

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

FORM 10-Q

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

For the quarterly period ended September 30, 2022

or

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

For the transition period from _____ to _____

Commission file number 001-33366

Cheniere Energy Partners, L.P.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

20-5913059
(I.R.S. Employer Identification No.)

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

(713) 375-5000
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Units Representing Limited Partner Interests	CQP	NYSE American

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

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

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

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

As of October 31, 2022, the registrant had 484,031,623 common units outstanding.

CHENIERE ENERGY PARTNERS, L.P.
TABLE OF CONTENTS

<u>Definitions</u>	<u>1</u>
<u>Part I. Financial Information</u>	
<u>Item 1. Consolidated Financial Statements</u>	<u>3</u>
<u>Consolidated Statements of Operations</u>	<u>3</u>
<u>Consolidated Balance Sheets</u>	<u>4</u>
<u>Consolidated Statements of Partners' Equity (Deficit)</u>	<u>5</u>
<u>Consolidated Statements of Cash Flows</u>	<u>6</u>
<u>Notes to Consolidated Financial Statements</u>	<u>7</u>
<u>Note 1—Nature of Operations and Basis of Presentation</u>	<u>7</u>
<u>Note 2—Unitholders' Equity</u>	<u>7</u>
<u>Note 3—Restricted Cash and Cash Equivalents</u>	<u>8</u>
<u>Note 4—Trade and Other Receivables, Net of Current Expected Credit Losses</u>	<u>8</u>
<u>Note 5—Inventory</u>	<u>8</u>
<u>Note 6—Property, Plant and Equipment, Net of Accumulated Depreciation</u>	<u>9</u>
<u>Note 7—Derivative Instruments</u>	<u>9</u>
<u>Note 8—Accrued Liabilities</u>	<u>12</u>
<u>Note 9—Debt</u>	<u>13</u>
<u>Note 10—Revenues</u>	<u>14</u>
<u>Note 11—Related Party Transactions</u>	<u>17</u>
<u>Note 12—Net Income (Loss) per Common Unit</u>	<u>21</u>
<u>Note 13—Customer Concentration</u>	<u>23</u>
<u>Note 14—Supplemental Cash Flow Information</u>	<u>23</u>
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>24</u>
<u>Item 3. Quantitative and Qualitative Disclosures about Market Risk</u>	<u>35</u>
<u>Item 4. Controls and Procedures</u>	<u>36</u>
<u>Part II. Other Information</u>	
<u>Item 1. Legal Proceedings</u>	<u>37</u>
<u>Item 1A. Risk Factors</u>	<u>37</u>
<u>Item 5. Other Information</u>	<u>37</u>
<u>Item 6. Exhibits</u>	<u>38</u>
<u>Signatures</u>	<u>39</u>

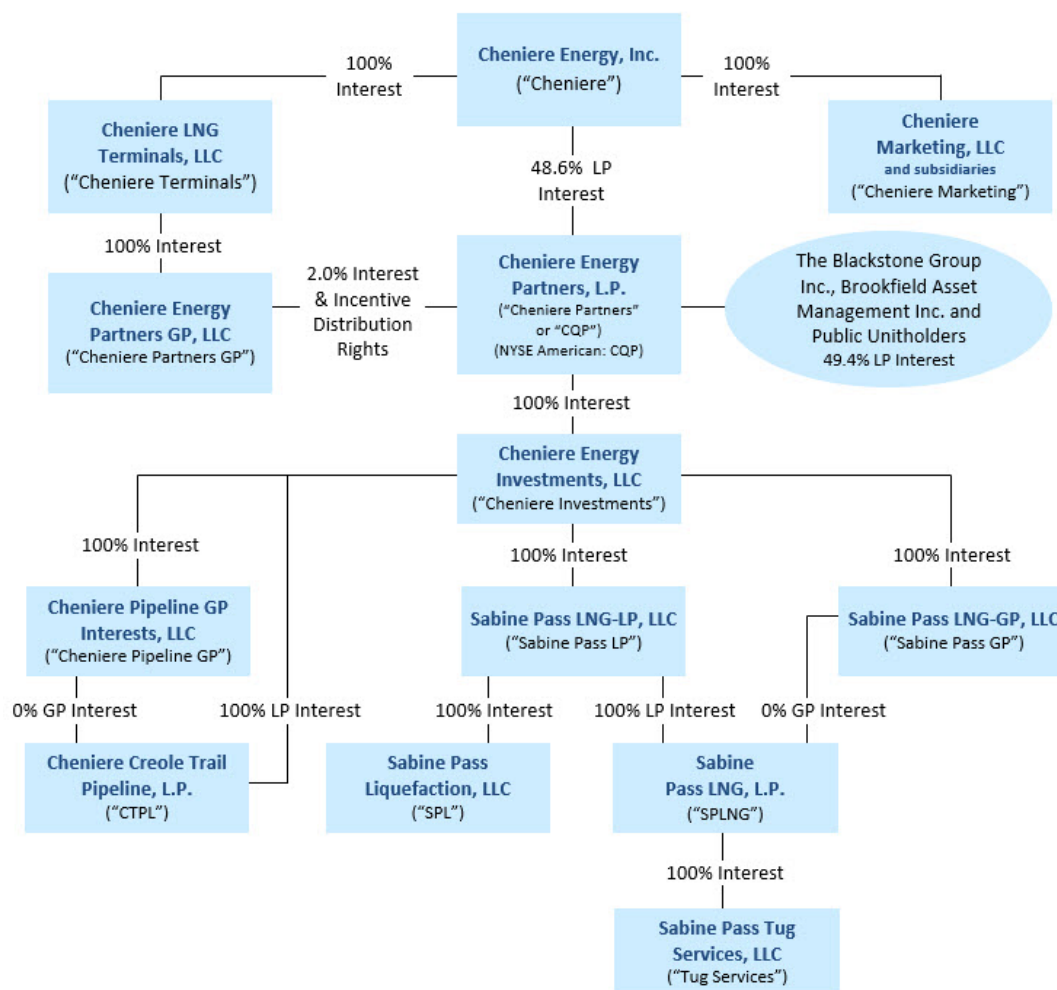
DEFINITIONS

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

Common Industry and Other Terms	
ASU	Accounting Standards Update
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
FASB	Financial Accounting Standards Board
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
IPM agreements	integrated production marketing agreements in which the gas producer sells to us gas on a global LNG index price, less a fixed liquefaction fee, shipping and other costs
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; one British thermal unit measures the amount of energy required to raise the temperature of one pound of water by one degree Fahrenheit
mtpa	million tonnes per annum
non-FTA countries	countries with which the United States does not have a free trade agreement providing for national treatment for trade in natural gas and with which trade is permitted
SEC	U.S. Securities and Exchange Commission
SPA	LNG sale and purchase agreement
TBtu	trillion British thermal units; one British thermal unit measures the amount of energy required to raise the temperature of one pound of water by one degree Fahrenheit
Train	an industrial facility comprised of a series of refrigerant compressor loops used to cool natural gas into LNG
TUA	terminal use agreement

Abbreviated Legal Entity Structure

The following diagram depicts our abbreviated legal entity structure as of September 30, 2022, including our ownership of certain subsidiaries, and the references to these entities used in this quarterly report:



Unless the context requires otherwise, references to "CQP," "the Partnership," "we," "us" and "our" refer to Cheniere Energy Partners, L.P. and its consolidated subsidiaries, including SPLNG, SPL and CTPL.

PART I. FINANCIAL INFORMATION
ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS
CHENIERE ENERGY PARTNERS, L.P. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

(in millions, except per unit data)

(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Revenues				
LNG revenues	\$ 3,130	\$ 1,791	\$ 8,577	\$ 5,057
LNG revenues—affiliate	1,376	453	3,268	878
LNG revenues—related party	—	—	4	—
Regasification revenues	455	68	591	202
Other revenues	15	12	45	39
Total revenues	4,976	2,324	12,485	6,176
Operating costs and expenses				
Cost of sales (excluding items shown separately below)	4,739	1,342	10,445	3,178
Cost of sales—affiliate	104	8	166	62
Cost of sales—related party	—	—	1	1
Operating and maintenance expense	189	148	550	465
Operating and maintenance expense—affiliate	39	34	118	103
Operating and maintenance expense—related party	18	12	45	34
General and administrative expense	3	2	3	7
General and administrative expense—affiliate	23	22	70	64
Depreciation and amortization expense	160	140	469	417
Other	—	—	—	7
Total operating costs and expenses	5,275	1,708	11,867	4,338
Income (loss) from operations	(299)	616	618	1,838
Other income (expense)				
Interest expense, net of capitalized interest	(222)	(210)	(641)	(636)
Loss on modification or extinguishment of debt	—	(27)	—	(81)
Other income, net	7	2	10	2
Total other expense	(215)	(235)	(631)	(715)
Net income (loss)	\$ (514)	\$ 381	\$ (13)	\$ 1,123
Basic and diluted net income (loss) per common unit (1)	\$ (1.49)	\$ 0.69	\$ (1.36)	\$ 2.07
Weighted average basic and diluted number of common units outstanding	484.0	484.0	484.0	484.0

- (1) In computing basic and diluted net income (loss) per common unit, net income (loss) is reduced by the amount of undistributed net income (loss) allocated to participating securities other than common units, as required under the two-class method. See [Note 12—Net Income \(Loss\) per Unit](#).

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

CHENIERE ENERGY PARTNERS, L.P. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in millions, except unit data)

	September 30, 2022	December 31, 2021
	(unaudited)	
ASSETS		
Current assets		
Cash and cash equivalents	\$ 988	\$ 876
Restricted cash and cash equivalents	195	98
Trade and other receivables, net of current expected credit losses	805	580
Accounts receivable—affiliate	447	232
Accounts receivable—related party	—	1
Advances to affiliate	150	141
Inventory	241	176
Current derivative assets	27	21
Margin deposits	59	7
Contract assets	387	—
Other current assets	74	80
Total current assets	3,373	2,212
Property, plant and equipment, net of accumulated depreciation	16,827	16,830
Operating lease assets	91	98
Debt issuance costs, net of accumulated amortization	9	12
Derivative assets	33	33
Other non-current assets, net	167	173
Total assets	\$ 20,500	\$ 19,358
LIABILITIES AND PARTNERS' EQUITY (DEFICIT)		
Current liabilities		
Accounts payable	\$ 31	\$ 21
Accrued liabilities	1,657	1,073
Accrued liabilities—related party	8	4
Current debt, net of discount and debt issuance costs	1,498	—
Due to affiliates	56	67
Deferred revenue	162	155
Deferred revenue—affiliate	1	1
Current operating lease liabilities	9	8
Current derivative liabilities	1,157	16
Other current liabilities	4	—
Total current liabilities	4,583	1,345
Long-term debt, net of premium, discount and debt issuance costs	15,699	17,177
Operating lease liabilities	82	89
Finance lease liabilities	18	—
Derivative liabilities	3,981	11
Other non-current liabilities—affiliate	21	18
Partners' equity (deficit)		
Common unitholders' interest (484.0 million units issued and outstanding at both September 30, 2022 and December 31, 2021)	(3,059)	1,024
General partner's interest (2% interest with 9.9 million units issued and outstanding at September 30, 2022 and December 31, 2021)	(825)	(306)
Total partners' equity (deficit)	(3,884)	718
Total liabilities and partners' equity (deficit)	\$ 20,500	\$ 19,358

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

CHENIERE ENERGY PARTNERS, L.P. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF PARTNERS' EQUITY (DEFICIT)
(in millions)
(unaudited)

Three and Nine Months Ended September 30, 2022

	Common Unitholders' Interest		General Partner's Interest		Total Partners' Equity (Deficit)
	Units	Amount	Units	Amount	
Balance at December 31, 2021	484.0	\$ 1,024	9.9	\$ (306)	\$ 718
Net income	—	157	—	2	159
Novated IPM agreement (see Note 14)	—	(2,712)	—	—	(2,712)
Distributions					
Common units, \$0.700/unit	—	(339)	—	—	(339)
General partner units	—	—	—	(56)	(56)
Balance at March 31, 2022	484.0	(1,870)	9.9	(360)	(2,230)
Net income	—	335	—	7	342
Distributions					
Common units, \$1.05/unit	—	(508)	—	—	(508)
General partner units	—	—	—	(229)	(229)
Balance at June 30, 2022	484.0	(2,043)	9.9	(582)	(2,625)
Net loss	—	(503)	—	(11)	(514)
Distributions					
Common units, \$1.06/unit	—	(513)	—	—	(513)
General partner units	—	—	—	(232)	(232)
Balance at September 30, 2022	484.0	\$ (3,059)	9.9	\$ (825)	\$ (3,884)

Three and Nine Months Ended September 30, 2021

	Common Unitholders' Interest		General Partner's Interest		Total Partners' Equity
	Units	Amount	Units	Amount	
Balance at December 31, 2020	484.0	\$ 714	9.9	\$ (175)	\$ 539
Net income	—	340	—	7	347
Distributions					
Common units, \$0.655/unit	—	(316)	—	—	(316)
General partner units	—	—	—	(35)	(35)
Balance at March 31, 2021	484.0	738	9.9	(203)	535
Net income	—	387	—	8	395
Distributions					
Common units, \$0.660/unit	—	(320)	—	—	(320)
General partner units	—	—	—	(39)	(39)
Balance at June 30, 2021	484.0	805	9.9	(234)	571
Net income	—	373	—	8	381
Distributions					
Common units, \$0.665/unit	—	(322)	—	—	(322)
General partner units	—	—	—	(41)	(41)
Balance at September 30, 2021	484.0	\$ 856	9.9	\$ (267)	\$ 589

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

CHENIERE ENERGY PARTNERS, L.P. AND SUBSIDIARIES

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

	Nine Months Ended September 30,	
	2022	2021
Cash flows from operating activities		
Net income (loss)	\$ (13)	\$ 1,123
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization expense	469	417
Amortization of debt issuance costs, premium and discount	22	22
Loss on modification or extinguishment of debt	—	81
Total losses (gains) on derivative instruments, net	2,447	(64)
Net cash provided by (used for) settlement of derivative instruments	(54)	10
Other	28	19
Changes in operating assets and liabilities:		
Trade and other receivables, net of current expected credit losses	(290)	(41)
Accounts receivable—affiliate	(231)	(13)
Advances to affiliate	(10)	11
Inventory	(67)	(26)
Margin deposits	(52)	(25)
Contract assets	(387)	—
Accounts payable and accrued liabilities	592	165
Accrued liabilities—related party	5	1
Due to affiliates	2	(6)
Deferred revenue	6	29
Other, net	(30)	(37)
Other, net—affiliate	5	1
Net cash provided by operating activities	2,442	1,667
Cash flows from investing activities		
Property, plant and equipment	(356)	(495)
Net cash used in investing activities	(356)	(495)
Cash flows from financing activities		
Proceeds from issuances of debt	—	2,700
Redemptions and repayments of debt	—	(2,172)
Debt issuance and other financing costs	—	(35)
Debt extinguishment costs	—	(61)
Distributions	(1,877)	(1,073)
Other	—	8
Net cash used in financing activities	(1,877)	(633)
Net increase in cash, cash equivalents and restricted cash and cash equivalents	209	539
Cash, cash equivalents and restricted cash and cash equivalents—beginning of period	974	1,307
Cash, cash equivalents and restricted cash and cash equivalents—end of period	\$ 1,183	\$ 1,846

Balances per Consolidated Balance Sheet:

	September 30,	
	2022	
Cash and cash equivalents	\$	988
Restricted cash and cash equivalents		195
Total cash, cash equivalents and restricted cash and cash equivalents	\$	1,183

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

CHENIERE ENERGY PARTNERS, L.P. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

NOTE 1—NATURE OF OPERATIONS AND BASIS OF PRESENTATION

We own the natural gas liquefaction and export facility located in Cameron Parish, Louisiana at Sabine Pass (the “Sabine Pass LNG Terminal”) which has six operational Trains, with Train 6 having achieved substantial completion on February 4, 2022, for a total production capacity of approximately 30 mtpa of LNG (the “Liquefaction Project”). The Sabine Pass LNG Terminal also has operational regasification facilities that include five LNG storage tanks, vaporizers and three marine berths, with the third berth having achieved substantial completion on October 27, 2022. We also own a 94-mile pipeline through our subsidiary, CTPL, that interconnects the Sabine Pass LNG Terminal with a number of large interstate and intrastate pipelines (the “Creole Trail Pipeline”).

We have increased available liquefaction capacity at our Liquefaction Project as a result of debottlenecking and other optimization projects. We hold a significant land position at the Sabine Pass LNG Terminal, which provides opportunity for further liquefaction capacity expansion. The development of this site or other projects, including infrastructure projects in support of natural gas supply and LNG demand, will require, among other things, acceptable commercial and financing arrangements before we make a positive final investment decision.

As of September 30, 2022, Cheniere owned 48.6% of our limited partner interest in the form of 239.9 million of our common units. Cheniere also owns 100% of our general partner interest and our incentive distribution rights (“IDRs”).

Basis of Presentation

The accompanying unaudited Consolidated Financial Statements of CQP have been prepared in accordance with GAAP for interim financial information and in accordance with Rule 10-01 of Regulation S-X and reflect all normal recurring adjustments which are, in the opinion of management, necessary for a fair statement of the financial results for the interim periods presented. 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 fiscal year ended December 31, 2021](#).

Results of operations for the three and nine months ended September 30, 2022 are not necessarily indicative of the results of operations that will be realized for the year ending December 31, 2022.

We are not subject to either federal or state income tax, as our partners are taxed individually on their allocable share of our taxable income.

Recent Accounting Standards

ASU 2020-04

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This guidance primarily provides temporary optional expedients which simplify the accounting for contract modifications to existing debt agreements expected to arise from the market transition from LIBOR to alternative reference rates. The standard is effective from March 12, 2020 to December 31, 2022. We have not yet applied the optional expedients available under the standard because we have not yet modified any of our existing contracts indexed to LIBOR, mainly our credit facilities as further described in [Note 9—Debt](#), for reference rate reform. However, we do not expect the impact of applying the optional expedients to any future contract modifications to be material, and we do not expect the transition to a replacement rate index to have a material impact on our future cash flows.

NOTE 2—UNITHOLDERS’ EQUITY

The common units represent limited partner interests in us, which entitle the unitholders to participate in partnership distributions and exercise the rights and privileges available to limited partners under our partnership agreement. Although common unitholders are not obligated to fund losses of the Partnership, their capital account, which would be considered in allocating the net assets of the Partnership were it to be liquidated, continues to share in losses.

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

The general partner interest is entitled to at least 2% of all distributions made by us. In addition, the general partner holds IDRs, which allow the general partner to receive a higher percentage of quarterly distributions of available cash from operating surplus as additional target levels are met, but may transfer these rights separately from its general partner interest. The higher percentages range from 15% to 50%, inclusive of the general partner interest.

Our partnership agreement requires that, within 45 days after the end of each quarter, we distribute all of our available cash (as defined in our partnership agreement). Generally, our available cash is our cash on hand at the end of a quarter less the amount of any reserves established by our general partner. All distributions we have paid to date have been made from accumulated operating surplus as defined in the partnership agreement.

As of September 30, 2022, our total securities beneficially owned in the form of common units were held 8.6% by Cheniere, 41.4% by CQP Target Holdco L.L.C. (“CQP Target Holdco”) and other affiliates of Blackstone Inc. (“Blackstone”) and Brookfield Asset Management Inc. (“Brookfield”) and 8.0% by the public. All of our 2% general partner interest was held by Cheniere. CQP Target Holdco’s equity interests are 50.0% owned by BIP Chinook Holdco L.L.C., an affiliate of Blackstone, and 50.0% owned by BIF IV Cypress Aggregator (Delaware) LLC, an affiliate of Brookfield. The ownership of CQP Target Holdco, Blackstone and Brookfield are based on their most recent filings with the SEC.

NOTE 3—RESTRICTED CASH AND CASH EQUIVALENTS

Restricted cash and cash equivalents consist of funds that are contractually or legally restricted as to usage or withdrawal. As of September 30, 2022 and December 31, 2021, we had \$195 million and \$98 million of restricted cash and cash equivalents, respectively.

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 Liquefaction Project and other restricted payments.

NOTE 4—TRADE AND OTHER RECEIVABLES, NET OF CURRENT EXPECTED CREDIT LOSSES

Trade and other receivables, net of current expected credit losses consisted of the following (in millions):

	September 30, 2022	December 31, 2021
Trade receivables	\$ 761	\$ 546
Other receivables	44	34
Total trade and other receivables, net of current expected credit losses	<u>\$ 805</u>	<u>\$ 580</u>

NOTE 5—INVENTORY

Inventory consisted of the following (in millions):

	September 30, 2022	December 31, 2021
Materials	\$ 100	\$ 86
LNG	107	45
Natural gas	32	43
Other	2	2
Total inventory	<u>\$ 241</u>	<u>\$ 176</u>

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

NOTE 6—PROPERTY, PLANT AND EQUIPMENT, NET OF ACCUMULATED DEPRECIATION

Property, plant and equipment, net of accumulated depreciation consisted of the following (in millions):

	September 30, 2022	December 31, 2021
LNG terminal		
Terminal and interconnecting pipeline facilities	\$ 19,459	\$ 16,973
Construction-in-process	699	2,746
Accumulated depreciation	(3,356)	(2,893)
Total LNG terminal, net of accumulated depreciation	16,802	16,826
Fixed assets		
Fixed assets	29	29
Accumulated depreciation	(26)	(25)
Total fixed assets, net of accumulated depreciation	3	4
Assets under finance lease		
Tug vessels	23	—
Accumulated depreciation	(1)	—
Total assets under finance lease, net of accumulated depreciation	22	—
Property, plant and equipment, net of accumulated depreciation	\$ 16,827	\$ 16,830

The following table shows depreciation expense and offsets to LNG terminal costs (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Depreciation expense	\$ 158	\$ 139	\$ 465	\$ 414
Offsets to LNG terminal costs (1)	—	—	148	—

- (1) We recognize offsets to LNG terminal costs related to the sale of commissioning cargoes because these amounts were earned or loaded prior to the start of commercial operations of the respective Trains of the Liquefaction Project during the testing phase for its construction.

NOTE 7—DERIVATIVE INSTRUMENTS

We have entered into commodity derivatives consisting of natural gas supply contracts, including those under SPL's IPM agreement, for the operation of the Liquefaction Project ("Physical Liquefaction Supply Derivatives") and associated economic hedges ("Financial Liquefaction Supply Derivatives," and collectively with the Physical Liquefaction Supply Derivatives, the "Liquefaction Supply Derivatives").

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

The following table shows the fair value of our derivative instruments that are required to be measured at fair value on a recurring basis (in millions):

	September 30, 2022				December 31, 2021			
	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
Liquefaction Supply Derivatives asset (liability)	\$ (30)	\$ (24)	\$ (5,024)	\$ (5,078)	\$ 2	\$ (13)	\$ 38	\$ 27

We value our Liquefaction Supply Derivatives using a market or option-based approach incorporating present value techniques, as needed, using observable commodity price curves, when available, and other relevant data.

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

The fair value of our Physical Liquefaction Supply Derivatives is predominantly driven by observable and unobservable market commodity prices and, as applicable to our natural gas supply contracts, our assessment of the associated events deriving fair value including, but not limited to, evaluation of whether the respective market exists from the perspective of market participants as infrastructure is developed.

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

The Level 3 fair value measurements of natural gas positions within our Physical Liquefaction Supply Derivatives could be materially impacted by a significant change in certain natural gas and international LNG prices. The following table includes quantitative information for the unobservable inputs for our Level 3 Physical Liquefaction Supply Derivatives as of September 30, 2022:

	Net Fair Value Liability (in millions)	Valuation Approach	Significant Unobservable Input	Range of Significant Unobservable Inputs / Weighted Average (1)
Physical Liquefaction Supply Derivatives	\$(5,024)	Market approach incorporating present value techniques	Henry Hub basis spread	\$(2.495) - \$0.677 / \$(0.028)
		Option pricing model	International LNG pricing spread, relative to Henry Hub (2)	91% - 865% / 243%

- (1) Unobservable inputs were weighted by the relative fair value of the instruments.
- (2) Spread contemplates U.S. dollar-denominated pricing.

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

The following table shows the changes in the fair value of our Level 3 Physical Liquefaction Supply Derivatives (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Balance, beginning of period	\$ (3,456)	\$ 33	\$ 38	\$ (21)
Realized and mark-to-market gains (losses):				
Included in cost of sales	(1,545)	25	(155)	79
Purchases and settlements:				
Purchases (1)	3	4	(4,896)	6
Settlements	(24)	(3)	(11)	(5)
Transfers out of Level 3, net (2)	(2)	—	—	—
Balance, end of period	\$ (5,024)	\$ 59	\$ (5,024)	\$ 59
Change in unrealized gains (losses) relating to instruments still held at end of period	\$ (1,545)	\$ 25	\$ (155)	\$ 79

- (1) Includes the assignment of an IPM agreement that occurred during the period, as discussed in [Note 14—Supplemental Cash Flow Information](#).
- (2) Transferred out of Level 3 as a result of unobservable market for the underlying natural gas purchase agreements.

All counterparty derivative contracts provide for the unconditional right of set-off in the event of default. We have elected to report derivative assets and liabilities arising from our derivative contracts with the same counterparty and the unconditional contractual right of set-off on a net basis. The use of derivative instruments exposes us to counterparty credit risk, or the risk that a counterparty will be unable to meet its commitments, in instances when our derivative instruments are in an asset position. Additionally, counterparties are at risk that we will be unable to meet our commitments in instances where our derivative instruments are in a liability position. We incorporate both our own nonperformance risk and the respective

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

counterparty's nonperformance risk in fair value measurements depending on the position of the derivative. In adjusting the fair value of our derivative contracts for the effect of nonperformance risk, we have considered the impact of any applicable credit enhancements, such as collateral postings, set-off rights and guarantees.

Liquefaction Supply Derivatives

SPL holds Liquefaction Supply Derivatives which are primarily indexed to the natural gas market and international LNG indices. The remaining minimum terms of the Physical Liquefaction Supply Derivatives range up to 15 years, some of which commence upon the satisfaction of certain events or states of affairs. The terms of the Financial Liquefaction Supply Derivatives range up to approximately three years.

The forward notional amount for our Liquefaction Supply Derivatives was approximately 5,220 TBtu and 5,194 TBtu as of September 30, 2022 and December 31, 2021, respectively, excluding notional amounts associated with extension options that were uncertain to be taken as of September 30, 2022.

The following table shows the effect and location of our Liquefaction Supply Derivatives recorded on our Consolidated Statements of Operations (in millions):

Consolidated Statements of Operations Location (1)	Gain (Loss) Recognized in Consolidated Statements of Operations			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
LNG revenues	\$ (3)	\$ —	\$ 1	\$ —
Cost of sales	(1,625)	10	(2,448)	64

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

Fair Value and Location of Derivative Assets and Liabilities on the Consolidated Balance Sheets

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

Consolidated Balance Sheets Location	Fair Value Measurements as of (1)	
	September 30, 2022	December 31, 2021
Current derivative assets	\$ 27	\$ 21
Derivative assets	33	33
Total derivative assets	60	54
Current derivative liabilities	(1,157)	(16)
Derivative liabilities	(3,981)	(11)
Total derivative liabilities	(5,138)	(27)
Derivative asset (liability), net	\$ (5,078)	\$ 27

(1) Does not include collateral posted with counterparties by us of \$59 million and \$7 million, as of September 30, 2022 and December 31, 2021, respectively, which are included in other current assets in our Consolidated Balance Sheets.

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

Consolidated Balance Sheets Presentation

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

	Liquefaction Supply Derivatives	
As of September 30, 2022		
Gross assets	\$	67
Offsetting amounts		(7)
Net assets	\$	60
Gross liabilities	\$	(5,158)
Offsetting amounts		20
Net liabilities	\$	(5,138)
As of December 31, 2021		
Gross assets	\$	79
Offsetting amounts		(25)
Net assets	\$	54
Gross liabilities	\$	(33)
Offsetting amounts		6
Net liabilities	\$	(27)

NOTE 8—ACCRUED LIABILITIES

Accrued liabilities consisted of the following (in millions):

	September 30, 2022	December 31, 2021
Natural gas purchases	\$ 1,259	\$ 786
Interest costs and related debt fees	201	180
LNG terminal and related pipeline costs	172	101
Other accrued liabilities	25	6
Total accrued liabilities	\$ 1,657	\$ 1,073

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

NOTE 9—DEBT

Debt consisted of the following (in millions):

	September 30, 2022	December 31, 2021
SPL:		
Senior Secured Notes:		
5.625% due 2023 (the “2023 SPL Senior Notes”) (1)	\$ 1,500	\$ 1,500
5.75% due 2024	2,000	2,000
5.625% due 2025	2,000	2,000
5.875% due 2026	1,500	1,500
5.00% due 2027	1,500	1,500
4.200% due 2028	1,350	1,350
4.500% due 2030	2,000	2,000
4.27% weighted average rate due 2037	1,282	1,282
Total SPL Senior Secured Notes	13,132	13,132
Working capital revolving credit and letter of credit reimbursement agreement (the “SPL Working Capital Facility”)	—	—
Total debt - SPL	13,132	13,132
CQP:		
Senior Notes:		
4.500% due 2029	1,500	1,500
4.000% due 2031	1,500	1,500
3.25% due 2032	1,200	1,200
Total CQP Senior Notes	4,200	4,200
Credit facilities (the “CQP Credit Facilities”)	—	—
Total debt - CQP	4,200	4,200
Total debt	17,332	17,332
Short-term debt	(1,498)	—
Unamortized premium, discount and debt issuance costs, net	(135)	(155)
Total long-term debt, net of premium, discount and debt issuance costs	\$ 15,699	\$ 17,177

- (1) In October 2022, \$300 million of the 2023 SPL Senior Notes were redeemed. As of September 30, 2022, the entire amount of the 2023 SPL Senior Notes was classified as short-term debt.

Credit Facilities

Below is a summary of our credit facilities outstanding as of September 30, 2022 (in millions):

	SPL Working Capital Facility	CQP Credit Facilities
Total facility size	\$ 1,200	\$ 750
Less:		
Outstanding balance	—	—
Letters of credit issued	363	—
Available commitment	\$ 837	\$ 750
Priority ranking	Senior secured	Senior secured
Interest rate on available balance	LIBOR plus 1.125% - 1.750% or base rate plus 0.125% - 0.750%	LIBOR plus 1.25% - 2.125% or base rate plus 0.25% - 1.125%
Commitment fees on undrawn balance	0.15%	0.49%
Maturity date	March 19, 2025	May 29, 2024

Restrictive Debt Covenants

The indentures governing our senior notes and other agreements underlying our debt contain customary terms and events of default and certain covenants that, among other things, may limit us and our restricted subsidiaries’ ability to make certain

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

investments or pay dividends or distributions. We and SPL are restricted from making distributions under agreements governing our and SPL's indebtedness generally until, among other requirements, deposits are made into any required debt service reserve accounts and a historical debt service coverage ratio and projected debt service coverage ratio of at least 1.25:1.00 is satisfied.

As of September 30, 2022, we and SPL were in compliance with all covenants related to our respective debt agreements.

Interest Expense

Total interest expense, net of capitalized interest consisted of the following (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Total interest cost	\$ 231	\$ 244	\$ 678	\$ 732
Capitalized interest	(9)	(34)	(37)	(96)
Total interest expense, net of capitalized interest	\$ 222	\$ 210	\$ 641	\$ 636

Fair Value Disclosures

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

	September 30, 2022		December 31, 2021	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Senior notes — Level 2 (1)	\$ 16,050	\$ 15,036	\$ 16,050	\$ 17,496
Senior notes — Level 3 (2)	1,282	1,119	1,282	1,466

- (1) 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 interest rates based on debt issued by parties with comparable credit ratings to us and inputs that are not observable in the market.

The estimated fair value of our credit facilities approximates the principal amount outstanding 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.

NOTE 10—REVENUES

The following table represents a disaggregation of revenue earned (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Revenues from contracts with customers				
LNG revenues	\$ 3,133	\$ 1,791	\$ 8,576	\$ 5,057
LNG revenues—affiliate	1,376	453	3,268	878
LNG revenues—related party	—	—	4	—
Regasification revenues	455	68	591	202
Other revenues	15	12	45	39
Total revenues from contracts with customers	4,979	2,324	12,484	6,176
Net derivative gain (loss) (1)	(3)	—	1	—
Total revenues	\$ 4,976	\$ 2,324	\$ 12,485	\$ 6,176

- (1) See [Note 7—Derivative Instruments](#) for additional information about our derivatives.

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

Contract Assets and Liabilities

The following table shows our contract assets, net of current expected credit losses, which are classified as contract assets and other non-current assets, net on our Consolidated Balance Sheets (in millions):

	September 30, 2022	December 31, 2021
Contract assets, net of current expected credit losses	\$ 388	\$ 1

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

	Nine Months Ended September 30, 2022
Deferred revenue, beginning of period	\$ 155
Cash received but not yet recognized in revenue	162
Revenue recognized from prior period deferral	(155)
Deferred revenue, end of period	\$ 162

The following table reflects the changes in our contract liabilities to affiliate, which we classify as deferred revenue—affiliate and other non-current liabilities—affiliate on our Consolidated Balance Sheets (in millions):

	Nine Months Ended September 30, 2022
Deferred revenue—affiliate, beginning of period	\$ 3
Cash received but not yet recognized in revenue	6
Revenue recognized from prior year end deferral	(3)
Deferred revenue—affiliate, end of period	\$ 6

Transaction Price Allocated to Future Performance Obligations

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

	September 30, 2022		December 31, 2021	
	Unsatisfied Transaction Price (in billions)	Weighted Average Recognition Timing (years) (1)	Unsatisfied Transaction Price (in billions)	Weighted Average Recognition Timing (years) (1)
LNG revenues	\$ 51.6	8	\$ 49.3	9
LNG revenues—affiliate	2.0	2	2.1	3
Regasification revenues	1.6	2	1.9	4
Total revenues	\$ 55.2		\$ 53.3	

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

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

- (1) We omit from the table above all performance obligations that are part of a contract that has an original expected duration of one year or less.
- (2) The table above excludes substantially all variable consideration under our SPAs and TUAs. We omit from the table above all variable consideration that is allocated entirely to a wholly unsatisfied performance obligation or to a wholly unsatisfied promise to transfer a distinct good or service that forms part of a single performance obligation when that performance obligation qualifies as a series. The amount of revenue from variable fees that is not included in the transaction price will vary based on the future prices of Henry Hub throughout the contract terms, to the extent customers elect to take delivery of their LNG, and adjustments to the consumer price index. Certain of our contracts contain additional variable consideration based on the outcome of contingent events and the movement of various indexes. We have not included such variable consideration in the transaction price to the extent the consideration is considered constrained due to the uncertainty of ultimate pricing and receipt. Approximately 78% and 63% of our LNG revenues from contracts included in the table above during the three

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

months ended September 30, 2022 and 2021, respectively, and approximately 74% and 56% of our LNG revenues from contracts included in the table above during the nine months ended September 30, 2022 and 2021, respectively, were related to variable consideration received from customers. Approximately 77% and 96% of our LNG revenues—affiliate from contracts included in the table above during the three months ended September 30, 2022 and 2021, respectively, and approximately 76% and 94% of our LNG revenues—affiliate from contracts included in the table above during the nine months ended September 30, 2022 and 2021, respectively, were related to variable consideration received from customers. During the three and nine months ended September 30, 2022, approximately 1% and 2%, respectively, of our regasification revenues were related to variable consideration received from customers, and during each of the three and nine months ended September 30, 2021, approximately 5% of our regasification revenues were related to variable consideration received from customers.

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

Termination Agreement with Chevron

In June 2022, Chevron U.S.A. Inc. (“Chevron”) entered into an agreement with SPLNG providing for the early termination of the TUA and an associated terminal marine services agreement between the parties and their affiliates for a lump sum fee of \$765 million (the “Termination Fee”). Obligations pursuant to the TUA and associated agreement, including Chevron’s obligation to pay SPLNG capacity payments totaling \$125 million annually (adjusted for inflation) from 2023 through 2029, will terminate upon the later of SPLNG’s receipt of the Termination Fee or December 31, 2022. The termination agreement became effective on July 6, 2022. We have allocated the \$765 million Termination Fee to the terminated commitments, with \$796 million in cash inflows allocable to the termination of the TUA, which we are recognizing ratably over the July 6, 2022 to December 31, 2022 period as regasification revenues on our Consolidated Statements of Operations, and an offsetting \$31 million in cash outflows allocable to the extinguishment of other remaining obligations we have to Chevron, which will be recognized upon receipt of the Termination Fee as a loss on extinguishment of debt on our Consolidated Statements of Operations. As of September 30, 2022, we recorded contract assets of \$387 million related to the termination of the TUA.

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

NOTE 11—RELATED PARTY TRANSACTIONS

Below is a summary of our related party transactions as reported on our Consolidated Statements of Operations (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
LNG revenues—affiliate				
Cheniere Marketing Agreements	\$ 1,328	\$ 441	\$ 3,173	\$ 860
Contracts for Sale and Purchase of Natural Gas and LNG	48	12	95	18
Total LNG revenues—affiliate	1,376	453	3,268	878
LNG revenues—related party				
Natural Gas Transportation and Storage Agreements	—	—	4	—
Cost of sales—affiliate				
Cheniere Marketing Agreements	—	—	—	34
Contracts for Sale and Purchase of Natural Gas and LNG	104	8	166	28
Total cost of sales—affiliate	104	8	166	62
Cost of sales—related party				
Natural Gas Transportation and Storage Agreements	—	—	1	1
Operating and maintenance expense—affiliate				
Services Agreements	39	34	118	103
Operating and maintenance expense—related party				
Natural Gas Transportation and Storage Agreements	18	12	45	34
General and administrative expense—affiliate				
Services Agreements	23	22	70	64

As of September 30, 2022 and December 31, 2021, we had \$447 million and \$232 million, respectively, of accounts receivable—affiliate under the agreements described below.

Cheniere Marketing Agreements
Cheniere Marketing SPA

Cheniere Marketing has an SPA (“Base SPA”) with SPL to purchase, at Cheniere Marketing’s option, any LNG produced by SPL in excess of that required for other customers at a price of 115% of Henry Hub plus \$3.00 per MMBtu of LNG. The Base SPA was subsequently amended to remove certain conditions related to the sale of LNG from Trains 5 and 6 of the Liquefaction Project and provide that cargoes rejected by Cheniere Marketing under the Base SPA can be sold by SPL to Cheniere Marketing at a contract price equal to a portion of the estimated net profits from the sale of such cargo.

Cheniere Marketing Master SPA

SPL has an agreement with Cheniere Marketing that allows the parties to sell and purchase LNG with each other by executing and delivering confirmations under this agreement.

Cheniere Marketing Letter Agreements

In May 2022, SPL and Cheniere Marketing entered into a letter agreement for the sale of up to 32 TBtu of LNG to be delivered between 2023 and 2025 at a price of 115% of Henry Hub plus \$3.00 per MMBtu.

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

Cheniere Marketing has letter agreements with SPL to purchase up to 306 cargoes of LNG to be delivered between 2022 and 2027 at a weighted average price of \$1.95 plus 115% of Henry Hub.

SPL and Cheniere Marketing had a letter agreement for the sale of up to 30 cargoes of LNG that were delivered in 2021 at a price of 115% of Henry Hub plus \$0.728 per MMBtu.

Facility Swap Agreement

SPL has an arrangement with subsidiaries of Cheniere to provide the ability, in limited circumstances, to potentially fulfill commitments to LNG buyers in the event operational conditions impact operations at either the Sabine Pass or Corpus Christi liquefaction facilities. The purchase price for such cargoes would be (1) 115% of the applicable natural gas feedstock purchase price or (2) a free-on-board U.S. Gulf Coast LNG market price, whichever is greater.

Natural Gas Transportation and Storage Agreements

SPL is party to various natural gas transportation and storage agreements and CTPL is party to an operational balancing agreement with a related party in the ordinary course of business for the operation of the Liquefaction Project, with initial primary terms of up to 10 years with extension rights. This related party is partially owned by Brookfield, who indirectly acquired a portion of our limited partner interests in September 2020 through its purchase of a portion of CQP Target Holdco's equity interests. We recorded accrued liabilities—related party of \$8 million and \$4 million as of September 30, 2022 and December 31, 2021, respectively, with this related party.

Services Agreements

As of September 30, 2022 and December 31, 2021, we had \$150 million and \$141 million of advances to affiliates, respectively, under the services agreements described below. The non-reimbursement amounts incurred under these agreements are recorded in general and administrative expense—affiliate.

CQP Services Agreement

We have a services agreement with Cheniere Terminals pursuant to which Cheniere Terminals is entitled to a quarterly non-accountable overhead reimbursement charge of \$3 million (adjusted for inflation) for the provision of various general and administrative services for our benefit through 2042. In addition, Cheniere Terminals is entitled to reimbursement for all audit, tax, legal and finance fees incurred by Cheniere Terminals that are necessary to perform the services under the agreement.

Cheniere Investments Information Technology Services Agreement

Cheniere Investments has an information technology services agreement with Cheniere, pursuant to which Cheniere Investments' subsidiaries receive certain information technology services. On a quarterly basis, the various entities receiving the benefit are invoiced by Cheniere Investments according to the cost allocation percentages set forth in the agreement. In addition, Cheniere is entitled to reimbursement for all costs incurred by Cheniere that are necessary to perform the services under the agreement.

SPLNG O&M Agreement

SPLNG has a long-term operation and maintenance agreement (the "SPLNG O&M Agreement") with Cheniere Investments pursuant to which SPLNG receives all necessary services required to operate and maintain the Sabine Pass LNG receiving terminal. SPLNG pays a fixed monthly fee of \$130,000 (indexed for inflation) under the SPLNG O&M Agreement and the cost of a bonus equal to 50% of the salary component of labor costs in certain circumstances to be agreed upon between SPLNG and Cheniere Investments at the beginning of each operating year through 2029. In addition, SPLNG is required to reimburse Cheniere Investments for its operating expenses, which consist primarily of labor expenses. Cheniere Investments provides the services required under the SPLNG O&M Agreement pursuant to a secondment agreement with a wholly owned subsidiary of Cheniere. All payments received by Cheniere Investments under the SPLNG O&M Agreement are required to be remitted to such subsidiary.

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

SPLNG MSA

SPLNG has a long-term management services agreement (the “SPLNG MSA”) with Cheniere Terminals, pursuant to which Cheniere Terminals manages the operation of the Sabine Pass LNG receiving terminal, excluding those matters provided for under the SPLNG O&M Agreement. SPLNG pays a monthly fixed fee of \$520,000 (indexed for inflation) through 2029 under the SPLNG MSA.

SPL O&M Agreement

SPL has an operation and maintenance agreement (the “SPL O&M Agreement”) with Cheniere Investments pursuant to which SPL receives all necessary services required to operate and maintain the Liquefaction Project. After each Train of the Liquefaction Project is operational, the services include all necessary services required to operate and maintain the Train. Prior to the substantial completion of each Train of the Liquefaction Project, in addition to reimbursement of operating expenses, SPL is required to pay a monthly fee equal to 0.6% of the capital expenditures incurred in the previous month. After substantial completion of each Train, for services performed while the Train is operational, SPL is required to pay, in addition to the reimbursement of operating expenses, a fixed monthly fee of \$83,333 (indexed for inflation) for services with respect to the Train through 2042. Cheniere Investments provides the services required under the SPL O&M Agreement pursuant to a secondment agreement with a wholly owned subsidiary of Cheniere. All payments received by Cheniere Investments under the SPL O&M Agreement are required to be remitted to such subsidiary.

SPL MSA

SPL has a management services agreement (the “SPL MSA”) with Cheniere Terminals pursuant to which Cheniere Terminals manages the operation of the Liquefaction Project, excluding those matters provided for under the SPL O&M Agreement. The services include, among other services, exercising the day-to-day management of SPL’s affairs and business, managing SPL’s regulatory matters, managing bank and brokerage accounts and financial books and records of SPL’s business and operations, entering into financial derivatives on SPL’s behalf and providing contract administration services for all contracts associated with the Liquefaction Project. Prior to the substantial completion of each Train of the Liquefaction Project, SPL is required to pay a monthly fee equal to 2.4% of the capital expenditures incurred in the previous month. After substantial completion of each Train, SPL is required to pay a fixed monthly fee of \$541,667 (indexed for inflation) for services with respect to such Train through 2042.

CTPL O&M Agreement

CTPL has a long-term operation and maintenance agreement (the “CTPL O&M Agreement”) with Cheniere Investments pursuant to which CTPL receives all necessary services required to operate and maintain the Creole Trail Pipeline. CTPL is required to reimburse Cheniere Investments for its operating expenses, which consist primarily of labor expenses. Cheniere Investments provides the services required under the CTPL O&M Agreement pursuant to a secondment agreement with a wholly owned subsidiary of Cheniere. All payments received by Cheniere Investments under the CTPL O&M Agreement are required to be remitted to such subsidiary.

CTPL MSA

CTPL has a management services agreement (the “CTPL MSA”) with Cheniere Terminals pursuant to which Cheniere Terminals manages the operations and business of the Creole Trail Pipeline, excluding those matters provided for under the CTPL O&M Agreement. The services include, among other services, exercising the day-to-day management of CTPL’s affairs and business, managing CTPL’s regulatory matters, managing bank and brokerage accounts and financial books and records of CTPL’s business and operations, providing contract administration services for all contracts associated with the Creole Trail Pipeline and obtaining insurance. CTPL is required to reimburse Cheniere Terminals for the aggregate of all costs and expenses incurred in the course of performing the services under the CTPL MSA.

Agreement to Fund SPLNG’s Cooperative Endeavor Agreements

SPLNG has executed Cooperative Endeavor Agreements (“CEAs”) with various Cameron Parish, Louisiana taxing authorities that allowed them to collect certain advanced payments of annual ad valorem taxes from SPLNG from 2007 through

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

2016. This initiative represented an aggregate commitment of \$25 million over 10 years in order to aid in their reconstruction efforts following Hurricane Rita. In exchange for SPLNG's advance payments of annual ad valorem taxes, Cameron Parish shall grant SPLNG a dollar-for-dollar credit against future ad valorem taxes to be levied against the Sabine Pass LNG Terminal as early as 2019. Beginning in September 2007, SPLNG entered into various agreements with Cheniere Marketing, pursuant to which Cheniere Marketing would pay SPLNG additional TUA revenues equal to any and all amounts payable by SPLNG to the Cameron Parish taxing authorities under the CEAs. In exchange for such amounts received as TUA revenues from Cheniere Marketing, SPLNG will make payments to Cheniere Marketing equal to the dollar-for-dollar credit applied to the ad valorem tax levied against the Sabine Pass LNG Terminal in the given year.

On a consolidated basis, these advance tax payments were recorded to other non-current assets, and payments from Cheniere Marketing that SPLNG utilized to make the ad valorem tax payments were recorded as obligations. We had \$3 million and \$2 million in due to affiliates as of September 30, 2022 and December 31, 2021, respectively, and \$15 million of other non-current liabilities—affiliate as of both September 30, 2022 and December 31, 2021, from these payments received from Cheniere Marketing.

Contracts for Sale and Purchase of Natural Gas and LNG

SPLNG is able to sell and purchase natural gas and LNG under agreements with Cheniere Marketing. Under these agreements, SPLNG purchases natural gas or LNG from Cheniere Marketing at a sales price equal to the actual purchase price paid by Cheniere Marketing to suppliers of the natural gas or LNG, plus any third party costs incurred by Cheniere Marketing with respect to the receipt, purchase and delivery of natural gas or LNG to the Sabine Pass LNG Terminal.

SPL has an agreement with Corpus Christi Liquefaction, LLC ("CCL") that allows them to sell and purchase natural gas from each other. Natural gas purchased under this agreement is initially recorded as inventory and then to cost of sales—affiliate upon its sale, except for purchases related to commissioning activities which are capitalized as LNG terminal construction-in-process. Natural gas sold under this agreement is recorded as LNG revenues—affiliate.

Terminal Marine Services Agreement

In connection with its tug boat lease, Tug Services entered into an agreement with Cheniere Terminals to provide its LNG cargo vessels with tug boat and marine services at the Sabine Pass LNG Terminal. The agreement also provides that Tug Services shall contingently pay Cheniere Terminals a portion of its future revenues. Tug Services distributed \$2 million during each of the three months ended September 30, 2022 and 2021 and \$7 million and \$6 million during the nine months ended September 30, 2022 and 2021, respectively, to Cheniere Terminals, which is recognized as part of the distributions to our general partner interest holders on our Consolidated Statements of Partners' Equity (Deficit).

LNG Terminal Export Agreement

SPLNG and Cheniere Marketing have an LNG terminal export agreement that provides Cheniere Marketing the ability to export LNG from the Sabine Pass LNG Terminal. SPLNG did not record any revenues associated with this agreement during the three and nine months ended September 30, 2022 and 2021.

State Tax Sharing Agreements

SPLNG, SPL and CTPL each have a state tax sharing agreement with Cheniere. Under these agreements, Cheniere has agreed to prepare and file all state and local tax returns which each of the entities and Cheniere are required to file on a combined basis and to timely pay the combined state and local tax liability. If Cheniere, in its sole discretion, demands payment, each of the respective entities will pay to Cheniere an amount equal to the state and local tax that each of the entities would be required to pay if its state and local tax liability were calculated on a separate company basis. To date, there have been no state and local tax payments demanded by Cheniere under the tax sharing agreements. The agreements for SPLNG, SPL and CTPL are effective for tax returns due on or after January 2008, August 2012 and May 2013, respectively.

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

NOTE 12—NET INCOME (LOSS) PER COMMON UNIT

Net income (loss) per common unit for a given period is based on the distributions that will be made to the common unitholders with respect to the period plus an allocation of undistributed net income (loss) based on provisions of the partnership agreement, divided by the weighted average number of common units outstanding. Distributions paid by us are presented on the Consolidated Statements of Partners' Equity (Deficit). On October 24, 2022, we declared a cash distribution of \$1.070 per common unit to unitholders of record as of November 3, 2022 and the related general partner distribution to be paid on November 14, 2022. These distributions consist of a base amount of \$0.775 per unit and a variable amount of \$0.295 per unit.

The two-class method dictates that net income for a period be reduced by the amount of available cash that will be distributed with respect to that period and that any residual amount representing undistributed net income be allocated to common unitholders and other participating unitholders to the extent that each unit may share in net income as if all of the net income for the period had been distributed in accordance with the partnership agreement. Undistributed income is allocated to participating securities based on the distribution waterfall for available cash specified in the partnership agreement. Undistributed losses (including those resulting from distributions in excess of net income) are allocated to common units and other participating securities on a pro rata basis based on provisions of the partnership agreement. Distributions are treated as distributed earnings in the computation of earnings per common unit even though cash distributions are not necessarily derived from current or prior period earnings.

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

The following table provides a reconciliation of net income (loss) and the allocation of net income (loss) to the common units, the subordinated units, the general partner units and IDRs for purposes of computing basic and diluted net income (loss) per unit (in millions, except per unit data).

	Total	Limited Partner Common Units	General Partner Units	IDR
Three Months Ended September 30, 2022				
Net loss	\$ (514)			
Declared distributions	753	518	15	220
Assumed allocation of undistributed net loss (1)	\$ (1,267)	(1,242)	(25)	—
Assumed allocation of net loss		\$ (724)	\$ (10)	\$ 220
Weighted average units outstanding		484.0		
Basic and diluted net loss per unit (2)		\$ (1.49)		
Three Months Ended September 30, 2021				
Net income	\$ 381			
Declared distributions	375	329	8	38
Assumed allocation of undistributed net income (1)	\$ 6	6	—	—
Assumed allocation of net income		\$ 335	\$ 8	\$ 38
Weighted average units outstanding		484.0		
Basic and diluted net income per unit		\$ 0.69		
Nine Months Ended September 30, 2022				
Net loss	\$ (13)			
Declared distributions	2,229	1,539	45	645
Assumed allocation of undistributed net loss (1)	\$ (2,242)	(2,197)	(45)	—
Assumed allocation of net loss		\$ (658)	\$ —	\$ 645
Weighted average units outstanding		484.0		
Basic and diluted net loss per unit		\$ (1.36)		
Nine Months Ended September 30, 2021				
Net income	\$ 1,123			
Declared distributions	1,091	970	22	99
Assumed allocation of undistributed net income (1)	\$ 32	31	1	—
Assumed allocation of net income		\$ 1,001	\$ 23	\$ 99
Weighted average units outstanding		484.0		
Basic and diluted net income per unit		\$ 2.07		

- (1) Under our partnership agreement, the IDRs participate in net income (loss) only to the extent of the amount of cash distributions actually declared, thereby excluding the IDRs from participating in undistributed net income (loss).
- (2) Basic and diluted net income (loss) per unit in the table may not recalculate exactly due to rounding because it is calculated based on whole numbers, not the rounded numbers presented.

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

NOTE 13—CUSTOMER CONCENTRATION

The following table shows external customers with revenues of 10% or greater of total revenues from external customers and external customers with trade and other receivables, net of current expected credit losses and contract assets, net of current expected credit losses balances of 10% or greater of total trade and other receivables, net of current expected credit losses from external customers and contract assets, net of current expected credit losses from external customers, respectively:

	Percentage of Total Revenues from External Customers				Percentage of Trade and Other Receivables, Net and Contract Assets, Net from External Customers	
	Three Months Ended September 30,		Nine Months Ended September 30,		September 30,	December 31,
	2022	2021	2022	2021	2022	2021
Customer A	18%	20%	23%	24%	17%	28%
Customer B	16%	19%	16%	17%	*	17%
Customer C	14%	18%	16%	18%	*	*
Customer D	16%	17%	16%	16%	13%	14%
Customer E	*	11%	*	11%	*	12%
Customer F	10%	*	*	*	*	12%
Customer G	12%	*	*	*	32%	—

* Less than 10%

NOTE 14—SUPPLEMENTAL CASH FLOW INFORMATION

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

	Nine Months Ended September 30,	
	2022	2021
Cash paid during the period for interest on debt, net of amounts capitalized	\$ 585	\$ 601

The balance in property, plant and equipment, net of accumulated depreciation funded with accounts payable and accrued liabilities (including affiliate) was \$14 million and \$233 million as of September 30, 2022 and 2021, respectively.

Novation of IPM Agreement from Corpus Christi Liquefaction Stage III, LLC (“CCL Stage III”)

In March 2022, in connection with a prior commitment from Cheniere to collateralize financing for Train 6 of the Liquefaction Project, SPL and CCL Stage III, formerly a wholly owned direct subsidiary of Cheniere that merged with and into CCL, entered into an agreement to assign to SPL an IPM agreement to purchase 140,000 MMBtu per day of natural gas at a price based on the Platts Japan Korea Marker (“JKM”), for a term of approximately 15 years beginning in early 2023. The transaction has been accounted for as a transfer between entities under common control, which required us to recognize the obligations assumed at the historical basis of Cheniere. Upon the transfer, which occurred on March 15, 2022, we recognized \$2.7 billion in distributions to Cheniere’s common unitholder interest within our Consolidated Statements of Partners’ Equity (Deficit) based on our assumption of current derivative liabilities and derivative liabilities of \$142 million and \$2.6 billion, respectively, which represented a non-cash financing activity.

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 (the "Securities Act"), 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 regarding our ability to pay distributions to our unitholders;
- statements regarding our expected receipt of cash distributions from SPLNG, SPL or CTPL;
- statements that we expect to commence or complete construction of our proposed LNG terminal, liquefaction facility, pipeline facility or other projects, or any expansions or portions thereof, by certain dates, or at all;
- statements regarding future levels of domestic and international natural gas production, supply or consumption or future levels of LNG imports into or exports from North America and other countries worldwide or purchases of natural gas, regardless of the source of such information, or the transportation or other infrastructure or demand for and prices related to natural gas, LNG or other hydrocarbon products;
- statements regarding any financing transactions or arrangements, or our ability to enter into such transactions;
- statements regarding our future sources of liquidity and cash requirements;
- statements relating to the construction of our Trains, including statements concerning the engagement of any EPC contractor or other contractor and the anticipated terms and provisions of any agreement with any EPC or other contractor, and anticipated costs related thereto;
- statements regarding any SPA or other agreement to be entered into or performed substantially in the future, including any revenues anticipated to be received and the anticipated timing thereof, and statements regarding the amounts of total LNG regasification, natural gas liquefaction or storage capacities that are, or may become, subject to contracts;
- statements regarding counterparties to our commercial contracts, construction contracts and other contracts;
- statements regarding our planned development and construction of additional Trains, 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," "achieve," "anticipate," "believe," "contemplate," "continue," "estimate," "expect," "intend," "plan," "potential," "predict," "project," "pursue," "target," the negative of such terms or other comparable terminology. The forward-looking statements contained in this quarterly report are largely based on our expectations, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors. Although we believe that such estimates are reasonable, they are inherently uncertain and involve a number of risks and uncertainties beyond our control. In addition, assumptions may prove to be inaccurate. We caution that the forward-looking statements contained in this quarterly report are not guarantees of future performance and that such statements may not be realized or the forward-looking statements or events may not occur. Actual results may differ materially.

from those anticipated or implied in forward-looking statements as a result of a variety of factors described in this quarterly report and in the other reports and other information that we file with the SEC, including those discussed under “Risk Factors” in our [annual report on Form 10-K for the fiscal year ended December 31, 2021](#). All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these risk factors. These forward-looking statements speak only as of the date made, and other than as required by law, we undertake no obligation to update or revise any forward-looking statement or provide reasons why actual results may differ, whether as a result of new information, future events or otherwise.

Introduction

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

Our discussion and analysis includes the following subjects:

- [Overview](#)
- [Overview of Significant Events](#)
- [Results of Operations](#)
- [Liquidity and Capital Resources](#)
- [Summary of Critical Accounting Estimates](#)
- [Recent Accounting Standards](#)

Overview

We are a publicly traded Delaware limited partnership formed in 2006 by Cheniere. We provide clean, secure and affordable LNG to integrated energy companies, utilities and energy trading companies around the world. We aspire to conduct our business in a safe and responsible manner, delivering a reliable, competitive and integrated source of LNG to our customers.

LNG is natural gas (methane) in liquid form. The LNG we produce is shipped all over the world, turned back into natural gas (called “regasification”) and then transported via pipeline to homes and businesses and used as an energy source that is essential for heating, cooking and other industrial uses. Natural gas is a cleaner-burning, abundant and affordable source of energy. When LNG is converted back to natural gas, it can be used instead of coal, which reduces the amount of pollution traditionally produced from burning fossil fuels, like sulfur dioxide and particulate matter that enters the air we breathe. Additionally, compared to coal, it produces significantly fewer carbon emissions. By liquefying natural gas, we are able to reduce its volume by 600 times so that we can load it onto special LNG carriers designed to keep the LNG cold and in liquid form for efficient transport overseas.

We own the natural gas liquefaction and export facility located in Cameron Parish, Louisiana at Sabine Pass (the “Sabine Pass LNG Terminal”), one of the largest LNG production facilities in the world, which has six operational Trains, with Train 6 having achieved substantial completion on February 4, 2022, for a total production capacity of approximately 30 mtpa of LNG (the “Liquefaction Project”). The Sabine Pass LNG Terminal also has operational regasification facilities that include five LNG storage tanks with aggregate capacity of approximately 17 Bcfe, three marine berths, with the third berth having achieved substantial completion on October 27, 2022, two of which can accommodate vessels with nominal capacity of up to 266,000 cubic meters and the third berth which can accommodate vessels with nominal capacity of up to 200,000 cubic meters, and vaporizers with total regasification capacity of approximately 4 Bcf/d. We also own a 94-mile pipeline through our subsidiary, CTPL, that interconnects the Sabine Pass LNG Terminal with a number of large interstate and intrastate pipelines.

Our customer arrangements provide us with significant, stable and long-term cash flows. We contract our anticipated production capacity under SPAs, in which our customers are generally required to pay a fixed fee with respect to the contracted volumes irrespective of their election to cancel or suspend deliveries of LNG cargoes, and under IPM agreements, in which the gas producer sells natural gas to us on a global LNG index price, less a fixed liquefaction fee, shipping and other costs. Our

long-term customer arrangements form the foundation of our business and provide us with significant, stable, long-term cash flows. Through our SPAs and IPM agreements, we have contracted approximately 85% of the total production capacity from the Liquefaction Project with approximately 15 years of weighted average remaining life as of September 30, 2022. In March 2022, the DOE authorized the export of an additional 152.64 Bcf/yr of domestically produced LNG by vessel from the Sabine Pass LNG Terminal through December 31, 2050 to non-FTA countries, that were previously authorized for FTA countries only. For further discussion of the contracted future cash flows under our revenue arrangements, see the liquidity and capital resources disclosures in our [annual report on Form 10-K for the fiscal year ended December 31, 2021](#)

We remain focused on operational excellence and customer satisfaction. Increasing demand for LNG has allowed us to expand our liquefaction infrastructure in a financially disciplined manner. We have increased available liquefaction capacity at our Liquefaction Project as a result of debottlenecking and other optimization projects. We hold a significant land position at the Sabine Pass LNG Terminal, which provides opportunity for further liquefaction capacity expansion. The development of this site or other projects, including infrastructure projects in support of natural gas supply and LNG demand, will require, among other things, acceptable commercial and financing arrangements before we make a positive final investment decision.

Additionally, we are committed to the responsible and proactive management of our most important environmental, social and governance (“ESG”) impacts, risks and opportunities. In June 2022, Cheniere published its 2021 Corporate Responsibility (“CR”) report, which details our approach and progress on ESG issues, including Cheniere’s collaboration with natural gas midstream companies, methane detection technology providers and leading academic institutions to implement quantification, monitoring, reporting and verification of greenhouse gas (“GHG”) emissions at natural gas gathering, processing, transmission and storage systems specific to our supply chain, as well as our contributions to energy security during a critical time in history. Additionally, Cheniere commenced providing Cargo Emissions Tags (“CE Tags”) to its long-term customers in June 2022. The CE Tags provide customers with estimated GHG emissions data associated with each LNG cargo produced at the Liquefaction Project and are provided for both free-on-board (“FOB”) and delivered ex-ship (“DES”) LNG cargoes. Cheniere also joined the Oil and Gas Methane Partnership (“OGMP”) 2.0, the United Nations Environment Programme’s (“UNEP”) flagship oil and gas methane emissions reporting and mitigation initiative in October 2022. OGMP 2.0 is a comprehensive, measurement-based reporting framework intended to improve the accuracy and transparency of methane emissions reporting in the oil and gas sector. Cheniere’s CR report is available at cheniere.com/our-responsibility/reporting-center. Information on our website, including the CR report, is not incorporated by reference into this Quarterly Report on Form 10-Q.

Overview of Significant Events

Our significant events since January 1, 2022 and through the filing date of this Form 10-Q include the following:

Strategic

- On September 23, 2022, Corey Grindal, Executive Vice President, Worldwide Trading and Tim Wyatt, Senior Vice President, Corporate Development and Strategy, were appointed to the Board of Directors of Cheniere Energy Partners GP, LLC (“Cheniere GP”). Mr. Grindal was also appointed as Executive Vice President and Chief Operating Officer of Cheniere GP, effective January 2, 2023.
- In June 2022, SPL entered into an SPA with Chevron U.S.A. Inc. (“Chevron”) to sell Chevron approximately 1.0 mtpa of LNG between 2026 and 2042.
- In February 2022, in connection with a prior commitment from Cheniere to collateralize financing for Train 6 of the Liquefaction Project:
 - Cheniere Marketing entered into agreements to novate to SPL certain SPAs entered into with ENN LNG (Singapore) Pte Ltd. and a subsidiary of Glencore plc, with effective dates of January 1, 2023 and February 17, 2022, respectively, aggregating approximately 21 million tonnes of LNG to be delivered between 2023 and 2035.
 - Our board of directors approved the entry by SPL into (1) an agreement to novate to SPL an IPM agreement between Corpus Christi Liquefaction Stage III, LLC (“CCL Stage III”), formerly a wholly owned direct subsidiary of Cheniere (as purchaser) that merged with and into Corpus Christi Liquefaction, LLC, and Tourmaline Oil Marketing Corp., a subsidiary of Tourmaline Oil Corp (as supplier), to purchase 140,000 MMBtu per day of natural gas at a price based on Platts Japan Korea Marker (“JKM”), for a term of

approximately 15 years beginning in early 2023 (the “Tourmaline IPM”) and (2) a FOB SPA with Cheniere Marketing International LLP to sell LNG associated with the natural gas to be supplied under the IPM agreement. The agreement to assign the Tourmaline IPM agreement from CCL Stage III to SPL was executed and the assignment was effective on March 15, 2022.

Operational

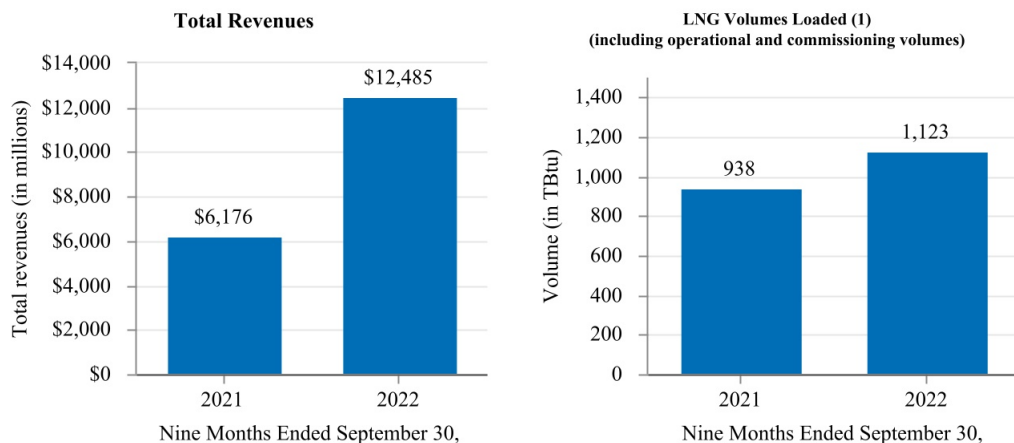
- As of October 31, 2022, approximately 1,850 cumulative LNG cargoes totaling over 125 million tonnes of LNG have been produced, loaded and exported from the Liquefaction Project.
- On October 27, 2022, substantial completion of the third berth at the Sabine Pass LNG Terminal was achieved.
- On February 4, 2022, substantial completion of Train 6 of the Liquefaction Project was achieved (the “Train 6 Completion”).

Financial

- In October 2022, SPL redeemed \$300 million of outstanding borrowings under its 5.625% Senior Secured Notes due 2023 (the “2023 SPL Senior Notes”) pursuant to a notice of redemption issued in September 2022.
- In September 2022, Moody’s Corporation upgraded its issuer credit ratings of CQP and SPL from Ba2 and Baa3, respectively, to Ba1 and Baa2, respectively, with a stable outlook. Additionally in September 2022, Fitch Ratings upgraded its issuer credit ratings of CQP and SPL from BB+ and BBB-, respectively, to BBB- and BBB, respectively, with a stable outlook.
- We paid aggregate distributions of \$2.81 per common unit during the nine months ended September 30, 2022. On October 24, 2022, we declared a cash distribution of \$1.070 per common unit to unitholders of record as of November 3, 2022 and the related general partner distribution to be paid on November 14, 2022. These distributions consist of a base amount of \$0.775 per unit and a variable amount of \$0.295 per unit.
- In February 2022, we announced the initiation of quarterly distributions to be comprised of a base amount plus a variable amount, which began with the distribution related to the first quarter of 2022. The variable amount takes into consideration, among other things, amounts reserved for annual debt repayment and capital allocation goals, anticipated capital expenditures to be funded with cash and cash reserves to provide for the proper conduct of the business.

Results of Operations

The following charts summarize the total revenues and total LNG volumes loaded from our Liquefaction Project during the nine months ended September 30, 2022 and 2021:



(1) The nine months ended September 30, 2021 excludes eight TBtu under our contracts that were loaded at our affiliate's facility.

Net income (loss)

(in millions, except per share data)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Variance	2022	2021	Variance
Net income (loss)	\$ (514)	\$ 381	\$ (895)	\$ (13)	\$ 1,123	\$ (1,136)
Basic and diluted net income (loss) per common unit	(1.49)	0.69	(2.18)	(1.36)	2.07	(3.43)

The unfavorable variances of \$895 million and \$1.1 billion during the three and nine months ended September 30, 2022 from the comparable periods in 2021, respectively, were primarily a result of losses of \$1.3 billion and \$2.2 billion, respectively, on the derivative liability associated with the Tourmaline IPM agreement following its assignment to SPL from CCL Stage III in March 2022. See [Overview of Significant Events](#) for further discussion of the assignment. The associated losses following the assignment were primarily attributed to SPL's lower credit risk profile relative to that of CCL Stage III, resulting in a higher derivative liability given reduced risk of SPL's own nonperformance, and unfavorable shifts in the international forward commodity curve. Partially offsetting the unfavorable variances in both comparable periods was increased gross margin per MMBtu on LNG delivered, due to higher margins on sales indexed to Henry Hub plus a mark up, generally at 115%, as a result of increases in the index, and increased volumes delivered, in part due to the Train 6 Completion. Additionally offsetting the unfavorable variances in both comparable periods was the recognition of increased regasification revenues from Chevron, as further described below.

Derivative instruments are utilized to manage our exposure to commodity-related marketing and price risks and are reported at fair value on our Consolidated Financial Statements. For commodity derivative instruments related to our IPM agreement novated to SPL during the nine months ended September 30, 2022 as further described in [Overview of Significant Events](#), the underlying LNG sales being economically hedged are accounted for under the accrual method of accounting, whereby revenues expected to be derived from the future LNG sales are recognized only upon delivery or realization of the underlying transaction. Because the recognition of derivative instruments at fair value has the effect of recognizing gains or losses relating to future period exposure, and given the significant volumes, long-term duration and volatility in price basis for certain of our derivative contracts, use of derivative instruments may result in continued volatility of our results of operations based on changes in market pricing, counterparty credit risk and other relevant factors, notwithstanding the operational intent to mitigate risk exposure over time.

In June 2022, Chevron entered into an agreement with SPLNG providing for the early termination of the TUA and an associated terminal marine services agreement between the parties and their affiliates for a lump sum fee of \$765 million (the “Termination Fee”). Obligations pursuant to the TUA and associated agreement, including Chevron’s obligation to pay SPLNG capacity payments totaling \$125 million annually (adjusted for inflation) from 2023 through 2029, will terminate upon the later of SPLNG’s receipt of the Termination Fee or December 31, 2022. The termination agreement became effective on July 6, 2022. We have allocated the \$765 million Termination Fee to the terminated commitments, with \$796 million in cash inflows allocable to the termination of the TUA, which we are recognizing ratably over the July 6, 2022 to December 31, 2022 period as regasification revenues on our Consolidated Statements of Operations, and an offsetting \$31 million in cash outflows allocable to the extinguishment of other remaining obligations we have to Chevron, which will be recognized upon receipt of the Termination Fee as a loss on extinguishment of debt on our Consolidated Statements of Operations.

As described in [Overview of Significant Events](#), during the nine months ended September 30, 2022, we entered into an SPA with a counterparty for approximately 1.0 mtpa of LNG to be delivered between 2026 and 2042. We expect our net income or loss in the future to be impacted by the revenues and associated expenses related to the commencement of this agreement.

Revenues

(in millions, except volumes)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Variance	2022	2021	Variance
LNG revenues	\$ 3,130	\$ 1,791	\$ 1,339	\$ 8,577	\$ 5,057	\$ 3,520
LNG revenues—affiliate	1,376	453	923	3,268	878	2,390
LNG revenues—related party	—	—	—	4	—	4
Regasification revenues	455	68	387	591	202	389
Other revenues	15	12	3	45	39	6
Total revenues	\$ 4,976	\$ 2,324	\$ 2,652	\$ 12,485	\$ 6,176	\$ 6,309
LNG volumes recognized as revenues (in TBtu) (1)	363	308	55	1,110	946	164

(1) The nine months ended September 30, 2021 includes eight TBtu that were loaded at our affiliate’s facility.

Total revenues increased by approximately \$2.7 billion and \$6.3 billion during the three and nine months ended September 30, 2022 from the comparable periods in 2021, respectively, primarily as a result of increased pricing due to appreciation in the Henry Hub index. To a lesser extent, revenues increased as a result of higher volumes of LNG delivered between the periods due to the addition of approximately 5 mtpa of production capacity following the Train 6 Completion.

Prior to substantial completion of a Train, amounts received from the sale of commissioning cargoes from that Train are offset against LNG terminal construction-in-process, because these amounts are earned or loaded during the testing phase for the construction of that Train. During the nine months ended September 30, 2022, we realized offsets to LNG terminal costs of \$148 million, corresponding to 13 TBtu, that were related to the sale of commissioning cargoes from Train 6 of the Liquefaction Project. We did not realize any offsets to LNG terminal costs during the three months ended September 30, 2022 or the three and nine months ended September 30, 2021.

Also included in LNG revenues are sales of certain unutilized natural gas procured for the liquefaction process and gains and losses from derivative instruments, which include the realized value associated with a portion of derivative instruments that settle through physical delivery. We recognized revenues of \$40 million and \$52 million during the three months ended September 30, 2022 and 2021, respectively, and \$161 million and \$112 million during the nine months ended September 30, 2022 and 2021, respectively, related to these transactions.

Regasification revenues increased by \$387 million and \$389 million during the three and nine months ended September 30, 2022 from the comparable periods in 2021, respectively, due primarily to the recognition of increased regasification revenues from Chevron, as described in *Net income (loss)* above.

Operating costs and expenses

(in millions)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Variance	2022	2021	Variance
Cost of sales	\$ 4,739	\$ 1,342	\$ 3,397	\$ 10,445	\$ 3,178	\$ 7,267
Cost of sales—affiliate	104	8	96	166	62	104
Cost of sales—related party	—	—	—	1	1	—
Operating and maintenance expense	189	148	41	550	465	85
Operating and maintenance expense—affiliate	39	34	5	118	103	15
Operating and maintenance expense—related party	18	12	6	45	34	11
General and administrative expense	3	2	1	3	7	(4)
General and administrative expense—affiliate	23	22	1	70	64	6
Depreciation and amortization expense	160	140	20	469	417	52
Other	—	—	—	—	7	(7)
Total operating costs and expenses	\$ 5,275	\$ 1,708	\$ 3,567	\$ 11,867	\$ 4,338	\$ 7,529

Total operating costs and expenses increased by \$3.6 billion and \$7.5 billion during the three and nine months ended September 30, 2022 from the comparable periods in 2021, respectively. Cost of sales includes costs incurred directly for the production and delivery of LNG from the Liquefaction Project, to the extent those costs are not utilized for the commissioning process. Cost of sales also includes change in fair value of commodity derivatives to secure natural gas feedstock for the Liquefaction Project, costs associated with the sale of certain unutilized natural gas procured for the liquefaction process, variable transportation and storage costs and other costs to convert natural gas into LNG. Substantially all of the increase in operating costs and expenses in both comparable periods was attributed to third party cost of sales, which increased by \$3.4 billion and \$7.3 billion during the three and nine months ended September 30, 2022, respectively, as a result of increased pricing of natural gas feedstock due to higher U.S. natural gas prices and, to a lesser extent, from increased volume of LNG delivered as discussed under *Revenues*. During the three and nine months ended September 30, 2022, cost of sales additionally included an unfavorable change in the valuation associated with the Tourmaline IPM agreement that was assigned to SPL as discussed in *Net income (loss)* above.

Operating and maintenance expense (including affiliate and related party) primarily includes costs associated with operating and maintaining the Liquefaction Project and also includes service and maintenance, insurance, regulatory costs and other operating costs. During the three and nine months ended September 30, 2022, operating and maintenance expense increased from the comparable periods in 2021, primarily due to increased third party service and maintenance contract costs in addition to increased natural gas transportation and storage capacity demand charges following the Train 6 Completion.

Other expense (income)

(in millions)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Variance	2022	2021	Variance
Interest expense, net of capitalized interest	\$ 222	\$ 210	\$ 12	\$ 641	\$ 636	\$ 5
Loss on modification or extinguishment of debt	—	27	(27)	—	81	(81)
Other income, net	(7)	(2)	(5)	(10)	(2)	(8)
Total other expense	\$ 215	\$ 235	\$ (20)	\$ 631	\$ 715	\$ (84)

Total interest expense, net of capitalized interest consisted of the following (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Total interest cost	\$ 231	\$ 244	\$ 678	\$ 732
Capitalized interest	(9)	(34)	(37)	(96)
Total interest expense, net of capitalized interest	\$ 222	\$ 210	\$ 641	\$ 636

Interest expense, net of capitalized interest, increased during the three and nine months ended September 30, 2022 from the comparable periods in 2021 primarily as a result of a lower portion of total interest costs eligible for capitalization following the Train 6 Completion, which was partially offset by lower interest cost as a result of reduced outstanding debt between the periods.

Loss on modification or extinguishment of debt decreased during the three and nine months ended September 30, 2022 from the comparable periods in 2021 due to the recognition of debt extinguishment costs relating to the payment of early redemption fees, premiums and write off of unamortized debt issuance costs with the redemption of the 5.250% Senior Notes due 2025 (the “2025 CQP Senior Notes”) in March 2021 and the 5.625% Senior Notes due 2026 (the “2026 CQP Senior Notes”) in September 2021.

Other income, net decreased during the three and nine months ended September 30, 2022 from the comparable 2021 periods due to higher interest income earned on cash and cash equivalents from higher interest rates in 2022.

Liquidity and Capital Resources

The following information describes our ability to generate and obtain adequate amounts of cash to meet our requirements in the short term and the long term. In the short term, we expect to meet our cash requirements using operating cash flows and available liquidity, consisting of cash and cash equivalents, restricted cash and cash equivalents and available commitments under our credit facilities. In the long term, we expect to meet our cash requirements using operating cash flows and other future potential sources of liquidity, which may include debt offerings by us or our subsidiaries and equity offerings by us. The table below provides a summary of our available liquidity (in millions).

	September 30, 2022
Cash and cash equivalents	\$ 988
Restricted cash and cash equivalents designated for the Liquefaction Project	195
Available commitments under our credit facilities (1):	
SPL’s Working capital revolving credit and letter of credit reimbursement agreement	837
CQP’s Credit facilities	750
Total available commitments under our credit facilities	1,587
Total available liquidity	\$ 2,770

(1) Available commitments represent total commitments less loans outstanding and letters of credit issued under each of our credit facilities as of September 30, 2022. See [Note 9—Debt](#) of our Notes to Consolidated Financial Statements for additional information on our credit facilities and other debt instruments.

Our liquidity position subsequent to September 30, 2022 will be driven by future sources of liquidity and future cash requirements. Future sources of liquidity are expected to be composed of (1) cash receipts from executed contracts, under which we are contractually entitled to future consideration, and (2) additional sources of liquidity, from which we expect to receive cash although the cash is not underpinned by executed contracts. Future cash requirements are expected to be composed of (1) cash payments under executed contracts, under which we are contractually obligated to make payments, and (2) additional cash requirements, under which we expect to make payments although we are not contractually obligated to make the payments under executed contracts.

Although our sources and uses of cash are presented below from a consolidated standpoint, we and our subsidiary SPL operate with independent capital structures. Certain restrictions under debt instruments executed by SPL limit its ability to distribute cash, including the following:

- SPL is required to deposit all cash received into restricted cash and cash equivalents accounts under certain of their debt agreements. The usage or withdrawal of such cash is restricted to the payment of liabilities related to the Liquefaction Project and other restricted payments. The majority of the cash held by SPL that is restricted to CQP relates to advance funding for operation and construction of the Liquefaction Project; and
- SPL is restricted by affirmative and negative covenants included in certain of its debt agreements in its ability to make certain payments, including distributions, unless specific requirements are satisfied.

Notwithstanding the restrictions noted above, we believe that sufficient flexibility exists to enable each independent capital structure to meet its currently anticipated cash requirements. The sources of liquidity at SPL primarily fund the cash requirements of SPL, and any remaining liquidity not subject to restriction, as supplemented by liquidity provided by SPLNG, is available to enable CQP to meet its cash requirements.

Revised Capital Allocation Plan

In September 2022, the board of directors of Cheniere approved a revised long-term capital allocation plan, which may involve the repayment, redemption or repurchase, on the open market or otherwise, of debt, including senior notes of CQP and SPL. Pursuant to the capital allocation plan, \$300 million of 2023 SPL Senior Notes were redeemed in October 2022.

Supplemental Guarantor Information

The \$1.5 billion of 4.500% Senior Notes due 2029, \$1.5 billion of 4.000% Senior Notes due 2031 (the “2031 CQP Senior Notes”) and \$1.2 billion of 3.25% Senior Notes due 2032 (collectively, the “CQP Senior Notes”) are jointly and severally guaranteed by each of our subsidiaries other than SPL and, subject to certain conditions governing its guarantee, Sabine Pass LP (each a “Guarantor” and collectively, the “CQP Guarantors”).

The CQP Guarantors’ guarantees are full and unconditional, subject to certain release provisions including (1) the sale, disposition or transfer (by merger, consolidation or otherwise) of the capital stock or all or substantially all of the assets of the CQP Guarantors, (2) upon the liquidation or dissolution of a Guarantor, (3) following the release of a Guarantor from its guarantee obligations and (4) upon the legal defeasance or satisfaction and discharge of obligations under the indenture governing the CQP Senior Notes. In the event of a default in payment of the principal or interest by us, whether at maturity of the CQP Senior Notes or by declaration of acceleration, call for redemption or otherwise, legal proceedings may be instituted against the CQP Guarantors to enforce the guarantee.

The rights of holders of the CQP Senior Notes against the CQP Guarantors may be limited under the U.S. Bankruptcy Code or state fraudulent transfer or conveyance law. Each guarantee contains a provision intended to limit the Guarantor’s liability to the maximum amount that it could incur without causing the incurrence of obligations under its guarantee to be a fraudulent conveyance or transfer under U.S. federal or state law. However, there can be no assurance as to what standard a court will apply in making a determination of the maximum liability of the CQP Guarantors. Moreover, this provision may not be effective to protect the guarantee from being voided under fraudulent conveyance laws. There is a possibility that the entire guarantee may be set aside, in which case the entire liability may be extinguished.

The following tables include summarized financial information of CQP (the “Parent Issuer”), and the CQP Guarantors (together with the Parent Issuer, the “Obligor Group”) on a combined basis. Investments in and equity in the earnings of SPL and, subject to certain conditions governing its guarantee, Sabine Pass LP (collectively with SPL, the “Non-Guarantors”), which are not currently members of the Obligor Group, have been excluded. Intercompany balances and transactions between entities in the Obligor Group have been eliminated. Although the creditors of the Obligor Group have no claim against the Non-Guarantors, the Obligor Group may gain access to the assets of the Non-Guarantors upon bankruptcy, liquidation or reorganization of the Non-Guarantors due to its investment in these entities. However, such claims to the assets of the Non-Guarantors would be subordinated to the any claims by the Non-Guarantors’ creditors, including trade creditors.

Summarized Balance Sheets (in millions)

	September 30, 2022	December 31, 2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 988	\$ 876
Accounts receivable from Non-Guarantors	42	49
Contract assets	387	—
Other current assets	53	53
Current assets—affiliate	146	137
Current assets with Non-Guarantors	—	1
Total current assets	1,616	1,116
Property, plant and equipment, net of accumulated depreciation	2,391	2,422
Other non-current assets, net	107	119
Total assets	\$ 4,114	\$ 3,657
LIABILITIES		
Current liabilities		
Due to affiliates	\$ 160	\$ 167
Deferred revenue from Non-Guarantors	23	22
Other current liabilities	114	95
Other current liabilities from Non-Guarantors	4	—
Total current liabilities	301	284
Long-term debt, net of premium, discount and debt issuance costs	4,158	4,154
Other non-current liabilities	83	87
Non-current liabilities—affiliate	15	15
Total liabilities	\$ 4,557	\$ 4,540

Summarized Statement of Income (in millions)

	Nine Months Ended September 30, 2022
Revenues	\$ 638
Revenues from Non-Guarantors	402
Total revenues	1,040
Operating costs and expenses	154
Operating costs and expenses—affiliate	149
Total operating costs and expenses	303
Income from operations	737
Net income	599

Sources and Uses of Cash

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

	Nine Months Ended September 30,	
	2022	2021
Net cash provided by operating activities	\$ 2,442	\$ 1,667
Net cash used in investing activities	(356)	(495)
Net cash used in financing activities	(1,877)	(633)
Net increase in cash, cash equivalents and restricted cash and cash equivalents	\$ 209	\$ 539

Operating Cash Flows

Our operating cash net inflows during the nine months ended September 30, 2022 and 2021 were \$2.4 billion and \$1.7 billion, respectively. The \$775 million increase between the periods was primarily related to increases in cash receipts on LNG delivered due to increases in price per MMBtu and volume of LNG delivered, which was partially offset by higher operating cash outflows primarily due to higher natural gas feedstock costs.

Investing Cash Flows

Cash outflows for property, plant and equipment were primarily for the construction costs for Train 6 of the Liquefaction Project, which achieved substantial completion on February 4, 2022.

Financing Cash Flows

Our financing cash net outflows during the nine months ended September 30, 2022 and 2021 were \$1.9 billion and \$633 million, respectively. The \$1.2 billion increase in outflows between the periods was primarily related to an increase in cash distributions to unitholders of \$804 million and a decrease of \$440 million of net inflows related to debt activity, each described further below.

Debt Activity

During the nine months ended September 30, 2021, we issued an aggregate principal amount of \$1.5 billion of the 2031 CQP Senior Notes and \$1.2 billion of the 3.25% Senior Notes due 2032 (the “2032 CQP Senior Notes”) and incurred \$35 million of debt issuance costs related to these issuances. The proceeds of these issuances, together with cash on hand, were used to redeem the \$1.5 billion principal amount of the 2025 CQP Senior Notes and \$672 million of the 2032 CQP Senior Notes, and we paid \$61 million of debt extinguishment costs related to premiums associated with this redemption. We did not have any debt activity during the nine months ended September 30, 2022.

Cash Distributions to Unitholders

Our partnership agreement requires that, within 45 days after the end of each quarter, we distribute all of our available cash (as defined in our partnership agreement). Our available cash is our cash on hand at the end of a quarter less the amount of any reserves established by our general partner. All distributions paid to date have been made from accumulated operating surplus. The following provides a summary of distributions paid by us during the nine months ended September 30, 2022 and 2021:

Date Paid	Period Covered by Distribution	Distribution Per Common Unit	Total Distribution (in millions)		
			Common Units	General Partner Units	Incentive Distribution Rights
August 12, 2022	April 1 - June 30, 2022	\$ 1.060	\$ 513	\$ 15	\$ 215
May 13, 2022	January 1 - March 31, 2022	1.050	508	15	210
February 14, 2022	October 1 - December 31, 2021	0.700	339	8	47
August 13, 2021	April 1 - June 30, 2021	0.665	322	7	32
May 14, 2021	January 1 - March 31, 2021	0.660	320	7	30
February 12, 2021	October 1 - December 31, 2020	0.655	316	7	27

In addition, Tug Services distributed \$2 million during each of the three months ended September 30, 2022 and 2021 and \$7 million and \$6 million during the nine months ended September 30, 2022 and 2021, respectively, to Cheniere Terminals in accordance with their terminal marine service agreement, which is recognized as part of the distributions to our general partner interest holders.

On October 24, 2022, we declared a cash distribution of \$1.070 per common unit to unitholders of record as of November 3, 2022 and the related general partner distribution to be paid on November 14, 2022. These distributions consist of a base amount of \$0.775 per unit and a variable amount of \$0.295 per unit.

Summary of Critical Accounting Estimates

The preparation of 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 fiscal year December 31, 2021](#)

Recent Accounting Standards

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

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Marketing and Trading Commodity Price Risk

We have entered into commodity derivatives consisting of natural gas supply contracts for the commissioning and operation of the Liquefaction Project (“Liquefaction Supply Derivatives”). In order to test the sensitivity of the fair value of the Liquefaction Supply Derivatives to changes in underlying commodity prices, management modeled a 10% change in the commodity price for natural gas for each delivery location as follows (in millions):

	September 30, 2022		December 31, 2021	
	Fair Value	Change in Fair Value	Fair Value	Change in Fair Value
Liquefaction Supply Derivatives	\$ (5,078)	\$ 692	\$ 27	\$ 1

See [Note 7—Derivative Instruments](#) of our Notes to Consolidated Financial Statements for additional details about our derivative instruments.

ITEM 4. CONTROLS AND PROCEDURES

We maintain a set of disclosure controls and procedures that are designed to ensure that information required to be disclosed by us in the reports filed by us under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. As of the end of the period covered by this report, we evaluated, under the supervision and with the participation of our general partner's management, including our general partner's Chief Executive Officer and 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 general partner's Chief Executive Officer and 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. Other than discussed below, there have been no material changes to the legal proceedings disclosed in our [annual report on Form 10-K for the fiscal year ended December 31, 2021](#)

Louisiana Department of Environmental Quality (“LDEQ”) Matter

Certain of our subsidiaries are in discussions with the LDEQ to resolve self-reported deviations arising from operation of the Sabine Pass LNG Terminal and the commissioning of the Liquefaction Project, and relating to certain requirements under its Title V Permit. The matter involves deviations self-reported to LDEQ pursuant to the Title V Permit and covering the time period from January 1, 2012 through March 25, 2016. On April 11, 2016, certain of our subsidiaries received a Consolidated Compliance Order and Notice of Potential Penalty (the “Compliance Order”) from LDEQ covering deviations self-reported during that time period. Certain of our subsidiaries continue to work with LDEQ to resolve the matters identified in the Compliance Order. We do not expect that any ultimate sanction will have a material adverse impact on our financial results.

Pipeline and Hazardous Materials Safety Administration (“PHMSA”) Matter

In February 2018, the PHMSA issued a Corrective Action Order (the “CAO”) to SPL in connection with a minor LNG leak from one tank and minor vapor release from a second tank at the Sabine Pass LNG Terminal (the “2018 SPL tank incident”). These two tanks have been taken out of operational service while we conduct analysis, repair and remediation. On April 20, 2018, SPL and PHMSA executed a Consent Agreement and Order (the “Consent Order”) that replaces and supersedes the CAO. On July 9, 2019, PHMSA and FERC issued a joint letter setting out operating conditions required to be met prior to SPL returning the tanks to service. In July 2021, PHMSA issued a Notice of Probable Violation (“NOPV”) and Proposed Civil Penalty to SPL alleging violations of federal pipeline safety regulations relating to the 2018 SPL tank incident and proposing civil penalties totaling \$2,214,900. On September 16, 2021, PHMSA issued an Amended NOPV that reduced the proposed penalty to \$1,458,200. On October 12, 2021, SPL responded to the Amended NOPV, electing not to contest the alleged violations in the Amended NOPV and electing to pay the proposed reduced penalty. PHMSA notified SPL in a letter dated November 9, 2021 that the case was considered “closed.” On March 9, 2022, PHMSA and FERC issued conditional approval to return one of the two tanks to service. SPL continues to coordinate with PHMSA and FERC to address the matters relating to the 2018 SPL tank incident, including repair approach and related analysis. We do not expect that the Consent Order and related analysis, repair and remediation or resolution of the NOPV will have a material adverse impact on our financial results or operations.

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 fiscal year ended December 31, 2021](#)

ITEM 5. OTHER INFORMATION

On November 1, 2022, SPL and Cheniere Marketing entered into an SPA for approximately 0.85 mtpa of LNG associated with the previously announced IPM agreement between SPL and Tourmaline Oil Marketing Corp.

ITEM 6. EXHIBITS

Exhibit No.	Description
10.1*	Change orders to the Lump Sum Turnkey Agreement for the Engineering, Procurement and Construction of the Sabine Pass LNG Stage 4 Liquefaction Facility, dated November 7, 2018, by and between SPL and Bechtel Oil Gas and Chemicals, Inc.: (i) the Change Order CO-00067 Performance and Attendance Bonus (“PAB”) Provisional Sum Closure, dated August 18, 2022, (ii) the Change Order CO-00068 Performance and Attendance Bonus (“PAB”) Provisional Sum Closure (Reconciliation to CO-00067), dated August 18, 2022, and (iii) the Change Order CO-00069 COVID-19 Impacts 1Q2022 and 2Q2022, dated August 29, 2022
10.2*	Form of Indemnification Agreement for officers and/or directors of Cheniere Partners GP
10.3*	LNG Sale and Purchase Agreement (Tourmaline Oil Marketing Corp), dated June 15, 2022, between SPL and Cheniere Marketing International LLP
22.1	List of Issuers and Guarantor Subsidiaries (Incorporated by reference to Exhibit 22.1 to the Partnership’s Annual Report on Form 10-K (SEC File No. 001-33366), filed on February 24, 2022)
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
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** Furnished herewith.

SIGNATURES

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

CHENIERE ENERGY PARTNERS, L.P.

By: Cheniere Energy Partners GP, LLC,
its general partner

Date: November 2,
2022

By: /s/ Zach Davis
Zach Davis
Executive Vice President and Chief
Financial Officer
(on behalf of the registrant and
as principal financial officer)

Date: November 2,
2022

By: /s/ David Slack
David Slack
Vice President and Chief Accounting
Officer
(on behalf of the registrant and
as principal accounting officer)

CHANGE ORDER
PERFORMANCE AND ATTENDANCE BONUS ("PAB") PROVISIONAL SUM CLOSURE

PROJECT NAME: Sabine Pass LNG Stage 4 Liquefaction Facility

CHANGE ORDER NUMBER: CO-00067

OWNER: Sabine Pass Liquefaction, LLC

DATE OF CHANGE ORDER: August 18, 2022

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: November 7, 2018

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

1. In accordance with Section 2.2 *Performance and Attendance Bonus Provisional Sum* of Schedule EE-2 of the Agreement, this Change Order amends Section 2.2 *Performance and Attendance Bonus Provisional Sum* to reflect actual and final costs incurred by Contractor.
2. Performance and Attendance Bonus Provisional Sums
 - a. Per Section 2.2 of Schedule EE-2 of Attachment EE of the Agreement, the extant provisional sums for Performance and Attendance Bonus are:
 - i. Subproject 6(a): U.S. \$37,000,000; and
 - ii. Subproject 6(b): U.S. \$5,000,000.
 - b. In accordance with previous Change Order CO-00031, Schedule EE-4 of Attachment EE of the Agreement was merged into Schedule EE-2 of Attachment EE of the Agreement.
3. The *Performance and Attendance Bonus Provisional Sum* in Section 2.2 of Schedule EE-2 of Attachment EE is hereby decreased by Twenty Million, Four Hundred and Fifty-Seven Thousand, One Hundred and Sixteen U.S. Dollars (U.S. \$20,457,116); and therefore, the final *Performance and Attendance Bonus Provisional Sum* as amended by this Change Order shall be Twenty-One Million, Five Hundred and Forty-Two Thousand, Eight Hundred and Eighty-Four U.S. Dollars (U.S. \$21,542,884).
4. The detailed cost breakdown for this Change Order is detailed in Exhibit A of this Change Order.
5. Schedule C-1 (Milestone Payment Schedule) of Attachment C of the Agreement will be amended by including the milestone(s) listed in Exhibit B of this Change Order.

Adjustment to Contract Price Applicable to Subproject 6(a)

1. The original Contract Price Applicable to Subproject 6(a) was	\$	2,016,892,573
2. Net change for Contract Price Applicable to Subproject 6(a) by previously authorized Change Orders (#01-08, 10-13, 15, 17-18, 21-22, 24, 28-29, 31-32, 34-35, 38, 41-42, 45-49, 51, 53-58, 61)	\$	21,155,105
3. The Contract Price Applicable to Subproject 6(a) prior to this Change Order was	\$	2,038,047,678
4. The Contract Price Applicable to Subproject 6(a) will be unchanged by this Change Order in the amount of	\$	—
5. The Provisional Sum Applicable to Subproject 6(a) will be unchanged by this Change Order in the amount of	\$	—
6. The Contract Price Applicable to Subproject 6(a) including this Change Order will be	\$	2,038,047,678

Adjustment to Contract Price Applicable to Subproject 6(b)

7. The original Contract Price Applicable to Subproject 6(b) (in CO-00009) was	\$	457,696,000
8. Net change for Contract Price Applicable to Subproject 6(b) by previously authorized Change Orders (#14, 16, 19-20, 23, 25-27, 30-31, 33, 36-37, 39-40, 43-44, 50, 52, 59-60, 62-66)	\$	7,031,570

9. The Contract Price Applicable to Subproject 6(b) prior to this Change Order was	\$	464,727,570
10. The Contract Price Applicable to Subproject 6(b) will be unchanged by this Change Order	\$	—
11. The Provisional Sum Applicable to Subproject 6(b) will be changed by this Change Order	\$	(20,457,116)
12. The Contract Price Applicable to Subproject 6(b) including this Change Order will be	\$	444,270,454

Adjustment to Contract Price

13. The original Contract Price for Subproject 6(a) and Subproject 6(b) was (add lines 1 and 7)	\$	2,474,588,573
14. The Contract Price prior to this Change Order was (add lines 3 and 9)	\$	2,502,775,248
15. The Contract Price will be decreased by this Change Order in the amount of (add lines 4, 5, 10 and 11)	\$	(20,457,116)
16. The new Contract Price including this Change Order will be (add lines 14 and 15)	\$	2,482,318,132

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

The following dates are modified: N/A

Adjustment to other Changed Criteria for Subproject 6(a): N/A

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

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

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

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

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

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

The following dates are modified: N/A

Adjustment to other Changed Criteria for Subproject 6(b): N/A

Adjustment to Payment Schedule for Subproject 6(b): **Yes; see Exhibit B**

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

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

Select either A or B:

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

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

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

/s/ David Craft
Owner

David Craft
Name

SVP E&C
Title

August 30, 2022
Date of Signing

/s/ Kane MacIntosh
Owner

Kane MacIntosh
Name

Senior Project Manager, PVP
Title

26 August 2022
Date of Signing

**CHANGE ORDER
PERFORMANCE AND ATTENDANCE BONUS ("PAB") PROVISIONAL SUM CLOSURE
(RECONCILIATION TO CO-00067)**

PROJECT NAME: Sabine Pass LNG Stage 4 Liquefaction Facility

CHANGE ORDER NUMBER: CO-00068

OWNER: Sabine Pass Liquefaction, LLC

DATE OF CHANGE ORDER: August 18, 2022

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: November 7, 2018

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

1. This Change Order revises and supersedes CO-00067 in its entirety, as follows:
 - a. Allocation of PAB per Subproject 6(a) and Subproject 6(b) is adjusted; and
 - b. Exhibit "A" is revised to reflect allocation of PAB per Subproject 6(a) and Subproject 6(b)
2. Performance and Attendance Bonus Provisional Sums
 - a. Per Section 2.2 of Schedule EE-2 of Attachment EE of the Agreement, the extant provisional sums for Performance and Attendance Bonus for Subproject 6(a) is U.S. \$42,000,000.
 - b. In accordance with previous Change Order CO-00031, Schedule EE-4 of Attachment EE of the Agreement was merged into Schedule EE-2 of Attachment EE of the Agreement.
3. The *Performance and Attendance Bonus Provisional Sum* in Section 2.2 of Schedule EE-2 of Attachment EE is hereby decreased by Twenty Million, Four Hundred and Fifty-Seven Thousand, One Hundred and Eighteen U.S. Dollars (U.S. \$20,457,118); and therefore, the final *Performance and Attendance Bonus Provisional Sum* as amended by this Change Order shall be Twenty-One Million, Five Hundred and Forty-Two Thousand, Eight Hundred and Eighty-Two U.S. Dollars (U.S. \$21,542,882).
4. The detailed cost breakdown for this Change Order is detailed in Exhibit A of this Change Order.
5. Schedule C-1 (Milestone Payment Schedule) of Attachment C of the Agreement will be amended by including the milestone(s) listed in Exhibit B of this Change Order.

Adjustment to Contract Price Applicable to Subproject 6(a)

1. The original Contract Price Applicable to Subproject 6(a) was	\$	2,016,892,573
2. Net change for Contract Price Applicable to Subproject 6(a) by previously authorized Change Orders (#01-08, 10-13, 15, 17-18, 21-22, 24, 28-29, 31-32, 34-35, 38, 41-42, 45-49, 51, 53-58, 61)	\$	21,155,105
3. The Contract Price Applicable to Subproject 6(a) prior to this Change Order was	\$	2,038,047,678
4. The Contract Price Applicable to Subproject 6(a) will be unchanged by this Change Order in the amount of	\$	—
5. The Provisional Sum Applicable to Subproject 6(a) will be changed by this Change Order in the amount of	\$	(20,457,118)
6. The Contract Price Applicable to Subproject 6(a) including this Change Order will be	\$	2,017,590,560

Adjustment to Contract Price Applicable to Subproject 6(b)

7. The original Contract Price Applicable to Subproject 6(b) (in CO-00009) was	\$	457,696,000
8. Net change for Contract Price Applicable to Subproject 6(b) by previously authorized Change Orders (#14, 16, 19-20, 23, 25-27, 30-31, 33, 36-37, 39-40, 43-44, 50, 52, 59-60, 62-67)	\$	(13,425,546)
9. The Contract Price Applicable to Subproject 6(b) prior to this Change Order was	\$	444,270,454
10. The Contract Price Applicable to Subproject 6(b) will be unchanged by this Change Order	\$	—

11. The Provisional Sum Applicable to Subproject 6(b) will be changed by this Change Order	\$	20,457,116
12. The Contract Price Applicable to Subproject 6(b) including this Change Order will be	\$	464,727,570

Adjustment to Contract Price

13. The original Contract Price for Subproject 6(a) and Subproject 6(b) was (add lines 1 and 7)	\$	2,474,588,573
14. The Contract Price prior to this Change Order was (add lines 3 and 9)	\$	2,482,318,132
15. The Contract Price will be decreased by this Change Order in the amount of (add lines 4, 5, 10 and 11)	\$	(2)
16. The new Contract Price including this Change Order will be (add lines 14 and 15)	\$	2,482,318,130

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

The following dates are modified: N/A

Adjustment to other Changed Criteria for Subproject 6(a): N/A

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

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

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

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

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

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

The following dates are modified: N/A

Adjustment to other Changed Criteria for Subproject 6(b): N/A

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

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

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

Select either A or B:

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

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

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

/s/ David Craft
Owner

David Craft
Name

SVP E&C
Title

September 14, 2022
Date of Signing

/s/ Kane MacIntosh
Owner

Kane MacIntosh
Name

Senior Project Manager, PVP
Title

9 September 2022
Date of Signing

CHANGE ORDER

COVID-19 Impacts 1Q2022 and 2Q2022

PROJECT NAME: Sabine Pass LNG Stage 4 Liquefaction Facility

CHANGE ORDER NUMBER: CO-00069

OWNER: Sabine Pass Liquefaction, LLC

DATE OF CHANGE ORDER: August 29, 2022

CONTRACTOR: Bechtel Oil, Gas and Chemicals, Inc.

DATE OF AGREEMENT: November 7, 2018

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

1. Pursuant to Article 6.2 of the Agreement (*Change Orders Requested by Contractor*), Parties agree this Change Order includes Contractor's costs for the first and second quarters of 2022 (actuals January 2022 through June 2022), in response to the novel coronavirus (COVID-19) outbreak event.

This Change Order is based on the following assumptions and qualifications:

- i. Notwithstanding this Change Order contemplates the first and second quarters of 2022, by mutual agreement there is nil cost component for 2Q2022.
 - ii. Contractor's Houston home office personnel have worked and shall continue working effectively remotely or in the Houston home office.
 - iii. Contractor has been able to keep the Jobsite open throughout the event and shall continue doing so, to the extent reasonably possible, to advance the Work at the current rate of progress (or better if possible), with no shutdowns in 1Q2022 or 2Q2022.
 - iv. Contractor shall continue to put forth diligent mitigation efforts to minimize impacts caused by the event to the extent reasonably practical, including but not limited to: increased craft professional hours for additional cleaning, disinfecting, etc.; increased bussing services to support social distancing; additional cleaning stations, waste management services, etc.; quarantine requirements for supplier technical support (international and others); continued COVID-19 testing costs and hours (excluding quarantine time); increased professional staff for contact tracing efforts; and additional safety PPE, communication materials (e.g., posters, signs, etc.).
 - v. No major COVID-19 infection outbreak on the Jobsite resulting in: (i) Site shutdown of all or critical scopes of the Work; or (ii) absenteeism at or above the twenty percent (20%) level for a sustained duration of more than four (4) Weeks. Should either of these triggers occur, the Parties shall jointly collaborate on mitigation actions and plans for shutdown accordingly.
 - vi. Existing government (local, state and/or federal) guidelines, executive orders, actions or directives as of 9 March 2021 shall remain unchanged through the end of 2Q2022. New government orders shall be subject to separate notices and Change Orders, if applicable.
 - vii. Owner's operations and other professional staff personnel shall continue to support the Contractor's activities for the Project in support of the Work.
 - viii. Subcontractors and Suppliers shall continue to provide uninterrupted support for construction activities either at Site or remotely if possible.
 - ix. Any changes in the above assumptions and qualifications and additional costs beyond 1Q & 2Q are excluded from this Change Order; and may be part of a separate Change Order in accordance with Article 6.2 of the Agreement.
2. Contractor has not experienced schedule impacts on the critical path of the CPM Schedule through 30 June 2022. In the event of the occurrence of any impacts to the critical path of the CPM Schedule, Contractor shall notify Owner in accordance with Article 6.5 of the Agreement.
 3. The detailed cost breakdown of this Change Order is provided in Exhibit A of this Change Order.
-

4. Schedule C-3 (Milestone Payment Schedule) of Attachment C of the Agreement will be amended by including the milestone(s) listed in Exhibit B of this Change Order.

Adjustment to Contract Price Applicable to Subproject 6(a)

1. The original Contract Price Applicable to Subproject 6(a) was	\$	2,016,892,573
2. Net change for Contract Price Applicable to Subproject 6(a) by previously authorized Change Orders (#01-08, 10-13, 15, 17-18, 21-22, 24, 28-29, 31-32, 34-35, 38, 41-42, 45-49, 51, 53-58, 61, 68)	\$	697,987
3. The Contract Price Applicable to Subproject 6(a) prior to this Change Order was	\$	2,017,590,560
4. The Contract Price Applicable to Subproject 6(a) will be unchanged by this Change Order in the amount of	\$	
5. The Provisional Sum Applicable to Subproject 6(a) will be unchanged by this Change Order in the amount of	\$	
6. The Contract Price Applicable to Subproject 6(a) including this Change Order will be	\$	2,017,590,560

Adjustment to Contract Price Applicable to Subproject 6(b)

7. The original Contract Price Applicable to Subproject 6(b) (in CO-00009) was	\$	457,696,000
8. Net change for Contract Price Applicable to Subproject 6(b) by previously authorized Change Orders (#14, 16, 19-20, 23, 25-27, 30-31, 33, 36-37, 39-40, 43-44, 50, 52, 59-60, 62-68)	\$	7,031,570
9. The Contract Price Applicable to Subproject 6(b) prior to this Change Order was	\$	464,727,570
10. The Contract Price Applicable to Subproject 6(b) will be unchanged by this Change Order	\$	
11. The Provisional Sum Applicable to Subproject 6(b) will be changed by this Change Order	\$	546,880
12. The Contract Price Applicable to Subproject 6(b) including this Change Order will be	\$	465,274,450

Adjustment to Contract Price

13. The original Contract Price for Subproject 6(a) and Subproject 6(b) was (add lines 1 and 7)	\$	2,474,588,573
14. The Contract Price prior to this Change Order was (add lines 3 and 9)	\$	2,482,318,130
15. The Contract Price will be increased by this Change Order in the amount of (add lines 4, 5, 10 and 11)	\$	546,880
16. The new Contract Price including this Change Order will be (add lines 14 and 15)	\$	2,482,865,010

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

The following dates are modified: N/A

Adjustment to other Changed Criteria for Subproject 6(a): N/A

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

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

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

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

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

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

The following dates are modified: N/A

Adjustment to other Changed Criteria for Subproject 6(b): N/A

Adjustment to Payment Schedule for Subproject 6(b): **Yes; see Exhibit B**

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

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

Select either A or B:

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

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

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

/s/ David Craft

Owner

David Craft

Name

SVP E&C

Title

September 14, 2022

Date of Signing

/s/ Kane MacIntosh

Owner

Kane MacIntosh

Name

Senior Project Manager, PVP

Title

9 September 2022

Date of Signing

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (the “Agreement”) is made and entered into this _____ day of _____, 2022, between Cheniere Energy Partners GP, LLC, a Delaware limited liability company (the “Company”), and _____ (“Indemnatee”).

INTRODUCTION:

- A. Indemnatee, as a member of the Company’s Board of Directors and/or an officer of the Company, and/or a fiduciary under certain of the Company’s employee benefits plans, performs valuable services for the Company.
- B. The Company and Indemnatee recognize the substantial increase in corporate litigation in general, subjecting directors, officers, employees, controlling persons, agents and fiduciaries to expensive litigation risks at the same time as the availability and coverage of liability insurance has been severely limited.
- C. The Company’s Third Amended and Restated Limited Liability Company Agreement, as amended (the “LLC Agreement”), provides for the indemnification of the directors, officers, employees and agents of the Company to the maximum extent permitted by law, but subject to the limitations provided in the LLC Agreement.
- D. Indemnatee desires to ensure that the indemnification currently provided to Indemnatee under the LLC Agreement is not changed in the future as a result of an amendment to the LLC Agreement, and Indemnatee may not be willing to serve or continue to serve in such capacities without additional protection.
- E. The LLC Agreement and the Delaware Limited Liability Company Act (the “DLLCA”), by their non-exclusive nature, permit contracts between the Company and its directors, officers, employees, controlling persons, agents or fiduciaries with respect to indemnification.
- F. The Company (i) desires to attract and retain the involvement of highly qualified individuals, such as Indemnatee, to serve the Company and, in part, in order to induce Indemnatee to be involved with the Company, and (ii) wishes to provide for the indemnification and advancing of expenses to Indemnatee to the maximum extent permitted by law.
- G. In view of the considerations set forth above, the Company desires that Indemnatee be indemnified by the Company as set forth herein.
- H. Capitalized words are defined in the text of this Agreement or in Section 10.

[Remainder of Page Intentionally Blank]

AGREEMENT:

NOW, THEREFORE, in consideration of Indemnatee's service to the Company, the parties hereto agree as follows:

1. Indemnity of Indemnatee

The Company hereby agrees to indemnify Indemnatee to the fullest extent permitted by applicable law, the Company's Certificate of Formation (the "Certificate"), the LLC Agreement or by statute. In the event of any change after the date of this Agreement in any applicable law, statute or rule that expands the right of a Delaware limited liability company to indemnify a manager, director, officer, employee, controlling person, Selling Unitholder, agent or fiduciary, it is the intent of the parties hereto that Indemnatee shall enjoy by this Agreement the greater benefits afforded by such change. In the event of any change in any applicable law, statute or rule that narrows the right of a Delaware limited liability company to indemnify a manager, director, officer, employee, controlling person, Selling Shareholder, agent or fiduciary, such change, to the extent not otherwise required by such law, statute or rule to be applied to this Agreement, shall have no effect on this Agreement or the parties' rights and obligations hereunder except as set forth in Section 8(a) hereof.

2. Indemnification Rights

(a) Indemnification of Expenses. The Company shall indemnify and hold harmless Indemnatee, together with Indemnatee's partners, affiliates, employees, agents and spouse and each person who controls any of them or who may be liable within the meaning of Section 15 of the Securities Act of 1933, as amended (the "Securities Act"), or Section 20 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), to the fullest extent permitted by law if Indemnatee was or is or becomes a party to or witness or other participant in, or is threatened to be made a party to or witness or other participant in, any threatened, pending or completed action, suit, proceeding or alternative dispute resolution mechanism, or any Pre-Claim Inquiry, hearing, inquiry or investigation that Indemnatee in good faith reasonably believes might lead to the institution of any such action, suit, proceeding or alternative dispute resolution mechanism, whether civil, criminal, administrative, investigative or other (hereinafter a "Claim") against any and all expenses (including attorneys' fees and all other costs, expenses and obligations incurred in connection with investigating, defending, being a witness in or participating in (including on appeal), or preparing to defend, be a witness in or participate in, any such action, suit, proceeding, alternative dispute resolution mechanism, Pre-Claim Inquiry, hearing, inquiry or investigation), judgments, fines, penalties, Asset Protection Costs, Personal Reputation Expenses, Liberty Protection Costs, and amounts paid in settlement (if such settlement is approved in advance by the Company, which approval shall not be unreasonably withheld) of any Claim and any federal, state, local or foreign taxes imposed on Indemnatee as a result of the actual or deemed receipt of any payments under this Agreement (collectively, hereinafter "Expenses"), including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, incurred in any jurisdiction (both foreign and domestic) by Indemnatee by reason of (or arising in part out of) any event or occurrence related to the fact that Indemnatee is or was a director, officer, employee, controlling person, Selling Shareholder, agent or fiduciary of the Company or any subsidiary of the Company, or is or was serving at the request of the Company as a director, officer, employee, controlling person, agent or fiduciary of another corporation, partnership, joint venture, trust or other enterprise, or by reason of any action or inaction on the part of Indemnatee while serving in such capacity

including, without limitation, any and all losses, claims, damages, expenses and liabilities, joint or several (including any investigation, legal and other expenses incurred in connection with, and any amount paid in settlement of, any action, suit, proceeding or any claim asserted) under the Securities Act, the Exchange Act or other federal or state statutory law or regulation, at common law or otherwise, that relate directly or indirectly to the registration, purchase, sale or ownership of any securities of the Company or any of its subsidiaries or to any fiduciary obligation owed with respect thereto (hereinafter an “Indemnification Event”). Such payment of Expenses shall be made by the Company as soon as practicable but in any event no later than 25 days after written demand by Indemnatee therefor is presented to the Company.

(b) Reviewing Party. If the Reviewing Party (as described in Section 10(e) hereof) shall have determined (in a written opinion, in any case in which the Independent Legal Counsel (as defined below) is involved) that Indemnatee would not be permitted to be indemnified under applicable law, then (i) the Company shall not be obligated to provide any indemnification under Section 1 or 2 and (ii) Indemnatee acknowledges and agrees that the Company shall not be obligated to make an advance payment of Expenses to Indemnatee pursuant to Section 3(a) (an “Expense Advance”) and Indemnatee agrees to reimburse the Company for such Expense Advance; *provided, however*, that if Indemnatee has commenced or thereafter commences legal proceedings in a court of competent jurisdiction to secure a determination that Indemnatee should be indemnified under applicable law, any determination made by the Reviewing Party that Indemnatee would not be permitted to be indemnified under applicable law shall not be binding and Indemnatee shall not be required to reimburse the Company for any Expense Advance until a final judicial determination is made with respect thereto (as to which all rights of appeal therefrom have been exhausted or lapsed) and until such time, Indemnatee shall be entitled to receive interim payments of expenses pursuant to Section 2(a). Indemnatee’s obligation to reimburse the Company for any Expense Advance shall be unsecured and no interest shall be charged thereon. If there has not been a Change in Control (as defined in Section 10(d) hereof), the Reviewing Party shall be selected by the Board of Directors, and if there has been a Change in Control (other than a Change in Control that has been approved by a majority of the Company’s Board of Directors who were directors immediately prior to such Change in Control), the Reviewing Party shall be an attorney or firm of attorneys selected by the Board of Directors who shall not have otherwise performed services for the Company or any Indemnatee within the last three years (other than with respect to matters concerning the right of any Indemnatee under this Agreement, or of other indemnitees under similar indemnity agreements) (the “Independent Legal Counsel”). If there has been no determination by the Reviewing Party or if the Reviewing Party determines that Indemnatee substantively would not be permitted to be indemnified in whole or in part under applicable law, Indemnatee shall have the right to commence litigation seeking an initial determination by the court or challenging any such determination by the Reviewing Party or any aspect thereof, including the legal or factual bases therefor, and the Company hereby consents to service of process and to appear in any such proceeding. Any determination by the Reviewing Party otherwise shall be conclusive and binding on the Company and Indemnatee.

(c) Contribution. If the indemnification provided for in Section 2(a) above is for any reason held by a court of competent jurisdiction to be unavailable to an Indemnatee in respect of any losses, claims, damages, expenses or liabilities referred to therein (after a final judicial determination is made with respect thereto, and as to which all rights of appeal therefrom have been exhausted or lapsed), then the Company, in lieu of indemnifying Indemnatee thereunder, shall contribute to the amount paid or payable by Indemnatee as a result of such

losses, claims, damages, expenses or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and Indemnitee, or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company and Indemnitee in connection with the action or inaction that resulted in such losses, claims, damages, expenses or liabilities, as well as any other relevant equitable considerations. In connection with the registration of the Company's (or a subsidiary's) securities, the relative benefits received by the Company (or its subsidiary) and Indemnitee shall be deemed to be in the same respective proportions that the net proceeds from the offering (before deducting expenses) received by the Company (or its subsidiary) and the Indemnitee, in each case as set forth in the table on the cover page of the applicable prospectus, bear to the aggregate public offering price of the securities so offered. The relative fault of the Company (or its subsidiary) and Indemnitee shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company (or its subsidiary) or Indemnitee and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and Indemnitee agree that it would not be just and equitable if contribution pursuant to this Section 2(c) were determined by pro rata or per capita allocation or by any other method of allocation that does not take account of the equitable considerations referred to in the immediately preceding paragraph. In connection with the registration of the Company's (or a subsidiary's) securities, in no event shall an Indemnitee be required to contribute any amount under this Section 2(c) in excess of the lesser of (i) that proportion of the total of such losses, claims, damages or liabilities indemnified against equal to the proportion of the total securities sold under such registration statement that is being sold by Indemnitee or (ii) the proceeds received by Indemnitee from its sale of securities under such registration statement. No person found guilty of fraudulent misrepresentation (within the meaning of Section 10(b) of the Exchange Act) shall be entitled to contribution from any person who was not found guilty of such fraudulent misrepresentation.

(d) Survival Regardless of Investigation. The indemnification and contribution provided for herein will remain in full force and effect regardless of any investigation made by or on behalf of Indemnitee or any officer, director, employee, agent or controlling person of Indemnitee.

(e) Mandatory Payment of Expenses. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee has been successful on the merits or otherwise, including, without limitation, the dismissal of an action without prejudice, in the defense of any action, suit, proceeding, inquiry or investigation referred to in Section 2(a) hereof or in the defense of any claim, issue or matter therein, Indemnitee shall be indemnified against all Expenses incurred by Indemnitee in connection herewith.

3. Expenses; Indemnification Procedure

(a) Advancement of Expenses. The Company shall advance all Expenses incurred by Indemnatee. The advances to be made hereunder shall be paid by the Company to Indemnatee as soon as practicable but in any event no later than 25 days after written demand by Indemnatee therefor to the Company.

(b) Notice/Cooperation by Indemnatee. Indemnatee shall give the Company notice in writing in accordance with Section 14 of this Agreement as soon as practicable of any Claim made against Indemnatee for which indemnification will or could be sought under this Agreement.

(c) No Presumptions; Burden of Proof. For purposes of this Agreement, the termination of any Claim by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of nolo contendere, or its equivalent, shall not create a presumption that Indemnatee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable law. In addition, neither the failure of the Reviewing Party to have made a determination as to whether Indemnatee has met any particular standard of conduct or had any particular belief, nor an actual determination by the Reviewing Party that Indemnatee has not met such standard of conduct or did not have such belief, prior to the commencement of legal proceedings by Indemnatee to secure a judicial determination that Indemnatee should be indemnified under applicable law, shall be a defense to Indemnatee's claim or create a presumption that Indemnatee has not met any particular standard of conduct or did not have any particular belief. In connection with any determination by the Reviewing Party or otherwise as to whether Indemnatee is entitled to be indemnified hereunder, the burden of proof shall be on the Company to establish that Indemnatee is not so entitled.

(d) Directors & Officers Liability Insurance. The company will obtain and maintain a policy or policies of D&O insurance with one or more reputable insurance companies providing Indemnatee with coverage in such amount(s) as may be determined by the Board of Directors for losses and Expenses paid or incurred by Indemnatee for a Claim, and to insure, to the extent of its terms, the Company's performance of its indemnity obligations under this Agreement. The Company is solely responsible for all premiums, deductibles, retentions, co-insurance and other expenses associated with the procurement and maintenance of such policies.

(e) Notice to Insurers. Upon receipt by the Company of a notice of Claim pursuant to Section 3(b) above, the Company will give prompt notice to each D&O liability insurer in accordance with the procedures set forth in each of the Company's D&O liability policies. The Company acknowledges that under each policy it may act on behalf of the Indemnitees to give and receive notice, pay or receive premiums, provide cancellation or renewal instructions and accept any revisions or amendments, among other things, as detailed in the respective insurance policies.

In the unlikely event the Company should decline indemnification to Indemnatee pursuant to Section 8 below, the Company will take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnatee, all amounts payable in accordance with the terms of such policies.

(f) Selection of Counsel. If Indemnitee is not an officer or employee of the Company, he, together with the other directors who are not officers or employees of the Company (the “Outside Directors”), shall be entitled to employ, and, to the extent indemnifiable pursuant to Section 2, be reimbursed for the fees and disbursements of, counsel separate from that chosen by Indemnitees who are officers or employees of the Company. The principal counsel for Outside Directors (the “Principal Counsel”) shall be determined by majority vote of the Outside Directors, and the principal counsel for Indemnitees who are not Outside Directors (the “Separate Counsel”) shall be determined by majority vote of such Indemnitees, in each case subject to the consent of the Company (not to be unreasonably withheld or delayed). The obligation of the Company to reimburse Indemnitee for the fees and disbursements of counsel hereunder shall not extend to the fees and disbursements of any counsel employed by Indemnitee other than the Principal Counsel or the Separate Counsel, as the case may be, unless Indemnitee has interests that are different from those of the other Indemnitees or defenses available to him that are in addition to or different from those of the other Indemnitees such that the Principal Counsel or the Separate Counsel, as the case may be, would have an actual or potential conflict of interest in representing Indemnitee. The Company will take all action that is necessary or desirable to cause the insurers to consent to the two sets of counsel referenced above.

4. Non-exclusivity

The indemnification provided by this Agreement shall be in addition to any rights to which Indemnitee may be entitled under the Certificate, the LLC Agreement, any agreement, any vote of members of the Company or disinterested directors, the DLLCA, or otherwise. The indemnification provided under this Agreement shall continue as to Indemnitee for any action Indemnitee took or did not take while serving in an indemnified capacity even though Indemnitee may have ceased to serve in such capacity.

5. No Duplication of Payments

The Company shall not be liable under this Agreement to make any payment in connection with any Claim made against any Indemnitee to the extent Indemnitee has otherwise actually received payment (under any insurance policy, the Certificate, the LLC Agreement or otherwise) of the amounts otherwise indemnifiable hereunder, except to the extent Indemnitee has paid Expenses or attorney’s fees that are subject to reimbursement under any insurance policy.

6. Partial Indemnification

If any Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for any portion of Expenses incurred in connection with any Claim, but not, however, for all of the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion of such Expenses to which Indemnitee is entitled.

7. Mutual Acknowledgement

The Company and Indemnitee acknowledge that in certain instances, Federal law or applicable public policy may prohibit the Company from indemnifying its directors, officers, employees, controlling persons, agents or fiduciaries under this Agreement or otherwise. Each Indemnitee understands and acknowledges that the Company has undertaken or may be required in the future to undertake with the Securities and Exchange Commission to submit the question

of indemnification to a court in certain circumstances for a determination of the Company's rights under public policy to indemnify Indemnitee.

8. Exceptions

Any other provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement:

(a) Claims Initiated by Indemnitee. To indemnify or advance expenses to any Indemnitee with respect to Claims initiated or brought voluntarily by Indemnitee and not by way of defense, except (i) with respect to actions or proceedings to establish or enforce a right to indemnify under this Agreement or any other agreement or insurance policy or under the Certificate or the LLC Agreement now or hereafter in effect relating to Claims for Indemnifiable Events, (ii) in specific cases if the Company's Board of Directors has approved the initiation or bringing of such Claim, or (iii) as otherwise required under the DLLCA, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advance expense payment or insurance recovery, as the case may be; or

(b) Claims Under Section 16(b). To indemnify Indemnitee for expenses and the payment of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 16(b) of the Exchange Act or any similar successor statute; or

(c) Claims Excluded Under the LLC Agreement. To indemnify Indemnitee if there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining, that in respect of the matter for which the Indemnitee is seeking indemnification the Indemnitee acted in bad faith, engaged in fraud or willful misconduct or, in the case of a criminal matter, acted with knowledge that the Indemnitee's conduct was unlawful.

9. Period of Limitations

No legal action shall be brought and no cause of action shall be asserted by or in the right of the Company against any Indemnitee, any Indemnitee's estate, spouse, heirs, executors or personal or legal representatives after the expiration of five years from the date of accrual of such cause of action, and any claim or cause of action of the Company shall be extinguished and deemed released unless asserted by the timely filing of a legal action within such five-year period; *provided, however*, that if any shorter period of limitations is otherwise applicable to any such cause of action, such shorter period shall govern.

10. Construction of Certain Phrases

(a) For purposes of this Agreement, references to the "Company" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger that, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees, agents or fiduciaries, so that if Indemnitee is or was a director, officer, employee, agent, control person, or fiduciary of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee, control person, agent or fiduciary of another corporation, partnership, joint venture, employee benefit plan, trust or other enterprise, Indemnitee shall stand in the same position under the provisions of this Agreement

with respect to the resulting or surviving corporation as Indemnitee would have with respect to such constituent corporation if its separate existence had continued.

(b) For purposes of this Agreement, references to “*other enterprises*” shall include employee benefit plans; references to “*fin*es” shall include any excise taxes assessed on any Indemnitee with respect to an employee benefit plan; and references to “*serving at the request of the Company*” shall include any service as a director, officer, employee, agent or fiduciary of the Company that imposes duties on, or involves services by, such director, officer, employee, agent or fiduciary with respect to an employee benefit plan, its participants or its beneficiaries; and if any Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in the interests of the participants and beneficiaries of an employee benefit plan, Indemnitee shall be deemed to have acted in a manner “not opposed to the best interests of the Company” as referred to in this Agreement.

(c) For purposes of this Agreement, “*Affiliate*” means (i) any entity in which the Company, directly or indirectly, owns 10% or more of the combined Voting Securities, (ii) any “parent corporation” of the Company (as defined in Section 424(e) of the Internal Revenue Code of 1986, as amended (the “*Code*”), (iii) any “subsidiary corporation” of any such parent corporation (as defined in Section 424(f) of the Code) of the Company and (iv) any trades or businesses, whether or not incorporated which are members of a controlled group or are under common control (as defined in Sections 414(b) or (c) of the Code) with the Company.

(d) For purposes of this Agreement a “*Change in Control*” shall be deemed to have occurred if (i) any “*person*” (as defined in Section 3(a)(9) of the Exchange Act), and as modified in Section 13(d) and 14(d) of the Exchange Act) other than (A) the Company or any of its subsidiaries, (B) any employee benefit plan of the Company or any of its subsidiaries, (C) any Affiliate, (D) a company owned, directly or indirectly, by members of the Company in substantially the same proportions as their ownership of the Company, or (E) an underwriter temporarily holding securities pursuant to an offering of such securities (a “*Person*”), becomes the “*beneficial owner*” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing 30% or more of the membership interests of the Company then outstanding; *provided, however*, that an initial public offering of membership interests of the Company shall not constitute a Change of Control; (ii) the consummation of any merger, organization, business combination or consolidation of the Company or one of its subsidiaries 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; (iii) 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 members of the Company approve a plan of complete liquidation or dissolution of the Company; or (iv) individuals who, as of the date of this Agreement, constitute the board of directors of the Company (the “*Incumbent Board*”) cease for any reason to constitute at least a majority of the board of directors of the Company; *provided, however*, that any individual becoming a director subsequent to the date of this Agreement whose election by the board of directors of the

Company, 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 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 of directors of the Company.

(e) For purposes of this Agreement, a “**Reviewing Party**” shall mean, if and when appointed by the Board of Directors, any appropriate person or body consisting of a member or members of the Company’s Board of Directors or any other person or body appointed by the Board of Directors who is not a party to the particular Claim for which Indemnitee is seeking indemnification, or Independent Legal Counsel.

(f) For purposes of this Agreement, “**Voting Securities**” shall mean any securities of the Company that vote generally in the election of directors.

(g) For purposes of this Agreement, “**Asset Protection Costs**” shall mean reasonable and necessary Expenses paid or incurred by the Indemnitee to:

- i) oppose any effort by an Enforcement Body to seize or otherwise enjoin the Indemnitee’s personal assets or real property; or
- ii) obtain the discharge or revocation of a court order entered against Indemnitee which in any way impairs the use of such Indemnitee’s personal assets or real property.

(h) For purposes of this Agreement, “**Enforcement Body**” means:

- i) any federal, state, local or foreign law enforcement authority or other governmental investigative authority (including, but not limited to the United States Department of Justice, the United States Securities and Exchange Commission, and any Attorney General); or
- ii) the enforcement unit of any securities or commodities exchange or other self-regulatory organization.

(i) For purposes of this Agreement, “**Personal Reputation Expenses**” shall mean reasonable and necessary Expenses paid or incurred by or on behalf of an Indemnitee to counteract any negative statement about the Indemnitee made by an authorized representative of an Enforcement Body included in a press release or published by any print or electronic media outlet.

(j) For purposes of this Agreement, “**Liberty Protection Costs**” means reasonable and necessary Expenses paid or incurred by an Indemnitee to lawfully seek his or her release from any arrest or confinement to:

- i) a specific residence; or
- ii) a secure custodial premises operated by or on behalf of a law enforcement authority; or
- iii) payment of premiums or bonds or other financial instruments required by a court to guarantee the Indemnitee's contingent obligation to pay a specified amount, but only if the payment(s) are incurred or imposed outside the United States.

(k) For purposes of this Agreement, "***Pre-Claim Inquiry Costs***" shall mean reasonable and necessary expenses paid or incurred by an Indemnitee to respond to a verifiable request for an Indemnitee to

- i) appear at a meeting or interview; or
- ii) produce documents,

if such request comes from

- i) an Enforcement Body; or
- ii) the Company.

A Pre-Claim Inquiry also means the arrest or confinement of an Indemnitee to:

- i) a specific residence; or
- ii) a secure custodial premises operated by or on behalf of a law enforcement authority.

(l) For purposes of this Agreement, "***Selling Unitholder***" shall mean an Indemnitee who sells a security as described in Section 12(a)(2) of the Securities Act of 1993 or any similar securities law or regulation of any state or any common law.

11. Counterparts

This Agreement may be executed in one or more counterparts, each of which shall constitute an original.

12. Binding Effect; Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors, assigns, including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Company, spouses, heirs, and personal and legal representatives. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all, or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to

the same extent that the Company would be required to perform if no such succession had taken place. This Agreement shall continue in effect with respect to Claims relating to Indemnifiable Events regardless of whether any Indemnitee continues to serve as a director, officer, employee, agent, controlling person, or fiduciary of the Company or of any other enterprise, including subsidiaries of the Company, at the Company's request.

13. Attorneys' Fees

In the event that any action is instituted by an Indemnitee under this Agreement or under any liability insurance policies maintained by the Company to enforce or interpret any of the terms hereof or thereof, any Indemnitee shall be entitled to be paid all Expenses incurred by Indemnitee with respect to such action (including, without limitation, attorney's fees), regardless of whether Indemnitee is ultimately successful in such action, and shall be entitled to the advancement of Expenses with respect to such action, unless, as a part of such action, a court of competent jurisdiction over such action determines that the material assertions made by Indemnitee as a basis for such action were not made in good faith or were frivolous, *provided, however*, that until such determination is made, Indemnitee shall be entitled to receive payment of Expense Advances hereunder with respect to such action. In the event of an action instituted by or in the name of the Company under this Agreement to enforce or interpret any of the terms of this Agreement, Indemnitee shall be entitled to be paid all Expenses incurred by Indemnitee in defense of such action (including costs and expenses incurred with respect to Indemnitee counterclaims and cross-claims made in such action), and shall be entitled to the advancement of Expenses with respect to such action, unless, as a part of such action, a court having jurisdiction over such action determines that each of the Indemnitee's material defenses to such action was made in bad faith or were frivolous.

14. Notice

All notices and other communications required or permitted hereunder shall be in writing, shall be effective when given, and shall in any event be deemed to be given (a) five calendar days after deposit with the U.S. Postal Service or other applicable postal service, if delivered by first class mail, postage prepaid, (b) upon delivery, if delivered by hand, (c) one business day after the business day of deposit with Federal Express or similar overnight courier, freight prepaid, or (d) one day after the business day of delivery by facsimile transmission, if deliverable by facsimile transmission, with copy by first class mail, postage prepaid, and shall be addressed if to Indemnitee, at Indemnitee's address as set forth beneath Indemnitee's signature to this Agreement and if to the Company at the address of its principal corporate offices (attention: Chief Executive Officer) or at such other address as such party may designate by ten calendar days' advance written notice to the other party hereto.

15. Consent to Jurisdiction

The Company and Indemnitee each hereby irrevocably consent to the jurisdiction of the courts of the State of Delaware for all purposes in connection with any action or proceeding that arises out of or relates to this Agreement and agree that any action instituted under this Agreement shall be commenced, prosecuted and continued only in the Court of Chancery of the State of Delaware in and for New Castle County, which shall be the exclusive and only proper forum for adjudicating such a claim.

16. Severability

The provisions of this Agreement shall be severable in the event that any of the provisions hereof (including any provision within a single section, paragraph or sentence) are held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, and the remaining provisions shall remain enforceable to the fullest extent permitted by law. Furthermore, to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of this Agreement containing any provision held to be invalid, void or otherwise unenforceable, that is not itself invalid, void or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

17. Choice of Law

This Agreement shall be governed by and its provisions construed and enforced in accordance with the laws of the State of Delaware, as applied to contracts between Delaware residents, entered into and to be performed entirely within the State of Delaware, without regard to the conflict of laws principles thereof.

18. Subrogation

In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee who shall execute all documents required and shall do all acts that may be necessary to secure such rights and to enable the Company effectively to bring suit to enforce such rights.

19. Amendment and Termination

No amendment, modification, termination or cancellation of this Agreement shall be effective unless it is in writing signed by all parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

20. Integration and Entire Agreement

This Agreement sets forth the entire understanding between the parties hereto and supersedes and merges all previous written and oral negotiations, commitments, understandings and agreements relating to the subject matter hereof between the parties hereto.

21. No Construction as Employment Agreement

Nothing contained in this Agreement shall be construed as giving the Indemnitee any right to be retained in the employ of the Company or any of its subsidiaries.

22. Corporate Authority

The Board of Directors of the Company has approved the terms of this Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Indemnification Agreement on and as of the day and year first above written.

COMPANY:

CHENIERE ENERGY PARTNERS GP, LLC

By: _____

Name: Sean Markowitz

Title: Executive Vice President, Chief Legal
Officer and Corporate Secretary

INDEMNITEE:

By: _____

Name: _____

Title: _____

LNG SALE AND PURCHASE AGREEMENT

(TOU)

Dated November 1, 2022

BETWEEN

SABINE PASS LIQUEFACTION, LLC

(Seller)

AND

CHENIERE MARKETING INTERNATIONAL LLP

(Buyer)

Table of Contents

	<u>Page No.</u>
1. Definitions and Interpretation	1
1.1 Definitions	1
1.2 Interpretation	16
1.3 Replacement of Rates and Indices No Longer Available	17
2. Approvals	17
3. Subject Matter	18
3.1 Sale and Purchase	18
3.2 Facilities	18
3.3 Destination	19
4. Term	19
4.1 Term	19
4.2 Contract Year	19
5. Quantities	19
5.1 ACQ	19
5.2 Adjusted Annual Contract Quantity	20
5.3 Major Scheduled Maintenance	20
5.4 Buyer's Purchase Obligation	20
5.5 Seller's Delivery Obligation	21
5.6 Cargo Cancellation; Buyer Override	23
6. Delivery Point, Title and Risk	23
6.1 Delivery Point	23
6.2 Title and Risk	23
7. Transportation and Loading	23
7.1 Transportation by Buyer	23
7.2 Sabine Pass Facility	24
7.3 Compatibility of the LNG Facility with LNG Tankers	25
7.4 Buyer Inspection Rights in Respect of the Sabine Pass Facility	26
7.5 LNG Tankers	26
7.6 LNG Tanker Inspections; LNG Tanker Vetting Procedures; Right to Reject LNG Tanker	30
7.7 Port Liability Agreement	31
7.8 Sabine Pass Marine Operations Manual	32
7.9 Loading of LNG Tankers	32
7.10 Notice of Readiness	34
7.11 Berthing Assignment	34
7.12 Berth Laytime	36
7.13 LNG Transfers at the Loading Facility	37
7.14 LNG Tanker Not Ready for LNG Transfer; Excess Laytime	38
7.15 Cooperation	39
7.16 Cool-Down of LNG Tankers	40
8. Annual Delivery Program	41
8.1 Programming Information	41

8.2	Determination of Annual Delivery Program	43
8.3	Changes to Annual Delivery Program	43
8.4	Ninety Day Schedule	44
9.	Contract Sales Price	44
9.1	Contract Sales Price	44
10.	Invoicing and Payment	45
10.1	Invoices	45
10.2	Payment	47
10.3	Disputed Invoice	48
10.4	Delay in Payment	48
10.5	Audit Rights	49
10.6	Seller's Right to Suspend Performance	49
10.7	Final Settlement	50
11.	Taxes	50
11.1	Responsibility	50
11.2	Seller Taxes	50
11.3	Buyer Taxes	51
11.4	Withholding Taxes	51
11.5	Transfer Tax	51
11.6	Mitigation	52
11.7	Refunds	52
12.	Quality	52
12.1	Specification	52
12.2	Determining LNG Specifications	53
12.3	Off-Specification LNG	53
13.	Measurements and Tests	55
13.1	LNG Measurement and Tests	55
13.2	Parties to Supply Devices	55
13.3	Selection of Devices	56
13.4	Tank Gauge Tables of LNG Tanker	56
13.5	Gauging and Measuring LNG Volumes Loaded	56
13.6	Samples for Quality Analysis	56
13.7	Quality Analysis	56
13.8	Operating Procedures	56
13.9	MMBtu Quantity Delivered	57
13.10	Verification of Accuracy and Correction for Error	57
13.11	Costs and Expenses	57
14.	Force Majeure	58
14.1	Force Majeure	58
14.2	Limitations on Force Majeure	59
14.3	Notification	61
14.4	Measures	62
14.5	No Extension of Term	62
14.6	Settlement of Industrial Disturbances	62
14.7	Foundation Customer Priority	62

15.	Liabilities and Indemnification	62
15.1	General	62
15.2	Limitations on Liability	63
15.3	Third Party Liability	64
15.4	Seller's Insurance	66
15.5	Buyer's Insurance	66
16.	Safety	67
16.1	General	67
16.2	Third Parties	67
17.	Representations, Warranties and Undertakings	67
17.1	Representations and Warranties of Buyer	67
17.2	Representations and Warranties of Seller	68
17.3	Business Practices	68
18.	Exchange of Information	68
19.	Confidentiality	68
19.1	Duty of Confidentiality	68
19.2	Permitted Disclosures	69
19.3	Duration of Confidentiality	71
20.	Default and Termination	71
20.1	Termination Events	71
20.2	Termination	72
20.3	Survival	73
21.	Dispute Resolution and Governing Law	73
21.1	Dispute Resolution	73
21.2	Expert Determination	76
21.3	Governing Law	77
21.4	Immunity	77
22.	Assignments	78
22.1	Merger, Consolidation	78
22.2	Assignment by Buyer	78
22.3	Assignments by Seller	79
22.4	Financing by Seller or its Affiliates	80
23.	Contract Language	80
24.	Miscellaneous	80
24.1	Disclaimer of Agency	80
24.2	Entire Agreement	80
24.3	Third Party Beneficiaries	81
24.4	Amendments and Waiver	81
24.5	Exclusion	81
24.6	Further Assurances	81
24.7	Severability	81
24.8	Multiple SPAs	82
24.9	No Set-Off	83
24.10	Safe Harbor Provisions	83
24.11	Counterparts	84

25.	Notices	85
25.1	Form of Notice	85
25.2	Effective Time of Notice	86
26.	Business Practices	86
26.1	Trade Law Compliance	86
26.2	Use of LNG	88
26.3	Prohibited Practices	89
26.4	Records; Audit	89
26.5	Indemnity	89
Exhibit A	Measurements	
Exhibit B	Form of Port Liability Agreement	

LNG SALE AND PURCHASE AGREEMENT

THIS LNG SALE AND PURCHASE AGREEMENT (“**Agreement**”) is made and entered into as of November 1, 2022 (the “**Effective Date**”), by and between **Sabine Pass Liquefaction, LLC**, a Delaware limited liability company whose principal place of business is located at 700 Milam St., Suite 1900, Houston, TX 77002 (“**Seller**”), and **Cheniere Marketing International LLP**, a UK limited liability partnership whose principal place of business is located at Third Floor, The Zig Zag Building, 70 Victoria Street, London SW1E 6SQ (United Kingdom) (“**Buyer**”). Buyer and Seller are each referred to herein as a “**Party**” and collectively as the “**Parties**”.

Recitals

- (1) Seller and/or an Affiliate of Seller owns and/or operates a liquefied natural gas facility in Cameron Parish, Louisiana;
- (2) Seller (as assignee of Corpus Christi Liquefaction Stage III, LLC) and Tourmaline Oil Marketing Corp. (“**Gas Supplier**”) entered into a Gas Supply Agreement, dated July 15, 2021, pursuant to which Gas Supplier will sell and Seller will purchase a specified quantity of Gas (as may be supplemented, amended, modified, changed, superseded or replaced from time to time, the “**GSA**”);
- (3) Buyer desires to purchase LNG from Seller and transport such LNG to one or more Discharge Terminals; and
- (4) Seller and Buyer have agreed to execute a definitive agreement setting out the Parties’ respective rights and obligations in relation to the sale and purchase of LNG.

It is agreed:

1. Definitions and Interpretation

1.1 Definitions

The words and expressions below shall, unless the context otherwise requires, have the meanings respectively assigned to them:

<i>AAA:</i>	as defined in Section 21.1.2;
<i>ACQ:</i>	as defined in Section 5.1.1;
<i>Actual Laytime:</i>	as defined in Section 7.12.2;
<i>Adjusted Annual Contract Quantity or AACQ:</i>	as defined in Section 5.2;

Adverse Weather Conditions:

weather or sea conditions actually experienced at or near the Sabine Pass Facility (or Alternate Facility, as applicable) that are sufficiently severe: (i) to prevent an LNG Tanker from proceeding to berth, or loading or departing from berth, in accordance with one or more of the following: (a) regulations published by a Governmental Authority; (b) an Approval; or (c) an order of a Pilot; (ii) to cause an actual determination by the master of an LNG Tanker, acting reasonably, that it is unsafe for such LNG Tanker to berth, load, or depart from berth; or (iii) to prevent or severely limit the production capability of the Sabine Pass Facility (or Alternate Facility, as applicable);

Affected Quantity:

a quantity of MMBtu equal to the quantity of Gas affected by the relevant GSA Event, divided by one hundred fifteen percent (115%);

Affiliate:

with respect to any Person, any other Person which directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with such Person; provided that Buyer and Seller shall not be considered Affiliates of one another for purposes of this Agreement; provided further that if Seller, directly or indirectly through one or more intermediaries, is under common control with Buyer, then for purposes of Section 11 only, the term "Affiliate" shall mean (i) in the case of Seller, any Person that directly or indirectly through one or more intermediaries is controlled by Seller, and (ii) in the case of Buyer, any Person that directly owns an equity interest in Buyer or directly or indirectly through one or more intermediaries is controlled by Buyer or is under common control with Buyer (other than Seller and Seller's Affiliates as set forth in clause (i) of this definition); for purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the direct or indirect ownership of fifty percent (50%) or more of the voting rights in a Person or the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or otherwise;

<i>Agreement:</i>	this agreement, including the Exhibits hereto, as the same may be amended, modified or replaced from time to time;
<i>Allotted Laytime:</i>	as defined in Section 7.12.1;
<i>Alternate Facility:</i>	with respect to a cargo scheduled for delivery hereunder at an LNG production facility other than the Sabine Pass Facility, such alternate LNG production facility as determined in accordance with Section 8.3.3;
<i>Alternative CSP:</i>	as defined in Section 9.1.1;
<i>Alternative Quantity:</i>	as defined in Section 9.1.3;
<i>Annual Delivery Program or ADP:</i>	as defined in Section 8.2.3;
<i>Applicable Laws:</i>	in relation to matters covered by this Agreement, all applicable laws, statutes, rules, regulations, ordinances, codes, standards and rules of common law, and judgments, decisions, interpretations, orders, directives, injunctions, writs, decrees, stipulations, or awards of any applicable Governmental Authority or duly authorized official, court or arbitrator thereof, in each case, now existing or which may be enacted or issued after the Effective Date;
<i>Approvals:</i>	any and all permits (including work permits), franchises, authorizations, approvals, grants, licenses, visas, waivers, exemptions, consents, permissions, registrations, decrees, privileges, variances, validations, confirmations or orders granted by or filed with any Governmental Authority, including the Export Authorizations;
<i>AQ:</i>	in respect of a cargo, a quantity of MMBtu equal to: (a) if Buyer has elected to purchase the relevant cargo at the alternative price in accordance with Section 5.6, DSCQ; (b) if sub-part (a) does not apply, and if a GSA Event occurs and Seller has elected to change the price applicable to all or a portion of the Affected Quantity to the Alternative CSP in accordance with Section 9.1.3, the Alternative Quantity applicable to such cargo; or (c) if neither sub-part (a) nor sub-part (b) applies, zero (0) MMBtu;

<i>Bankruptcy Code:</i>	Title 11 of the United States Code (11 U.S.C. § 101 et. seq.);
<i>Bankruptcy Event:</i>	with respect to any Person: (i) such Person's suspension of payment of, or request to any court for a moratorium on payment of, all or a substantial part of such Person's debts, (ii) such Person's making of a general assignment or any composition with or for the benefit of its creditors except to the extent otherwise permitted by Section 22, (iii) any filing, or consent by answer by such Person to the filing against it, of a petition for relief or reorganization or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy, insolvency, reorganization, moratorium or other similar law of any jurisdiction, or (iv) any order under the bankruptcy or insolvency laws of any jurisdiction: (a) entered for the winding up, bankruptcy, liquidation, dissolution, custodianship or administration with respect to such Person or any substantial part of such Person's property; (b) constituting an order for relief with respect to such Person; (c) approving a petition for relief or reorganization or any other petition in bankruptcy or insolvency law with respect to such Person; or (d) approving any petition filed in bankruptcy or insolvency law against such Person;
<i>Btu:</i>	the amount of heat equal to one thousand fifty-five decimal zero five six (1,055.056) Joules;
<i>Business Day:</i>	any Day (other than Saturdays, Sundays and national holidays in the United States of America) on which commercial banks are normally open to conduct business in the United States of America;
<i>Buyer:</i>	as defined in the Preamble;
<i>Buyer Taxes:</i>	as defined in Section 11.3;
<i>Cargo DoP Payment:</i>	as defined in Section 5.5.2;
<i>Cargo DoP Quantity:</i>	as defined in Section 5.5.2;
<i>Cargo Payment:</i>	as defined in Section 9.1.1;
<i>CCLNG:</i>	Corpus Christi Liquefaction, LLC;

<i>Central Time:</i>	local time in Houston, Texas;
<i>Claim:</i>	all claims, demands, legal proceedings, or actions that may exist, arise, or be threatened currently or in the future at any time following the Effective Date, whether or not of a type contemplated by any Party, and whether based on federal, state, local, statutory or common law or any other Applicable Laws;
<i>CMILLP Base SPA:</i>	that certain Amended and Restated LNG Sale and Purchase Agreement, dated August 5, 2014, between Sabine Pass Liquefaction, LLC and Cheniere Marketing International LLP (assignee of Cheniere Marketing, LLC) and any other LNG sale and purchase agreement entered into between Sabine Pass Liquefaction, LLC and Cheniere Marketing International LLP after the Effective Date;
<i>Confidential Information:</i>	as defined in Section 19.1;
<i>Connecting Pipeline:</i>	any pipeline as may be directly interconnected to (i) the Sabine Pass Facility, including each of the Creole Trail Pipeline, those certain Gas pipelines owned and operated, as of the Effective Date, by Kinder Morgan Louisiana Pipeline LLC, Natural Gas Pipeline of America LLC and Transcontinental Gas Pipe Line Company, LLC, and any other pipeline that is directly interconnected to the Sabine Pass Facility after the Effective Date, or (ii) an Alternate Facility (as applicable);
<i>Contract Year:</i>	as defined in Section 4.2;
<i>Corpus Christi Facility:</i>	the LNG facilities, including the Stage I-II Facilities and the Stage III Facilities, that CCLNG and/or its Affiliates are operating and/or developing and, as of the Effective Date, intend to own and operate (or have operated on its or their behalf) in San Patricio and Nueces Counties, Texas, in the vicinity of Portland, Texas, on the La Quinta Channel in the Corpus Christi Bay, including the Gas pretreatment and processing facilities, liquefaction facilities, storage tanks, utilities, terminal facilities, and associated port and marine facilities, and all other related facilities both inside and outside the LNG plant, and any additional liquefaction and related facilities constructed adjacent to and/or interconnected with the above described facilities and which are owned and/or operated by CCLNG and/or its Affiliates (or on its or their behalf), and any expansions or modifications of any such facilities described above;

<i>Cubic Meter:</i>	in relation to Gas, the quantity of dry ideal Gas, at a temperature of fifteen (15) degrees Celsius and a pressure of one hundred one decimal three two five (101.325) kilopascals absolute contained in a volume of one (1) cubic meter;
<i>Day:</i>	a period of twenty-four (24) consecutive hours starting at 00:00 hours Central Time;
<i>Delivery Month:</i>	the Month in which the relevant cargo's Delivery Window is scheduled to begin;
<i>Delivery Point:</i>	as defined in Section 6.1;
<i>Delivery Window:</i>	a twenty-four (24) hour period starting at 6:00 a.m. Central Time on a specified Day and ending twenty-four (24) consecutive hours thereafter that is allocated to Buyer under the ADP or Ninety Day Schedule, as applicable;
<i>Demurrage Event:</i>	as defined in Section 7.12.3;
<i>Direct Agreement:</i>	as defined in Section 22.4.2;
<i>Discharge Terminal:</i>	with respect to each cargo of LNG taken or scheduled to be taken by Buyer pursuant to this Agreement, the facilities intended by Buyer to be utilized for the unloading, reception, discharge, storage, treatment (if necessary), and regasification of the LNG and the processing and send-out of Gas or regasified LNG, and other relevant infrastructure, including marine facilities (such as breakwaters and tugs) for the safe passage to berth of LNG Tankers, terminal facilities for the berthing and discharging of LNG Tankers, LNG storage tanks and the regasification plant as specified in the ADP or Ninety Day Schedule, as applicable;
<i>Dispute:</i>	any dispute or difference of whatsoever nature arising under, out of, in connection with or in relation (in any manner whatsoever) to this Agreement or the subject matter of this Agreement, including (i) any dispute or difference concerning the initial or continuing existence of this Agreement or any provision of it, or as to whether this Agreement or any provision of it is invalid, illegal or unenforceable (whether initially or otherwise); or (ii) any dispute or claim which is ancillary or connected, in each case in any manner whatsoever, to the foregoing;

<i>DQ:</i>	in respect of a cargo, DSCQ minus the quantity of MMBtu taken by Buyer in respect of such cargo; provided that DQ shall be no less than zero (0);
<i>DSCQ:</i>	in respect of a cargo, three million seven hundred two thousand eight hundred ninety-nine (3,702,899) MMBtu minus MQ; provided that DSCQ shall never be less than zero (0);
<i>Effective Date:</i>	as defined in the Preamble;
<i>EQ:</i>	in respect of a cargo, the quantity of MMBtu taken by Buyer in respect of such cargo minus DSCQ; provided that EQ shall never be less than zero (0);
<i>ETA:</i>	with respect to an LNG Tanker, the estimated time of arrival of such LNG Tanker at the PBS;
<i>Expert:</i>	a Person agreed upon or appointed in accordance with Section 21.2.1;
<i>Export Authorizations:</i>	the FTA Export Authorizations and the Non-FTA Export Authorizations, either individually or together (as the context requires);
<i>Force Majeure:</i>	as defined in Section 14.1;
<i>Foundation Customer:</i>	any customer of Seller, other than an Affiliate of Seller, that enters into an LNG purchase agreement for the purchase and export of no less than zero decimal seven (0.7) million metric tonnes per annum of LNG from the Sabine Pass Facility, with a minimum term of twenty (20) years and an effective date on or prior to the final investment decision for such customer's designated LNG production train located at the Sabine Pass Facility. Buyer acknowledges and agrees that it is not a Foundation Customer for purposes of this Agreement;

<i>Foundation Customer Priority:</i>	as defined in Section 14.7;
<i>FTA Export Authorizations:</i>	the following LNG export authorizations issued by the U.S. Department of Energy Office of Fossil Energy, either individually or together (as the context requires): (i) order number 2833 issued September 7, 2010, (ii) order number 3306 issued July 11, 2013, (iii) order number 3307 issued July 12, 2013, (iv) order number 3384 issued January 22, 2014, (v) order number 3595 issued February 12, 2015, and (vi) order number 4520 issued April 14, 2020; as each may be supplemented, amended, modified, changed, superseded or replaced from time to time;
<i>Gas:</i>	any hydrocarbon or mixture of hydrocarbons consisting predominantly of methane that is in a gaseous state;
<i>Gas Supplier:</i>	as defined in the Recitals;
<i>Governmental Authority:</i>	any national, regional, state, or local government, or any subdivision, agency, commission or authority thereof (including any maritime authorities, port authority or any quasi-governmental agency), having jurisdiction over, as the case may be: a Party (or any Affiliate or direct or indirect owner thereof); a Connecting Pipeline; Gas in a Connecting Pipeline or the Sabine Pass Facility (or Alternate Facility, as applicable); the Sabine Pass Facility (or Alternate Facility, as applicable); LNG in the Sabine Pass Facility (or Alternate Facility, as applicable); an LNG Tanker; a Transporter; the last disembarkation port of an LNG Tanker; a Discharge Terminal; or any Gas pipeline which interconnects with a Connecting Pipeline and which transports Gas to or from a Connecting Pipeline; in each case acting within its legal authority;
<i>Gross Heating Value:</i>	the quantity of heat expressed in Btu produced by the complete combustion in air of one (1) cubic foot of anhydrous gas, at a temperature of sixty (60) degrees Fahrenheit and at an absolute pressure of fourteen decimal six nine six (14.696) pounds per square inch, with the air at the same temperature and pressure as the gas, after cooling the products of the combustion to the initial temperature of the gas and air, and after condensation of the water formed by combustion;

<i>GSA:</i>	as defined in the Recitals;
<i>GSA Event:</i>	an event of force majeure claimed or declared under the GSA or any reduction in the quantity of gas made available under the GSA as a result of an event of force majeure claimed or declared under the GSA;
<i>HH:</i>	the final settlement price (in USD per MMBtu) for the New York Mercantile Exchange's Henry Hub natural gas futures contract for the Delivery Month;
<i>ICC:</i>	as defined in Section 21.2.1;
<i>Indemnified Party:</i>	as defined in Section 15.3(a);
<i>Indemnifying Party:</i>	as defined in Section 15.3(a);
<i>International LNG Terminal Standards:</i>	to the extent not inconsistent with the express requirements of this Agreement, the international standards and practices applicable to the design, construction, equipment, operation or maintenance of LNG liquefaction terminals, established by the following (such standards to apply in the following order of priority): (i) a Governmental Authority having jurisdiction over the Sabine Pass Facility (or Alternate Facility, as applicable), Seller, or the operator of the Sabine Pass Facility (or Alternate Facility, as applicable); (ii) the Society of International Gas Tanker and Terminal Operators (to the extent applicable); and (iii) any other internationally recognized non-governmental agency or organization with whose standards and practices it is customary for Reasonable and Prudent Operators of LNG liquefaction terminals, to comply; provided, however, that in the event of a conflict between any of the priorities noted above, the priority with the lowest roman numeral noted above shall prevail;

International LNG Vessel Standards:

the standards and practices from time to time in force applicable to the ownership, design, equipment, operation or maintenance of LNG vessels established by: (i) Governmental Authorities; (ii) the International Maritime Organization; (iii) the Oil Companies International Marine Forum (OCIMF); (iv) the Society of International Gas Tanker and Terminal Operators (SIGTTO) (or any successor body of the same); (v) the International Navigation Association (PIANC); (vi) the International Association of Classification Societies; and (vii) any other internationally recognized agency or non-governmental organization with whose standards and practices it is customary for Reasonable and Prudent Operators of LNG vessels similar to those applicable to this Agreement, to comply; provided, however, that in the event of a conflict between any of the priorities noted above, the priority with the lowest roman numeral noted above shall prevail;

International Standards:

(i) with respect to Buyer, the International LNG Vessel Standards; and (ii) with respect to Seller, the International LNG Terminal Standards;

In-Transit Final Notice:

as defined in Section 7.9.3(c);

In-Transit First Notice:

as defined in Section 7.9.2;

In-Transit Second Notice:

as defined in Section 7.9.3(a);

In-Transit Third Notice:

as defined in Section 7.9.3(b);

Lender:

any Person that does or proposes to lend money, finance or provide financial support or equity in any form in respect of all or any portion of the Sabine Pass Facility and/or the general business and operations of Seller or any of its Affiliates (including any refinancing thereof), including any export credit agency, funding agency, banking institution, bondholder, insurance agency, underwriter, investor, commercial lender or similar institution, together with any agent or trustee for such Person;

Lenders' Agent:

as defined in Section 22.4.1;

LNG:

Gas in a liquid state at or below its point of boiling and at or near atmospheric pressure;

<i>LNG Tanker(s):</i>	an ocean-going vessel suitable for transporting LNG which complies with the requirements of this Agreement and which Buyer uses, or intends to use, in connection with this Agreement;
<i>Loading Port:</i>	the port where the Sabine Pass Facility is located or the port at an Alternate Facility (as applicable);
<i>Losses:</i>	any and all losses, liabilities, damages, costs, judgments, settlements and expenses (whether or not resulting from Claims by Third Parties), including interest and penalties with respect thereto and reasonable attorneys' and accountants' fees and expenses;
<i>Measurement Dispute:</i>	as defined in Section 21.2.1;
<i>MMBtu:</i>	one million (1,000,000) Btus;
<i>Month:</i>	each period of time which starts at 00:00 Central Time on the first Day of each calendar month and ends at 24:00 Central Time, on the last Day of the same calendar month;
<i>MQ:</i>	as defined in Section 5.3;
<i>MSMQ Cargo:</i>	as defined in Section 5.3;
<i>Ninety Day Schedule:</i>	as defined in Section 8.4;
<i>Non-FTA Export Authorizations:</i>	the following LNG export authorizations issued by the U.S. Department of Energy Office of Fossil Energy, either individually or together (as the context requires): (i) order number 2961-A issued August 7, 2012, (ii) order number 3669 issued June 26, 2015, (iii) order number 3792 issued March 11, 2016, and (iv) order number 4800 issued March 16, 2022; as each may be supplemented, amended, modified, changed, superseded or replaced from time to time;
<i>Notice of Readiness or NOR:</i>	the notice of readiness issued by the master of an LNG Tanker or such master's agent in accordance with Section 7.10.1;
<i>Off-Spec LNG:</i>	as defined in Section 12.3.1;

<i>One-Month SOFR:</i>	the forward-looking term rate based on SOFR for a tenor of one (1) month, as administered by CME Group Benchmark Administration Limited (or any other person which takes over the administration of that rate) and published by CME Group Benchmark Administration Limited (or any other person which takes over the publication of that rate) on the date on which interest first accrues and thereafter if interest continues to accrue, upon expiry of each subsequent one-month period;
<i>Operational Tolerance:</i>	two percent (2%) of the Scheduled Cargo Quantity;
<i>P&I Club:</i>	a Protection and Indemnity Club that is a member of the International Group of P&I Clubs;
<i>P&I Insurance:</i>	as defined in Section 15.5(b);
<i>Party:</i>	as defined in the Preamble;
<i>Payment Due Date:</i>	as defined in Section 10.2.1;
<i>Payor:</i>	as defined in Section 11.4;
<i>PBS:</i>	the customary Pilot boarding station at the Loading Port where the Pilot boards the LNG Tanker, as determined by the applicable Governmental Authority or other entity with authority to regulate transit and berthing of vessels at the Loading Port;
<i>Person:</i>	any individual, corporation, partnership, limited liability company, trust, unincorporated organization or other legal entity, including any Governmental Authority;
<i>Pilot:</i>	any Person engaged by Transporter to come on board the LNG Tanker to assist the master in pilotage, mooring and unmooring of such LNG Tanker;
<i>Port Charges:</i>	all charges of whatsoever nature (including rates, tolls, dues, fees, and imposts of every description) in respect of an LNG Tanker entering or leaving the Loading Port or loading LNG, including wharfage fees, in-and-out fees, franchise fees, line handling charges, and charges imposed by fire boats, tugs and escort vessels, the U.S. Coast Guard, a Pilot, and any other authorized Person assisting an LNG Tanker to enter or leave the Loading Port, and further including port use fees, throughput fees and similar fees payable by users of the Loading Port (or by Seller or the operator of the LNG facility on behalf of such users);

<i>Port Liability Agreement:</i>	an agreement for use of the port and marine facilities located at the Loading Port, to be entered into as described in Section 7.7.1, which shall be substantially in the form attached in Exhibit B as may be amended pursuant to Section 7.7.4 (modified as appropriate for an Alternate Facility, as applicable);
<i>Pricing Month:</i>	in respect of a cargo: (a) subject to sub-part (b), the Delivery Month; or (b) the Month nominated by Seller pursuant to Section 9.1.2;
<i>Provisional Invoice:</i>	as defined in Section 10.1.6(a);
<i>Reasonable and Prudent Operator:</i>	a Person seeking in good faith to perform its contractual obligations, and in so doing, and in the general conduct of its undertaking, exercising that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator, complying with all applicable International Standards and practices and regulations and approvals of Governmental Authorities, engaged in the same type of undertaking under the same or similar circumstances and conditions;
<i>Rules:</i>	as defined in Section 21.1.2;
<i>Sabine Pass Facility:</i>	the LNG facilities that Seller and its Affiliates are operating and/or developing and, as of the Effective Date, intend to own and operate (or have operated on their behalf) in Cameron Parish, Louisiana, including the Gas pretreatment and processing facilities, liquefaction facilities, storage tanks, utilities, terminal facilities, and associated port and marine facilities, and all other related facilities both inside and outside the LNG plant, and any additional liquefaction and related facilities constructed adjacent to and/or interconnected with the above described facilities and which are owned and/or operated by Seller or its Affiliates, and any expansions or modifications of any such facilities described above;

<i>Sabine Pass Marine Operations Manual:</i>	as defined in Section 7.8;
<i>SCF:</i>	for Gas, the quantity of anhydrous Gas that occupies one (1) cubic foot of space at a temperature of sixty (60) degrees Fahrenheit and a pressure of fourteen decimal six nine six (14.696) pounds per square inch absolute;
<i>Scheduled Cargo Quantity:</i>	the quantity of LNG (in MMBtu) identified in the ADP or Ninety Day Schedule to be loaded onto an LNG Tanker in a Delivery Window in accordance with Section 8;
<i>Seller:</i>	as defined in the Preamble;
<i>Seller Aggregate Liability:</i>	as defined in Section 15.2.6(b);
<i>Seller Liability Cap:</i>	as defined in Section 15.2.6(c);
<i>Seller Taxes:</i>	as defined in Section 11.2;
<i>SI:</i>	the International System of Units;
<i>SOFR:</i>	a rate equal to the secured overnight financing rate administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate);
<i>Specifications:</i>	as defined in Section 12.1.1;
<i>Stage I-II Facilities:</i>	the existing liquefaction and related facilities that CCLNG is operating, or having operated on its behalf, and the additional liquefaction and related facilities that CCLNG is developing and constructing and intends to operate, or have operated on its behalf, in each case in San Patricio and Nueces Counties, Texas, in the vicinity of Portland, Texas, on the La Quinta Channel in the Corpus Christi Bay, including the Gas pretreatment and processing facilities, liquefaction facilities, storage tanks, utilities, terminal facilities, and associated port and marine facilities, and all other related facilities both inside and outside the LNG plant, and any expansions or modifications of any such facilities;

<i>Stage III Facilities:</i>	the facilities that CCLNG and/or its Affiliate(s) are developing and intend to construct and operate, or have constructed and operated on its or their behalf, adjacent to and interconnecting with the Stage I-II Facilities, including up to nine (9) Gas liquefaction units and associated facilities, and all other related facilities both inside and outside the LNG plant, and any expansions or modifications of any such facilities;
<i>Start Date:</i>	January 1, 2023;
<i>Term:</i>	as defined in Section 4.1;
<i>Term Customer:</i>	any customer of Seller which (i) is not a Foundation Customer and (ii) enters into an LNG purchase agreement with Seller for the purchase of no less than twenty million (20,000,000) MMBtu per year of LNG on a firm basis with an initial fixed term of ten (10) years or longer;
<i>Terminating Party:</i>	as defined in Section 20.2.1;
<i>Termination Event:</i>	as defined in Section 20.1;
<i>Third Party:</i>	a Person other than a Party;
<i>Third Party Claim:</i>	as defined in Section 15.3(a);
<i>Transporter:</i>	any Person who is a registered or disponent owner of the LNG Tanker, or any Person who contracts with the same or with Buyer for the purposes of providing, operating, or chartering any of the LNG Tankers;
<i>U.S. Gulf Coast:</i>	the states of Texas, Louisiana, Mississippi, Alabama, Florida and Georgia and the United States of America state and federal waters of the Gulf of Mexico; and
<i>USD or US\$:</i>	the lawful currency from time to time of the United States of America.

1.2 Interpretation

For purposes of this Agreement:

- 1.2.1** The titles, headings, and numbering in this Agreement are included for convenience only and will have no effect on the construction or interpretation of this Agreement.
- 1.2.2** References in this Agreement to Sections and Exhibits are to those of this Agreement unless otherwise indicated. References to this Agreement and to agreements and contractual instruments will be deemed to include all exhibits, schedules, appendices, annexes, and other attachments thereto and all subsequent amendments and other modifications to such instruments, to the extent such amendments and other modifications are not prohibited by the terms of this Agreement.
- 1.2.3** The word “include” or “including” will be deemed to be followed by “without limitation.” The term “will” has the same meaning as “shall,” and thus imposes an obligation.
- 1.2.4** Whenever the context so requires, the singular includes the plural and the plural includes the singular, and the gender of any pronoun includes the other gender.
- 1.2.5** Unless otherwise indicated, (a) references to any statute, regulation, or other law or Approval will be deemed to refer to such statute, regulation, or other law or Approval as amended or any successor statute, regulation, law or Approval and (b) references to any recognized industry publication will be deemed to refer to such publication as amended or any successor publication.
- 1.2.6** All references to a Person shall include such Person’s successors and permitted assigns.
- 1.2.7** Unless otherwise indicated, any reference to a time of Day shall be to Central Time in the United States of America.
- 1.2.8** Approximate conversions of any unit of measurement contained in parenthesis following the primary unit of measurement included in Sections 1 through 26 of this Agreement are inserted as a matter of operational convenience only to show the approximate equivalent in such different measurement. The obligations of the Parties under Sections 1 through 26 of this Agreement will be undertaken in respect of the primary unit of measurement and not in respect of any such approximate conversion.

- 1.2.9** All references herein to a series of Sections of this Agreement include the first and the last Sections in such series, as if the words “(inclusive)” appeared after such references.

1.3 Replacement of Rates and Indices No Longer Available

- 1.3.1** If: (a) a publication that contains a rate or index used in this Agreement ceases to be published for any reason or (b) such a rate or index ceases to exist, is materially modified, or no longer is used as a liquid trading point for Gas (as applicable), so as systematically to change its economic result, or is disaggregated, displaced or abandoned, for any reason; then the Parties shall promptly discuss, with the aim of jointly selecting a rate or index or rates or indices to be used in place of such rates and indices that maintains the intent and economic effect of those original rates or indices.
- 1.3.2** If the Parties fail to agree on a replacement rate or index within thirty (30) Days, either Party may submit such issue to an Expert pursuant to Section 21.2, as amended by the provisions of this Section 1.3.2. Any Expert selected shall be instructed to select the published rate or index, or a combination of published rates or indices, with adjustments as necessary or appropriate, that most nearly preserves the intent and economic result of the original rates or indices. If the Parties are not able to agree upon an Expert within ten (10) Days after the receipt of the notice of request for expert determination, either Party may elect to refer the determination of the replacement rate or index for arbitration in accordance with Section 21.1.
- 1.3.3** If any rate or index used in this Agreement is not published for a particular date, but the publication containing such rate or index continues to be published and the rate or index itself continues to exist, the Parties shall use the published rate or index in effect for the date such rate or index was most recently published prior to the particular date, unless otherwise provided in this Agreement.
- 1.3.4** If an incorrect value is published for any rate or index used in this Agreement and such error is corrected and published within ninety (90) Days of the date of the publication of such incorrect rate or index, such corrected rate or index will be substituted for the incorrect rate or index and any calculations involving such rate or index will be recalculated and the Parties will take any necessary actions based upon these revised calculations, including adjustments of amounts previously invoiced and/or paid.

2. Approvals

- 2.1** Except as may be excused by Force Majeure, Seller or an Affiliate of Seller shall, to the extent required in order for Seller to perform its obligation to make LNG available for delivery to Buyer under this Agreement, obtain and maintain, or

cause to be obtained and maintained, in force the Export Authorizations at all times commencing no later than the Start Date. Buyer and Seller shall each use reasonable efforts to obtain and maintain in force, and shall use reasonable efforts to cause their respective Affiliates to obtain and maintain in force, the other Approvals (other than the Export Authorizations) that are required for its own performance of this Agreement, and shall cooperate fully with each other whenever necessary for this purpose.

- 2.2** If the laws of the United States of America do not require maintenance of or compliance with one or more of the Export Authorization(s) to export LNG from the United States of America, then for so long as the laws of the United States of America do not require such maintenance or compliance, the Parties agree that this Agreement shall be read and construed to omit those provisions of this Agreement relating to such affected Export Authorization(s) and neither Party shall have any rights or obligations (including obligations to maintain such affected Export Authorization(s), rights to terminate this Agreement and claims of Force Majeure) in respect of any such Export Authorization(s).

3. Subject Matter

3.1 Sale and Purchase

- 3.1.1** Seller shall sell and make available for delivery, or compensate Buyer if not made available for delivery, LNG in cargoes at the Delivery Point, and Buyer shall take and pay for, or compensate Seller if not taken, such LNG, in the quantities and at the prices set forth in and otherwise in accordance with and subject to the provisions of this Agreement.
- 3.1.2** Seller intends to load cargoes under this Agreement at the Sabine Pass Facility, but Seller may, subject to Section 8.3.3, elect to load any cargo(es) under this Agreement at Alternate Facilities.
- 3.1.3** All savings, profits and optimizations realized by Seller as a result of delivering cargoes at an alternate source shall remain for the benefit of Seller without profit sharing.

3.2 Facilities

Subject to Section 2, Seller covenants that, acting as a Reasonable and Prudent Operator, it shall at all relevant times from the Start Date and continuing throughout the Term own (either directly or indirectly through one or more Affiliates), or have access to and use of (either directly or indirectly through one or more Affiliates), and maintain and operate or cause to be maintained and operated (either directly or indirectly through one or more Affiliates), consistent with International Standards and subject to all Applicable Laws, the Sabine Pass Facility so as to enable Seller to fulfill its obligations to Buyer under this Agreement.

3.3 Destination

Subject to Section 26.1 and notwithstanding the Discharge Terminal corresponding to any cargo in the ADP or Ninety Day Schedule, Buyer shall be free to (a) sell such LNG free on board at the Sabine Pass Facility (or Alternate Facility, as applicable) or at any other point during a voyage, or at or after the unloading of any LNG purchased hereunder; and (b) transport the LNG to, and market the LNG at, any destination of its choosing, in accordance with the provisions of this Agreement.

4. Term

4.1 Term

This Agreement shall enter into force and effect on the Effective Date and, subject to Section 20, shall continue in force and effect with an initial term until December 31, 2023; thereafter, subject to Section 20, this Agreement shall automatically renew for successive one (1) year terms through December 31, 2037 unless Seller provides Buyer notice on or before July 1st of the then-current Contract Year of its election not to renew this Agreement upon which the Agreement shall continue in force and effect until the end of such Contract Year (the “**Term**”).

4.2 Contract Year

References to a “**Contract Year**” mean a period of time from and including January 1st through and including December 31st of the same calendar year. For the avoidance of doubt, the first Contract Year shall begin on January 1, 2023.

5. Quantities

5.1 ACQ

5.1.1 Subject to Section 5.1.2, the annual contract quantity (“**ACQ**”) for each Contract Year shall be twelve (12) cargoes of LNG, with each such cargo having an initial Scheduled Cargo Quantity of three million seven hundred two thousand eight hundred ninety-nine (3,702,899) MMBtu.

5.1.2 Seller may, from time to time by providing notice to Buyer, reduce the ACQ for a Contract Year by a quantity equal to the amount of LNG that Seller has committed to sell to a Third Party in an agreement for the sale and purchase of LNG that directly replaces in whole or in part the annual contract quantity of this Agreement, provided that such notice is provided no later than sixty (60) Days before an affected cargo’s Delivery Window is scheduled to begin and Buyer has not already committed such quantities to a downstream sale at the time of such notice. If Seller provides any such notice, Seller may also specify a change in the delivery profile set out in Section 8.1.

5.2 Adjusted Annual Contract Quantity

The “**Adjusted Annual Contract Quantity**” or “**AACQ**” for each Contract Year shall be a number of cargoes equal to the ACQ for the relevant Contract Year, minus any MSMQ Cargo elected by Seller for such Contract Year in accordance with Section 5.3.

5.3 Major Scheduled Maintenance

Seller shall be entitled to reduce the Scheduled Cargo Quantity for one (1) or more cargoes by up to an aggregate amount of three million seven hundred seventy-six thousand nine hundred fifty-seven (3,776,957) MMBtu (such amount in respect of a cargo, “**MQ**”) in any Contract Year in case of scheduled maintenance to the Sabine Pass Facility, subject to the following conditions:

- (a) Seller may only exercise its right to such reduction in a Contract Year if it or its Affiliate determines, as a Reasonable and Prudent Operator, that major scheduled maintenance is required for operational reasons;
- (b) Seller shall notify Buyer of its election of MQ (including the amount applicable to each affected cargo) pursuant to Section 8.1.3(b);
- (c) if Seller elects to reduce the Scheduled Cargo Quantity of a single cargo (an “**MSMQ Cargo**”) by three million seven hundred two thousand eight hundred ninety-nine (3,702,899) MMBtu, then such election shall result in the removal of one (1) cargo from the ADP proposed by Buyer in accordance with Section 8.1.2 (Seller to identify the cargo being removed from the schedule in its sole discretion) and Seller shall be relieved of its obligation to make available a cargo in respect of the Month in which such removed cargo had been preliminarily scheduled; and
- (d) the cumulative amount of all MQ elected by Seller pursuant to this Section 5.3 shall not exceed eleven million one hundred eight thousand six hundred ninety-seven (11,108,697) MMBtu during any six (6) consecutive Contract Years.

5.4 Buyer’s Purchase Obligation

5.4.1 In respect of each Contract Year, Buyer shall take and pay for the Scheduled Cargo Quantity with respect to each cargo of the AACQ scheduled in the ADP for such Contract Year, less:

- (a) quantities of LNG not made available by Seller for any reason attributable to Seller (other than quantities for which Seller is excused pursuant to this Agreement from making available due to

Buyer's breach of this Agreement), including quantities not made available by Seller due to Force Majeure affecting Seller;

- (b) quantities of LNG not taken by Buyer due to Force Majeure affecting Buyer;
- (c) quantities of LNG for which Seller has provided a notice of cancellation pursuant to Section 5.6, except where Buyer has provided notice of its election pursuant to Section 5.6 to purchase such quantities of LNG at the alternative price; and
- (d) any quantity of LNG that the relevant LNG Tanker is not capable of loading due to Seller's delivery of LNG that has a Gross Heating Value that is less than the value identified by Seller pursuant to Section 8.1.1.

5.5 Seller's Delivery Obligation

5.5.1 In respect of each Contract Year, Seller shall make available to Buyer the Scheduled Cargo Quantity with respect to each cargo in the AACQ and scheduled in the ADP for such Contract Year, less:

- (a) quantities of LNG not taken by Buyer for any reason attributable to Buyer (other than quantities for which Buyer is excused pursuant to this Agreement from taking due to Seller's breach of this Agreement), including quantities not taken by Buyer due to Force Majeure affecting Buyer;
- (b) quantities of LNG for which Seller has provided a notice of cancellation pursuant to Section 5.6, except where Buyer has provided notice of its election pursuant to Section 5.6 to purchase such quantities of LNG at the alternative price; and
- (c) quantities of LNG not made available by Seller due to Force Majeure affecting Seller.

5.5.2 Except as otherwise expressly excused in accordance with the provisions of this Agreement, if, with respect to any cargo identified in Section 5.5.1, Seller does not make available the Scheduled Cargo Quantity of such cargo, and such failure to make available is not otherwise excused pursuant to Section 5.5.1, then the amount by which the Scheduled Cargo Quantity exceeds the quantity of LNG made available by Seller in relation to such cargo shall be the "**Cargo DoP Quantity**". Seller shall make a payment to Buyer for each MMBtu of the Cargo DoP Quantity in an amount equal to: (a) the actual, documented price incurred by Buyer (in USD per MMBtu) for the purchase of a replacement quantity of LNG or Gas (not to exceed the MMBtu equivalent of the Cargo DoP Quantity), or, in respect of any Cargo DoP Quantity for which a replacement quantity

cannot be purchased, GCM (calculated in accordance with Section 9.1.1 as if such cargo had been made available in the Delivery Month); *less* (b) (i) the Alternative CSP or (ii) if Seller fails to make a cargo available, then (A) the Cargo Payment (calculated in accordance with Section 9.1.1 as if such cargo had been made available in the Pricing Month) *divided by* (B) the Scheduled Cargo Quantity; *plus* (c) actual, reasonable, and verifiable incremental costs (if any) incurred by Buyer as a result of such failure to make the Scheduled Cargo Quantity available (in USD per MMBtu), including costs associated with transportation; *less* (d) actual and verifiable cost savings (if any) realized by Buyer as a result of such failure to make the Scheduled Cargo Quantity available (in USD per MMBtu) (the “**Cargo DoP Payment**”); *provided that* the total Cargo DoP Payment payable in respect of the Cargo DoP Quantity shall not exceed an amount equal to (x) the Cargo DoP Quantity *multiplied by* (i) GSA CSP (calculated in accordance with Section 9.1.1 as if such cargo had been made available in the Pricing Month) or (ii) if Buyer has elected to purchase the relevant cargo at the alternative price in accordance with Section 5.6, then the Alternative CSP; or (y) if Seller fails to make a cargo available, then the Cargo Payment (calculated in accordance with Section 9.1.1 as if such cargo had been made available in the Pricing Month).

- 5.5.3** Notwithstanding the foregoing, if the Cargo DoP Quantity is within the Operational Tolerance (such Operational Tolerance to be exercised by Seller only with respect to operational matters regarding the Sabine Pass Facility (or Alternate Facility, as applicable), and without regard to Gas markets or other commercial considerations), the Cargo DoP Payment shall be zero USD (US\$0.00).
- 5.5.4** Buyer shall use reasonable efforts to mitigate Seller’s liability to make any payments pursuant to this Section 5.5.
- 5.5.5** In the event the ability of the Sabine Pass Facility to produce and deliver LNG is impaired due to an unscheduled services interruption that does not constitute Force Majeure, then during such event of interruption, the Foundation Customer Priority will be used to allocate the LNG that is available from the Sabine Pass Facility. If any LNG is available from the Sabine Pass Facility after allocation in accordance with the Foundation Customer Priority, Term Customers will be given priority over customers that are neither Foundation Customers nor Term Customers.
- 5.5.6** Any payment that Seller makes under this Section 5.5 shall not be treated as an indirect, incidental, consequential or exemplary loss or a loss of income or profits for purposes of Section 15.2.1.

5.6 Cargo Cancellation; Buyer Override

Seller may notify Buyer that it intends to cancel delivery of any cargo scheduled in the ADP by providing notice of such intention to Buyer on or before the first (1st) Business Day after the twentieth (20th) Day of the Month that is two (2) Months prior to the Delivery Month. Upon receipt of any such notice, Buyer shall have the right to elect to purchase the relevant cargo at the Alternative CSP, subject to exercising such election by providing notice to Seller within five (5) Days after receipt of Seller's notice. If Buyer does not provide notice in accordance with this Section 5.6 of its election to purchase the relevant cargo at the alternative price, then such cargo shall be deemed cancelled and each Party shall be relieved of its obligation to make available (in the case of Seller) such cargo pursuant to Section 5.5 and take and pay for (in the case of Buyer) such cargo pursuant to Section 5.4.

6. Delivery Point, Title and Risk

6.1 Delivery Point

Seller shall deliver LNG to Buyer, subject to the terms and conditions of this Agreement, at the point at which the flange coupling of the LNG loading line at the Sabine Pass Facility (or Alternate Facility, as applicable) joins the flange coupling of the LNG intake manifold of the relevant LNG Tanker ("**Delivery Point**").

6.2 Title and Risk

Title to, and all risks in respect of, the LNG sold by Seller pursuant to this Agreement shall pass from Seller to Buyer as the LNG passes the Delivery Point.

7. Transportation and Loading

7.1 Transportation by Buyer

Buyer shall, in accordance with this Agreement, Applicable Laws, Approvals and International Standards, provide, or cause to be provided, transportation from the Delivery Point of all quantities of LNG delivered hereunder to Buyer. Buyer shall, no later than the fifteenth (15th) Day following the end of each calendar quarter, provide a report to Seller stating, in respect of each cargo loaded hereunder during such calendar quarter, whether Buyer owned or operated the LNG Tanker used to transport each such cargo. Buyer shall cause any Third Party that has purchased a cargo that is the subject of this Agreement to provide the information required by this Section 7.1 as if such Third Party were Buyer. If requested by Seller, Buyer shall use reasonable efforts to provide, and shall use reasonable efforts to cause any Third Party purchaser to provide, additional information regarding LNG Tanker delivery terms.

7.2 Sabine Pass Facility

7.2.1 During the Term, Seller shall at all times cause to be provided, maintained and operated the Sabine Pass Facility in accordance with the following: (a) International Standards; (b) all terms and conditions set forth in this Agreement; (c) Applicable Laws; and (d) to the extent not inconsistent with International Standards, such good and prudent practices as are generally followed in the LNG industry by Reasonable and Prudent Operators of similar LNG liquefaction terminals.

7.2.2 The Sabine Pass Facility shall include the following:

- (a) appropriate systems for communications with LNG Tankers;
- (b) a berth, capable of berthing an LNG Tanker having a displacement of no more than one hundred sixty-six thousand (166,000) tons, an overall length of no more than one thousand one hundred forty (1,140) feet (approximately 347 meters), a beam of no more than one hundred seventy-five (175) feet (approximately 53 meters), and a draft of no more than forty (40) feet (approximately 12 meters), which LNG Tankers can safely reach, at which LNG Tankers can lie safely berthed and load safely afloat, and safely depart, fully laden;
- (c) lighting sufficient to permit loading operations by day or by night, to the extent permitted by Governmental Authorities and Pilots (it being acknowledged, however, that Seller shall in no event be obligated to allow nighttime berthing operations at the Sabine Pass Facility if Seller or the operator of the Sabine Pass Facility determines that such operations during nighttime hours could pose safety or operational risks to the Sabine Pass Facility, an LNG Tanker, or a Third Party);
- (d) facilities capable of transferring LNG at a rate of up to twelve thousand (12,000) Cubic Meters per hour at the Delivery Point, with LNG transfer arms each having a reasonable operating envelope to allow for ship movement and manifold strainers of sixty (60) mesh;
- (e) a vapor return line system of sufficient capacity to allow for transfer of Gas necessary for safe cargo operations of an LNG Tanker at the required rates, pressures and temperatures;
- (f) facilities allowing ingress and egress between the Sabine Pass Facility and the LNG Tanker by (i) representatives of Governmental Authorities for purposes of LNG transfer operations; and (ii) an independent surveyor for purposes of

conducting tests and measurements of LNG on board the LNG Tanker;

- (g) emergency shut down systems;
- (h) LNG storage facilities;
- (i) LNG liquefaction facilities; and
- (j) qualified and competent personnel, fluent in English to coordinate with the LNG Tanker during loading operations.

7.2.3 Services and facilities not provided by Seller include the following: (a) facilities and loading lines for liquid or gaseous nitrogen to service an LNG Tanker; (b) facilities for providing bunkers; (c) facilities for the handling and delivery to the LNG Tanker of ship's stores, provisions and spare parts; and (d) nitrogen rejection or natural gas liquids (NGL) removal. Buyer shall be required to obtain towing, escort, line handling, and pilot services as described in Section 7.5.3.

7.3 Compatibility of the LNG Facility with LNG Tankers

7.3.1 Buyer shall ensure, at no cost to Seller, that each of the LNG Tankers is fully compatible with the general specifications set forth in Section 7.2.2 and any modifications made to the Sabine Pass Facility in accordance with Section 7.3.2. Should an LNG Tanker fail materially either to be compatible with the Sabine Pass Facility (or Alternate Facility, as applicable), or to be in compliance with the provisions of Section 7.5 and Section 7.6, Buyer shall not employ such LNG Tanker in connection with this Agreement until it has been modified to be so compatible or to so comply.

7.3.2 The Parties agree that, after the Effective Date, Seller and its Affiliates shall be entitled to modify the Sabine Pass Facility in any manner whatsoever, provided that: (x) such modifications do not render the Sabine Pass Facility incompatible with an LNG Tanker that is compatible with the general specifications set forth in Section 7.2.2 and is scheduled in the applicable ADP or Ninety Day Schedule; (y) such modifications, once finalized, do not reduce the ability of Seller to make available LNG in accordance with the terms of this Agreement; and (z) such modifications do not otherwise conflict with Seller's obligations hereunder. Notwithstanding the foregoing, Seller and its Affiliates may modify the Sabine Pass Facility in a manner that would render it incompatible with an LNG Tanker provided that such modification is required by and is made pursuant to a change in Applicable Laws, Approvals, or International Standards, or is required for safety or environmental reasons.

7.3.3 In the event the LNG Tanker fails to be compatible with the Sabine Pass Facility due to a modification of the facility that is not provided for in Section 7.3.2, the reasonable cost of the modifications of the LNG Tanker directly caused by such modification shall be reimbursed by Seller to Buyer.

7.4 Buyer Inspection Rights in Respect of the Sabine Pass Facility

7.4.1 Upon obtaining Seller's prior written consent, which consent shall not be unreasonably withheld or delayed, a reasonable number of Buyer's designated representatives (of which at least one must be an employee of Buyer or its Affiliate) may from time to time, but no more than once in any three hundred sixty-five (365) Day period, inspect the operation of the Sabine Pass Facility so long as such inspection occurs from 8:00 a.m. Central Time to 5:00 p.m. Central Time on a Business Day. Any such inspection shall be at Buyer's sole risk and expense. In conjunction with any such inspection, Seller shall provide Buyer access at reasonable times and places (taking into consideration cost and schedule impacts) to (a) relevant qualified employees and contractors of Seller in order to discuss the operation and maintenance of the Sabine Pass Facility and (b) relevant documentation, if any, available to Seller in support of such discussions to the extent Seller is permitted to disclose the same. Buyer (and its designees) shall carry out any such inspection without any interference with or hindrance to the safe and efficient operation of the Sabine Pass Facility. Buyer's right to inspect and examine the Sabine Pass Facility shall be limited to verifying that the Sabine Pass Facility is in compliance with the requirements of Section 7.2. No inspection (or lack thereof) of the Sabine Pass Facility by Buyer hereunder, or any requests or observations made to Seller or its representatives by or on behalf of Buyer in connection with any such inspection, shall (x) modify or amend Seller's obligations, representations, warranties and covenants hereunder; or (y) constitute an acceptance or waiver by Buyer of Seller's obligations hereunder.

7.4.2 Buyer shall indemnify and hold Seller and its Affiliates harmless from any Claims and Losses resulting from Buyer's inspection of the Sabine Pass Facility pursuant to Section 7.4.1.

7.5 LNG Tankers

7.5.1 Buyer shall cause each LNG Tanker to comply with the requirements of this Section 7.5 and the requirements of Section 7.6 in all respects.

7.5.2 Each LNG Tanker shall comply with the regulations of, and obtain all Approvals required by, Governmental Authorities to enable such LNG Tanker to enter, leave and carry out all required operations at the Sabine Pass Facility (or Alternate Facility, as applicable). Each LNG Tanker

shall at all times have on board valid documentation evidencing all such Approvals. Each LNG Tanker shall comply fully with the International Safety Management Code for the Safe Operation of Ships and Pollution Prevention effective July 1, 1998, as amended from time to time, and at all times be in possession of valid documents of compliance and safety management certificates, and can demonstrate that the LNG Tanker has an effective management system in operation that addresses all identified risks, and provides proper controls for dealing with these risks.

- 7.5.3** Buyer shall cause Transporter to enter into a tug services agreement to provide such number and types of tugs, fireboats and escort vessels as are (a) acceptable to Seller and the operator of the Sabine Pass Facility (or Alternate Facility, as applicable), (b) required by Governmental Authorities to attend the LNG Tanker and (c) necessary and appropriate to permit safe and efficient movement of the LNG Tanker within the maritime safety areas located in the approaches to and from the Sabine Pass Facility (or Alternate Facility, as applicable). An Affiliate of Seller has elected to procure tug services at the Sabine Pass Facility and, in respect of loadings at the Sabine Pass Facility, Buyer shall cause Transporter to enter into a tug services agreement with such Affiliate of Seller. Such tug services agreement shall provide that the fees for tug services shall be applied on a non-discriminatory basis among all long-term users of the relevant facility. Seller shall not be required to provide tugs, fireboats and escort vessels to attend any LNG Tanker and shall not be liable to Buyer in connection with Transporter's failure to enter into such arrangements.
- 7.5.4** Buyer shall pay or cause to be paid: (a) all Port Charges directly to the appropriate Person (including reimbursing Seller for any Port Charges paid by Seller, Seller's Affiliates or the operator of the LNG facility on Buyer's behalf); and (b) all charges payable by reason of any LNG Tanker having to shift from berth at the Sabine Pass Facility (or Alternate Facility, as applicable) as a result of the action or inaction of Buyer.
- 7.5.5** Each LNG Tanker must satisfy the following requirements:
- (a) Except as otherwise mutually agreed in writing by the Parties, each LNG Tanker shall be compatible with the general specifications set forth in Section 7.2.2(a)-(j) and any modifications to the Sabine Pass Facility pursuant to Section 7.3.2, and shall be of a sufficient size to load the applicable Scheduled Cargo Quantity. If Buyer's LNG Tanker is not capable of loading the applicable Scheduled Cargo Quantity, the portion of the Scheduled Cargo Quantity that cannot be loaded onto such alternate LNG Tanker shall be considered DQ, except to the extent that such failure is attributable to Seller's delivery of LNG that has a Gross Heating Value that is less than the value identified by Seller pursuant to Section 8.1.1.

- (b) Except as otherwise agreed in writing by Seller, which agreement shall not be unreasonably withheld, each LNG Tanker shall have a gross volumetric capacity between one hundred sixty thousand (160,000) Cubic Meters and one hundred eighty thousand (180,000) Cubic Meters.
- (c) Each LNG Tanker shall be, in accordance with International Standards, (i) fit in every way for the safe loading, unloading, handling and carrying of LNG in bulk at atmospheric pressure; and (ii) tight, staunch, strong and otherwise seaworthy with cargo handling and storage systems (including instrumentation) necessary for the safe loading, unloading, handling, carrying and measuring of LNG in good order and condition.
- (d) Each LNG Tanker shall at all times be maintained in class with any of the following: American Bureau of Shipping, Lloyd's Register, Bureau Veritas, Det Norske Veritas or any other classification society that is (i) a member of International Association of Classification Societies Ltd. (IACS) and (ii) mutually agreed upon by the Parties.
- (e) Each LNG Tanker shall have been constructed to all applicable International Standards (including the International Code for the Construction and Equipment of Ships Carrying Liquefied Gases in Bulk).
- (f) Each LNG Tanker shall comply with, and shall be fully equipped, supplied, operated, and maintained to comply with, all applicable International Standards and Applicable Laws, including those that relate to seaworthiness, design, safety, environmental protection, navigation, and other operational matters, and all procedures, permits, and approvals of Governmental Authorities for LNG vessels that are required for the transportation and loading of LNG at the Loading Port. Unless approved by Seller in writing, which approval shall not be unreasonably withheld or delayed, an LNG Tanker shall be prohibited from engaging in any maintenance, repair or in-water surveys while berthed at the Sabine Pass Facility (or Alternate Facility, as applicable). Each LNG Tanker shall comply fully with the guidelines of any Governmental Authority of the United States of America, including the National Oceanographic and Atmospheric Administration (NOAA), in relation to actions to avoid strikes in the waters of the United States of America with protected sea turtles and cetaceans (e.g., whales and other marine mammals) and with regard to the reporting of any strike by the LNG Tanker which causes injury to such protected species.

- (g) The officers and crew of each LNG Tanker shall have the ability, experience, licenses and training commensurate with the performance of their duties in accordance with internationally accepted standards with which it is customary for Reasonable and Prudent Operators of LNG vessels to comply and as required by Governmental Authorities and any labor organization having jurisdiction over the LNG Tanker or her crew. Without in any way limiting the foregoing, the master, chief engineer, all cargo engineers and all deck officers shall be fluent in written and oral English and shall maintain all records and provide all reports with respect to the LNG Tanker in English.
- (h) Each LNG Tanker shall have communication equipment complying with applicable regulations of Governmental Authorities and permitting such LNG Tanker to be in constant communication with the Sabine Pass Facility (or Alternate Facility, as applicable) and with other vessels in the area (including fireboats, escort vessels and other vessels employed in port operations).
- (i) Provided that the Sabine Pass Facility (or Alternate Facility, as applicable) supplies a suitable vapor return line meeting the requirements of Section 7.2.2(e), then each LNG Tanker shall be capable of loading a full cargo of LNG in the number of hours derived after applying the following formula:

$$15 + x = \text{maximum LNG transferring time (in hours)}$$

where:

$$x = y/12,000 \text{ Cubic Meters; and}$$

y = the LNG cargo containment capacity of the LNG Tanker (in Cubic Meters) *minus* one hundred forty-five thousand (145,000) Cubic Meters, provided that “y” shall be no less than zero (0).

Time for connecting, cooling, draining, purging and disconnecting of liquid arms shall not be included in the computation of loading time.

- (j) Each LNG Tanker shall procure and maintain Hull and Machinery Insurance and P&I Insurance in accordance with Section 15.5.

7.6 LNG Tanker Inspections; LNG Tanker Vetting Procedures; Right to Reject LNG Tanker

- 7.6.1** During the Term, on prior reasonable notice to Buyer, Seller may, at its sole risk, send its representatives (including an independent internationally recognized maritime consultant) to inspect during normal working hours any LNG Tanker as Seller may consider necessary to ascertain whether the LNG Tanker complies with this Agreement. Seller shall bear the costs and expenses in connection with any such inspection. Any such inspection may include, as far as is reasonably practicable having regard to the LNG Tanker's operational schedule, examination of the records related to the LNG Tanker's hull, cargo and ballast tanks, machinery, boilers, auxiliaries and equipment; examination of the LNG Tanker's deck, engine and official log books; review of records of surveys by the LNG Tanker's classification society and relevant Governmental Authorities; and review of the LNG Tanker's operating procedures and performance of surveys, both in port and at sea. Any inspection carried out pursuant to this Section 7.6.1: (a) shall not interfere with, or hinder, any LNG Tanker's safe and efficient construction or operation; and (b) shall not entitle Seller or any of its representatives to make any request or recommendation directly to Transporter except through Buyer. No inspection (or lack thereof) of an LNG Tanker hereunder shall: (i) modify or amend Buyer's obligations, representations, warranties, and covenants hereunder; or (ii) constitute an acceptance or waiver by Seller of Buyer's obligations hereunder.
- 7.6.2** Seller shall indemnify and hold Buyer and its Affiliates harmless from any Claims and Losses resulting from Seller's inspection of any LNG Tanker pursuant to Section 7.6.1.
- 7.6.3** Buyer shall comply with all LNG Tanker vetting procedures, as set forth in (a) in respect of loadings at the Sabine Pass Facility, the Sabine Pass Marine Operations Manual; and (b) in respect of loadings at an Alternate Facility, the vetting procedures applied by the operator of such Alternate Facility and associated port.
- 7.6.4** Seller shall have the right to reject any LNG vessel that Buyer intends to use to take delivery of LNG hereunder if such LNG vessel does not comply materially with the provisions of this Agreement (including the vetting procedures described in Section 7.6.3), *provided that*:
- (a) neither the exercise nor the non-exercise of such right shall reduce the responsibility of Buyer to Seller in respect of such LNG vessel and her operation, nor increase Seller's responsibilities to Buyer or Third Parties for the same; and

- (b) Buyer's obligations under this Agreement shall not be excused or suspended by reason of Buyer's inability (pursuant to the foregoing) to use a vessel as an LNG Tanker.

7.7 Port Liability Agreement

- 7.7.1** Buyer shall cause Transporter or the master of each LNG Tanker (acting on behalf of the ship-owner and charterer) making use of the port or marine facilities at the Sabine Pass Facility (or Alternate Facility, as applicable) or the Loading Port thereof on behalf of Buyer, to execute the Port Liability Agreement prior to such LNG Tanker's arrival at the Sabine Pass Facility (or Alternate Facility, as applicable) or the Loading Port thereof. In the event the master of an LNG Tanker fails to execute such Port Liability Agreement, Buyer shall indemnify and hold Seller, the owner and operator of the applicable LNG loading facility, and their respective Affiliates harmless from any Claims brought against, or Losses incurred by any such Persons arising from such failure.
- 7.7.2** Subject to Section 7.7.1 and without prejudice to the terms of the Port Liability Agreement, Seller releases Buyer, its Affiliates, and their respective shareholders, officers, members, directors, employees, designees, representatives, and agents from liability to Seller incident to all Claims and Losses that may exist, arise or be threatened currently or in the future at any time following the Effective Date and whether or not of a type contemplated by either Party at any time, brought by any Person for injury to, illness or death of any employee of Seller, or for damage to or loss of the relevant LNG loading facility, which injury, illness, death, damage or loss arises out of, is incident to, or results from the performance or failure to perform this Agreement by Buyer, or any of its Affiliates, shareholders, officers, members, directors, employees, designees, representatives and agents.
- 7.7.3** Subject to Section 7.7.1 and without prejudice to the terms of Section 12 or the Port Liability Agreement, Buyer releases Seller, its Affiliates, and their respective shareholders, officers, members, directors, employees, designees, representatives, and agents from liability to Buyer incident to all Claims and Losses that may exist, arise or be threatened currently or in the future at any time following the Effective Date and whether or not of a type contemplated by either Party at any time, brought by any Person for injury to, illness or death of any employee of Buyer, or for damage to or loss of any LNG Tanker, which injury, illness, death, damage or loss arises out of, is incident to, or results from the performance or failure to perform this Agreement by Seller or its Affiliates, shareholders, officers, members, directors, employees, designees, representatives and agents.
- 7.7.4** The form of Port Liability Agreement attached as Exhibit B may be amended from time to time without consent of Buyer only if after any

such amendment the revised terms of such Port Liability Agreement: (a) do not negatively impact Buyer's ability to perform its obligations or exercise its rights under this Agreement, (b) treat Transporter in a non-discriminatory manner in comparison to all other owners and charterers of LNG vessels that use or transit the Loading Port, and (c) do not prevent any Transporter from obtaining, on commercially reasonable terms, full P&I indemnity coverage from a P&I Club, and such P&I indemnity will cover all Claims and Losses pursuant to such Port Liability Agreement in relation to use of the Loading Port by an LNG Tanker. Seller shall promptly notify Buyer upon any amendment to the Port Liability Agreement attached as Exhibit B and shall provide a copy of the amended Port Liability Agreement to Buyer.

7.8 Sabine Pass Marine Operations Manual

Seller shall, not later than the Start Date, deliver to Buyer a copy of the marine operations manual developed for the Sabine Pass Facility (as amended from time to time, the "**Sabine Pass Marine Operations Manual**") which governs activities at the Sabine Pass Facility and which applies to each LNG Tanker and each other LNG vessel berthing at the Sabine Pass Facility. In the event of a conflict between this Agreement and the Sabine Pass Marine Operations Manual, the provisions of this Agreement shall control. Seller shall promptly notify Buyer upon any amendment to the Sabine Pass Marine Operations Manual and shall provide a copy of the amended Sabine Pass Marine Operations Manual to Buyer.

7.9 Loading of LNG Tankers

7.9.1 Except as otherwise specifically provided, the terms of this Section 7.9 shall apply to all LNG Tankers calling at the Sabine Pass Facility (or Alternate Facility, as applicable).

7.9.2 As soon as practicable after the LNG Tanker's departure from the point of departure en route to the Sabine Pass Facility (or Alternate Facility, as applicable), Buyer shall notify, or cause the master of the LNG Tanker to notify, Seller of the information specified below ("**In-Transit First Notice**"):

- (a) name of the LNG Tanker and, in reasonable detail, the dimensions, specifications, tank temperatures, volume of LNG onboard, operator, and owner of such LNG Tanker;
- (b) any operational deficiencies in the LNG Tanker that may affect its performance at the Sabine Pass Facility (or Alternate Facility, as applicable) or berth; and
- (c) the ETA.

- 7.9.3** With respect to each LNG Tanker scheduled to call at the Sabine Pass Facility (or Alternate Facility, as applicable), Buyer shall give, or cause the master of the LNG Tanker to give, to Seller the following notices:
- (a) a second notice (“**In-Transit Second Notice**”), which shall be sent ninety-six (96) hours prior to the ETA set forth in the In-Transit First Notice or as soon as practicable prior to such ETA if the sea time between the point of departure of the LNG Tanker and the Loading Port is less than ninety-six (96) hours, stating the LNG Tanker’s then ETA. If, thereafter, such ETA changes by more than six (6) hours, Buyer shall give promptly, or cause the master of the LNG Tanker to give promptly, to Seller notice of the corrected ETA;
 - (b) a third notice (“**In-Transit Third Notice**”), which shall be sent twenty-four (24) hours prior to the ETA set forth in the In-Transit Second Notice (as corrected), confirming or amending such ETA. If, thereafter, such ETA changes by more than three (3) hours, Buyer shall give promptly, or cause the master of the LNG Tanker to give promptly, to Seller notice of the corrected ETA;
 - (c) a fourth notice (“**In-Transit Final Notice**”), which shall be sent twelve (12) hours prior to the ETA set forth in the In-Transit Third Notice (as corrected), confirming or amending such ETA. If, thereafter, such ETA changes by more than one (1) hour, Buyer shall give promptly, or cause the master of the LNG Tanker to give promptly, to Seller notice of the corrected ETA;
 - (d) any other notice(s) as required by the Sabine Pass Marine Operations Manual or the operator of the relevant liquefaction facility and/or port; and
 - (e) an NOR, which shall be given at the time prescribed in Section 7.10.
- 7.9.4** Unless prohibited by Applicable Laws or the operator of the Sabine Pass Facility and/or port, Buyer shall have the right to cause an LNG Tanker to burn Gas as fuel during operations at the Sabine Pass Facility (including while conducting cargo transfer operations). The quantity of Gas burned as fuel pursuant to this Section 7.9.4 shall be determined in accordance with Exhibit A. If Buyer exercises its right pursuant to this Section 7.9.4, all amounts of Gas burned as fuel shall be added to the quantity loaded included in Seller’s invoice pursuant to Section 10.1.1, but shall have no impact in respect of Buyer’s obligations under Section 5.
- 7.9.5** All vapor returned to Seller (or the LNG facility’s operator) during cool-down or loading operations may be used or disposed of by Seller (or the LNG facility’s operator) without compensation to Buyer. For the

avoidance of doubt, the number of MMBtu sold and delivered in respect of any cargo shall be determined in accordance with Section 13.9.

7.10 Notice of Readiness

7.10.1 The master of an LNG Tanker arriving at the Sabine Pass Facility (or Alternate Facility, as applicable), or such master's agent, shall give to Seller its NOR for loading upon arrival of such LNG Tanker at the PBS; provided that, in order for such NOR to be considered valid, such LNG Tanker must have, at the time of such NOR issuance, all required Approvals from the relevant Governmental Authorities, and be ready, willing, and able, to proceed to berth and load LNG or to commence cool-down operations (as applicable).

7.10.2 A valid NOR given under Section 7.10.1 shall become effective as follows:

- (a) For an LNG Tanker arriving at the PBS at any time prior to the Delivery Window allocated to such LNG Tanker, a valid NOR shall be deemed effective at the earlier of (i) the time at which the LNG Tanker is all fast at the berth; and (ii) the later of (A) 6:00 a.m. Central Time on the Day on which such Delivery Window starts, and (B) six (6) hours after the time of its issuance;
- (b) For an LNG Tanker arriving at the PBS at any time during the Delivery Window allocated to such LNG Tanker, a valid NOR shall become effective six (6) hours after the time of its issuance; or
- (c) For an LNG Tanker arriving at the PBS at any time after the expiration of the Delivery Window, a valid NOR shall become effective only once the LNG Tanker is all fast at the berth.

7.11 Berthing Assignment

7.11.1 Seller shall berth, or cause the operator of the relevant LNG facility to berth, an LNG Tanker which has tendered a valid NOR before or during its Delivery Window promptly after Seller and the operator of the relevant LNG facility determine such LNG Tanker will not interfere with berthing and loading or unloading of any other scheduled LNG vessel with a higher berthing priority but in no event later than the end of the Delivery Window allocated to such LNG Tanker; *provided, however*, that if Seller does not berth, or cause the operator of the relevant LNG facility to berth, such LNG Tanker by the end of the Delivery Window, but berths such LNG Tanker (or causes such LNG Tanker to be berthed) within seventy-two (72) hours after the end of its Delivery Window, Buyer's sole recourse and remedy for Seller's failure to berth (or failure to cause to be berthed) the LNG Tanker by the end of the Delivery Window is demurrage pursuant to

Section 7.12.3, payment for excess boil-off pursuant to Section 7.12.4 and provision by Seller of a cool-down pursuant to Section 7.16.1(b). If, as of the seventy-second (72nd) hour after the end of the Delivery Window, Seller has not berthed (or caused to be berthed) the LNG Tanker, and such delay is not attributable to a reason that would result in an extension of Allotted Laytime under Section 7.12.1, Seller shall be deemed to have failed to make the Scheduled Cargo Quantity of the relevant cargo available for delivery and the provisions of Section 5.5.2 shall apply.

7.11.2 For each delivery window period, Seller shall determine the berthing priority among LNG vessels which have tendered valid NOR before or during their scheduled delivery window as follows:

- (a) The first berthing priority for a delivery window period shall be for an LNG vessel scheduled for such delivery window period. Priority within this group shall be given to the LNG vessel which has first tendered its valid NOR. Once an LNG vessel achieves a first berthing priority pursuant to this Section 7.11.2(a) or 7.11.2(b), such LNG vessel shall maintain such priority until such LNG vessel is berthed, so long as its tendered NOR remains valid; and
- (b) The second berthing priority for a delivery window period shall be for an LNG vessel scheduled for arrival after such delivery window period. Priority within this group shall be given to the LNG vessel which has first tendered its valid NOR. An LNG vessel with second berthing priority pursuant to this Section 7.11.2(b) will achieve a first berthing priority on its scheduled delivery window pursuant to Section 7.11.2(a) if such LNG vessel has not been berthed prior to such date, so long as its tendered NOR remains valid.

7.11.3 If an LNG Tanker tenders valid NOR after the end of its Delivery Window, Seller shall use reasonable efforts to berth (and shall use reasonable efforts to cause the operator of the relevant LNG facility to berth) such LNG Tanker as soon as reasonably practical; *provided, however*, that, unless otherwise agreed with Buyer, Seller shall have no obligation to use such efforts to berth (or cause to be berthed) an LNG Tanker that tenders NOR more than seventy-two (72) hours after the end of its Delivery Window. If (a) the LNG Tanker tenders valid NOR during the seventy-two (72) hour period commencing at the end of its Delivery Window but Seller is unable, using reasonable efforts, to berth such LNG Tanker (which, for the avoidance of doubt, shall not include any obligation to berth the LNG Tanker if doing so would interfere with the berthing and loading or unloading of any other scheduled LNG vessel); or (b) as of the seventy-second (72nd) hour after the end of the Delivery Window, the LNG Tanker has not tendered a valid NOR, and such delay

is not attributable to a reason that would result in an extension of allowed berth time under Section 7.14.2(b); then in either case Buyer shall be deemed to have failed to take delivery of the Scheduled Cargo Quantity of the relevant cargo and the entire Scheduled Cargo Quantity shall be considered DQ.

7.12 Berth Laytime

7.12.1 The allotted laytime for each LNG Tanker (“**Allotted Laytime**”) shall be determined in accordance with the following formula:

$$36 + x = \text{Allotted Laytime (in hours)}$$

where:

$$x = y/12,000 \text{ Cubic Meters; and}$$

y = the LNG cargo containment capacity of the LNG Tanker (in Cubic Meters) minus one hundred forty-five thousand (145,000) Cubic Meters), provided that “y” shall be no less than zero (0).

Allotted Laytime shall be extended by any period of delay that is caused by:

- (a) reasons attributable to Buyer, a Governmental Authority, Transporter, the LNG Tanker or its master, crew, owner or operator, or any Third Party outside of the reasonable control of Seller;
- (b) Force Majeure or Adverse Weather Conditions;
- (c) unscheduled curtailment or temporary discontinuation of operations at the Sabine Pass Facility (or Alternate Facility, as applicable) necessary for reasons of safety, except to the extent such unscheduled curtailment or temporary discontinuation of operations is due to Seller’s failure to operate and maintain its facilities as a Reasonable and Prudent Operator;
- (d) time at berth during cool-down pursuant to Section 7.16.1; and
- (e) nighttime transit restrictions.

7.12.2 The actual laytime for each LNG Tanker (“**Actual Laytime**”) shall commence when the NOR is effective and shall end when (a) the LNG transfer and return lines of the LNG Tanker are disconnected from the Sabine Pass Facility’s (or Alternate Facility’s, as applicable) LNG transfer and return lines, (b) the cargo documents are on board of the LNG Tanker and (c) the LNG Tanker is cleared for departure and able to depart.

7.12.3 In the event Actual Laytime exceeds Allotted Laytime (including any extension in accordance with Section 7.12.1) (“**Demurrage Event**”), Seller shall pay to Buyer as liquidated damages demurrage in USD (which shall be prorated for a portion of a Day) at a rate of USD seventy-five thousand (US\$75,000) per Day. If a Demurrage Event occurs, Buyer shall invoice Seller for such demurrage within one hundred eighty (180) Days pursuant to Section 10.1.3.

7.12.4 If an LNG Tanker is delayed in berthing at the Sabine Pass Facility (or Alternate Facility, as applicable) and/or commencement of LNG transfer due to an event occurring at the Sabine Pass Facility (or Alternate Facility, as applicable) and for a reason that would not result in an extension of Allotted Laytime under Section 7.12.1, and if, as a result thereof, the commencement of LNG transfer is delayed beyond twenty-four (24) hours after NOR is effective, then, for each full hour by which commencement of LNG transfer is delayed beyond such twenty-four (24) hour period, Seller shall pay Buyer as liquidated damages an amount, on account of excess boil-off, equal to GCM (calculated in accordance with Section 9.1.1 as if such cargo had been made available in the Delivery Month) for such cargo multiplied by a quantity (in MMBtu) equal to zero decimal zero zero four one seven percent (0.00417%) of the cargo containment capacity of such LNG Tanker; provided that in no event shall the quantity of MMBtu used in the calculation of this Section 7.12.4 exceed the quantity of LNG on board the LNG Tanker at the time it issued its valid NOR. Buyer shall invoice Seller for such excess boil-off within one hundred eighty (180) Days after the applicable event pursuant to Section 10.1.3.

7.13 LNG Transfers at the Loading Facility

7.13.1 Seller shall cooperate with Transporters (or their agents) and with the master of each LNG Tanker to facilitate the continuous and efficient transfer of LNG hereunder.

7.13.2 During LNG transfer, Seller shall cause the operator of the LNG facility to provide or take receipt of (as applicable), through the facility’s vapor return line, Gas in such quantities as are necessary for the safe transfer of LNG at such rates, pressures and temperatures as may be required by the design of the LNG Tanker.

7.13.3 Promptly after completion of loading of each cargo, Seller shall send to Buyer a certificate of origin, together with such other documents concerning the cargo as may reasonably be requested by Buyer.

7.13.4 Buyer, in cooperation with Seller, shall cause the LNG Tanker to depart safely and expeditiously from the berth upon completion of LNG transfer.

7.14 LNG Tanker Not Ready for LNG Transfer; Excess Laytime

7.14.1 If any LNG Tanker previously believed to be ready for LNG transfer is determined to be not ready after being berthed, the NOR shall be invalid, and Seller (or the LNG facility's operator) may direct the LNG Tanker's master to vacate the berth and proceed to anchorage, whether or not other LNG vessels are awaiting the berth, unless it appears reasonably certain to Seller (and the LNG facility's operator) that such LNG Tanker can be made ready without disrupting the overall berthing schedule of the Sabine Pass Facility (or Alternate Facility, as applicable) or operations of the Sabine Pass Facility (or Alternate Facility, as applicable). When an unready LNG Tanker at anchorage becomes ready for LNG transfer, its master shall notify Seller. If, as a result of such LNG Tanker's not being ready to load, Buyer fails to take a cargo, the entire Scheduled Cargo Quantity shall be considered DQ.

7.14.2 The following shall apply with respect to berthing:

- (a) An LNG Tanker shall complete LNG transfer and vacate the berth as soon as possible but not later than the end of its allowed laytime. An LNG Tanker's allowed laytime shall commence when such LNG Tanker is all fast at the berth and shall end a number of consecutive hours thereafter determined in accordance with the following formula:

$$24 + x = \text{number of hours}$$

where:

$$x = y/12,000 \text{ Cubic Meters; and}$$

y = the LNG cargo containment capacity of the LNG Tanker (in Cubic Meters) minus one hundred forty-five thousand (145,000) Cubic Meters, provided that "y" shall be no less than zero (0).

- (b) Notwithstanding the foregoing, the allowed laytime shall be extended for: (i) reasons attributable to Seller or the operator of the Sabine Pass Facility (or Alternate Facility, as applicable); (ii) reasons attributable to a Governmental Authority outside of the reasonable control of Buyer or the Transporter; (iii) reasons attributable to any Third Party outside of the reasonable control of Buyer or the Transporter; (iv) time at berth during cool-down pursuant to Section 7.16.1; (v) unscheduled curtailment or temporary discontinuation of operations at the Sabine Pass Facility

(or Alternate Facility, as applicable) necessary for reasons of safety, except to the extent attributable to Buyer or Transporter; (vi) Force Majeure; and (vii) nighttime transit restrictions.

- (c) If an LNG Tanker fails to depart at the end of its allowed laytime (as extended pursuant to Section 7.14.2(b)), another LNG vessel is awaiting the berth and the LNG Tanker's continued occupancy of the berth will disrupt the overall berthing schedule of the Sabine Pass Facility (or Alternate Facility, as applicable) or operations of the Sabine Pass Facility (or Alternate Facility, as applicable), Seller (or the LNG facility's operator) may direct the LNG Tanker to vacate the berth and proceed to sea at utmost dispatch.
- (d) If an LNG Tanker fails to depart the berth at the end of its allowed laytime (as extended pursuant to Section 7.14.2(b)) and as a result the subsequent LNG vessel(s) is prevented from or delayed in loading or unloading, Buyer shall reimburse Seller for any and all actual documented demurrage or excess boil-off that Seller becomes contractually obligated to pay to any Third Party with respect to such subsequent LNG vessel(s), as a result of the LNG Tanker not completing LNG transfer and vacating the berth as required by this Section 7.14.2; *provided that* Buyer shall not be required to reimburse Seller for any amounts based on a demurrage rate or excess boil-off rate or price in excess of the amounts specified in Section 7.12.3 and Section 7.12.4, as applicable. Seller shall invoice Buyer for any amounts due under this Section 7.14.2(d) pursuant to Section 10.1.3 within one hundred eighty (180) Days after the relevant Delivery Window.
- (e) In the event an LNG Tanker fails to vacate the berth pursuant to this Section 7.14 and Buyer is not taking actions to cause it to vacate the berth, Seller (or the LNG facility's operator) may effect such removal at the expense of Buyer.

7.15 Cooperation

7.15.1 If any circumstance occurs or is foreseen to occur so as to cause delay to an LNG Tanker or any other LNG vessel in berthing, loading, unloading or departing, Buyer and Seller shall, without prejudice to any other provision of this Agreement, discuss the problem in good faith with each other and, if appropriate, with other users of the Loading Port, and the Parties shall use reasonable efforts to minimize or to avoid the delay, and at the same time shall cooperate with each other and with such other users of the Loading Port, as appropriate, to find countermeasures to minimize or to avoid the occurrence of any similar delay in the future.

7.15.2 With respect to an LNG Tanker scheduled to load a cargo at the Sabine Pass Facility (or Alternate Facility, as applicable), if such LNG Tanker is unable to berth at the Sabine Pass Facility (or Alternate Facility, as applicable) within forty-eight (48) hours after the end of its Delivery Window solely due to a Force Majeure event, then the relevant cargo shall be cancelled, to the extent affected; *provided, however*, that if requested by Buyer or Seller, each Party shall use reasonable efforts to agree to changes to the ADP or Ninety Day Schedule in order to maximize the safe, reliable and efficient usage of the Sabine Pass Facility (or Alternate Facility, as applicable).

7.16 Cool-Down of LNG Tankers

7.16.1 Buyer shall be solely responsible for ensuring that each LNG Tanker elected by Buyer for taking a cargo arrives at the Sabine Pass Facility (or Alternate Facility, as applicable) cold and in a state of readiness. Notwithstanding the foregoing and subject to Section 7.16.2, with respect to any cargo scheduled to load hereunder at the Sabine Pass Facility:

- (a) Seller shall use reasonable efforts (taking into account, among other things, availability of sufficient berth time and whether such requested cool-down is operationally feasible) to accept Buyer's request to provide cool-down service for any LNG Tanker, subject to Buyer requesting such cool-down service by notice to Seller as far in advance of the relevant cargo's Delivery Window as is reasonably practicable but in no case less than thirty (30) Days before the relevant cargo's Delivery Window; and
- (b) Seller shall provide cool-down service to any LNG Tanker requiring cool-down solely as a result of a delay caused by Seller, but only if such LNG Tanker made no other call between the original Delivery Window and the requested cool-down time, provided that if Seller provides a cool-down under this Section 7.16.1(b), Seller shall have no obligation to pay Buyer in respect of excess boil-off pursuant to Section 7.12.4.

7.16.2 The following shall apply to any cool-down service provided by Seller pursuant to Section 7.16.1:

- (a) all LNG provided by Seller for cooling LNG Tankers shall be sold, delivered and invoiced by Seller, and paid for by Buyer, at a price (expressed in USD per MMBtu) equal to: (1) one hundred fifteen percent (115%) *multiplied by* HH; *plus* (2) (x) eighty percent (80%) *multiplied by* (y) GCM (calculated in accordance with Section 9.1.1 as if such cargo had been made available in the Delivery Month) *minus* one hundred fifteen percent (115%) *multiplied by* HH; *provided that* if sub-part (y) above is equal to or

greater than USD three decimal zero zero per MMBtu (US\$3.00/MMBtu), then such price (expressed in USD per MMBtu) shall be equal to one hundred fifteen percent (115%) *multiplied by HH plus* USD three decimal zero zero per MMBtu (US\$3.00/MMBtu);

- (b) the MMBtu content of the total liquid quantities delivered for cooling, measured before evaporation (without deduction of the quantity of vapor returned from the LNG Tanker), shall be determined by reference to the relevant LNG Tanker's cool-down tables;
- (c) the Parties will determine by mutual agreement the rates and pressures for delivery of LNG for cool-down, but always in full accordance with safe operating parameters and procedures mutually established and agreed by both the LNG Tanker and the Sabine Pass Facility; and
- (d) LNG provided during cool down by Seller pursuant to Section 7.16.1 shall not be applied against the Scheduled Cargo Quantity for the relevant cargo.

8. Annual Delivery Program

8.1 Programming Information

8.1.1 No later than one hundred eighty (180) Days before the start of each Contract Year (or in the case of the first Contract Year, as soon as reasonably practicable prior to the Start Date), Seller shall provide Buyer with Seller's good faith estimate of the Gross Heating Value of LNG to be delivered during the coming Contract Year.

8.1.2 No less than one hundred ten (110) Days before the start of each Contract Year, Buyer shall notify Seller of Buyer's proposed schedule of receipt of cargoes for each Month of such Contract Year, and Buyer's notice shall include the following information:

- (a) the LNG Tanker (if known) for each proposed cargo;
- (b) the proposed Delivery Window for each cargo, provided that Buyer shall propose one (1) Delivery Window occurring in each Month of the relevant Contract Year and such schedule shall be on a reasonably even and ratable basis throughout the relevant Contract Year, taking into consideration the schedule of deliveries in respect of the immediately preceding Contract Year;
- (c) the anticipated Discharge Terminal for each proposed cargo, subject to Section 26.1; and

(d) any other information that may affect annual scheduling.

8.1.3 Seller will then notify Buyer no less than eighty-five (85) Days before the start of such Contract Year of Seller's proposed schedule of cargoes to be made available in each Month of such Contract Year, exercising reasonable efforts to adopt Buyer's proposed schedule of receipts requested in accordance with Section 8.1.2; *provided that* if Buyer fails to deliver the notice according to Section 8.1.2, Seller may nevertheless propose a schedule according to the terms of this Section 8.1.3. Such notice shall include the following information:

- (a) the AACQ for the Contract Year;
- (b) whether Seller is electing MQ for the Contract Year in accordance with Section 5.3, including identification of the MQ applicable to each cargo or the cargo being removed from Buyer's proposed schedule if Seller is electing an MSMQ Cargo;
- (c) for each cargo (to avoid doubt, other than any cargo removed by Seller as a result of election of an MSMQ Cargo):
 - (i) the LNG Tanker (if specified by Buyer);
 - (ii) the Scheduled Cargo Quantity, which shall be three million seven hundred two thousand eight hundred ninety-nine (3,702,899) MMBtu minus the MQ applicable to such cargo, if any;
 - (iii) the proposed Delivery Window for each cargo, provided that Seller shall propose a number of cargoes equal to the AACQ for such Contract Year and such schedule shall be on a reasonably even and ratable basis (before taking into account the removal of any MSMQ Cargo or MQ) taking into consideration planned maintenance at the Sabine Pass Facility and the schedule of deliveries in respect of the immediately preceding Contract Year;
 - (iv) the LNG facility at which the relevant cargo is to be loaded (which shall be the Sabine Pass Facility or Corpus Christi Facility); and
 - (v) the Discharge Terminal specified in the notice sent by Buyer pursuant to Section 8.1.2, subject to such Discharge Terminal complying with Section 26.1; and
- (d) any other information that may affect annual scheduling.

8.2 Determination of Annual Delivery Program

- 8.2.1** Not later than ten (10) Days after receipt of Seller's proposed schedule provided under Section 8.1.3, Buyer shall notify Seller if Buyer desires to consult with Seller regarding the proposed schedule, and Seller shall, no later than fifteen (15) Days after receipt of Buyer's notice, meet and consult with Buyer.
- 8.2.2** If, prior to the date that is sixty (60) Days before the start of the coming Contract Year, the Parties have agreed on a schedule of deliveries for such coming Contract Year, then Seller shall issue the delivery schedule agreed by the Parties. If the Parties are unable to agree on a schedule of deliveries for the coming Contract Year, then not later than sixty (60) Days before the start of such Contract Year, Seller shall issue the delivery schedule for such Contract Year containing the information set forth in Section 8.1.3, modified to reflect any changes agreed by the Parties pursuant to Section 8.2.1. The schedule promulgated by Seller shall reflect the exercise of reasonable efforts by Seller to assign to Buyer Delivery Windows that are as close as reasonably practicable to the Delivery Windows proposed by Buyer (subject to such Delivery Windows proposed by Buyer being in compliance with the provisions of Section 8.1.2). In assigning Delivery Windows, (a) priority shall be given to the requests of Foundation Customers over the requests of other customers including Buyer; and (b) requests of Term Customers will be given priority over the requests of customers that are neither Foundation Customers nor Term Customers.
- 8.2.3** The schedule for deliveries of LNG during the Contract Year established pursuant to this Section 8.2, as amended from time to time in accordance with Section 8.3, is the "**Annual Delivery Program**" or "**ADP**". If Seller fails to issue the schedule provided for in Section 8.1.3 or Section 8.2.2, if applicable, then the schedule proposed by Buyer under Section 8.1.2 shall be the ADP for the relevant Contract Year.

8.3 Changes to Annual Delivery Program

- 8.3.1** Subject to Section 8.3.4, either Party may request by notice a change in the ADP or Ninety Day Schedule for a Contract Year for any reason. Each Party shall use reasonable efforts to accommodate any such change requested by the other Party pursuant to this Section 8.3.1; *provided, however*, that neither Party shall be under any obligation to consent thereto if such change results in a change to any Delivery Window.
- 8.3.2** Buyer shall have the right at any time to: (a) nominate an alternate LNG Tanker for a cargo subject to such LNG Tanker complying with the requirements of this Agreement and (b) nominate an alternate Discharge Terminal for a cargo subject to such Discharge Terminal complying with

Section 26.1. If the gross volumetric capacity of the alternate LNG Tanker nominated by Buyer pursuant to the foregoing is not sufficient to load the Scheduled Cargo Quantity of the relevant cargo, then, upon such nomination, the portion of the Scheduled Cargo Quantity that cannot be loaded onto such alternate LNG Tanker shall be considered DQ and the Scheduled Cargo Quantity shall be reduced accordingly.

8.3.3 With respect to any cargo(es) scheduled in the ADP or Ninety Day Schedule, Seller may, at any time, change the LNG facility (and associated Loading Port) at which the relevant cargo is to be loaded to:

- (a) the Corpus Christi Facility or the Sabine Pass Facility, subject to providing notice thereof to Buyer no less than ten (10) Days prior to the beginning of the relevant cargo's Delivery Window; or
- (b) subject to the prior written consent of Buyer (such consent not to be unreasonably withheld or delayed), any LNG loading facility located in the U.S. Gulf Coast other than the Corpus Christi Facility and the Sabine Pass Facility.

8.3.4 Upon a change pursuant to this Section 8.3, the ADP and/or Ninety Day Schedule shall be amended accordingly and an updated ADP and/or Ninety Day Schedule shall promptly be provided by Seller to Buyer.

8.4 Ninety Day Schedule

No later than the twenty-fifth (25th) Day of each Month, Seller shall issue a forward plan of deliveries for the three (3)-Month period commencing on the first Day of the following Month thereafter (e.g., the Ninety Day Schedule for the three (3)-Month period commencing on May 1st shall be issued no later than the twenty-fifth (25th) Day of April) (such plan, as amended from time to time in accordance with procedures set forth in this Agreement, the "**Ninety Day Schedule**"). The Ninety Day Schedule shall set forth by cargo the forecast pattern of deliveries, including the Delivery Window, LNG loading facility, LNG Tanker and Scheduled Cargo Quantity for each cargo. In the absence of agreement between the Parties otherwise, the Ninety Day Schedule will maintain the Scheduled Cargo Quantities and Delivery Windows as identified in the Annual Delivery Program.

9. Contract Sales Price

9.1 Contract Sales Price

9.1.1 The payment (expressed in USD, the "**Cargo Payment**") for each cargo made available by Seller to Buyer shall be as follows:

$$\text{Cargo Payment} = ((\text{DSCQ} - \text{AQ}) \times \text{GSA CSP}) + (\text{AQ} \times \text{Alternative CSP}) + (\text{EQ} \times \text{GCMA}) - (\text{DQ} \times \text{Alternative CSP})$$

where:

Alternative CSP = $1.15 \times \text{HH}$;

GCM = the price (in USD per MMBtu) published by Platts on the GCM Pricing Date in 'Platts LNG Daily' under the heading 'Daily Cumulative Averages and Monthly Averages', reference 'FOB GCM Loading Month' under 'Previous month average', where the 'Previous month average' refers to the Delivery Month;

GCM Pricing Date = the last publication date for 'Platts LNG Daily' in the Month prior to the Delivery Month;

GCMA = $(1.15 \times \text{HH}) + (0.80 \times (\text{GCM} - (1.15 \times \text{HH})))$; *provided that* if $(\text{GCM} - (1.15 \times \text{HH}))$ is equal to or greater than US\$3.00/MMBtu, then GCMA shall be equal to $(1.15 \times \text{HH}) + \text{US\$3.00/MMBtu}$; and

GSA CSP = $1.15 \times (\text{CP-A} + 0.03 + \text{FLF})$; where "CP-A" and "FLF" are each as defined in the GSA, provided that "n" as used in the GSA shall be defined as the relevant Pricing Month.

9.1.2 If more than one (1) cargo is scheduled for delivery hereunder in any Month in a given ADP or Ninety Day Schedule, then in respect of each such cargo other than one (1) such cargo, Seller will nominate a Month as the Pricing Month for such cargo(es) such that each cargo scheduled for delivery in such ADP or Ninety Day Schedule has a unique Pricing Month.

9.1.3 If a GSA Event occurs, Seller shall have the right to change the price applicable to all or a portion of the Affected Quantity to the Alternative CSP. In such case, Seller shall notify Buyer of the portion of the Affected Quantity to which such alternative price applies (an "**Alternative Quantity**"), and in relation to the Alternative Quantity only, Seller shall forfeit its right to claim Force Majeure based on the GSA Event.

10. Invoicing and Payment

10.1 Invoices

10.1.1 Invoices for Cargoes. Invoices for each cargo made available by Seller and taken by Buyer, together with relevant supporting documents including a certificate of quantity loaded, shall be prepared and delivered by Seller to Buyer promptly following each Delivery Window and receipt

of the final inspection certificate applicable to the loading of such cargo. The invoice amount shall be the Cargo Payment (for the avoidance of doubt, the quantity of MMBtu taken by Buyer for the purposes of calculating the Cargo Payment shall be determined in accordance with Section 13.9). If Buyer fails to take a cargo made available by Seller, the entire Scheduled Cargo Quantity shall be considered DQ and Seller shall prepare and deliver to Buyer an invoice for such cargo promptly following such failure to take.

10.1.2 Invoices for Cargo DoP Payments. Invoices for Cargo DoP Payments owed to Buyer by Seller shall be prepared by Buyer and delivered to Seller promptly following the Delivery Window of each affected cargo and completion of mitigation efforts, together with relevant supporting documents showing the basis for the calculation thereof.

10.1.3 Invoices for Various Sums Due. In the event that any sums are due from one Party to the other Party under Section 7.5.4(b), 7.12.3, 7.12.4, 7.14.2(d), 7.16.1, 10.3.3, 10.4.1, 11.5, 12.3.1(c), or 12.3.2(a) of this Agreement, the Party to whom such sums are owed shall furnish an invoice therefor, describing in reasonable detail the basis for such invoice and providing relevant documents supporting the calculation thereof.

10.1.4 Invoices for Other Sums Due. In the event that any sums are due from one Party to the other Party under this Agreement, other than for a reason addressed in Section 10.1.1 through 10.1.3, the Party to whom such sums are owed shall furnish an invoice therefor, describing in reasonable detail the basis for such invoice and providing relevant documents supporting the calculation thereof.

10.1.5 Notice. Invoices shall be sent in accordance with Section 25.

10.1.6 Provisional Invoices.

- (a) In the event (i) a rate or index used in the calculation of an amount is not available on a temporary or permanent basis; or (ii) any other relevant information necessary to compute an invoice is not available, the invoicing Party may issue a provisional invoice ("**Provisional Invoice**") in an amount calculated, in the case of subsection (i) of this Section 10.1.6(a), in accordance with Section 1.3, and, in the case of subsection (ii) of this Section 10.1.6(a), based on the best estimate of the unavailable information by the Party issuing the Provisional Invoice. In the event a Provisional Invoice is to be issued because the certificate of quantity loaded is not available because such LNG's loaded quality has not yet been determined, then Seller shall use the average loaded quality data for the two (2) cargoes loaded at the Sabine Pass Facility (whether delivered to Buyer or another customer) immediately preceding the

relevant cargo. A Provisional Invoice shall be deemed to be an invoice issued pursuant to Section 10.1.1 and Section 10.1.2, as applicable, for the purposes of the payment obligations of Seller or Buyer, as applicable, and shall be subject to subsequent adjustment in accordance with Section 10.1.6(b).

- (b) If a Provisional Invoice has been issued, the invoicing Party shall issue a final invoice reflecting any credit or debit, as applicable, to the Provisional Invoice as soon as reasonably practicable after the information necessary to compute the payment has been obtained by such Party. Seller and Buyer shall settle such debit or credit amount, as the case may be, when payment of the next invoice is due pursuant to Section 10.2 or, if earlier, upon the termination of this Agreement.

10.2 Payment

All amounts invoiced under this Agreement that are due and payable shall be paid in accordance with this Section 10.2.

- 10.2.1 Payments for Cargoes.** Invoices issued in accordance with Section 10.1.1 shall become due and payable by Buyer on the Payment Due Date. “**Payment Due Date**” means in respect of the relevant invoice, the date that is two (2) Business Days prior to the payment due date applicable to the Delivery Month under the GSA. For example, if the GSA payment due date for March 2025 is April 25, 2025, the Payment Due Date applicable to a cargo with a March 2025 Delivery Month will be two (2) Business Days prior to April 25, 2025. Seller will notify Buyer of the Payment Due Date in respect of each invoice issued under Section 10.1.1.
- 10.2.2 Cargo DoP Payments.** Invoices issued in accordance with Section 10.1.2 shall become due and payable on the tenth (10th) Day following receipt by Seller.
- 10.2.3 Payments for Other Sums Due.** An invoice issued pursuant to Section 10.1.3 or 10.1.4 shall be paid by the paying Party thereunder not later than twenty (20) Days after receipt of such invoice.
- 10.2.4 Payment Method.** All invoices shall be settled by payment in USD of the sum due by wire transfer of immediately available funds to an account with the bank designated by the other Party in accordance with Section 10.2.5.
- 10.2.5 Designated Bank.** Each Party shall designate a bank in a location reasonably acceptable to the other Party for payments under this Agreement. A Party shall designate its bank by notice to the other Party initially not later than the Start Date and thereafter not less than thirty (30) Days before any redesignation is to be effective.

10.2.6 Payment Date. If any invoice issued pursuant to Section 10.1 would result in a Party being required to make a payment on a Day that is not a Business Day, then the due date for such invoice shall be the immediately succeeding Business Day; *provided, however*, that in no event shall any invoice be due less than five (5) Business Days after receipt of the invoice by the Party being required to make a payment.

10.3 Disputed Invoice

10.3.1 Payment Pending Dispute. Absent manifest error, each Party invoiced pursuant to Section 10.1.1, 10.1.2, or 10.1.3 shall pay all disputed and undisputed amounts due under such invoice without netting or offsetting any amounts owed by the Party receiving the invoice, including taxes (except as provided in Section 11.4), exchange charges, or bank transfer charges. In the case of manifest error, the correct amount shall be paid disregarding such error, and necessary correction and consequent adjustment shall be made within five (5) Business Days after agreement or determination of the correct amount.

10.3.2 Timing. Except with respect to Section 1.3, Section 10.3.4, and Section 14, any invoice may be contested by the receiving Party pursuant to Section 10.5 only if, within a period of thirteen (13) Months after its receipt thereof, that Party serves notice to the other Party questioning the correctness of such invoice. Subject to Section 10.5, if no such notice is served, the invoice shall be deemed correct and accepted by both Parties.

10.3.3 Interest. The Party who invoiced and received payment of a sum, subsequently determined not to have been payable under this Agreement to such Party, shall pay interest to the other Party on such amount, at a rate per annum equal to two percent (2%) above One-Month SOFR. Interest shall accrue from Day to Day and be calculated on the basis of a three hundred sixty (360) Day year.

10.3.4 Measurement or Analyzing Errors. Any errors found in an invoice or credit note which are caused by the inaccuracy of any measuring or analyzing equipment or device shall be corrected in accordance with Exhibit A, as applicable, and shall be settled in the same manner as is set out above in this Section 10.3.

10.4 Delay in Payment

10.4.1 Interest. If either Seller or Buyer fails to make payment of any sum as and when due under this Agreement, it shall pay interest thereon to the other Party at a rate per annum equal to two percent (2%) above One-Month SOFR. Interest shall accrue from Day to Day and be calculated on the basis of a three hundred sixty (360) Day year.

10.4.2 Costs and Expenses. Subject to Section 21.1.12, each Party shall bear its own costs (including attorneys' or experts' fees or costs) in respect of enforcement of such Party's rights in any Dispute proceeding as a result of the other Party failing to perform or failing timely to perform its obligations under this Agreement including failing timely to make any payment in accordance with this Agreement.

10.5 Audit Rights

Each Party shall have the right to cause an independent auditor, appointed by such Party at such Party's sole cost and expense, to audit the books, records and accounts of the other Party that are directly relevant to the determination of any amounts invoiced, charged, or credited by the other Party within the previous twelve (12) Months or as otherwise required by this Agreement. Such audit shall be conducted at the office where the records are located, during the audited Party's regular business hours and on reasonable prior notice, and shall be completed within thirty (30) Days after the audited Party's relevant records have been made available to the auditing Party. The independent auditor shall be a major international accountancy firm, and the Party appointing such auditor shall cause the auditor to execute a confidentiality agreement acceptable to the Party being audited. If the audit discloses an error in any invoiced amount under this Agreement, then the auditing Party shall, within thirty (30) Days following completion of the audit pertaining to the affected invoice or statement, provide notice to the audited Party describing the error and the basis therefor. Promptly thereafter, the Parties shall commence discussions regarding such error in order to expeditiously, and in good faith, achieve resolution thereof, provided that any adjustments arising from such audit shall be made and all credits or charges finalized within forty-five (45) Days of completion of any relevant audit.

10.6 Seller's Right to Suspend Performance

If Seller has not received payment in respect of any amounts due under any invoice(s) under this Agreement totaling in excess of USD thirty million (US\$30,000,000) within five (5) Business Days after the due date thereof, then without prejudice to any other rights and remedies of Seller arising under this Agreement or by Applicable Laws or otherwise, upon giving five (5) Business Days' notice to Buyer:

10.6.1 Seller may suspend delivering any or all subsequent cargoes until the amounts outstanding under such invoice(s) and interest thereon have been paid in full.

10.6.2 In the event of such suspension, Buyer shall not be relieved of any of its obligations under this Agreement, including its obligation to take any LNG, and the entire Scheduled Cargo Quantity with respect to each cargo scheduled in the Annual Delivery Program or Ninety Day Schedule which is not delivered during the suspension shall be considered DQ.

10.6.3 During the period that such suspension is effective, Seller shall have no obligation to make available any cargoes to Buyer and shall be deemed to have made available such cargo for purposes of Section 9.1.1 and Section 10.1.1.

10.7 Final Settlement

Within sixty (60) Days after expiration of the Term or the earlier termination of this Agreement, Seller and Buyer shall determine the amount of any final reconciliation payment. After the amount of the final settlement has been determined, Seller shall send a statement to Buyer, or Buyer shall send a statement to Seller, as the case may be, for amounts due under this Section 10.7, and Seller or Buyer, as the case may be, shall pay such final statement no later than twenty (20) Business Days after the date of receipt thereof.

11. Taxes

11.1 Responsibility

Buyer shall indemnify and hold Seller and its direct or indirect owners and Affiliates harmless from any and all Buyer Taxes, and Seller shall indemnify and hold Buyer and its Affiliates harmless from any and all Seller Taxes.

11.2 Seller Taxes

“**Seller Taxes**” means any taxes imposed from time to time:

- (a) solely on account of the corporate existence of Seller or its Affiliates;
- (b) in respect of the property, revenue, income, or profits of Seller or its Affiliates (other than taxes required to be deducted or withheld by Buyer from or in respect of any payments (whether in cash or in kind) under this Agreement);
- (c) subject to Section 11.5, in the United States of America or any political subdivision thereof, that may be levied or assessed upon the sale, use or purchase of LNG up to and at the Delivery Point;
- (d) in the United States of America or any political subdivision thereof, that may be levied or assessed upon the export, loading, storage, processing, transfer, transport, ownership of title, or delivery of LNG, up to and at the Delivery Point; and
- (e) payable by Buyer by reason of a failure by Seller to properly deduct, withhold or pay any taxes described in Section 11.4.

11.3 Buyer Taxes

“**Buyer Taxes**” means any taxes imposed from time to time:

- (a) solely on account of the corporate existence of Buyer or its Affiliates;
- (b) in respect of the property, revenue, income, or profits of Buyer or its Affiliates (other than taxes required to be deducted or withheld by Seller from or in respect of payments (whether in cash or in kind) under this Agreement);
- (c) in the United States of America (or any political subdivision thereof), any jurisdiction in which any of Buyer’s Discharge Terminals are located (or any political subdivision thereof), or any jurisdiction through which any LNG Tanker transits or on which any LNG Tanker calls (or any political subdivision thereof), in each case that may be levied or assessed upon the sale, use, purchase, import, unloading, export, loading, storage, processing, transfer, transport, ownership of title, receipt or delivery of LNG after the Delivery Point; and
- (d) payable by Seller by reason of a failure by Buyer to properly deduct, withhold or pay any taxes described in Section 11.4.

11.4 Withholding Taxes

If Seller or Buyer (in either case, the “**Payor**” for purposes of this Section 11.4), is required to deduct or withhold taxes from or in respect of any payments (whether in cash or in kind) to the other Party under this Agreement, then: (a) the Payor shall make such deductions and withholdings; (b) the Payor shall pay the full amount deducted or withheld to the appropriate Governmental Authority in accordance with Applicable Laws; (c) the Payor shall promptly furnish to the other Party the original or a certified copy of a receipt evidencing such payment; and (d) the sum payable by the Payor to the other Party shall be increased by such additional sums as necessary so that after making all required deductions and withholdings of taxes (including deductions and withholdings of taxes applicable to additional sums payable under this Section 11.4), the other Party receives an amount equal to the sum it would have received had no such deductions or withholdings of taxes been made.

11.5 Transfer Tax

In the event that the United States of America or any political subdivision thereof, including any state or local subdivision thereof, levies or assesses a value added tax, sales or use tax, or other transfer tax on the transfer of LNG pursuant to this Agreement, Seller shall remit such tax to the appropriate Governmental Authority and Buyer shall reimburse Seller for the amount of such tax. Pursuant to Section

10.1.3, Seller shall furnish Buyer with an invoice of the taxes required to be reimbursed to Seller. Buyer shall pay such invoice in accordance with Section 10.2.3. If Buyer claims an exemption from sales or use tax imposed by the Governmental Authority with respect to the transfer of LNG pursuant to this Agreement, Buyer shall provide documentation to Seller demonstrating its entitlement to such exemption. A properly executed resale or exemption certificate shall be deemed to be sufficient documentation demonstrating such exemption, except to the extent Buyer claims an import or export exemption, in which case Buyer shall provide any additional documentation required by Applicable Laws. For the avoidance of doubt, if the aforementioned documentation is provided by Buyer to Seller and Buyer has previously paid to Seller such tax, Seller must promptly refund such tax collected from Buyer, provided that Seller will not be required to refund any tax remitted to a Governmental Authority until Seller has received a refund of such tax from the Governmental Authority. Buyer shall remain liable for sales and use taxes, including penalties and interest, imposed on Seller as a result of Buyer's failure to qualify for an exemption claimed by Buyer.

11.6 Mitigation

Each Party shall use reasonable efforts to take actions or measures requested by the other Party in order to minimize taxes for which the other Party is liable under this Section 11, including filing for refunds or rebates and providing applicable sales and use tax resale or exemption certificates, provided that the other Party shall pay such Party's reasonable costs and expenses in relation thereto.

11.7 Refunds

If a Party has made an indemnification payment to the other Party pursuant to this Section 11 with respect to any amount owed or paid by the indemnified Party and the indemnified Party thereafter receives a refund or credit of any such amount, such indemnified Party shall pay to the indemnifying Party the amount of such refund or credit promptly following the receipt thereof. The indemnified Party shall provide such assistance as the indemnifying Party may reasonably request to obtain such a refund or credit.

12. Quality

12.1 Specification

12.1.1 LNG delivered under this Agreement shall, when converted into a gaseous state, comply with the following specifications ("**Specifications**"):

Minimum Gross Heat Content (dry) 1000 BTU/SCF

Maximum Gross Heat Content (dry) 1150 BTU/SCF

Minimum methane (C1) 84.0 MOL%

Maximum H₂S 0.25 grains per 100 SCF

Maximum Sulfur 1.35 grains per 100 SCF

Maximum N₂ 1.5 MOL%

Maximum Ethane (C₂) 11 MOL%

Maximum Propane (C₃) 3.5 MOL%

Maximum Butane (C₄) and heavier 2 MOL%

LNG shall contain no water, active bacteria or bacterial agents (including sulfate-reducing bacteria or acid producing bacteria) or other contaminants or extraneous material.

- 12.1.2** With respect to each cargo to be delivered to Buyer under this Agreement, Seller shall provide Buyer with a report indicating Seller's best estimate of what the actual loaded quality composition of the LNG to be delivered to Buyer in such cargo is likely to be. Seller shall use reasonable efforts to provide such report as early as possible during the thirty (30) Day period immediately preceding the relevant cargo's Delivery Window.

12.2 Determining LNG Specifications

LNG shall be tested pursuant to Exhibit A to determine whether such LNG complies with the Specifications.

12.3 Off-Specification LNG

- 12.3.1** If Seller, acting as a Reasonable and Prudent Operator, determines prior to loading a cargo that the LNG is expected not to comply with the Specifications ("**Off-Spec LNG**") upon loading, then:
- (a) Seller shall give notice to Buyer of the extent of the expected variance as soon as practicable (but in no case later than the commencement of loading of the cargo);
 - (b) Buyer shall use reasonable efforts, including coordinating with the Transporter and the operator of the Discharge Terminal, to accept such LNG where the LNG would be acceptable to the Transporter and the operator of the Discharge Terminal, each of them acting in their sole discretion (unless Transporter or such operator is Buyer or an Affiliate of Buyer, in which case Buyer shall cause such Person to use reasonable efforts to accept the LNG), and would not prejudice the safe and reliable operation of any LNG Tanker, the Discharge Terminal, and any downstream facilities being supplied regasified LNG;

- (c) if Buyer is able, using reasonable efforts in accordance with Section 12.3.1(b), to accept delivery of such cargo, then Buyer shall notify Seller of Buyer's estimate of the direct costs to be incurred by Buyer, any Affiliate of Buyer, Transporter, and the operator of the Discharge Terminal in transporting and treating such Off-Spec LNG (or to otherwise make such LNG marketable), and, to the extent Seller agrees to such estimate, Buyer shall take delivery of such cargo, and Seller shall reimburse Buyer for all reasonable documented direct costs incurred by Buyer (including costs owed to any Affiliate of Buyer, Transporter, and the operator of the Discharge Terminal in transporting and treating such Off-Spec LNG (or to otherwise make such LNG marketable) prior to and at the Discharge Terminal), *provided, however*, that Seller's liability shall not exceed one hundred twenty percent (120%) of the estimate notified by Buyer and agreed by Seller; and
- (d) if (1) Buyer determines in good faith that it cannot, using reasonable efforts, receive such cargo, (2) Seller rejects the cost estimate or (3) Buyer anticipates that it might be liable for costs that would not otherwise be reimbursed pursuant to Section 12.3.1(c), then Buyer shall be entitled to reject such cargo by giving Seller notice of rejection within seventy-two (72) hours of Buyer's receipt of Seller's notice pursuant to Section 12.3.1(a).

12.3.2 If Off-Spec LNG is delivered to Buyer without Buyer being made aware of the fact that such Off-Spec LNG does not comply with the Specifications, or without Buyer being made aware of the actual extent to which such Off-Spec LNG does not comply with the Specifications, then:

- (a) if Buyer is able, using reasonable efforts, to transport and treat the Off-Spec LNG to meet the Specifications (or to otherwise make such LNG marketable), then Seller shall reimburse Buyer for all reasonable documented direct costs incurred by Buyer (including direct costs owed to any Affiliate of Buyer, Transporter, and the operator of the Discharge Terminal in transporting and treating such Off-Spec LNG received at the Discharge Terminal to meet the Specifications (or to otherwise make such LNG marketable)), in an amount not exceeding one hundred percent (100%) of the product of the delivered quantity of such Off-Spec LNG and GCM (calculated in accordance with Section 9.1.1 as if such cargo had been made available in the Delivery Month); *provided, however*, that Buyer, any Affiliate of Buyer, Transporter, and the operator of the Discharge Terminal shall not be required to incur costs in excess of those reimbursable by Seller; or
- (b) if Buyer determines in good faith that it cannot, using reasonable efforts, transport and treat such Off-Spec LNG to meet the

Specifications (or to make such LNG marketable) or the cost of transporting and treating Off-Spec LNG is estimated by Buyer, acting reasonably and in good faith, to exceed one hundred percent (100%) of the product of the quantity of Off-Spec LNG and GCM (calculated in accordance with Section 9.1.1 as if such cargo had been made available in the Delivery Month), then: (i) Buyer shall be entitled to reject such Off-Spec LNG by giving Seller notice of such rejection as soon as practicable, and in any case within ninety-six (96) hours after (A) Seller notifies Buyer in writing that such LNG is Off-Spec LNG and the actual extent to which such Off-Spec LNG does not comply with the Specifications or (B) Buyer becomes aware that such LNG is Off-Spec LNG, whichever occurs first; (ii) Buyer shall be entitled to dispose of the loaded portion of such Off-Spec LNG (or regasified LNG produced therefrom) in any manner that Buyer, acting in accordance with the standards of a Reasonable and Prudent Operator, deems appropriate; and (iii) Seller shall reimburse Buyer in respect of and indemnify and hold Buyer harmless from all direct loss, damage, costs and expenses incurred by Buyer, any Affiliate of Buyer, or Transporter as a result of the delivery of such Off-Spec LNG, including in connection with the handling, treatment or safe disposal of such Off-Spec LNG or other LNG being held at the Discharge Terminal or being carried onboard the LNG Tanker which was contaminated by it, cleaning or clearing the LNG Tanker and Discharge Terminal, and damage caused to the LNG Tanker and Discharge Terminal.

12.3.3 If Buyer rejects a quantity of LNG in accordance with Section 12.3.1(d) or 12.3.2(b), Seller shall be deemed to have failed to make available the rejected quantity of LNG and Section 5.5.2 shall apply.

13. Measurements and Tests

13.1 LNG Measurement and Tests

LNG delivered to Buyer, and Gas used as fuel by Buyer, pursuant to this Agreement shall be measured and tested in accordance with Exhibit A.

13.2 Parties to Supply Devices

13.2.1 Buyer shall supply, operate and maintain, or cause to be supplied, operated and maintained, suitable gauging devices for the LNG tanks of the LNG Tanker, as well as pressure and temperature measuring devices, in accordance with Section 13.3 and Exhibit A, and any other measurement, gauging or testing devices which are incorporated in the structure of such LNG Tanker or customarily maintained on shipboard.

13.2.2 Seller shall supply, operate and maintain, or cause to be supplied, operated and maintained, devices required for collecting samples and for determining quality and composition of the delivered LNG, in accordance with Section 13.3 and Exhibit A, and any other measurement, gauging or testing devices which are necessary to perform the measurement and testing required hereunder at the Loading Port.

13.3 Selection of Devices

Each device provided for in this Section 13 shall be selected and verified in accordance with Exhibit A. Any devices that are provided for in this Section 13 not previously used in an existing LNG trade shall be chosen by written agreement of the Parties and shall be, at the time of selection, accurate and reliable in their practical application. The required degree of accuracy of such devices shall be agreed in writing by Buyer and Seller in advance of their use, and such degree of accuracy shall be verified by an independent surveyor who is agreed by Buyer and Seller.

13.4 Tank Gauge Tables of LNG Tanker

Buyer shall furnish to Seller, or cause Seller to be furnished, a certified copy of tank gauge tables as described in Exhibit A for each LNG tank of the LNG Tanker and of tank gauge tables revised as a result of any recalibration of an LNG tank of an LNG Tanker.

13.5 Gauging and Measuring LNG Volumes Loaded

Volumes of LNG delivered under this Agreement will be determined by gauging the LNG in the LNG tanks of the LNG Tanker immediately before and after loading in accordance with the terms of Exhibit A.

13.6 Samples for Quality Analysis

Representative samples of the delivered LNG shall be obtained by Seller as provided in Exhibit A.

13.7 Quality Analysis

The samples referred to in Section 13.6 shall be analyzed, or caused to be analyzed, by Seller in accordance with the terms of Exhibit A, in order to determine the molar fractions of the hydrocarbons and components in the sample.

13.8 Operating Procedures

13.8.1 Prior to carrying out measurements, gauging and analyses hereunder, the Party responsible for such operations shall notify the designated representative(s) of the other Party, allowing such representative(s) a reasonable opportunity to be present for all operations and computations;

provided, however, that the absence of such representative(s) after notification and reasonable opportunity to attend shall not affect the validity of any operation or computation thereupon performed.

13.8.2 At the request of either Party, any measurements, gauging and/or analyses provided for in Sections 13.5, 13.6, 13.7 and 13.10.1 shall be witnessed and verified by an independent surveyor agreed upon in writing by Buyer and Seller. The results of verifications and records of measurement shall be maintained in accordance with the terms of Exhibit A.

13.9 MMBtu Quantity Delivered

The number of MMBtu sold and delivered shall be calculated at the Delivery Point by Seller and witnessed and verified by a mutually appointed independent surveyor agreed upon in writing by the Parties following the procedures set forth in Exhibit A.

13.10 Verification of Accuracy and Correction for Error

13.10.1 Each Party shall test and verify the accuracy of its devices at intervals to be agreed between the Parties. In the case of gauging devices of the LNG Tanker, such tests and verifications shall take place during each scheduled dry-docking, provided that the interval between such dry dockings shall not exceed five (5) years. Indications from any redundant determining devices should be reported to the Parties for verification purposes. Each Party shall have the right to inspect and if a Party reasonably questions the accuracy of any device, to require the testing or verification of the accuracy of such device in accordance with the terms of Exhibit A.

13.10.2 Permissible tolerances of the measurement, gauging and testing devices shall be as described in Exhibit A.

13.11 Costs and Expenses

13.11.1 Except as provided in this Section 13.11, all costs and expenses for testing and verifying measurement, gauging or testing devices shall be borne by the Party whose devices are being tested and verified; *provided, however*, that representatives of the Parties attending such tests and verifications shall do so at the cost and risk of the Party they represent.

13.11.2 In the event that a Party inspects or requests the testing/verification of any of the other Party's devices on an exceptional basis in each case as provided in Section 13.10.1, the Party requesting the testing/verification shall bear all costs thereof.

13.11.3 The costs of the independent surveyor:

- (a) requested by a Party in accordance with Section 13.8.2 shall be borne by the requesting Party; and
- (b) referred to in Section 13.9 shall be borne equally by Buyer and Seller.

14. Force Majeure

14.1 Force Majeure

Neither Party shall be liable to the other Party for any delay or failure in performance under this Agreement if and to the extent such delay or failure is a result of Force Majeure. To the extent that the Party so affected fails to use commercially reasonable efforts to overcome or mitigate the effects of such events of Force Majeure, it shall not be excused for any delay or failure in performance that would have been avoided by using such commercially reasonable efforts. Subject to the provisions of this Section 14, the term “**Force Majeure**” shall mean any act, event or circumstance, whether of the kind described herein or otherwise, that is not reasonably within the control of, does not result from the fault or negligence of, and would not have been avoided or overcome by the exercise of reasonable diligence by, the Party claiming Force Majeure or an Affiliate of the Party claiming Force Majeure, such Party and, as applicable, its Affiliate having observed a standard of conduct that is consistent with a Reasonable and Prudent Operator, and that prevents or delays in whole or in part such Party’s performance of one or more of its obligations under this Agreement.

14.1.1 Force Majeure may include circumstances of the following kind, provided that such circumstances satisfy the definition of Force Majeure set forth above:

- (a) acts of God, including flood, lightning, storm, hurricane, tornado, earthquake, or subsidence; acts of the government; acts of a public enemy; strikes, lockout, or other industrial disturbances;
- (b) terrorism, wars, blockades or civil disturbances of any kind; epidemics, pandemics, Adverse Weather Conditions, fires, explosions, arrests and restraints of governments or people;
- (c) the breakdown or failure of, freezing of, breakage or accident to, or the necessity for making repairs or alterations to any facilities or equipment;
- (d) in respect of Seller: (i) loss of, accidental damage to, or inaccessibility to or inoperability of: (x) the Sabine Pass Facility or any Connecting Pipeline in respect thereof; or (y) any other LNG loading facility or any Connecting Pipeline in respect thereof, subject to Section 14.2.4; and (ii) any event that would constitute

an event of force majeure under (A) any agreement to which Seller is a party that is necessary for Seller to carry out any obligations hereunder or (B) without limiting the foregoing, any agreement between Seller or the operator of the LNG loading facility, as applicable, and the operator or operators of any Connecting Pipeline for Gas transportation services, *provided however*, that an event of force majeure affecting a party to any such agreement shall constitute Force Majeure under this Agreement only to the extent such event meets the definition of Force Majeure in this Section 14.1;

- (e) in respect of Buyer, events affecting the ability of any LNG Tanker to receive and transport LNG, subject to Section 14.2.3; and
- (f) the withdrawal, denial, or expiration of, or failure to obtain, any export authorization or other Approval.

14.1.2 Notwithstanding anything to the contrary contained in this Section 14, any GSA Event shall be deemed to be an event of Force Majeure affecting Seller and, in such case, Seller shall be entitled to claim Force Majeure hereunder, and be relieved of its obligations under this Agreement in respect of a quantity of LNG up to an amount equal to the Affected Quantity, as notified by Seller to Buyer pursuant to Section 14.3.

14.1.3 Nothing in this Section 14.1 shall be construed to require a Party to observe a higher standard of conduct than that required of a Reasonable and Prudent Operator as a condition to claiming the existence of Force Majeure.

14.2 Limitations on Force Majeure

14.2.1 Indemnity and Payment Obligations. Notwithstanding Section 14.1, no Force Majeure shall relieve, suspend, or otherwise excuse either Party from performing any obligation to indemnify, reimburse, hold harmless or otherwise pay the other Party under this Agreement.

14.2.2 Events Not Force Majeure. The following events shall not constitute Force Majeure:

- (a) a Party's inability to finance its obligations under this Agreement or the unavailability of funds to pay amounts when due in the currency of payment;
- (b) the unavailability of, or any event affecting, any facilities at or associated with any transit port or facilities, unloading port or Discharge Terminal;

- (c) the ability of Seller or Buyer to obtain better economic terms for LNG or Gas from an alternative supplier or buyer, as applicable;
- (d) changes in either Party's market factors, default of payment obligations or other commercial, financial or economic conditions, including failure or loss of any of Buyer's or Seller's Gas or LNG markets;
- (e) breakdown or failure of plant or equipment caused by normal wear and tear or by a failure to properly maintain such plant or equipment;
- (f) the non-availability or lack of economically obtainable Gas reserves;
- (g) in the case of Seller, any event arising from an action or omission of the operator of the relevant LNG facility or any Affiliate of Seller to the extent that, had Seller taken such action or experienced such event, such event would not constitute Force Majeure pursuant to the provisions of this Section 14;
- (h) in the case of Buyer, any event arising from an action or omission of Transporter, the master, owner or operator of the LNG Tanker or any Affiliate of Buyer, in each case to the extent that, had Buyer taken such action or experienced such event, such event would not constitute Force Majeure pursuant to the provisions of this Section 14; and
- (i) the loss of interruptible or secondary firm transportation service on a Connecting Pipeline or any pipeline upstream of a Connecting Pipeline unless the cause of such loss was an event that would satisfy the definition of Force Majeure hereunder and primary in-the-path transportation service on such pipeline was also interrupted as a result of such event.

14.2.3 Force Majeure relief in respect of Buyer for an event described in Section 14.1.1(e) affecting a specific LNG Tanker:

- (a) shall only be available with respect to cargoes that are, as of the date of such Force Majeure event, scheduled to be transported on such LNG Tanker as shown in the applicable Ninety Day Schedule or ADP for such Contract Year, or (to the extent that the ADP for the following Contract Year has been issued by Seller) in the ADP for the following Contract Year; and
- (b) shall not be available for an event affecting such LNG Tanker if such LNG Tanker was affected by, or could reasonably have been expected to be affected by, such Force Majeure event at the time it

was nominated by Buyer pursuant to Section 8.1.2 or Section 8.3, as applicable, for the relevant cargo.

14.2.4 Force Majeure relief in respect of Seller for an event described in Section 14.1.1(d)(i)(y) affecting an LNG loading facility or Connecting Pipeline other than the Sabine Pass Facility and any Connecting Pipeline in respect thereof:

- (a) shall only be available with respect to cargoes that are scheduled to be loaded at such LNG loading facility in the applicable Ninety Day Schedule or ADP for such Contract Year, or (to the extent that the ADP for the following Contract Year has been issued by Seller) in the ADP for the following Contract Year; and
- (b) shall not be available for an event affecting such LNG facility if (i) such LNG facility was affected by, or could reasonably have been expected by Seller to be affected by, such Force Majeure event at the time it was nominated by Seller pursuant to Section 8.3.3 for the relevant cargo and (ii) such Force Majeure event was, at the time of such nomination, reasonably expected to delay or prevent Seller's performance in respect of such cargo.

14.3 Notification

A Force Majeure event shall take effect at the moment such an event or circumstance occurs. Upon the occurrence of a Force Majeure event that prevents, interferes with or delays the performance by Seller or Buyer, in whole or in part, of any of its obligations under this Agreement, the Party affected shall give notice thereof to the other Party describing such event and stating the obligations the performance of which are affected (either in the original or in supplemental notices) and stating, as applicable:

14.3.1 the estimated period during which performance may be prevented, interfered with or delayed, including, to the extent known or ascertainable, the estimated extent of such reduction in performance;

14.3.2 the particulars of the program to be implemented to resume normal performance under this Agreement; and

14.3.3 the anticipated portion of the AACQ for a Contract Year that will not be made available or taken, as the case may be, by reason of Force Majeure.

Such notices shall thereafter be updated at least monthly during the period of such claimed Force Majeure specifying the actions being taken to remedy the circumstances causing such Force Majeure.

14.4 Measures

Prior to resumption of normal performance, the Parties shall continue to perform their obligations under this Agreement to the extent not excused by such event of Force Majeure.

14.5 No Extension of Term

The Term shall not be extended as a result of or by the duration of an event of Force Majeure.

14.6 Settlement of Industrial Disturbances

Settlement of strikes, lockouts, or other industrial disturbances shall be entirely within the discretion of the Party experiencing such situations, and nothing in this Agreement shall require such Party to settle industrial disputes by yielding to demands made on it when it considers such action inadvisable.

14.7 Foundation Customer Priority

Notwithstanding any other provision in this Section 14, in respect of any cargo(es) scheduled to be loaded hereunder at the Sabine Pass Facility, during any event of Force Majeure affecting Seller, Seller shall apportion the remaining capacity at the Sabine Pass Facility according to the Foundation Customer Priority. “**Foundation Customer Priority**” means that Foundation Customers will receive priority over other customers including Buyer for receiving LNG from the remaining available LNG production capacity, if any, at the Sabine Pass Facility without regard to which LNG production train(s) is affected by the underlying event, and without regard to which LNG production train(s) maintains available LNG production capacity. Without prejudice to the rest of this Section 14.7, during any event of Force Majeure affecting Seller, Term Customers will be given priority over customers that are neither Foundation Customers nor Term Customers for receiving LNG from the remaining available LNG production capacity.

15. Liabilities and Indemnification

15.1 General

Subject to Section 15.2, and without prejudice to any indemnity provided under this Agreement, Seller shall be liable to Buyer, and Buyer shall be liable to Seller, for any loss which has been suffered as a result of the breach by the Party liable of any one or more of its obligations under this Agreement, to the extent that the Party liable should reasonably have foreseen the loss.

15.2 Limitations on Liability

15.2.1 Incidental and Consequential Losses. Neither Party shall be liable to the other Party hereunder as a result of any act or omission in the course of or in connection with the performance of this Agreement, for or in respect of:

- (a) any indirect, incidental, consequential or exemplary losses;
- (b) any loss of income or profits;
- (c) except as expressly provided in this Agreement, any failure of performance or delay in performance to the extent relieved by the application of Force Majeure in accordance with Section 14; or
- (d) except as expressly provided in this Agreement, any losses arising from any claim, demand or action made or brought against the other Party by a Third Party.

15.2.2 Exclusive Remedies. A Party's sole liability, and the other Party's exclusive remedy, arising under or in connection with Sections 5.4, 5.5, 7.12.3, 7.12.4, 7.14.2(d) and 12.3 and this Section 15 shall be as set forth in each such provision, respectively.

15.2.3 Liquidated Damages. The Parties agree that it would be impracticable to determine accurately the extent of the loss, damage and expenditure that either Party would have in the circumstances described in Sections 5.4, 5.5, 7.12.3 and 7.12.4. Accordingly, the Parties have estimated and agreed in advance that the sole liability, and exclusive remedy for such circumstances shall be as provided in those Sections, and neither Party shall have additional liability as a result of any such circumstances. Each amount described in or determined by the provisions of Sections 5.4, 5.5, 7.12.3 and 7.12.4 is intended to represent a genuine pre-estimate by the Parties as to the loss or damage likely to be suffered by the Party receiving the payment or benefit in each such circumstance. Each Party waives any right to claim or assert, in any arbitration or expert determination pursuant to Section 21 in any action with respect to this Agreement, that any of the exclusive remedies set forth in Sections 5.4, 5.5, 7.12.3 and 7.12.4 do not represent a genuine pre-estimate by the Parties as to the loss or damage likely to be suffered by the Party receiving the payment or benefit in each such circumstance or otherwise are not valid and enforceable damages.

15.2.4 Express Remedies. The Parties agree that Section 15.2.1 shall not impair a Party's obligation to pay the amounts specified in, or the validity of or limitations imposed by, Sections 5.4, 5.5, 7.12.3, 7.12.4, 7.14.2(d), and 12.3. Neither Party shall have a right to make a claim for actual damages (whether direct or indirect) or other non-specified damages under any circumstances for which an express remedy or measure of damages is provided in this Agreement.

15.2.5 Remedies in Contract. Except with respect to claims for injunctive relief under Section 19 and Section 21.1.11, a Party's sole remedy against the other Party for nonperformance or breach of this Agreement or for any other claim of whatsoever nature arising out of or in relation to this Agreement shall be in contract and no Party shall be liable to another Party (or its Affiliates and contractors and their respective members, directors, officers, employees and agents) in respect of any damages or losses suffered or claims which arise out of, under or in any alleged breach of statutory duty or tortious act or omission or otherwise.

15.2.6 Seller Aggregate Liability for Certain Events.

- (a) Notwithstanding any provision herein to the contrary, the maximum Seller Aggregate Liability as of any given date in respect of any occurrence or series of occurrences shall not exceed the Seller Liability Cap.
- (b) **"Seller Aggregate Liability"** shall mean, as of any date of determination, any and all liability of Seller to Buyer under this Agreement, excluding (i) any Seller liabilities under this Agreement for which Seller has already made payment to Buyer as of such date, (ii) any liability caused by the gross negligence or willful misconduct of Seller or an Affiliate of Seller and (iii) any amounts related to an indemnity obligation of Seller.
- (c) The **"Seller Liability Cap"** shall be an amount (in USD) equal to USD one hundred ninety-five million (US\$195,000,000).

15.2.7 EXCEPT FOR WARRANTIES OF TITLE AND NO LIENS OR ENCUMBRANCES, AND SUBJECT TO THE PROVISIONS OF THIS AGREEMENT CONCERNING THE QUALITY OF LNG TO BE DELIVERED UNDER THIS AGREEMENT, SELLER EXPRESSLY NEGATES ANY WARRANTY WITH RESPECT TO LNG DELIVERED UNDER THIS AGREEMENT, WRITTEN OR ORAL, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY WITH RESPECT TO CONFORMITY TO SAMPLES, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

15.3 Third Party Liability

With respect to Third Party liabilities:

- (a) If any Third Party shall notify either Party (the **"Indemnified Party"**) with respect to any matter (a **"Third Party Claim"**) that may give rise to a claim for indemnification against the other Party (the **"Indemnifying Party"**) under this Section 15 or elsewhere in this Agreement, then the Indemnified Party shall promptly notify

the Indemnifying Party thereof in writing; *provided, however*, that no delay on the part of the Indemnified Party in notifying the Indemnifying Party shall relieve the Indemnifying Party from any obligation hereunder unless (and then solely to the extent) the Indemnifying Party thereby is materially prejudiced.

- (b) The Indemnifying Party will have the right to defend against the Third Party Claim with counsel of its choice reasonably satisfactory to the Indemnified Party so long as (i) the Indemnifying Party notifies the Indemnified Party in writing within fifteen (15) Days after the Indemnified Party has given notice of the Third Party Claim that the Indemnifying Party will indemnify the Indemnified Party from and against any damages the Indemnified Party may suffer resulting from, arising out of, relating to, in the nature of, or caused by the Third Party Claim; (ii) the Indemnifying Party provides the Indemnified Party with evidence reasonably acceptable to the Indemnified Party that the Indemnifying Party will have the financial resources to defend against the Third Party Claim and fulfill its indemnification obligations hereunder; (iii) the Third Party Claim involves only money damages and does not seek an injunction or other equitable relief; (iv) settlement of, or an adverse judgment with respect to, the Third Party Claim is not in the good faith judgment of the Indemnified Party, likely to establish a precedential custom or practice materially adverse to the continuing business interests of the Indemnified Party; and (v) the Indemnifying Party conducts the defense of the Third Party Claim actively and diligently.
- (c) So long as the Indemnifying Party is conducting the defense of the Third Party Claim in accordance with Section 15.3(b): (i) the Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third Party Claim; (ii) the Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed); and (iii) the Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld or delayed).
- (d) In the event any of the conditions in Section 15.3(b) is or becomes unsatisfied, or a conflict arises, with regard to the Third Party Claim, between the Indemnified Party and the Indemnifying Party in respect of such Third Party Claim the Indemnified Party may

defend against the Third Party Claim in any manner it reasonably may deem appropriate.

- (e) If either Party gives notice to the other Party of a Third Party Claim pursuant to the provisions of Section 15.3(a) and the notified Party does not give notice that it will indemnify the notifying Party in the manner set out in Section 15.3(b), the notifying Party shall nevertheless send copies of all pleadings and other documents filed in any such Third Party lawsuit to the notified Party and such notified Party may have the right to participate in the defense of the Third Party Claim in any manner permitted by Applicable Laws.

15.4 Seller's Insurance

15.4.1 Seller shall obtain and maintain or cause to be obtained and maintained insurance for the Sabine Pass Facility to the extent required by Applicable Laws.

15.4.2 Seller shall obtain or cause to be obtained the insurance required by Section 15.4.1 from a reputable insurer (or insurers) reasonably believed to have adequate financial reserves. Seller shall exercise its reasonable efforts, or shall cause the applicable insured Person to use its reasonable efforts, to collect any amount due under such insurance policies.

15.5 Buyer's Insurance

Buyer shall obtain and maintain (or cause to be obtained and maintained) insurance for each LNG Tanker in accordance with the following provisions. In all cases, such insurance shall establish insurance coverages consistent with insurances to the standards which a ship owner operating reputable LNG vessels, as a Reasonable and Prudent Operator, should observe in insuring LNG vessels of similar type, size, age and trade as such LNG Tanker. In this regard:

- (a) Hull and Machinery Insurance shall be placed and maintained with reputable marine underwriters; and
- (b) Protection & Indemnity Insurance ("**P&I Insurance**") shall be placed and maintained with full P&I indemnity coverage in the ordinary course from a P&I Club, and such LNG Tanker shall be entered for insurance with a P&I Club, including pollution liability standard for LNG vessel and Certificate of Financial Responsibility.

16. Safety

16.1 General

The Parties recognize the importance of securing and maintaining safety in all matters contemplated in this Agreement, including the construction and operation of their respective facilities and the LNG Tankers and transportation of LNG. It is their respective intentions to secure and maintain high standards of safety in accordance with the generally accepted standards prevailing in the LNG and LNG transportation industries from time to time.

16.2 Third Parties

Both Parties shall endeavor to ensure that their respective employees, agents, operators, Transporter, contractors and suppliers shall have due regard to safety and abide by the relevant regulations while they are performing work and services in connection with the performance of this Agreement, including such work and services performed within and around the area of the Sabine Pass Facility (or Alternate Facility, as applicable) and on board the LNG Tankers.

17. Representations, Warranties and Undertakings

17.1 Representations and Warranties of Buyer

As of the Effective Date and until the expiration or termination of this Agreement, Buyer represents, undertakes and warrants that:

17.1.1 Buyer is and shall remain duly formed and in good standing under the laws of the jurisdiction of its organization;

17.1.2 Buyer has the requisite power, authority and legal right to execute and deliver, and to perform its obligations under, this Agreement;

17.1.3 Buyer has not incurred any liability to any financial advisor, broker or finder for any financial advisory, brokerage, finder's or similar fee or commission in connection with the transactions contemplated by this Agreement for which Seller or any of its Affiliates could be liable; and

17.1.4 neither the execution, delivery, nor performance of this Agreement violates or will violate, results or will result in a breach of or constitutes or will constitute a default under any provision of Buyer's organizational documents, any law, judgment, order, decree, rule, or regulation of any court, administrative agency, or other instrumentality of any Governmental Authority or of any other material agreement or instrument to which Buyer is a party.

17.2 Representations and Warranties of Seller

As of the Effective Date and until the expiration or termination of this Agreement, Seller represents, undertakes and warrants that:

- 17.2.1** Seller is and shall remain duly formed and in good standing under the laws of the jurisdiction of its organization;
- 17.2.2** Seller has the requisite power, authority and legal right to execute and deliver, and to perform its obligations under this Agreement;
- 17.2.3** Seller has not incurred any liability to any financial advisor, broker or finder for any financial advisory, brokerage, finder's or similar fee or commission in connection with the transactions contemplated by this Agreement for which Buyer or any of its Affiliates could be liable; and
- 17.2.4** neither the execution, delivery, nor performance of this Agreement, violates or will violate, results or will result in a breach of, or constitutes or will constitute a default under, any provision of Seller's organizational documents, any law, judgment, order, decree, rule, or regulation of any court, administrative agency, or other instrumentality of any Governmental Authority or of any other material agreement or instrument to which Seller is a party.

17.3 Business Practices

Each Party represents and warrants to the other, as of the Effective Date, that it has not taken any actions that would, if such actions were undertaken after the Effective Date, conflict with such Party's obligations under Section 26.3.

18. Exchange of Information

The Parties shall maintain close communication and mutually provide and shall use reasonable efforts to exchange available information directly relevant to the fulfillment of the terms and conditions of this Agreement.

19. Confidentiality

19.1 Duty of Confidentiality

The (i) terms of this Agreement and (ii) any information disclosed by either Party to the other Party in connection with this Agreement, in each case which is not:

- (a) already known to the recipient from sources other than the other Party;
- (b) already in the public domain (other than as a result of a breach of the terms of this Section 19.1); or

- (c) independently developed by the recipient;

shall be “**Confidential Information**” and shall, unless otherwise agreed in writing by the disclosing Party, be kept confidential and shall not be used by the receiving Party other than for a purpose connected with this Agreement or, except as provided below, disclosed to Third Parties by the receiving Party.

19.2 Permitted Disclosures

19.2.1 The Confidential Information, which either Party receives from the other, may be disclosed by such Party:

- (a) to any Person who is such Party’s legal counsel, other professional consultant or adviser, Transporter, insurer, accountant or construction contractor; *provided that* such disclosure is solely to assist the purpose for which such Person was so engaged;
- (b) if required and to the extent required by the rules of any recognized stock exchange or agency established in connection therewith upon which the securities of such Party or a company falling within Section 19.2.1(e) are quoted;
- (c) if required and to the extent required by the U.S. Department of Energy or Federal Energy Regulatory Commission;
- (d) without limiting Section 19.2.1(c), if required and to the extent required by any Applicable Laws, or such Party becomes legally required (by oral questions, interrogatories, request for information or documents, orders issued by any Governmental Authority or any other process) to disclose such information, or to the extent necessary to enforce Section 21.1 or Section 21.2 or any arbitration award or binding decision of an Expert (including by filing Confidential Information in proceedings before a court or other competent judicial authority) or to enforce other rights of a party to the Dispute; *provided that* such Party shall, to the extent practicable, give prior notice to the other Party of the requirement and the terms thereof and shall, to the extent legally permitted, cooperate with the other Party to minimize the disclosure of the information, seek a protective order or other appropriate remedy, and if such protective order or other remedy is not obtained, then such Party will furnish only that portion of such information that it is legally required to furnish;
- (e) to any of its Affiliates or shareholders (or any company involved in the provision of advice to any such Affiliate or shareholder for the purposes of this Agreement) and any employee of that Party or of a company to which disclosure is permitted pursuant to this Section 19.2.1(e);

- (f) to any *bona fide* intended transferees of a Party's interests under this Agreement;
- (g) to any Third Party as reasonably necessary for the performance of a Party's obligations under this Agreement;
- (h) to any arbitrator appointed in accordance with Section 21.1.4, or Expert appointed pursuant to Section 21.2.1, or to any other party to an arbitration or Expert proceeding arising under or in connection with this Agreement, or to any witnesses appearing in an arbitration under Section 21.1 or in an Expert proceeding under Section 21.2; or
- (i) in the case of Seller, to any Person reasonably required to see such Confidential Information, including the Lenders, in connection with any *bona fide* financing or offering or sale of securities by Seller or any Affiliate of Seller or any Affiliate of any of the shareholders of Seller, to comply with the disclosure or other requirements of Applicable Laws or of financial institutions or other participants (including rating agencies) in such financing, offering or sale.

19.2.2 The Party making the disclosure shall ensure that any Person listed in Section 19.2.1(a), (e), (f), (g), (h) or (i) to which it makes the disclosure (excluding any legal counsel, arbitrator or Expert already bound by confidentiality obligations) undertakes to hold such Confidential Information subject to confidentiality obligations equivalent to those set out in Section 19.1. In the case of a disclosure to an employee made in accordance with Section 19.2.1(e), the undertaking shall be given by the company on its own behalf and in respect of all its employees.

19.2.3 Seller and its Affiliates may disclose Confidential Information to their customers related to scheduling, operations and technical information to comply with their respective scheduling obligations at the Sabine Pass Facility and Corpus Christi Facility.

19.2.4 Seller and its Affiliates may disclose Confidential Information to Gas Supplier to comply with the requirements of and/or to facilitate Seller's performance under the GSA.

19.2.5 No press release concerning the execution or performance of this Agreement or resolution of any Disputes shall be issued unless agreed by the Parties.

19.3 Duration of Confidentiality

The foregoing obligations with regard to the Confidential Information shall remain in effect for three (3) years after this Agreement is terminated or expires.

20. Default and Termination

20.1 Termination Events

The following circumstances (each, a “**Termination Event**”) shall give rise to the right for either or both of Seller and Buyer (as the case may be) to terminate this Agreement:

- 20.1.1** in respect of either Party, if a Bankruptcy Event has occurred with respect to the other Party;
- 20.1.2** in respect of either Party, if the other Party fails to pay or cause to be paid any amount or amounts in the aggregate due that are in excess of USD thirty million (US\$30,000,000), for a period of ten (10) Days or more following the due date of the relevant invoice;
- 20.1.3** in respect of either Party, violation of Section 17.3 or Section 26.3.1(b) by the other Party;
- 20.1.4** in respect of Seller, if Buyer fails to comply with any provision of Section 22;
- 20.1.5** in respect of Seller, if Buyer fails to execute any Direct Agreement with Lenders within sixty (60) Days after Seller’s request thereof, provided that such Direct Agreement complies with the requirements in Section 22.4.2;
- 20.1.6** in respect of Buyer, if (a) Seller has declared Force Majeure one or more times and the interruptions resulting from such Force Majeure total twenty-four (24) Months during any consecutive thirty-six (36) Month period, and (b) such Force Majeure has resulted in Seller being prevented from making available fifty percent (50%) or more of the annualized ACQ to Buyer under this Agreement during such periods of Force Majeure;
- 20.1.7** in respect of Seller, if (a) Buyer has declared Force Majeure one or more times and the interruptions resulting from such Force Majeure total twenty-four (24) Months during any consecutive thirty-six (36) Month period, and (b) such Force Majeure has resulted in Buyer being prevented from taking fifty percent (50%) or more of the annualized ACQ from Seller under this Agreement during such periods of Force Majeure;
- 20.1.8** in respect of Seller, violation of Section 26.1 by Buyer;
- 20.1.9** in respect of Seller, violation of Section 26.2 by Buyer;

- 20.1.10** in respect of Buyer, if Seller fails to make available (as such obligation for any cargo is set forth in Section 5.5.1) fifty percent (50%) of the cargoes scheduled in any given twelve (12) Month period;
- 20.1.11** in respect of Seller, if Buyer fails to take (as such obligation for any cargo is set forth in Section 5.4.1) fifty percent (50%) of the cargoes scheduled in any given twelve (12) Month period; and
- 20.1.12** in respect of Seller, if the GSA terminates for any reason other than as the result of an “Event of Default” (as such term is defined in the GSA) occurring in respect of the buyer under the GSA.

20.2 Termination

- 20.2.1 Notice of Termination.** Upon the occurrence of any Termination Event, subject to Section 20.2.5, the Party which has the right under Section 20.1 to terminate this Agreement (“**Terminating Party**”) may give notice thereof to the other Party, specifying in reasonable detail the nature of such Termination Event (except that any termination notice with respect to a Termination Event identified in Section 20.1.10 or 20.1.11 shall only be valid if notice thereof is provided within ninety (90) Days after such Termination Event first arose).
- 20.2.2 Timing.** Except with respect to the Termination Events described in Section 20.2.3, at any time after the expiry of a period of forty-five (45) Days after the Terminating Party gave notice of a Termination Event pursuant to Section 20.2.1, unless the circumstances constituting the Termination Event have been fully remedied or have ceased to apply, the Terminating Party may terminate this Agreement with immediate effect by giving notice of such termination to the other Party.
- 20.2.3 Certain Events.** Upon the occurrence of a Termination Event described in Sections 20.1.1, 20.1.3, 20.1.4, 20.1.5, 20.1.6, 20.1.7, 20.1.8, 20.1.9, 20.1.10, 20.1.11, and 20.1.12 the Terminating Party’s notice pursuant to Section 20.2.1 shall terminate this Agreement immediately.
- 20.2.4 Rights Accrued Prior to Termination.** Termination of this Agreement shall be without prejudice to:
- (a) the rights and liabilities of the Parties accrued prior to or as a result of such termination; and
 - (b) claims for breaches of Section 19 that occur during the three (3) year period after termination of this Agreement.
- 20.2.5 Limits to Termination.** Neither Seller nor Buyer, respectively, may terminate this Agreement if the Termination Event occurs solely because of a breach by the non-terminating Party arising from events for which

that non-terminating Party would otherwise be entitled to terminate this Agreement, provided that this shall not apply in respect of the Termination Event described in Section 20.1.12.

20.2.6 Termination Without Damages.

- (a) Seller hereby waives any right it may have to seek monetary damages arising solely as a result of the Termination Event set forth in Section 20.1.6. Nothing in this Section 20.2.6(a) shall act as a waiver of any right Seller may have to seek monetary damages in respect of (i) any rights accrued prior to Termination as provided in Section 20.2.4, or (ii) any other Termination Event, whether or not the circumstances giving rise to such other Termination Event would also have entitled Seller to terminate the Agreement pursuant to Section 20.1.6.
- (b) Buyer hereby waives any right it may have to seek monetary damages arising solely as a result of the Termination Events set forth in Section 20.1.7 and Section 20.1.12. Nothing in this Section 20.2.6(b) shall act as a waiver of any right Buyer may have to seek monetary damages in respect of (i) any rights accrued prior to Termination as provided in Section 20.2.4, or (ii) any other Termination Event, whether or not the circumstances giving rise to such other Termination Event would also have entitled Buyer to terminate the Agreement pursuant to Section 20.1.7 or Section 20.1.12.

20.3 Survival

The following provisions shall survive expiration or termination of this Agreement: Sections 1, 10, 11, 13.8.2, 15, 19 (to the extent provided therein), and 21 to 26, in addition to this Section 20.3.

21. Dispute Resolution and Governing Law

21.1 Dispute Resolution

- 21.1.1 Arbitration.** Any Dispute (other than a Dispute submitted to an Expert under Section 21.2.1) shall be exclusively and definitively resolved through final and binding arbitration, it being the intention of the Parties that this is a broad form arbitration agreement designed to encompass all possible claims and disputes under this Agreement.
- 21.1.2 Rules.** The arbitration shall be conducted in accordance with the International Arbitration Rules (the “**Rules**”) of the American Arbitration Association (“**AAA**”) (as then in effect).

- 21.1.3 Number of Arbitrators.** The arbitral tribunal shall consist of three (3) arbitrators, who shall endeavor to complete the final hearing in the arbitration within six (6) Months after the appointment of the last arbitrator.
- 21.1.4 Method of Appointment of the Arbitrators.** If there are only two (2) parties to the Dispute, then each party to the Dispute shall appoint one (1) arbitrator within thirty (30) Days of the filing of the arbitration, and the two arbitrators so appointed shall select the presiding arbitrator within thirty (30) Days after the latter of the two arbitrators has been appointed by the parties to the Dispute. If a party to the Dispute fails to appoint its party-appointed arbitrator or if the two party-appointed arbitrators cannot reach an agreement on the presiding arbitrator within the applicable time period, then the AAA shall serve as the appointing authority and shall appoint the remainder of the three arbitrators not yet appointed. If the arbitration is to be conducted by three arbitrators and there are more than two parties to the Dispute, then within thirty (30) Days of the filing of the arbitration, all claimants shall jointly appoint one arbitrator and all respondents shall jointly appoint one arbitrator, and the two arbitrators so appointed shall select the presiding arbitrator within thirty (30) Days after the latter of the two arbitrators has been appointed by the parties to the Dispute. For the purposes of appointing arbitrators under this Section 21, (a) Buyer and all Persons whose interest in this Agreement derives from them shall be considered as one party; and (b) Seller and all Persons whose interest in this Agreement derives from Seller shall be considered as one party. If either all claimants or all respondents fail to make a joint appointment of an arbitrator, or if the party-appointed arbitrators cannot reach an agreement on the presiding arbitrator within the applicable time period, then the AAA shall serve as the appointing authority and shall appoint the remainder of the three (3) arbitrators not yet appointed.
- 21.1.5 Consolidation.** If the Parties initiate multiple arbitration proceedings under this Agreement, the subject matters of which are related by common questions of law or fact and which could result in conflicting awards or obligations, then either Party may request prior to the appointment of the arbitrators for such multiple or subsequent Disputes that all such proceedings be consolidated into a single arbitral proceeding. Such request shall be directed to the AAA, which shall consolidate appropriate proceedings into a single proceeding unless consolidation would result in undue delay for the arbitration of the Disputes.
- 21.1.6 Place of Arbitration.** Unless otherwise agreed by all parties to the Dispute, the place of arbitration shall be New York, New York.
- 21.1.7 Language.** The arbitration proceedings shall be conducted in the English language, and the arbitrators shall be fluent in the English language.

- 21.1.8 Entry of Judgment.** The award of the arbitral tribunal shall be final and binding. Judgment on the award of the arbitral tribunal may be entered and enforced by any court of competent jurisdiction. The Parties agree that service of process for any action to enforce an award may be accomplished according to the procedures of Section 25, as well as any other procedure authorized by law.
- 21.1.9 Notice.** All notices required for any arbitration proceeding shall be deemed properly given if given in accordance with Section 25.
- 21.1.10 Qualifications and Conduct of the Arbitrators.** All arbitrators shall be and remain at all times wholly impartial, and, once appointed, no arbitrator shall have any ex parte communications with any of the parties to the Dispute concerning the arbitration or the underlying Dispute other than communications directly concerning the selection of the presiding arbitrator, where applicable.
- 21.1.11 Interim Measures.** Any party to the Dispute may apply to a court in Harris County, Texas for interim measures (a) prior to the constitution of the arbitral tribunal (and thereafter as necessary to enforce the arbitral tribunal's rulings); or (b) in the absence of the jurisdiction of the arbitral tribunal to rule on interim measures in a given jurisdiction. The Parties agree that seeking and obtaining such interim measures shall not waive the right to arbitration. The arbitrators (or in an emergency the presiding arbitrator acting alone in the event one or more of the other arbitrators is unable to be involved in a timely fashion) may grant interim measures including injunctions, attachments and conservation orders in appropriate circumstances, which measures may be immediately enforced by court order. Hearings on requests for interim measures may be held in person, by telephone, by video conference or by other means that permit the parties to the Dispute to present evidence and arguments.
- 21.1.12 Costs and Attorneys' Fees.** The arbitral tribunal is authorized to award costs of the arbitration in its award, including: (a) the fees and expenses of the arbitrators; (b) the costs of assistance required by the tribunal, including its Experts; (c) the fees and expenses of the administrator; (d) the reasonable costs for legal representation of a successful Party; and (e) any such costs incurred in connection with an application for interim or emergency relief and to allocate those costs between the parties to the Dispute. The costs of the arbitration proceedings, including attorneys' fees, shall be borne in the manner determined by the arbitral tribunal.
- 21.1.13 Interest.** The award shall include pre-award and post-award interest, as determined by the arbitral award, from the date of any default or other breach of this Agreement until the arbitral award is paid in full. Interest shall accrue at a rate per annum equal to two percent (2%) above One-

Month SOFR. Interest shall accrue from Day to Day and be calculated on the basis of a three hundred sixty (360) Day year.

21.1.14Currency of Award. The arbitral award shall be made and payable in USD, free of any tax or other deduction.

21.1.15Waiver of Challenge to Decision or Award. To the extent permitted by law, the Parties hereby waive any right to appeal from or challenge any arbitral decision or award, or to oppose enforcement of any such decision or award before a court or any governmental authority, except with respect to the limited grounds for modification or non-enforcement provided by any applicable arbitration statute or treaty.

21.1.16Confidentiality. Any arbitration or Expert determination relating to a Dispute (including an arbitral award, a settlement resulting from an arbitral award, documents exchanged or produced during an arbitration or Expert proceeding, and memorials, briefs or other documents prepared for the arbitration or Expert proceeding) shall be Confidential Information subject to the confidentiality provisions of Section 19; *provided, however*, that breach of such confidentiality provisions shall not void any settlement, determination or award.

21.2 Expert Determination

21.2.1 General. In the event of any disagreement between the Parties regarding a measurement under Exhibit A or any other Dispute which the Parties agree to submit to an Expert (in either case, a “**Measurement Dispute**”), the Parties hereby agree that such Measurement Dispute shall be resolved by an Expert selected in accordance with this Section 21.2.1. The Expert is not an arbitrator of the Measurement Dispute and shall not be deemed to be acting in an arbitral capacity. The Party desiring an expert determination shall give the other Party to the Measurement Dispute notice of the request for such determination. If the Parties to the Measurement Dispute are unable to agree upon an Expert within ten (10) Days after receipt of the notice of request for an expert determination, then, upon the request of any of the Parties to the Measurement Dispute, the International Centre for ADR of the International Chamber of Commerce (“**ICC**”) shall appoint such Expert and shall administer such expert determination through the ICC’s Expert Rules. The Expert shall be and remain at all times wholly independent and impartial, and, once appointed, the Expert shall have no *ex parte* communications with any of the Parties to the Measurement Dispute concerning the expert determination or the underlying Measurement Dispute. The Parties to the Measurement Dispute shall cooperate fully in the expeditious conduct of such expert determination and provide the Expert with access to all facilities, books, records, documents, information and personnel necessary to make a fully informed decision in an expeditious manner. Before

issuing a final decision, the Expert shall issue a draft report and allow the Parties to the Measurement Dispute to comment on it. The Expert shall endeavor to resolve the Measurement Dispute within thirty (30) Days (but no later than sixty (60) Days) after his appointment (failing which shall not invalidate his mandate), taking into account the circumstances requiring an expeditious resolution of the matter in dispute. The Expert shall have the power to award costs as well as interest on any sums awarded as he shall think appropriate. The fees of the Expert shall be shared equally unless he determines otherwise.

21.2.2 Final and Binding. The Expert's decision shall be final and binding on the Parties to the Measurement Dispute unless challenged in an arbitration pursuant to Section 21.1 within thirty (30) Days of the date of the Expert's decision. If challenged, (a) the decision shall remain binding and be implemented unless and until finally replaced by an award of the arbitrators; (b) the decision shall be entitled to a rebuttable presumption of correctness; and (c) the Expert shall not be appointed in the arbitration as an arbitrator, as a factual or expert witness (other than expert witness appointed by the tribunal), or as advisor to either Party without the written consent of both Parties.

21.2.3 Arbitration of Expert Determination. In the event that a Party requests expert determination for a Measurement Dispute which raises issues that require determination of other matters in addition to correct measurement under Exhibit A, then either Party may elect to refer the entire Measurement Dispute for arbitration under Section 21.1.1. In such case, the arbitrators shall be competent to make any measurement determination that is part of a Dispute. An expert determination not referred to arbitration shall proceed and shall not be stayed during the pendency of an arbitration.

21.3 Governing Law

This Agreement, the arbitration agreement set out in Section 21.1 and any Dispute shall be governed by and construed in accordance with the laws of the State of New York (United States of America) without regard to principles of conflict of laws that would specify the use of other laws.

21.4 Immunity

21.4.1 Each Party, as to itself and its assets (both commercial and non-commercial and irrespective of their intended use, whether held in its own name or that of another, including that of a diplomatic mission or state), hereby irrevocably, unconditionally, knowingly and intentionally waives any right of immunity (sovereign or otherwise) and agrees not to claim (or have claimed on its behalf), or assert (or have asserted on its behalf) any immunity with respect to the matters covered by this Agreement in any

arbitration, Expert proceeding, mediation, and any judicial administrative or other proceedings to aid arbitration, Expert proceeding, mediation, or other action with respect to this Agreement, including submission to arbitration or Expert proceedings or mediation, whether arising by statute or otherwise, that it may have or may subsequently acquire, including rights under the doctrines of sovereign immunity and act of state, immunity from legal process (including service of process or notice, pre-judgment or pre-award attachment, attachment in aid of execution, injunction, order for specific performance, recovery of property or otherwise), immunity from jurisdiction or judgment of any court, arbitrator, Expert or tribunal (including any objection or claim on the basis of inconvenient forum), and immunity from enforcement or execution of any award or judgment or any other remedy.

21.4.2 Each Party irrevocably, unconditionally, knowingly and intentionally:

- (a) agrees that the execution, delivery and performance by it of this Agreement constitute private and commercial acts rather than public or governmental acts; and
- (b) consents in respect of the enforcement of any judgment or award against it in any such proceedings in any jurisdiction and to the giving of any relief or the issue of any process in connection with such proceedings (including the making, enforcement or execution of any such judgment or award or any order arising out of any such judgment or award against or in respect of any property whatsoever irrespective of its use or intended use).

21.4.3 The irrevocable waiver in this Section 21.4 includes a waiver of any right of immunity in respect of pre-award interim relief and post-judgment execution of any award.

22. Assignments

22.1 Merger, Consolidation

This Agreement shall be binding upon and inure to the benefit of any successor to each of Seller and Buyer by merger, or consolidation.

22.2 Assignment by Buyer

22.2.1 Prior Written Consent. Buyer may novate or assign this Agreement in its entirety (but not in part) to another Person, for the remainder of the Term, upon the prior written consent of Seller (which consent shall not be unreasonably withheld or delayed), provided that such transferee assumes all of the obligations of Buyer under this Agreement commencing as of the date of the novation or assignment by execution of a copy of this Agreement in its own name (countersigned by Seller) or by execution of a

binding assignment and assumption agreement which is enforceable by Seller.

22.2.2 Further Obligations. Upon a novation or assignment in whole by Buyer in accordance with Section 22.2.1, the assignor shall be released from all further obligations, duties and liabilities under this Agreement, other than any obligations, duties and liabilities arising prior to the date of effectiveness of such novation or assignment.

22.3 Assignments by Seller

22.3.1 Prior Written Consent. Seller may novate or assign this Agreement in its entirety (but not in part) to another Person, for the remainder of the Term, upon the prior written consent of Buyer (which consent shall not be unreasonably withheld or delayed), provided that the transferee assumes all of the obligations of Seller under this Agreement commencing as of the date of the novation or assignment by execution of a copy of this Agreement in its own name (countersigned by Buyer) or by execution of a binding assignment and assumption agreement which is enforceable by Buyer.

22.3.2 Without Prior Consent. Seller may novate or assign this Agreement in its entirety (but not in part) to an Affiliate of Seller, for the remainder of the Term, without Buyer's prior consent, provided that:

- (a) such Affiliate transferee: (i) has an ownership interest in and/or operates the Sabine Pass Facility or the Corpus Christi Facility; and (ii) will have access to all Approvals (either directly, indirectly or through one or more of its Affiliates) to the extent needed to perform Seller's obligations under this Agreement; and
- (b) such Affiliate transferee assumes all of the obligations of Seller under this Agreement commencing as of the date of the novation or assignment, either by execution of a copy of this Agreement in its own name (countersigned by Buyer) or by execution of a binding assignment and assumption agreement which is enforceable by Buyer.

22.3.3 Pursuant to Direct Agreement. Seller may novate or assign this Agreement in its entirety, for the remainder of the Term, to the extent that Buyer has so consented in a Direct Agreement.

22.3.4 Further Obligations. Upon a novation or assignment by Seller in accordance with this Section 22.3, the assignor shall be released from all further obligations, duties and liabilities under this Agreement, other than any obligations, duties and liabilities arising prior to the date of effectiveness of such novation or assignment.

22.4 Financing by Seller or its Affiliates

22.4.1 Lender Financing. Seller and/or its Affiliates shall each have the right to obtain financing from Lenders. In connection with any financing or refinancing of Seller's activities or any LNG production facility owned, operated or being developed by Seller or any of its Affiliates, Buyer shall, if so requested by Seller, deliver to the relevant Lenders or the agent acting on behalf of any such Lenders ("**Lenders' Agent**"), certified copies of their respective corporate charter and by-laws, resolutions, incumbency certificates, financial statements, opinions of counsel and such other items as available and upon reasonable request by Lenders or Lenders' Agent.

22.4.2 Assignment as Security. Buyer further acknowledges and agrees that Seller may assign, transfer, or otherwise encumber, all or any of its rights, benefits and obligations under this Agreement to such Lenders or Lenders' Agent as security for the obligations of Seller or its Affiliates to the respective Lenders. Accordingly, upon Seller's request pursuant to a notice hereunder, Buyer shall enter into one or more direct agreements (each, a "**Direct Agreement**") that:

- (a) provide for the assignment and transfer of the assigning Person's rights and obligations under this Agreement to a nominee of the Lenders or the Lenders' Agent in connection with the exercise of remedies under the relevant security arrangement; and
- (b) are in a form and contain such terms and conditions as are reasonably required by the Lenders or Lenders' Agent.

23. Contract Language

This Agreement, together with the Exhibits hereto, shall be made and originals executed in the English language. In case of any difference in meaning between the English language original version and any translation thereof, the English language original version shall be applicable.

24. Miscellaneous

24.1 Disclaimer of Agency

This Agreement does not appoint either Party as the agent, partner or legal representative of the other for any purposes whatsoever, and neither Party shall have any express or implied right or authority to assume or to create any obligation or responsibility on behalf of or in the name of the other Party.

24.2 Entire Agreement

This Agreement, together with the Exhibits hereto, constitutes the entire agreement between the Parties and includes all promises and representations,

express or implied, and supersedes all other prior agreements and representations, written or oral, between the Parties relating to the subject matter. Anything that is not contained or expressly incorporated by reference in this instrument, is not part of this Agreement.

24.3 Third Party Beneficiaries

The Parties do not intend any term of this Agreement to be for the benefit of, or enforceable by, any Third Party except as expressly provided in Section 7.7. Nothing in this Agreement shall otherwise be construed to create any duty to, or standard of care with reference to, or any liability to, any Person other than a Party. The Parties may rescind or vary this Agreement, in whole or in part, without the consent of any Third Party, including those Third Parties referred to under Section 7.7, even if as a result such Third Party's rights to enforce a term of this Agreement will be varied or extinguished.

24.4 Amendments and Waiver

This Agreement may not be supplemented, amended, modified or changed except by an instrument in writing signed by Seller and Buyer and expressed to be a supplement, amendment, modification or change to this Agreement. A Party shall not be deemed to have waived any right or remedy under this Agreement by reason of such Party's failure to enforce such right or remedy. No single or partial exercise of any right or remedy shall prevent any further or other exercise thereof or the exercise of any other right or remedy.

24.5 Exclusion

The United Nations Convention on Contracts for the International Sale of Goods (and the Convention on the Limitation Period in the International Sale of Goods) shall not apply to this Agreement and the respective rights and obligations of the Parties hereunder.

24.6 Further Assurances

Each Party hereby agrees to take all such action as may be necessary to effectuate fully the purposes of this Agreement, including causing this Agreement or any document contemplated herein to be duly registered, notarized, attested, consularized and stamped in any applicable jurisdiction.

24.7 Severability

If and for so long as any provision of this Agreement shall be deemed to be judged invalid for any reason whatsoever, such invalidity shall not affect the validity or operation of any other provision of this Agreement except only so far as shall be necessary to give effect to the construction of such invalidity, and any such invalid provision shall be deemed severed from this Agreement without affecting the validity of the balance of this Agreement.

24.8 Multiple SPAs

- 24.8.1** The Parties expressly agree that all rights and obligations (including in respect of all claims, demands, legal proceedings and actions; all losses, liabilities, damages, costs, judgments, settlements and expenses (whether or not resulting from claims by third parties), including interest and penalties with respect thereto and reasonable attorneys' and accountants' fees and expenses; and all mitigation measures) of Sabine Pass Liquefaction, LLC (or its successor or permitted assignee pursuant to the CMILLP Base SPA) and Cheniere Marketing International LLP (or its successor or permitted assignee pursuant to the CMILLP Base SPA) under the CMILLP Base SPA, whether in contract or at law, are wholly separate and in isolation of, and shall not merge in any way with, any rights and obligations (including in respect of all Claims, all Losses, and all mitigation measures) of the Parties under this Agreement. The Parties expressly waive any right to combine any such rights or obligations under the CMILLP Base SPA with such rights and obligations under this Agreement. Default by a Party under this Agreement shall not excuse default under the CMILLP Base SPA by any party thereto, and default under the CMILLP Base SPA by a party thereto shall not excuse a Party's default under this Agreement. No Party shall have any obligation to take any action or inaction under this Agreement to mitigate the losses or liabilities that may arise in respect of the CMILLP Base SPA. Without limiting the foregoing, in no way shall the Seller Liability Cap under this Agreement be merged with the corresponding seller liability cap under the CMILLP Base SPA, and the Parties' respective rights and obligations in respect of the Seller Liability Cap shall not vary based on performance or nonperformance of the CMILLP Base SPA.
- 24.8.2** Without prejudice to Section 21.1.5, if the Parties initiate multiple arbitration proceedings under this Agreement and the CMILLP Base SPA, the subject matters of which are related by common questions of law or fact and which could result in conflicting awards or obligations, then either Party may request prior to the appointment of the arbitrators for such multiple or subsequent Disputes that all such proceedings be consolidated into a single arbitral proceeding. Such request shall be directed to the AAA, which shall consolidate appropriate proceedings into a single proceeding unless consolidation would result in undue delay for the arbitration of the Disputes.
- 24.8.3** Each Party shall ensure that all invoices and notices sent by or on behalf of such Party pursuant to this Agreement identify such invoice or notice as being in connection with this Agreement.
- 24.8.4** Each Party shall issue invoices and make payments in accordance with this Agreement separate from invoices and payments under the CMILLP Base SPA. If either Party receives payment from the other Party and such

payment does not identify itself as being in respect of the CMILLP Base SPA or this Agreement, then the Party receiving such payment shall promptly request confirmation of whether to apply the payment to the CMILLP Base SPA or this Agreement. If confirmation has not been received by close of business on the third (3rd) Business Day after the request is deemed to be received pursuant to Section 25.2, the Party receiving such payment shall have the right to apply such payment received to amounts owed to the receiving Party under the CMILLP Base SPA or this Agreement, with first priority to overdue amounts (with priority within this group to be based on how many days the amount has been overdue, starting with the longest number of days) and then to other amounts due but unpaid (with priority within this group to be based on how many days remain until the applicable due date, starting with the shortest number of days).

24.8.5 Each Party shall maintain separate financial and other records in connection with the CMILLP Base SPA and this Agreement in a manner that enables the Parties to identify whether costs, expenses, and other auditable amounts and information are in respect of the CMILLP Base SPA or this Agreement and to comply with all audit obligations under the CMILLP Base SPA and this Agreement.

24.8.6 Without limiting the foregoing, the Parties agree to conduct their businesses in a manner that effectuates the foregoing terms of this Section 24.8, and that any course of dealing that is inconsistent with the foregoing terms of this Section 24.8 shall not change the Parties' respective rights and obligations under this Section 24.8.

24.9 No Set-Off

Except as expressly permitted under this Agreement, neither Party shall be entitled to set-off against or counterclaim against any amounts due to the other Party under this Agreement.

24.10 Safe Harbor Provisions

Without limiting any other protections available to the Parties under the Bankruptcy Code or any other United States of America federal or state, or any other insolvency law, the Parties acknowledge and agree that:

24.10.1 This Agreement and all transactions contemplated hereby shall constitute a "swap agreement" and a "forward contract" (as each such term is defined in the Bankruptcy Code).

24.10.2 Seller and Buyer each constitute a "swap participant" and a "forward contract merchant" within the meaning of the Bankruptcy Code and are entitled to all of the protections in the Bankruptcy Code afforded to such entities that are party to a "swap agreement" or a "forward contract",

respectively, including those protections set forth in sections 362, 546, 548, 556, 560, 561 and 562 of the Bankruptcy Code. In furtherance of these acknowledgments and agreements, the Parties further acknowledge and agree that Seller is a Person whose business consists in whole or in part of, and Buyer is a Person whose business consists in whole or in part of, entering into “forward contracts” (as such term is defined in the Bankruptcy Code) as or with merchants in natural gas (whether in liquefied or gaseous state).

24.10.3 Each Party’s right to cause the liquidation, termination or acceleration of this Agreement, or any transaction contemplated hereby, because of a condition of the kind specified in section 365(e)(1) of the Bankruptcy Code or to offset or net out termination values, payment amounts or other transfer obligations, and to exercise any other remedies upon the occurrence of any such termination, liquidation or acceleration under this Agreement, constitutes a “contractual right” with respect to the other Party within the meaning of sections 556, 560 and 561 of the Bankruptcy Code.

24.10.4 Any transfer of cash, securities or other property provided as performance assurance, credit support or collateral with respect to this Agreement, or any transaction contemplated hereby, shall constitute (i) a “transfer” made “by or to (or for the benefit of)” a “forward contract merchant” “under” or “in connection with” this Agreement and each such transaction and/or (ii) a “transfer” made “by or to (or for the benefit of)” a “swap participant” “under” or “in connection with” this Agreement and each such transaction, in each case within the meaning of the Bankruptcy Code.

All payments, transfers or deliveries for, under or in connection with this Agreement, or any transaction contemplated hereby, shall be a “settlement payment” and “transfer” “under” or “in connection with” each such transaction, in each case within the meaning of the Bankruptcy Code.

24.11 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single agreement. The exchange of copies of this Agreement and of signature pages by electronic mail in “portable document format” (“.pdf”) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by a combination of such means, shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of an original Agreement for all purposes. Signatures of the Parties transmitted by electronic transmission shall be deemed to be original signatures for all purposes. Except for cases of fraud or forgery, no Party shall raise the use of any electronic signature or the use of electronic mail or other similar transmission method as a means to deliver a signature to this Agreement or any

amendment hereto as the basis of a defense to the formation or enforceability of a contract, and each Party forever waives any such defense.

25. Notices

25.1 Form of Notice

25.1.1 Except as expressly set forth herein, any notice, invoice or other communication from one of the Parties to the other Party (or, where contemplated in this Agreement, from or to the Transporter or the master of the LNG Tanker), which is required or permitted to be made by the provisions of this Agreement shall be:

- (a) made in the English language;
- (b) made in writing;
- (c) (i) delivered by hand or sent by courier to the address of the other Party which is shown below or to such other address as the other Party shall by notice require; or (ii) with respect to any notice, invoice or other communication to be sent pursuant to Sections 1.3, 3.1, 5.6, 7, 8, 10, 12, 13, 14 or 26.1 (or others as may be agreed by the Parties), be sent by electronic mail to the e-mail address of the other Party which is shown below or to such other e-mail address as the other Party shall by notice require; and
- (d) marked for the attention of the Person(s) there referred to or to such other Person(s) as the other Party shall by notice require.

25.1.2 The addresses of the Parties for service of notices are as follows:

Seller: Sabine Pass Liquefaction, LLC
700 Milam Street, Suite 1900
Houston, TX 77002
Telephone: (713) 375-5000
E-mail: Customer.Coordination@Cheniere.com

Attention: Commercial Operations

Buyer: Cheniere Marketing International LLP
3rd Floor, The Zig Zag Building
70 Victoria Street
London SW1E 6SQ, United Kingdom
Telephone: +44 20 3214 2700
E-mail: lngoperations@cheniere.com

Attention: Commercial Operations

25.2 Effective Time of Notice

- 25.2.1** Any notice, invoice or other communication made by one Party to the other Party in accordance with the foregoing provisions of this Section 25 shall be deemed to be received by the other Party if delivered by hand or by courier, on the Day on which it is received at that Party's address or, if sent by e-mail, on the next Day on which the office of the receiving Party is normally open for business following the Day on which it is received in a legible form at the address to which it is properly addressed. The foregoing shall not apply to notices or communications sent by e-mail under (a) Sections 7.9.2, 7.9.3, and 7.10, which shall be deemed effective at the time transmitted to the e-mail address shown above or such other e-mail address previously notified by the receiving Party; or (b) Section 5.6, which shall be deemed effective on the Day on which such notice is received in a legible form at the address to which it is properly addressed.
- 25.2.2** Without limiting the meaning of the word "received" for the purpose of the preceding paragraph, a notice which is delivered by hand or by courier shall be deemed to have been received at a Party's address if it is placed in any receptacle normally used for the delivery of post to the address of that Party.

26. Business Practices

26.1 Trade Law Compliance

26.1.1 Buyer acknowledges and agrees that it will resell or transfer LNG purchased hereunder for delivery only:

- (a) with respect to all LNG loaded at the Sabine Pass Facility:
 - (i) to countries identified in (A) Ordering Paragraph B of DOE/FE Order No. 2833 issued September 7, 2010 in FE Docket No. 10-85-LNG, Ordering Paragraph B of DOE/FE Order No. 3306 issued July 11, 2013 in FE Docket No. 13-30-LNG, Ordering Paragraph B of DOE/FE Order No. 3307 issued July 12, 2013 in FE Docket No. 13-42-LNG, Ordering Paragraph B of DOE/FE Order No. 3384 issued January 22, 2014 in FE Docket No. 13-121-LNG, Ordering Paragraph B of DOE/FE Order No. 3595 issued February 12, 2015 in FE Docket No. 14-92-LNG, or Ordering Paragraph B of DOE/FE Order No. 4520 issued April 14, 2020 in FE Docket No. 19-125-LNG; or (B) Ordering Paragraph D of DOE/FE Order No. 2961-A issued August 7, 2012 in FE Docket No. 10-111-LNG (Errata, September 4, 2012), Ordering Paragraph F of DOE/FE Order No. 3669 issued June 26, 2015 in FE Docket Nos. 13-30-LNG, 13-42-LNG, and 13-121-LNG, Ordering Paragraph F of

DOE/FE Order No. 3792 issued March 11, 2016 in FE Docket No. 15-63-LNG, or Ordering Paragraph B of DOE/FE Order No. 4800 issued March 16, 2022 in FE Docket No. 19-125-LNG, and/or

- (ii) to purchasers that have agreed in writing to limit their direct or indirect resale or transfer of such LNG to such countries; and
- (b) with respect to all LNG loaded at the Corpus Christi Facility:
 - (i) to countries identified in (A) Ordering Paragraph B of DOE/FE Order No. 3164 issued October 16, 2012 in FE Docket No. 12-99-LNG, Ordering Paragraph B of DOE/FE Order No. 4277 issued November 9, 2018 in FE Docket No. 18-78-LNG or Ordering Paragraph B of DOE/FE Order No. 4519 issued April 14, 2020 in FE Docket No. 19-124-LNG; or (B) Ordering Paragraph F of DOE/FE Order No. 3638 issued May 12, 2015 in FE Docket No. 12-97-LNG, Ordering Paragraph F of DOE/FE Order No. 4490 issued February 10, 2020 in FE Docket No. 18-78-LNG, or Ordering Paragraph B of DOE/FE Order No. 4799 issued March 16, 2022 in FE Docket No. 19-124-LNG, and/or
 - (ii) to purchasers that have agreed in writing to limit their direct or indirect resale or transfer of such LNG to such countries.

Buyer further commits to cause a report to be provided to Seller and CCLNG (and to any other Seller Affiliate as may be required from time to time by Seller) that identifies the country of destination, upon delivery, into which the exported LNG was actually delivered, and to include in any resale contract for such LNG the necessary conditions to ensure that Seller and CCLNG (and any other Seller Affiliate as may be identified from time to time by Seller) are made aware of all such actual destination countries. Each Party agrees to comply with all U.S. Department of Energy export authorizations authorizing the export of LNG from the Sabine Pass Facility and Corpus Christi Facility, as applicable. If any export authorization requires conditions to be included in this Agreement then, within fifteen (15) Days following the issuance of such export authorization (or the amendment or other modification to an existing export authorization) imposing such condition, the Parties shall discuss the appropriate changes to be made to this Agreement to comply with such export authorization and shall amend this Agreement accordingly.

26.1.2 Without prejudice to Section 26.1.1, with respect to all LNG purchased hereunder that is loaded at an LNG facility other than the Sabine Pass Facility or the Corpus Christi Facility: (a) Buyer acknowledges and agrees that it will resell or transfer such LNG for delivery only to countries authorized pursuant to the applicable export authorization (whether issued by the U.S. Department of Energy or otherwise), and/or to purchasers that have agreed in writing to limit their direct or indirect resale or transfer of such LNG to such countries; (b) Buyer further commits to cause a report to be provided to Seller that identifies the country of destination, upon delivery, into which the exported LNG was actually delivered, and to include in any resale contract for such LNG the necessary conditions to ensure Seller is made aware of all such actual destination countries; and (c) each Party agrees to comply with the export authorization(s) applicable to the export of LNG from such LNG facility.

26.1.3 Buyer represents and warrants that the final delivery of LNG received pursuant to the terms of this Agreement, and all transactions associated with such LNG are permitted and lawful under United States of America laws and policies, including the rules, regulations, orders, policies, and other determinations of the U.S. Department of Energy, the Office of Foreign Assets Control of the United States Department of the Treasury and the Federal Energy Regulatory Commission, and Buyer shall not take any action which would cause any export authorization(s) referred to in Section 26.1.1 or Section 26.1.2 to be withdrawn, revoked, suspended or not renewed. Buyer shall promptly provide to Seller all information required by Seller and its Affiliates, to comply with such export authorization(s) and shall provide the delivery destination reports (as described in Section 26.1.1 and Section 26.1.2) for all LNG sold hereunder, to Seller (and any other Seller Affiliate as may be identified from time to time by Seller), not later than the fifteenth (15th) Day of the Month following the Month in which any relevant LNG is delivered to the country of destination. In addition to the information required pursuant to Section 26.1, such delivery destination reports shall contain any other information required by the applicable export authorization(s).

26.2 Use of LNG

At all times during the Term, Buyer shall, with respect to all LNG delivered by Seller to Buyer pursuant to this Agreement: (a) utilize such LNG as a refined product or chemical feedstock; (b) use or consume such LNG to produce power for sale to customers; (c) market such LNG to distributors or wholesalers for resale to their own customers; or (d) resell such LNG to other Persons provided that the transfer by Buyer to a Transporter of gas that boils off from a cargo in transit from the Delivery Point shall be considered to be a sale.

26.3 Prohibited Practices

26.3.1 Each Party agrees that in connection with this Agreement and the activities contemplated herein, it will take no action, or omit to take any action, which would (a) violate any Applicable Laws applicable to that Party, or (b) cause the other Party to be in violation of any Applicable Laws applicable to such other Party, including the U.S. Foreign Corrupt Practices Act, the OECD convention on anti-bribery, the U.K. Bribery Act of 2010, E.U. and E.U. member country anti-bribery and corruption laws, and corruption or any similar statute, regulation, order or convention binding on such other Party, as each may be amended from time to time, and including any implementing regulations promulgated pursuant thereto.

26.3.2 Without limiting Section 26.3.1, each Party agrees on behalf of itself, its directors, officers, employees, agents, contractors, and Affiliates, not to pay any fees, commissions or rebates to any employee, officer or agent of the other Party or its Affiliates or shareholders nor provide or cause to be provided to any of them any gifts or entertainment of significant cost or value in connection with this Agreement or in order to influence or induce any actions or inactions in connection with the commercial activities of the Parties hereunder.

26.4 Records; Audit

Each Party shall keep all records necessary to confirm compliance with Sections 26.1, 26.2, 26.3.1(b), and 26.3.2 for a period of three (3) years following the year for which such records apply. If either Party asserts that the other Party is not in compliance with Sections 26.1, 26.2, 26.3.1(b), or 26.3.2, the Party asserting noncompliance shall send a notice to the other Party indicating the type of noncompliance asserted. After giving such notice, the Party asserting noncompliance may cause an independent auditor to audit the records of the other Party in respect of the asserted noncompliance. The costs of any independent auditor under this Section 26.4 shall be paid (a) by the Party being audited, if such Party is determined not to be in compliance with Sections 26.1, 26.2, 26.3.1(b) or 26.3.2, as applicable, and (b) by the Party requesting the audit, if the Party being audited is determined to be in compliance with Sections 26.1, 26.2, 26.3.1(b), or 26.3.2, as applicable.

26.5 Indemnity

Each Party agrees to indemnify and hold the other Party harmless from any Losses arising out of the indemnifying Party's breach of any or all of Section 26.1, Section 26.3, or Section 26.4 or the breach of the representation and warranty in Section 17.3. Any payment or indemnity obligation for which the indemnifying Party is liable under this Section 26.5 shall not be limited by Section 15.2.

(The remainder of this page is intentionally left blank)

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

SELLER:

SABINE PASS LIQUEFACTION, LLC

/s/ Zach Davis

Name: Zach Davis

Title: Chief Financial Officer

BUYER:

CHENIERE MARKETING INTERNATIONAL LLP

By: CHENIERE MARKETING, LLC, its managing member

Anatol Feygin

Name: Anatol Feygin

Title: Executive Vice President and Chief Commercial Officer

EXHIBIT A
MEASUREMENT

1. Parties to Supply Devices

- a) General. Unless otherwise agreed, Buyer and Seller shall supply equipment and conform to procedures that are in accordance with the latest version of the standards referred to in this document.
- b) Buyer Devices. Buyer or Buyer's agent shall supply, operate and maintain, or cause to be supplied, operated and maintained, suitable gauging devices for the liquid level in LNG tanks of the LNG Tankers, pressure and temperature measuring devices, and any other measurement or testing devices which are incorporated in the structure of LNG vessels or customarily maintained on board ship.
- c) Seller Devices. Seller shall supply, operate and maintain, or cause to be supplied, operated and maintained, devices required for collecting samples and for determining quality and composition of the LNG and any other measurement or testing devices which are necessary to perform the measurement and testing required hereunder at the Sabine Pass Facility (or alternate source, as applicable).
- d) Dispute. Any Dispute arising under this Exhibit A shall be submitted to an Expert under Section 21.2 of this Agreement.

2. Selection of Devices

All devices provided for in this Exhibit A shall be approved by Seller, acting as a Reasonable and Prudent Operator. The required degree of accuracy (which shall in any case be within the permissible tolerances defined herein and in the applicable standards referenced herein) of such devices selected shall be mutually agreed upon by Buyer and Seller. In advance of the use of any device, the Party providing such device shall cause tests to be carried out to verify that such device has the required degree of accuracy.

3. Verification of Accuracy and Correction for Error

- a) Accuracy. Accuracy of devices used shall be tested and verified at the request of either Party, including the request by a Party to verify accuracy of its own devices. Each Party shall have the right to inspect at any time the measurement devices installed by the other Party, provided that the other Party is notified in advance. Testing shall be performed only when both Parties are represented, or have received adequate advance notice thereof, using methods recommended by the manufacturer or any other method agreed to by Seller and Buyer. At the request of any Party hereto, any test shall be witnessed and verified by an independent surveyor mutually agreed upon by Buyer and Seller. Permissible tolerances shall be as defined herein or as defined in the applicable standards referenced herein.
- b) Inaccuracy. Inaccuracy of a device exceeding the permissible tolerances shall require correction of previous recordings, and computations made on the basis of those recordings, to

zero error with respect to any period which is definitely known or agreed upon by the Parties as well as adjustment of the device. All invoices issued during such period shall be amended accordingly to reflect such correction, and an adjustment in payment shall be made between Buyer and Seller. If the period of error is neither known nor agreed upon, and there is no evidence as to the duration of such period of error, corrections shall be made and invoices amended for each delivery of LNG made during the last half of the period since the date of the most recent calibration of the inaccurate device. However, the provisions of this Paragraph 3 shall not be applied to require the modification of any invoice that has become final pursuant to Section 10.3.2 of this Agreement.

c) Costs and Expenses of Test Verification. All costs and expenses for testing and verifying Seller's measurement devices shall be borne by Seller, and all costs and expenses for testing and verifying Buyer's measurement devices shall be borne by Buyer. The fees and charges of independent surveyors for measurements and calculations shall be borne by the Parties in accordance with Section 13.11.3 of this Agreement.

4. Tank Gauge Tables of LNG Tankers

a) Initial Calibration. Buyer shall arrange or caused to be arranged, for each tank of each LNG Tanker, a calibration of volume against tank level. Buyer shall provide Seller or its designee, or cause Seller or its designee to be provided, with a certified copy of tank gauge tables for each tank of each LNG Tanker verified by a competent impartial authority or authorities mutually agreed upon by the Parties. Such tables shall include correction tables for list, trim, tank contraction and any other items requiring such tables for accuracy of gauging.

Tank gauge tables prepared pursuant to the above shall indicate volumes in cubic meters expressed to the nearest thousandth (1/1000), with LNG tank depths expressed in meters to the nearest hundredth (1/100).

b) Presence of Representatives. Seller and Buyer shall each have the right to have representatives present at the time each LNG tank on each LNG Tanker is volumetrically calibrated.

c) Recalibration. If the LNG tanks of any LNG Tanker suffer distortion of such nature as to create a reasonable doubt regarding the validity of the tank gauge tables described herein (or any subsequent calibration provided for herein), Buyer or Buyer's agent shall recalibrate the damaged tanks, and the vessel shall not be employed as an LNG Tanker hereunder until appropriate corrections are made. If mutually agreed between Buyer and Seller representatives, recalibration of damaged tanks can be deferred until the next time when such damaged tanks are warmed for any reason, and any corrections to the prior tank gauge tables will be made from the time the distortion occurred. If the time of the distortion cannot be ascertained, the Parties shall mutually agree on the time period for retrospective adjustments.

5. Units of Measurement and Calibration

The Parties shall co-operate in the design, selection and acquisition of devices to be used for measurements and tests in order that all measurements and tests may be conducted in the SI system of units, except for the quantity delivered which is expressed in MMBtu, the Gross

Heating Value (volume based) which is expressed in Btu/SCF and the pressure which is expressed in millibar and temperature in Celsius. In the event that it becomes necessary to make measurements and tests using a new system of units of measurements, the Parties shall establish agreed upon conversion tables.

6. Accuracy of Measurement

All measuring equipment must be maintained, calibrated and tested in accordance with the manufacturer's recommendations. In the absence of a manufacturer's recommendation, the minimum frequency of calibration shall be one hundred eighty (180) days, unless otherwise mutually agreed between the Parties. Documentation of all tests and calibrations will be made available by the Party performing the same to the other Party. Acceptable accuracy and performance tolerances shall be:

a) Liquid Level Gauging Devices.

Each LNG tank of the LNG Tanker shall be equipped with primary and secondary liquid level gauging devices as per Paragraph 7(b) of this Exhibit A.

The measurement accuracy of the primary gauging devices shall be plus or minus seven point five (± 7.5) millimeters and the secondary liquid level gauging devices shall be plus or minus ten (± 10) millimeters.

The liquid level in each LNG tank shall be logged or printed.

b) Temperature Gauging Devices.

The temperature of the LNG and of the vapor space in each LNG tank shall be measured by means of a number of properly located temperature measuring devices sufficient to permit the determination of average temperature.

The measurement accuracy of the temperature gauging devices shall be as follows:

- (i) in the temperature range of minus one hundred sixty five to minus one hundred forty degree Celsius (-165°C to -140°C), the accuracy shall be plus or minus zero point two degree Celsius ($\pm 0.2^{\circ}\text{C}$);
- (ii) in the temperature range of minus one hundred forty to plus forty degree Celsius (-140°C to $+40^{\circ}\text{C}$), the accuracy shall be plus or minus one point five degree Celsius ($\pm 1.5^{\circ}\text{C}$).

The temperature in each LNG tank shall be logged or printed.

c) Pressure Gauging Devices.

Each LNG tank of the LNG Tanker shall have one (1) absolute pressure gauging device.

The measurement accuracy of the pressure gauging device shall be plus or minus one percent ($\pm 1\%$) of the measuring range.

The pressure in each LNG tank shall be logged or printed.

d) List and Trim Gauging Devices.

A list gauging device and a trim gauging device shall be installed. These shall be interfaced with the custody transfer system.

The measurement accuracy of the list and the trim gauging devices shall be better than plus or minus zero point zero five (± 0.05) degrees for list and plus or minus zero point zero one (± 0.01) meters for trim.

7. Gauging and Measuring LNG Volumes Delivered

a) Gauge Tables. Upon Seller's representative and the independent surveyor, if present, arriving on board the LNG Tanker prior to the commencement of or during loading, Buyer or Buyer's representative shall make available to them a certified copy of tank gauge tables for each tank of the LNG Tanker.

b) Gauges. Volumes of LNG delivered pursuant to this Agreement shall be determined by gauging the LNG in the tanks of the LNG Tankers before and after loading. Each LNG Tanker's tank shall be equipped with a minimum of two (2) independent sets of level gauges, each set utilizing preferably a different measurement principle. Comparison of the two (2) systems, designated as Primary and Secondary Measurement Systems, shall be performed from time to time to ensure compliance with the acceptable performance tolerances stated herein.

c) Gauging Process. Gauging the liquid level of each tank of the LNG Tankers and measuring of liquid temperature, vapor temperature and vapor pressure in each LNG tank, trim and list of the LNG Tankers, and atmospheric pressure shall be performed, or caused to be performed, by Buyer before and after loading. Seller's representative shall have the right to be present while all measurements are performed and shall verify the accuracy and acceptability of all such measurements. The first gauging and measurements shall be made immediately before the commencement of loading. The second gauging and measurements shall take place immediately after the completion of loading.

d) Records. Copies of gauging and measurement records shall be furnished to Seller immediately upon completion of loading.

e) Gauging Liquid Level of LNG. The level of the LNG in each LNG tank of the LNG Tanker shall be gauged by means of the primary gauging device installed in the LNG Tanker for that purpose. The level of the LNG in each tank shall be logged or printed.

Measurement of the liquid level in each LNG tank of the LNG Tanker shall be made to the nearest millimeter by using the primary liquid level gauging devices. Should the primary devices fail, the secondary device shall be used.

Five (5) readings shall be made following manufacturer's recommendations on reading interval. The arithmetic average of the readings rounded to the nearest millimeter using one (1) decimal place shall be deemed the liquid level.

f) Determination of Temperature. The temperature of the LNG and of the vapor space in each LNG tank shall be measured by means of a sufficient number of properly located temperature measuring devices to permit the determination of average temperature. Temperatures shall be measured at the same time as the liquid level measurements and shall be logged or printed.

In order to determine the temperature of liquid and vapor respectively in the LNG Tanker one (1) reading shall be taken at each temperature gauging device in each LNG tank. An arithmetic average of such readings rounded to the nearest zero point one degree Celsius (0.1 °C) using two (2) decimal places with respect to vapor and liquid in all LNG tanks shall be deemed the final temperature of the vapor and liquid respectively.

Buyer shall cause each cargo tank in the LNG Tanker to be provided with a minimum of five (5) temperature measuring devices. One such measuring device shall be located in the vapor space at the top of each cargo tank, one near the bottom of each cargo tank and the remainder distributed at appropriate intervals from the top to the bottom of the cargo tank. These devices shall be used to determine the average temperatures of the liquid cargo and the vapor in the cargo tank.

The average temperature of the vapor in an LNG Tanker shall be determined immediately before loading by means of the temperature measuring devices specified above at the same time as when the liquid level is measured. The temperature measuring devices shall be fully surrounded by the vapor. This determination shall be made by taking the temperature readings of the temperature measuring devices in question to the nearest zero point zero one degrees Celsius (0.01°C), and if more than one of the devices are fully surrounded by the vapor, by averaging those readings, and rounding to one (1) decimal place.

The average temperature of the liquid in an LNG Tanker shall be determined immediately after loading by means of the temperature measuring devices specified above.

g) Determination of Pressure. The pressure of the vapor in each LNG tank shall be determined by means of pressure measuring devices installed in each LNG tank of the LNG Tankers. The atmospheric pressure shall be determined by readings from the standard barometer installed in the LNG Tankers. Pressures shall be measured at the same time as the liquid level measurements, and shall be logged or printed.

Buyer shall cause the LNG Tanker to be provided with pressure measuring equipment capable of determining the absolute pressure of the vapor in each cargo tank with an accuracy equal to or better than plus or minus one percent ($\pm 1\%$) of the measuring range.

The pressure of the vapor in an LNG Tanker shall be determined immediately before loading at the same time as when the liquid level is measured.

Such determination shall be made by taking the pressure readings of the pressure measuring devices to the nearest millibar, then averaging these readings and rounding to a whole millibar.

h) Determination of Density. The LNG density shall be calculated using the revised Klosek-McKinley method. Should any improved data, method of calculation or direct

measurement device become available which is acceptable to both Buyer and Seller, such improved data, method or device shall then be used.

8. Samples for Quality Analysis

a) General. Representative liquid samples shall be collected from an appropriate point located as close as practical to the loading line starting one (1) hour after full loading rate is reached and ending one (1) hour before ramping down from the full loading rate.

Sampling conducted by Seller will conform with the procedure specified in (i), (ii) or (iii) as follows:

- (i) Online chromatograph: A sample shall be taken and analyzed at least once every twenty (20) minutes by an on-line chromatograph during the sampling period referenced in the opening paragraph of section 8(a) of this Exhibit A. These intermittent samples will be passed through a vaporizer, and samples of the vaporized liquid will be analyzed. The arithmetically averaged analysis, representative of the delivered LNG cargo shall be used for all appropriate calculations. Samples taken when biphasic or where overheated LNG is suspected to be in the main transfer line will be disregarded.

In instances where the on-line chromatograph system being utilized were to fail during loading operations manual samples (composite or spot) collected shall be analyzed.

- (ii) Composite sample: One (1) representative sample of the loading shall be collected by continuous sampling of the delivered LNG. If applicable the sample analysis shall be applied to the appropriate calculations associated with the delivered LNG cargo.
- (iii) Spot samples: One (1) spot sample shall be collected from the vaporizer at each point in time corresponding to approximately twenty-five percent (25%), fifty percent (50%) and seventy-five percent (75%) of loading is completed. If applicable the analysis of spot samples shall be conducted, averaged and applied to the appropriate calculations associated with the delivered LNG cargo.

b) Manual Samples. It is recognized that for every loading manual samples should be retained for use by Buyer and Seller.

- (i) Where sampling analysis is conducted using spot samples per section 8(a)iii of this Exhibit A, two (2) sets of samples shall be collected from the vaporizer at each point in time corresponding to approximately twenty-five percent (25%), fifty percent (50%) and seventy-five percent (75%) of loading is completed and retained.
- (ii) Where sampling analysis is conducted using a composite sample per section 8(a)ii of this Exhibit A, two (2) samples shall be collected from the collection devices at the end of loading and retained.

The samples collected shall be properly labeled and sealed by the independent surveyor in attendance. Seller shall retain all samples for a period of thirty (30) days, unless the analysis is disputed prior to the end of such thirty (30) day period. If the analysis is in dispute, the samples will be retained until the dispute is resolved.

Notwithstanding the above, it is recognized from time to time that Buyer may require one (1) of the retained samples to accompany the LNG cargo delivery, provided sufficient notice.

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

Sampling and analysis methods and procedures that differ from the above may be employed with the mutual agreement of the Parties.

9. Quality Analysis

a) Certification and Deviation. Chromatograph calibration gasses shall be provided and their composition certified by an independent third party. From time to time, deviation checks shall be performed to verify the accuracy of the gas composition mole percentages and resulting calculated physical properties. Analyses of a sample of test gas of known composition resulting when procedures that are in accordance with the above mentioned standards have been applied will be considered as acceptable if the resulting calculated gross heating value is within plus or minus zero point three percent ($\pm 0.3\%$) of the known gross heating value of the test gas sample. If the deviation exceeds the tolerance stated, the gross real heating value, relative density and compressibility previously calculated will be corrected immediately. Previous analyses will be corrected to the point where the error occurred, if this can be positively identified to the satisfaction of both Parties. Otherwise it shall be assumed that the drift has been linear since the last recalibration and correction shall be based on this assumption.

b) GPA Standard 2261. All samples shall be analyzed by Seller to determine the molar fraction of the hydrocarbon and other components in the sample by gas chromatography using a mutually agreed method in accordance with GPA Standard 2261 - Method of Analysis for Gas and Similar Gaseous Mixtures by Gas Chromatography, current as of January 1st, 1990 and as periodically updated or as otherwise mutually agreed by the Parties. If better standards for analysis are subsequently adopted by GPA or other recognized competent impartial authority, upon mutual agreement of Buyer and Seller, they shall be substituted for the standard then in use, but such substitution shall not take place retroactively. A calibration of the chromatograph or other analytical instrument used shall be performed by Seller immediately prior to the analysis of the sample of LNG delivered. Seller shall give advance notice to Buyer of the time Seller intends to conduct a calibration thereof, and Buyer shall have the right to have a representative present at each such calibration; *provided, however*, Seller will not be obligated to defer or reschedule any calibration in order to permit the representative of Buyer to be present.

c) GPA Standard 2377. Seller shall determine the presence of Hydrogen Sulfide (H₂S) by use of GPA Standard 2377 – Test of Hydrogen Sulfide and Carbon Dioxide in Gas Using Length

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

10. Operating Procedures

a) Notice. Prior to conducting operations for measurement, gauging, sampling and analysis provided in this Exhibit A, the Party responsible for such operations shall notify the appropriate representatives of the other Party, allowing such representatives reasonable opportunity to be present for all operations and computations; provided that the absence of the other Party's representative after notification and opportunity to attend shall not prevent any operations and computations from being performed.

b) Independent Surveyor. At the request of either Party any measurement, gauging, sampling and analysis shall be witnessed and verified by an independent surveyor mutually agreed upon by Buyer and Seller. The results of such surveyor's verifications shall be made available promptly to each Party.

c) Preservation of Records. All records of measurement and the computed results shall be preserved by the Party responsible for taking the same, or causing the same to be taken, and made available to the other Party for a period of not less than three (3) years after such measurement and computation.

11. Quantities Delivered

a) Calculation of MMBtu Quantities. Seller shall calculate, or cause to be calculated and Buyer shall verify, the quantity of MMBtu delivered. Either Party may, at its own expense, require the measurements and calculations and/or their verification by an independent surveyor, mutually agreed upon by the Parties. Consent to an independent surveyor proposed by a Party shall not be unreasonably withheld by the other Party.

b) Determination of Gross Heating Value. All component values shall be in accordance with the latest revision of GPA Standard 2145 SI (2009) - Physical Constants for Hydrocarbons & Other Compounds of Interest to the Natural Gas Industry and the latest revision of the reference standards therein. Standard reference conditions for Hi component should be 15°C & 101.325 kPa.

c) Determination of Volume of LNG Loaded.

(i) The LNG volume in the tanks of the LNG Tanker before and after loading (valves have to be closed) shall be determined by gauging on the basis of the tank gauge tables provided for in Paragraph 6. During the period when measurement is occurring, no LNG cargo, ballast, boil-off gas, fuel oil or other cargo transfer activity will be carried out on the LNG Tanker. Measurements shall first be made immediately before loading commences. Accordingly, after connection of the loading arms, but prior to their cool-down, and immediately before opening the manifold ESD valves of the LNG Tanker, the initial gauging shall be conducted upon the confirmation of stoppage of all spray pumps and compressors and shut-off of the gas master valve to the LNG Tanker's boilers or any other gas consuming unit. The gas master valve to the LNG Tanker's boilers or any other gas consuming unit shall remain closed until after the second gauging, unless a regulatory change requires the consumption of gas during the vessel loading operations and/or upon mutual agreement between all parties upon which event the procedure for the measurement of gas consumed during loading shall be calculated in accordance with Paragraph 12.4 of this Exhibit A. A second gauging shall be made immediately after loading is completed. Accordingly, the second gauging shall be conducted upon the confirmation of shut-off of the manifold ESD valves, with transfer pumps off and allowing sufficient time for the liquid level to stabilize. Measurements prior to loading and after loading will be carried out based on the condition of the LNG Tanker's lines upon arrival at berth. Since significant volumes of LNG may remain in the LNG Tanker's manifold and crossover, gauging will be performed with these lines in the same condition prior to loading and after loading. If the LNG Tanker's manifold and crossover lines are empty (warm) when measurement is taken before loading commences, they will be emptied prior to measurement following the completion of loading. If the crossover lines are liquid filled (cold) when measurement is taken before loading commences, they will remain full (cold) until measurement is taken following the completion of loading. The volume of LNG remaining in the tanks immediately before loading of the LNG Tanker shall be subtracted from the volume immediately after loading and the resulting volume shall be taken as the volume of the LNG delivered from the terminal to the LNG Tanker.

The volume of LNG stated in cubic meters to the nearest zero point zero zero one (0.001) cubic meter, shall be determined by using the tank gauge tables and by applying the volume corrections set forth therein.

(ii) Gas returned to the terminal and gas consumed by the LNG Tanker during loading shall be taken into account to determine the volume loaded for Buyer's account in accordance with the formula in Paragraph 12.4 of this Exhibit A – MMBtu Calculation of the Quantity of LNG Loaded.

(iii) If failure of the primary gauging and measuring devices of an LNG Tanker should make it impossible to determine the LNG volume, the volume of LNG loaded shall be determined by gauging the liquid level using the secondary gauging and measurement devices. If an LNG Tanker is not so equipped, the volume of LNG loaded shall be determined by gauging the liquid level in Seller's onshore LNG storage tanks immediately before and after loading the LNG Tanker, in line with the terminal procedures, and such volume shall have subtracted from it an estimated LNG volume, agreed upon by the Parties, for boil-off from such tanks during the loading of such LNG Tanker. Seller shall provide Buyer, or cause Buyer to be provided with, a certified copy of tank gauge tables for each onshore LNG tank which is to be used for this purpose, such tables to be verified by a competent impartial authority.

12. Calculations

The calculation procedures contained in this Paragraph 12 are generally in accordance with the Institute of Petroleum Measurement Manual, Part XII, the Static Measurement of Refrigerated Hydrocarbon Liquids, Section 1, IP 251/76.

d = density of LNG loaded at the prevailing composition and temperature T_l in kg/m³, rounded to two (2) decimal places, calculated according to the method specified in Paragraph 12.1 of this Exhibit A.

H_i = gross heating value (mass based) of component “i” in MJ/kg, in accordance with Paragraph 12.6(a) of this Exhibit A.

H_m = gross heating value (mass based) of the LNG loaded in MJ/kg, calculated in accordance with the method specified in Paragraph 12.3 of this Exhibit A, rounded to four (4) decimal places.

H_v = gross heating value (volume based) of the LNG loaded in Btu/SCF, calculated in accordance with the method specified in Paragraph 12.5 of this Exhibit A.

K_1 = volume correction in m³/kmol, at temperature T_l , obtained by linear interpolation from Paragraph 12.6(c) of this Exhibit A, rounded to six (6) decimal places.

K_2 = volume correction in m³/kmol, at temperature T_l obtained by linear interpolation from Paragraph 12.6(d) of this Exhibit A, rounded to six (6) decimal places.

M_i = molecular mass of component “i” in kg/kmol, in accordance with Paragraph 12.6(a) of this Exhibit A.

P = average absolute pressure of vapor in an LNG Tanker immediately before loading, in millibars, rounded to a whole millibar.

Q = number of MMBtu contained in the LNG delivered, rounded to the nearest ten (10) MMBtu.

T_l = average temperature of the liquid cargo in the LNG Tanker immediately after loading, in degrees Celsius, rounded to one (1) decimal place.

T_v = average temperature of the vapor in an LNG Tanker immediately before loading, in degrees Celsius, rounded to one (1) decimal place.

V = the volume of the liquid cargo loaded, in cubic meters, rounded to three (3) decimal places.

V_h = the volume of the liquid cargo in an LNG Tanker immediately before loading, in cubic meters, rounded to three (3) decimal places.

V_b = the volume of the liquid cargo in an LNG Tanker immediately after loading, in cubic meters, rounded to three (3) decimal places.

V_i = molar volume of component “i” at temperature T_l, in m³/kmol, obtained by linear interpolation from Paragraph 12.6(b) of this Exhibit A, rounded to six (6) decimal places.

X_i = molar fraction of component “i” of the LNG samples taken from the loading line, rounded to four (4) decimal places, determined by gas chromatographic analysis.

X_m = the value of X_i for methane.

X_n = the value of X_i for nitrogen.

12.1 Density Calculation Formula

The density of the LNG loaded which is used in the MMBtu calculation in 12.4 of this Exhibit A shall be calculated from the following formula derived from the revised Klosek-McKinley method:

$$d = \frac{\sum (X_i \times M_i)}{\sum (X_i \times V_i) - \left[K1 + \frac{(K2 - K1) \times X_n}{0.0425} \right] \times X_m}$$

In the application of the above formula, no intermediate rounding shall be made if the accuracy of “d” is thereby affected.

12.2 Calculation of Volume Delivered

The volume, in cubic meters, of each LNG cargo loaded shall be calculated by using the following formula:

$$V = V_b - V_h$$

12.3 Calculation of Gross Heating Value (Mass Based)

The gross heating value (mass based), in MJ/kg, of each LNG cargo loaded shall be calculated by using the following formula:

$$H_m = \frac{\sum (X_i \times M_i \times H_i)}{\sum (X_i \times M_i)}$$

12.4 MMBtu Calculation of the Quantity of LNG Loaded

The number of MMBtu contained in the LNG loaded shall be calculated using the following formula:

$$Q = \frac{1}{1055.12} \times \left\{ (V \times d \times H_m) - \left(V \times \frac{288.15}{273.15 + T_v} \times \frac{P}{1013.25} \right) \times 37.7 + QBOG \right\}$$

The derivation of the conversion factor 1/1055.12 in the formula in this Paragraph for the conversion of MJ into MMBtu is obtained from GPA-2145:1994 and IP-251:1976 as follows:

- (a) $q(T,P)$ means the gross heating value (measured at temperature T and pressure P), contained in a given quantity of gas;
- (b) $q(60^\circ\text{F}, 14.696 \text{ psia})$ in MJ = $1/1.00006 \times q(15^\circ\text{C}, 1013.25 \text{ millibar})$ in MJ;
- (c) 1 MMBtu corresponds to 1055.06 MJ;
- (d) $q(60^\circ\text{F}, 14.696 \text{ psia})$ in MMBtu = $1/1055.06 \times q(60^\circ\text{F}, 14.696 \text{ psia})$ in MJ; and
- (e) Combining (b) and (d) above yields:

$$q(60^\circ\text{F}, 14.696 \text{ psia}) \text{ in MMBtu} = 1/1055.12 \times q(15^\circ\text{C}, 1013.25 \text{ millibar}) \text{ in MJ.}$$

Hence the number of MJ derived shall be divided by 1055.12 to obtain the number of MMBtu for invoicing purposes.

QBOG = the quantity of boil off gas in MJ consumed by the LNG tanker during loading, calculated as follows:

$$QBOG = (V2 \times 55.575)$$

where:

V2 = the quantity of natural gas consumed by the LNG tanker during loading (as calculated pursuant to the below formula), stated in kg and rounded to the nearest kg; and

55.575 = the heating value of the vapor (assumed to be 100% of methane) stated in MJ/kg at standard reference conditions (15°C, 1.01325 bar) for both combustion & metering references (tables below).

Quantity of Natural Gas Consumed by LNG Tanker (V2)

The quantity of natural gas consumed by the LNG tanker during loading shall be computed by taking the initial and the final reading of Natural Gas Consumption Meter on board the tanker (i.e. final reading of Natural Gas Consumption Meter after completion of loading minus initial reading of Natural Gas Consumption Meter before the start of loading) and is calculated by using the following formula:

$$V2 = V_f - V_i$$

where:

V2 = the quantity of natural gas consumed by the LNG tanker during loading, stated in kg;

Vf = the reading of Natural Gas Consumption Meter on board the tanker after the completion of loading, stated in kg; and

Vi = the reading of Natural Gas Consumption Meter on board the tanker before the start of loading, stated in kg.

12.5 Calculation of Gross Heating Value (Volume Based)

The calculation of the Gross Heating Value (volume based) in Btu/SCF shall be derived from the same compositional analysis as is used for the purposes of calculating the Gross Heating Value (mass based) Hm and the following formula shall apply:

$$H_v = 1.13285 \times \sum (X_i \times M_i \times H_i)$$

The derivation of the conversion factor 1.13285 for the conversion of MJ/kmol into Btu/SCF is obtained as follows:

(a) molar gross heating value = $\sum (X_i \times M_i \times H_i)$ MJ/kmol;

(b) 1 kmol = 2.20462 lbmol;

(c) 1 lbmol = 379.482 SCF;

(d) hence 1 kmol = 836.614 SCF; and

(e) $H_v = 1,000,000 / (1055.12 \times 836.614) \times \sum (X_i \times M_i \times H_i)$ Btu/SCF

12.6 Data

(a) Values of H_i and M_i

<u>Component</u>	<u>H_i (in MJ/kg)</u>	<u>M_i (in kg/kmol)</u>
Methane	55.575	16.0425
Ethane	51.951	30.0690
Propane	50.369	44.0956
Iso-Butane	49.388	58.1222
N-Butane	49.546	58.1222
Iso-Pentane	48.950	72.1488
N-Pentane	49.045	72.1488
N-Hexane	48.715	86.1754
Nitrogen	0	28.0134
Carbon Dioxide	0	44.0095
Oxygen	0	31.9988

Source: GPA Publication 2145 SI-2009: “Table of Physical Properties for Hydrocarbons and Other Compounds of Interest to the Natural Gas Industry”.

(b) Values of V_i (cubic meter/kmol)

<u>Temperature</u>	<u>-150°C</u>	<u>-154°C</u>	<u>-158°C</u>	<u>-160°C</u>	<u>-162°C</u>	<u>-166°C</u>	<u>-170°C</u>
Methane	0.039579	0.038983	0.038419	0.038148	0.037884	0.037375	0.036890
Ethane	0.048805	0.048455	0.048111	0.047942	0.047774	0.047442	0.047116
Propane	0.063417	0.063045	0.062678	0.062497	0.062316	0.061957	0.061602
Iso-Butane	0.079374	0.078962	0.078554	0.078352	0.078151	0.077751	0.077356
N-Butane	0.077847	0.077456	0.077068	0.076876	0.076684	0.076303	0.075926
Iso-Pentane	0.092817	0.092377	0.091939	0.091721	0.091504	0.091071	0.090641
N-Pentane	0.092643	0.092217	0.091794	0.091583	0.091373	0.090953	0.090535
N-Hexane	0.106020	0.105570	0.105122	0.104899	0.104677	0.104236	0.103800
Nitrogen	0.055877	0.051921	0.048488	0.046995	0.045702	0.043543	0.041779
Carbon Diox	0.027950	0.027650	0.027300	0.027200	0.027000	0.026700	0.026400
Oxygen	0.03367	0.03275	0.03191	0.03151	0.03115	0.03045	0.02980

Source: National Bureau of Standards Interagency Report 77-867, Institute of Petroleum IP251/76 for Oxygen.

Note: For intermediate values of temperature and molecular mass a linear interpolation shall be applied

(c) Values of Volume Correction Factor, K1 (cubic meter/kmol)

<u>Molecular Mass of Mixture</u>	<u>-150°C</u>	<u>-154°C</u>	<u>-158°C</u>	<u>-160°C</u>	<u>-162°C</u>	<u>-166°C</u>	<u>-170°C</u>
16.0	-0.00012	-0.00010	-0.00009	-0.00009	-0.00008	-0.00007	-0.00007
16.5	0.000135	0.000118	0.000106	0.000100	0.000094	0.000086	0.000078
17.0	0.000282	0.000245	0.000221	0.000209	0.000197	0.000179	0.000163
17.2	0.000337	0.000293	0.000261	0.000248	0.000235	0.000214	0.000195
17.4	0.000392	0.000342	0.000301	0.000287	0.000274	0.000250	0.000228
17.6	0.000447	0.000390	0.000342	0.000327	0.000312	0.000286	0.000260
17.8	0.000502	0.000438	0.000382	0.000366	0.000351	0.000321	0.000293
18.0	0.000557	0.000486	0.000422	0.000405	0.000389	0.000357	0.000325
18.2	0.000597	0.000526	0.000460	0.000441	0.000423	0.000385	0.000349
18.4	0.000637	0.000566	0.000499	0.000477	0.000456	0.000412	0.000373
18.6	0.000677	0.000605	0.000537	0.000513	0.000489	0.000440	0.000397
18.8	0.000717	0.000645	0.000575	0.000548	0.000523	0.000467	0.000421
19.0	0.000757	0.000685	0.000613	0.000584	0.000556	0.000494	0.000445
19.2	0.000800	0.000724	0.000649	0.000619	0.000589	0.000526	0.000474
19.4	0.000844	0.000763	0.000685	0.000653	0.000622	0.000558	0.000503
19.6	0.000888	0.000803	0.000721	0.000688	0.000655	0.000590	0.000532
19.8	0.000932	0.000842	0.000757	0.000722	0.000688	0.000622	0.000561
20.0	0.000976	0.000881	0.000793	0.000757	0.000721	0.000654	0.000590
25.0	0.001782	0.001619	0.001475	0.001407	0.001339	0.001220	0.001116
30.0	0.002238	0.002043	0.001867	0.001790	0.001714	0.001567	0.001435

Source: National Bureau of Standards Interagency Report 77-867.

Note 1: Molecular mass of mixture equals $\sum (X_i \times M_i)$.

Note 2: For intermediate values of temperature and molecular mass a linear interpolation shall be applied.

(d) Values of Volume Correction Factor, K2 (cubic meter/kmol)

<u>Molecular Mass of Mixture</u>	<u>-150°C</u>	<u>-154°C</u>	<u>-158°C</u>	<u>-160°C</u>	<u>-162°C</u>	<u>-166°C</u>	<u>-170°C</u>
16.0	-0.000039	-0.000031	-0.000024	-0.000021	-0.000017	-0.000012	-0.000009
16.5	0.000315	0.000269	0.000196	0.000178	0.000162	0.000131	0.000101
17.0	0.000669	0.000568	0.000416	0.000377	0.000341	0.000274	0.000210
17.2	0.000745	0.000630	0.000478	0.000436	0.000397	0.000318	0.000246
17.4	0.000821	0.000692	0.000540	0.000495	0.000452	0.000362	0.000282
17.6	0.000897	0.000754	0.000602	0.000554	0.000508	0.000406	0.000318
17.8	0.000973	0.000816	0.000664	0.000613	0.000564	0.000449	0.000354
18.0	0.001049	0.000878	0.000726	0.000672	0.000620	0.000493	0.000390
18.2	0.001116	0.000939	0.000772	0.000714	0.000658	0.000530	0.000425
18.4	0.001184	0.001000	0.000819	0.000756	0.000696	0.000567	0.000460
18.6	0.001252	0.001061	0.000865	0.000799	0.000735	0.000605	0.000496
18.8	0.001320	0.001121	0.000912	0.000841	0.000773	0.000642	0.000531
19.0	0.001388	0.001182	0.000958	0.000883	0.000811	0.000679	0.000566
19.2	0.001434	0.001222	0.000998	0.000920	0.000844	0.000708	0.000594
19.4	0.001480	0.001262	0.001038	0.000956	0.000876	0.000737	0.000623
19.6	0.001526	0.001302	0.001078	0.000992	0.000908	0.000765	0.000652
19.8	0.001573	0.001342	0.001118	0.001029	0.000941	0.000794	0.000681
20.0	0.001619	0.001382	0.001158	0.001065	0.000973	0.000823	0.000709
25.0	0.002734	0.002374	0.002014	0.001893	0.001777	0.001562	0.001383
30.0	0.003723	0.003230	0.002806	0.002631	0.002459	0.002172	0.001934

Source: National Bureau of Standards Interagency Report 77-867.

Note 1: Molecular mass of mixture equals $\sum (X_i \times M_i)$.

Note 2: For intermediate values of temperature and molecular mass a linear interpolation shall be applied.

EXHIBIT B

FORM OF PORT LIABILITY AGREEMENT

THIS PORT LIABILITY AGREEMENT (this “Agreement”) is effective as of _____, 20__, and is made by and between [INSERT NAME(S) OF TERMINAL ENTITY], a [TYPE OF ENTITY AND JURISDICTION OF ORGANIZATION] (“Terminal”), and [INSERT NAME(S) OF VESSEL OWNER(S)], a [TYPE OF ENTITY AND JURISDICTION OF ORGANIZATION] ([collectively] “Vessel Owner”).

RECITALS

WHEREAS, Vessel Owner, using the vessel set forth below under its name and signature (“Vessel”), proposes to receive certain quantities of liquefied natural gas (“LNG”) from Terminal at the marine terminal and LNG liquefaction and storage facilities located on [●] (as more fully defined below, the “Marine Terminal”); and

WHEREAS, Vessel Owner and Terminal (collectively, the “Parties” and individually a “Party”) have agreed to allocate the risk of and responsibility for loss and damage resulting from an Incident (as defined below) at the Marine Terminal in the following manner;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. The following terms shall have the following meanings when used herein:

“Affiliate” means, with respect to any Person, any other Person which, directly or indirectly, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or otherwise.

“Incident” means any occurrence or series of occurrences having the same origin arising out of or relating to the Vessel’s use of the Marine Terminal in which there is any one or more of the following: (i) loss of or damage to the Marine Terminal or the Vessel; (ii) injury to the employees and agents comprising Terminal Interests or Vessel Interests; (iii) loss or damage, other than to the Marine Terminal or the Vessel, caused or contributed to by the Vessel, including but not limited to, injury to third parties or damage to the property of third parties; or (iv) an obstruction or danger affecting or interfering with the normal operation of the Marine Terminal or the Port.

“Terminal Interests” means (i) Terminal, (ii) all Affiliates of Terminal, (iii) all Persons (other than the Vessel Interests and Persons providing fire boats, tugs and escort vessels to Vessel at the Port) employed or providing services at the Marine Terminal in connection with the loading, storage, or liquefaction of LNG at the Marine Terminal, and (iv) the employees and agents of all Persons referred to in this paragraph.

“Marine Terminal” means Terminal’s marine terminal and LNG liquefaction and storage facilities located at the Port, including all berths, buoys, gear, craft, equipment, plant, facilities and property of any kind (whether afloat or ashore) located thereat or adjacent thereto and in the ownership, possession or control of the Terminal Interests.

“Person” means any individual, firm, corporation, trust, partnership, association, joint venture (incorporated or unincorporated), or other business entity.

“Port” means the port at or near [INSERT LOCATION], including its anchorage, turning basin and approaches into the Marine Terminal associated therewith.

“Vessel Interests” means (i) Vessel Owner, (ii) all Affiliates of Vessel Owner, (iii) all Persons (other than the Terminal Interests) participating, employed, or providing services in connection with the ownership or operation (including all operations related to navigation and berthing/unberthing) of the Vessel, and (iv) the employees and agents of all Persons referred to in this paragraph.

2. In all circumstances, the Master of the Vessel shall remain solely responsible on behalf of the Vessel Interests for the proper navigation and safety of the Vessel and her cargo.
3. Any liability arising from an Incident shall, as between the Vessel Interests and the Terminal Interests, be borne (i) by the Vessel Interests alone, if the Vessel Interests are wholly or partially at fault and the Terminal Interests are not at fault, (ii) by the Terminal Interests alone, if the Terminal Interests are wholly or partially at fault and the Vessel Interests are not at fault, (iii) by the Vessel Interests and the Terminal Interests, in proportion to the degree of their respective fault, if both are at fault and the degree of such fault can be established or (iv) by the Vessel Interests and the Terminal Interests equally if neither of them appears to be at fault or it is not possible to establish the degree of their respective fault. In this regard, any acts or omissions of Persons providing fire boats, tugs and escort vessels to Vessel at the Port shall be deemed to be the responsibility of the Vessel Interests.
4.
 - (i) Terminal shall be solely responsible for claims brought by any employee and/or member of the family or dependent of any employee of Terminal arising out of or consequent upon the personal injury, loss or damage to property of, or death of such employee, family member or dependent, and Terminal shall indemnify and hold any Vessel Owner harmless in the event any such employee, or any family member or dependent thereof, or the executor, administrator, or personal representative of any of the foregoing, shall bring such a claim against any Vessel Owner.
 - (ii) The Vessel Owners shall be solely responsible for claims brought by any employee and/or member of the family or dependent of any employee of any Vessel Owner arising out of or consequent upon the personal injury, loss or damage to property of, or death of such employee, family member or dependent, and each Vessel Owner shall indemnify and hold Terminal harmless in the event

any such employee, or any family member or dependent thereof, or the executor, administrator or personal representative of any of the foregoing, shall bring such claim against Terminal.

- (iii) Terminal and the Vessel Owners shall consult together to the extent practicable before either makes any payment which would fall due to be indemnified by the other under the terms of Sections 4(i) or 4(ii). The indemnities contained in Sections 4(i) and 4(ii) are separate and distinct from, and independent of, the obligations undertaken and the responsibilities and exceptions from and the limitations of liability provided in Sections 2, 3, 5 and 6 of this Agreement.
- (iv) The cross indemnities provided in this Section 4 are intended to be binding regardless of fault or negligence on the part of the party in whose favor they are being given.

5.

- (i) Subject to Section 5(ii) below, the total aggregate liability of the Vessel Interests to the Terminal Interests, however arising, in respect of any one Incident, shall not exceed one hundred fifty million dollars (US\$150,000,000) or such higher coverage amount as the Vessel's Protection and Indemnity Association then provides as a matter of normal practice for LNG vessels. Payment of an aggregate sum of one hundred fifty million dollars (US\$150,000,000) or such higher coverage amount (as applicable) to any one or more of the Terminal Interests in respect of any one Incident shall be a complete defense to any claim, suit or demand relating to such Incident made by the Terminal Interests against the Vessel Interests. The liability of the Vessel Interests hereunder shall be joint and several.
- (ii) Vessel Interests shall provide to the Terminal Interests, upon request, sufficient written evidence that the Vessel's Protection and Indemnity Association has agreed to cover the Vessel Interests as a member of the Association against the liabilities and responsibilities provided for in this Agreement in accordance with its Rules. Such evidence may include a true and correct copy of the Vessel's certificate of entry with the Protection and Indemnity Association reflecting the agreement referenced in the immediately foregoing sentence.
- (iii) Vessel Interests hereby expressly, voluntarily and intentionally waive in favor of the Terminal Interests all rights of subrogation of claims by Vessel Interests' insurers against the Terminal Interests to the extent such claims have been waived in this Agreement by the Vessel Interests. Vessel Interests hereby agree to give the Terminal Interests prior written notice of any cancellation of the Vessel's entry in its Protection and Indemnity Association.

6. As to matters subject to this Agreement and regardless of fault or negligence on the part of any Party, with respect to an Incident:

- (i) except to the extent expressly preserved in this Agreement, Terminal Interests hereby expressly, voluntarily and intentionally waive any right or claims they might otherwise have against the Vessel Interests under applicable laws or under any port liability agreement or similar port conditions of use previously signed by the Master for the Port; and
- (ii) except to the extent expressly preserved in this Agreement, Vessel Interests hereby expressly, voluntarily and intentionally waive any rights to limit their liability to Terminal Interests under the United States Limitation of Vessel Owners Liability Act or any other similar law or convention, as applicable, in respect of any Incident. Such waiver shall include any right to petition a court, arbitral tribunal or other entity for limitation of liability, any right to claim limitation of liability as a defense in an action, and any other similar right under relevant law. The foregoing waivers shall apply to all Persons claiming through the Terminal Interests or through the Vessel Interests.

7. The substantive law of New York, without regard to any conflicts of law principles that could require the application of any other law, shall govern the interpretation of this Agreement and any dispute, controversy, or claim arising out of, relating to, or in any way connected with this Agreement, including, without limitation, the existence, validity, performance, or breach hereof.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives effective as of the date first set forth above.

[INSERT SIGNATURE OF TERMINAL ENTITY]

[INSERT SIGNATURES OF EACH OF VESSEL INTERESTS]

By:

By:

By:

By:

Title:

Title:

As owner of the Name of Vessel
Registration No.
State of Registry

**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 Partners, L.P.;
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 (the registrant's fourth quarter in the case of an annual report) 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: November 2, 2022

/s/ Jack A. Fusco

Jack A. Fusco
Chief Executive Officer of
Cheniere Energy Partners GP, LLC, the general partner of
Cheniere Energy Partners, L.P.

**CERTIFICATION BY CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) AND 15d-14(a) UNDER THE EXCHANGE ACT**

I, Zach Davis, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cheniere Energy Partners, L.P.;
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 (the registrant's fourth quarter in the case of an annual report) 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: November 2, 2022

/s/ Zach Davis

Zach Davis

Chief Financial Officer of

Cheniere Energy Partners GP, LLC, the general partner of

Cheniere Energy Partners, L.P.

**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 Partners, L.P. (the "Partnership") on Form 10-Q for the quarter ended September 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jack A. Fusco, Chief Executive Officer of Cheniere Energy Partners GP, LLC, the general partner of the Partnership, 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 Partnership.

Date: November 2, 2022

/s/ Jack A. Fusco

Jack A. Fusco

Chief Executive Officer of

Cheniere Energy Partners GP, LLC, the general partner of

Cheniere Energy Partners, L.P.

**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 Partners, L.P. (the "Partnership") on Form 10-Q for the quarter ended September 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Zach Davis, Chief Financial Officer of Cheniere Energy Partners GP, LLC, the general partner of the Partnership, 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 Partnership.

Date: November 2, 2022

/s/ Zach Davis

Zach Davis

Chief Financial Officer of

Cheniere Energy Partners GP, LLC, the general partner of

Cheniere Energy Partners, L.P.