

May 28, 2010

The Honorable Judge Kevin Gross  
824 Market Street  
3<sup>rd</sup> Floor  
Wilmington, DE 19801

FILED  
2010 JUN 2 AM 8:34  
CLERK  
US BANKRUPTCY COURT  
DISTRICT OF DELAWARE

Honorable Judge Gross,

I am a former Aventine Renewable Energy (Aventine, symbol AVRNQ) stockholder who is now a warrant holder under the plan of reorganization Delaware Bankruptcy Court Case No. 09-11214-KG. I am writing in reference to case docket # 1004 United States Trustee's objection to final application of Houlihan Lokey, Howard & Zukin Capital, Inc for compensation and reimbursement of expenses as debtor's financial advisor and investment banker (D.I. 859).

I have read the entire case docket in which the region 3 US Trustee Roberta DeAngelis objected to Houlihan Lokey fee payment because Houlihan was not a 'disinterested' advisor throughout the 15 month period that they were engaged advising Aventine and developing Aventines Restructuring plan. According to the case docket, Houlihan willfully failed to disclose their relationships with several hedge funds who were majority bondholders of Aventine's. These same bondholders are now receiving almost all of the new equity in Aventine, a portion of which rightfully belongs to AVR stockholders.

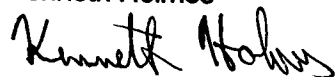
The US Trustee's objection confirms that all of Houlihan's pre bankruptcy filing 'advising', DIP financing 'advising', and the development of the terms contained in the plan or reorganization is highly suspect and tainted by Houlihan's undisclosed relationships with these hedge funds. The plan of reorganization was developed by an advisor with multiple conflicts of interest, who was not acting in the best interests of Aventine or their estate, and therefore, did not develop an unbiased plan that is fair and equitable to all stakeholders.

The entire plan of reorganization is biased to favor Houlihan's hedge fund clients by transferring almost all of the \$260 million in AVR stockholders equity to Houlihan's hedge fund clients. The plan of reorganization should be disregarded and a new plan of reorganization developed by a truly independent advisor who is 'disinterested' and will perform a fair evaluation of Aventine's business enterprise and their assets.

I agree with US Trustee's opinion that the integrity of the bankruptcy system has been harmed as well as the public confidence in the integrity of the bankruptcy system. I respectfully request that the court grant relief beyond that of a 50% reduction of Houlihan's fees and disregard the plan of reorganization.

Thank you for your time and consideration.

Kenneth Holmes



3583 Summer Drive  
Wantagh, N.Y. 11793

Copies to:

U.S. Securities and Exchange Commission  
Office of Investor Education and Advocacy - Complaints  
100 F Street, N.E.  
Washington, DC 20549-0213

Mark S. Kenney, Esq.  
Office of the United States Trustee  
844 King Street, Room 2207  
Lockbox #35  
Wilmington, DE 19801

Roberta A. DeAngelis  
Acting United States Trustee, Region 3  
833 Chestnut Street  
Suite 500  
Philadelphia, PA 19107

Executive Office for U.S. Trustees  
Criminal Enforcement Unit  
20 Massachusetts Avenue, NW  
Washington, DC 20530

Mr. Alan Maza  
U.S. Securities and Exchange Commission  
3 World Financial Center  
17th Floor  
New York, NY 10281