

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	:	Chapter 11
	:	
	:	Case No. 09-11214 (KG)
AVENTINE RENEWABLE ENERGY	:	
HOLDINGS, INC. et al.,	:	(Jointly Administered)
	:	
Debtors. ¹	:	

**NOTICE OF ORDER ESTABLISHING NOTIFICATION
PROCEDURES AND APPROVING RESTRICTIONS ON
CERTAIN TRANSFERS OF INTERESTS IN DEBTORS'
ESTATES**

**TO ALL PERSONS OR ENTITIES WITH EQUITY INTERESTS IN ANY OF
THE DEBTOR ENTITIES LISTED IN THE ATTACHED SCHEDULE A:**

PLEASE TAKE NOTICE that on April 7, 2009, the debtor entities listed in the attached Schedule A (collectively, the “Debtors”) commenced cases under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). Upon the commencement of a chapter 11 case, section 362(a) of the Bankruptcy Code operates as a stay of any act to obtain possession of property of the Debtors’ estates or of property from the Debtors’ estates or to exercise control over property of the Debtors’ estates.

PLEASE TAKE FURTHER NOTICE that on April 8 2009, the Debtors filed a motion seeking entry of an order pursuant to sections 105(a) and 362 of the Bankruptcy Code establishing notification procedures and approving restrictions on certain transfers of interests in the Debtors and their estates (the “Motion”).

PLEASE TAKE FURTHER NOTICE that on April 9, 2009, the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) having jurisdiction over these chapter 11 cases entered an order (i) finding that the Debtors’ net unrealized built in loss in their assets (“NUBIL”) and other tax assets are property of the Debtors’ estates and are protected by section 362(a) of the Bankruptcy Code; (ii) finding

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number, are: Aventine Renewable Energy Holdings, Inc. (9368), Aventine Renewable Energy, LLC (0195), Aventine Renewable Energy, Inc. (8352), Aventine Renewable Energy – Aurora West, LLC (9285), Aventine Renewable Energy – Mt Vernon, LLC (8144), Aventine Power, LLC (9343), and Nebraska Energy, L.L.C. (1872). The address for the Debtors is 120 North Parkway Drive, Pekin, Illinois 61555-1800.

that unrestricted trading of the common stock of Aventine (the “Stock”) could severely limit the Debtors’ ability to take future deductions and losses attributable to their NUBIL and to utilize their other tax assets and (iii) approving the procedures (the “Procedures”) set forth below to preserve the Debtors’ ability to take future deductions and losses attributable to their NUBIL and to utilize their other tax assets pursuant to sections 105(a) and 362(a) of the Bankruptcy Code (the “Order”).

Any sale or other transfer in violation of the Procedures set forth below shall be null and void *ab initio* as an act in violation of the automatic stay under sections 105(a) and 362 of the Bankruptcy Code.

PLEASE TAKE FURTHER NOTICE that the following procedures and restrictions have been approved by the Bankruptcy Court:

1. Notice of Substantial Equityholder Status. Any person or entity who is or becomes a Tax Owner (as defined below) of at least 2.04 million shares, which represent approximately 4.75% of the issued and outstanding Stock as of the Petition Date (a “Substantial Equityholder”) must, on or before the later of: (A) fifteen (15) days after the Effective Date or (B) ten (10) days after that person or entity becomes a Substantial Equityholder, serve on the Debtors and their attorneys a notice containing the Tax Ownership information substantially in the form of Exhibit B-1 attached hereto (a “Substantial Equityholder Notice”).

2. Restrictions and Procedures for Trading in Stock. Any Entity that, after the Effective Time,

- (i) is not a Substantial Equityholder and wishes to purchase or otherwise acquire Tax Ownership of an amount of Stock that would cause the Entity to become a Substantial Equityholder;
- (ii) is a Substantial Equityholder and wishes to purchase or otherwise acquire Tax Ownership of any additional Stock; or
- (iii) is a Substantial Equityholder and wishes to sell or otherwise dispose of Tax Ownership of any Stock,

must, prior to the consummation of any such transaction, file with the Court (at the Entity’s election, in a redacted form that does not include such Entity’s taxpayer identification number and the aggregate principal amount of Stock that such Entity beneficially owns), and serve on the Debtors, their counsel and counsel for the Creditors’ Committee (when appointed), an unredacted notice in the form attached hereto as Exhibit B-2, in the case of a proposed acquisition of Stock, or Exhibit B-3, in the case of a proposed disposition of Stock (either such notice, a “Proposed Stock Transaction Notice”). The Debtors shall consult with counsel for the Creditors’ Committee (when appointed) prior to responding to any

Proposed Stock Transaction Notice. If written approval of the proposed transaction is filed with the Court by the Debtors within fifteen (15) calendar days following the receipt of a Proposed Stock Transaction Notice, then the transaction may proceed. If written approval of the proposed transaction is not filed by the Debtors with the Court within such period, then the transaction may not be consummated unless approved by a final and nonappealable order of the Court. Further transactions within the scope of this Section 2 must be the subject of additional notices as set forth herein with additional waiting periods.

3. Confidentiality.

The Debtors, their counsel and counsel for the Creditors' Committee (when appointed) shall keep all information provided in Notices delivered pursuant to the Interim Trading Order strictly confidential and shall not disclose the contents thereof to any person (including any member of any Creditors' Committee (when appointed)), except (i) to the extent necessary to respond to a petition or objection filed with the Court, (ii) to the extent otherwise required by law, or (iii) to the extent that the information contained therein is already public; *provided, however*, that the Debtors may disclose the contents thereof to their professional financial advisers, who shall keep all such notices strictly confidential and shall not disclose the contents thereof to any other person, subject to further Court order. To the extent confidential information is necessary to respond to a petition or objection filed with the Court, such confidential information shall be filed under seal or in redacted form.

4. Sanctions for Noncompliance. Acquisitions and dispositions of Tax Ownership of Stock in violation of the restrictions and procedures set forth in Section 2 shall be void *ab initio*, and the sanction for violating Section 2 shall be reversal of the noncompliant transaction or such other (or additional) measures as the Court may consider appropriate.

5. Discretionary Waiver by Debtors. The Debtors, with the consent of the Creditors' Committee (when appointed) or pursuant to an order of the Court, may waive any sanctions, remedies or notification procedures imposed by the Interim Trading Order, *provided, however*, that any such waiver shall be filed with the Court.

6. Notice of the Interim Trading Order. Within five (5) business days of the entry of the Interim Trading Order, the Debtors shall (i) submit a notice of the entry of the Interim Trading Order (substantially in the form attached hereto as Exhibit C) for publication on the Bloomberg newswire service and the Depository Trust Company Legal Notice System (also known as LENS); (ii) post such notice together with a copy of the Interim Trading Order on the website maintained by the Debtors' noticing and claims agent; (iii) serve a notice of the entry of the Interim Trading

Order on (a) the Office of the United States Trustee, (b) the United States Securities and Exchange Commission, (c) the Office of the United States Attorney General for the District of Delaware, (d) the Internal Revenue Service, (e) the Debtors' thirty (30) largest unsecured creditors on a consolidated basis, (f) counsel to the administrative agent for the Debtors' prepetition secured lenders, (g) counsel to the administrative agent for the Debtors' proposed postpetition secured lenders, (h) the indenture trustee for the Debtors' prepetition notes, and (i) any identified Substantial Equityholders. Upon receipt of such notice, counsel for the Creditors' Committee (when appointed) shall send such notice to their respective committee members, and, if requested by the Debtors, any indenture trustees shall send such notice to all holders of more than 1.2 million shares of Stock registered with such indenture trustee or transfer agent. Any registered holder shall, in turn, provide the notice to any holder for whose account the registered holder holds more than 1.2 million shares of Stock. Any such holder shall, in turn, provide the notice to any person or entity for who the holder holds more than 1.2 million shares of Stock. Any person or entity, or broker or agent acting on such person's or entity's behalf, that sells an aggregate amount of at least 1.2 million shares of Stock (or an option with respect thereto) to another person or entity (other than pursuant to a transaction consummated on the NYSE) shall provide the notice to such purchaser or to any broker or agent acting on such purchaser's behalf.

7. Continued Compliance with Other Applicable Laws and Rules. The requirements set forth in the Interim Trading Order are in addition to the requirements of Bankruptcy Rule 3001(e) and applicable securities, corporate, and other laws, and do not excuse compliance therewith.

8. Special Rules. An Entity acquiring or disposing of Tax Ownership of Stock in the capacity of Agent of another Entity shall not be treated as a Substantial Equityholder solely to the extent acting in the capacity of Agent, and shall not have an affirmative duty to inquire whether the account, customer, investment fund, principal, trust, or beneficiary is subject to any restrictions or requirements under the Interim Trading Order; *provided, however*, that the account, customer, fund, principal, trust, or beneficiary shall not be excluded from the Interim Trading Order by reason of this subparagraph.

9. Definitions. For purposes of the Interim Trading Order, the following definitions shall apply:

“Agent” means a broker, account manager, agent, custodian, nominee, prime broker, clearinghouse, or trustee (including an Indenture Trustee but not including a trustee qualified under section 401(a) of the Internal Revenue Code).

“Bankruptcy Code” means title 11 of the United States Code.

“Creditors’ Committee” means the official committee of unsecured creditors typically appointed in these cases.

“Debtors” has the meaning given in the first paragraph hereof.

“Disclosure Statement” means a disclosure statement filed with the Court relating to a proposed plan of reorganization for the Debtors under chapter 11.

“Effective Time” means the time of effectiveness of the Interim Trading Order.

“Entity” means a person or entity for purposes of the rules under section 382 of the Internal Revenue Code.

“Internal Revenue Code” means the Internal Revenue Code of 1986, as amended.

“Interim Trading Order” means the Interim Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors’ Estates entered by the Court in connection with the above-captioned proceedings on April 9, 2009.

“Motion” has the meaning given in the first paragraph hereof.

“Notice of Presentment” has the meaning given in the first paragraph hereof.

“NUBIL” has the meaning given in the first paragraph hereof.

“Petition Date” means April 7, 2009.

“Proposed Stock Transaction Notice” has the meaning given in Section 2.

“Stock” means the common stock of Aventine Renewable Energy Holdings, Inc.

“Substantial Equityholder” means an Entity that has Tax Ownership of at least 2.04 million shares of Stock.

“Substantial Equityholder Notice” has the meaning given in Section 1.

“Tax Ownership” means beneficial ownership of Stock as determined in accordance with applicable rules under section 382 and, to the extent provided in those rules shall include, but not be limited to,

direct and indirect ownership (*e.g.*, a holding company would be considered to have Tax Ownership of all shares owned or acquired by its 100% owned subsidiaries), ownership by members of a person's family and persons acting in concert and, in certain cases, the creation or issuance of an option (in any form). Any variation of the term Tax Ownership shall have the same meaning and an "option" to acquire stock shall include any contingent purchase, warrant, convertible debt, put, stock subject to risk of forfeiture, contract to acquire stock or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

FAILURE TO FOLLOW THE PROCEDURES SET FORTH IN THIS NOTICE WILL CONSTITUTE A VIOLATION OF THE AUTOMATIC STAY PRESCRIBED BY SECTION 362 OF THE BANKRUPTCY CODE.

ANY PROHIBITED SALE, TRADE OR OTHER TRANSFER OF THE STOCK IN VIOLATION OF THE INTERIM TRADING ORDER WILL BE NULL AND VOID *AB INITIO* AND MAY LEAD TO CONTEMPT, COMPENSATORY DAMAGES, PUNITIVE DAMAGES OR SANCTIONS BEING IMPOSED BY THE BANKRUPTCY COURT.

PLEASE TAKE FURTHER NOTICE that the deadline to file an objection ("Objection") to the Motion shall be 4:00 p.m. (prevailing Eastern Time) on April 28, 2009 (the "Objection Deadline"). An Objection shall be considered timely if it is (i) filed with the Court, 824 North Market Street, Wilmington, Delaware 19801 and (ii) actually received on or before the Objection Deadline by (a) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Wilmington, DE 19801, Attn: Mark S. Kenney (by a hard copy, with all exhibits), (b) attorneys for the Debtors, Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, Delaware 19801, Attn: James L. Patton Jr. and Joel A. Waite, (c) special counsel to the Debtors, Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Michael J. Crames, Karen E. Wagner and Brian M. Resnick, (d) the attorneys for any committee of unsecured creditors then appointed in these cases, (e) the attorneys to the administrative agent for the Debtors' prepetition secured lenders, Vinson & Elkins L.L.P., Trammell Crow Center, 2001 Ross Avenue, Suite 3700, Dallas, Texas 75201, Attn: Bill Wallander and Erec Winandy, (f) the attorneys for the administrative agent to the Debtors' proposed postpetition secured lender, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036 Attn: Michael S. Stamer and Shaya Rochester, and (g) the Debtors' authorized notice agent, The Garden City Group, Inc., One South Dearborn Street, 21st Floor, Chicago, Illinois 60603, Attn: Heather L. Montgomery.

PLEASE TAKE FURTHER NOTICE that if timely objections are received there shall be a hearing held to consider the timely Objections to the Motion.

PLEASE TAKE FURTHER NOTICE that if no Objections are timely filed and served, as set forth herein, the Debtors shall, on or after the Objection Deadline, submit to the Court a final order granting the relief requested herein, which order shall be

submitted and may be entered with no further notice or opportunity to be heard afforded to any party, and the Motion shall be approved *nunc pro tunc* to the date of the commencement.

PLEASE TAKE FURTHER NOTICE that the requirements set forth in this Notice are in addition to the requirements of Rule 3001(e) of the Federal Rules of Bankruptcy Procedure and applicable securities, corporate and other laws, and do not excuse compliance therewith.

Dated: Wilmington, Delaware
April 15, 2009

YOUNG CONAWAY STARGATT &
TAYLOR, LLP

/s/ Matthew B. Lunn

James L. Patton, Jr. (No. 2202)
Joel A. Waite (No. 2925)
Matthew B. Lunn (No. 4119)
The Brandywine Building
1000 West Street, 17th Floor
Wilmington, DE 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253

- and -

Michael J. Cramers
Karen E. Wagner
Brian M. Resnick
DAVIS POLK & WARDWELL
450 Lexington Avenue
New York, New York 10017
Telephone: (212) 450-4000
Facsimile: (212) 701-6001

*Proposed Counsel to the Debtors
and Debtors in Possession*

Exhibit B-1

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: : **Chapter 11**
: :
: **Case No. 09-11214 (KG)**
AVENTINE RENEWABLE ENERGY :
HOLDINGS, INC. et al., : **(Jointly Administered)**
: :
Debtors.¹ :
: :

SUBSTANTIAL EQUITYHOLDER NOTICE

PLEASE TAKE NOTICE that, as of _____, 200[],
[Name] has Tax Ownership² of _____ shares of the common stock of
Aventine Renewable Energy Holdings, Inc. (the "Stock").

PLEASE TAKE FURTHER NOTICE that pursuant to the Order
Establishing Notification Procedures and Approving Restrictions on Certain Transfers of
Interests in the Debtors' Estates, this Notice is being served upon (i) Aventine Renewable
Energy Holdings, Inc., (ii) Young Conaway Stargatt & Taylor, LLP, The Brandywine
Building, 1000 West Street, 17th Floor, Wilmington, Delaware 19801, Attn: James L.
Patton Jr. and Joel A. Waite, and (iii) Davis Polk & Wardwell, 450 Lexington Avenue,
New York, New York 10017, Attn: Attn: Michael J. Crames, Karen E. Wagner and Brian
M. Resnick.

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number, are: Aventine Renewable Energy Holdings, Inc. (9368), Aventine Renewable Energy, LLC (0195), Aventine Renewable Energy, Inc. (8352), Aventine Renewable Energy – Aurora West, LLC (9285), Aventine Renewable Energy – Mt Vernon, LLC (8144), Aventine Power, LLC (9343), and Nebraska Energy, L.L.C. (1872). The address for the Debtors is 120 North Parkway, Pekin, Illinois 61555-1800.

² Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to it in the Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors' Estates dated April 9, 2009.

This notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

Respectfully submitted,

[Name]

[Address]

[Telephone]

[Facsimile]

Dated: [city, state]

_____, 200[]

Exhibit B-2

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: : **Chapter 11**
:
: **Case No. 09-11214 (KG)**
AVENTINE RENEWABLE ENERGY :
HOLDINGS, INC. et al., : **(Jointly Administered)**
:
Debtors.¹ :
:

**NOTICE OF INTENT TO PURCHASE, ACQUIRE OR OTHERWISE
OBTAIN TAX OWNERSHIP OF STOCK**

PLEASE TAKE NOTICE that [Name] intends to purchase, acquire or otherwise obtain Tax Ownership² of _____ shares of the common stock of Aventine Renewable Energy Holdings, Inc. (the “Proposed Transaction” and the “Stock”, respectively).

PLEASE TAKE FURTHER NOTICE that, prior to giving effect to the Proposed Transaction, [Name] has Tax Ownership of _____ shares of the Stock.

PLEASE TAKE FURTHER NOTICE that, after giving effect to the Proposed Transaction, [Name] would have Tax Ownership of _____ shares of the Stock.

PLEASE TAKE FURTHER NOTICE that this Notice is being served upon (i) Aventine Renewable Energy Holdings, Inc., (ii) Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, Delaware 19801, Attn: James L. Patton Jr. and Joel A. Waite, and (iii) Davis Polk &

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² Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to it in the Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors’ Estates dated April 9, 2009.

Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Attn: Michael J. Cames, Karen E. Wagner and Brian M. Resnick.

[Name] further acknowledges and agrees that (i) if the Debtors do not provide written approval of the Proposed Transaction within fifteen (15) calendar days of the date of this notice, the Proposed Transaction may not be consummated unless approved by a final and nonappealable order of the Court (ii) any transaction purportedly consummated in violation of the Order will be void *ab initio* and will result in the imposition of sanctions as provided in the Order, and (iii) any further transactions contemplated by [Name] that may result in [Name] purchasing, acquiring or otherwise obtaining Tax Ownership of additional Stock will each require an additional notice be filed with the Bankruptcy Court and served in the same manner as this Notice.

This notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

Respectfully submitted,

[Name]

[Address]
[Telephone]
[Facsimile]

Dated: [city, state]
_____, 200[]

Exhibit B-3

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: : **Chapter 11**
: :
: **Case No. 09-11214 (KG)**
AVENTINE RENEWABLE ENERGY :
HOLDINGS, INC. et al., : **(Jointly Administered)**
: :
Debtors.¹ :
: :

**NOTICE OF INTENT TO SELL, EXCHANGE OR OTHERWISE
DISPOSE OF TAX OWNERSHIP OF STOCK**

PLEASE TAKE NOTICE that [Name] intends to sell, exchange or otherwise dispose of Tax Ownership² of _____ shares of the common stock of Aventine Renewable Energy Holdings, Inc. (the “Proposed Transaction” and the “Stock,” respectively).

PLEASE TAKE FURTHER NOTICE that, before giving effect to the Proposed Transaction, [Name] has Tax Ownership of _____ shares of the Stock.

PLEASE TAKE FURTHER NOTICE that, after giving effect to the Proposed Transaction, [Name] would have Tax Ownership of _____ shares of the Stock.

PLEASE TAKE FURTHER NOTICE that this Notice is being served upon (i) Aventine Renewable Energy Holdings, Inc., (ii) Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, Delaware 19801, Attn: James L. Patton Jr. and Joel A. Waite, and (iii) Davis Polk &

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² Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to it in the Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors’ Estates dated April 9, 2009.

Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Attn: Michael J. Cames, Karen E. Wagner and Brian M. Resnick.

[Name] further acknowledges and agrees that (i) if the Debtors do not provide written approval of the Proposed Transaction within fifteen (15) calendar days of the date of this notice, the Proposed Transaction may not be consummated unless approved by a final and nonappealable order of the Court (ii) any transaction purportedly consummated in violation of the Order will be void *ab initio* and will result in the imposition of sanctions as provided in the Order, and (iii) any further transactions contemplated by [Name] that may result in [Name] selling, exchanging or otherwise disposing of Tax Ownership of additional Stock will each require an additional notice be filed with the Court to be served in the same manner as this notice.

This notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

Respectfully submitted,

[Name]

[Address]
[Telephone]
[Facsimile]

Dated: [city, state]
_____, 200[]

EXHIBIT C

PUBLICATION NOTICE

Court Enters Order Restricting Trading in Equity of Aventine Renewable Energy Holdings, Inc. and affiliates.

The United States Bankruptcy Court for the District of Delaware has entered an order that imposes substantial restrictions on trading in equity interests in Aventine Renewable Energy Holdings, Inc. and affiliates. A copy of the order may be found at the following internet address: <http://www.aventineinfo.com>; questions regarding the order may be directed to representatives of the debtors at the following telephone number: Davis Polk & Wardwell (Attn: Michael J. Crammes or Michael Mollerus), (212) 450-4000. The case number for the bankruptcy action is 09-11214 (KG).