
10.13	The Revolving Credit Agreement, dated as of March 2, 2017, among Cheniere Energy, Inc., the Lenders and Issuing Banks party thereto, Goldman Sachs Bank USA, Morgan Stanley Senior Funding, Inc. and SG Americas Securities, LLC, as Joint Lead Arrangers and Joint Bookrunners, and Société Générale, as Administrative Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (SEC File No. 001-16383), filed on March 8, 2017)
10.14	Change order to the Lump Sum Turnkey Agreement for the Engineering, Procurement and Construction of the Sabine Pass LNG Liquefaction Facility, dated as of November 11, 2011, between Sabine Pass Liquefaction, LLC and Bechtel Oil, Gas and Chemicals, Inc.: the Change Order CO-00056 Performance and Attendance Bonus (PAB) Incentive Program Provisional Sum Closeout, dated February 28, 2017 (Portions of this exhibit have been omitted and filed separately with the SEC pursuant to a request for confidential treatment.) (Incorporated by reference to Exhibit 10.77 to Amendment No. 1 to SPL's Registration Statement on Form S-4 (SEC File No. 333-215882), filed on March 31, 2017)

Exhibit No.	Description
10.15	Change orders to the Lump Sum Turnkey Agreement for the Engineering, Procurement and Construction of the Sabine Pass LNG Stage 2 Liquefaction Facility, dated as of December 20, 2012, between Sabine Pass Liquefaction, LLC and Bechtel Oil, Gas and Chemicals, Inc.: (i) the Change Order CO-00033 Instrument Air Tie-In Point Location Change, dated January 25, 2017 and (ii) the Change Order CO-00034 Additional Owner Site Office Provisional Sum Closeout, dated January 25, 2017 (Incorporated by reference to Exhibit 10.76 to Amendment No. 1 to SPL's Registration Statement on Form S-4 (SEC File No. 333-215882), filed on March 31, 2017)
10.16	Change orders to the Fixed Price Separated Turnkey Agreement for the Engineering, Procurement and Construction of the Corpus Christi Stage 1 Liquefaction Facility, dated as of December 6, 2013, between Corpus Christi Liquefaction, LLC and Bechtel Oil, Gas and Chemicals, Inc.: (i) the Change Order CO-00021 Secondary Access Road, DMPA-1 Scope and Use, Credit for Material Disposal, Power Pole Relocation, dated June 29, 2016, (ii) the Change Order CO-00023 Differing Soil Conditions and Bed 24 Over-Excavation Due to Differing Soil Condition, dated June 29, 2016, (iii) the Change Order CO-00025 Priority 6 Roads Differing Soil Conditions and 102-J01 Over-Excavation due to Differing Soil Conditions, dated August 23, 2016, (iv) the Change Order CO-00027 Lines Traversing Laydown Area Access Road and Underground Utilities for Temporary Facilities, dated September 26, 2016, and (v) the Change Order CO-00032 Integrated Security System, dated February 3, 2017 (Portions of this exhibit have been omitted and filed separately with the SEC pursuant to a request for confidential treatment.) (Incorporated by reference to Exhibit 10.45 to Amendment No. 1 to CCH's Registration Statement on Form S-4 (SEC File No. 333-215435), filed on March 8, 2017)
10.17	Change order to the Fixed Price Separated Turnkey Agreement for the Engineering, Procurement and Construction of the Corpus Christi Stage 1 Liquefaction Facility, dated as of December 6, 2013, between Corpus Christi Liquefaction, LLC and Bechtel Oil, Gas and Chemicals, Inc.: the Change Order CO-00030, dated November 1, 2016 (Incorporated by reference to Exhibit 10.46 to Amendment No. 1 to CCH's Registration Statement on Form S-4 (SEC File No. 333-215435), filed on March 8, 2017)
10.18	Change order to the Fixed Price Separated Turnkey Agreement for the Engineering, Procurement and Construction of the Corpus Christi Stage 1 Liquefaction Facility, dated as of December 6, 2013, between Corpus Christi Liquefaction, LLC and Bechtel Oil, Gas and Chemicals, Inc.: the Change Order CO-00031, Flare System Modification Implementation, dated January 17, 2017 (Portions of this exhibit have been omitted and filed separately with the SEC pursuant to a request for confidential treatment.) (Incorporated by reference to Exhibit 10.48 to Amendment No. 2 to CCH's Registration Statement on Form S-4 (SEC File No. 333-215435), filed on March 23, 2017)
10.19	Change order to the Fixed Price Separated Turnkey Agreement for the Engineering, Procurement and Construction of the Corpus Christi Stage 1 Liquefaction Facility, dated as of December 6, 2013, between Corpus Christi Liquefaction, LLC and Bechtel Oil, Gas and Chemicals, Inc.: (i) the Change Order CO-00033 Marine Ground Flare, dated February 27, 2017 (Portions of this exhibit have been omitted and filed separately with the SEC pursuant to a request for confidential treatment.) (Incorporated by reference to Exhibit 10.4 to CCH's Quarterly Report on Form 10-Q (SEC File No. 333-215435), filed on May 3, 2017)
10.20	Amendment of LNG Sale and Purchase Agreement (FOB), dated January 12, 2017, between Sabine Pass Liquefaction, LLC (Seller) and Gas Natural Fenosa LNG GOM, Limited (assignee of Gas Natural Aprovisionamientos SDG S.A.) (Buyer) (Incorporated by reference to Exhibit 10.3 to SPL's Registration Statement on Form S-4 (SEC File No. 333-215882), filed on February 3, 2017)
10.21	Fourth Amended and Restated Agreement of Limited Partnership of Cheniere Energy Partners, L.P. (Incorporated by reference to Exhibit 3.1 to Cheniere Partners' Current Report on Form 8-K (File No. 001-33366) filed on February 21, 2017)
31.1*	Certification by Chief Executive Officer required by Rule 13a-14(a) and 15d-14(a) under the Exchange Act
31.2*	Certification by Chief Financial Officer required by Rule 13a-14(a) and 15d-14(a) under the Exchange Act
32.1**	Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Labels Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith.

** Furnished herewith.

† Management contract or compensatory plan or arrangement.

SIGNATURES

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

CHENIERE ENERGY, INC.

Date: May 3, 2017 By: /s/ Michael J. Wortley

Michael J. Wortley

Executive Vice President and Chief Financial Officer

(on behalf of the registrant and as principal financial officer)

Date: May 3, 2017 By: /s/ Leonard Travis

Leonard Travis

Vice President and Chief Accounting Officer

(on behalf of the registrant and as principal accounting officer)

Exhibit 10.2

CHENIERE ENERGY, INC.
2011 INCENTIVE PLAN

RESTRICTED STOCK UNIT AWARD AGREEMENT (UK)

1. **Award**. Cheniere Energy, Inc., a Delaware corporation (the "Company"), has awarded the undersigned Participant (for purposes of this Agreement, the "Participant") restricted stock units (this "Award") effective as of the date set forth on the signature page hereto (the "Grant Date") pursuant to the Company's 2011 Incentive Plan, as amended (the "Plan"). Unless otherwise defined in this Restricted Stock Unit Award Agreement (this "Agreement"), capitalized terms used herein shall have the meanings assigned to them in the Plan.

2. **Restricted Stock Units**. The Company hereby awards the Participant the number of restricted stock units set forth in Schedule A (the "RSUs"). Each RSU constitutes an unfunded and unsecured promise by the Company to deliver (or cause to be delivered) one share of common stock, $0.003 par value per share, of the Company (a "Share"). The RSUs will be subject to vesting in accordance with Paragraph 3 below.

3. **Vesting**. Subject to the Participant's continued employment or engagement and Paragraphs 4 and 5, the RSUs shall vest on the date or dates set forth in Schedule A (each, a "Vesting Date").

4. **Termination of Employment or Engagement**. Except as otherwise provided in this Paragraph 4, the Participant will automatically forfeit any and all unvested RSUs covered by this Award on the earlier of the date of (1) service of notice of termination of the Participant's employment or engagement by the Company and/or any of its subsidiaries and/or Affiliates, (2) service of notice of resignation by the Participant from such employment or engagement, (and in respect of each of (1) and (2), irrespective of the fact that the effective date of termination of such employment or engagement will not occur until some later date) and/or (3) the summary termination (whether by the Company and/or any of its subsidiaries and/or Affiliates or the Participant) of such employment or engagement, in each case for any reason (the "Trigger Date"). Notwithstanding the foregoing:

(A) Upon the termination of the Participant's employment or engagement with the Company and/or a subsidiary and/or an Affiliate (1) by the Company and/or a subsidiary and/or an Affiliate without Cause; or (2) by the Participant for Good Reason (each a "Qualifying Termination"), unvested RSUs will (subject to Paragraph 4(C) below) be treated in accordance with Appendix 1.

(B) Upon the termination of the Participant's employment or engagement with the Company and/or a subsidiary and/or an Affiliate (1) by the Company and/or a subsidiary and/or an Affiliate due to the disability of the Participant, as defined by Section 6 of the Equality Act 2010 or (2) due to the death of the Participant while performing Continuous Service, unvested RSUs shall (subject to Paragraph 4(C) below) vest in full immediately.

(C) Notwithstanding anything herein to the contrary, unvested RSUs will not vest as a result of a termination by the Company and/or a subsidiary and/or an Affiliate without Cause, by the Participant for Good Reason or due to the disability of the Participant, as defined above, in each case, unless the Participant executes and delivers to the Company (and does not

revoke) a fully effective statutory settlement agreement and release of claims at such time(s) and in such form as may be required by the Company (the "Release"). If the Release is not timely executed and delivered by the Participant to the Company, or if such Release is timely executed and delivered but is subsequently revoked by the Participant, then the Participant will automatically forfeit the unvested RSUs covered by this Award effective as of the Trigger Date.

(D) For purposes of this Agreement, the term "Cause" means a separation from service (as defined in Section 409A of the Code) as a result of any of the following:

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

(ii) the commission by the Participant of an act of fraud in the performance of the Participant's duties on behalf of the Company or an Affiliate;

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

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

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

The determination of whether Cause exists with respect to the Participant shall be made by the Board (or its designee) in its sole discretion.

(E) For purposes of this Agreement, the term "Good Reason" means the occurrence of any of the following events or conditions:

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

(ii) a reduction by the Company or the applicable Related Employer in the Participant's gross annual base salary as reflected in the Company's records and as in effect immediately prior to the Participant's termination of employment or engagement ("Annual Base Pay") of more than five percent (5%) (other than a reduction that is part of reductions in Annual Base Pay for executives generally); or

(iii) the requirement by the Company or the applicable Related Employer that the principal place of business at which the Participant performs his or her duties

be permanently changed to a location more than fifty (50) miles from his or her then current principal place of business.

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

(F) For purposes of this Agreement, the term "Related Employer" means (i) an Affiliate that is a member of a controlled group of corporations (as defined in section 414(b) of the Code) that includes the Company, (ii) an Affiliate (whether or not incorporated) that is in common control (as defined in section 414(c) of the Code) with the Company, or (iii) an Affiliate that is a member of the same affiliated service group (as defined in section 414(m) of the Code) as the Company.

5. **Change in Control**. In the event of a Change in Control of the Company, this Award will be treated in accordance with Appendix 1. For purposes of this Agreement, the term "Change in Control" means the occurrence of any of the following events:

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

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

(C) the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition if the holders of the voting securities of the Company outstanding immediately prior thereto hold securities immediately thereafter which represent more than 50% of the combined voting power of the voting securities of the acquiror, or parent of the acquiror, of such assets, or the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company; or

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

Notwithstanding the foregoing, a Change in Control shall not occur or be deemed to occur if any event set forth in subsections (A) — (D) above, that would otherwise constitute a Change in Control, occurs as a direct result of the consummation of a transaction solely between the Company and one or more of its controlled Affiliates. Notwithstanding the foregoing, however, in any circumstance or transaction in which compensation payable pursuant to this Award would be subject to the income tax under the Section 409A Rules if the foregoing definition of "Change in Control" were to apply, but would not be so subject if the term "Change in Control" were defined herein to mean a "change in control event" within the meaning of Treasury Regulation § 1.409A-3(i)(5), then "Change in Control" means, but only to the extent necessary to prevent such compensation from becoming subject to the income tax under the Section 409A Rules, a transaction or circumstance that satisfies the requirements of both (1) a Change in Control under the applicable clause (A) through (D) above, and (2) a "change in control event" within the meaning of Treasury Regulation Section § 1.409A-3(i)(5).

6. **Settlement; Dividend Equivalents; Withholding of Taxes**.

(A) Subject to the terms of this Agreement, one Share will be delivered in respect of each vested RSU on or as soon as reasonably practicable, but in no event later than the sixtieth (60th) day, following the date on which the RSUs vest as determined in accordance with Paragraphs 3, 4 or 5. All ordinary cash dividends that would have been paid upon any Shares delivered in respect of the vested RSUs had such Shares been issued as of the Grant Date (as determined by the Committee) will be paid to the Participant (without interest) on the date on which the RSUs are settled in accordance with this Paragraph 6(A) to the extent that the RSUs vest.

(B) The Company's obligation to deliver Shares or any other amounts under this Award is subject to the payment of all federal, state and local income, employment and other taxes and social security contributions or other amounts required to be withheld or paid (as appropriate) by the Company or any subsidiary or Affiliate in connection with this Award. The Company and any subsidiary or Affiliate shall have the right to take any action (subject to applicable laws) as may be necessary or appropriate to satisfy any withholding obligations, *provided*, *however*, that except as otherwise agreed in writing by the Participant and the Company (or a relevant subsidiary or Affiliate), if the Participant is an Executive Officer or an individual subject to Rule 16b-3, such tax withholding obligations will be effectuated by the Company withholding a number of Shares that would otherwise be delivered in respect of the RSUs with a Fair Market Value equal to the amount of such tax withholding obligations (at the minimum withholding tax rate required by the Code).

7. **Participant Covenants**.

(A) **Non-Competition**. In exchange for the promises set forth herein, including the consideration set forth in Paragraph 1, and in order to protect the goodwill, confidential information, customer connections, stability of the workforce, supply chain and other legitimate business interests of the Company and its subsidiaries and Affiliates, during the Participant's employment or engagement with the Company and/or its subsidiaries and/or Affiliates and for one year (less any period of time the Participant spends on 'garden leave') following the Participant's termination of employment or engagement for any reason, the Participant will not, directly or indirectly, alone or jointly, with any person or entity, participate in, engage in, consult with, advise, be employed by, own (wholly or partially), possess an interest in, solicit the business of the vendors, suppliers or customers of the Company or any of its subsidiaries or Affiliates for, or in any other manner be involved with, any business or person that is engaged in business activities anywhere in the Territory that are competitive with the Business, *provided, however*, if the Participant voluntarily resigns without Good Reason within three years following the Grant Date, this Paragraph 7(A) will only apply in the event the Company elects to make the payment set forth in Paragraph 7(E). Notwithstanding the foregoing, the Participant shall not be prohibited from passively owning less than 1% of the securities of any publicly-traded corporation. For purposes of this Paragraph 7, "Territory" means England and/or Wales and/or Scotland and/or Northern Ireland and/or Ireland and/or the State of Texas and/or Louisiana and/or Singapore and/or Chile and/or anywhere else in which the Company and/or any of its subsidiaries and/or Affiliates engages in Business and "Business" means the business of (i) selling, distributing or marketing liquefied natural gas and/or (ii) designing, permitting, constructing, developing or operating liquefied natural gas facilities. Notwithstanding the foregoing, the Participant shall not be prohibited from being employed by, or consulting for, an entity that has a division immaterial to the business of such entity in the aggregate, which division may compete with, or could assist another in competing with the Business carried on by the Company and/or any of its subsidiaries or Affiliates in the Territory (a "Competitive Division"), so long as the Participant is not employed in, and does not perform work for or otherwise provide services to, the Competitive Division.

(B) **Non-Solicitation**. In exchange for the promises set forth herein, including the consideration set forth in Paragraph 1, and in order to protect the goodwill, confidential information, customer connections, stability of the workforce, supply chain and other legitimate business interests of the Company and its subsidiaries and Affiliates, during the Participant's employment or engagement with the Company and/or its Affiliates and for one year (less any period of time the Participant spends on 'garden leave') following the Participant's termination of employment or engagement for any reason, the Participant will not, directly or indirectly, do any of the following or assist any other person, firm, or entity to do any of the following: (a) solicit on behalf of the Participant or another person or entity, the employment or services of, or hire or retain, any person who is employed or engaged (whether as a consultant or independent contractor) by the Company or any of its subsidiaries or Affiliates (i) in an executive, sales, marketing, research, technical, finance, trading or operations capacity or (ii) whose departure from the Company of any of its subsidiaries or Affiliates would have a significant impact on the business of such company or the stability of its workforce and (1) with whom the Participant worked at any time during the 12 months up to and including the termination of the Participant's employment or engagement or (2) in relation to whom as at the date of termination of the Participant's employment or engagement the Participant possessed confidential information, in each case with a view to inducing that person to leave such employment or engagement (whether

or not such person would commit a breach of his contract of employment or engagement by reason of leaving), (b) induce or attempt to induce any such employee of the Company or any of its subsidiaries or Affiliates to terminate that employee's employment with the Company or such subsidiary or Affiliate; (c) induce or attempt to induce any such consultant or independent contractor doing business with or retained by the Company or its subsidiaries or Affiliates to terminate their consultancy or contractual relationship with the Company or such subsidiary or Affiliate or otherwise reduce the services they provide to the Company or such subsidiary or Affiliate or (d) interfere with the relationship of the Company or any of its subsidiaries or Affiliates with any vendor or supplier.

(C) **Confidentiality**. During the Participant's employment or engagement and thereafter, the Participant shall maintain the confidentiality of the following information: proprietary technical and business information relating to any Company plans, analyses or strategies concerning international or domestic acquisitions, possible acquisitions or new ventures; development plans or introduction plans for products or services; unannounced products or services; operation costs; pricing of products or services; research and development; personnel information; manufacturing processes; installation, service, and distribution procedures and processes; customer lists; any know-how relating to the design, manufacture, and marketing of any of the Company's services and products, including components and parts thereof; non-public information acquired by the Company concerning the requirements and specifications of any of the Company's agents, vendors, contractors, customers and potential customers; non-public financial information, business and marketing plans, pricing and price lists; non-public matters relating to employee benefit plans; quotations or proposals given to agents or customers or received from suppliers; documents relating to any of the Company's legal rights and obligations; the work product of any attorney employed by or retained by the Company; and any other information which is sufficiently confidential, proprietary, and secret to derive economic value from not being generally known including with respect to intellectual property inventions and work product. The Participant shall maintain in the strictest confidence and will not, directly or indirectly, intentionally or inadvertently, use, publish, or otherwise disclose to any person or entity whatsoever, any of the information of or belonging to the Company or to any agent, joint venture, contractor, customer, vendor, or supplier of the Company regardless of its form, without the prior written explicit consent of the Company. The Participant acknowledges that the foregoing information is not generally known, is highly confidential and constitutes trade secrets or confidential information of the Company. The Participant shall take reasonable precautions to protect the inadvertent disclosure of information. The foregoing shall not apply to information that the Participant is required to disclose by applicable law, regulation, or legal process (provided that the Participant provides the Company with prior notice of the contemplated disclosure and cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information). Notwithstanding the foregoing, nothing in this Agreement prohibits the Participant from reporting possible violations of federal law or regulation to any government agency or entity or making other disclosures that are protected under whistleblower provisions of law (including, without limitation, a protected disclosure in accordance with the provisions set out in the Employment Rights Act 1996). The Participant does not need prior authorization to make such reports or disclosures and is not required to notify the Company that the Participant has made any such report or disclosure.

(D) **Non-Disparagement**. During the Participant's employment or engagement and thereafter, the Participant shall not make or publish any disparaging statements

(whether written, electronic or oral) regarding, or otherwise malign the business reputation of, the Company, its subsidiaries or Affiliates or any of their respective officers, directors, managers, employees or partners.

(E) **Voluntary Resignation**. If (a) the Participant voluntarily resigns without Good Reason within three years following the Grant Date and (b) the Company elects to enforce the covenants in Paragraph 7(A), then the Company agrees, as further consideration for the covenants set forth in this Section 7 and subject to the remaining terms of this Section 7(E), to procure that the Company or one of its subsidiaries or Affiliates shall continue to pay the Participant his or her base salary (at the rate in effect at the time of the Participant's voluntary resignation) in accordance with the Company's or its subsidiaries' or Affiliates' regular payroll dates for one year following the date of such voluntary resignation (provided always that any payments of base salary during any period of garden leave shall count towards discharging the Company's obligations under this Paragraph 7(E)). The payment of the Participant's base salary in accordance with this Paragraph 7(E) will begin on the first payroll after the Release has been executed and delivered to the Company by the Participant (and not revoked) and become fully effective and irrevocable in accordance with the terms of Paragraph 4(C) of this Agreement (with the first payment including the aggregate amount that would have been paid in the period from the Termination Date to said first payroll date). If a Release is not timely executed and delivered by the Participant to the Company, or if such release is timely executed and delivered but is subsequently revoked by the Participant, then the Participant will not be entitled to the base salary continuation set forth in this Paragraph 7(E). The Participant agrees to promptly notify the Company of the date on which the Participant begins employment or engagement with any new company or person in compliance with this Paragraph 7 (the "Commencement Date") within 12 months following the Participant's voluntary resignation. The Company will not have any obligation to pay the Participant's base salary in accordance with this Paragraph 7(E) after the Commencement Date.

(F) **Participant Acknowledgements**.

(i) The Participant agrees that the restrictions in this Paragraph 7 are reasonable in light of the scope of Company's business operations, the Participant's position within the Company and its subsidiaries and Affiliates, the interests which the Company and its subsidiaries and Affiliates seeks to protect, and the consideration provided to the Participant. The Participant agrees that these restrictions go only so far as to protect the legitimate business interests of the Company, and its subsidiaries and Affiliates, and that those interests are worth protecting for the continued success, viability, and goodwill of the Company and its subsidiaries and Affiliates.

(ii) The Participant expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7 may result in substantial, continuing, and irreparable injury to the Company and/or its subsidiaries and/or Affiliates for which monetary damages alone would not be a sufficient remedy. Therefore, the Participant hereby agrees that, in addition to any other remedy that may be available to the Company or its subsidiaries or Affiliates (including pursuant to Paragraph 9), in the event of any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7, the Company and/or its subsidiaries and/or Affiliates shall be entitled to injunctive relief, specific performance or other equitable relief by a court of appropriate jurisdiction, without the requirement of posting bond or the necessity of proving irreparable harm or injury as a result of

such breach or threatened breach. Without limitation on the rights of the Company and/or its subsidiaries and/or Affiliates under the foregoing sentence or under Paragraph 9, in the event of any actual breach of any of the terms and/or conditions set forth in (a) Paragraph 7(A) or 7(B) during the term of such covenants, or (b) Paragraphs 7(C) or (D) of this Agreement prior to the first anniversary of the date on which the Participant's employment or engagement terminates for any reason: (i) if the Award is unvested, then the Award will immediately be forfeited for no consideration; (ii) the Company will cease to be obligated to furnish the Participant any further payments or deliveries pursuant to this Agreement; and (iii) the Participant shall promptly repay to the Company an amount equal to the gain realized in respect of this Award within the three preceding years (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period); provided that the foregoing repayment obligations, and the cessation of further payments and benefits, shall be without prejudice to the Company's and its subsidiaries' and Affiliates' other rights.

8. **Cooperation**. Following the termination of the Participant's employment or engagement with the Company or its subsidiaries or Affiliates for any reason, the Participant agrees (i) to reasonably cooperate with the Company, its subsidiaries or Affiliates and each of their respective directors, officers, attorneys and experts, and take all actions the Company and/or its subsidiaries and/or Affiliates may reasonably request, including but not limited to cooperation with respect to any investigation, government inquiry, administrative proceeding or litigation relating to any matter in which the Participant was involved or had knowledge during the Participant's employment or engagement with the Company or its subsidiaries or Affiliates and (ii) that, if called upon by the Company, its subsidiaries or Affiliates, the Participant will provide assistance with respect to business, personnel or other matters which arose during the Participant's employment or engagement with the Company, its subsidiaries or Affiliates or as to which the Participant has relevant information, knowledge or expertise, with such cooperation including, but not limited to, completing job tasks in progress, transitioning job tasks to other personnel of the Company or its subsidiaries or Affiliates, responding to questions and being available for such purposes. Any cooperation requests shall take into account the Participant's personal and business commitments, and the Participant shall be reasonably compensated for the Participant's time (if appropriate for the matter) and further reimbursed for any documented expenses (including reasonable attorney's fees) incurred in connection with such cooperation within thirty (30) days of the Participant providing an invoice to the Company, as the Company considers reasonable and only to the extent permitted and provided for by any applicable rules, including any rules of Court or Practice Direction, from time to time.

9. **Forfeiture/Clawback**.

(A) The delivery of Shares under this Award is subject to any policy (whether in existence as of the Grant Date or later adopted) established by the Company or required by applicable law providing for clawback or recovery of amounts that were paid to the Participant. The Company will make any determination for clawback or recovery in its sole discretion and in accordance with any applicable law or regulation.

(B) In addition to Paragraph 9(A) and notwithstanding anything to the contrary in this Agreement, if the Board or Committee determines that the Participant has, without the consent of the Company, violated a non-competition, non-solicitation or non-disclosure covenant (including the covenants in Paragraph 7) between the Participant and the

Company or any subsidiary or any Affiliate, then the Board or Committee may in its sole discretion (i) determine that all or any portion of any unvested RSUs shall be forfeited for no consideration and/or (ii) require the Participant to promptly repay to the Company any gain realized in respect of this Award within the three years preceding the date on which the Board or Committee determines that any of the events described above has occurred (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period). Unless otherwise required by law, the provisions of this Paragraph 9(B) shall apply during the Participant's employment and/or engagement with the Company and/or its Affiliates and for one year following the Participant's termination of employment and/or engagement for any reason. The foregoing forfeiture and repayment obligations shall be without prejudice to any other rights that the Company and/or any subsidiary or Affiliate may have.

10. **Effect of the Plan**. This Award is subject to all of the provisions of the Plan and this Agreement, together with all of the rules and determinations from time to time issued by the Committee and/or the Board pursuant to the Plan, including the restrictions in the Plan on the transferability of awards. In the event of a conflict between any provision of the Plan and this Agreement, the provisions of this Agreement shall control but only to the extent such conflict is permitted under the Plan. By accepting this Award, the Participant acknowledges that he or she has received a copy of the Plan and agrees that the Participant will enter into such written representations, warranties and agreements and execute such documents as the Company may reasonably request in order to comply with applicable securities and other applicable laws, rules or regulations, or with this document or the terms of the Plan.

11. **Amendment and Termination; Waiver**. This Agreement, together with the Plan, constitutes the entire agreement by the Participant and the Company with respect to the subject matter hereof, and supersedes any and all prior agreements or understandings between the Participant and the Company with respect to the subject matter hereof, whether written or oral. This Agreement may not be amended or terminated by the Company in a manner that would be materially adverse to the Participant without the written consent of the Participant, *provided* that the Company may amend this Agreement unilaterally (a) as provided in the Plan or (b) if the Company determines that an amendment is necessary to comply with applicable law (including the requirements of the Code). Any provision for the benefit of the Company contained in this Agreement may be waived in writing, either generally or in any particular instance, by the Company. A waiver on one occasion shall not be deemed to be a waiver of the same or any other breach on a future occasion.

12. **Unsecured Obligation**. The Company's obligation under this Agreement shall be an unfunded and unsecured promise. The Participant's right to receive the payments and benefits contemplated hereby from the Company under this Agreement shall be no greater than the right of any unsecured general creditor of the Company, and the Participant shall not have nor acquire any legal or equitable right, interest or claim in or to any property or assets of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between the Participant and the Company or any other person.

13. **No Right To Continued Employment or Engagement**. Neither this Award nor anything in this Agreement shall confer upon the Participant any right to continued employment or engagement with the Company (or its subsidiaries or Affiliates or their respective successors)

or shall interfere in any way with the right of the Company (or its subsidiaries or Affiliates or their respective successors) to terminate the Participant's employment or engagement at any time.

14. **Tax Matters; No Guarantee of Tax Consequences**. This Agreement is intended to be exempt from, or to comply with, the requirements of Section 409A of the Code and this Agreement shall be interpreted accordingly; *provided* that in no event whatsoever shall the Company or any of its Affiliates be liable for any additional tax, interest or penalties that may be imposed on the Participant by Section 409A of the Code or any damages for failing to comply with Section 409A of the Code. Each payment under this Agreement will be treated as a separate payment for purposes of Section 409A of the Code. The Company makes no commitment or guarantee to the Participant that any federal or state tax treatment will apply or be available to any person eligible for benefits under this Agreement.

15. **Governing Law**. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware to the extent federal law does not supersede and preempt Delaware law (in which case such federal law shall apply).

16. **Severability; Interpretive Matters**. In the event that any provision of this Agreement shall be held illegal, invalid, or unenforceable for any reason, such provision shall be fully severable, but shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never been included herein. Whenever required by the context, pronouns and any variation thereof shall be deemed to refer to the masculine, feminine, or neuter, and the singular shall include the plural and vice versa. The captions and headings used in this Agreement are inserted for convenience and shall not be deemed a part of this Agreement granted hereunder for construction or interpretation.

17. **Waiver**. By participating in the Plan, the Participant waives all and any rights to compensation or damages in consequence of the termination of his or her employment or engagement with the Company and/or any past or present subsidiary or Affiliate for any reason whatsoever, whether lawfully or otherwise, insofar as those rights arise or may arise from his ceasing to have rights under the Plan (including ceasing to be entitled to any RSU) as a result of such termination, or from the loss or diminution in value of such rights or entitlements, including by reason of the operation of the terms of the Plan, any determination by the Board (or its designee) pursuant to a discretion contained in the Plan or the provisions of any statute or law relating to taxation.

18. **Counterparts**. This Agreement may be signed in any number of counterparts, each of which will be an original, with the same force and effect as if the signature thereto and hereto were upon the same instrument.

[*Remainder of Page Blank — Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Grant Date indicated below.

COMPANY:

CHENIERE ENERGY, INC.

By: _____
Name:
Title:

I hereby accept the Award subject to all of the terms and provisions hereof. I acknowledge and agree that the Award shall vest and become payable, if at all, only during the period of my continued service with the Company or as otherwise provided in this Agreement (not through the act of issuing the Award).

PARTICIPANT:

By: _____
Name:

Grant Date: _____

[*Signature Page — Restricted Stock Unit Award under 2011 Incentive Plan*]

Schedule A

- **RSUs**:
  - ●
- **Vesting Dates**:

Date	Number of RSUs that Vest
[●]	●
[●]	●
[●]	●

Appendix 1 — Termination and Change in Control

1. **Qualifying Termination - Treatment of Outstanding RSUs**

In the circumstances set out in Paragraph 4(A) of this Agreement and subject to the terms and conditions of this Agreement, the Participant shall be entitled to acceleration of vesting of:

(a) In the event of a Qualifying Termination of a Participant not during the Protection Period (as defined below), (i) subject to Section 1(C) below, unvested RSUs that were granted within the six (6) month period immediately preceding the Trigger Date will be automatically forfeited for no consideration, and (ii) subject to sub-clause (i) hereof, the Participant's outstanding unvested RSUs will automatically vest with respect to such RSUs that would have vested had the Participant remained continuously employed through the first anniversary of the Qualifying Termination, and

(b) In the event of a Qualifying Termination of a Participant during the Protection Period, all of the Participant's outstanding unvested RSUs will automatically vest in full.

(c) Notwithstanding anything in this Appendix 1, if a Qualifying Termination occurs prior to a Change in Control, no RSUs that are unvested as of the Qualifying Termination (after taking into account vesting acceleration pursuant to Section 1(A) above) shall lapse or be forfeited solely on account of such Qualifying Termination; *provided*, *however*, if the Change in Control has not occurred within the 3-month period immediately following the Trigger Date thus resulting in such Qualifying Termination occurring outside the Protection Period, all such unvested RSUs shall automatically lapse and be forfeited for no consideration at the end of such 3-month period.

2. **Vesting on Change in Control**

Subject to the terms and conditions of this Agreement, if a Participant remains continuously employed or engaged with the Company or a Related Employer from the date of his or her commencement of participation in the Plan through the date of a Change in Control:

A. Subject to Section 2(B) of this Appendix 1, all of the Participant's outstanding unvested RSUs will automatically vest in full as of the date of the Change in Control.

B. Notwithstanding anything herein to the contrary, unvested RSUs will not vest as a result of a Change in Control unless, if requested by the Company, the Participant executes and delivers to the Company (and does not revoke) a Release. If the Release is not timely executed and delivered by the Participant to the Company, or if such Release is timely executed and delivered but is subsequently revoked by Participant, then the unvested RSUs covered by this Award will lapse immediately.

C. Subject to the terms and conditions of this Agreement, a Participant's outstanding RSUs vesting pursuant to Section 2 of this Appendix 1 shall be settled as soon as administratively practicable following the expiration of the period during which the Participant may revoke the Release, but in all events no later than the end of the sixtieth (60th) day following the date of the Change in Control.

3. **Definitions**

For the purposes of this Appendix, the following term shall have the following meaning:

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

Exhibit 10.3

CHENIERE ENERGY, INC.
2011 INCENTIVE PLAN

RESTRICTED STOCK UNIT AWARD AGREEMENT (UK)

1. **Award**. Cheniere Energy, Inc., a Delaware corporation (the "Company"), has awarded the undersigned Participant (for purposes of this Agreement, the "Participant") restricted stock units (this "Award") effective as of the date set forth on the signature page hereto (the "Grant Date") pursuant to the Company's 2011 Incentive Plan, as amended (the "Plan"). Unless otherwise defined in this Restricted Stock Unit Award Agreement (this "Agreement"), capitalized terms used herein shall have the meanings assigned to them in the Plan.

2. **Restricted Stock Units**. The Company hereby awards the Participant the number of restricted stock units set forth in Schedule A (the "RSUs"). Each RSU constitutes an unfunded and unsecured promise by the Company to deliver (or cause to be delivered) one share of common stock, $0.003 par value per share, of the Company (a "Share"). The RSUs will be subject to vesting in accordance with Paragraph 3 below.

3. **Vesting**. Subject to the Participant's continued employment or engagement and Paragraphs 4 and 5, the RSUs shall vest on the date or dates set forth in Schedule A (each, a "Vesting Date").

4. **Termination of Employment or Engagement**. Except as otherwise provided in this Paragraph 4, the Participant will automatically forfeit any and all unvested RSUs covered by this Award on the earlier of the date of (1) service of notice of termination of the Participant's employment or engagement by the Company and/or any of its subsidiaries and/or Affiliates, (2) service of notice of resignation by the Participant from such employment or engagement, (and in respect of each of (1) and (2), irrespective of the fact that the effective date of termination of such employment or engagement will not occur until some later date) and/or (3) the summary termination (whether by the Company and/or any of its subsidiaries and/or Affiliates or the Participant) of such employment or engagement, in each case for any reason (the "Trigger Date"). Notwithstanding the foregoing:

(A) Upon the termination of the Participant's employment or engagement with the Company and/or a subsidiary and/or an Affiliate by the Company and/or a subsidiary and/or an Affiliate without Cause (a "Qualifying Termination"), unvested RSUs will (subject to Paragraph 4(C) below) be treated in accordance with Appendix 1.

(B) Upon the termination of the Participant's employment or engagement with the Company and/or a subsidiary and/or an Affiliate (1) by the Company and/or a subsidiary and/or an Affiliate due to the disability of the Participant, as defined by Section 6 of the Equality Act 2010 or (2) due to the death of the Participant while performing Continuous Service, unvested RSUs shall (subject to Paragraph 4(C) below) vest in full immediately.

(C) Notwithstanding anything herein to the contrary, unvested RSUs will not vest as a result of a termination by the Company and/or a subsidiary and/or an Affiliate without Cause or due to the disability of the Participant, as defined above, in each case, unless the Participant executes and delivers to the Company (and does not revoke) a fully effective statutory settlement agreement and release of claims at such time(s) and in such form as may be

required by the Company (the "Release"). If the Release is not timely executed and delivered by the Participant to the Company, or if such Release is timely executed and delivered but is subsequently revoked by the Participant, then the Participant will automatically forfeit the unvested RSUs covered by this Award effective as of the Trigger Date.

(D) For purposes of this Agreement, the term "Cause" means a separation from service (as defined in Section 409A of the Code) as a result of any of the following:

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

(ii) the commission by the Participant of an act of fraud in the performance of the Participant's duties on behalf of the Company or an Affiliate;

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

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

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

The determination of whether Cause exists with respect to the Participant shall be made by the Board (or its designee) in its sole discretion.

(E) For purposes of this Agreement, the term "Related Employer" means (i) an Affiliate that is a member of a controlled group of corporations (as defined in section 414(b) of the Code) that includes the Company, (ii) an Affiliate (whether or not incorporated) that is in common control (as defined in section 414(c) of the Code) with the Company, or (iii) an Affiliate that is a member of the same affiliated service group (as defined in section 414(m) of the Code) as the Company.

5. **Change in Control**. In the event of a Change in Control of the Company, this Award will be treated in accordance with Appendix 1. For purposes of this Agreement, the term "Change in Control" means the occurrence of any of the following events:

(A) any "person" (as defined in Section 3(a)(9) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and as modified in Section 13(d) and 14(d) of the Exchange Act) other than (A) the Company or any Affiliate, (B) any employee benefit plan of the Company or of any Affiliate, (C) an entity owned, directly or indirectly, by stockholders of the

Company in substantially the same proportions as their ownership of the Company, or (D) an underwriter temporarily holding securities pursuant to an offering of such securities (a "Person"), becomes the "beneficial owner" (as defined in Rule 13d-3(a) of the Exchange Act), directly or indirectly, of securities of the Company representing 50.1% or more of the shares of voting stock of the Company then outstanding; or

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

(C) the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition if the holders of the voting securities of the Company outstanding immediately prior thereto hold securities immediately thereafter which represent more than 50% of the combined voting power of the voting securities of the acquiror, or parent of the acquiror, of such assets, or the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company; or

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

Notwithstanding the foregoing, a Change in Control shall not occur or be deemed to occur if any event set forth in subsections (A) — (D) above, that would otherwise constitute a Change in Control, occurs as a direct result of the consummation of a transaction solely between the Company and one or more of its controlled Affiliates. Notwithstanding the foregoing, however, in any circumstance or transaction in which compensation payable pursuant to this Award would be subject to the income tax under the Section 409A Rules if the foregoing definition of "Change in Control" were to apply, but would not be so subject if the term "Change in Control" were defined herein to mean a "change in control event" within the meaning of Treasury Regulation § 1.409A-3(i)(5), then "Change in Control" means, but only to the extent necessary to prevent such compensation from becoming subject to the income tax under the Section 409A Rules, a transaction or circumstance that satisfies the requirements of both (1) a Change in Control under the applicable clause (A) through (D) above, and (2) a "change in control event" within the meaning of Treasury Regulation Section § 1.409A-3(i)(5).

6. **Settlement; Dividend Equivalents; Withholding of Taxes**.

(A) Subject to the terms of this Agreement, one Share will be delivered in respect of each vested RSU on or as soon as reasonably practicable, but in no event later than the sixtieth (60^{th}) day, following the date on which the RSUs vest as determined in accordance with

Paragraphs 3, 4 or 5. All ordinary cash dividends that would have been paid upon any Shares delivered in respect of the vested RSUs had such Shares been issued as of the Grant Date (as determined by the Committee) will be paid to the Participant (without interest) on the date on which the RSUs are settled in accordance with this Paragraph 6(A) to the extent that the RSUs vest.

(B) The Company's obligation to deliver Shares or any other amounts under this Award is subject to the payment of all federal, state and local income, employment and other taxes and social security contributions or other amounts required to be withheld or paid (as appropriate) by the Company or any subsidiary or Affiliate in connection with this Award. The Company and any subsidiary or Affiliate shall have the right to take any action (subject to applicable laws) as may be necessary or appropriate to satisfy any withholding obligations, *provided*, *however*, that except as otherwise agreed in writing by the Participant and the Company (or a relevant subsidiary or Affiliate), if the Participant is an Executive Officer or an individual subject to Rule 16b-3, such tax withholding obligations will be effectuated by the Company withholding a number of Shares that would otherwise be delivered in respect of the RSUs with a Fair Market Value equal to the amount of such tax withholding obligations (at the minimum withholding tax rate required by the Code).

7. **Participant Covenants**.

(A) **Non-Competition**. In exchange for the promises set forth herein, including the consideration set forth in Paragraph 1, and in order to protect the goodwill, confidential information, customer connections, stability of the workforce, supply chain and other legitimate business interests of the Company and its subsidiaries and Affiliates, during the Participant's employment or engagement with the Company and/or its subsidiaries and/or Affiliates and for six months (less any period of time the Participant spends on 'garden leave') following the Participant's termination of employment or engagement for any reason, the Participant will not, directly or indirectly, alone or jointly, with any person or entity, participate in, engage in, consult with, advise, be employed by, own (wholly or partially), possess an interest in, solicit the business of the vendors, suppliers or customers of the Company or any of its subsidiaries or Affiliates for, or in any other manner be involved with, any business or person that is engaged in business activities anywhere in the Territory that are competitive with the Business, *provided, however*, if the Participant voluntarily resigns within three years following the Grant Date, this Paragraph 7(A) will only apply in the event the Company elects to make the payment set forth in Paragraph 7(E). Notwithstanding the foregoing, the Participant shall not be prohibited from passively owning less than 1% of the securities of any publicly-traded corporation. For purposes of this Paragraph 7, "Territory" means England and/or Wales and/or Scotland and/or Northern Ireland and/or Ireland and/or the State of Texas and/or Louisiana and/or Singapore and/or Chile and/or anywhere else in which the Company and/or any of its subsidiaries and/or Affiliates engages in Business and "Business" means the business of (i) selling, distributing or marketing liquefied natural gas and/or (ii) designing, permitting, constructing, developing or operating liquefied natural gas facilities. Notwithstanding the foregoing, the Participant shall not be prohibited from being employed by, or consulting for, an entity that has a division immaterial to the business of such entity in the aggregate, which division may compete with, or could assist another in competing with the Business carried on by the Company and/or any of its subsidiaries or Affiliates in the Territory (a "Competitive Division"), so long as the Participant is not employed in, and does not perform work for or otherwise provide services to, the Competitive Division.

(B) **Non-Solicitation**. In exchange for the promises set forth herein, including the consideration set forth in Paragraph 1, and in order to protect the goodwill, confidential information, customer connections, stability of the workforce, supply chain and other legitimate business interests of the Company and its subsidiaries and Affiliates, during the Participant's employment or engagement with the Company and/or its Affiliates and for one year (less any period of time the Participant spends on 'garden leave') following the Participant's termination of employment or engagement for any reason, the Participant will not, directly or indirectly, do any of the following or assist any other person, firm, or entity to do any of the following: (a) solicit on behalf of the Participant or another person or entity, the employment or services of, or hire or retain, any person who is employed or engaged (whether as a consultant or independent contractor) by the Company or any of its subsidiaries or Affiliates (i) in an executive, sales, marketing, research, technical, finance, trading or operations capacity or (ii) whose departure from the Company of any of its subsidiaries or Affiliates would have a significant impact on the business of such company or the stability of its workforce and (1) with whom the Participant worked at any time during the 12 months up to and including the termination of the Participant's employment or engagement or (2) in relation to whom as at the date of termination of the Participant's employment or engagement the Participant possessed confidential information, in each case with a view to inducing that person to leave such employment or engagement (whether or not such person would commit a breach of his contract of employment or engagement by reason of leaving), (b) induce or attempt to induce any such employee of the Company or any of its subsidiaries or Affiliates to terminate that employee's employment with the Company or such subsidiary or Affiliate; (c) induce or attempt to induce any such consultant or independent contractor doing business with or retained by the Company or its subsidiaries or Affiliates to terminate their consultancy or contractual relationship with the Company or such subsidiary or Affiliate or otherwise reduce the services they provide to the Company or such subsidiary or Affiliate or (d) interfere with the relationship of the Company or any of its subsidiaries or Affiliates with any vendor or supplier.

(C) **Confidentiality**. During the Participant's employment or engagement and thereafter, the Participant shall maintain the confidentiality of the following information: proprietary technical and business information relating to any Company plans, analyses or strategies concerning international or domestic acquisitions, possible acquisitions or new ventures; development plans or introduction plans for products or services; unannounced products or services; operation costs; pricing of products or services; research and development; personnel information; manufacturing processes; installation, service, and distribution procedures and processes; customer lists; any know-how relating to the design, manufacture, and marketing of any of the Company's services and products, including components and parts thereof; non-public information acquired by the Company concerning the requirements and specifications of any of the Company's agents, vendors, contractors, customers and potential customers; non-public financial information, business and marketing plans, pricing and price lists; non-public matters relating to employee benefit plans; quotations or proposals given to agents or customers or received from suppliers; documents relating to any of the Company's legal rights and obligations; the work product of any attorney employed by or retained by the Company; and any other information which is sufficiently confidential, proprietary, and secret to derive economic value from not being generally known including with respect to intellectual property inventions and work product. The Participant shall maintain in the strictest confidence and will not, directly or indirectly, intentionally or inadvertently, use, publish, or otherwise disclose to any person or entity whatsoever, any of the information of or belonging to the Company or to any agent, joint venture, contractor, customer, vendor, or supplier of the

Company regardless of its form, without the prior written explicit consent of the Company. The Participant acknowledges that the foregoing information is not generally known, is highly confidential and constitutes trade secrets or confidential information of the Company. The Participant shall take reasonable precautions to protect the inadvertent disclosure of information. The foregoing shall not apply to information that the Participant is required to disclose by applicable law, regulation, or legal process (provided that the Participant provides the Company with prior notice of the contemplated disclosure and cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information). Notwithstanding the foregoing, nothing in this Agreement prohibits the Participant from reporting possible violations of federal law or regulation to any government agency or entity or making other disclosures that are protected under whistleblower provisions of law (including, without limitation, a protected disclosure in accordance with the provisions set out in the Employment Rights Act 1996). The Participant does not need prior authorization to make such reports or disclosures and is not required to notify the Company that the Participant has made any such report or disclosure.

(D) **Non-Disparagement**. During the Participant's employment or engagement and thereafter, the Participant shall not make or publish any disparaging statements (whether written, electronic or oral) regarding, or otherwise malign the business reputation of, the Company, its subsidiaries or Affiliates or any of their respective officers, directors, managers, employees or partners.

(E) **Voluntary Resignation**. If (a) the Participant voluntarily resigns within three years following the Grant Date and (b) the Company elects to enforce the covenants in Paragraph 7(A), then the Company agrees, as further consideration for the covenants set forth in this Section 7 and subject to the remaining terms of this Section 7(E), to procure that the Company or one of its subsidiaries or Affiliates shall continue to pay the Participant his or her base salary (at the rate in effect at the time of the Participant's voluntary resignation) in accordance with the Company's or its subsidiaries' or Affiliates' regular payroll dates for six months following the date of such voluntary resignation (provided always that any payments of base salary during any period of garden leave shall count towards discharging the Company's obligations under this Paragraph 7(E)). The payment of the Participant's base salary in accordance with this Paragraph 7(E) will begin on the first payroll after the Release has been executed and delivered to the Company by the Participant (and not revoked) and become fully effective and irrevocable in accordance with the terms of Paragraph 4(C) of this Agreement (with the first payment including the aggregate amount that would have been paid in the period from the Termination Date to said first payroll date). If a Release is not timely executed and delivered by the Participant to the Company, or if such release is timely executed and delivered but is subsequently revoked by the Participant, then the Participant will not be entitled to the base salary continuation set forth in this Paragraph 7(E). The Participant agrees to promptly notify the Company of the date on which the Participant begins employment or engagement with any new company or person in compliance with this Paragraph 7 (the "Commencement Date") within six months following the Participant's voluntary resignation. The Company will not have any obligation to pay the Participant's base salary in accordance with this Paragraph 7(E) after the Commencement Date.

(F) **Participant Acknowledgements**.

(i) The Participant agrees that the restrictions in this Paragraph 7 are reasonable in light of the scope of Company's business operations, the Participant's position within the Company and its subsidiaries and Affiliates, the interests which the Company and its subsidiaries and Affiliates seeks to protect, and the consideration provided to the Participant. The Participant agrees that these restrictions go only so far as to protect the legitimate business interests of the Company, and its subsidiaries and Affiliates, and that those interests are worth protecting for the continued success, viability, and goodwill of the Company and its subsidiaries and Affiliates.

(ii) The Participant expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7 may result in substantial, continuing, and irreparable injury to the Company and/or its subsidiaries and/or Affiliates for which monetary damages alone would not be a sufficient remedy. Therefore, the Participant hereby agrees that, in addition to any other remedy that may be available to the Company or its subsidiaries or Affiliates (including pursuant to Paragraph 9), in the event of any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7, the Company and/or its subsidiaries and/or Affiliates shall be entitled to injunctive relief, specific performance or other equitable relief by a court of appropriate jurisdiction, without the requirement of posting bond or the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Without limitation on the rights of the Company and/or its subsidiaries and/or Affiliates under the foregoing sentence or under Paragraph 9, in the event of any actual breach of any of the terms and/or conditions set forth in (a) Paragraph 7(A) or 7(B) during the term of such covenants, or (b) Paragraphs 7(C) or (D) of this Agreement prior to the first anniversary of the date on which the Participant's employment or engagement terminates for any reason: (i) if the Award is unvested, then the Award will immediately be forfeited for no consideration; (ii) the Company will cease to be obligated to furnish the Participant any further payments or deliveries pursuant to this Agreement; and (iii) the Participant shall promptly repay to the Company an amount equal to the gain realized in respect of this Award within the three preceding years (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period); provided that the foregoing repayment obligations, and the cessation of further payments and benefits, shall be without prejudice to the Company's and its subsidiaries' and Affiliates' other rights.

8. **Cooperation**. Following the termination of the Participant's employment or engagement with the Company or its subsidiaries or Affiliates for any reason, the Participant agrees (i) to reasonably cooperate with the Company, its subsidiaries or Affiliates and each of their respective directors, officers, attorneys and experts, and take all actions the Company and/or its subsidiaries and/or Affiliates may reasonably request, including but not limited to cooperation with respect to any investigation, government inquiry, administrative proceeding or litigation relating to any matter in which the Participant was involved or had knowledge during the Participant's employment or engagement with the Company or its subsidiaries or Affiliates and (ii) that, if called upon by the Company, its subsidiaries or Affiliates, the Participant will provide assistance with respect to business, personnel or other matters which arose during the Participant's employment or engagement with the Company, its subsidiaries or Affiliates or as to which the Participant has relevant information, knowledge or expertise, with such cooperation including, but not limited to, completing job tasks in progress, transitioning job tasks to other

personnel of the Company or its subsidiaries or Affiliates, responding to questions and being available for such purposes. Any cooperation requests shall take into account the Participant's personal and business commitments, and the Participant shall be reasonably compensated for the Participant's time (if appropriate for the matter) and further reimbursed for any documented expenses (including reasonable attorney's fees) incurred in connection with such cooperation within thirty (30) days of the Participant providing an invoice to the Company, as the Company considers reasonable and only to the extent permitted and provided for by any applicable rules, including any rules of Court or Practice Direction, from time to time.

9. **Forfeiture/Clawback**.

(A) The delivery of Shares under this Award is subject to any policy (whether in existence as of the Grant Date or later adopted) established by the Company or required by applicable law providing for clawback or recovery of amounts that were paid to the Participant. The Company will make any determination for clawback or recovery in its sole discretion and in accordance with any applicable law or regulation.

(B) In addition to Paragraph 9(A) and notwithstanding anything to the contrary in this Agreement, if the Board or Committee determines that the Participant has, without the consent of the Company, violated a non-competition, non-solicitation or non-disclosure covenant (including the covenants in Paragraph 7) between the Participant and the Company or any subsidiary or any Affiliate, then the Board or Committee may in its sole discretion (i) determine that all or any portion of any unvested RSUs shall be forfeited for no consideration and/or (ii) require the Participant to promptly repay to the Company any gain realized in respect of this Award within the three years preceding the date on which the Board or Committee determines that any of the events described above has occurred (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period). Unless otherwise required by law, the provisions of this Paragraph 9(B) shall apply during the Participant's employment and/or engagement with the Company and/or its Affiliates and for one year following the Participant's termination of employment and/or engagement for any reason. The foregoing forfeiture and repayment obligations shall be without prejudice to any other rights that the Company and/or any subsidiary or Affiliate may have.

10. **Effect of the Plan**. This Award is subject to all of the provisions of the Plan and this Agreement, together with all of the rules and determinations from time to time issued by the Committee and/or the Board pursuant to the Plan, including the restrictions in the Plan on the transferability of awards. In the event of a conflict between any provision of the Plan and this Agreement, the provisions of this Agreement shall control but only to the extent such conflict is permitted under the Plan. By accepting this Award, the Participant acknowledges that he or she has received a copy of the Plan and agrees that the Participant will enter into such written representations, warranties and agreements and execute such documents as the Company may reasonably request in order to comply with applicable securities and other applicable laws, rules or regulations, or with this document or the terms of the Plan.

11. **Amendment and Termination; Waiver**. This Agreement, together with the Plan, constitutes the entire agreement by the Participant and the Company with respect to the subject matter hereof, and supersedes any and all prior agreements or understandings between the Participant and the Company with respect to the subject matter hereof, whether written or

oral. This Agreement may not be amended or terminated by the Company in a manner that would be materially adverse to the Participant without the written consent of the Participant, *provided* that the Company may amend this Agreement unilaterally (a) as provided in the Plan or (b) if the Company determines that an amendment is necessary to comply with applicable law (including the requirements of the Code). Any provision for the benefit of the Company contained in this Agreement may be waived in writing, either generally or in any particular instance, by the Company. A waiver on one occasion shall not be deemed to be a waiver of the same or any other breach on a future occasion.

12. **Unsecured Obligation**. The Company's obligation under this Agreement shall be an unfunded and unsecured promise. The Participant's right to receive the payments and benefits contemplated hereby from the Company under this Agreement shall be no greater than the right of any unsecured general creditor of the Company, and the Participant shall not have nor acquire any legal or equitable right, interest or claim in or to any property or assets of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between the Participant and the Company or any other person.

13. **No Right To Continued Employment or Engagement**. Neither this Award nor anything in this Agreement shall confer upon the Participant any right to continued employment or engagement with the Company (or its subsidiaries or Affiliates or their respective successors) or shall interfere in any way with the right of the Company (or its subsidiaries or Affiliates or their respective successors) to terminate the Participant's employment or engagement at any time.

14. **Tax Matters; No Guarantee of Tax Consequences**. This Agreement is intended to be exempt from, or to comply with, the requirements of Section 409A of the Code and this Agreement shall be interpreted accordingly; *provided* that in no event whatsoever shall the Company or any of its Affiliates be liable for any additional tax, interest or penalties that may be imposed on the Participant by Section 409A of the Code or any damages for failing to comply with Section 409A of the Code. Each payment under this Agreement will be treated as a separate payment for purposes of Section 409A of the Code. The Company makes no commitment or guarantee to the Participant that any federal or state tax treatment will apply or be available to any person eligible for benefits under this Agreement.

15. **Governing Law**. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware to the extent federal law does not supersede and preempt Delaware law (in which case such federal law shall apply).

16. **Severability; Interpretive Matters**. In the event that any provision of this Agreement shall be held illegal, invalid, or unenforceable for any reason, such provision shall be fully severable, but shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never been included herein. Whenever required by the context, pronouns and any variation thereof shall be deemed to refer to the masculine, feminine, or neuter, and the singular shall include the plural and vice versa. The captions and headings used in this Agreement are inserted for convenience and shall not be deemed a part of this Agreement granted hereunder for construction or interpretation.

17. **Waiver**. By participating in the Plan, the Participant waives all and any rights to compensation or damages in consequence of the termination of his or her employment or engagement with the Company and/or any past or present subsidiary or Affiliate for any reason whatsoever, whether lawfully or otherwise, insofar as those rights arise or may arise from his ceasing to have rights under the Plan (including ceasing to be entitled to any RSU) as a result of such termination, or from the loss or diminution in value of such rights or entitlements, including by reason of the operation of the terms of the Plan, any determination by the Board (or its designee) pursuant to a discretion contained in the Plan or the provisions of any statute or law relating to taxation.

18. **Counterparts**. This Agreement may be signed in any number of counterparts, each of which will be an original, with the same force and effect as if the signature thereto and hereto were upon the same instrument.

[*Remainder of Page Blank — Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Grant Date indicated below.

COMPANY:

CHENIERE ENERGY, INC.

By: _____
Name:
Title:

I hereby accept the Award subject to all of the terms and provisions hereof. I acknowledge and agree that the Award shall vest and become payable, if at all, only during the period of my continued service with the Company or as otherwise provided in this Agreement (not through the act of issuing the Award).

PARTICIPANT:

By: _____
Name:

Grant Date: _____

[*Signature Page — Restricted Stock Unit Award under 2011 Incentive Plan*]

Schedule A

- **RSUs**:
  - ●
- **Vesting Dates**:

Date	Number of RSUs that Vest
[●]	●
[●]	●
[●]	●

Appendix 1 — Termination and Change in Control

1. **Qualifying Termination - Treatment of Outstanding RSUs**

In the circumstances set out in Paragraph 4(A) of this Agreement and subject to the terms and conditions of this Agreement, the Participant shall be entitled to acceleration of vesting of:

(a) In the event of a Qualifying Termination of a Participant not during the Protection Period (as defined below), (i) subject to Section 1(C) below, unvested RSUs that were granted within the six (6) month period immediately preceding the Trigger Date will be automatically forfeited for no consideration, and (ii) subject to sub-clause (i) hereof, the Participant's outstanding unvested RSUs will automatically vest with respect to such RSUs that would have vested had the Participant remained continuously employed through the first anniversary of the Qualifying Termination, and

(b) In the event of a Qualifying Termination of a Participant during the Protection Period, all of the Participant's outstanding unvested RSUs will automatically vest in full.

(c) Notwithstanding anything in this Appendix 1, if a Qualifying Termination occurs prior to a Change in Control, no RSUs that are unvested as of the Qualifying Termination (after taking into account vesting acceleration pursuant to Section 1(A) above) shall lapse or be forfeited solely on account of such Qualifying Termination; *provided*, *however*, if the Change in Control has not occurred within the 3-month period immediately following the Trigger Date thus resulting in such Qualifying Termination occurring outside the Protection Period, all such unvested RSUs shall automatically lapse and be forfeited for no consideration at the end of such 3-month period.

2. **Vesting on Change in Control**

Subject to the terms and conditions of this Agreement, if a Participant remains continuously employed or engaged with the Company or a Related Employer from the date of his or her commencement of participation in the Plan through the date of a Change in Control:

A. Subject to Section 2(B) of this Appendix 1, all of the Participant's outstanding unvested RSUs will automatically vest in full as of the date of the Change in Control.

B. Notwithstanding anything herein to the contrary, unvested RSUs will not vest as a result of a Change in Control unless, if requested by the Company, the Participant executes and delivers to the Company (and does not revoke) a Release. If the Release is not timely executed and delivered by the Participant to the Company, or if such Release is timely executed and delivered but is subsequently revoked by Participant, then the unvested RSUs covered by this Award will lapse immediately.

C. Subject to the terms and conditions of this Agreement, a Participant's outstanding RSUs vesting pursuant to Section 2 of this Appendix 1 shall be settled as soon as administratively practicable following the expiration of the period during which the Participant may revoke the Release, but in all events no later than the end of the sixtieth (60th) day following the date of the Change in Control.

3. **Definitions**

For the purposes of this Appendix, the following term shall have the following meaning:

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

Exhibit 10.4

CHENIERE ENERGY, INC.
2011 INCENTIVE PLAN

RESTRICTED STOCK UNIT AWARD AGREEMENT (UK)

1. **Award**. Cheniere Energy, Inc., a Delaware corporation (the "Company"), has awarded the undersigned Participant (for purposes of this Agreement, the "Participant") restricted stock units (this "Award") effective as of the date set forth on the signature page hereto (the "Grant Date") pursuant to the Company's 2011 Incentive Plan, as amended (the "Plan"). Unless otherwise defined in this Restricted Stock Unit Award Agreement (this "Agreement"), capitalized terms used herein shall have the meanings assigned to them in the Plan.

2. **Restricted Stock Units**. The Company hereby awards the Participant the number of restricted stock units set forth in Schedule A (the "RSUs"). Each RSU constitutes an unfunded and unsecured promise by the Company to deliver (or cause to be delivered) one share of common stock, $0.003 par value per share, of the Company (a "Share"). The RSUs will be subject to vesting in accordance with Paragraph 3 below.

3. **Vesting**. Subject to the Participant's continued employment or engagement and Paragraphs 4 and 5, the RSUs shall vest on the date or dates set forth in Schedule A (each, a "Vesting Date").

4. **Termination of Employment or Engagement**. Except as otherwise provided in this Paragraph 4, the Participant will automatically forfeit any and all unvested RSUs covered by this Award on the earlier of the date of (1) service of notice of termination of the Participant's employment or engagement by the Company and/or any of its subsidiaries and/or Affiliates, (2) service of notice of resignation by the Participant from such employment or engagement, (and in respect of each of (1) and (2), irrespective of the fact that the effective date of termination of such employment or engagement will not occur until some later date) and/or (3) the summary termination (whether by the Company and/or any of its subsidiaries and/or Affiliates or the Participant) of such employment or engagement, in each case for any reason (the "Trigger Date"). Notwithstanding the foregoing:

(A) Upon the termination of the Participant's employment or engagement with the Company and/or a subsidiary and/or an Affiliate by the Company and/or a subsidiary and/or an Affiliate without Cause (a "Qualifying Termination"), unvested RSUs will (subject to Paragraph 4(C) below) be treated in accordance with Appendix 1.

(B) Upon the termination of the Participant's employment or engagement with the Company and/or a subsidiary and/or an Affiliate (1) by the Company and/or a subsidiary and/or an Affiliate due to the disability of the Participant, as defined by Section 6 of the Equality Act 2010 or (2) due to the death of the Participant while performing Continuous Service, unvested RSUs shall (subject to Paragraph 4(C) below) vest in full immediately.

(C) Notwithstanding anything herein to the contrary, unvested RSUs will not vest as a result of a termination by the Company and/or a subsidiary and/or an Affiliate without Cause or due to the disability of the Participant, as defined above, in each case, unless the Participant executes and delivers to the Company (and does not revoke) a fully effective statutory settlement agreement and release of claims at such time(s) and in such form as may be

required by the Company (the "Release"). If the Release is not timely executed and delivered by the Participant to the Company, or if such Release is timely executed and delivered but is subsequently revoked by the Participant, then the Participant will automatically forfeit the unvested RSUs covered by this Award effective as of the Trigger Date.

(D) For purposes of this Agreement, the term "Cause" means a separation from service (as defined in Section 409A of the Code) as a result of any of the following:

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

(ii) the commission by the Participant of an act of fraud in the performance of the Participant's duties on behalf of the Company or an Affiliate;

(iii) the violation by the Participant of the Company's Code of Business Conduct and Ethics Policy; or

(iv) the failure of the Participant to perform his or her duties at a level and in a manner satisfactory to the Company in its sole discretion.

The determination of whether Cause exists with respect to the Participant shall be made by the Company's Chief Human Resources Officer in his or her sole discretion in consultation with the Company's General Counsel.

(E) For purposes of this Agreement, the term "Related Employer" means (i) an Affiliate that is a member of a controlled group of corporations (as defined in section 414(b) of the Code) that includes the Company, (ii) an Affiliate (whether or not incorporated) that is in common control (as defined in section 414(c) of the Code) with the Company, or (iii) an Affiliate that is a member of the same affiliated service group (as defined in section 414(m) of the Code) as the Company.

5. **Change in Control**. In the event of a Change in Control of the Company, this Award will be treated in accordance with Appendix 1. For purposes of this Agreement, the term "Change in Control" means the occurrence of any of the following events:

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

(B) the consummation of any merger, organization, business combination or consolidation of the Company with or into any other company, other than a merger, reorganization, business combination or consolidation which would result in the holders of the voting securities of the Company outstanding immediately prior thereto holding securities which

represent immediately after such merger, reorganization, business combination or consolidation more than 50% of the combined voting power of the voting securities of the Company or the surviving company or the parent of such surviving company; or

(C) the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition if the holders of the voting securities of the Company outstanding immediately prior thereto hold securities immediately thereafter which represent more than 50% of the combined voting power of the voting securities of the acquiror, or parent of the acquiror, of such assets, or the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company; or

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

Notwithstanding the foregoing, a Change in Control shall not occur or be deemed to occur if any event set forth in subsections (A) — (D) above, that would otherwise constitute a Change in Control, occurs as a direct result of the consummation of a transaction solely between the Company and one or more of its controlled Affiliates. Notwithstanding the foregoing, however, in any circumstance or transaction in which compensation payable pursuant to this Award would be subject to the income tax under the Section 409A Rules if the foregoing definition of "Change in Control" were to apply, but would not be so subject if the term "Change in Control" were defined herein to mean a "change in control event" within the meaning of Treasury Regulation § 1.409A-3(i)(5), then "Change in Control" means, but only to the extent necessary to prevent such compensation from becoming subject to the income tax under the Section 409A Rules, a transaction or circumstance that satisfies the requirements of both (1) a Change in Control under the applicable clause (A) through (D) above, and (2) a "change in control event" within the meaning of Treasury Regulation Section § 1.409A-3(i)(5).

6. **Settlement; Dividend Equivalents; Withholding of Taxes**.

(A) Subject to the terms of this Agreement, one Share will be delivered in respect of each vested RSU on or as soon as reasonably practicable, but in no event later than the sixtieth (60th) day, following the date on which the RSUs vest as determined in accordance with Paragraphs 3, 4 or 5. All ordinary cash dividends that would have been paid upon any Shares delivered in respect of the vested RSUs had such Shares been issued as of the Grant Date (as determined by the Committee) will be paid to the Participant (without interest) on the date on which the RSUs are settled in accordance with this Paragraph 6(A) to the extent that the RSUs vest.

(B) The Company's obligation to deliver Shares or any other amounts under this Award is subject to the payment of all federal, state and local income, employment and other taxes and social security contributions or other amounts required to be withheld or paid (as appropriate) by the Company or any subsidiary or Affiliate in connection with this Award. The

Company and any subsidiary or Affiliate shall have the right to take any action (subject to applicable laws) as may be necessary or appropriate to satisfy any withholding obligations, *provided*, *however*, that except as otherwise agreed in writing by the Participant and the Company (or a relevant subsidiary or Affiliate), if the Participant is an Executive Officer or an individual subject to Rule 16b-3, such tax withholding obligations will be effectuated by the Company withholding a number of Shares that would otherwise be delivered in respect of the RSUs with a Fair Market Value equal to the amount of such tax withholding obligations (at the minimum withholding tax rate required by the Code).

7. **Participant Covenants**.

(A) **Non-Solicitation**. In exchange for the promises set forth herein, including the consideration set forth in Paragraph 1, and in order to protect the goodwill, confidential information, customer connections, stability of the workforce, supply chain and other legitimate business interests of the Company and its subsidiaries and Affiliates, during the Participant's employment or engagement with the Company and/or its Affiliates and for one year (less any period of time the Participant spends on 'garden leave') following the Participant's termination of employment or engagement for any reason, the Participant will not, directly or indirectly, do any of the following or assist any other person, firm, or entity to do any of the following: (a) solicit on behalf of the Participant or another person or entity, the employment or services of, or hire or retain, any person who is employed or engaged (whether as a consultant or independent contractor) by the Company or any of its subsidiaries or Affiliates (i) in an executive, sales, marketing, research, technical, finance, trading or operations capacity or (ii) whose departure from the Company of any of its subsidiaries or Affiliates would have a significant impact on the business of such company or the stability of its workforce and (1) with whom the Participant worked at any time during the 12 months up to and including the termination of the Participant's employment or engagement or (2) in relation to whom as at the date of termination of the Participant's employment or engagement the Participant possessed confidential information, in each case with a view to inducing that person to leave such employment or engagement (whether or not such person would commit a breach of his contract of employment or engagement by reason of leaving), (b) induce or attempt to induce any such employee of the Company or any of its subsidiaries or Affiliates to terminate that employee's employment with the Company or such subsidiary or Affiliate; (c) induce or attempt to induce any such consultant or independent contractor doing business with or retained by the Company or its subsidiaries or Affiliates to terminate their consultancy or contractual relationship with the Company or such subsidiary or Affiliate or otherwise reduce the services they provide to the Company or such subsidiary or Affiliate or (d) interfere with the relationship of the Company or any of its subsidiaries or Affiliates with any vendor or supplier.

(B) **Confidentiality**. During the Participant's employment or engagement and thereafter, the Participant shall maintain the confidentiality of the following information: proprietary technical and business information relating to any Company plans, analyses or strategies concerning international or domestic acquisitions, possible acquisitions or new ventures; development plans or introduction plans for products or services; unannounced products or services; operation costs; pricing of products or services; research and development; personnel information; manufacturing processes; installation, service, and distribution procedures and processes; customer lists; any know-how relating to the design, manufacture, and marketing of any of the Company's services and products, including components and parts thereof; non-public information acquired by the Company concerning the requirements and

specifications of any of the Company's agents, vendors, contractors, customers and potential customers; non-public financial information, business and marketing plans, pricing and price lists; non-public matters relating to employee benefit plans; quotations or proposals given to agents or customers or received from suppliers; documents relating to any of the Company's legal rights and obligations; the work product of any attorney employed by or retained by the Company; and any other information which is sufficiently confidential, proprietary, and secret to derive economic value from not being generally known including with respect to intellectual property inventions and work product. The Participant shall maintain in the strictest confidence and will not, directly or indirectly, intentionally or inadvertently, use, publish, or otherwise disclose to any person or entity whatsoever, any of the information of or belonging to the Company or to any agent, joint venture, contractor, customer, vendor, or supplier of the Company regardless of its form, without the prior written explicit consent of the Company. The Participant acknowledges that the foregoing information is not generally known, is highly confidential and constitutes trade secrets or confidential information of the Company. The Participant shall take reasonable precautions to protect the inadvertent disclosure of information. The foregoing shall not apply to information that the Participant is required to disclose by applicable law, regulation, or legal process (provided that the Participant provides the Company with prior notice of the contemplated disclosure and cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information). Notwithstanding the foregoing, nothing in this Agreement prohibits the Participant from reporting possible violations of federal law or regulation to any government agency or entity or making other disclosures that are protected under whistleblower provisions of law (including, without limitation, a protected disclosure in accordance with the provisions set out in the Employment Rights Act 1996). The Participant does not need prior authorization to make such reports or disclosures and is not required to notify the Company that the Participant has made any such report or disclosure.

(C) **Non-Disparagement**. During the Participant's employment or engagement and thereafter, the Participant shall not make or publish any disparaging statements (whether written, electronic or oral) regarding, or otherwise malign the business reputation of, the Company, its subsidiaries or Affiliates or any of their respective officers, directors, managers, employees or partners.

(D) **Participant Acknowledgements**.

(i) The Participant agrees that the restrictions in this Paragraph 7 are reasonable in light of the scope of Company's business operations, the Participant's position within the Company and its subsidiaries and Affiliates, the interests which the Company and its subsidiaries and Affiliates seeks to protect, and the consideration provided to the Participant. The Participant agrees that these restrictions go only so far as to protect the legitimate business interests of the Company, and its subsidiaries and Affiliates, and that those interests are worth protecting for the continued success, viability, and goodwill of the Company and its subsidiaries and Affiliates.

(ii) The Participant expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7 may result in substantial, continuing, and irreparable injury to the Company and/or its subsidiaries and/or Affiliates for which monetary damages alone would not be a sufficient remedy. Therefore, the Participant hereby agrees that, in addition to any other remedy that may be available to the

Company or its subsidiaries or Affiliates (including pursuant to Paragraph 9), in the event of any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7, the Company and/or its subsidiaries and/or Affiliates shall be entitled to injunctive relief, specific performance or other equitable relief by a court of appropriate jurisdiction, without the requirement of posting bond or the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Without limitation on the rights of the Company and/or its subsidiaries and/or Affiliates under the foregoing sentence or under Paragraph 9, in the event of any actual breach of any of the terms and/or conditions set forth in (a) Paragraph 7(A) during the term of such covenants, or (b) Paragraphs 7(B) or (C) of this Agreement prior to the first anniversary of the date on which the Participant's employment or engagement terminates for any reason: (i) if the Award is unvested, then the Award will immediately be forfeited for no consideration; (ii) the Company will cease to be obligated to furnish the Participant any further payments or deliveries pursuant to this Agreement; and (iii) the Participant shall promptly repay to the Company an amount equal to the gain realized in respect of this Award within the three preceding years (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period); provided that the foregoing repayment obligations, and the cessation of further payments and benefits, shall be without prejudice to the Company's and its subsidiaries' and Affiliates' other rights.

8. **Cooperation**. Following the termination of the Participant's employment or engagement with the Company or its subsidiaries or Affiliates for any reason, the Participant agrees (i) to reasonably cooperate with the Company, its subsidiaries or Affiliates and each of their respective directors, officers, attorneys and experts, and take all actions the Company and/or its subsidiaries and/or Affiliates may reasonably request, including but not limited to cooperation with respect to any investigation, government inquiry, administrative proceeding or litigation relating to any matter in which the Participant was involved or had knowledge during the Participant's employment or engagement with the Company or its subsidiaries or Affiliates and (ii) that, if called upon by the Company, its subsidiaries or Affiliates, the Participant will provide assistance with respect to business, personnel or other matters which arose during the Participant's employment or engagement with the Company, its subsidiaries or Affiliates or as to which the Participant has relevant information, knowledge or expertise, with such cooperation including, but not limited to, completing job tasks in progress, transitioning job tasks to other personnel of the Company or its subsidiaries or Affiliates, responding to questions and being available for such purposes. Any cooperation requests shall take into account the Participant's personal and business commitments, and the Participant shall be reasonably compensated for the Participant's time (if appropriate for the matter) and further reimbursed for any documented expenses (including reasonable attorney's fees) incurred in connection with such cooperation within thirty (30) days of the Participant providing an invoice to the Company, as the Company considers reasonable and only to the extent permitted and provided for by any applicable rules, including any rules of Court or Practice Direction, from time to time.

9. **Forfeiture/Clawback**.

(A) The delivery of Shares under this Award is subject to any policy (whether in existence as of the Grant Date or later adopted) established by the Company or required by applicable law providing for clawback or recovery of amounts that were paid to the Participant. The Company will make any determination for clawback or recovery in its sole discretion and in accordance with any applicable law or regulation.

(B) In addition to Paragraph 9(A) and notwithstanding anything to the contrary in this Agreement, if the Board or Committee determines that the Participant has, without the consent of the Company, violated a non-competition, non-solicitation or non-disclosure covenant (including the covenants in Paragraph 7) between the Participant and the Company or any subsidiary or any Affiliate, then the Board or Committee may in its sole discretion (i) determine that all or any portion of any unvested RSUs shall be forfeited for no consideration and/or (ii) require the Participant to promptly repay to the Company any gain realized in respect of this Award within the three years preceding the date on which the Board or Committee determines that any of the events described above has occurred (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period). Unless otherwise required by law, the provisions of this Paragraph 9(B) shall apply during the Participant's employment and/or engagement with the Company and/or its Affiliates and for one year following the Participant's termination of employment and/or engagement for any reason. The foregoing forfeiture and repayment obligations shall be without prejudice to any other rights that the Company and/or any subsidiary or Affiliate may have.

10. **Effect of the Plan**. This Award is subject to all of the provisions of the Plan and this Agreement, together with all of the rules and determinations from time to time issued by the Committee and/or the Board pursuant to the Plan, including the restrictions in the Plan on the transferability of awards. In the event of a conflict between any provision of the Plan and this Agreement, the provisions of this Agreement shall control but only to the extent such conflict is permitted under the Plan. By accepting this Award, the Participant acknowledges that he or she has received a copy of the Plan and agrees that the Participant will enter into such written representations, warranties and agreements and execute such documents as the Company may reasonably request in order to comply with applicable securities and other applicable laws, rules or regulations, or with this document or the terms of the Plan.

11. **Amendment and Termination; Waiver**. This Agreement, together with the Plan, constitutes the entire agreement by the Participant and the Company with respect to the subject matter hereof, and supersedes any and all prior agreements or understandings between the Participant and the Company with respect to the subject matter hereof, whether written or oral. This Agreement may not be amended or terminated by the Company in a manner that would be materially adverse to the Participant without the written consent of the Participant, *provided* that the Company may amend this Agreement unilaterally (a) as provided in the Plan or (b) if the Company determines that an amendment is necessary to comply with applicable law (including the requirements of the Code). Any provision for the benefit of the Company contained in this Agreement may be waived in writing, either generally or in any particular instance, by the Company. A waiver on one occasion shall not be deemed to be a waiver of the same or any other breach on a future occasion.

12. **Unsecured Obligation**. The Company's obligation under this Agreement shall be an unfunded and unsecured promise. The Participant's right to receive the payments and benefits contemplated hereby from the Company under this Agreement shall be no greater than the right of any unsecured general creditor of the Company, and the Participant shall not have nor acquire any legal or equitable right, interest or claim in or to any property or assets of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between the Participant and the Company or any other person.

13. **No Right To Continued Employment or Engagement**. Neither this Award nor anything in this Agreement shall confer upon the Participant any right to continued employment or engagement with the Company (or its subsidiaries or Affiliates or their respective successors) or shall interfere in any way with the right of the Company (or its subsidiaries or Affiliates or their respective successors) to terminate the Participant's employment or engagement at any time.

14. **Tax Matters; No Guarantee of Tax Consequences**. This Agreement is intended to be exempt from, or to comply with, the requirements of Section 409A of the Code and this Agreement shall be interpreted accordingly; *provided* that in no event whatsoever shall the Company or any of its Affiliates be liable for any additional tax, interest or penalties that may be imposed on the Participant by Section 409A of the Code or any damages for failing to comply with Section 409A of the Code. Each payment under this Agreement will be treated as a separate payment for purposes of Section 409A of the Code. The Company makes no commitment or guarantee to the Participant that any federal or state tax treatment will apply or be available to any person eligible for benefits under this Agreement.

15. **Governing Law**. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware to the extent federal law does not supersede and preempt Delaware law (in which case such federal law shall apply).

16. **Severability; Interpretive Matters**. In the event that any provision of this Agreement shall be held illegal, invalid, or unenforceable for any reason, such provision shall be fully severable, but shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never been included herein. Whenever required by the context, pronouns and any variation thereof shall be deemed to refer to the masculine, feminine, or neuter, and the singular shall include the plural and vice versa. The captions and headings used in this Agreement are inserted for convenience and shall not be deemed a part of this Agreement granted hereunder for construction or interpretation.

17. **Waiver**. By participating in the Plan, the Participant waives all and any rights to compensation or damages in consequence of the termination of his or her employment or engagement with the Company and/or any past or present subsidiary or Affiliate for any reason whatsoever, whether lawfully or otherwise, insofar as those rights arise or may arise from his ceasing to have rights under the Plan (including ceasing to be entitled to any RSU) as a result of such termination, or from the loss or diminution in value of such rights or entitlements, including by reason of the operation of the terms of the Plan, any determination by the Board (or its designee) pursuant to a discretion contained in the Plan or the provisions of any statute or law relating to taxation.

18. **Counterparts**. This Agreement may be signed in any number of counterparts, each of which will be an original, with the same force and effect as if the signature thereto and hereto were upon the same instrument.

[*Remainder of Page Blank — Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Grant Date indicated below.

COMPANY:

CHENIERE ENERGY, INC.

By: _____
Name:
Title:

I hereby accept the Award subject to all of the terms and provisions hereof. I acknowledge and agree that the Award shall vest and become payable, if at all, only during the period of my continued service with the Company or as otherwise provided in this Agreement (not through the act of issuing the Award).

PARTICIPANT:

By: _____
Name:

Grant Date: _____

[*Signature Page — Restricted Stock Unit Award under 2011 Incentive Plan*]

Schedule A

- **RSUs**:
  - ●
- **Vesting Dates**:

Date	Number of RSUs that Vest
[●]	●
[●]	●
[●]	●

Appendix 1 — Termination and Change in Control

1. **Qualifying Termination - Treatment of Outstanding RSUs**

In the circumstances set out in Paragraph 4(A) of this Agreement and subject to the terms and conditions of this Agreement, the Participant shall be entitled to acceleration of vesting of:

(a) In the event of a Qualifying Termination of a Participant not during the Protection Period (as defined below), (i) subject to Section 1(C) below, unvested RSUs that were granted within the six (6) month period immediately preceding the Trigger Date will be automatically forfeited for no consideration, and (ii) subject to sub-clause (i) hereof, the Participant's outstanding unvested RSUs will automatically vest with respect to such RSUs that would have vested had the Participant remained continuously employed through the first anniversary of the Qualifying Termination, and

(b) In the event of a Qualifying Termination of a Participant during the Protection Period, all of the Participant's outstanding unvested RSUs will automatically vest in full.

(c) Notwithstanding anything in this Appendix 1, if a Qualifying Termination occurs prior to a Change in Control, no RSUs that are unvested as of the Qualifying Termination (after taking into account vesting acceleration pursuant to Section 1(A) above) shall lapse or be forfeited solely on account of such Qualifying Termination; *provided*, *however*, if the Change in Control has not occurred within the 3-month period immediately following the Trigger Date thus resulting in such Qualifying Termination occurring outside the Protection Period, all such unvested RSUs shall automatically lapse and be forfeited for no consideration at the end of such 3-month period.

2. **Vesting on Change in Control**

Subject to the terms and conditions of this Agreement, if a Participant remains continuously employed or engaged with the Company or a Related Employer from the date of his or her commencement of participation in the Plan through the date of a Change in Control:

A. Subject to Section 2(B) of this Appendix 1, all of the Participant's outstanding unvested RSUs will automatically vest in full as of the date of the Change in Control.

B. Notwithstanding anything herein to the contrary, unvested RSUs will not vest as a result of a Change in Control unless, if requested by the Company, the Participant executes and delivers to the Company (and does not revoke) a Release. If the Release is not timely executed and delivered by the Participant to the Company, or if such Release is timely executed and delivered but is subsequently revoked by Participant, then the unvested RSUs covered by this Award will lapse immediately.

C. Subject to the terms and conditions of this Agreement, a Participant's outstanding RSUs vesting pursuant to Section 2 of this Appendix 1 shall be settled as soon as administratively practicable following the expiration of the period during which the Participant may revoke the Release, but in all events no later than the end of the sixtieth (60th) day following the date of the Change in Control.

3. **Definitions**

For the purposes of this Appendix, the following term shall have the following meaning:

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

Exhibit 10.5

CHENIERE ENERGY, INC.
2011 INCENTIVE PLAN

RESTRICTED STOCK UNIT AWARD AGREEMENT (SINGAPORE)

1. **Award**. Cheniere Energy, Inc., a Delaware corporation (the "Company"), has awarded the undersigned Participant (for purposes of this Agreement, the "Participant") restricted stock units (this "Award") effective as of the date set forth on the signature page hereto (the "Grant Date") pursuant to the Company's 2011 Incentive Plan, as amended (the "Plan"). Unless otherwise defined in this Restricted Stock Unit Award Agreement (this "Agreement"), capitalized terms used herein shall have the meanings assigned to them in the Plan.

2. **Restricted Stock Units**. The Company hereby awards the Participant the number of restricted stock units set forth in Schedule A (the "RSUs"). Each RSU constitutes an unfunded and unsecured promise by the Company to deliver (or cause to be delivered) one share of common stock, $0.003 par value per share, of the Company (a "Share"). The RSUs will be subject to vesting in accordance with Paragraph 3 below.

3. **Vesting**. Subject to the Participant's continued employment or engagement and Paragraphs 4 and 5, the RSUs shall vest on the date or dates set forth in Schedule A (each, a "Vesting Date").

4. **Termination of Employment or Engagement**. Except as otherwise provided in this Paragraph 4, the Participant will automatically forfeit any and all unvested RSUs covered by this Award on the earlier of the date of (1) service of notice of termination of the Participant's employment or engagement by the Company and/or any of its subsidiaries and/or Affiliates, (2) service of notice of resignation by the Participant from such employment or engagement, (and in respect of each of (1) and (2), irrespective of the fact that the effective date of termination of such employment or engagement will not occur until some later date) and/or (3) the summary termination (whether by the Company and/or any of its subsidiaries and/or Affiliates or the Participant) of such employment or engagement, in each case for any reason (the "Trigger Date"). Notwithstanding the foregoing:

(A) Upon the termination of the Participant's employment or engagement with the Company and/or a subsidiary and/or an Affiliate by the Company and/or a subsidiary and/or an Affiliate without Cause (a "Qualifying Termination") unvested RSUs will (subject to Paragraph 4(C) below) be treated in accordance with Appendix 1.

(B) Upon the termination of the Participant's employment or engagement with the Company and/or a subsidiary and/or an Affiliate (1) by the Company and/or a subsidiary and/or an Affiliate due to the Disability of the Participant while performing Continuous Service or (2) due to the death of the Participant while performing Continuous Service, unvested RSUs shall (subject to Paragraph 4(C) below) vest in full immediately.

(C) Notwithstanding anything herein to the contrary, unvested RSUs will not vest as a result of a termination by the Company and/or a subsidiary and/or an Affiliate without Cause or due to the Disability of the Participant, in each case, unless the Participant executes and delivers to the Company (and does not revoke) a fully effective settlement agreement and release of claims at such time(s) and in such form as may be required by the Company (the "Release").

If the Release is not timely executed and delivered by the Participant to the Company, or if such Release is timely executed and delivered but is subsequently revoked by the Participant, then the Participant will automatically forfeit the unvested RSUs covered by this Award effective as of the Trigger Date.

(D) For purposes of this Agreement, the term "Cause" means a separation from service (as defined in Section 409A of the Code) as a result of any of the following:

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

(ii) the commission by the Participant of an act of fraud in the performance of the Participant's duties on behalf of the Company or an Affiliate;

(iii) the violation by the Participant of the Company's Code of Business Conduct and Ethics Policy; or

(iv) the failure of the Participant to perform his or her duties at a level and in a manner satisfactory to the Company in its sole discretion.

The determination of whether Cause exists with respect to the Participant shall be made by the Company's Chief Human Resources Officer in his or her sole discretion in consultation with the Company's General Counsel.

(E) For purposes of this Agreement, the term "Related Employer" means (i) an Affiliate that is a member of a controlled group of corporations (as defined in section 414(b) of the Code) that includes the Company, (ii) an Affiliate (whether or not incorporated) that is in common control (as defined in section 414(c) of the Code) with the Company, or (iii) an Affiliate that is a member of the same affiliated service group (as defined in section 414(m) of the Code) as the Company.

5. **Change in Control**. In the event of a Change in Control of the Company, this Award will be treated in accordance with Appendix 1. For purposes of this Agreement, the term "Change in Control" means the occurrence of any of the following events:

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

(B) the consummation of any merger, organization, business combination or consolidation of the Company with or into any other company, other than a merger, reorganization, business combination or consolidation which would result in the holders of the voting securities of the Company outstanding immediately prior thereto holding securities which

represent immediately after such merger, reorganization, business combination or consolidation more than 50% of the combined voting power of the voting securities of the Company or the surviving company or the parent of such surviving company; or

(C) the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition if the holders of the voting securities of the Company outstanding immediately prior thereto hold securities immediately thereafter which represent more than 50% of the combined voting power of the voting securities of the acquiror, or parent of the acquiror, of such assets, or the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company; or

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

Notwithstanding the foregoing, a Change in Control shall not occur or be deemed to occur if any event set forth in subsections (A) — (D) above, that would otherwise constitute a Change in Control, occurs as a direct result of the consummation of a transaction solely between the Company and one or more of its controlled Affiliates. Notwithstanding the foregoing, however, in any circumstance or transaction in which compensation payable pursuant to this Award would be subject to the income tax under the Section 409A Rules if the foregoing definition of "Change in Control" were to apply, but would not be so subject if the term "Change in Control" were defined herein to mean a "change in control event" within the meaning of Treasury Regulation § 1.409A-3(i)(5), then "Change in Control" means, but only to the extent necessary to prevent such compensation from becoming subject to the income tax under the Section 409A Rules, a transaction or circumstance that satisfies the requirements of both (1) a Change in Control under the applicable clause (A) through (D) above, and (2) a "change in control event" within the meaning of Treasury Regulation Section § 1.409A-3(i)(5).

6. **Settlement; Dividend Equivalents; Withholding of Taxes**.

(A) Subject to the terms of this Agreement, one Share will be delivered in respect of each vested RSU on or as soon as reasonably practicable, but in no event later than the sixtieth (60th) day, following the date on which the RSUs vest as determined in accordance with Paragraph 3, 4 or 5. All ordinary cash dividends that would have been paid upon any Shares delivered in respect of the vested RSUs had such Shares been issued as of the Grant Date (as determined by the Committee) will be paid to the Participant (without interest) on the date on which the RSUs are settled in accordance with this Paragraph 6(A) to the extent that the RSUs vest.

(B) The Company's obligation to deliver Shares or any other amounts under this Award is subject to the payment of all federal, state and local income, employment and other taxes and social security or provident fund contributions or other amounts required to be withheld or paid (as appropriate) by the Company or any subsidiary or Affiliate in connection

with this Award. The Company and any subsidiary or Affiliate shall have the right to take any action (subject to applicable laws) as may be necessary or appropriate to satisfy any withholding obligations, *provided*, *however*, that except as otherwise agreed in writing by the Participant and the Company (or a relevant subsidiary or Affiliate), if the Participant is an Executive Officer or an individual subject to Rule 16b-3, such tax withholding obligations will be effectuated by the Company withholding a number of Shares that would otherwise be delivered in respect of the RSUs with a Fair Market Value equal to the amount of such tax withholding obligations (at the minimum withholding tax rate required by the Code).

7. **Participant Covenants**.

(A) **Non-Solicitation**. In exchange for the promises set forth herein, including the consideration set forth in Paragraph 1, and in order to protect the goodwill, confidential information, customer connections, stability of the workforce, supply chain and other legitimate business interests of the Company and its subsidiaries and Affiliates, during the Participant's employment or engagement with the Company and/or its Affiliates and for one year (less any period of time the Participant spends on 'garden leave') following the Participant's termination of employment or engagement for any reason, the Participant will not, directly or indirectly, do any of the following or assist any other person, firm, or entity to do any of the following: (a) solicit on behalf of the Participant or another person or entity, the employment or services of, or hire or retain, any person who is employed or engaged (whether as a consultant or independent contractor) by the Company or any of its subsidiaries or Affiliates, or who had been within six (6) months prior to the action; (b) induce or attempt to induce any such employee of the Company or any of its subsidiaries or Affiliates to terminate that employee's employment with the Company or such subsidiary or Affiliate; (c) induce or attempt to induce any such consultant or independent contractor doing business with or retained by the Company or its subsidiaries or Affiliates to terminate their consultancy or contractual relationship with the Company or such subsidiary or Affiliate or otherwise reduce the services they provide to the Company or such subsidiary or Affiliate or (d) interfere with the relationship of the Company or any of its subsidiaries or Affiliates with any vendor or supplier, with whom the Participant worked or about whom the Participant possessed confidential information, at any time during the 12 months immediately preceding the Trigger Date.

(B) **Confidentiality**. During the Participant's employment or engagement and thereafter, the Participant shall maintain the confidentiality of the following information: proprietary technical and business information relating to any Company plans, analyses or strategies concerning international or domestic acquisitions, possible acquisitions or new ventures; development plans or introduction plans for products or services; unannounced products or services; operation costs; pricing of products or services; research and development; personnel information; manufacturing processes; installation, service, and distribution procedures and processes; customer lists; any know-how relating to the design, manufacture, and marketing of any of the Company's services and products, including components and parts thereof; non-public information acquired by the Company concerning the requirements and specifications of any of the Company's agents, vendors, contractors, customers and potential customers; non-public financial information, business and marketing plans, pricing and price lists; non-public matters relating to employee benefit plans; quotations or proposals given to agents or customers or received from suppliers; documents relating to any of the Company's legal rights and obligations; the work product of any attorney employed by or retained by the Company; and any other information which is sufficiently confidential, proprietary, and secret to

derive economic value from not being generally known including with respect to intellectual property inventions and work product. The Participant shall maintain in the strictest confidence and will not, directly or indirectly, intentionally or inadvertently, use, publish, or otherwise disclose to any person or entity whatsoever, any of the information of or belonging to the Company or to any agent, joint venture, contractor, customer, vendor, or supplier of the Company regardless of its form, without the prior written explicit consent of the Company. The Participant acknowledges that the foregoing information is not generally known, is highly confidential and constitutes trade secrets or confidential information of the Company. The Participant shall take reasonable precautions to protect the inadvertent disclosure of information. The foregoing shall not apply to information that the Participant is required to disclose by applicable law, regulation, or legal process (provided that the Participant provides the Company with prior notice of the contemplated disclosure and cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information). Notwithstanding the foregoing, nothing in this Agreement prohibits the Participant from reporting possible violations of federal law or regulation to any government agency or entity or making other disclosures that are protected under whistleblower provisions of law. The Participant does not need prior authorization to make such reports or disclosures and is not required to notify the Company that the Participant has made any such report or disclosure.

(C) **Non-Disparagement**. During the Participant's employment or engagement and thereafter, the Participant shall not make or publish any disparaging statements (whether written, electronic or oral) regarding, or otherwise malign the business reputation of, the Company, its subsidiaries or Affiliates or any of their respective officers, directors, managers, employees or partners.

(D) **Participant Acknowledgements**.

(i) The Participant agrees that the restrictions in this Paragraph 7 are reasonable in light of the scope of Company's business operations, the Participant's position within the Company and its subsidiaries and Affiliates, the interests which the Company and its subsidiaries and Affiliates seeks to protect, and the consideration provided to the Participant. The Participant agrees that these restrictions go only so far as to protect the legitimate business interests of the Company, and its subsidiaries and Affiliates, and that those interests are worth protecting for the continued success, viability, and goodwill of the Company and its subsidiaries and Affiliates.

(ii) The Participant expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7 may result in substantial, continuing, and irreparable injury to the Company and/or its subsidiaries and/or Affiliates for which monetary damages alone would not be a sufficient remedy. Therefore, the Participant hereby agrees that, in addition to any other remedy that may be available to the Company or its subsidiaries or Affiliates (including pursuant to Paragraph 9), in the event of any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7, the Company and/or its subsidiaries and/or Affiliates shall be entitled to injunctive relief, specific performance or other equitable relief by a court of appropriate jurisdiction, without the requirement of posting bond or the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Without limitation on the rights of the Company and/or its subsidiaries and/or Affiliates under the foregoing sentence or under Paragraph 9, in the event of any actual breach of any of the terms and/or conditions set forth in (a) Paragraph 7(A) during the

term of such covenants, or (b) Paragraphs 7(B) or (C) of this Agreement prior to the first anniversary of the date on which the Participant's employment or engagement terminates for any reason: (i) if the Award is unvested, then the Award will immediately be forfeited for no consideration; (ii) the Company will cease to be obligated to furnish the Participant any further payments or deliveries pursuant to this Agreement; and (iii) the Participant shall promptly repay to the Company an amount equal to the gain realized in respect of this Award within the three preceding years (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period); *provided* that the foregoing repayment obligations, and the cessation of further payments and benefits, shall be without prejudice to the Company's and its subsidiaries' and Affiliates' other rights.

8. **Cooperation**. Following the termination of the Participant's employment or engagement with the Company or its subsidiaries or Affiliates for any reason, the Participant agrees (i) to reasonably cooperate with the Company, its subsidiaries or Affiliates and each of their respective directors, officers, attorneys and experts, and take all actions the Company and/or its subsidiaries and/or Affiliates may reasonably request, including but not limited to cooperation with respect to any investigation, government inquiry, administrative proceeding or litigation relating to any matter in which the Participant was involved or had knowledge during the Participant's employment or engagement with the Company or its subsidiaries or Affiliates and (ii) that, if called upon by the Company, its subsidiaries or Affiliates, the Participant will provide assistance with respect to business, personnel or other matters which arose during the Participant's employment or engagement with the Company, its subsidiaries or Affiliates or as to which the Participant has relevant information, knowledge or expertise, with such cooperation including, but not limited to, completing job tasks in progress, transitioning job tasks to other personnel of the Company or its subsidiaries or Affiliates, responding to questions and being available for such purposes. Any cooperation requests shall take into account the Participant's personal and business commitments, and the Participant shall be reasonably compensated for the Participant's time (if appropriate for the matter) and further reimbursed for any documented expenses (including reasonable attorney's fees) incurred in connection with such cooperation within thirty (30) days of the Participant providing an invoice to the Company, as the Company considers reasonable and only to the extent permitted and provided for by any applicable rules, including any rules of Court or Practice Direction, from time to time.

9. **Forfeiture/Clawback**.

(A) The delivery of Shares under this Award is subject to any policy (whether in existence as of the Grant Date or later adopted) established by the Company or required by applicable law providing for clawback or recovery of amounts that were paid to the Participant. The Company will make any determination for clawback or recovery in its sole discretion and in accordance with any applicable law or regulation.

(B) In addition to Paragraph 9(A) and notwithstanding anything to the contrary in this Agreement, if the Board or Committee determines that the Participant has, without the consent of the Company, violated a non-competition, non-solicitation or non-disclosure covenant (including the covenants in Paragraph 7) between the Participant and the Company or any subsidiary or any Affiliate, then the Board or Committee may in its sole discretion (i) determine that all or any portion of any unvested RSUs shall be forfeited for no consideration and/or (ii) require the Participant to promptly repay to the Company any gain

realized in respect of this Award within the three years preceding the date on which the Board or Committee determines that any of the events described above has occurred (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period). Unless otherwise required by law, the provisions of this Paragraph 9(B) shall apply during the Participant's employment and/or engagement with the Company and/or its Affiliates and for one year following the Participant's termination of employment and/or engagement for any reason. The foregoing forfeiture and repayment obligations shall be without prejudice to any other rights that the Company and/or any subsidiary or Affiliate may have.

10. **Effect of the Plan**. This Award is subject to all of the provisions of the Plan and this Agreement, together with all of the rules and determinations from time to time issued by the Committee and/or the Board pursuant to the Plan, including the restrictions in the Plan on the transferability of awards. In the event of a conflict between any provision of the Plan and this Agreement, the provisions of this Agreement shall control but only to the extent such conflict is permitted under the Plan. By accepting this Award, the Participant acknowledges that he or she has received a copy of the Plan and agrees that the Participant will enter into such written representations, warranties and agreements and execute such documents as the Company may reasonably request in order to comply with applicable securities and other applicable laws, rules or regulations, or with this document or the terms of the Plan.

11. **Amendment and Termination; Waiver**. This Agreement, together with the Plan, constitutes the entire agreement by the Participant and the Company with respect to the subject matter hereof, and supersedes any and all prior agreements or understandings between the Participant and the Company with respect to the subject matter hereof, whether written or oral. This Agreement may not be amended or terminated by the Company in a manner that would be materially adverse to the Participant without the written consent of the Participant, *provided* that the Company may amend this Agreement unilaterally (a) as provided in the Plan or (b) if the Company determines that an amendment is necessary to comply with applicable law (including the requirements of the Code). Any provision for the benefit of the Company contained in this Agreement may be waived in writing, either generally or in any particular instance, by the Company. A waiver on one occasion shall not be deemed to be a waiver of the same or any other breach on a future occasion.

12. **Unsecured Obligation**. The Company's obligation under this Agreement shall be an unfunded and unsecured promise. The Participant's right to receive the payments and benefits contemplated hereby from the Company under this Agreement shall be no greater than the right of any unsecured general creditor of the Company, and the Participant shall not have nor acquire any legal or equitable right, interest or claim in or to any property or assets of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between the Participant and the Company or any other person.

13. **No Right To Continued Employment or Engagement**. Neither this Award nor anything in this Agreement shall confer upon the Participant any right to continued employment or engagement with the Company (or its subsidiaries or Affiliates or their respective successors) or shall interfere in any way with the right of the Company (or its subsidiaries or Affiliates or their respective successors) to terminate the Participant's employment or engagement at any time.

14. **Tax Matters; No Guarantee of Tax Consequences**. This Agreement is intended to be exempt from, or to comply with, the requirements of Section 409A of the Code and this Agreement shall be interpreted accordingly; *provided* that in no event whatsoever shall the Company or any of its Affiliates be liable for any additional tax, interest or penalties that may be imposed on the Participant by Section 409A of the Code or any damages for failing to comply with Section 409A of the Code. Each payment under this Agreement will be treated as a separate payment for purposes of Section 409A of the Code. The Company makes no commitment or guarantee to the Participant that any federal or state tax treatment will apply or be available to any person eligible for benefits under this Agreement.

15. **Governing Law**. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware to the extent federal law does not supersede and preempt Delaware law (in which case such federal law shall apply).

16. **Severability; Interpretive Matters**. In the event that any provision of this Agreement shall be held illegal, invalid, or unenforceable for any reason, such provision shall be fully severable, but shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never been included herein. Whenever required by the context, pronouns and any variation thereof shall be deemed to refer to the masculine, feminine, or neuter, and the singular shall include the plural and vice versa. The captions and headings used in this Agreement are inserted for convenience and shall not be deemed a part of this Agreement granted hereunder for construction or interpretation.

17. **Waiver**. By participating in the Plan, the Participant waives all and any rights to compensation or damages in consequence of the termination of his or her employment or engagement with the Company and/or any past or present subsidiary or Affiliate for any reason whatsoever, whether lawfully or otherwise, insofar as those rights arise or may arise from his ceasing to have rights under the Plan (including ceasing to be entitled to any RSU) as a result of such termination, or from the loss or diminution in value of such rights or entitlements, including by reason of the operation of the terms of the Plan, any determination by the Board (or its designee) pursuant to a discretion contained in the Plan or the provisions of any statute or law relating to taxation.

18. **Counterparts**. This Agreement may be signed in any number of counterparts, each of which will be an original, with the same force and effect as if the signature thereto and hereto were upon the same instrument.

[*Remainder of Page Blank — Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Grant Date indicated below.

COMPANY:

CHENIERE ENERGY, INC.

By: _____
Name:
Title:

I hereby accept the Award subject to all of the terms and provisions hereof. I acknowledge and agree that the Award shall vest and become payable, if at all, only during the period of my continued service with the Company or as otherwise provided in this Agreement (not through the act of issuing the Award).

PARTICIPANT:

By: _____
Name:

Grant Date: _____

[*Signature Page — Restricted Stock Unit Award under 2011 Incentive Plan*]

Schedule A

- **RSUs**:
  - ●
- **Vesting Dates**:

Date	Number of RSUs that Vest
[●]	●
[●]	●
[●]	●

Appendix 1 — Termination and Change in Control

1. **Qualifying Termination - Treatment of Outstanding RSUs**

In the circumstances set out in Paragraph 4(A) of this Agreement and subject to the terms and conditions of this Agreement, the Participant shall be entitled to acceleration of vesting of:

(a) In the event of a Qualifying Termination of a Participant not during the Protection Period (as defined below), (i) subject to Section 1(C) below, unvested RSUs that were granted within the six (6) month period immediately preceding the Trigger Date will be automatically forfeited for no consideration, and (ii) subject to sub-clause (i) hereof, the Participant's outstanding unvested RSUs will automatically vest with respect to such RSUs that would have vested had the Participant remained continuously employed through the first anniversary of the Qualifying Termination, and

(b) In the event of a Qualifying Termination of a Participant during the Protection Period, all of the Participant's outstanding unvested RSUs will automatically vest in full.

(c) Notwithstanding anything in this Appendix 1, if a Qualifying Termination occurs prior to a Change in Control, no RSUs that are unvested as of the Qualifying Termination (after taking into account vesting acceleration pursuant to Section 1(A) above) shall lapse or be forfeited solely on account of such Qualifying Termination; *provided*, *however*, if the Change in Control has not occurred within the 3-month period immediately following the Trigger Date thus resulting in such Qualifying Termination occurring outside the Protection Period, all such unvested RSUs shall automatically lapse and be forfeited for no consideration at the end of such 3-month period.

2. **Vesting on Change in Control**

Subject to the terms and conditions of this Agreement, if a Participant remains continuously employed or engaged with the Company or a Related Employer from the date of his or her commencement of participation in the Plan through the date of a Change in Control:

A. Subject to Section 2(B) of this Appendix 1, all of the Participant's outstanding unvested RSUs will automatically vest in full as of the date of the Change in Control.

B. Notwithstanding anything herein to the contrary, unvested RSUs will not vest as a result of a Change in Control unless, if requested by the Company, the Participant executes and delivers to the Company (and does not revoke) a Release. If the Release is not timely executed and delivered by the Participant to the Company, or if such Release is timely executed and delivered but is subsequently revoked by Participant, then the unvested RSUs covered by this Award will lapse immediately.

C. Subject to the terms and conditions of this Agreement, a Participant's outstanding RSUs vesting pursuant to Section 2 of this Appendix 1 shall be settled as soon as administratively practicable following the expiration of the period during which the Participant may revoke the Release, but in all events no later than the end of the sixtieth (60th) day following the date of the Change in Control.

3. **Definitions**

For the purposes of this Appendix, the following term shall have the following meaning:

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

Exhibit 10.6

CHENIERE ENERGY, INC.
2011 INCENTIVE PLAN

RESTRICTED STOCK UNIT AWARD AGREEMENT (Chile)

1. **Award**. Cheniere Energy, Inc., a Delaware corporation (the "Company"), has awarded the undersigned Participant (for purposes of this Agreement, the "Participant") restricted stock units (this "Award") effective as of the date set forth on the signature page hereto (the "Grant Date") pursuant to the Company's 2011 Incentive Plan, as amended (the "Plan"). Unless otherwise defined in this Restricted Stock Unit Award Agreement (this "Agreement"), capitalized terms used herein shall have the meanings assigned to them in the Plan.

2. **Restricted Stock Units**. The Company hereby awards the Participant the number of restricted stock units set forth in Schedule A (the "RSUs"). Each RSU constitutes an unfunded and unsecured promise by the Company to deliver (or cause to be delivered) one share of common stock, $0.003 par value per share, of the Company (a "Share"). The RSUs will be subject to vesting in accordance with Paragraph 3 below.

3. **Vesting**. Subject to the Participant's continued employment and Paragraphs 4 and 5, the RSUs shall vest on the date or dates set forth in Schedule A (each, a "Vesting Date").

4. **Termination of Employment or Services**. Except as otherwise provided in this Paragraph 4, the Participant will automatically forfeit any unvested RSUs covered by this Award on the termination of the Participant from employment with or services to the Company and its Affiliates based on any legal ground set forth in articles 159, 160, 161 and 163 bis of the Chilean Codigo del Trabajo (the "Labor Code"). Notwithstanding the foregoing:

(A) Upon the termination of the Participant's employment with the Company or an Affiliate by the Company or an Affiliate due to business necessities or at will of the employer in accordance with article 161 of the Labor Code (a "Qualifying Termination") unvested RSUs will be treated in accordance with Appendix 1.

(B) Upon the termination of the Participant's employment with the Company or an Affiliate ((1) due to the death of the Participant while performing Continuous Service in accordance with article 159 No.3 of the Labor Code or (2) resignation based on the Disability of the Participant, unvested RSUs shall vest in full immediately.

(C) Notwithstanding anything herein to the contrary, unvested RSUs will not vest as a result of a termination by the Company or an Affiliate due to business necessities or at will of the employer, or resignation by the Participant due to Disability, in each case, unless the Participant executes and delivers to the Company a fully effective statutory settlement agreement and release of claims at such time(s) and in such form as may be required by the Company (the "Release"), which may not exceed 10 days as from the date on which the employer makes available the relevant Release to the employee. If the Release is not timely executed and delivered by the Participant, then the Participant will automatically forfeit the unvested RSUs covered by this Award effective as of the date of termination of employment.

(D) For purposes of this Agreement, the term "Cause" means a separation from service as defined in article 160 of the Labor Code as a result of any of the following:

(i) the commission by the Participant of a crime or other act of misconduct that causes economic damage to the Company or an Affiliate or substantial injury to the business reputation of the Company or an Affiliate;

(ii) the commission by the Participant of an act of fraud in the performance of the Participant's duties on behalf of the Company or an Affiliate;

(iii) the violation by the Participant of the Company's Code of Business Conduct and Ethics Policy; or

(iv) The determination of whether Cause exists with respect to the Participant shall be made by the Company's Chief Human Resources Officer in his or her sole discretion in consultation with the Company's General Counsel in accordance with applicable law.

(E) For purposes of this Agreement, the term "Related Employer" means (i) an Affiliate that is a member of a controlled group of corporations (as defined in section 414(b) of the Code) that includes the Company, (ii) an Affiliate (whether or not incorporated) that is in common control (as defined in section 414(c) of the Code) with the Company, or (iii) an Affiliate that is a member of the same affiliated service group (as defined in section 414(m) of the Code) as the Company.

5. **Change in Control**. In the event of a Change in Control of the Company, this Award will be treated in accordance with Appendix 1. For purposes of this Agreement, the term "Change in Control" means the occurrence of any of the following events:

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

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

(C) the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition if the holders of the voting securities of the Company outstanding immediately prior thereto hold securities immediately thereafter which represent more than 50% of the combined voting power of the voting securities of the acquiror, or parent of the acquiror, of such assets, or the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company; or

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

Notwithstanding the foregoing, a Change in Control shall not occur or be deemed to occur if any event set forth in subsections (A) — (D) above, that would otherwise constitute a Change in Control, occurs as a direct result of the consummation of a transaction solely between the Company and one or more of its controlled Affiliates. Notwithstanding the foregoing, however, in any circumstance or transaction in which compensation payable pursuant to this Award would be subject to the income tax under the Section 409A Rules if the foregoing definition of "Change in Control" were to apply, but would not be so subject if the term "Change in Control" were defined herein to mean a "change in control event" within the meaning of Treasury Regulation § 1.409A-3(i)(5), then "Change in Control" means, but only to the extent necessary to prevent such compensation from becoming subject to the income tax under the Section 409A Rules, a transaction or circumstance that satisfies the requirements of both (1) a Change in Control under the applicable clause (A) through (D) above, and (2) a "change in control event" within the meaning of Treasury Regulation Section § 1.409A-3(i)(5).

6. **Settlement; Dividend Equivalents; Withholding of Taxes**.

(A) Subject to the terms of this Agreement, if applicable, and Paragraph 6(B), one Share will be delivered in respect of each vested RSU on or as soon as reasonably practicable, but in no event later than the sixtieth (60th) day, following the date on which the RSUs vest as determined in accordance with Paragraph 3, 4 or 5; *provided*, *however*, that if vesting is contingent on the effectiveness of a Release Agreement pursuant to Paragraph 4(D), and the release period in Paragraph 4(D) begins in one taxable year and ends in a subsequent taxable year, then the Shares will be delivered in such subsequent taxable year. All ordinary cash dividends that would have been paid upon any Shares delivered in respect of the vested RSUs had such Shares been issued as of the Grant Date (as determined by the Committee) will be paid to the Participant (without interest) on the date on which the RSUs are settled in accordance with this Paragraph 6(A) to the extent that the RSUs vest.

(B) The Company's obligation to deliver Shares under this Award is subject to the payment of all federal, state and local income, employment, social security and other taxes required to be withheld or paid by the Company in connection with this Award. The Company shall have the right to take any action as may be necessary or appropriate to satisfy any withholding obligations, *provided*, *however*, that except as otherwise agreed in writing by the Participant and the Company, if the Participant is an Executive Officer or an individual subject to Rule 16b-3, such tax withholding obligations will be effectuated by the Company withholding a number of Shares that would otherwise be delivered in respect of the RSUs with a Fair Market Value equal to the amount of such tax withholding obligations (at the minimum withholding tax rate required by the Code).

7. **Participant Covenants**.

(A) **Non-Solicitation**. In exchange for the promises set forth herein, including the consideration set forth in Paragraph 1, and in order to protect the Company's goodwill and other legitimate business needs, during the Participant's employment with the Company and/or its Affiliates and for one year following the Participant's termination of employment for any reason, the Participant will not, directly or indirectly, do any of the following or assist any other person, firm, or entity to do any of the following: (a) solicit on behalf of the Participant or another person or entity, the employment or services of, or hire or retain, any person who is employed by or is a substantially full-time consultant or independent contractor to the Company or any of its subsidiaries or affiliates, or was within six (6) months prior to the action; (b) induce or attempt to induce any employee of the Company or its affiliates to terminate that employee's employment with the Company or such subsidiary or affiliate; (c) induce or attempt to induce any consultant or independent contractor doing business with or retained by the Company or its subsidiaries or affiliates to terminate their consultancy or contractual relationship with the Company or such subsidiary or affiliate or otherwise reduce the services they provide to the Company or such subsidiary or affiliate or (d) interfere with the relationship of the Company or any of its subsidiaries or affiliates with any vendor or supplier.

(B) **Confidentiality**. During employment and for five years thereafter, the Participant shall maintain the confidentiality of the following information: proprietary technical and business information relating to any Company plans, analyses or strategies concerning international or domestic acquisitions, possible acquisitions or new ventures; development plans or introduction plans for products or services; unannounced products or services; operation costs; pricing of products or services; research and development; personnel information; manufacturing processes; installation, service, and distribution procedures and processes; customer lists; any know-how relating to the design, manufacture, and marketing of any of the Company's services and products, including components and parts thereof; non-public information acquired by the Company concerning the requirements and specifications of any of the Company's agents, vendors, contractors, customers and potential customers; non-public financial information, business and marketing plans, pricing and price lists; non-public matters relating to employee benefit plans; quotations or proposals given to agents or customers or received from suppliers; documents relating to any of the Company's legal rights and obligations; the work product of any attorney employed by or retained by the Company; and any other information which is sufficiently confidential, proprietary, and secret to derive economic value from not being generally known including with respect to intellectual property inventions and work product. The Participant shall maintain in the strictest confidence and will not, directly or indirectly, intentionally or inadvertently, use, publish, or otherwise disclose to any person or entity whatsoever, any of the information of or belonging to the Company or to any agent, joint venture, contractor, customer, vendor, or supplier of the Company regardless of its form, without the prior written explicit consent of the Company. The Participant acknowledges that the foregoing information is not generally known, is highly confidential and constitutes trade secrets or confidential information of the Company. The Participant shall take reasonable precautions to protect the inadvertent disclosure of information. The foregoing shall not apply to information that the Participant is required to disclose by applicable law, regulation, or legal process (provided that the Participant provides the Company with prior notice of the contemplated disclosure and cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information). Notwithstanding the foregoing, nothing in this

Agreement prohibits the Participant from reporting possible violations of federal law or regulation to any government agency or entity or making other disclosures that are protected under whistleblower provisions of law. The Participant does not need prior authorization to make such reports or disclosures and is not required to notify the Company that the Participant has made any such report or disclosure.

(C) **Non-Disparagement**. During employment and thereafter, the Participant shall not make or publish any disparaging statements (whether written, electronic or oral) regarding, or otherwise malign the business reputation of, the Company, its affiliates or any of their respective officers, directors, managers, employees or partners.

(D) **Participant Acknowledgements**.

(i) The Participant agrees that the restrictions in this Paragraph 7 are reasonable in light of the scope of the Company's business operations, the Participant's position within the Company, the interests which the Company seeks to protect, and the consideration provided to the Participant. The Participant agrees that these restrictions go only so far as to protect the Company's business and business interests, and that those interests are worth protecting for the continued success, viability, and goodwill of the Company.

(ii) The Participant expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7 may result in substantial, continuing, and irreparable injury to the Company and its subsidiaries and affiliates for which monetary damages alone would not be a sufficient remedy. Therefore, the Participant hereby agrees that, in addition to any other remedy that may be available to the Company (including pursuant to Paragraph 9), in the event of any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7, the Company shall be entitled to injunctive relief, specific performance or other equitable relief by a court of appropriate jurisdiction, without the requirement of posting bond or the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Without limitation on the Company's rights under the foregoing sentence or under Paragraph 9, (a) in the event of any actual breach of any of the terms and/or conditions set forth in Paragraph 7(A) during the term of such covenants, or (b) in the event of any actual breach of any of the terms and/or conditions set forth in Paragraphs 7(B) or (C) of this Agreement prior to the first anniversary of the date on which the Participant's employment terminates for any reason: (i) if the Award is unvested, then the Award will immediately be forfeited for no consideration; (ii) the Company will cease to be obligated to furnish the Participant any further payments or deliveries pursuant to this Agreement; and (iii) the Participant shall promptly repay to the Company an amount equal to the gain realized in respect of this Award within the three preceding years (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period); *provided* that the foregoing repayment obligations, and the cessation of further payments and benefits, shall be without prejudice to the Company's other rights.

(iii) Notwithstanding any other provision to the contrary, the Participant acknowledges and agrees that the restrictions set forth in this Paragraph 7, as applicable, shall be tolled during any period of violation of any of the covenants therein and during any other period required for litigation during which the Company seeks to enforce such covenants against the Participant.

(iv) Participant acknowledges and agrees that the restrictions set forth in this Paragraph 7 will remain in full force and effect in case of vesting on Change of Control according to Appendix 1, Section 2 of this Agreement.

8. **Cooperation**. Following the Participant's employment with the Company, the Participant agrees (i) to reasonably cooperate with the Company and its directors, officers, attorneys and experts, and take all actions the Company may reasonably request, including but not limited to cooperation with respect to any investigation, government inquiry, administrative proceeding or litigation relating to any matter in which the Participant was involved or had knowledge during the Participant's employment with the Company and (ii) that, if called upon by the Company, the Participant will provide assistance with respect to business, personnel or other matters which arose during the Participant's employment with the Company or as to which the Participant has relevant information, knowledge or expertise, with such cooperation including, but not limited to, completing job tasks in progress, transitioning job tasks to other Company personnel, responding to questions and being available for such purposes. Any cooperation requests shall take into account the Participant's personal and business commitments, and the Participant shall be reasonably compensated for the Participant's time (if appropriate for the matter) and further reimbursed for any documented expenses (including reasonable attorney's fees) incurred in connection with such cooperation within thirty (30) days of providing an invoice to the Company.

9. **Effect of the Plan**. This Award is subject to all of the provisions of the Plan and this Agreement, together with all of the rules and determinations from time to time issued by the Committee and/or the Board pursuant to the Plan, including the restrictions in the Plan on the transferability of awards. In the event of a conflict between any provision of the Plan and this Agreement, the provisions of this Agreement shall control but only to the extent such conflict is permitted under the Plan. By accepting this Award, the Participant acknowledges that he or she has received a copy of the Plan and agrees that the Participant will enter into such written representations, warranties and agreements and execute such documents as the Company may reasonably request in order to comply with applicable securities and other applicable laws, rules or regulations, or with this document or the terms of the Plan.

10. **Amendment and Termination; Waiver**. This Agreement, together with the Plan, constitutes the entire agreement by the Participant and the Company with respect to the subject matter hereof, and supersedes any and all prior agreements or understandings between the Participant and the Company with respect to the subject matter hereof, whether written or oral. This Agreement may not be amended or terminated by the Company in a manner that would be materially adverse to the Participant without the written consent of the Participant, *provided* that the Company may amend this Agreement unilaterally (a) as provided in the Plan or (b) if the Company determines that an amendment is necessary to comply with applicable law (including the requirements of the Code). Any provision for the benefit of the Company contained in this Agreement may be waived in writing, either generally or in any particular instance, by the Company. A waiver on one occasion shall not be deemed to be a waiver of the same or any other breach on a future occasion.

11. **Unsecured Obligation**. The Company's obligation under this Agreement shall be an unfunded and unsecured promise. The Participant's right to receive the payments and benefits contemplated hereby from the Company under this Agreement shall be no greater than the right of any unsecured general creditor of the Company, and the Participant shall not have nor acquire

any legal or equitable right, interest or claim in or to any property or assets of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between the Participant and the Company or any other person.

12. **Authorization Law No. 19,628.** Pursuant to Law No. 19,628 on Personal Data Protection, Participant hereby authorizes the Company and its affiliates, including but not limited to Cheniere Chile SpA, to collect, process and transfer personal data concerning his or her identification, title or functions, salary, performance evaluation and in general, all personal information, including sensitive data, that Participant has authorized to process under his or her employment contract, with the purpose of determining his or her eligibility for the Award and fulfilling all the obligations under this Agreement and the Plan.

Participant is aware and accepts that the Company or its affiliates may communicate and transfer his or her personal data to third parties, whether in Chile or abroad, in order to comply with the obligations under this Agreement and Plan.

The authorization under this Section is in addition to the authorizations granted by Participant under his or her employment contract and this Section in no way limits, modifies or changes the authorizations granted by Participant under his or her employment contract.

13. **No Right To Continued Employment**. Neither this Award nor anything in this Agreement shall confer upon the Participant any right to continued employment with the Company (or its Affiliates or their respective successors) or shall interfere in any way with the right of the Company (or its Affiliates or their respective successors) to terminate the Participant's employment at any time.

14. **Tax Matters; No Guarantee of Tax Consequences**. The Agreement is intended to be exempt from, or to comply with, the requirements of Section 409A of the Code and the Agreement shall be interpreted accordingly; *provided* that in no event whatsoever shall the Company or any of its Affiliates be liable for any additional tax, interest or penalties that may be imposed on a Participant by Section 409A of the Code or any damages for failing to comply with Section 409A of the Code. Each payment under this Agreement will be treated as a separate payment for purposes of Section 409A of the Code. The Company makes no commitment or guarantee to the Participant that any federal or state tax treatment will apply or be available to any person eligible for benefits under this Agreement.

15. **Governing Law**. This Agreement shall be construed in accordance with and governed by the laws of Chile.

16. **Severability; Interpretive Matters**. In the event that any provision of this Agreement shall be held illegal, invalid, or unenforceable for any reason, such provision shall be fully severable, but shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never been included herein. Whenever required by the context, pronouns and any variation thereof shall be deemed to refer to the masculine, feminine, or neuter, and the singular shall include the plural and vice versa. The captions and headings used in the Agreement are inserted for convenience and shall not be deemed a part of the Agreement granted hereunder for construction or interpretation.

17. **Counterparts**. This Agreement may be signed in any number of counterparts, each of which will be an original, with the same force and effect as if the signature thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Grant Date indicated below.

COMPANY:

CHENIERE ENERGY, INC.

By: _____
Name:
Title:

I hereby accept the Award subject to all of the terms and provisions hereof. I acknowledge and agree that the Award shall vest and become payable, if at all, only during the period of my continued service with the Company or as otherwise provided in this Agreement (not through the act of issuing the Award).

PARTICIPANT:

By: _____
Name:

Grant Date: _____

[*Signature Page — Restricted Stock Unit Award under 2011 Incentive Plan*]

Schedule A

- **RSUs**:
  -
- **Vesting Dates**:

Date	Percentage of RSUs that Vest
•	•
•	•
•	•

Appendix 1 — Termination and Change in Control

1. **Qualifying Termination - Treatment of Outstanding RSUs**

In the circumstances set out in Paragraph 4(A) of this Agreement and subject to the terms and conditions of this Agreement, the Participant shall be entitled to acceleration of vesting of:

A. In the event of a Qualifying Termination of the Participant not during the Protection Period (as defined below), (i) subject to Section 1(C) below, unvested RSUs that were granted within the six (6) month period immediately preceding the termination date will be automatically forfeited for no consideration, and (ii) subject to sub-clause (i) hereof, the Participant's outstanding unvested RSUs will automatically vest with respect to such RSUs that would have vested had the Participant remained continuously employed through the first anniversary of the Qualifying Termination, and

B. In the event of a Qualifying Termination of a Participant during the Protection Period, all of the Participant's outstanding unvested RSUs will automatically vest in full.

C. Notwithstanding anything in this Appendix 1, if a Qualifying Termination occurs prior to a Change in Control, no Awards that are unvested as of the Qualifying Termination (after taking into account vesting acceleration pursuant to Section 1(A) above) shall lapse or be forfeited solely on account of such Qualifying Termination; *provided*, *however*, that the Change in Control has not occurred within the 3-month period immediately following the Qualifying Termination thus resulting in such Qualifying Termination occurring outside the Protection Period, all such unvested RSUs shall automatically lapse and be forfeited for no consideration at the end of such 3-month period.

2. **Vesting on Change in Control**

Subject to the terms and conditions of this Agreement, if the Participant remains continuously employed or engaged with the Company or a Related Employer from the date of his or her commencement of participation in the Plan through the date of a Change in Control:

A. All of the Participant's outstanding unvested RSUs will automatically vest in full as of the date of the Change in Control. In any and all cases, it is expressly stated that, notwithstanding the latter, the covenants established in Section 7 of the Agreement will remain in full force and effect.

B. Subject to the terms and conditions of this Agreement, a Participant's outstanding RSUs vesting pursuant to Section 2 of this Appendix 1 shall be settled as soon as administratively practicable following the date on which the Participant provides an executed Release, but in all events no later than the end of the sixtieth (60th) day following the date of the Change in Control.

3. **Definitions**

For the purposes of this Appendix, the following term shall have the following meaning:

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

Exhibit 10.7

CHENIERE ENERGY, INC.
2011 INCENTIVE PLAN

PERFORMANCE STOCK UNIT AWARD AGREEMENT (UK)

1. **Award**. Cheniere Energy, Inc., a Delaware corporation (the "Company"), has awarded the undersigned Participant (for purposes of this Agreement, the "Participant") performance stock units (this "Award") effective as of the date set forth on the signature page hereto (the "Grant Date") pursuant to the Company's 2011 Incentive Plan, as amended (the "Plan"). Unless otherwise defined in this Performance Stock Unit Award Agreement (this "Agreement"), capitalized terms used herein shall have the meanings assigned to them in the Plan.

2. **Performance Stock Units**. The Company hereby awards the Participant the target number of performance stock units ("PSUs") set forth in Schedule A (the "Target PSUs"). Each PSU constitutes an unfunded and unsecured promise by the Company to deliver (or cause to be delivered) one share of common stock, $0.003 par value per share, of the Company (a "Share"). The actual number of PSUs that will be earned is subject to the Committee's certification of the level of achievement of the performance conditions set forth in Schedule A (the "Performance Metrics") at the end of the applicable performance period (such earned PSUs, the " Earned PSUs"). The number of Shares covered by the Earned PSUs may range from 0% to 200% of the Participant's Target PSUs; *provided* that the number of Shares will be rounded down to the nearest whole Share. The Earned PSUs will be subject to vesting in accordance with Paragraph 3 below, and any PSUs that do not become Earned PSUs at the end of the performance period will be automatically forfeited without consideration.

3. **Vesting**. Subject to the Participant's continued employment or engagement and Paragraphs 4 and 5, the Earned PSUs, if any, shall vest on the date on which the Committee certifies achievement of the Performance Metrics (the "Certification Date"). The Certification Date will be within 75 days following the end of the performance period set forth in Schedule A.

4. **Termination of Employment or Engagement**. Except as otherwise provided in this Paragraph 4, the Participant will automatically forfeit the PSUs covered by this Award on the earlier of the date of (1) service of notice of termination of the Participant's employment or engagement by the Company and/or any of its subsidiaries and/or Affiliates, (2) service of notice of resignation by the Participant from such employment or engagement, (and in respect of each of (1) and (2), irrespective of the fact that the effective date of termination of such employment or engagement will not occur until some later date) and/or (3) the summary termination (whether by the Company and/or any of its subsidiaries and/or Affiliates or the Participant) of such employment or engagement, in each case for any reason prior to the date on which the PSUs vest (the "Trigger Date"). Notwithstanding the foregoing:

(A) Upon the termination of the Participant's employment or engagement with the Company and/or a subsidiary and/or an Affiliate prior to vesting (1) by the Company and/or a subsidiary and/or an Affiliate without Cause or (2) by the Participant for Good Reason (each a "Qualifying Termination"), this Award will (subject to Paragraph 4(C) below) be treated in accordance with Appendix 1.

(B) Upon the termination of the Participant's employment or engagement with the Company and/or a subsidiary and/or an Affiliate prior to vesting (1) by the Company and/or a subsidiary and/or an Affiliate due to the disability of the Participant, as defined by Section 6 of the Equality Act 2010 or (2) due to the death of the Participant while performing Continuous Service, the Target PSUs shall be deemed to be the Earned PSUs and shall (subject to Paragraph 4(C) below) vest in full immediately.

(C) Notwithstanding anything herein to the contrary, this Award will not vest as a result of a termination by the Company and/or a subsidiary and/or an Affiliate without Cause, by the Participant for Good Reason or due to the disability of the Participant (as defined above), in each case, unless the Participant executes and delivers to the Company (and does not revoke) a fully effective statutory settlement agreement and release of claims at such time(s) and in such form as may be required by the Company (the "Release"). If the Release is not timely executed and delivered by the Participant to the Company, or if such Release is timely executed and delivered but is subsequently revoked by the Participant, then the Participant will automatically forfeit the PSUs covered by this Award effective as of the Trigger Date.

(D) For purposes of this Agreement, the term "Cause" means a separation from service (as defined in Section 409A of the Code) as a result of any of the following:

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

ii. the commission by the Participant of an act of fraud in the performance of the Participant's duties on behalf of the Company or an Affiliate;

iii. the willful and material violation by the Participant of the Company's Code of Business Conduct and Ethics Policy; or

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

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

The determination of whether Cause exists with respect to the Participant shall be made by the Board (or its designee) in its sole discretion.

(E) For purposes of this Agreement, the term "Good Reason" means the occurrence of any of the following events or conditions:

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

(ii) a reduction by the Company or the applicable Related Employer in the Participant's gross annual base salary as reflected in the Company's records and as in effect immediately prior to the Participant's termination of employment or engagement ("Annual Base Pay") of more than five percent (5%) (other than a reduction that is part of reductions in Annual Base Pay for executives generally); or

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

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

(F) For purposes of this Agreement, the term "Related Employer" means (i) an Affiliate that is a member of a controlled group of corporations (as defined in section 414(b) of the Code) that includes the Company, (ii) an Affiliate (whether or not incorporated) that is in common control (as defined in section 414(c) of the Code) with the Company, or (iii) an Affiliate that is a member of the same affiliated service group (as defined in section 414(m) of the Code) as the Company.

5. **Change in Control**. In the event of a Change in Control of the Company, this Award will be treated in accordance with Appendix 1. For purposes of this Agreement, the term "Change in Control" means the occurrence of any of the following events:

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

(B) the consummation of any merger, organization, business combination or consolidation of the Company with or into any other company, other than a merger, reorganization, business combination or consolidation which would result in the holders of the voting securities of the Company outstanding immediately prior thereto holding securities which represent immediately after such merger, reorganization, business combination or consolidation

more than 50% of the combined voting power of the voting securities of the Company or the surviving company or the parent of such surviving company; or

(C) the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition if the holders of the voting securities of the Company outstanding immediately prior thereto hold securities immediately thereafter which represent more than 50% of the combined voting power of the voting securities of the acquiror, or parent of the acquiror, of such assets, or the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company; or

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

Notwithstanding the foregoing, a Change in Control shall not occur or be deemed to occur if any event set forth in subsections (A) — (D) above, that would otherwise constitute a Change in Control, occurs as a direct result of the consummation of a transaction solely between the Company and one or more of its controlled Affiliates. Notwithstanding the foregoing, however, in any circumstance or transaction in which compensation payable pursuant to this Award would be subject to the income tax under the Section 409A Rules if the foregoing definition of "Change in Control" were to apply, but would not be so subject if the term "Change in Control" were defined herein to mean a "change in control event" within the meaning of Treasury Regulation § 1.409A-3(i)(5), then "Change in Control" means, but only to the extent necessary to prevent such compensation from becoming subject to the income tax under the Section 409A Rules, a transaction or circumstance that satisfies the requirements of both (1) a Change in Control under the applicable clause (A) through (D) above, and (2) a "change in control event" within the meaning of Treasury Regulation Section § 1.409A-3(i)(5).

6. **Settlement; Dividend Equivalents; Withholding of Taxes**.

(A) Subject to the terms of this Agreement, one Share will be delivered in respect of each vested Earned PSU on or as soon as reasonably practicable, but in no event later than the sixtieth (60th) day, following the date on which the Earned PSUs vest as determined in accordance with Paragraphs 3, 4 or 5. All ordinary cash dividends that would have been paid upon any Shares delivered in respect of the vested Earned PSUs had such Shares been issued as of the Grant Date (as determined by the Committee) will be paid to the Participant (without interest) on the date on which the Earned PSUs are settled in accordance with this Paragraph 6(A) to the extent that the Earned PSUs vest.

(B) The Company's obligation to deliver Shares or any other amounts under this Award is subject to the payment of all federal, state and local income, employment and other taxes and social security contributions or other amounts required to be withheld or paid (as appropriate) by the Company or any subsidiary or Affiliate in connection with this Award. The Company and any subsidiary or Affiliate shall have the right to take any action (subject to

applicable laws) as may be necessary or appropriate to satisfy any withholding obligations, *provided*, *however*, that except as otherwise agreed in writing by the Participant and the Company (or relevant subsidiary or Affiliate), if the Participant is an Executive Officer or an individual subject to Rule 16b-3, such tax withholding obligations will be effectuated by the Company withholding a number of Shares that would otherwise be delivered in respect of the Earned PSUs with a Fair Market Value equal to the amount of such tax withholding obligations (at the minimum withholding tax rate required by the Code).

7. **Participant Covenants**.

(A) **Non-Competition**. In exchange for the promises set forth herein, including the consideration set forth in Paragraph 1, and in order to protect the goodwill, confidential information, customer connections, stability of the workforce, supply chain and other legitimate business interests of the Company and its subsidiaries and Affiliates, during the Participant's employment or engagement with the Company and/or its subsidiaries and/or Affiliates and for twelve months] (less any period of time the Participant spends on 'garden leave') following the Participant's termination of employment or engagement for any reason, the Participant will not, directly or indirectly, alone or jointly, with any person or entity, participate in, engage in, consult with, advise, be employed by, own (wholly or partially), possess an interest in, solicit the business of the vendors, suppliers or customers of the Company or any of its subsidiaries or Affiliates for, or in any other manner be involved with, any business or person that is engaged in business activities anywhere in the Territory that are competitive with the Business, *provided, however*, if the Participant voluntarily resigns without Good Reason within three years following the Grant Date, this Paragraph 7(A) will only apply in the event the Company elects to make the payment set forth in Paragraph 7(E). Notwithstanding the foregoing, the Participant shall not be prohibited from passively owning less than 1% of the securities of any publicly-traded corporation. For purposes of this Paragraph 7, "Territory" means England and/or Wales and/or Scotland and/or Northern Ireland and/or Ireland and/or the State of Texas and/or Louisiana and/or Singapore and/or Chile and/or anywhere else in which the Company and/or any of its subsidiaries and/or Affiliates engages in Business and "Business" means the business of (i) selling, distributing or marketing liquefied natural gas and/or (ii) designing, permitting, constructing, developing or operating liquefied natural gas facilities. Notwithstanding the foregoing, the Participant shall not be prohibited from being employed by, or consulting for, an entity that has a division immaterial to the business of such entity in the aggregate, which division may compete with, or could assist another in competing with the Business carried on by the Company and/or any of its subsidiaries or Affiliates in the Territory (a "Competitive Division"), so long as the Participant is not employed in, and does not perform work for or otherwise provide services to, the Competitive Division.

(B) **Non-Solicitation**. In exchange for the promises set forth herein, including the consideration set forth in Paragraph 1, and in order to protect the goodwill, confidential information, customer connections, stability of the workforce, supply chain and other legitimate business interests of the Company and its subsidiaries and Affiliates, during the Participant's employment or engagement with the Company and/or its Affiliates and for one year (less any period of time the Participant spends on 'garden leave') following the Participant's termination of employment or engagement for any reason, the Participant will not, directly or indirectly, do any of the following or assist any other person, firm, or entity to do any of the following: (a) solicit on behalf of the Participant or another person or entity, the employment or services of, or hire or retain, any person who is employed or engaged (whether as a consultant or independent

contractor) by the Company or any of its subsidiaries or Affiliates (i) in an executive, sales, marketing, research, technical, finance, trading or operations capacity or (ii) whose departure from the Company of any of its subsidiaries or Affiliates would have a significant impact on the business of such company or the stability of its workforce and (1) with whom the Participant worked at any time during the 12 months up to and including the termination of the Participant's employment or engagement or (2) in relation to whom as at the date of termination of the Participant's employment or engagement the Participant possessed confidential information, in each case with a view to inducing that person to leave such employment or engagement (whether or not such person would commit a breach of his contract of employment or engagement by reason of leaving), (b) induce or attempt to induce any such employee of the Company or any of its subsidiaries or Affiliates to terminate that employee's employment with the Company or such subsidiary or Affiliate; (c) induce or attempt to induce any such consultant or independent contractor doing business with or retained by the Company or its subsidiaries or Affiliates to terminate their consultancy or contractual relationship with the Company or such subsidiary or Affiliate or otherwise reduce the services they provide to the Company or such subsidiary or Affiliate or (d) interfere with the relationship of the Company or any of its subsidiaries or Affiliates with any vendor or supplier.

(C) **Confidentiality**. During the Participant's employment or engagement and thereafter, the Participant shall maintain the confidentiality of the following information: proprietary technical and business information relating to any Company plans, analyses or strategies concerning international or domestic acquisitions, possible acquisitions or new ventures; development plans or introduction plans for products or services; unannounced products or services; operation costs; pricing of products or services; research and development; personnel information; manufacturing processes; installation, service, and distribution procedures and processes; customer lists; any know-how relating to the design, manufacture, and marketing of any of the Company's services and products, including components and parts thereof; non-public information acquired by the Company concerning the requirements and specifications of any of the Company's agents, vendors, contractors, customers and potential customers; non-public financial information, business and marketing plans, pricing and price lists; non-public matters relating to employee benefit plans; quotations or proposals given to agents or customers or received from suppliers; documents relating to any of the Company's legal rights and obligations; the work product of any attorney employed by or retained by the Company; and any other information which is sufficiently confidential, proprietary, and secret to derive economic value from not being generally known including with respect to intellectual property inventions and work product. The Participant shall maintain in the strictest confidence and will not, directly or indirectly, intentionally or inadvertently, use, publish, or otherwise disclose to any person or entity whatsoever, any of the information of or belonging to the Company or to any agent, joint venture, contractor, customer, vendor, or supplier of the Company regardless of its form, without the prior written explicit consent of the Company. The Participant acknowledges that the foregoing information is not generally known, is highly confidential and constitutes trade secrets or confidential information of the Company. The Participant shall take reasonable precautions to protect the inadvertent disclosure of information. The foregoing shall not apply to information that the Participant is required to disclose by applicable law, regulation, or legal process (provided that the Participant provides the Company with prior notice of the contemplated disclosure and cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information). Notwithstanding the foregoing, nothing in this Agreement prohibits the Participant from reporting possible violations of federal law or regulation to any government agency or entity or

making other disclosures that are protected under whistleblower provisions of law (including, without limitation, a protected disclosure in accordance with the provisions set out in the Employment Rights Act 1996). The Participant does not need prior authorization to make such reports or disclosures and is not required to notify the Company that the Participant has made any such report or disclosure.

(D) **Non-Disparagement**. During the Participant's employment or engagement and thereafter, the Participant shall not make or publish any disparaging statements (whether written, electronic or oral) regarding, or otherwise malign the business reputation of, the Company, its subsidiaries or Affiliates or any of their respective officers, directors, managers, employees or partners.

(E) **Voluntary Resignation**. If (a) the Participant voluntarily resigns without Good Reason within three years following the Grant Date and (b) the Company elects to enforce the covenants in Paragraph 7(A), then the Company agrees, as further consideration for the covenants set forth in this Section 7 and subject to the remaining terms of this Section 7(E), to procure that the Company or one of its subsidiaries or Affiliates shall continue to pay the Participant his or her base salary (at the rate in effect at the time of the Participant's voluntary resignation) in accordance with the Company's or its subsidiaries' or Affiliates' regular payroll dates for one year following the date of such voluntary resignation (provided always that any payments of base salary during any period of garden leave shall count towards discharging the Company's obligations under this Paragraph 7(E)). The payment of the Participant's base salary in accordance with this Paragraph 7(E) will begin on the first payroll after the Release has been executed and delivered to the Company by the Participant (and not revoked) and become fully effective and irrevocable in accordance with the terms of Paragraph 4(C) of this Agreement (with the first payment including the aggregate amount that would have been paid in the period from the Termination Date to said first payroll date). If a Release is not timely executed and delivered by the Participant to the Company, or if such release is timely executed and delivered but is subsequently revoked by the Participant, then the Participant will not be entitled to the base salary continuation set forth in this Paragraph 7(E). The Participant agrees to promptly notify the Company of the date on which the Participant begins employment or engagement with any new company or person in compliance with this Paragraph 7 (the "Commencement Date") within 12 months following the Participant's voluntary resignation. The Company will not have any obligation to pay the Participant's base salary in accordance with this Paragraph 7(E) after the Commencement Date.

(F) **Participant Acknowledgements**.

i. The Participant agrees that the restrictions in this Paragraph 7 are reasonable in light of the scope of Company's business operations, the Participant's position within the Company and its subsidiaries and Affiliates, the interests which the Company and its subsidiaries and Affiliates seeks to protect, and the consideration provided to the Participant. The Participant agrees that these restrictions go only so far as to protect the legitimate business interests of the Company, and its subsidiaries and Affiliates, and that those interests are worth protecting for the continued success, viability, and goodwill of the Company and its subsidiaries and Affiliates.

ii. The Participant expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7 may result in

substantial, continuing, and irreparable injury to the Company and/or its subsidiaries and/or Affiliates for which monetary damages alone would not be a sufficient remedy. Therefore, the Participant hereby agrees that, in addition to any other remedy that may be available to the Company or its subsidiaries or Affiliates (including pursuant to Paragraph 9), in the event of any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7, the Company and/or its subsidiaries and/or Affiliates shall be entitled to injunctive relief, specific performance or other equitable relief by a court of appropriate jurisdiction, without the requirement of posting bond or the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Without limitation on the rights of the Company and/or its subsidiaries and/or Affiliates under the foregoing sentence or under Paragraph 9, in the event of any actual breach of any of the terms and/or conditions set forth in (a) Paragraph 7(A) or 7(B) during the term of such covenants, or (b) Paragraphs 7(C) or (D) of this Agreement prior to the first anniversary of the date on which the Participant's employment or engagement terminates for any reason: (i) if the Award is unvested, then the Award will immediately be forfeited for no consideration; (ii) the Company will cease to be obligated to furnish the Participant any further payments or deliveries pursuant to this Agreement; and (iii) the Participant shall promptly repay to the Company an amount equal to the gain realized in respect of this Award within the three preceding years (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period); *provided* that the foregoing repayment obligations, and the cessation of further payments and benefits, shall be without prejudice to the Company's and its subsidiaries' and Affiliates' other rights.

8. **Cooperation**. Following the termination of the Participant's employment or engagement with the Company or its subsidiaries or Affiliates for any reason, the Participant agrees (i) to reasonably cooperate with the Company, its subsidiaries or Affiliates and each of their respective directors, officers, attorneys and experts, and take all actions the Company and/or its subsidiaries and/or Affiliates may reasonably request, including but not limited to cooperation with respect to any investigation, government inquiry, administrative proceeding or litigation relating to any matter in which the Participant was involved or had knowledge during the Participant's employment or engagement with the Company or its subsidiaries or Affiliates and (ii) that, if called upon by the Company, its subsidiaries or Affiliates, the Participant will provide assistance with respect to business, personnel or other matters which arose during the Participant's employment or engagement with the Company, its subsidiaries or Affiliates or as to which the Participant has relevant information, knowledge or expertise, with such cooperation including, but not limited to, completing job tasks in progress, transitioning job tasks to other personnel of the Company or its subsidiaries or Affiliates, responding to questions and being available for such purposes. Any cooperation requests shall take into account the Participant's personal and business commitments, and the Participant shall be reasonably compensated for the Participant's time (if appropriate for the matter) and further reimbursed for any documented expenses (including reasonable attorney's fees) incurred in connection with such cooperation within thirty (30) days of the Participant providing an invoice to the Company, as the Company considers reasonable and only to the extent permitted and provided for by any applicable rules, including any rules of Court or Practice Direction, from time to time.

9. **Forfeiture/Clawback**.

(A) The delivery of Shares under this Award is subject to any policy (whether in existence as of the Grant Date or later adopted) established by the Company or required by

applicable law providing for clawback or recovery of amounts that were paid to the Participant. The Company will make any determination for clawback or recovery in its sole discretion and in accordance with any applicable law or regulation.

(B) In addition to Paragraph 9(A) and notwithstanding anything to the contrary in this Agreement, if the Board or Committee determines that (i) any material misstatement of financial results has occurred as a result of the Participant's conduct or (ii) the Participant has, without the consent of the Company, violated a non-competition, non-solicitation or non-disclosure covenant (including the covenants in Paragraph 7) between the Participant and the Company or any subsidiary or any Affiliate, then the Board or Committee may in its sole discretion (a) determine that all or any portion of any unvested PSUs shall be forfeited for no consideration and/or (b) require the Participant to promptly repay to the Company any gain realized in respect of this Award within the three years preceding the date on which the Board or Committee determines that any of the events described in prongs (i)-(ii) above has occurred (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period). Unless otherwise required by law, the provisions of this Paragraph 9(B) shall apply during the Participant's employment and/or engagement with the Company and/or its Affiliates and for one year following the Participant's termination of employment and/or engagement for any reason. The foregoing forfeiture and repayment obligations shall be without prejudice to any other rights that the Company and/or any subsidiary or Affiliate may have.

10. **Effect of the Plan**. This Award is subject to all of the provisions of the Plan and this Agreement, together with all of the rules and determinations from time to time issued by the Committee and/or the Board pursuant to the Plan, including the restrictions in the Plan on the transferability of awards. In the event of a conflict between any provision of the Plan and this Agreement, the provisions of this Agreement shall control but only to the extent such conflict is permitted under the Plan. By accepting this Award, the Participant acknowledges that he or she has received a copy of the Plan and agrees that the Participant will enter into such written representations, warranties and agreements and execute such documents as the Company may reasonably request in order to comply with applicable securities and other applicable laws, rules or regulations, or with this document or the terms of the Plan.

11. **Amendment and Termination; Waiver**. This Agreement, together with the Plan, constitutes the entire agreement by the Participant and the Company with respect to the subject matter hereof, and supersedes any and all prior agreements or understandings between the Participant and the Company with respect to the subject matter hereof, whether written or oral. This Agreement may not be amended or terminated by the Company in a manner that would be materially adverse to the Participant without the written consent of the Participant, provided that the Company may amend this Agreement unilaterally (a) as provided in the Plan or (b) if the Company determines that an amendment is necessary to comply with applicable law (including the requirements of the Code). Any provision for the benefit of the Company contained in this Agreement may be waived in writing, either generally or in any particular instance, by the Company. A waiver on one occasion shall not be deemed to be a waiver of the same or any other breach on a future occasion.

12. **Unsecured Obligation**. The Company's obligation under this Agreement shall be an unfunded and unsecured promise. The Participant's right to receive the payments and benefits

contemplated hereby from the Company under this Agreement shall be no greater than the right of any unsecured general creditor of the Company, and the Participant shall not have nor acquire any legal or equitable right, interest or claim in or to any property or assets of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between the Participant and the Company or any other person.

13. **No Right To Continued Employment or Engagement**. Neither this Award nor anything in this Agreement shall confer upon the Participant any right to continued employment or engagement with the Company (or its subsidiaries or Affiliates or their respective successors) or shall interfere in any way with the right of the Company (or its subsidiaries or Affiliates or their respective successors) to terminate the Participant's employment or engagement at any time.

14. **Tax Matters; No Guarantee of Tax Consequences**. This Agreement is intended to be exempt from, or to comply with, the requirements of Section 409A of the Code and this Agreement shall be interpreted accordingly; provided that in no event whatsoever shall the Company or any of its Affiliates be liable for any additional tax, interest or penalties that may be imposed on the Participant by Section 409A of the Code or any damages for failing to comply with Section 409A of the Code. Each payment under this Agreement will be treated as a separate payment for purposes of Section 409A of the Code. The Company makes no commitment or guarantee to the Participant that any federal or state tax treatment will apply or be available to any person eligible for benefits under this Agreement.

15. **Governing Law**. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware to the extent federal law does not supersede and preempt Delaware law (in which case such federal law shall apply).

16. **Severability; Interpretive Matters**. In the event that any provision of this Agreement shall be held illegal, invalid, or unenforceable for any reason, such provision shall be fully severable, but shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never been included herein. Whenever required by the context, pronouns and any variation thereof shall be deemed to refer to the masculine, feminine, or neuter, and the singular shall include the plural and vice versa. The captions and headings used in this Agreement are inserted for convenience and shall not be deemed a part of this Agreement granted hereunder for construction or interpretation.

17. **Waiver**. By participating in the Plan, the Participant waives all and any rights to compensation or damages in consequence of the termination of his or her employment or engagement with the Company and/or any past or present subsidiary or Affiliate for any reason whatsoever, whether lawfully or otherwise, insofar as those rights arise or may arise from his ceasing to have rights under the Plan (including ceasing to be entitled to any PSU) as a result of such termination, or from the loss or diminution in value of such rights or entitlements, including by reason of the operation of the terms of the Plan, any determination by the Board (or its designee) pursuant to a discretion contained in the Plan or the provisions of any statute or law relating to taxation.

18. **Counterparts**. This Agreement may be signed in any number of counterparts, each of which will be an original, with the same force and effect as if the signature thereto and hereto were upon the same instrument.

[*Remainder of Page Blank — Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Grant Date indicated below.

COMPANY:

CHENIERE ENERGY, INC.

By: _____
Name:
Title:

I hereby accept the Award subject to all of the terms and provisions hereof. I acknowledge and agree that the Award shall vest and become payable, if at all, only during the period of my continued service with the Company or as otherwise provided in this Agreement (not through the act of issuing the Award).

PARTICIPANT:

By: _____
Name:

Grant Date: _____

[*Signature Page — Performance Stock Unit Award under 2011 Incentive Plan*]

Schedule A

- **Target PSUs**:

- **Performance Period**:

- **Performance Metrics**:

Appendix 1 — Termination and Change in Control

1. **Qualifying Termination - Treatment of outstanding PSUs**

In the circumstances set out in Paragraph 4(A) of this Agreement and subject to the terms and conditions of this Agreement, the Participant shall be entitled to acceleration of vesting of:

A. In the event of a Qualifying Termination of a Participant not during the Protection Period (as defined below), (i) subject to Section 1(C) below, unvested PSUs that were granted within the six (6) month period immediately preceding the Trigger Date will be automatically forfeited for no consideration, and (ii) subject to sub-clause (i) hereof, (1) each of the Participant's outstanding unvested PSUs shall remain outstanding with respect to the portion of such PSUs multiplied by a fraction, the numerator of which is the number of complete months since the grant of such PSUs and the denominator of which is the number of months in the performance period with respect thereto, and (2) the portion of such PSUs that remains outstanding following the application of sub-clause (1) shall vest, if at all, upon completion of the applicable performance period based on actual performance levels achieved;

B. In the event of a Qualifying Termination of a Participant during the Protection Period, the Participant's outstanding unvested PSUs will vest at the target level for such PSUs.

C. Notwithstanding anything in this Appendix 1, if a Qualifying Termination occurs prior to a Change in Control, (i) no PSUs that are unvested as of the Qualifying Termination shall lapse or be forfeited solely on account of such Qualifying Termination; *provided*, *however*, if the Change in Control has not occurred within the 3-month period immediately following the Trigger Date thus resulting in such Qualifying Termination occurring outside the Protection Period, all such unvested PSUs shall automatically lapse and be forfeited for no consideration at the end of such 3-month period; and (ii) with respect to the PSUs, if the applicable performance period ends after the Qualifying Termination but prior to a Change in Control and such Change in Control occurs within a 3-month period immediately following the Trigger Date, the Participant shall be entitled, with respect to such PSUs, to the greater of the amount resulting from the application of Section 1(A) and Section 1(B)(i) or Section 1(B)(ii) of this Appendix 1, as applicable.

2. **Vesting on Change in Control**

Subject to the terms and conditions of this Agreement, if a Participant remains continuously employed or engaged with the Company or a Related Employer from the date of his or her commencement of participation in the Plan through the date of a Change in Control:

A. Subject to Section 2(B) of this Appendix 1, a Participant's outstanding unvested PSUs will vest at target level.

B. Notwithstanding anything herein to the contrary, unvested PSUs will not vest as a result of a Change in Control unless, if requested by the Company, the Participant executes and delivers to the Company (and does not revoke) a Release. If the Release is not timely executed and delivered by the Participant to the Company, or if such Release is timely executed and delivered but is subsequently revoked by Participant, then the unvested RSUs covered by this Award will lapse immediately.

C. Subject to the terms and conditions of this Agreement, a Participant's outstanding PSUs vesting pursuant to Section 2 of this Appendix 1 shall be settled as soon as administratively practicable following the expiration of the period during which the Participant may revoke the Release, but in all events no later than the end of the sixtieth (60th) day following the date of the Change in Control.

3. **Definitions**

For the purposes of this Appendix, the following term shall have the following meaning:

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

Exhibit 10.8

CHENIERE ENERGY, INC.
2011 INCENTIVE PLAN

PERFORMANCE STOCK UNIT AWARD AGREEMENT (UK)

1. **Award**. Cheniere Energy, Inc., a Delaware corporation (the "Company"), has awarded the undersigned Participant (for purposes of this Agreement, the "Participant") performance stock units (this "Award") effective as of the date set forth on the signature page hereto (the "Grant Date") pursuant to the Company's 2011 Incentive Plan, as amended (the "Plan"). Unless otherwise defined in this Performance Stock Unit Award Agreement (this "Agreement"), capitalized terms used herein shall have the meanings assigned to them in the Plan.

2. **Performance Stock Units**. The Company hereby awards the Participant the target number of performance stock units ("PSUs") set forth in Schedule A (the "Target PSUs"). Each PSU constitutes an unfunded and unsecured promise by the Company to deliver (or cause to be delivered) one share of common stock, $0.003 par value per share, of the Company (a "Share"). The actual number of PSUs that will be earned is subject to the Committee's certification of the level of achievement of the performance conditions set forth in Schedule A (the "Performance Metrics") at the end of the applicable performance period (such earned PSUs, the " Earned PSUs"). The number of Shares covered by the Earned PSUs may range from 0% to 200% of the Participant's Target PSUs; *provided* that the number of Shares will be rounded down to the nearest whole Share. The Earned PSUs will be subject to vesting in accordance with Paragraph 3 below, and any PSUs that do not become Earned PSUs at the end of the performance period will be automatically forfeited without consideration.

3. **Vesting**. Subject to the Participant's continued employment or engagement and Paragraphs 4 and 5, the Earned PSUs, if any, shall vest on the date on which the Committee certifies achievement of the Performance Metrics (the "Certification Date"). The Certification Date will be within 75 days following the end of the performance period set forth in Schedule A.

4. **Termination of Employment or Engagement**. Except as otherwise provided in this Paragraph 4, the Participant will automatically forfeit the PSUs covered by this Award on the earlier of the date of (1) service of notice of termination of the Participant's employment or engagement by the Company and/or any of its subsidiaries and/or Affiliates, (2) service of notice of resignation by the Participant from such employment or engagement, (and in respect of each of (1) and (2), irrespective of the fact that the effective date of termination of such employment or engagement will not occur until some later date) and/or (3) the summary termination (whether by the Company and/or any of its subsidiaries and/or Affiliates or the Participant) of such employment or engagement, in each case for any reason prior to the date on which the PSUs vest (the "Trigger Date"). Notwithstanding the foregoing:

(A) Upon the termination of the Participant's employment or engagement with the Company and/or a subsidiary and/or an Affiliate prior to vesting by the Company and/or a subsidiary and/or an Affiliate without Cause (a "Qualifying Termination"), this Award will (subject to Paragraph 4(C) below) be treated in accordance with Appendix 1.

(B) Upon the termination of the Participant's employment or engagement with the Company and/or a subsidiary and/or an Affiliate prior to vesting (1) by the Company and/or a subsidiary and/or an Affiliate due to the disability of the Participant, as defined by Section 6 of the Equality Act 2010 or (2) due to the death of the Participant while performing Continuous Service, the Target PSUs shall be deemed to be the Earned PSUs and shall (subject to Paragraph 4(C) below) vest in full immediately.

(C) Notwithstanding anything herein to the contrary, this Award will not vest as a result of a termination by the Company and/or a subsidiary and/or an Affiliate without Cause or due to the disability of the Participant (as defined above), in each case, unless the Participant executes and delivers to the Company (and does not revoke) a fully effective statutory settlement agreement and release of claims at such time(s) and in such form as may be required by the Company (the "Release"). If the Release is not timely executed and delivered by the Participant to the Company, or if such Release is timely executed and delivered but is subsequently revoked by the Participant, then the Participant will automatically forfeit the PSUs covered by this Award effective as of the Trigger Date.

(D) For purposes of this Agreement, the term "Cause" means a separation from service (as defined in Section 409A of the Code) as a result of any of the following:

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

ii. the commission by the Participant of an act of fraud in the performance of the Participant's duties on behalf of the Company or an Affiliate;

iii. the willful and material violation by the Participant of the Company's Code of Business Conduct and Ethics Policy; or

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

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

The determination of whether Cause exists with respect to the Participant shall be made by the Board (or its designee) in its sole discretion.

(E) For purposes of this Agreement, the term "Related Employer" means (i) an Affiliate that is a member of a controlled group of corporations (as defined in section 414(b) of the Code) that includes the Company, (ii) an Affiliate (whether or not incorporated) that is in

common control (as defined in section 414(c) of the Code) with the Company, or (iii) an Affiliate that is a member of the same affiliated service group (as defined in section 414(m) of the Code) as the Company.

5. **Change in Control**. In the event of a Change in Control of the Company, this Award will be treated in accordance with Appendix 1. For purposes of this Agreement, the term "Change in Control" means the occurrence of any of the following events:

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

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

(C) the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition if the holders of the voting securities of the Company outstanding immediately prior thereto hold securities immediately thereafter which represent more than 50% of the combined voting power of the voting securities of the acquiror, or parent of the acquiror, of such assets, or the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company; or

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

Notwithstanding the foregoing, a Change in Control shall not occur or be deemed to occur if any event set forth in subsections (A) — (D) above, that would otherwise constitute a Change in Control, occurs as a direct result of the consummation of a transaction solely between the Company and one or more of its controlled Affiliates. Notwithstanding the foregoing, however, in any circumstance or transaction in which compensation payable pursuant to this Award would be subject to the income tax under the Section 409A Rules if the foregoing definition of "Change in Control" were to apply, but would not be so subject if the term "Change in Control" were

defined herein to mean a "change in control event" within the meaning of Treasury Regulation § 1.409A-3(i)(5), then "Change in Control" means, but only to the extent necessary to prevent such compensation from becoming subject to the income tax under the Section 409A Rules, a transaction or circumstance that satisfies the requirements of both (1) a Change in Control under the applicable clause (A) through (D) above, and (2) a "change in control event" within the meaning of Treasury Regulation Section § 1.409A-3(i)(5).

6. **Settlement; Dividend Equivalents; Withholding of Taxes**.

(A) Subject to the terms of this Agreement, one Share will be delivered in respect of each vested Earned PSU on or as soon as reasonably practicable, but in no event later than the sixtieth (60th) day, following the date on which the Earned PSUs vest as determined in accordance with Paragraphs 3, 4 or 5. All ordinary cash dividends that would have been paid upon any Shares delivered in respect of the vested Earned PSUs had such Shares been issued as of the Grant Date (as determined by the Committee) will be paid to the Participant (without interest) on the date on which the Earned PSUs are settled in accordance with this Paragraph 6(A) to the extent that the Earned PSUs vest.

(B) The Company's obligation to deliver Shares or any other amounts under this Award is subject to the payment of all federal, state and local income, employment and other taxes and social security contributions or other amounts required to be withheld or paid (as appropriate) by the Company or any subsidiary or Affiliate in connection with this Award. The Company and any subsidiary or Affiliate shall have the right to take any action (subject to applicable laws) as may be necessary or appropriate to satisfy any withholding obligations, *provided*, *however*, that except as otherwise agreed in writing by the Participant and the Company (or relevant subsidiary or Affiliate), if the Participant is an Executive Officer or an individual subject to Rule 16b-3, such tax withholding obligations will be effectuated by the Company withholding a number of Shares that would otherwise be delivered in respect of the Earned PSUs with a Fair Market Value equal to the amount of such tax withholding obligations (at the minimum withholding tax rate required by the Code).

7. **Participant Covenants**.

(A) **Non-Competition**. In exchange for the promises set forth herein, including the consideration set forth in Paragraph 1, and in order to protect the goodwill, confidential information, customer connections, stability of the workforce, supply chain and other legitimate business interests of the Company and its subsidiaries and Affiliates, during the Participant's employment or engagement with the Company and/or its subsidiaries and/or Affiliates and for six months (less any period of time the Participant spends on 'garden leave') following the Participant's termination of employment or engagement for any reason, the Participant will not, directly or indirectly, alone or jointly, with any person or entity, participate in, engage in, consult with, advise, be employed by, own (wholly or partially), possess an interest in, solicit the business of the vendors, suppliers or customers of the Company or any of its subsidiaries or Affiliates for, or in any other manner be involved with, any business or person that is engaged in business activities anywhere in the Territory that are competitive with the Business, *provided, however*, if the Participant voluntarily resigns within three years following the Grant Date, this Paragraph 7(A) will only apply in the event the Company elects to make the payment set forth in Paragraph 7(E). Notwithstanding the foregoing, the Participant shall not be prohibited from passively owning less than 1% of the securities of any publicly-traded

corporation. For purposes of this Paragraph 7, "Territory" means England and/or Wales and/or Scotland and/or Northern Ireland and/or Ireland and/or the State of Texas and/or Louisiana and/or Singapore and/or Chile and/or anywhere else in which the Company and/or any of its subsidiaries and/or Affiliates engages in Business and "Business" means the business of (i) selling, distributing or marketing liquefied natural gas and/or (ii) designing, permitting, constructing, developing or operating liquefied natural gas facilities. Notwithstanding the foregoing, the Participant shall not be prohibited from being employed by, or consulting for, an entity that has a division immaterial to the business of such entity in the aggregate, which division may compete with, or could assist another in competing with the Business carried on by the Company and/or any of its subsidiaries or Affiliates in the Territory (a "Competitive Division"), so long as the Participant is not employed in, and does not perform work for or otherwise provide services to, the Competitive Division.

(B) **Non-Solicitation**. In exchange for the promises set forth herein, including the consideration set forth in Paragraph 1, and in order to protect the goodwill, confidential information, customer connections, stability of the workforce, supply chain and other legitimate business interests of the Company and its subsidiaries and Affiliates, during the Participant's employment or engagement with the Company and/or its Affiliates and for one year (less any period of time the Participant spends on 'garden leave') following the Participant's termination of employment or engagement for any reason, the Participant will not, directly or indirectly, do any of the following or assist any other person, firm, or entity to do any of the following: (a) solicit on behalf of the Participant or another person or entity, the employment or services of, or hire or retain, any person who is employed or engaged (whether as a consultant or independent contractor) by the Company or any of its subsidiaries or Affiliates (i) in an executive, sales, marketing, research, technical, finance, trading or operations capacity or (ii) whose departure from the Company of any of its subsidiaries or Affiliates would have a significant impact on the business of such company or the stability of its workforce and (1) with whom the Participant worked at any time during the 12 months up to and including the termination of the Participant's employment or engagement or (2) in relation to whom as at the date of termination of the Participant's employment or engagement the Participant possessed confidential information, in each case with a view to inducing that person to leave such employment or engagement (whether or not such person would commit a breach of his contract of employment or engagement by reason of leaving), (b) induce or attempt to induce any such employee of the Company or any of its subsidiaries or Affiliates to terminate that employee's employment with the Company or such subsidiary or Affiliate; (c) induce or attempt to induce any such consultant or independent contractor doing business with or retained by the Company or its subsidiaries or Affiliates to terminate their consultancy or contractual relationship with the Company or such subsidiary or Affiliate or otherwise reduce the services they provide to the Company or such subsidiary or Affiliate or (d) interfere with the relationship of the Company or any of its subsidiaries or Affiliates with any vendor or supplier.

(C) **Confidentiality**. During the Participant's employment or engagement and thereafter, the Participant shall maintain the confidentiality of the following information: proprietary technical and business information relating to any Company plans, analyses or strategies concerning international or domestic acquisitions, possible acquisitions or new ventures; development plans or introduction plans for products or services; unannounced products or services; operation costs; pricing of products or services; research and development; personnel information; manufacturing processes; installation, service, and distribution procedures and processes; customer lists; any know-how relating to the design, manufacture, and

marketing of any of the Company's services and products, including components and parts thereof; non-public information acquired by the Company concerning the requirements and specifications of any of the Company's agents, vendors, contractors, customers and potential customers; non-public financial information, business and marketing plans, pricing and price lists; non-public matters relating to employee benefit plans; quotations or proposals given to agents or customers or received from suppliers; documents relating to any of the Company's legal rights and obligations; the work product of any attorney employed by or retained by the Company; and any other information which is sufficiently confidential, proprietary, and secret to derive economic value from not being generally known including with respect to intellectual property inventions and work product. The Participant shall maintain in the strictest confidence and will not, directly or indirectly, intentionally or inadvertently, use, publish, or otherwise disclose to any person or entity whatsoever, any of the information of or belonging to the Company or to any agent, joint venture, contractor, customer, vendor, or supplier of the Company regardless of its form, without the prior written explicit consent of the Company. The Participant acknowledges that the foregoing information is not generally known, is highly confidential and constitutes trade secrets or confidential information of the Company. The Participant shall take reasonable precautions to protect the inadvertent disclosure of information. The foregoing shall not apply to information that the Participant is required to disclose by applicable law, regulation, or legal process (provided that the Participant provides the Company with prior notice of the contemplated disclosure and cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information). Notwithstanding the foregoing, nothing in this Agreement prohibits the Participant from reporting possible violations of federal law or regulation to any government agency or entity or making other disclosures that are protected under whistleblower provisions of law (including, without limitation, a protected disclosure in accordance with the provisions set out in the Employment Rights Act 1996). The Participant does not need prior authorization to make such reports or disclosures and is not required to notify the Company that the Participant has made any such report or disclosure.

(D) **Non-Disparagement**. During the Participant's employment or engagement and thereafter, the Participant shall not make or publish any disparaging statements (whether written, electronic or oral) regarding, or otherwise malign the business reputation of, the Company, its subsidiaries or Affiliates or any of their respective officers, directors, managers, employees or partners.

(E) **Voluntary Resignation**. If (a) the Participant voluntarily resigns within three years following the Grant Date and (b) the Company elects to enforce the covenants in Paragraph 7(A), then the Company agrees, as further consideration for the covenants set forth in this Section 7 and subject to the remaining terms of this Section 7(E), to procure that the Company or one of its subsidiaries or Affiliates shall continue to pay the Participant his or her base salary (at the rate in effect at the time of the Participant's voluntary resignation) in accordance with the Company's or its subsidiaries' or Affiliates' regular payroll dates for six months following the date of such voluntary resignation (provided always that any payments of base salary during any period of garden leave shall count towards discharging the Company's obligations under this Paragraph 7(E)). The payment of the Participant's base salary in accordance with this Paragraph 7(E) will begin on the first payroll after the Release has been executed and delivered to the Company by the Participant (and not revoked) and become fully effective and irrevocable in accordance with the terms of Paragraph 4(C) of this Agreement (with the first payment including the aggregate amount that would have been paid in the period from

the Termination Date to said first payroll date). If a Release is not timely executed and delivered by the Participant to the Company, or if such release is timely executed and delivered but is subsequently revoked by the Participant, then the Participant will not be entitled to the base salary continuation set forth in this Paragraph 7(E). The Participant agrees to promptly notify the Company of the date on which the Participant begins employment or engagement with any new company or person in compliance with this Paragraph 7 (the "Commencement Date") within six months following the Participant's voluntary resignation. The Company will not have any obligation to pay the Participant's base salary in accordance with this Paragraph 7(E) after the Commencement Date.

(F) **Participant Acknowledgements**.

i. The Participant agrees that the restrictions in this Paragraph 7 are reasonable in light of the scope of Company's business operations, the Participant's position within the Company and its subsidiaries and Affiliates, the interests which the Company and its subsidiaries and Affiliates seeks to protect, and the consideration provided to the Participant. The Participant agrees that these restrictions go only so far as to protect the legitimate business interests of the Company, and its subsidiaries and Affiliates, and that those interests are worth protecting for the continued success, viability, and goodwill of the Company and its subsidiaries and Affiliates.

ii. The Participant expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7 may result in substantial, continuing, and irreparable injury to the Company and/or its subsidiaries and/or Affiliates for which monetary damages alone would not be a sufficient remedy. Therefore, the Participant hereby agrees that, in addition to any other remedy that may be available to the Company or its subsidiaries or Affiliates (including pursuant to Paragraph 9), in the event of any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7, the Company and/or its subsidiaries and/or Affiliates shall be entitled to injunctive relief, specific performance or other equitable relief by a court of appropriate jurisdiction, without the requirement of posting bond or the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Without limitation on the rights of the Company and/or its subsidiaries and/or Affiliates under the foregoing sentence or under Paragraph 9, in the event of any actual breach of any of the terms and/or conditions set forth in (a) Paragraph 7(A) or 7(B) during the term of such covenants, or (b) Paragraphs 7(C) or (D) of this Agreement prior to the first anniversary of the date on which the Participant's employment or engagement terminates for any reason: (i) if the Award is unvested, then the Award will immediately be forfeited for no consideration; (ii) the Company will cease to be obligated to furnish the Participant any further payments or deliveries pursuant to this Agreement; and (iii) the Participant shall promptly repay to the Company an amount equal to the gain realized in respect of this Award within the three preceding years (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period); *provided* that the foregoing repayment obligations, and the cessation of further payments and benefits, shall be without prejudice to the Company's and its subsidiaries' and Affiliates' other rights.

8. **Cooperation**. Following the termination of the Participant's employment or engagement with the Company or its subsidiaries or Affiliates for any reason, the Participant agrees (i) to reasonably cooperate with the Company, its subsidiaries or Affiliates and each of

their respective directors, officers, attorneys and experts, and take all actions the Company and/or its subsidiaries and/or Affiliates may reasonably request, including but not limited to cooperation with respect to any investigation, government inquiry, administrative proceeding or litigation relating to any matter in which the Participant was involved or had knowledge during the Participant's employment or engagement with the Company or its subsidiaries or Affiliates and (ii) that, if called upon by the Company, its subsidiaries or Affiliates, the Participant will provide assistance with respect to business, personnel or other matters which arose during the Participant's employment or engagement with the Company, its subsidiaries or Affiliates or as to which the Participant has relevant information, knowledge or expertise, with such cooperation including, but not limited to, completing job tasks in progress, transitioning job tasks to other personnel of the Company or its subsidiaries or Affiliates, responding to questions and being available for such purposes. Any cooperation requests shall take into account the Participant's personal and business commitments, and the Participant shall be reasonably compensated for the Participant's time (if appropriate for the matter) and further reimbursed for any documented expenses (including reasonable attorney's fees) incurred in connection with such cooperation within thirty (30) days of the Participant providing an invoice to the Company, as the Company considers reasonable and only to the extent permitted and provided for by any applicable rules, including any rules of Court or Practice Direction, from time to time.

9. **Forfeiture/Clawback**.

(A) The delivery of Shares under this Award is subject to any policy (whether in existence as of the Grant Date or later adopted) established by the Company or required by applicable law providing for clawback or recovery of amounts that were paid to the Participant. The Company will make any determination for clawback or recovery in its sole discretion and in accordance with any applicable law or regulation.

(B) In addition to Paragraph 9(A) and notwithstanding anything to the contrary in this Agreement, if the Board or Committee determines that (i) any material misstatement of financial results has occurred as a result of the Participant's conduct or (ii) the Participant has, without the consent of the Company, violated a non-competition, non-solicitation or non-disclosure covenant (including the covenants in Paragraph 7) between the Participant and the Company or any subsidiary or any Affiliate, then the Board or Committee may in its sole discretion (a) determine that all or any portion of any unvested PSUs shall be forfeited for no consideration and/or (b) require the Participant to promptly repay to the Company any gain realized in respect of this Award within the three years preceding the date on which the Board or Committee determines that any of the events described in prongs (i)-(ii) above has occurred (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period). Unless otherwise required by law, the provisions of this Paragraph 9(B) shall apply during the Participant's employment and/or engagement with the Company and/or its Affiliates and for one year following the Participant's termination of employment and/or engagement for any reason. The foregoing forfeiture and repayment obligations shall be without prejudice to any other rights that the Company and/or any subsidiary or Affiliate may have.

10. **Effect of the Plan**. This Award is subject to all of the provisions of the Plan and this Agreement, together with all of the rules and determinations from time to time issued by the Committee and/or the Board pursuant to the Plan, including the restrictions in the Plan on the

transferability of awards. In the event of a conflict between any provision of the Plan and this Agreement, the provisions of this Agreement shall control but only to the extent such conflict is permitted under the Plan. By accepting this Award, the Participant acknowledges that he or she has received a copy of the Plan and agrees that the Participant will enter into such written representations, warranties and agreements and execute such documents as the Company may reasonably request in order to comply with applicable securities and other applicable laws, rules or regulations, or with this document or the terms of the Plan.

11. **Amendment and Termination; Waiver**. This Agreement, together with the Plan, constitutes the entire agreement by the Participant and the Company with respect to the subject matter hereof, and supersedes any and all prior agreements or understandings between the Participant and the Company with respect to the subject matter hereof, whether written or oral. This Agreement may not be amended or terminated by the Company in a manner that would be materially adverse to the Participant without the written consent of the Participant, provided that the Company may amend this Agreement unilaterally (a) as provided in the Plan or (b) if the Company determines that an amendment is necessary to comply with applicable law (including the requirements of the Code). Any provision for the benefit of the Company contained in this Agreement may be waived in writing, either generally or in any particular instance, by the Company. A waiver on one occasion shall not be deemed to be a waiver of the same or any other breach on a future occasion.

12. **Unsecured Obligation**. The Company's obligation under this Agreement shall be an unfunded and unsecured promise. The Participant's right to receive the payments and benefits contemplated hereby from the Company under this Agreement shall be no greater than the right of any unsecured general creditor of the Company, and the Participant shall not have nor acquire any legal or equitable right, interest or claim in or to any property or assets of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between the Participant and the Company or any other person.

13. **No Right To Continued Employment or Engagement**. Neither this Award nor anything in this Agreement shall confer upon the Participant any right to continued employment or engagement with the Company (or its subsidiaries or Affiliates or their respective successors) or shall interfere in any way with the right of the Company (or its subsidiaries or Affiliates or their respective successors) to terminate the Participant's employment or engagement at any time.

14. **Tax Matters; No Guarantee of Tax Consequences**. This Agreement is intended to be exempt from, or to comply with, the requirements of Section 409A of the Code and this Agreement shall be interpreted accordingly; provided that in no event whatsoever shall the Company or any of its Affiliates be liable for any additional tax, interest or penalties that may be imposed on the Participant by Section 409A of the Code or any damages for failing to comply with Section 409A of the Code. Each payment under this Agreement will be treated as a separate payment for purposes of Section 409A of the Code. The Company makes no commitment or guarantee to the Participant that any federal or state tax treatment will apply or be available to any person eligible for benefits under this Agreement.

15. **Governing Law**. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware to the extent federal law does not supersede and preempt Delaware law (in which case such federal law shall apply).

16. **Severability; Interpretive Matters**. In the event that any provision of this Agreement shall be held illegal, invalid, or unenforceable for any reason, such provision shall be fully severable, but shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never been included herein. Whenever required by the context, pronouns and any variation thereof shall be deemed to refer to the masculine, feminine, or neuter, and the singular shall include the plural and vice versa. The captions and headings used in this Agreement are inserted for convenience and shall not be deemed a part of this Agreement granted hereunder for construction or interpretation.

17. **Waiver**. By participating in the Plan, the Participant waives all and any rights to compensation or damages in consequence of the termination of his or her employment or engagement with the Company and/or any past or present subsidiary or Affiliate for any reason whatsoever, whether lawfully or otherwise, insofar as those rights arise or may arise from his ceasing to have rights under the Plan (including ceasing to be entitled to any PSU) as a result of such termination, or from the loss or diminution in value of such rights or entitlements, including by reason of the operation of the terms of the Plan, any determination by the Board (or its designee) pursuant to a discretion contained in the Plan or the provisions of any statute or law relating to taxation.

18. **Counterparts**. This Agreement may be signed in any number of counterparts, each of which will be an original, with the same force and effect as if the signature thereto and hereto were upon the same instrument.

[*Remainder of Page Blank — Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Grant Date indicated below.

COMPANY:

CHENIERE ENERGY, INC.

By: _____
Name:
Title:

I hereby accept the Award subject to all of the terms and provisions hereof. I acknowledge and agree that the Award shall vest and become payable, if at all, only during the period of my continued service with the Company or as otherwise provided in this Agreement (not through the act of issuing the Award).

PARTICIPANT:

By: _____
Name:

Grant Date: _____

[*Signature Page — Performance Stock Unit Award under 2011 Incentive Plan*]

Schedule A

- **Target PSUs**:

- **Performance Period**:

- **Performance Metrics**:

Appendix 1 — Termination and Change in Control

1. **Qualifying Termination - Treatment of outstanding PSUs**

In the circumstances set out in Paragraph 4(A) of this Agreement and subject to the terms and conditions of this Agreement, the Participant shall be entitled to acceleration of vesting of:

A. In the event of a Qualifying Termination of a Participant not during the Protection Period (as defined below), (i) subject to Section 1(C) below, unvested PSUs that were granted within the six (6) month period immediately preceding the Trigger Date will be automatically forfeited for no consideration, and (ii) subject to sub-clause (i) hereof, (1) each of the Participant's outstanding unvested PSUs shall remain outstanding with respect to the portion of such PSUs multiplied by a fraction, the numerator of which is the number of complete months since the grant of such PSUs and the denominator of which is the number of months in the performance period with respect thereto, and (2) the portion of such PSUs that remains outstanding following the application of sub-clause (1) shall vest, if at all, upon completion of the applicable performance period based on actual performance levels achieved;

B. In the event of a Qualifying Termination of a Participant during the Protection Period, the Participant's outstanding unvested PSUs will vest at the target level for such PSUs.

C. Notwithstanding anything in this Appendix 1, if a Qualifying Termination occurs prior to a Change in Control, (i) no PSUs that are unvested as of the Qualifying Termination shall lapse or be forfeited solely on account of such Qualifying Termination; *provided*, *however*, if the Change in Control has not occurred within the 3-month period immediately following the Trigger Date thus resulting in such Qualifying Termination occurring outside the Protection Period, all such unvested PSUs shall automatically lapse and be forfeited for no consideration at the end of such 3-month period; and (ii) with respect to the PSUs, if the applicable performance period ends after the Qualifying Termination but prior to a Change in Control and such Change in Control occurs within a 3-month period immediately following the Trigger Date, the Participant shall be entitled, with respect to such PSUs, to the greater of the amount resulting from the application of Section 1(A) and Section 1(B)(i) or Section 1(B)(ii) of this Appendix 1, as applicable.

2. **Vesting on Change in Control**

Subject to the terms and conditions of this Agreement, if a Participant remains continuously employed or engaged with the Company or a Related Employer from the date of his or her commencement of participation in the Plan through the date of a Change in Control:

A. Subject to Section 2(B) of this Appendix 1, a Participant's outstanding unvested PSUs will vest at target level.

B. Notwithstanding anything herein to the contrary, unvested PSUs will not vest as a result of a Change in Control unless, if requested by the Company, the Participant executes and delivers to the Company (and does not revoke) a Release. If the Release is not timely executed and delivered by the Participant to the Company, or if such Release is timely executed and delivered but is subsequently revoked by Participant, then the unvested RSUs covered by this Award will lapse immediately.

C. Subject to the terms and conditions of this Agreement, a Participant's outstanding PSUs vesting pursuant to Section 2 of this Appendix 1 shall be settled as soon as administratively practicable following the expiration of the period during which the Participant may revoke the Release, but in all events no later than the end of the sixtieth (60th) day following the date of the Change in Control.

3. **Definitions**

For the purposes of this Appendix, the following term shall have the following meaning:

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

Exhibit 10.9

CHENIERE ENERGY, INC.
2011 INCENTIVE PLAN

PERFORMANCE STOCK UNIT AWARD AGREEMENT (UK)

1. **Award**. Cheniere Energy, Inc., a Delaware corporation (the "Company"), has awarded the undersigned Participant (for purposes of this Agreement, the "Participant") performance stock units (this "Award") effective as of the date set forth on the signature page hereto (the "Grant Date") pursuant to the Company's 2011 Incentive Plan, as amended (the "Plan"). Unless otherwise defined in this Performance Stock Unit Award Agreement (this "Agreement"), capitalized terms used herein shall have the meanings assigned to them in the Plan.

2. **Performance Stock Units**. The Company hereby awards the Participant the target number of performance stock units ("PSUs") set forth in Schedule A (the "Target PSUs"). Each PSU constitutes an unfunded and unsecured promise by the Company to deliver (or cause to be delivered) one share of common stock, $0.003 par value per share, of the Company (a "Share"). The actual number of PSUs that will be earned is subject to the Committee's certification of the level of achievement of the performance conditions set forth in Schedule A (the "Performance Metrics") at the end of the applicable performance period (such earned PSUs, the " Earned PSUs"). The number of Shares covered by the Earned PSUs may range from 0% to 200% of the Participant's Target PSUs; *provided* that the number of Shares will be rounded down to the nearest whole Share. The Earned PSUs will be subject to vesting in accordance with Paragraph 3 below, and any PSUs that do not become Earned PSUs at the end of the performance period will be automatically forfeited without consideration.

3. **Vesting**. Subject to the Participant's continued employment or engagement and Paragraphs 4 and 5, the Earned PSUs, if any, shall vest on the date on which the Committee certifies achievement of the Performance Metrics (the "Certification Date"). The Certification Date will be within 75 days following the end of the performance period set forth in Schedule A.

4. **Termination of Employment or Engagement**. Except as otherwise provided in this Paragraph 4, the Participant will automatically forfeit the PSUs covered by this Award on the earlier of the date of (1) service of notice of termination of the Participant's employment or engagement by the Company and/or any of its subsidiaries and/or Affiliates, (2) service of notice of resignation by the Participant from such employment or engagement, (and in respect of each of (1) and (2), irrespective of the fact that the effective date of termination of such employment or engagement will not occur until some later date) and/or (3) the summary termination (whether by the Company and/or any of its subsidiaries and/or Affiliates or the Participant) of such employment or engagement, in each case for any reason prior to the date on which the PSUs vest (the "Trigger Date"). Notwithstanding the foregoing:

(A) Upon the termination of the Participant's employment or engagement with the Company and/or a subsidiary and/or an Affiliate prior to vesting by the Company and/or a subsidiary and/or an Affiliate without Cause (a "Qualifying Termination"), this Award will (subject to Paragraph 4(C) below) be treated in accordance with Appendix 1.

(B) Upon the termination of the Participant's employment or engagement with the Company and/or a subsidiary and/or an Affiliate prior to vesting (1) by the Company and/or a subsidiary and/or an Affiliate due to the disability of the Participant, as defined by Section 6 of the Equality Act 2010 or (2) due to the death of the Participant while performing Continuous Service, the Target PSUs shall be deemed to be the Earned PSUs and shall (subject to Paragraph 4(C) below) vest in full immediately.

(C) Notwithstanding anything herein to the contrary, this Award will not vest as a result of a termination by the Company and/or a subsidiary and/or an Affiliate without Cause or due to the disability of the Participant (as defined above), in each case, unless the Participant executes and delivers to the Company (and does not revoke) a fully effective statutory settlement agreement and release of claims at such time(s) and in such form as may be required by the Company (the "Release"). If the Release is not timely executed and delivered by the Participant to the Company, or if such Release is timely executed and delivered but is subsequently revoked by the Participant, then the Participant will automatically forfeit the PSUs covered by this Award effective as of the Trigger Date.

(D) For purposes of this Agreement, the term "Cause" means a separation from service (as defined in Section 409A of the Code) as a result of any of the following:

i. the commission by the Participant of a crime or other act of misconduct that causes or is likely to cause economic damage to the Company or an Affiliate or injury to the business reputation of the Company or an Affiliate;

ii. the commission by the Participant of an act of fraud in the performance of the Participant's duties on behalf of the Company or an Affiliate;

iii. the violation by the Participant of the Company's Code of Business Conduct and Ethics Policy; or

iv. the failure of the Participant to perform his or her duties at a level and in a manner satisfactory to the Company in its sole discretion.

The determination of whether Cause exists with respect to the Participant shall be made by the Company's Chief Human Resources Officer in his or her sole discretion in consultation with the Company's General Counsel.

(E) For purposes of this Agreement, the term "Related Employer" means (i) an Affiliate that is a member of a controlled group of corporations (as defined in section 414(b) of the Code) that includes the Company, (ii) an Affiliate (whether or not incorporated) that is in common control (as defined in section 414(c) of the Code) with the Company, or (iii) an Affiliate that is a member of the same affiliated service group (as defined in section 414(m) of the Code) as the Company.

5. **Change in Control**. In the event of a Change in Control of the Company, this Award will be treated in accordance with Appendix 1. For purposes of this Agreement, the term "Change in Control" means the occurrence of any of the following events:

(A) any "person" (as defined in Section 3(a)(9) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and as modified in Section 13(d) and 14(d) of the

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

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

(C) the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition if the holders of the voting securities of the Company outstanding immediately prior thereto hold securities immediately thereafter which represent more than 50% of the combined voting power of the voting securities of the acquiror, or parent of the acquiror, of such assets, or the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company; or

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

Notwithstanding the foregoing, a Change in Control shall not occur or be deemed to occur if any event set forth in subsections (A) — (D) above, that would otherwise constitute a Change in Control, occurs as a direct result of the consummation of a transaction solely between the Company and one or more of its controlled Affiliates. Notwithstanding the foregoing, however, in any circumstance or transaction in which compensation payable pursuant to this Award would be subject to the income tax under the Section 409A Rules if the foregoing definition of "Change in Control" were to apply, but would not be so subject if the term "Change in Control" were defined herein to mean a "change in control event" within the meaning of Treasury Regulation § 1.409A-3(i)(5), then "Change in Control" means, but only to the extent necessary to prevent such compensation from becoming subject to the income tax under the Section 409A Rules, a transaction or circumstance that satisfies the requirements of both (1) a Change in Control under the applicable clause (A) through (D) above, and (2) a "change in control event" within the meaning of Treasury Regulation Section § 1.409A-3(i)(5).

6. **Settlement; Dividend Equivalents; Withholding of Taxes**.

(A) Subject to the terms of this Agreement, one Share will be delivered in respect of each vested Earned PSU on or as soon as reasonably practicable, but in no event later than the sixtieth (60th) day, following the date on which the Earned PSUs vest as determined in accordance with Paragraphs 3, 4 or 5. All ordinary cash dividends that would have been paid upon any Shares delivered in respect of the vested Earned PSUs had such Shares been issued as of the Grant Date (as determined by the Committee) will be paid to the Participant (without interest) on the date on which the Earned PSUs are settled in accordance with this Paragraph 6(A) to the extent that the Earned PSUs vest.

(B) The Company's obligation to deliver Shares or any other amounts under this Award is subject to the payment of all federal, state and local income, employment and other taxes and social security contributions or other amounts required to be withheld or paid (as appropriate) by the Company or any subsidiary or Affiliate in connection with this Award. The Company and any subsidiary or Affiliate shall have the right to take any action (subject to applicable laws) as may be necessary or appropriate to satisfy any withholding obligations, *provided*, *however*, that except as otherwise agreed in writing by the Participant and the Company (or relevant subsidiary or Affiliate), if the Participant is an Executive Officer or an individual subject to Rule 16b-3, such tax withholding obligations will be effectuated by the Company withholding a number of Shares that would otherwise be delivered in respect of the Earned PSUs with a Fair Market Value equal to the amount of such tax withholding obligations (at the minimum withholding tax rate required by the Code).

7. **Participant Covenants**.

(A) **Non-Solicitation**. In exchange for the promises set forth herein, including the consideration set forth in Paragraph 1, and in order to protect the goodwill, confidential information, customer connections, stability of the workforce, supply chain and other legitimate business interests of the Company and its subsidiaries and Affiliates, during the Participant's employment or engagement with the Company and/or its Affiliates and for one year (less any period of time the Participant spends on 'garden leave') following the Participant's termination of employment or engagement for any reason, the Participant will not, directly or indirectly, do any of the following or assist any other person, firm, or entity to do any of the following: (a) solicit on behalf of the Participant or another person or entity, the employment or services of, or hire or retain, any person who is employed or engaged (whether as a consultant or independent contractor) by the Company or any of its subsidiaries or Affiliates (i) in an executive, sales, marketing, research, technical, finance, trading or operations capacity or (ii) whose departure from the Company of any of its subsidiaries or Affiliates would have a significant impact on the business of such company or the stability of its workforce and (1) with whom the Participant worked at any time during the 12 months up to and including the termination of the Participant's employment or engagement or (2) in relation to whom as at the date of termination of the Participant's employment or engagement the Participant possessed confidential information, in each case with a view to inducing that person to leave such employment or engagement (whether or not such person would commit a breach of his contract of employment or engagement by reason of leaving), (b) induce or attempt to induce any such employee of the Company or any of its subsidiaries or Affiliates to terminate that employee's employment with the Company or such subsidiary or Affiliate; (c) induce or attempt to induce any such consultant or independent contractor doing business with or retained by the Company or its subsidiaries or Affiliates to

terminate their consultancy or contractual relationship with the Company or such subsidiary or Affiliate or otherwise reduce the services they provide to the Company or such subsidiary or Affiliate or (d) interfere with the relationship of the Company or any of its subsidiaries or Affiliates with any vendor or supplier.

(B) **Confidentiality**. During the Participant's employment or engagement and thereafter, the Participant shall maintain the confidentiality of the following information: proprietary technical and business information relating to any Company plans, analyses or strategies concerning international or domestic acquisitions, possible acquisitions or new ventures; development plans or introduction plans for products or services; unannounced products or services; operation costs; pricing of products or services; research and development; personnel information; manufacturing processes; installation, service, and distribution procedures and processes; customer lists; any know-how relating to the design, manufacture, and marketing of any of the Company's services and products, including components and parts thereof; non-public information acquired by the Company concerning the requirements and specifications of any of the Company's agents, vendors, contractors, customers and potential customers; non-public financial information, business and marketing plans, pricing and price lists; non-public matters relating to employee benefit plans; quotations or proposals given to agents or customers or received from suppliers; documents relating to any of the Company's legal rights and obligations; the work product of any attorney employed by or retained by the Company; and any other information which is sufficiently confidential, proprietary, and secret to derive economic value from not being generally known including with respect to intellectual property inventions and work product. The Participant shall maintain in the strictest confidence and will not, directly or indirectly, intentionally or inadvertently, use, publish, or otherwise disclose to any person or entity whatsoever, any of the information of or belonging to the Company or to any agent, joint venture, contractor, customer, vendor, or supplier of the Company regardless of its form, without the prior written explicit consent of the Company. The Participant acknowledges that the foregoing information is not generally known, is highly confidential and constitutes trade secrets or confidential information of the Company. The Participant shall take reasonable precautions to protect the inadvertent disclosure of information. The foregoing shall not apply to information that the Participant is required to disclose by applicable law, regulation, or legal process (provided that the Participant provides the Company with prior notice of the contemplated disclosure and cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information). Notwithstanding the foregoing, nothing in this Agreement prohibits the Participant from reporting possible violations of federal law or regulation to any government agency or entity or making other disclosures that are protected under whistleblower provisions of law (including, without limitation, a protected disclosure in accordance with the provisions set out in the Employment Rights Act 1996). The Participant does not need prior authorization to make such reports or disclosures and is not required to notify the Company that the Participant has made any such report or disclosure.

(C) **Non-Disparagement**. During the Participant's employment or engagement and thereafter, the Participant shall not make or publish any disparaging statements (whether written, electronic or oral) regarding, or otherwise malign the business reputation of, the Company, its subsidiaries or Affiliates or any of their respective officers, directors, managers, employees or partners.

(D) **Participant Acknowledgements**.

i. The Participant agrees that the restrictions in this Paragraph 7 are reasonable in light of the scope of Company's business operations, the Participant's position within the Company and its subsidiaries and Affiliates, the interests which the Company and its subsidiaries and Affiliates seeks to protect, and the consideration provided to the Participant. The Participant agrees that these restrictions go only so far as to protect the legitimate business interests of the Company, and its subsidiaries and Affiliates, and that those interests are worth protecting for the continued success, viability, and goodwill of the Company and its subsidiaries and Affiliates.

ii. The Participant expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7 may result in substantial, continuing, and irreparable injury to the Company and/or its subsidiaries and/or Affiliates for which monetary damages alone would not be a sufficient remedy. Therefore, the Participant hereby agrees that, in addition to any other remedy that may be available to the Company or its subsidiaries or Affiliates (including pursuant to Paragraph 9), in the event of any breach or threatened breach of any of the terms and/or conditions set forth in this Paragraph 7, the Company and/or its subsidiaries and/or Affiliates shall be entitled to injunctive relief, specific performance or other equitable relief by a court of appropriate jurisdiction, without the requirement of posting bond or the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Without limitation on the rights of the Company and/or its subsidiaries and/or Affiliates under the foregoing sentence or under Paragraph 9, in the event of any actual breach of any of the terms and/or conditions set forth in (a) Paragraph 7(A) during the term of such covenants, or (b) Paragraphs 7(B) or (C) of this Agreement prior to the first anniversary of the date on which the Participant's employment or engagement terminates for any reason: (i) if the Award is unvested, then the Award will immediately be forfeited for no consideration; (ii) the Company will cease to be obligated to furnish the Participant any further payments or deliveries pursuant to this Agreement; and (iii) the Participant shall promptly repay to the Company an amount equal to the gain realized in respect of this Award within the three preceding years (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period); *provided* that the foregoing repayment obligations, and the cessation of further payments and benefits, shall be without prejudice to the Company's and its subsidiaries' and Affiliates' other rights.

8. **Cooperation**. Following the termination of the Participant's employment or engagement with the Company or its subsidiaries or Affiliates for any reason, the Participant agrees (i) to reasonably cooperate with the Company, its subsidiaries or Affiliates and each of their respective directors, officers, attorneys and experts, and take all actions the Company and/or its subsidiaries and/or Affiliates may reasonably request, including but not limited to cooperation with respect to any investigation, government inquiry, administrative proceeding or litigation relating to any matter in which the Participant was involved or had knowledge during the Participant's employment or engagement with the Company or its subsidiaries or Affiliates and (ii) that, if called upon by the Company, its subsidiaries or Affiliates, the Participant will provide assistance with respect to business, personnel or other matters which arose during the Participant's employment or engagement with the Company, its subsidiaries or Affiliates or as to which the Participant has relevant information, knowledge or expertise, with such cooperation including, but not limited to, completing job tasks in progress, transitioning job tasks to other

personnel of the Company or its subsidiaries or Affiliates, responding to questions and being available for such purposes. Any cooperation requests shall take into account the Participant's personal and business commitments, and the Participant shall be reasonably compensated for the Participant's time (if appropriate for the matter) and further reimbursed for any documented expenses (including reasonable attorney's fees) incurred in connection with such cooperation within thirty (30) days of the Participant providing an invoice to the Company, as the Company considers reasonable and only to the extent permitted and provided for by any applicable rules, including any rules of Court or Practice Direction, from time to time.

9. **Forfeiture/Clawback**.

(A) The delivery of Shares under this Award is subject to any policy (whether in existence as of the Grant Date or later adopted) established by the Company or required by applicable law providing for clawback or recovery of amounts that were paid to the Participant. The Company will make any determination for clawback or recovery in its sole discretion and in accordance with any applicable law or regulation.

(B) In addition to Paragraph 9(A) and notwithstanding anything to the contrary in this Agreement, if the Board or Committee determines that (i) any material misstatement of financial results has occurred as a result of the Participant's conduct or (ii) the Participant has, without the consent of the Company, violated a non-competition, non-solicitation or non-disclosure covenant (including the covenants in Paragraph 7) between the Participant and the Company or any subsidiary or any Affiliate, then the Board or Committee may in its sole discretion (a) determine that all or any portion of any unvested PSUs shall be forfeited for no consideration and/or (b) require the Participant to promptly repay to the Company any gain realized in respect of this Award within the three years preceding the date on which the Board or Committee determines that any of the events described in prongs (i)-(ii) above has occurred (which gain shall be deemed to be an amount equal to the aggregate Fair Market Value, on each of the date(s) on which the Award is settled, of the Shares delivered to the Participant under this Award within such three-year period). Unless otherwise required by law, the provisions of this Paragraph 9(B) shall apply during the Participant's employment and/or engagement with the Company and/or its Affiliates and for one year following the Participant's termination of employment and/or engagement for any reason. The foregoing forfeiture and repayment obligations shall be without prejudice to any other rights that the Company and/or any subsidiary or Affiliate may have.

10. **Effect of the Plan**. This Award is subject to all of the provisions of the Plan and this Agreement, together with all of the rules and determinations from time to time issued by the Committee and/or the Board pursuant to the Plan, including the restrictions in the Plan on the transferability of awards. In the event of a conflict between any provision of the Plan and this Agreement, the provisions of this Agreement shall control but only to the extent such conflict is permitted under the Plan. By accepting this Award, the Participant acknowledges that he or she has received a copy of the Plan and agrees that the Participant will enter into such written representations, warranties and agreements and execute such documents as the Company may reasonably request in order to comply with applicable securities and other applicable laws, rules or regulations, or with this document or the terms of the Plan.

11. **Amendment and Termination; Waiver**. This Agreement, together with the Plan, constitutes the entire agreement by the Participant and the Company with respect to the

subject matter hereof, and supersedes any and all prior agreements or understandings between the Participant and the Company with respect to the subject matter hereof, whether written or oral. This Agreement may not be amended or terminated by the Company in a manner that would be materially adverse to the Participant without the written consent of the Participant, provided that the Company may amend this Agreement unilaterally (a) as provided in the Plan or (b) if the Company determines that an amendment is necessary to comply with applicable law (including the requirements of the Code). Any provision for the benefit of the Company contained in this Agreement may be waived in writing, either generally or in any particular instance, by the Company. A waiver on one occasion shall not be deemed to be a waiver of the same or any other breach on a future occasion.

12. **Unsecured Obligation**. The Company's obligation under this Agreement shall be an unfunded and unsecured promise. The Participant's right to receive the payments and benefits contemplated hereby from the Company under this Agreement shall be no greater than the right of any unsecured general creditor of the Company, and the Participant shall not have nor acquire any legal or equitable right, interest or claim in or to any property or assets of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between the Participant and the Company or any other person.

13. **No Right To Continued Employment or Engagement**. Neither this Award nor anything in this Agreement shall confer upon the Participant any right to continued employment or engagement with the Company (or its subsidiaries or Affiliates or their respective successors) or shall interfere in any way with the right of the Company (or its subsidiaries or Affiliates or their respective successors) to terminate the Participant's employment or engagement at any time.

14. **Tax Matters; No Guarantee of Tax Consequences**. This Agreement is intended to be exempt from, or to comply with, the requirements of Section 409A of the Code and this Agreement shall be interpreted accordingly; provided that in no event whatsoever shall the Company or any of its Affiliates be liable for any additional tax, interest or penalties that may be imposed on the Participant by Section 409A of the Code or any damages for failing to comply with Section 409A of the Code. Each payment under this Agreement will be treated as a separate payment for purposes of Section 409A of the Code. The Company makes no commitment or guarantee to the Participant that any federal or state tax treatment will apply or be available to any person eligible for benefits under this Agreement.

15. **Governing Law**. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware to the extent federal law does not supersede and preempt Delaware law (in which case such federal law shall apply).

16. **Severability; Interpretive Matters**. In the event that any provision of this Agreement shall be held illegal, invalid, or unenforceable for any reason, such provision shall be fully severable, but shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never been included herein. Whenever required by the context, pronouns and any variation thereof shall be deemed to refer to the masculine, feminine, or neuter, and the singular shall include the plural and vice versa. The captions and headings used in this Agreement are inserted

for convenience and shall not be deemed a part of this Agreement granted hereunder for construction or interpretation.

17. **Waiver**. By participating in the Plan, the Participant waives all and any rights to compensation or damages in consequence of the termination of his or her employment or engagement with the Company and/or any past or present subsidiary or Affiliate for any reason whatsoever, whether lawfully or otherwise, insofar as those rights arise or may arise from his ceasing to have rights under the Plan (including ceasing to be entitled to any PSU) as a result of such termination, or from the loss or diminution in value of such rights or entitlements, including by reason of the operation of the terms of the Plan, any determination by the Board (or its designee) pursuant to a discretion contained in the Plan or the provisions of any statute or law relating to taxation.

18. **Counterparts**. This Agreement may be signed in any number of counterparts, each of which will be an original, with the same force and effect as if the signature thereto and hereto were upon the same instrument.

[*Remainder of Page Blank — Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Grant Date indicated below.

COMPANY:

CHENIERE ENERGY, INC.

By: _____
Name:
Title:

I hereby accept the Award subject to all of the terms and provisions hereof. I acknowledge and agree that the Award shall vest and become payable, if at all, only during the period of my continued service with the Company or as otherwise provided in this Agreement (not through the act of issuing the Award).

PARTICIPANT:

By: _____
Name:

Grant Date: _____

[*Signature Page — Performance Stock Unit Award under 2011 Incentive Plan*]

Schedule A

- **Target PSUs**:

- **Performance Period**:

- **Performance Metrics**:

Appendix 1 — Termination and Change in Control

1. **Qualifying Termination - Treatment of outstanding PSUs**

In the circumstances set out in Paragraph 4(A) of this Agreement and subject to the terms and conditions of this Agreement, the Participant shall be entitled to acceleration of vesting of:

A. In the event of a Qualifying Termination of a Participant not during the Protection Period (as defined below), (i) subject to Section 1(C) below, unvested PSUs that were granted within the six (6) month period immediately preceding the Trigger Date will be automatically forfeited for no consideration, and (ii) subject to sub-clause (i) hereof, (1) each of the Participant's outstanding unvested PSUs shall remain outstanding with respect to the portion of such PSUs multiplied by a fraction, the numerator of which is the number of complete months since the grant of such PSUs and the denominator of which is the number of months in the performance period with respect thereto, and (2) the portion of such PSUs that remains outstanding following the application of sub-clause (1) shall vest, if at all, upon completion of the applicable performance period based on actual performance levels achieved;

B. In the event of a Qualifying Termination of a Participant during the Protection Period, the Participant's outstanding unvested PSUs will vest at the target level for such PSUs.

C. Notwithstanding anything in this Appendix 1, if a Qualifying Termination occurs prior to a Change in Control, (i) no PSUs that are unvested as of the Qualifying Termination shall lapse or be forfeited solely on account of such Qualifying Termination; *provided*, *however*, if the Change in Control has not occurred within the 3-month period immediately following the Trigger Date thus resulting in such Qualifying Termination occurring outside the Protection Period, all such unvested PSUs shall automatically lapse and be forfeited for no consideration at the end of such 3-month period; and (ii) with respect to the PSUs, if the applicable performance period ends after the Qualifying Termination but prior to a Change in Control and such Change in Control occurs within a 3-month period immediately following the Trigger Date, the Participant shall be entitled, with respect to such PSUs, to the greater of the amount resulting from the application of Section 1(A) and Section 1(B)(i) or Section 1(B)(ii) of this Appendix 1, as applicable.

2. **Vesting on Change in Control**

Subject to the terms and conditions of this Agreement, if a Participant remains continuously employed or engaged with the Company or a Related Employer from the date of his or her commencement of participation in the Plan through the date of a Change in Control:

A. Subject to Section 2(B) of this Appendix 1, a Participant's outstanding unvested PSUs will vest at target level.

B. Notwithstanding anything herein to the contrary, unvested PSUs will not vest as a result of a Change in Control unless, if requested by the Company, the Participant executes and delivers to the Company (and does not revoke) a Release. If the Release is not timely executed and delivered by the Participant to the Company, or if such Release is timely executed and delivered but is subsequently revoked by Participant, then the unvested RSUs covered by this Award will lapse immediately.

C. Subject to the terms and conditions of this Agreement, a Participant's outstanding PSUs vesting pursuant to Section 2 of this Appendix 1 shall be settled as soon as administratively practicable following the expiration of the period during which the Participant may revoke the Release, but in all events no later than the end of the sixtieth (60th) day following the date of the Change in Control.

3. **Definitions**

For the purposes of this Appendix, the following term shall have the following meaning:

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

Exhibit 31.1

CERTIFICATION BY CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) AND 15d-14(a) UNDER THE EXCHANGE ACT

I, Jack A. Fusco, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cheniere Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2017

/s/ Jack A. Fusco

Jack A. Fusco
Chief Executive Officer of
Cheniere Energy, Inc.

Exhibit 31.2

CERTIFICATION BY CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) AND 15d-14(a) UNDER THE EXCHANGE ACT

I, Michael J. Wortley, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cheniere Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2017

/s/ Michael J. Wortley

Michael J. Wortley
Chief Financial Officer of
Cheniere Energy, Inc.

Exhibit 32.1

CERTIFICATION BY CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Cheniere Energy, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jack A. Fusco, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 3, 2017

/s/ Jack A. Fusco

Jack A. Fusco
Chief Executive Officer of
Cheniere Energy, Inc.

Exhibit 32.2

CERTIFICATION BY CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Cheniere Energy, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael J. Wortley, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 3, 2017

/s/ Michael J. Wortley

Michael J. Wortley
Chief Financial Officer of
Cheniere Energy, Inc.