

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

)		
In re:)	Chapter 11	
)		
ZACHRY HOLDINGS, INC., <i>et al.</i> ¹)	Case No. 24-90377 (MI)	
)		
Debtors.)	(Jointly Administered)	
)	Re: Docket Nos. 792, 817, 871-73, 833	

DEBTORS’ NOTICE OF SUPPLEMENTAL EXHIBITS

The above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) hereby submit this Notice of Supplemental Exhibits and respectfully state as follows:

1. On September 5, 2024, the Court held a hearing on the *Debtors’ Emergency Motion to Interpret and Enforce the Golden Pass Settlement Agreement* [Docket No. 792]. At the hearing, the Court requested that the Debtors, CB&I, LLC (“**CB&I**”) and Chiyoda International Corporation (“**Chiyoda**,” and together with the Debtors and CB&I, the “**Parties**”) supplement the evidentiary record with the claim submitted under the Allied World Surplus Lines Insurance Company (“**Allied World**”) Professional Liability Insurance Policy No. 0311-9289 (admitted into evidence at Docket Number 871-6).

2. The Parties and the unincorporated joint venture they formed (“**CCZJV-GPX**”) in connection with the design and construction of the Golden Pass liquefied natural gas liquification and export facility (the “**GPX Project**”) did not submit a formal claim directly to Allied World.

3. On May 14, 2020, CCZJV-GPX’s insurance broker, Willis Towers Watson, submitted by email a loss notification to Allied World listing Kinder Morgan, the owner of a

¹ The last four digits of Zachry Holdings, Inc.’s tax identification number are 6814. A complete list of each of the Debtors in these chapter 11 cases and the last four digits of their federal tax identification numbers may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.kccllc.net/zhi>. The location of the Debtors’ service address in these chapter 11 cases is: P.O. Box 240130, San Antonio, Texas 78224.



pipeline that runs parallel to affected areas of the levee, as the claimant. A true and correct copy of the email is attached hereto as **Exhibit A**.

4. On June 10, 2020, CCZJV-GPX sent a letter to David Williams, senior project manager for Golden Pass on the GPX Project, regarding the levee failure, remediation plan, and rectification costs. A true and correct copy of the letter is attached hereto as **Exhibit B**.

5. On June 16, 2020, Allied World sent a letter to Bill Whitaker, director of risk management for Zachry Industrial, Inc. on the GPX Project, acknowledging CCZJV-GPX's notification of "potential claim" related to the levee failure. A true and correct copy of the letter is attached hereto as **Exhibit C**.

6. On June 25 and 26, 2020, Golden Pass sent letters to Masakazu Fujiwara, project director for Chiyoda on the GPX Project, responding to CCZJV-GPX's June 10 letter. True and correct copies of the letters are attached hereto as **Exhibit D**.

7. On July 9, 2020, Allied World sent a letter to Bill Whitaker, director of risk management for Zachry Industrial, Inc. on the GPX Project, stating in relevant part that "Allied World has concluded that the Golden Pass LNG's recent letters [referring to the June 25 and 26 letters] constitute a **Claim** that could potentially give rise to coverage" (emphasis in original). A true and correct copy of the letter is attached hereto as **Exhibit E**.

8. The Parties have been unable to resolve the issues in dispute or agree on supplemental exhibits. The Debtors understand that CB&I and Chiyoda intend to submit the exhibits attached hereto and additional exhibits that the Debtors believe are not responsive to the Court's request.

9. The Debtors have notified the Parties and hereby notify the Court that Zachry Industrial, Inc. anticipates submitting a notice to Allied World and excess professional liability insurers asserting an independent right to coverage related to the rectification claim.

Dated: September 19, 2024
Houston, Texas

/s/ Charles R. Koster

WHITE & CASE LLP

Charles R. Koster (Texas Bar No. 24128278)

609 Main Street, Suite 2900

Houston, Texas 77002

Telephone: (713) 496-9700

Facsimile: (713) 496-9701

Email: charles.koster@whitecase.com

Bojan Guzina (admitted *pro hac vice*)

Andrew F. O'Neill (admitted *pro hac vice*)

Fan He (admitted *pro hac vice*)

Barrett Lingle (admitted *pro hac vice*)

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aoneill@whitecase.com

fhe@whitecase.com

adam.swingle@whitecase.com

barrett.lingle@whitecase.com

*Counsel to the Debtors and
Debtors in Possession*

CERTIFICATE OF SERVICE

I hereby certify that on September 19, 2024, the foregoing document was served via electronic mail by the Court's ECF system to all parties authorized to receive electronic notice in this case.

/s/ Charles R. Koster
Charles R. Koster

EXHIBIT A

May 14, 2020 Email

From: [Dhuria, Avadhesh V.](#) on behalf of [IN_WNA_Claims](#)
To: ["noticeoffoss@awac.com"](#); ["ClaimsNAFinPro_CorporateSolutions@swissre.com"](#); ["yorkproclaims@yorkrsg.com"](#); ["kevin.flynn@mendes.com"](#); ["FNOLUS@dwfclaims.com"](#); ["EILCLAIMS@PioneerUW.com"](#); ["LPD/SCMNewClaims@TheHartford.com"](#)
Cc: [Whitaker, Bill](#); [Armstrong, Matthew](#); [Becker, Paul J.](#); [DeStefano, Alyssa](#); [Dugan, Erin](#); [McGinnis, Timothy](#); [Bowyer, Andrew](#); [Lyon, Jim](#); [DeLaRue, David](#)
Subject: Notice of Professional Liability and Excess Professional Liability Claim : CCZJV-GPX - Morgan, Kinder / WTW Ref No. 204516
Date: Thursday, May 14, 2020 2:17:12 PM
Attachments: [Client Email - Levee Damage.pdf](#)
[Combined Area Photos.pdf](#)
Importance: High

This message has originated from an **External Source**. Please use caution when opening attachments, clicking links, or responding to this email.

LOSS NOTIFICATION

Client: CCZJV-GPX
Claimant: Morgan, Kinder
Description: Loss location : TX
 Project: Golden Pass LNG Export Project
 Levee damage was first discovered on or about May 2, 2020 and all levee construction in the affected areas has since ceased. The Insured has engaged Fugro as a consultant.
 See attached email from client and attached documents/photos.

Policies:

PROF	New	7/1/2019	6/1/2025	0311-9289	A	ALLWO9	Professional Liability - \$15M Primary - AWAC
EXPL	New	7/1/2019	6/1/2025	CTE 2000117 00	A	SWIRE1	Excess Professional Liability - \$15M xs \$15M - Swiss Re
EXPL	New	7/1/2019	6/1/2025	004129400	A	IROSP1	Excess Professional Liability - \$10M p/o \$15M xs \$30M - Ironshore
EXPL	New	7/1/2019	6/1/2025	HUN00035-00	A	QBESP1	Excess Professional Liability - \$2.5M p/o \$15M xs \$30M - Huntersure
EXPL	New	7/1/2019	6/1/2025	PSX1000419	A	LLOLO1	Excess Professional Liability - \$2.5M p/o \$15M xs \$30M - Brit
EXPL	New	7/1/2019	6/1/2025	PSX1000519	A	LLOLO1	Excess Professional Liability - \$5M po \$10M xs \$45M - Brit
EXPL	New	7/1/2019	6/1/2025	CPP-0000214-01	A	LLOLO1	Excess Professional Liability - \$5M po \$10M xs \$45M - Pioneer
EXPL	New	7/1/2019	6/1/2025	61 XPS DD5100	A	PACIN2	Excess Professional Liability - \$5M xs \$55M - Hartford

Note : Please copy Paul J Becker (Paul.J.Becker@willistowerswatson.com) on all communications with the insured.

This is official notice to your company of a claim. Reference the coverage listed above.
This serves as notice under any and all applicable policies whether or not specifically cited.

Willis Towers Watson has not evaluated this claim for potential excess exposure. If, during your investigation, discovery process and evaluation, there appears to be a reasonable probability that the primary policy limits could be exceeded, please notify the insured and this Willis Towers Watson office promptly.

Your insured contact is Bill Whitaker, (o) 210-588-5209, (c) 210-275-2598.

Please acknowledge receipt by email of your claim number and file handler information to: Whitakerb@zachrygroup.com and Paul.J.Becker@willistowerswatson.com with copy to IN_WNA_Claims@willistowerswatson.com.

Please quote WTW reference number in subject line of all your email correspondences.

On behalf of Willis Towers Watson North America Claims
 Willis Group, 26 Century Boulevard, 3 North, Nashville TN 37214 USA
 Switchboard: 877-725-9678, IN_WNA_Claims@willistowerswatson.com

For information pertaining to Willis Towers Watson's email confidentiality and monitoring policy, usage restrictions, or for specific company registration and regulatory status information, please visit http://secure-web.cisco.com/1586TminHhJOpCPckz7lgqhtsn_OaPBAPlvPW8UBFQ7lI4ax8XmEcfWYsVU_Q1luldrFgaEuxDkp4eQAnQadgsfD-2Ure4C-U7Gi5iy9q4dluOIHfZ8W0bu0wRWgo218SP-dXBC60lpVxM10PTH5mod7AeHy9O2xZnvM5rEfuOVVWadAe_gPGArm09L1Js6O07Vox2zow8Y-4wFBa59ysRhaqGbE9lgCmJdoixE0hrTd_egPNqymtNs4XoSUVXPgJltaS4-yn7FRainGIIH8kqpqnwK3WkSsH8mkGPPWpkL1C1BcNzuupMSBLKXA90PipMuDCzvwZb0i0dD0ofGhGg/http%3A%2F%2Fwww.willis.com%2Femail_trailer.aspx

You may receive direct marketing communications from Willis Towers Watson. If so, you have the right to opt out of these communications. You can opt out of these communications or request a copy of Willis Towers Watson's privacy notice by emailing unsubscribe@willistowerswatson.com.

Client Email – Levee Damages.pdf
(attachment to Email from Avadhesh Shuria, dated May 14, 2020)

From: Whitaker, Bill <whitakerb@zachrygroup.com>
Sent: Wednesday, May 13, 2020 7:11 PM
To: Bowyer, Andrew <Andrew.Bowyer@WillisTowersWatson.com>
Cc: McGinnis, Timothy <Tim.McGinnis@WillisTowersWatson.com>
Subject: GPX - Levee Damage Notification

Please share the following notification with Professional Liability insurers.

Please be advised that a failure of the levee construction in Areas 15 and 16, and construction entrance road was discovered on May 2nd, 2020. On May 5th, it was determined that additional areas of the levee had also failed for reasons undetermined at this time. The levee plan view and photos are attached.

CCZJV-GPX has engaged Fugro for their opinion on the levee failure along with recommendations they may provide. Owner's site representatives are informed and are provided with daily reports as the investigation continues.

CCZJV-GPX has ceased all levee construction work in the affected areas and has closed off access from personnel. New levee construction work to the north and west of the affected areas has ceased to avoid additional work in the event change is required in design.

Kinder Morgan, pipeline owner that runs parallel to areas of the levee, is informed of the discovery and is taking survey data of their pipeline. At Fugro's recommendation, the JV is removing levee material in areas to relieve pressure being applied to the Kinder Morgan pipeline.

CCZJV-GPX is continuing its investigation to determine a root cause and provide solution.



Bill R. Whitaker
Director, Risk Management

Zachry Industrial, Inc.
527 Logwood
P.O. Box: 240130
San Antonio, Texas 78221

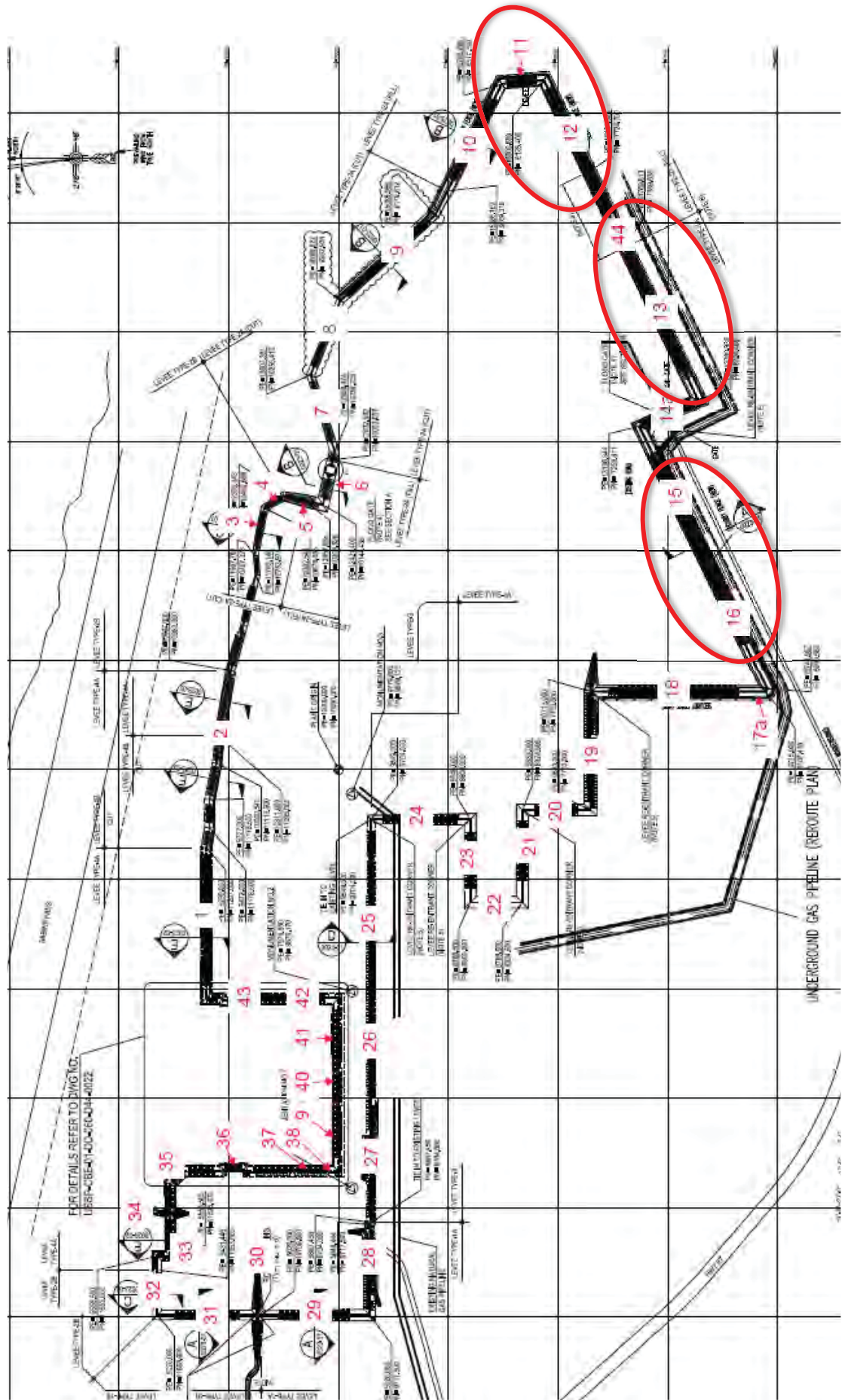
whitakerb@zachrygroup.com
Office: 210-588-5209
Cell: 210-275-2598
Fax: 210-588-6576
www.ZachryGroup.com

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Combined Area Photos.pdf
(attachment to Email from Avadhesh Shuria, dated May 14, 2020)

Overall Plot Plan

e ID: 1B83F6F3-C80B-4007-85D5-7F03BE029858



Sections 15 and 16 Photos



Section 15 looking Southwest
02-May-2020



Section 15 looking Southwest
02-May-2020

Sections 15 and 16 Photos



Section 15 looking Southwest
02-May-2020



Section 15/16 looking Southwest
04-May-2020

Sections 15 and 16 Photos



Section 15/16 looking North
04-May-2020

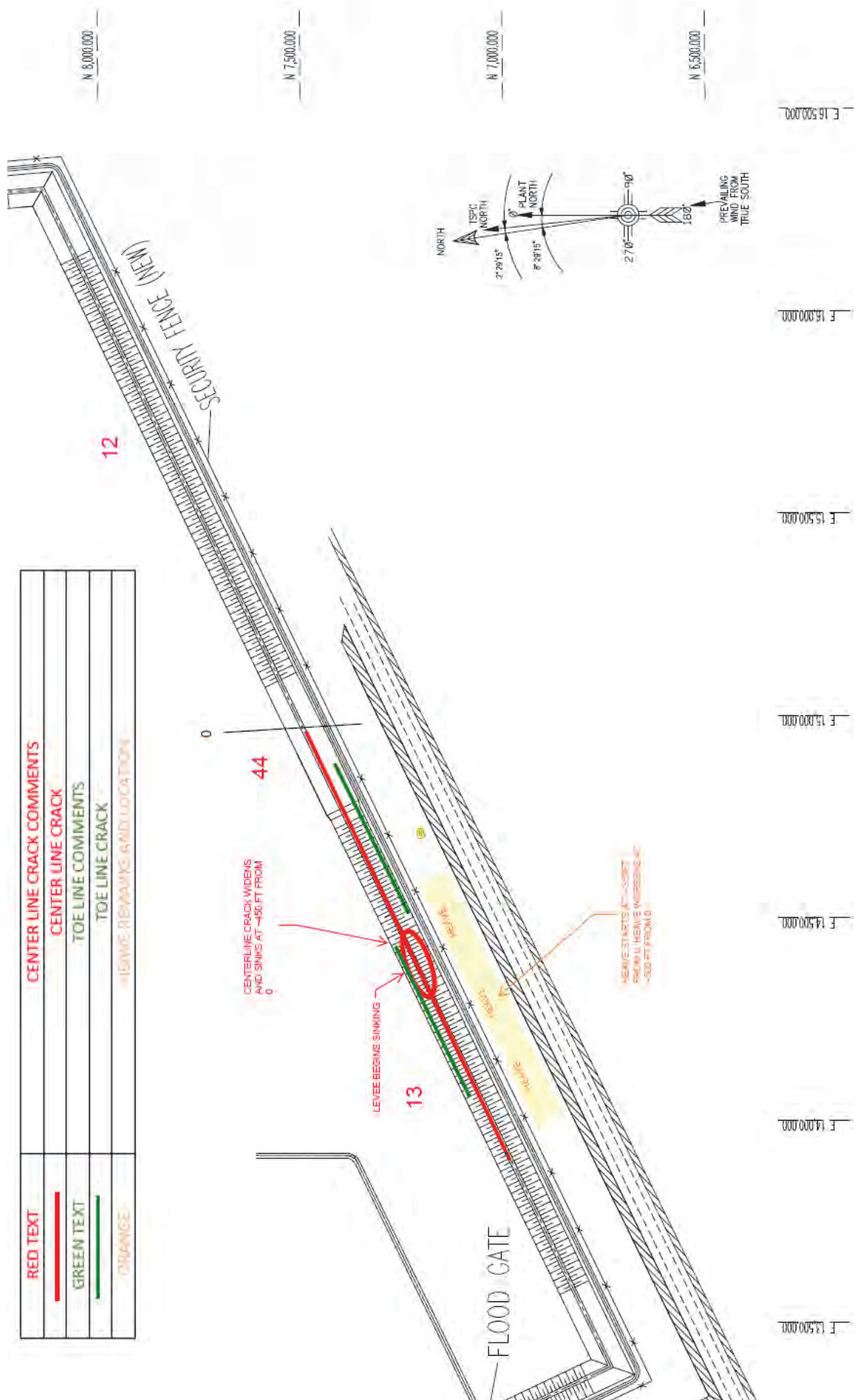


Section 15/16 looking North
04-May-2020

Sections 15 and 16 Drone Picture



Section 13 Detail



Section 13 Photos



Section 13 looking Northeast
05-May-2020



Section 13 looking Northeast
05-May-2020

Section 13 Photos



Section 13 looking Northeast
05-May-2020

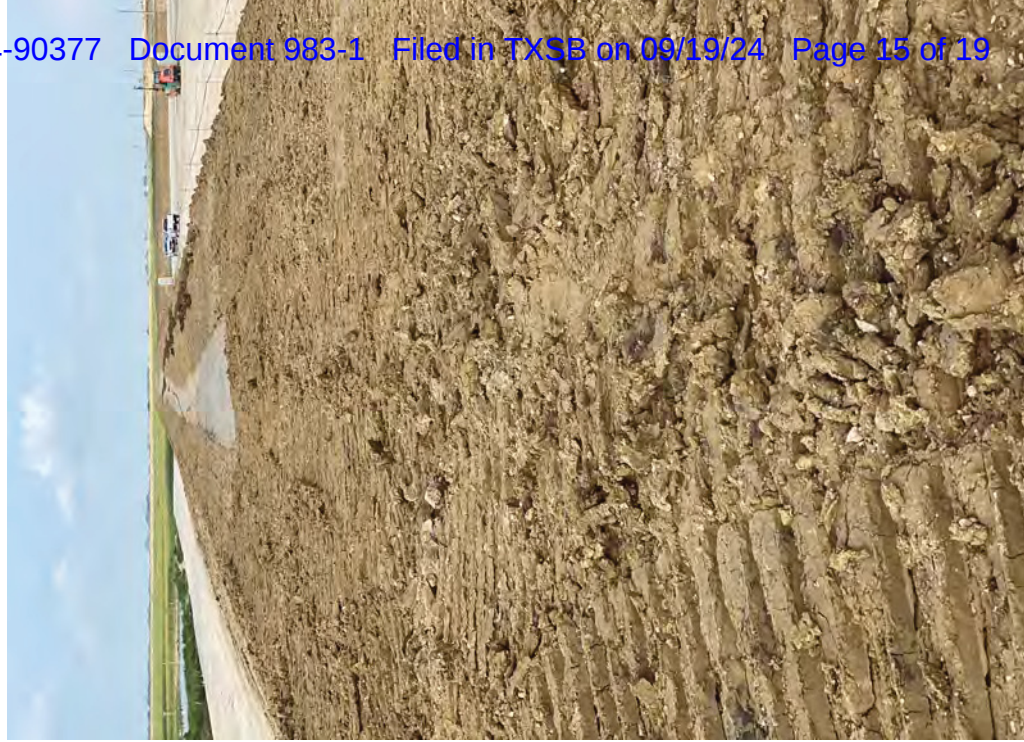


Section 13 looking Northeast
05-May-2020

Section 13 Photos



Section 13 looking at Toe
05-May-2020

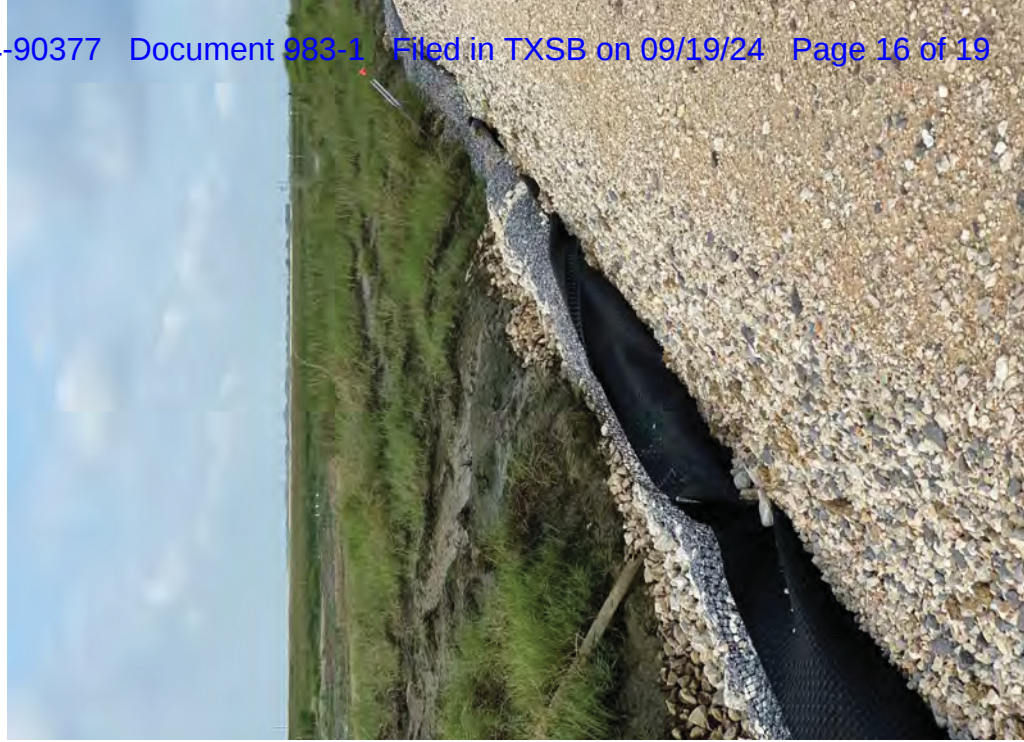


Section 13 looking Southwest
05-May-2020

Section 13 Photos



Section 13 looking Northeast
05-May-2020



Section 13 looking Southwest
05-May-2020

Section 12 Photos



Section 12
05-May-2020



Section 12
05-May-2020

Section 11 Photo

File ID: 1B83F6F3-C80B-4007-85D5-7F03BE029858



Section 11
06-May-2020

Sections 15 and 16 Photos



Section 16 looking Northeast
02-May-2020



Section 15/16 looking Northeast
02-May-2020

EXHIBIT B

June 10, 2020 Letter



LETTER No.: L-USSP-CBY-GXY-00751
Contract No. GPP-EPC1
Issued for: ACTION
Response Required: 25JUN2020

June 10, 2020

Mr. David A. Williams
Golden Pass LNG Export (GPX) Project
Sr. Project Manager
Golden Pass LNG
811 Louisiana Street, Suite 1450
Houston, Texas 77002

Subject: Levee Failure - Request for Information on Company's Insurance for Coverage of the Loss / Damage and Discussion on the Rectification Cost

Re: (a) CONTRACT, PRINCIPAL DOCUMENT, Articles 2.1.4 / 20.1 (all contractual cites herein are to the PRINCIPAL DOCUMENT)
(b) L-USSP-CBY-GXY-00689, dated 06MAY2020

Dear Mr. Williams,

Further to our letter referenced as (b) above, CONTRACTOR has since developed, with the assistance of COMPANY, a remediation plan to repair the loss of or damage to the levee as described therein and to mitigate any further damage. CONTRACTOR appreciates COMPANY's cooperation in the development of such remediation plan and its prompt approval to proceed with the work thereunder.

In relation thereto, it is necessary for us to discuss the costs of such remediation plan.

It has come to CONTRACTOR's attention that COMPANY may have insurance that covers all or part of such loss/damage. CONTRACTOR is ready and willing to assist COMPANY in the processing of any claim that COMPANY may wish to make against any relevant insurance policy. In the event that COMPANY desires such assistance, COMPANY is requested to provide the relevant information regarding such insurance, such as the property insured, limits of liability, deductibles, the named insured, coverage equivalent to LEG3, maintenance coverage, and waiver of subrogation clause.

That being said, it is CONTRACTOR's understanding that such damage constitutes a loss of or damage to the property associated with the FACILITY as defined in the CONTRACT for which responsibility is allocated as follows:

Article 20.1.1

*COMPANY shall release and hold CONTRACTOR GROUP harmless from liability for direct damages and CONSEQUENTIAL LOSS, **howsoever caused**, incurred by COMPANY GROUP for the loss of or damage to CONTRACTOR GROUP's or COMPANY GROUP's property . . . **EVEN IF SUCH LOSS OR DAMAGE TO SUCH PROPERTY RESULTS FROM THE NEGLIGENCE OF CONTRACTOR GROUP.** [emphasis added]*

Article 20.1.3

Notwithstanding the provisions of Articles 20.1.1 and 20.1.2, CONTRACTOR shall be responsible for the first one million USD (\$1,000,000) per occurrence for direct damage howsoever caused, to COMPANY for the loss of or damage to property that would otherwise be within the scope of

527 Logwood Avenue
San Antonio, Texas 78221



LETTER No.: L-USSP-CBY-GXY-00751
Contract No. GPP-EPC1
Issued for: ACTION
Response Required: 25JUN2020

*COMPANY's release obligations in Articles 20.1.1 and 20.1.2. Without regard to COMPANY's insurance coverage or self-insurance, **all direct and indirect costs related to the repair or replacement of loss or damage to CONTRACTOR GROUP's or COMPANY GROUP's property within the scope of COMPANY's release obligations in Article 20.1.1 and 20.1.2 exceeding the first one million USD (\$1,000,000) shall be reimbursed to CONTRACTOR by issuance of a CHANGE ORDER** within thirty (30) days of CONTRACTOR and COMPANY mutually agreeing to the impact of such repair or replacement. [emphasis added]*

As COMPANY is aware, the costs relating to such remediation effort are estimated to be in excess of the \$1,000,000 amount mentioned in the above provisions. Accordingly, CONTRACTOR proposes to have meeting with COMPANY to discuss: (i) whether there is insurance for the remediation costs of the levee, and (ii) how COMPANY intends to reimburse such costs in excess of USD 1,000,000 if not covered by insurance.

Please let us know a convenient time for such meeting.

The foregoing shall not constitute a waiver, amendment or release by CONTRACTOR of any obligation or responsibility of COMPANY under the CONTRACT and, further, CONTRACTOR expressly reserves, and does not waive, any and all of CONTRACTOR'S rights under the CONTRACT.

Sincerely,

DS

DocuSigned by:

Masakazu Fujiwara

743E329F2E3548B...

Masakazu Fujiwara
Project Director
GPX Project - EP Phase

DS

CC: Formal Correspondence Group

DS

EXHIBIT C

June 16, 2020 Letter



David W. Colwick, Esq.
Vice President

V (860)284-1788
F (860)284-1789
E David.Colwick@awac.com

VIA E-MAIL

June 16, 2020

Bill R. Whitaker
Director, Risk Management
Zachry Industrial, Inc.
527 Logwood
P.O. Box 240130
San Antonio, Texas 78221
whitakerb@zachrygroup.com

Re: First Named Insured: CCZJV-GPX
Insurer: Allied World Surplus Lines Insurance Company
Policy No.: 0311-9289
Policy Type: Project-Specific Professional Liability Insurance Policy
Policy Period: July 1, 2019 to June 1, 2025
Limit: \$15,000,000
SIR: \$2,500,000
Project: Golden Pass LNG Export Project (Sabine Pass, Texas)
Ref. No.: 2020010824

Dear Mr. Whitaker:

As you are aware, the Insurer named in the caption above is a member company of the Allied World group of insurers and will be referred to in this letter as “Allied World.” The purpose of this letter is to acknowledge CCZJV-GPX’s notification of a potential claim and to reserve Allied World’s rights as it continues to investigate this matter. Please let me know immediately if this letter should be sent to someone else’s attention.

Factual Background

On May 13, 2020, CCZJV-GPX notified its insurance broker, Willis Towers Watson, that a failure of the levee construction in Areas 15 and 16 of the Golden Pass LNG Export Project in Sabine Pass, Texas (“Project”) was discovered on May 2, 2020. According to the notice, on May 5, 2020, “it was determined that additional areas of the levee had also failed for reasons undetermined at this time.” The notice further stated:

“CCZJV-GPX has engaged Fugro for their opinion on the levee failure along with recommendations they may provide. Owner’s site representatives are informed and are provided with daily reports as the investigation continues. CCZJV-GPX has ceased all

June 16, 2020

Page 2

levee construction work in the affected areas and has closed off access from personnel. New levee construction work to the north and west of the affected areas has ceased to avoid additional work in the event change is required in design. Kinder Morgan, pipeline owner that runs parallel to areas of the levee, is informed of the discovery and is taking survey data of their pipeline. At Fugro's recommendation, the JV is removing levee material in areas to relieve pressure being applied to the Kinder Morgan pipeline. CCZJV-GPX is continuing its investigation to determine a root cause and provide solution."

Willis subsequently provided the notice to Allied World.

From our subsequent communications, Allied World understands that Fugro and Templeton are conducting root cause analyses for the levee failure, but those have not yet been completed, nor has a timetable been given for completion. CCZJV-GPX has advised that it is nevertheless moving forward with executing a remediation plan to address the levee failure even though the root cause is not yet known. No formal cost estimate or quotation for the remediation plan has been provided. Finally, Allied World understands that the Project owner has not agreed to or signed off on the remediation plan and is instead reserving any approval of the remediation until after the remediation has been completed. Thus, it is possible that the Project owner will reject the proposed remediation after it is executed and the costs incurred.

Reservation of Rights

As set forth above, Allied World issued Project-Specific Professional Liability Policy no. 0311-9289 to CCZJV-GPX as the First Named Insured, effective July 1, 2019 to June 1, 2025 ("Policy"). The Policy is subject to a \$15,000,000 per claim and aggregate limit following satisfaction of the Policy's \$2,500,000 per claim and aggregate self-insured retention. CCZJV-GPX has not made a formal claim under the Policy for the levee failure, but it has advised Allied World that it may potentially make a claim under the Policy's Rectification Endorsement (Endorsement no. 4).

Allied World acknowledges that CCZJV-GPX has provided notice of the levee issue and has been cooperating in Allied World's initial investigation of this matter. However, at this early stage, Allied World simply does not have sufficient information to be able to determine whether the Rectification Endorsement or any other Policy section covers the proposed remediation of the levee issue. The Policy's Rectification Endorsement sets forth multiple conditions that must be satisfied for coverage to apply, along with potential exclusions and other limitations. Substantial additional information is needed for Allied World to determine which of these terms, conditions, limitations, or exclusions apply. At a minimum, Allied World cannot potentially determine whether coverage is available until the cause or causes of the levee failure are determined.

Allied World therefore requests that CCZJV-GPX, as well as any other entity that might seek coverage for this matter, keep Allied World advised of all developments related to the levee failure, remediation plan, and root cause analysis. This includes promptly forwarding to Allied World all relevant documentation. Allied World specifically requests that you provide the following documentation as it becomes available (to the extent not previously provided):

1. All contracts to which CCZJV and any related entity was a party for this Project.
2. Plans for remediation of the levee issue.
3. All quotes and cost estimates for remediation of the levee issue.
4. Any root cause analysis or other documentation reflecting investigation into the cause or causes of the levee failure.

June 16, 2020

Page 3

5. Any documentation reflecting the costs incurred in the remediation of the levee issue.
6. Any commentary provided by the Project owner regarding the remediation efforts.

In the interim, Allied World expressly reserves all rights it has under the Policy and at law. Nothing in this letter should be construed as a waiver of Allied World's rights or as a concession that the Policy covers this potential claim, whether in whole or in part.

If you have any questions, please feel free to contact me.

Very truly yours,

A handwritten signature in blue ink, appearing to read "D. Colwick", is centered on the page.

David W. Colwick, Esq.

cc: Andrew Bowyer
Andrew.Bowyer@WillisTowersWatson.com

Paul Becker
Paul.J.Becker@WillisTowersWatson.com

EXHIBIT D

June 25, 2020 and June 26, 2020 Letters



June 25, 2020

Mr. Masakazu Fujiwara
Golden Pass Export Project -
Project Director
Chiyoda Corporation
Minatomirai Grand Central Tower
4-6-2 Minatomirai, Nishi-ku
Yokohama 220-0012, Japan

Ref No. L-USSP-GXYT-CBYT-00627
Issued for: Information
CONTRACTOR Ref: L-USSP-CBY-GXY-00751
Other Ref. No.:
Response required: N/A

Subject: RESPONSE TO CONTRACTOR's Letter Regarding Levee Failure - Request for Information on Company's Insurance for Coverage of the Loss / Damage and Discussion on the Rectification Cost

Dear Mr. Masakazu Fujiwara,

COMPANY has reviewed the letter referenced above and has considered its contents. CONTRACTOR's response and efforts to date in remediating the levee failure are greatly appreciated. COMPANY is also appreciative of the technical transparency availed to COMPANY to be present for technical discussions between CONTRACTOR and its technical sub-contractors on the subject topic of the levee failure and potential levee remediation execution plans being considered by CONTRACTOR.

In regards to the development of the GPX Integrated JV and Subcontract Levee Remediation Execution Plan document (USSP-CBC-01-CP-060-P47-0001), COMPANY notes that such document has been independently developed by CONTRACTOR and provided by CONTRACTOR to COMPANY for informational purposes only.

COMPANY's position is that the design and installation of the failed levee areas did not adhere to GOOD ENGINEERING AND CONSTRUCTION PRACTICES and that the levee failed as a result of defective and deficient design and workmanship. Per Article 22 of the PRINCIPAL DOCUMENT, (i) COMPANY requires CONTRACTOR to promptly remedy such defect or deficiency, (ii) the additional costs resulting therefrom shall be for CONTRACTOR's account, and (iii) CONTRACTOR is not entitled to a CHANGE ORDER therefor.

Furthermore, per Article 22.1.4 of the PRINCIPAL DOCUMENT, CONTRACTOR's obligations to correct a specific defect are set forth in Article 22, and liability for losses of or damages to COMPANY's other property caused by such defect shall be governed by Article 20. COMPANY acknowledges that per Article 22.1.4 if any other property was damaged due to the levee failure that the damages/costs associated with such damage are governed by Article 20. It is COMPANY'S understanding that no COMPANY property was damaged due to the levee failure, therefore, Article 20.1.1 is inapplicable in this context. As such, COMPANY will not be providing information regarding COMPANY's insurance for covering loss/damage in regards to the levee remediation execution plan as COMPANY'S insurance is irrelevant to this matter.

COMPANY notes that Article 2.1.4 of the PRINCIPAL DOCUMENT, which CONTRACTOR cited in the subject line of the letter referenced above, is inapplicable to the contractual analysis of the levee failure.

In summary, COMPANY is in disagreement with CONTRACTOR on the responsibility allocation cited. COMPANY will continue to make its personnel available and to assist CONTRACTOR in its continued efforts in remediating the levee failure and are available for further discussion as requested. COMPANY would be happy to meet with CONTRACTOR to further discuss CONTRACTOR's remediation plans with respect to the levee defects.

Sincerely,
Signed by:

David Williams

David A. Williams
Golden Pass LNG Export (GPX) Project
Sr. Project Manager
Golden Pass LNG

CCB

CCB/ ea cc: JW, CCB, JDH



June 26, 2020

Mr. Masakazu Fujiwara
Golden Pass Export Project -
Project Director
Chiyoda Corporation
Minatomirai Grand Central Tower
4-6-2 Minatomirai, Nishi-ku
Yokohama 220-0012, Japan

Ref No. L-USSP-GXYT-CBYT-00628
Issued for: Action
CONTRACTOR Ref: N/A
Other Ref. No.: L-USSP-CBY-GXY-00751
Response required: July 10, 2020

Subject: Regarding Levee Failure – CONTRACTOR’s Insurance with Regard to Damages
Incurred to Kinder Morgan (NGPL) Pipelines

Dear Mr. Masakazu Fujiwara,

COMPANY has addressed its position regarding the levee failure in COMPANY’s letter L-USSP-GXYT-CBYT-00627.

As stated previously, CONTRACTOR’s response and efforts to date in remediating the levee failure are greatly appreciated. COMPANY is also appreciative of the technical transparency availed to COMPANY to be present for technical discussions between CONTRACTOR and its technical sub-contractors on the subject topic of the levee failure and potential levee remediation execution plans being considered by CONTRACTOR.

COMPANY’s position is that the design and installation of the failed levee areas did not adhere to GOOD ENGINEERING AND CONSTRUCTION PRACTICES and that the levee failed as a result of defective and deficient design and workmanship.

With regard to the primary subject of this letter, COMPANY hereby notifies CONTRACTOR that per PRINCIPAL DOCUMENT Articles 19.1 and 20.3.3 COMPANY expects to file a claim as an additional insured to CONTRACTOR’s insurance policy or policies with regards to damages incurred to the Kinder Morgan (NGPL) pipelines.

With the expectation stated above regarding filing a claim, COMPANY in accordance with PRINCIPAL DOCUMENT Article 19.2.2 requests that CONTRACTOR shall have its insurance carrier(s) furnish to COMPANY the following: (i) insurance certificates specifying the types and amounts of coverage in effect and (ii) the expiration dates of each policy.

Sincerely,

DocuSigned by:

20C80156B69C437...

David A. Williams
Golden Pass LNG Export (GPX) Project
Sr. Project Manager

Golden Pass LNG

CCB/lea

cc: JKW, CCB, JDH

EXHIBIT E

July 9, 2020 Letter



David W. Colwick, Esq.
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VIA E-MAIL

July 9, 2020

Bill R. Whitaker
Director, Risk Management
Zachry Industrial, Inc.
527 Logwood
P.O. Box 240130
San Antonio, Texas 78221
whitakerb@zachrygroup.com

Re: First Named Insured: CCZJV-GPX
Insurer: Allied World Surplus Lines Insurance Company
Policy No.: 0311-9289
Policy Type: Project-Specific Professional Liability Insurance Policy
Policy Period: July 1, 2019 to June 1, 2025
Limit: \$15,000,000
SIR: \$2,500,000
Project: Golden Pass LNG Export Project (Sabine Pass, Texas)
Ref. No.: 2020010824

Dear Mr. Whitaker:

As you are aware, the Insurer named in the caption above is a member company of the Allied World group of insurers and will be referred to in this letter as "Allied World." On June 16, 2020, Allied World sent you a letter in regarding this matter in which it reserved its rights and requested additional information and documentation.

As an initial matter, we note that CCZJV-GPX is a joint venture consisting of three companies: Chiyoda International Corporation, Zachry Industrial, Inc., and CB&I LLC, all of which are insureds under the above-referenced policy. This letter is being sent to you based on our understanding that you have been authorized to make and receive all communications related to this matter on behalf of CCZJV and each of its three members. Please let me know immediately if this understanding is incorrect or if this letter otherwise should be sent to someone else's attention. Additionally, Allied World requests that an officer or employee for each member of CCZJV provide confirmation, via email to my attention, that you are authorized to make and receive communications on behalf of CCZJV and its three members.

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The CCZJV-Golden Pass LNG Letters

Last week, you provided three letters addressing potential remediation of the levee issue. The first was sent on June 10, 2020 by CCZJV to David Williams, the senior project manager for Golden Pass LNG. We initially note that all three letters use the terms “CONTRACTOR” and “COMPANY,” which appear to be defined terms in the relevant contractual documents. However, as we have not yet received the contractual documents, it is unclear which companies are referenced by these defined terms. From context, we assume that “CONTRACTOR” refers to CCZJV and that COMPANY refers to Golden Pass LNG. The June 10th letter requested that COMPANY provide information about insurance that may cover all or part of the levee damage. It also referenced a contractual provision that effectively releases CONTRACTOR for any liability over and above \$1 million and requires COMPANY to reimburse CONTRACTOR for sums above that threshold to the extent not covered by COMPANY’s insurance.

On June 25, 2020, Golden Pass LNG sent a response letter. The letter stated as follows:

COMPANY’s position is that the design and installation of the failed levee areas did not adhere to GOOD ENGINEERING AND CONSTRUCTION PRACTICES and that the levee failed as a result of defective and deficient design and workmanship. Per Article 22 of the PRINCIPAL DOCUMENT, (i) COMPANY requires CONTRACTOR to promptly remedy such defect or deficiency, (ii) the additional costs resulting therefrom shall be for CONTRACTOR’s account, and (iii) CONTRACTOR is not entitled to a CHANGE ORDER therefor.

The letter went on to cite several contractual provisions and to disagree with CCZJV’s assertion that COMPANY bears responsibility for remediation of the levee issues.

On June 26, 2020, Golden Pass LNG sent a second response letter. The letter reiterated that “COMPANY’s position is that the design and installation of the failed levee areas did not adhere to GOOD ENGINEERING AND CONSTRUCTION PRACTICES and that the levee failed as a result of defective and deficient design and workmanship.” The letter also stated that COMPANY intended to seek coverage as an additional insured under CONTRACTOR’s insurance policies and requested certificates of insurance.

Need for Defense Counsel

The fact that we have not yet received the contractual documents makes it difficult to decipher certain parts of Golden Pass LNG’s letters to CCZJV. However, at a minimum, it appears that Golden Pass LNG considers the levee failure to be the result of CCZJV’s (which we presume is the CONTRACTOR) deficient design and workmanship and that it believes CCZJV is liable for remedying the failure and for all additional costs.

As discussed in Allied World’s June 16, 2020 letter, Allied World issued Project-Specific Professional Liability Policy no. 0311-9289 to CCZJV-GPX as the First Named Insured, effective July 1, 2019 to June 1, 2025 (“Policy”). Insuring Agreement I.A. states that the “**Company** will pay on behalf of the **Insured** those sums in excess of the **Self-Insured Retention** that the Insured shall become legally obligated to pay as **Damages** and **Defense Expenses** as a result of a **Claim** for a **Wrongful Act** in the rendering of or failure to render **Professional Services** rendered to others for a fee by the **Insured**, or by any entity for whom the **Insured** is legally liable and to which this Policy applies.” Further, Section C. states that “[t]he **Company** shall have the right and duty to investigate, control the defense of, and settle any such incident, circumstance, event or **Claim**” subject to certain additional requirements.

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The Policy defines a **Claim** as “a demand received by an **Insured** for money or services including the service of suit or institution of arbitration proceedings.” As set forth in its June 16, 2020 letter, Allied World lacks the information needed to determine whether the Policy covers the levee failure issue and any costs associated with remediating the failure. However, for defense purposes only, Allied World has concluded that the Golden Pass LNG’s recent letters constitute a **Claim** that could potentially give rise to coverage. Thus, Allied World has the right and duty to control Golden Pass LNG’s defense against this **Claim**. Additionally, given the tenor of Golden Pass LNG’s recent letters, Allied World believes it is imperative that defense counsel be appointed as soon as possible to protect the interests of CCZJV and its members.

Allied World also notes that the Policy is subject to a \$2.5 million self-insured retention, which is inclusive of defense costs. Indeed, Section D. states that Allied World has no obligation to pay **Defense Expenses** or **Damages** until the self-insured retention has been satisfied in full by CCZJV. Given that CCZJV will be responsible for the first \$2.5 million of any defense costs incurred in connection with this **Claim**, Allied World would like to work cooperatively with CCZJV to find and retain defense counsel.

Allied World further refers you to Policy Sections C. and D., which discuss the obligations of CCZJV and its members in further detail. Specifically, the Policy states that any defense shall be undertaken under a “joint defense” approach and will be coordinated by the **Program Manager** – Dr. Karl J. Duff of Professional Liability Consultants, LLC in Atlanta, Georgia. Additionally, the Policy requires CCZJV, its members, and any other party qualifying as an **Insured** to waive any claims they might have against any other **Insured**, whether for negligence contribution, indemnification, or otherwise.

Reservation of Rights

Finally, Allied World references and incorporates its June 16, 2020 letter, including the reservation of rights set forth therein. Allied World again expressly reserves all rights it has under the Policy and at law. Nothing in this letter should be construed as a waiver of Allied World’s rights or as a concession that the Policy covers this matter, whether in whole or in part.

Appointment of Defense Counsel/Additional Information Needed

As set forth above, Allied World believes it is imperative to appoint defense counsel as soon as possible. Please let me know your availability (as well as the availability of any other necessary representatives of CCZJV and its members) to discuss the appointment of defense counsel. If you have any specific attorneys you would like to consider, please provide their names and rates in advance of the call.

Finally, Allied World again directs your attention to the requests for documentation in our June 16, 2020 and asks that those documents be provided as soon as possible. Specifically, please forward us all of the relevant contract documents relative to the levee failure, as it is difficult for Allied World to review Golden Pass LNG’s demand letters in context without those documents.

In the interim, Allied World expressly reserves all rights it has under the Policy and at law. Nothing in this letter should be construed as a waiver of Allied World’s rights or as a concession that the Policy covers this potential claim, whether in whole or in part.

If you have any questions, please feel free to contact me.

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Very truly yours,

A handwritten signature in blue ink, appearing to read "D. Colwick".

David W. Colwick, Esq.

cc: Andrew Bowyer
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