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

FORM 8-K

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

Date of Report (Date of earliest event reported) **June 30, 2015**

PACIFIC ETHANOL, INC.

(Exact name of registrant as specified in its charter)

Delaware	**000-21467**	**41-2170618**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

400 Capitol Mall, Suite 2060, Sacramento, CA	**95814**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(916) 403-2123**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

Wells Amendment

On July 1, 2015, Kinergy Marketing LLC and Pacific Ag. Products, LLC (collectively, "Borrowers"), each a wholly-owned subsidiary of Pacific Ethanol, Inc. (the "Company"), entered into Amendment No. 3 to Amended and Restated Loan and Security Agreement with Wells Fargo Capital Finance, LLC, in its capacity as agent for the lenders under the credit facility, to amend certain terms of the Borrowers' credit facility (the "Wells Amendment").

The Wells Amendment amends an Amended and Restated Loan and Security Agreement dated as of May 4, 2012, by and among Wells Fargo Capital Finance, LLC in its capacity as agent for the lenders, the lenders thereunder, and the Borrowers (as amended, the "Wells Loan Agreement"). Descriptions of the Wells Loan Agreement, and its prior amendments and related agreements, are incorporated by reference below under the Prior Wells Agreements heading.

The Wells Amendment extended the term and maturity date of the credit facility from December 31, 2016 to December 31, 2020, increased the maximum credit under the credit facility from $30.0 million to $75.0 million, increased the inventory loan limit under the credit facility from $12.5 million to $40.0 million and increased the letter of credit limit under the credit facility from $5.0 million to $20.0 million. The Wells Amendment also includes an "accordion" feature to further increase the maximum credit under the credit facility to up to $100.0 million in minimum increments of $5.0 million each, upon the Borrowers' request, but subject to the consent of the agent and the lenders in their sole discretion.

The Wells Amendment reduced the interest rate under the credit facility such that the Borrowers may borrow under the credit facility at an annual rate equal to (a) the daily three-month London Interbank Offered Rate (LIBOR), plus (b) an applicable margin of 1.75% to 2.75% depending on the quarterly average amounts available for additional borrowings under the credit facility for the prior quarter. The applicable margin resets each quarter for all outstanding loans and applies initially to all additional borrowings during that quarter. In addition, the Wells Amendment reduced the unused line fee under the credit facility such that the Borrowers are required to pay an unused line fee at an annual rate equal to 0.25% to 0.375% depending on the average daily principal balance during the immediately preceding month.

The Wells Amendment deleted the financial covenant concerning the Borrowers' earnings before interest, taxes, depreciation and amortization (EBITDA) but retained financial covenants concerning the Borrowers' fixed-charge coverage ratios.

The Wells Amendment contains customary representations and warranties and other customary terms and conditions.

The description of the Wells Amendment does not purport to be complete and is qualified in its entirety by reference to the Wells Amendment, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

Prior Wells Agreements

Amended and Restated Loan and Security Agreement dated May 4, 2012 by and among Kinergy Marketing LLC, Pacific Ag. Products, LLC, the parties thereto from time to time as Lenders, Wells Fargo Bank, National Association, and Wells Fargo Capital Finance, LLC

Amended and Restated Guarantee dated May 4, 2012 by Pacific Ethanol, Inc. in favor of Wells Fargo Capital Finance, LLC for and on behalf of Lenders

Amendment No. 1 to Amended and Restated Loan and Security Agreement dated December 4, 2013 by and among Kinergy Marketing LLC, Pacific Ag. Products, LLC, the parties thereto from time to time as Lenders, Wells Fargo Bank, National Association, and Wells Fargo Capital Finance, LLC

Amendment No. 2 to Amended and Restated Loan and Security Agreement dated December 29, 2014 by and among Kinergy Marketing LLC, Pacific Ag. Products, LLC, the parties thereto from time to time as Lenders, Wells Fargo Bank, National Association, and Wells Fargo Capital Finance, LLC

Descriptions of the Wells Loan Agreement and the Amended and Restated Guarantee identified above are set forth in the Company's Current Report on Form 8-K for May 4, 2012 filed with the Securities and Exchange Commission on May 8, 2012 and such descriptions are incorporated herein by this reference. Amendment Nos. 1 and 2 to Amended and Restated Loan and Security Agreement referenced above included amendments to the Wells Loan Agreement deemed not material but are filed for reference purposes as exhibits 10.3 and 10.2, respectively, to this Current Report on Form 8-K.

Item 1.02 Termination of a Material Definitive Agreement.

On July 1, 2015, the Company repaid, on behalf of Aventine Renewable Energy Holdings, Inc. ("Aventine"), approximately $14.5 million, including approximately $0.7 million in termination fees, representing all amounts owed under that certain Loan and Security Agreement dated September 17, 2014 by and among Aventine, the lenders party thereto, Midcap Financial, LLC, as collateral agent, and Alostar Bank of Commerce, as administrative agent (the "Alostar Loan Agreement"), and terminated the Alostar Loan Agreement. The Company repaid all amounts owed under and terminated the Alostar Agreement in furtherance of its debt refinancing initiatives and in connection with the Wells Amendment described above.

Item 2.01 Completion of Acquisition or Disposition of Assets.

On July 1, 2015, the Company, AVR Merger Sub, Inc., a wholly-owned subsidiary of the Company ("Merger Sub"), and Aventine, consummated the merger of the Merger Sub with and into Aventine (the "Merger") pursuant to the terms of that certain Agreement and Plan of Merger dated as of December 30, 2014 by and among the Company, Merger Sub and Aventine (the "Merger Agreement"), as amended by Amendment No. 1 to Agreement and Plan of Merger dated as of March 31, 2015 by and among the Company, Merger Sub and Aventine (the "Amendment"). Aventine will continue as the surviving corporation of the Merger and as a wholly-owned subsidiary of the Company.

In connection with the Merger, each issued and outstanding share of Aventine common stock as of July 1, 2015, the effective date of the Merger, was automatically cancelled and converted into the right to receive consideration equal to (i) 1.25 shares of the Company's non-voting common stock, $0.001 par value per share ("Non-Voting Company Common Stock") plus cash in lieu of fractional shares, for each issued and outstanding share of Aventine's common stock, (ii) 1.25 shares of the Company's common stock, $0.001 par value per share ("Company Common Stock") plus cash in lieu of fractional shares, for each issued and outstanding share of Aventine's common stock, or (iii) a combination of Non-Voting Company Common Stock and Company Common Stock converted in accordance with the Exchange Ratio (defined as 1.25 in the Merger Agreement), in each case at the election or deemed election of each Aventine stockholder.

Pursuant to the Merger Agreement and the elections or deemed elections of the Aventine stockholders, the Company has issued approximately 14.2 million shares of Company Common Stock and approximately 3.6 million shares of Non-Voting Company Common Stock to the Aventine stockholders. No fractional shares of Company Common Stock have been or will be issued in the Merger, and Aventine stockholders will receive cash in lieu of fractional shares, if any, of Company Common Stock. The Merger is intended to qualify as a tax-free reorganization under Section 368(a) of the Internal Revenue Code of 1986, as amended. The consideration for and the other terms and conditions of the Merger were determined by arms-length negotiations among the Company, Merger Sub and Aventine.

Aventine is a Midwest-based producer of ethanol and related co-products. Aventine's ethanol production assets include its 100 million gallon per year wet mill and 60 million gallon per year dry mill located in Pekin, Illinois, and its 110 million gallon per year and 45 million gallon per year dry mills located in Aurora, Nebraska. Combined with the Company's current ethanol production capacity of 200 million gallons per year, the combined company will have a total ethanol production capacity of 515 million gallons per year, and together with the Company's existing marketing business, expects to market and sell over 800 million gallons of ethanol annually based on historical volumes.

The foregoing description of the Merger Agreement is only a summary, does not purport to be complete, and is qualified in its entirety by reference to the full text of the Merger Agreement attached as Exhibit 2.1 to the Current Report on Form 8-K filed by the Company on December 31, 2014, and the Amendment attached as Exhibit 2.1 to the Current Report on Form 8-K filed by the Company on April 2, 2015, which are incorporated herein by reference in their entireties.

The Company issued a press release on July 1, 2015 regarding the closing of the Merger, a copy of which is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The Merger Agreement and the Amendment have been included as exhibits to provide investors with information regarding their terms. Neither the Merger Agreement nor the Amendment are intended to provide any other factual information about the Company or Aventine. The representations, warranties and covenants contained in the Merger Agreement (as amended) were made solely for the purposes of the Merger Agreement (as amended) and the benefit of the parties to the Merger Agreement and may be subject to limitations agreed upon by the contracting parties. Certain of the representations and warranties have been made for the purposes of allocating contractual risk between the parties to the agreement instead of establishing these matters as facts. Investors are not third-party beneficiaries under the Merger Agreement. In addition, the representations and warranties contained in the Merger Agreement (i) were made only as of the dates specified in the Merger Agreement, and (ii) in some cases are subject to qualifications with respect to materiality, knowledge and/or other matters, including standards of materiality applicable to the contracting parties that differ from those applicable to investors. Moreover, information concerning the subject matter of the representations and warranties may have changed after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in the Company's public disclosures. Accordingly, investors should not rely on the representations and warranties as characterizations of the actual state of facts or condition of the Company or Aventine or any of their respective subsidiaries or affiliates.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

Amendment to Credit Facility

On July 1, 2015, pursuant to the Wells Amendment, the Borrowers increased the maximum available credit under the Wells Loan Agreement described above by entering into the Wells Amendment. The Company's guarantee of the Borrowers' obligations under the Wells Loan Agreement, as amended by the Wells Amendment, continues as to the full amount of the increased obligations under the Wells Loan Agreement, as amended. The disclosure contained above under Item 1.01 is incorporated herein by reference.

Aventine Indebtedness

On July 1, 2015, upon effectiveness of the Merger, Aventine became a wholly-owned subsidiary of the Company and, on a consolidated basis, the combined company became obligated with respect to Aventine's term loan and revolving credit facilities. Aventine's creditors under Aventine's term loan and revolving credit facilities have recourse solely against Aventine and its subsidiaries and not against Pacific Ethanol, Inc. or its other direct or indirect subsidiaries.

As of July 1, 2015, Aventine's term loan credit facility with Citibank N.A., as administrative and collateral agent (as amended, the "Term Loan Facility"), had an outstanding balance of approximately $145.6 million.

Interest on the Term Loan Facility accrues and may be paid in cash at a rate of 10.5% per annum or may be paid in-kind at a rate of 15.0% per annum by adding such interest to the outstanding principal balance. If Aventine elects to pay interest in-kind, the interest is capitalized at the end of each quarter. The Term Loan Facility matures on September 24, 2017. The Term Loan Facility is secured through a first-priority lien on substantially all of Aventine's assets and contains customary affirmative and negative covenants, including financial covenants including the requirement that Aventine maintain a cash balance of at least $2.0 million.

As of July 1, 2015, Aventine's revolving line of credit (the "Revolving Facility") under the Alostar Loan Agreement had a maximum availability of $40.0 million and an outstanding balance of approximately $13.8 million.

Interest on the Revolving Facility accrued at a rate equal to the London Interbank Offered Rate (LIBOR), plus 6% per annum. The Revolving Facility also accrued a monthly unused line fee of 0.50% of the amount by which the maximum available credit under the Revolving Facility exceeded the average daily balance. The Revolving Facility was to mature on July 27, 2017. The Revolving Facility was secured through a lien on Aventine's accounts receivable and inventory and a second-priority lien on substantially all of Aventine's assets. The Revolving Facility contained customary affirmative and negative covenants, including financial covenants including the requirement that Aventine maintain a cash balance of at least $5.0 million and a fixed-charge coverage ratio of at least 1.1 to 1.0.

As disclosed under Item 1.02 above, on July 1, 2015, the Company repaid, on behalf of Aventine, approximately $14.5 million, including approximately $0.7 million in termination fees, representing all amounts owed under the Revolving Facility, and terminated the Alostar Loan Agreement.

Item 4.01 Changes in Registrant's Certifying Accountant.

On June 30, 2015, the Audit Committee of the Board of Directors of the Company approved the dismissal of the Company's independent registered public accounting firm, Hein & Associates LLP ("Hein"), and agreed to engage McGladrey LLP ("McGladrey") as the new independent registered public accounting firm of the Company and its subsidiaries for the fiscal year ending December 31, 2015. The dismissal and appointment was a result of a comprehensive competitive bidding process involving several accounting firms, including Hein.

The audit reports of Hein on the consolidated financial statements of the Company as of and for the fiscal years ended December 31, 2014 and 2013, did not contain any adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope or accounting principles. During the Company's two most recent fiscal years ended December 31, 2014 and 2013, and the subsequent interim period through June 30, 2015, the date of Hein's dismissal, there were no (i) disagreements between the Company and Hein on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure (within the meaning of Item 304(a)(1)(iv) of Regulation S-K), which disagreements, if not resolved to the satisfaction of Hein, would have caused Hein to make reference to the subject matter of the disagreement in connection with its report for such years, or (ii) "reportable events" (as defined by Item 304(a)(1)(v) of Regulation S-K). The Company has provided Hein with a copy of this Current Report on Form 8-K and requested that Hein furnish it with a letter addressed to the Securities and Exchange Commission stating whether or not Hein agrees with the above statements. A copy of Hein's letter, dated July 6, 2015, is attached as Exhibit 16.1 to this Current Report on Form 8-K.

During the Company's two most recent fiscal years ended December 31, 2014 and 2013, and the subsequent interim period through July 1, 2015, the date of the Company's decision to engage McGladrey, the Company did not consult with McGladrey regarding any of the matters or events set forth in Item 304(a)(2)(i) or 304(a)(2)(ii) of Regulation S-K.

Item 5.05 Amendments to the Registrant's Code of Ethics, or Waiver of a Provision of the Code of Ethics.

Effective July 1, 2015, the Company amended its Code of Ethics applicable to all directors, officers, employees and consultants of the Company to harmonize the terms of its Code of Ethics with the gifts and entertainment provisions of Aventine's Code of Ethics. The amendment clarifies the circumstances in which gifts and entertainment may be accepted by the persons covered by the Code of Ethics, and imposes value and other limitations on gifts and entertainment.

A copy of the amended Code of Ethics, effective July 1, 2015, is attached as Exhibit 14.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(a) *Financial Statements of Businesses Acquired*.

The financial information required by this item with respect to the Merger will be filed as soon as practicable, and in any event not later than 71 days after the date on which this Current Report on Form 8-K is required to be filed pursuant to Item 2.01.

(b) *Pro Forma Financial Information*.

The pro forma financial information required by this item with respect to the Merger will be filed as soon as practicable, and in any event not later than 71 days after the date on which this Current Report on Form 8-K is required to be filed pursuant to Item 2.01.

(d) *Exhibits*.

Number	Description (#)
2.1	Agreement and Plan of Merger dated December 30, 2014 by and among Pacific Ethanol, Inc., Aventine Renewable Energy Holdings, Inc. and AVR Merger Sub, Inc. (1)
2.2	Amendment No. 1 to Agreement and Plan of Merger dated March 31, 2015 by and among Pacific Ethanol, Inc., Aventine Renewable Energy Holdings, Inc. and AVR Merger Sub, Inc. (2)
10.1	Amendment No. 3 to Amended and Restated Loan and Security Agreement dated July 1, 2015 by and among Kinergy Marketing LLC, Pacific Ag. Products, LLC and Wells Fargo Capital Finance, LLC (*)
10.2	Amendment No. 2 to Amended and Restated Loan and Security Agreement dated December 29, 2014 by and among Kinergy Marketing LLC, Pacific Ag. Products, LLC and Wells Fargo Capital Finance, LLC (*)
10.3	Amendment No. 1 to Amended and Restated Loan and Security Agreement dated December 4, 2013 by and among Kinergy Marketing LLC, Pacific Ag. Products, LLC and Wells Fargo Capital Finance, LLC (*)
14.1	Code of Ethics effective July 1, 2015 (*)
16.1	Letter of Hein & Associates LLP dated July 6, 2015 (*)
99.1	Press Release dated July 1, 2015 (*)

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(*) Filed herewith.

(#) All of the agreements filed as exhibits to this report contain representations and warranties made by the parties thereto. The assertions embodied in such representations and warranties are not necessarily assertions of fact, but a mechanism for the parties to allocate risk. Accordingly, investors should not rely on the representations and warranties as characterizations of the actual state of facts or for any other purpose at the time they were made or otherwise.

(1) Previously filed as Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 31, 2014 and incorporated herein by reference. The Agreement and Plan of Merger filed as Exhibit 2.1 omits certain exhibits and the disclosure schedules to the Merger Agreement pursuant to Item 601(b)(2) of Regulation S-K promulgated by the Securities and Exchange Commission. The Company agrees to furnish on a supplemental basis a copy of the omitted exhibits and schedules to the Securities and Exchange Commission upon request.

(2) Previously filed as Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on April 2, 2015 and incorporated herein by reference.

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 hereunto duly authorized.

PACIFIC ETHANOL, INC.

Date: July 6, 2015

By: /S/ CHRISTOPHER W. WRIGHT
Christopher W. Wright,
Vice President, General Counsel & Secretary

EXHIBITS FILED WITH THIS REPORT

Number	Description
10.1	Amendment No. 3 to Amended and Restated Loan and Security Agreement dated July 1, 2015 by and among Kinergy Marketing LLC, Pacific Ag. Products, LLC and Wells Fargo Capital Finance, LLC
10.2	Amendment No. 2 to Amended and Restated Loan and Security Agreement dated December 29, 2014 by and among Kinergy Marketing LLC, Pacific Ag. Products, LLC and Wells Fargo Capital Finance, LLC
10.3	Amendment No. 1 to Amended and Restated Loan and Security Agreement dated December 4, 2013 by and among Kinergy Marketing LLC, Pacific Ag. Products, LLC and Wells Fargo Capital Finance, LLC
14.1	Code of Ethics effective July 1, 2015
16.1	Letter of Hein & Associates LLP dated July 6, 2015
99.1	Press Release dated July 1, 2015

Exhibit 10.1

AMENDMENT NO. 3
TO
AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

This AMENDMENT NO. 3 TO AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT (this "**Amendment**") is entered into as of July 1, 2015, by and among WELLS FARGO CAPITAL FINANCE, LLC, in its capacity as agent (in such capacity, "**Agent**") for the Lenders (as defined in the Loan Agreement referred to below), KINERGY MARKETING LLC ("**Kinergy**"), and PACIFIC AG. PRODUCTS, LLC ("**Pacific Ag**" and together with Kinergy, each individually, a "**Borrower**" and collectively, the "**Borrowers**").

WHEREAS, Borrowers, Agent and Lenders have entered into certain financing arrangements as set forth in (a) the Amended and Restated Loan and Security Agreement, dated as of May 4, 2012, by and among Agent, Lenders and Borrowers (as amended, restated, renewed, extended, supplemented, substituted and otherwise modified from time to time, the "**Loan Agreement**") and (b) the Financing Agreements (as defined in the Loan Agreement); and

WHEREAS, Parent desires to acquire Aventine Renewable Energy Holdings, Inc. as a Subsidiary (as defined in the Loan Agreement) of Parent pursuant to that certain Agreement and Plan of Merger, dated December 30, 2014, among Parent, AVR Merger Sub, Inc. and Aventine Renewable Energy Holdings, Inc. (the "**Acquisition**");

WHEREAS, Borrowers, Agent and Lenders have agreed to amend and modify certain provisions of Loan Agreement, subject to the terms and conditions of this Amendment.

NOW, THEREFORE, upon the mutual agreements and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions.

(a) Additional Definitions. The Loan Agreement is hereby amended to add the following new definition thereto:

""Amendment No. 3" shall mean Amendment No. 3 to Amended and Restated Loan and Security Agreement, dated as of July 1, 2015."

""Applicable Inventory Advance Rate" shall mean:

(i) with respect to Inventory consisting of commodities for which mark to market pricing is published or reported by the Los Angeles Oil Price Information Service (commonly known as OPIS) and/or the Chicago Board of Trade (commonly known as CBOT), seventy percent (70%); *provided that*, upon the receipt by Agent of an acceptable Borrower Requested Appraisal (or Agent initiated appraisal) of such Inventory in accordance with Section 7.3(d) herein, such rate shall be seventy-five percent (75%).

(ii) with respect to all other Inventory, seventy percent (70%)."

““Aventine Acquired Inventory” means Inventory purchased or acquired by Borrowers from an Aventine Affiliate.

““Aventine Affiliates” mean, collectively, (a) Pacific Ethanol Central, LLC (f/k/a Aventine Renewal Energy Holdings, Inc.), (b) Aventine Renewable Energy – Aurora West, LLC, (c) Aventine Renewable Energy, Inc., (d) Aventine Renewable Energy – Mt Vernon, LLC, (e) Aventine Renewable Energy - Canton, LLC, (f) Nebraska Energy, L.L.C., and (g) Aventine Power, LLC, in each instance, together with its successors and assigns.”

““Aventine Revolving Agent” shall mean, collectively, the “Administrative Agent” (or agent with a similar title acting in the capacity of an “administrative agent” under the Aventine Revolving Loan Agreement) and “Collateral Agent” (or agent with a similar title acting in the capacity of an “collateral agent” under the Aventine Revolving Loan Agreement).”

““Aventine Term Agent” shall mean the “Administrative Agent” (or agent with a similar title acting in the capacity of an “administrative agent” under the Aventine Term Loan Agreement; provided, that, if the then effective Aventine Term Loan Agreement shall not include or provide for an agent, then the Aventine Term Agent shall mean the lenders from time to time party thereto.”

““Aventine Lenders” shall mean each of (a) the financial institutions from time to time party to any Aventine Revolving Loan Agreement as lenders or the agent acting on behalf of such financial institutions pursuant to such Aventine Revolving Loan Agreement and (b) the financial institutions from time to time party to any Aventine Term Loan Agreement as lenders or the agent acting on behalf of such financial institutions pursuant to such Aventine Term Loan Agreement”

““Aventine Revolving Loan Agreement” shall mean, collectively, (a) the Loan and Security Agreement, dated as of September 17, 2014, by and among the financial institutions from time to time party thereto as lenders, Alostar Bank of Commerce in its capacity as agent for such financial institutions, and certain Aventine Affiliates and (b) any successor agreement executed by the Aventine Affiliates to refinance or replace such Loan and Security Agreement or any successor agreement, in each case, as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced.”

““Aventine Term Loan Agreement” shall mean, collectively, (a) the Amended and Restated Senior Secured Term Loan Credit Agreement, dated as of September 24, 2012, by and among the financial institutions from time to time party thereto as lenders, Citibank, N.A., in its capacity as agent for such financial institutions, and ARE Holdings and (b) any successor agreement executed by any Aventine Affiliate to refinance or replace such Term Loan Credit Agreement or any successor agreement, in each case, as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced.”

""Increased Reporting Period" means (a) the period beginning on the first date on which the Excess Availability for the immediately preceding ninety (90) calendar days shall have been less than twenty-five percent (25%) of the Maximum Credit and ending on the date on which the Excess Availability for the immediately preceding ninety (90) calendar days shall have been greater than or equal to twenty-five percent (25%) of the Maximum Credit or (b) the period during which a Default or Event of Default shall have occurred and be continuing."

""Marketing Agreements" shall mean each of the Ethanol Marketing Agreements, dated on or about the date of Amendment No. 3, by and among one or more Borrowers and one or more Aventine Affiliates, as amended, and such other marketing agreements that may be approved by Agent from time to time in its reasonable discretion."

""Special Eligibility Conditions" means, as of any date of determination, that Agent has received one or more agreements or consents, in form and substance reasonably satisfactory to Agent, (i) executed by the Aventine Term Agent as of such date of determination and, if an Aventine Revolving Loan Agreement shall then be in effect, the Aventine Revolving Agent as of such date of determination, and providing for the consent of such Aventine Lenders whose consent is required to (A) the sale by any Aventine Affiliates to any Borrower of Aventine Acquired Inventory pursuant to a Marketing Agreement, and (B) the transactions set forth in the Marketing Agreements, (ii) executed by the Aventine Term Agent as of such date of determination and, if an Aventine Revolving Loan Agreement shall then be in effect, the Aventine Revolving Agent as of such date of determination, and providing for the release of all liens and security interests of the Aventine Lenders on the Aventine Acquired Inventory, and (iii) with respect to any Aventine Term Loan Agreement described in clause (b) of the definition thereof, the grant by the Aventine Term Agent as of such date of determination to Agent of the same right of access and license as is granted pursuant to Section 3.07 of the Term Loan Intercreditor Agreement as in effect immediately prior the effective date of Amendment No. 3."

""Term Loan Intercreditor Agreement" shall mean the Third Amended and Restated Intercreditor Agreement, dated September 17, 2014, by and among the Aventine Lenders, as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced."

(b) Interpretation. Capitalized terms used and not defined in this Amendment shall have the respective meanings given them in the Loan Agreement.

2. Consent. To the extent their consent may be necessary or required under the Loan Agreement or the other Financing Agreement, Agent and Lenders hereby consent to the Acquisition.

3. Amendments.

(a) Liquidity Period. The definition of Liquidity Period set forth in the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

" "Liquidity Period" means (a) the period beginning on the first date on which the Excess Availability for the immediately preceding ninety (90) calendar days shall have been less than thirty percent (30%) of the Maximum Credit and ending on the date on which the Excess Availability for the immediately preceding ninety (90) calendar days shall have been greater than or equal to thirty percent (30%) of the Maximum Credit or (b) the period during which a Default or Event of Default shall have occurred and be continuing."

(b) Applicable Margin. Section 1.6 of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"Applicable Margin" shall mean:

(a) Subject to clause (b) below, at any time, as to the Interest Rate for all Loans, the applicable percentage (on a per annum basis) set forth below if the Quarterly Average Excess Availability is at or within the amounts indicated for such percentage:

Tier	Quarterly Average Excess Availability	Applicable Margin
1	Greater than an amount equal to 25% of the Maximum Credit	1.75%
2	Less than or equal to an amount equal to 25% of the Maximum Credit and greater than an amount equal to 10% of the Maximum Credit	2.25%
3	Less than or equal to an amount equal to 10% of the Maximum Credit	2.75%

(b) Notwithstanding anything to the contrary set forth above, (i) the Applicable Margin shall be calculated and established (A) on the date hereof with respect to the current calendar quarter, based on the Quarterly Average Excess Availability for the immediately preceding calendar quarter, and (B) once each calendar quarter subsequent to the current calendar quarter based upon the Quarterly Average Excess Availability for such calendar quarter and shall remain in effect until adjusted thereafter after the end of such calendar quarter, and (ii) each adjustment of the Applicable Margin shall be effective as of the first day of a calendar quarter based on the Quarterly Average Excess Availability for the immediately preceding calendar quarter. In the event that at any time after the end of a calendar quarter the Quarterly Average Excess Availability for such calendar quarter used for the determination of the Applicable Margin was less than the actual amount of the Quarterly Average Excess Availability for such calendar quarter, the Applicable Margin for such prior calendar quarter shall be adjusted to the applicable percentage based on such actual Quarterly Average Excess Availability and any additional interest for the applicable period as a result of such recalculation shall be promptly paid to Agent. In the event that the Quarterly Average Excess Availability for such calendar quarter used for the determination of the Applicable Margin was greater than the actual amount of the Quarterly Average Excess Availability, the Applicable Margin for such prior calendar quarter shall be adjusted to the applicable percentage based on such actual Quarterly Average Excess Availability and any reduction in interest for the applicable period as a result of such recalculation shall be promptly credited to the loan account of Borrowers; provided, that, the basis for the Quarterly Average Excess Availability for purposes of the determination of the Applicable Margin having been less than the actual Quarterly Average Excess Availability is not as a result of information provided by Borrowers to Agent. The foregoing shall not be construed to limit the rights of Agent or Lenders with respect to the amount of interest payable after a Default or Event of Default whether based on such recalculated percentage or otherwise."

(c) Borrowing Base. Section 1.13 of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"1.13 "Borrowing Base" means, at any time, the amount equal to:

(a) the sum of:

(i) eighty-five percent (85%) of the Eligible Accounts of Borrowers; plus

(ii) the lesser of (A) the Inventory Loan Limit, (B) the Applicable Inventory Advance Rate multiplied by the Value of the Eligible Inventory and Eligible-In-Transit Inventory of Borrowers, or (C) eighty-five percent (85%) of the Net Recovery Percentage multiplied by the Value of Eligible Inventory and Eligible In-Transit Inventory of Borrowers; minus

(b) Reserves.

For purposes only of applying the Inventory Loan Limit, Agent may treat the then undrawn amounts of outstanding Letters of Credit for the purpose of purchasing Eligible Inventory as Revolving Loans to the extent Agent is in effect basing the issuance of the Letter of Credit on the Value of the Eligible Inventory being purchased with such Letter of Credit. In determining the actual amounts of such Letter of Credit to be so treated for purposes of the sublimit, the outstanding Revolving Loans and Reserves shall be attributed first to any components of the lending formulas set forth above that are not subject to such sublimit, before being attributed to the components of the lending formulas subject to such sublimit. The amounts of Eligible Inventory of any Borrower shall, at Agent's option, be determined based on the lesser of the amount of Inventory set forth in the general ledger of such Borrower or the perpetual inventory record maintained by such Borrower."

(d) Concentration Limits. Subsections (i) and (ii) of Section 1.33(m) of the Loan Agreement are hereby deleted in their entirety and the following substituted therefor:

"(i) the aggregate amount of such Accounts owing by a single account debtor (other than Royal Dutch Shell plc, Idemitsu Apollo Corporation, Maverik, Inc., Valero Energy Corporation, Tesoro Corporation, ConocoPhillips Company, Chevron Corporation and Vitol, Inc.) do not constitute more than twenty (20%) percent of the aggregate amount of all otherwise Eligible Accounts, (ii) the aggregate amount of such Accounts owing by any of Sinclair, Idemitsu Apollo Corporation, Maverik, Inc. or Vitol, Inc. do not, in each case, constitute more than twenty-five (25%) percent of the aggregate amount of all otherwise Eligible Accounts,"

(e) Eligible Accounts. Section 1.33 of the Loan Agreement is hereby amended to (i) delete the period appearing at the end of clause (q) thereof and substitute "; and" therefor and (ii) add the following new clauses (r) and (s) at the end thereof:

"(r) such Accounts are not owed by an account debtor who has fifty percent (50%) or more of its aggregate Accounts ineligible under clauses (b) or (n) of this definition; and

(s) such Accounts do not arise from the sale of Aventine Acquired Inventory unless the Special Eligibility Conditions have been satisfied as reasonably determined by Agent in good faith."

(f) Eligible Inventory. Section 1.34 of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor

"1.34 "Eligible Inventory" shall mean, as to each Borrower, Inventory of such Borrower consisting of (i) finished goods held for resale in the ordinary course of the business of such Borrower, (ii) raw materials consisting of corn and feed stock and (iii) certain other raw materials of the such Borrower deemed eligible by Agent in good faith and in the exercise of its reasonable credit judgment, that in each case satisfy the criteria set forth below as determined by Agent in good faith and in the exercise of its reasonable credit judgment. In general, Eligible Inventory shall not include: (a) (i) raw materials described in clause (iii) above, except to the extent deemed eligible by Agent in good faith and in the exercise of its reasonable credit judgment, and work in process, (ii) components which are not part of finished goods, (iii) spare parts for equipment, (iv) packaging and shipping materials, or (v) supplies used or consumed in such Borrower's business; (b) Inventory at premises other than those owned or leased and controlled by a Borrower unless Agent has received a Collateral Access Agreement or Aventine Acquired Inventory commingled with assets of the Aventine Affiliates; (c) Inventory subject to a security interest or lien in favor of any Person other than Agent except those permitted in this Agreement and, if such security interest secures Indebtedness for borrowed money or could have priority over the security interest in favor of Agent, that are subject to an intercreditor agreement in form and substance satisfactory to Agent between the holder of such security interest or lien and Agent; (d) bill and hold goods; (e) unserviceable, obsolete or slow moving Inventory; (f) Inventory that is not subject to the first priority, valid and perfected security interest of Agent; (g) damaged and/or defective Inventory or returned Inventory to the extent that such returned Inventory remains subject to an Account deemed to be an Eligible Account hereunder; (h) Inventory purchased or sold on consignment; (i) in-transit inventory other than Eligible In-Transit Inventory and (j) Inventory located outside the United States of America (except, if approved in writing by Agent in its sole discretion, Canada). The criteria for Eligible Inventory set forth above may only be changed and any new criteria for Eligible Inventory may only be established by Agent in good faith and in the exercise of its reasonable credit judgment based on either: (i) an event, condition or other circumstance arising after the date hereof, or (ii) an event, condition or other circumstance existing on the date hereof to the extent Agent has no written notice thereof from any Borrower (or Administrative Borrower on behalf of any Borrower) prior to the date hereof, in either case under clause (i) or (ii) which adversely affects or could reasonably be expected to adversely affect the Inventory in the good faith determination of Agent based upon the exercise of its reasonable credit judgment. Aventine Acquired Inventory shall not constitute Eligible Inventory unless the Special Eligibility Conditions have been satisfied as reasonably determined by Agent in good faith and such Aventine Acquired Inventory is otherwise deemed Eligible Inventory hereunder. Any Inventory that is not Eligible Inventory shall nevertheless be part of the Collateral."

(g) Eligible In-Transit Inventory. Section 1.35 of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"1.35 "Eligible In-Transit Inventory" shall mean, as to each Borrower, all finished goods Inventory of such Borrower (including ethanol, corn, co-products, dry and wet distillers grain, corn oil, germ, and yeast) which is in transit to one of the Borrowers' facilities or in transit to a customer of such Borrower and which Inventory (a) (i) has been paid for and is owned by such Borrower, or (ii) is subject to a Letter of Credit, (b) is fully insured, (c) is subject to a first priority security interest in and lien upon such goods in favor of Agent (except for any possessory lien upon such goods in the possession of a freight carrier or shipping company securing only the freight charges for the transportation of such goods to Borrowers), (d) is evidenced or deliverable pursuant to documents that, if requested by Agent, have been delivered to Agent or an agent acting on its behalf or designating Agent as consignee; provided, that, if Agent elects not to have the documents delivered to Agent or an agent acting on its behalf or designate Agent as consignee, then Agent shall have received a Collateral Access Agreement from the freight carrier or shipping company in possession of the goods, duly authorized, executed and delivered by such freight carrier or shipping company in favor of Agent, (e) is not Aventine Acquired Inventory unless the Special Eligibility Conditions have been satisfied as reasonably determined by Agent in good faith and (f) is otherwise deemed to be "Eligible Inventory" hereunder."

(h) Fixed Charge Coverage Ratio. Section 1.53 of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"1.53 "Fixed Charge Coverage Ratio" shall mean, as to any Person, with respect to any period, the ratio of (a) the amount for such period equal to the sum of, without duplication, (i) EBITDA of such Person and its Subsidiaries, on a consolidated basis, for such period, less (ii) taxes paid during such period in cash, less (iii) unfinanced Capital Expenditures made or incurred during such period, less (iv) distributions (including tax distributions) and dividends made during such period, to (b) the Fixed Charges of such Person and its Subsidiaries, in each case on a consolidated basis, for such period."

(i) Fixed Charges. Section 1.54 of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"1.54 "Fixed Charges" shall mean, as to any Person and its Subsidiaries, on a consolidated basis, with respect to any period, the sum of, without duplication, (a) all cash Interest Expense during such period, plus (b) all regularly scheduled (as determined at the beginning of the respective period) principal payments of Indebtedness incurred, paid or assumed for borrowed money and Indebtedness with respect to Capital Leases (and without duplicating items in (a) and (b) of this definition, the interest component with respect to Indebtedness under Capital Leases) during such period."

(j) Intercompany Operating Agreement. Section 1.66 of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"1.66 "Intercompany Operating Agreement" shall mean that certain Amended and Restated Intercompany Operating Agreement, dated as of the date hereof, by and among the Borrowers party thereto, and Parent pursuant to which Parent will provide certain services to Borrowers as more particularly set forth therein."

(k) Inventory Loan Limit. Section 1.70 of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"1.70 "Inventory Loan Limit" shall mean the amount equal to $40,000,000."

(l) Letter of Credit Limit. Section 1.76 of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"1.76 "Letter of Credit Limit" shall mean $20,000,000."

(m) Maximum Credit. Section 1.86 of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"1.86 "Maximum Credit" shall mean the amount of $75,000,000."

(n) Receivables. Subsection (e) of Section 1.106 of the Loan Agreement is hereby amended to delete "including, without limitation, all of Kinergy's and Pacific Ag's right, title and interest in and to the Intercompany Operating Agreement" and substitute "including, without limitation, all of each Borrowers' right, title and interest in and to the Intercompany Operating Agreement" therefor.

(o) Value. Section 1.122 of the Loan Agreement is hereby amended to add the following at the end thereof:

"For purposes of this Section 1.122, the "market value" of Inventory shall be determined based on published or reported mark to market commodity pricing created or distributed by the Los Angeles Oil Price Information Service (commonly known as OPIS) and/or the Chicago Board of Trade (commonly known as CBOT); provided, that, in the event that any change in market conditions shall, in the reasonable opinion of Agent, make it impractical for Agent to determine the market value of an item of Inventory based on such publications, or the mark to market commodity pricing of an item of Inventory is not reported or published by such publications, the Value of such Inventory shall be determined under clause (a) of this Section 1.122."

(p) Loan Limits. Section 2.1(b) of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"(b) Except in Agent's discretion, with the consent of all Lenders, or as otherwise provided herein, (i) the aggregate amount of the Loans and the Letter of Credit Obligations outstanding at any time shall not exceed the Maximum Credit, (ii) the aggregate principal amount of the Revolving Loans and Letter of Credit Obligations outstanding at any time to all Borrowers collectively shall not exceed the Borrowing Base of all Borrowers, (iii) the aggregate principal amount of Revolving Loans and Letter of Credit Obligations outstanding at any time based on Eligible Inventory shall not exceed the Inventory Loan Limit and (iv) the aggregate principal amount of the Revolving Loans and Letter of Credit Obligations outstanding at any time based on (A) domestic Eligible In-Transit Inventory shall not exceed $30,000,000, (B) Eligible Inventory consisting of Eligible Swap Inventory shall not exceed $0, (C) Eligible Inventory consisting of corn shall not exceed $15,000,000, and (D) Eligible Inventory consisting of corn co-products (including wet-milling byproducts and dry-milling byproducts) shall not exceed $15,000,000."

(q) Accordion. Section 2.3 of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"2.3 Increase in Maximum Credit.

(a) Administrative Borrower may (on behalf of Borrowers), at any time, deliver a written request to Agent to increase the Maximum Credit. Any such written request shall specify the amount of the increase in the Maximum Credit that Borrowers are requesting; provided, that, (i) in no event shall the aggregate amount of any such increase in the Maximum Credit cause the Maximum Credit to exceed $100,000,000, (ii) such request shall be for an increase of not less than $5,000,000, (iii) any such request shall be irrevocable, (iv) in no event shall more than one such written request be delivered to Agent in any calendar quarter and (v) any request shall be subject to the approval of Agent and Lenders in their sole discretion.

(b) Upon the receipt by Agent of any such written request, Agent shall notify each of the Lenders of such request and each Lender shall have the option (but not the obligation) to increase the amount of its Commitment by an amount up to its Pro Rata Share of the amount of the increase in the Maximum Credit requested by Borrowers as set forth in the notice from Agent to such Lender. Each Lender shall notify Agent within ten (10) days after the receipt of such notice from Agent whether it is willing to so increase its Commitment, and if so, the amount of such increase; provided, that, (i) the minimum increase in the Commitments of each such Lender providing the additional Commitments shall equal or exceed $5,000,000 and (ii) no Lender shall be obligated to provide such increase in its Commitment and the determination to increase the Commitment of a Lender shall be within the sole and absolute discretion of such Lender. If the aggregate amount of the increases in the Commitments received from the Lenders does not equal or exceed the amount of the increase in the Maximum Credit requested by Administrative Borrower on behalf of Borrowers, Agent may, but shall not be obligated to, seek additional increases from Lenders or Commitments from such Eligible Transferees as it may determine, after consultation with Administrative Borrower. In the event Lenders (or Lenders and any such Eligible Transferees, as the case may be) have committed in writing to provide increases in their Commitments or new Commitments in an aggregate amount in excess of the increase in the Maximum Credit requested by Administrative Borrower on behalf of Borrowers or permitted hereunder, Agent shall then have the right to allocate such commitments, first to Lenders and then to Eligible Transferees, in such amounts and manner as Agent may determine, after consultation with Administrative Borrower.

(c) The Maximum Credit shall be increased by the amount of the increase in Commitments from Lenders or new Commitments from Eligible Transferees, in each case selected in accordance with this Section 2.3, for which Agent has received Assignment and Acceptances sixty (60) days after the date of the request by Administrative Borrower on behalf of Borrowers for the increase or such earlier date as Agent and Administrative Borrower may agree (but subject to the satisfaction of the conditions set forth below), whether or not the aggregate amount of the increase in Commitments and new Commitments, as the case may be, equal or exceed the amount of the increase in the Maximum Credit requested by Administrative Borrower on behalf of Borrowers in accordance with the terms hereof, effective on the date that Agent shall have notified Administrative Borrower that each of the following conditions have been satisfied (such date being the "Maximum Credit Increase Effective Date"):

(i) Agent shall have received from each Lender or Eligible Transferee that is providing an additional Commitment as part of the increase in the Maximum Credit, an Assignment and Acceptance duly executed by such Lender or Eligible Transferee and Administrative Borrower; provided, that, the aggregate Commitments set forth in such Assignment and Acceptance(s) shall be not less than $5,000,000;

(ii) the conditions precedent to the making of Revolving Loans set forth in Section 4.2 shall be satisfied as of the Maximum Credit Increase Effective Date, both before and after giving effect to such increase;

(iii) Agent shall have received an opinion of counsel to Borrowers in form and substance and from counsel reasonably satisfactory to Agent and Lenders addressing such matters as Agent may reasonably request (including an opinion as to no conflicts with other material Indebtedness);

(iv) such increase in the Maximum Credit shall not violate any applicable law, regulation or order or decree of any court or other Governmental Authority and shall not be enjoined, temporarily, preliminarily or permanently;

(v) there shall have been paid to each Lender and Eligible Transferee providing an additional Commitment in connection with such increase in the Maximum Credit all fees and expenses due and payable to such Person on or before the effectiveness of such increase; and

(vi) there shall have been paid to Agent, for the account of the Agent and Lenders (in accordance with any agreement among them) all fees and expenses (including reasonable fees and expenses of counsel) due and payable pursuant to any of the Financing Agreements on or before the effectiveness of such increase.

(d) As of the Maximum Credit Increase Effective Date, each reference to the term Maximum Credit herein, and in any of the other Financing Agreements shall be deemed amended to mean the amount of the Maximum Credit specified in the most recent written notice from Agent to Administrative Borrower of the increase in the Maximum Credit."

(r) Unused Line Fee. Section 3.2(a) of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"(a) Borrowers shall pay to Agent, for the account of Lenders, monthly an unused line fee at a rate equal to (i) 0.375% per annum, if the average daily principal balance of the outstanding Revolving Loans and Letters of Credit was less than 50% of the ULF Amount during the immediately preceding month (or part thereof), or (ii) 0.25% per annum, if the average daily principal balance of the outstanding Revolving Loans and Letters of Credit was greater than or equal to 50% of the ULF Amount during the immediately preceding month (or part thereof), in each case calculated upon the amount by which the ULF Amount exceeds the average daily principal balance of the outstanding Revolving Loans and Letters of Credit during the immediately preceding month (or part thereof) while this Agreement is in effect and for so long thereafter as any of the Obligations are outstanding, which fee shall be payable on the first day of each month in arrears."

(s) Servicing Fee. Section 3.2(e) of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"(e) Borrowers shall pay to Agent, for its own account, a monthly servicing fee in an amount equal to $5,000 per month in respect of the services of Agent for each month (or part thereof) while the Loan Agreement remains in effect and for so long thereafter as any of the Obligations are outstanding. Such fee shall be fully earned as of and payable in advance on the first day of the first month following the date hereof and on the first day of each month thereafter for so long as any of the Obligations are outstanding."

(t) Collateral Reporting. Section 7.1(a)(i) of the Loan Agreement is hereby amended to delete "Liquidity Period" and substitute "Increased Reporting Period" therefor.

(u) Inventory Appraisal. Section 7.3(d) of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"(d) Agent may, at its election and at Borrower' expense, no more than one (1) time in any twelve (12) month period (or two (2) times during any 12 month period (x) with respect to any Inventory subject to a Borrower Requested Appraisal or (y) if Excess Availability is at any time during such 12 month period less than 50% of the Maximum Credit), conduct appraisals as to the Inventory in form, scope and methodology reasonably acceptable to Agent and by an appraiser selected by Agent, addressed to Agent and Lenders and upon which Agent and Lenders are expressly permitted to rely (each, an "Appraisal"), provided, that, (i) if an Event of Default has occurred and is continuing, Agent may conduct, at Borrowers' expense, such additional Appraisals as to the Inventory without limitation, as determined by Agent and (ii) at the request of Borrower made no more than one (1) time in any 12 month period, Agent shall conduct, at the expense of Borrower, an Appraisal of Inventory selected by Borrower for appraisal (any such Appraisal under this clause (ii) referred to herein as a "Borrower Requested Appraisal")."

(v) Permitted Indebtedness. Section 9.9(b) of the Loan Agreement is hereby amended to delete to delete the reference to "$2,000,000" appearing therein and substitute "$4,000,000" therefor.

(w) Transactions With Affiliates.

(i) Distributions to Parent. Section 9.12(b)(ii) of the Loan Agreement is hereby amended to delete the references to "$2,000,000" appearing therein and substitute "$7,500,000" therefor.

(ii) Management Fees. Section 9.12(b)(iii) of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"(iii) quarterly payments (collectively, "Management Fees") (A) by Kinergy to Parent for those services provided by Parent to Kinergy pursuant to the Intercompany Operating Agreement as in effect on the date hereof in an amount not to exceed $1,500,000 per fiscal quarter and (B) by Pacific Ag to Parent for those services provided by Parent to Pacific Ag pursuant to the Intercompany Operating Agreement as in effect on the date hereof in an amount not to exceed $500,000 per fiscal quarter; provided, that, with respect to any reimbursement payment by any Borrower to Parent, whether under any subsection of this clause (b) or otherwise, on account of any margin call due in connection with any hedging position created by Parent for or on behalf of such Borrower pursuant to the Intercompany Operating Agreement, Borrowers shall have Excess Availability of not less than $1,000,000 after giving effect to such payment."

(x) Financial Covenants.

(i) EBITDA. Section 9.17(a) of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"(a) Intentionally omitted."

(ii) Fixed Charge Coverage Ratio. The proviso appearing at the end of Section 9.17(b) of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

" ; provided, that, this Section 9.17(b) shall not apply to any fiscal month for which the Excess Availability was at all times during such month, and at all times during each of the two (2) prior months, greater than twenty percent (20%) of the Maximum Credit."

(y) Access Rights from Existing Aventine Lenders. The Loan Agreement is hereby amended to add the following new Section 9.22:

"9.22 Aventine Lenders. Borrowers shall use commercially reasonable efforts to obtain, from the Aventine Term Agent under the Aventine Term Loan Agreement as of the date of Amendment No. 3, an agreement, in form and substance reasonably satisfactory to Agent, granting to Agent right of access and license as is granted under Section 3.07 of the Term Loan Intercreditor Agreement as in effect immediately prior to the effective date of Amendment No. 3."

(z) Marketing Agreements. The Loan Agreement is hereby amended to add the following new Section 9.23:

"9.23 Marketing Agreements. Without the prior written consent of Agent, no Borrower shall amend or modify any of the Marketing Agreements if such amendment will change or modify the procedures for the delivery of inventory or the passage of title with respect thereto, or would reasonably be expected to have a material adverse consequence to Agent or the Collateral."

(aa) Term. Section 13.1(a) of the Loan Agreement is hereby amended to delete "December 31, 2016" and substitute "December 31, 2020" therefor.

4. Additional Representation. In addition to the continuing representations, warranties and covenants at any time made by Borrowers to Agent and Lenders pursuant to the Loan Agreement and the other Financing Agreements, Borrowers hereby jointly and severally represent, warrant and covenant with and to Agent and Lenders that (a) as of the date of this Amendment and after giving effect hereto, no Default or Event of Default exists or has occurred and is continuing and (b) Borrowers have provided to Agent true and complete copies of the Aventine Term Loan Agreement and Term Loan Intercreditor Agreement, in each case, as in effect as of the date hereof.

5. Release. In consideration of the agreements of Agent and Lenders contained herein and the making of loans by or on behalf of Agent and Lenders to Borrowers pursuant to the Loan Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Borrower and Parent on behalf of itself and its successors, assigns, and other legal representatives, hereby, jointly and severally, absolutely, unconditionally and irrevocably releases, remises and forever discharges Agent and each Lender, and their present and former shareholders, affiliates, subsidiaries, divisions, predecessors, directors, officers, attorneys, employees, agents and other representatives and their respective successors and assigns (Agent, each Lender and all such other parties being hereinafter referred to collectively as the "**Releasees**" and individually as a "**Releasee**"), of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defenses, rights of set-off, demands and liabilities whatsoever (individually, a "**Claim**" and collectively, "**Claims**") of every name and nature, known or unknown, suspected or unsuspected, both at law and in equity, whether liquidated or unliquidated, matured or unmatured, asserted or unasserted, fixed or contingent, foreseen or unforeseen and anticipated or unanticipated, which any Borrower or Parent, or any of its successors, assigns, or other legal representatives and its successors and assigns may now or hereafter own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any nature, cause or thing whatsoever which arises at any time on or prior to the day and date of this Agreement, in relation to, or in any way in connection with the Loan Agreement, as amended and supplemented through the date hereof, this Agreement and the other Financing Agreements. Each Borrower and Parent understands, acknowledges and agrees that the release set forth above may be pleaded as a full and complete defense and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of such release.

6. Amendment Fee. In addition to all other fees, costs and expenses payable by Borrowers to Agent and Lenders under the Financing Agreements, Borrowers shall pay to Agent, for the ratable benefit of Lenders, an amendment fee in the amount of $256,250 (the "**Amendment Fee**"). The Amendment Fee shall be fully earned, due and payable on the date hereof, and shall not be subject to refund or rebate for any reason.

7. Conditions to Effectiveness**.** The effectiveness of this Amendment shall be subject to the receipt by Agent of an original (or electronic copy) of this Amendment duly authorized, executed and delivered by Borrowers and Lenders.

8. Effect of this Amendment**.** Except as modified pursuant hereto, no other changes or modifications to the Loan Agreement or the other Financing Agreements are intended or implied and in all other respects the Loan Agreement and other Financing Agreements are hereby specifically ratified, restated and confirmed by all parties hereto as of the date hereof. To the extent of conflict between the terms of this Amendment, on the one hand, and Loan Agreement or the other Financing Agreements, on the other hand, the terms of this Amendment shall control.

9. Further Assurances. Borrowers shall execute and deliver such additional documents and take such additional action as may be reasonably requested by Agent to effectuate the provisions and purposes of this Amendment.

10. Binding Effect. This Amendment shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns.

11. Governing Law. The rights and obligations hereunder of each of the parties hereto shall be governed by and interpreted and determined in accordance with the internal laws of the State of California (without giving effect to principles of conflict of laws).

12. Counterparts**.** This Amendment may be signed in counterparts, each of which shall be an original and all of which taken together constitute one agreement. In making proof of this Amendment, it shall not be necessary to produce or account for more than one counterpart signed by the party to be charged. Delivery of an executed counterpart of this Amendment electronically or by facsimile shall be effective as delivery of an original executed counterpart of this Amendment.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their authorized officers as of the day and year first above written.

BORROWERS:

KINERGY MARKETING LLC,
as a Borrower

By: /s/ Bryon T. McGregor
Name: Bryon T. McGregor
Title: Chief Financial Officer

PACIFIC AG. PRODUCTS, LLC,
as a Borrower

By: /s/ Bryon T. McGregor
Name: Bryon T. McGregor
Title: Chief Financial Officer

ACKNOWLEDGED AND AGREED:

PACIFIC ETHANOL, INC,
as Parent

By: /s/ Bryon T. McGregor
Name: Bryon T. McGregor
Title: Chief Financial Officer

AGENT AND LENDER:

WELLS FARGO CAPITAL FINANCE, LLC,
as Agent and sole Lender

By: /s/ Carlos Valles
Name: Carlos Valles
Title: Vice President

Exhibit 10.2

AMENDMENT NO. 2
TO
AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

This AMENDMENT NO. 2 TO AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT (this "**Amendment**") is entered into as of December 29, 2014, by and among WELLS FARGO CAPITAL FINANCE, LLC, in its capacity as agent (in such capacity, "**Agent**") for the Lenders (as defined in the Loan Agreement referred to below), Kinergy Marketing LLC ("**Kinergy**") and Pacific Ag. Products, LLC ("**Pacific Ag**" and together with Kinergy, each individually, a "**Borrower**" and collectively, the "**Borrowers**").

WHEREAS, Borrowers, Agent and Lenders have entered into certain financing arrangements as set forth in (a) the Amended and Restated Loan and Security Agreement, dated as of May 4, 2012, by and among Agent, Lenders and Borrowers (as amended, restated, renewed, extended, supplemented, substituted and otherwise modified from time to time, the "**Loan Agreement**") and (b) the Financing Agreements (as defined in the Loan Agreement); and

WHEREAS, Borrowers, Agent and Lenders have agreed to amend and modify certain provisions of Loan Agreement, subject to the terms and conditions of this Amendment.

NOW, THEREFORE, upon the mutual agreements and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions.

(a) Additional Definitions.

"Control Notice" shall mean a written notice delivered pursuant to a Deposit Account Control Agreement instructing the depository bank to comply with instructions originated by Agent with respect to the deposit account that is covered thereby without further consent of any Borrower or any Guarantor.

"Liquidity" means, as of any date of determination, an amount equal to the Excess Availability plus all Qualified Cash.

"Liquidity Period" means (a) the period beginning on the first date on which the daily average of the aggregate Liquidity for the immediately preceding ninety (90) calendar days shall have been less than fifty percent (50%) of the Maximum Credit and ending on the date on which the daily average of the aggregate Liquidity for the immediately preceding ninety (90) calendar days shall have been greater than or equal to fifty percent (50%) of the Maximum Credit or (b) the period during which an Event of Default shall have occurred and be continuing.

"Qualified Cash" means unrestricted cash or Cash Equivalents of Borrowers (i.e., a Blocked Account) that are subject to the valid, enforceable and first priority perfected security interest of Agent in an deposit account at Agent subject to a Deposit Account Control Agreement in form and substance satisfactory to Agent, and free and clear of any other security interest, pledge, lien, encumbrance or claim (other than a person with whom Agent has a satisfactory intercreditor agreement).

"Quarterly Average Liquidity" shall mean, for any fiscal quarter, the daily average of the aggregate amount of Liquidity for such calendar quarter.

(b) Interpretation. Capitalized terms used and not defined in this Amendment shall have the respective meanings given them in the Loan Agreement.

2. Limited Waiver. Agent and Lenders hereby waive any Event of Default arising due to the failure of Borrowers to comply with Section 9.17(a)(iv) of the Loan Agreement for the fiscal month ending October 31, 2014. Except as expressly set forth in this Section 2, Agent and Lenders have not waived, and are not by this Amendment waiving, any other Event of Default which may have occurred prior to the date hereof, be continuing on the date hereof or occur after the date hereof.

3. Amendments.

(a) Applicable Margin. Section 1.6 of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"Applicable Margin" shall mean:

(a) Subject to clause (b) below, at any time, as to the Interest Rate for all Loans, the applicable percentage (on a per annum basis) set forth below if the Quarterly Average Liquidity is at or within the amounts indicated for such percentage:

Tier	Quarterly Average Liquidity	Applicable Margin
1	Greater than $6,000,000	2.0%
2	Less than or equal to $6,000,000 and greater than or equal to $3,000,000	2.5%
3	Less than $3,000,000	3.0%

(b) Notwithstanding anything to the contrary set forth above, (i) the Applicable Margin shall be calculated and established (A) on the date hereof with respect to the current calendar quarter, based on the Quarterly Average Liquidity for the immediately preceding calendar quarter, and (B) once each calendar quarter subsequent to the current calendar quarter based upon the Quarterly Average Liquidity for such calendar quarter and shall remain in effect until adjusted thereafter after the end of such calendar quarter, and (ii) each adjustment of the Applicable Margin shall be effective as of the first day of a calendar quarter based on the Quarterly Average Liquidity for the immediately preceding calendar quarter. In the event that at any time after the end of a calendar quarter the Quarterly Average Liquidity for such calendar quarter used for the determination of the Applicable Margin was less than the actual amount of the Quarterly Average Liquidity for such calendar quarter, the Applicable Margin for such prior calendar quarter shall be adjusted to the applicable percentage based on such actual Quarterly Average Liquidity and any additional interest for the applicable period as a result of such recalculation shall be promptly paid to Agent. In the event that the Quarterly Average Liquidity for such calendar quarter used for the determination of the Applicable Margin was greater than the actual amount of the Quarterly Average Liquidity, the Applicable Margin for such prior calendar quarter shall be adjusted to the applicable percentage based on such actual Quarterly Average Liquidity and any reduction in interest for the applicable period as a result of such recalculation shall be promptly credited to the loan account of Borrowers; provided, that, the basis for the Quarterly Average Liquidity for purposes of the determination of the Applicable Margin having been less than the actual Quarterly Average Liquidity is not as a result of information provided by Borrowers to Agent. The foregoing shall not be construed to limit the rights of Agent or Lenders with respect to the amount of interest payable after a Default or Event of Default whether based on such recalculated percentage or otherwise."

(b) Accordion. Section 2.3 of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"2.3 Intentionally omitted."

(c) Collection Accounts. Section 6.3(a) of the Loan Agreement is hereby amended to delete the last sentence of such section and substitute the following therefor:

"Agent may, upon the occurrence and during the continuance of a Liquidity Period or otherwise at the request of Borrower, deliver a Control Notice to the depository bank(s) at which the Blocked Account(s) are maintained. Agent shall, at the request of Borrowers, rescind such Control Notice at such time that a Liquidity Period does not exist. Borrowers agree that, at all times that a Control Notice is in effect (including after the occurrence and during the continuance of a Liquidity Period), all payments made to such Blocked Accounts or other funds received and collected by Agent or any Lender, whether in respect of the Receivables, as proceeds of Inventory or other Collateral or otherwise shall be treated as payments to Agent and Lenders in respect of the Obligations and therefore shall constitute the property of Agent and Lenders to the extent of the then outstanding Obligations."

(d) Collateral Reporting. Section 7.1(a)(i) of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"(i) on a monthly basis as soon as practicable after the end of each month (but in any event within 15 days after the end thereof) or, in the event that a Liquidity Period exists, on a weekly basis as soon as practicable after the end of each week (but in any event within two (2) Business Days after the end thereof) or more frequently as Agent may reasonably request, (A) schedules of sales made, credits issued and cash received, (B) inventory reports by location and category (and including the amounts of Inventory and the value thereof at any leased locations and at premises of warehouses, processors or other third parties) and (C) a Borrowing Base Certificate setting forth the calculation of the Borrowing Base as of the last Business Day of the immediately preceding period, duly completed and executed by the Chief Executive Officer, Chief Financial Officer or other financial or senior officer of Administrative Borrower, together with all schedules required pursuant to the terms of the Borrowing Base Certificate duly completed;"

(e) Financial Covenants.

(i) EBITDA. Section 9.17(a) of the Loan Agreement is hereby amended to delete the period from the end thereof and substitute the following therefor:

"; provided, that, this Section 9.17(a) shall not apply to any fiscal month for which the daily average of the aggregate Liquidity is greater than 1/3 of the Maximum Credit and so long as the aggregate Liquidity is at all times greater than 20% of the Maximum Credit."

(ii) Fixed Charge Coverage Ratio. Section 9.17(b) of the Loan Agreement is hereby amended to delete the period from the end thereof and substitute the following therefor:

"; provided, that, this Section 9.17(b) shall not apply to any fiscal month for which the daily average of the aggregate Liquidity is greater than 1/3 of the Maximum Credit and so long as the aggregate Liquidity is at all times greater than 20% of the Maximum Credit."

(f) Term. Section 13.1(a) of the Loan Agreement is hereby amended to delete "December 31, 2015" and substitute "December 31, 2016" therefor.

4. Release. In consideration of the agreements of Agent and Lenders contained herein and the making of loans by or on behalf of Agent and Lenders to Borrowers pursuant to the Loan Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Borrower and Parent on behalf of itself and its successors, assigns, and other legal representatives, hereby, jointly and severally, absolutely, unconditionally and irrevocably releases, remises and forever discharges Agent and each Lender, and their present and former shareholders, affiliates, subsidiaries, divisions, predecessors, directors, officers, attorneys, employees, agents and other representatives and their respective successors and assigns (Agent, each Lender and all such other parties being hereinafter referred to collectively as the "**Releasees**" and individually as a "**Releasee**"), of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defenses, rights of set-off, demands and liabilities whatsoever (individually, a "**Claim**" and collectively, "**Claims**") of every name and nature, known or unknown, suspected or unsuspected, both at law and in equity, whether liquidated or unliquidated, matured or unmatured, asserted or unasserted, fixed or contingent, foreseen or unforeseen and anticipated or unanticipated, which any Borrower or Parent, or any of its successors, assigns, or other legal representatives and its successors and assigns may now or hereafter own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any nature, cause or thing whatsoever which arises at any time on or prior to the day and date of this Agreement, in relation to, or in any way in connection with the Loan Agreement, as amended and supplemented through the date hereof, this Agreement and the other Financing Agreements. Each Borrower and Parent understands, acknowledges and agrees that the release set forth above may be pleaded as a full and complete defense and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of such release.

5. Amendment Fee. In addition to all other fees, costs and expenses payable by Borrowers to Agent and Lenders under the Financing Agreements, Borrowers shall pay to Agent, for the ratable benefit of Lenders, an amendment fee in the amount of $75,000 (the "**Amendment Fee**"). The Amendment Fee shall be fully earned, due and payable on the date hereof, and shall not be subject to refund or rebate for any reason; provided, that, in the event the Maximum Credit is increased within six (6) months of the date of this Amendment pursuant to an amendment satisfactory to and executed by Agent and Lenders, or Borrowers obtain from Agent within six (6) months of the date of this Amendment a replacement credit facility with a maximum credit greater the Maximum Credit and use the proceeds thereof to repay in full all Obligations, Borrowers may credit $25,000 of the Amendment Fee against the amendment or closing fee (as applicable) payable by Borrowers in respect of such increase or replacement facility.

6. Conditions to Effectiveness**.** The effectiveness of this Amendment shall be subject to the receipt by Agent of an original (or electronic copy) of this Amendment duly authorized, executed and delivered by Borrowers and Lenders.

7. Effect of this Amendment**.** Except as modified pursuant hereto, no other changes or modifications to the Loan Agreement or the other Financing Agreements are intended or implied and in all other respects the Loan Agreement and other Financing Agreements are hereby specifically ratified, restated and confirmed by all parties hereto as of the date hereof. To the extent of conflict between the terms of this Amendment, on the one hand, and Loan Agreement or the other Financing Agreements, on the other hand, the terms of this Amendment shall control.

8. Further Assurances. Borrowers shall execute and deliver such additional documents and take such additional action as may be reasonably requested by Agent to effectuate the provisions and purposes of this Amendment.

9. Binding Effect. This Amendment shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns.

10. Governing Law. The rights and obligations hereunder of each of the parties hereto shall be governed by and interpreted and determined in accordance with the internal laws of the State of California (without giving effect to principles of conflict of laws).

11. Counterparts**.** This Amendment may be signed in counterparts, each of which shall be an original and all of which taken together constitute one agreement. In making proof of this Amendment, it shall not be necessary to produce or account for more than one counterpart signed by the party to be charged. Delivery of an executed counterpart of this Amendment electronically or by facsimile shall be effective as delivery of an original executed counterpart of this Amendment.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their authorized officers as of the day and year first above written.

BORROWERS:

KINERGY MARKETING LLC,
as a Borrower

By: /s/ Bryon T. McGregor
Name: Bryon T. McGregor
Title: CFO

PACIFIC AG. PRODUCTS, LLC,
as a Borrower

By: /s/ Bryon T. McGregor
Name: Bryon T. McGregor
Title: CFO

AGENT AND LENDERS:

WELLS FARGO CAPITAL FINANCE, LLC,
as Agent and sole Lender

By: /s/ Carlos Valles
Name: Carlos Valles
Title: Vice President

ACKNOWLEDGED AND AGREED:
PACIFIC ETHANOL, INC.,
as Parent

By: /s/ Bryon T. McGregor
Name: Bryon T. McGregor
Title: CFO

Exhibit 10.3

KINERGY MARKETING LLC
400 Capitol Mall, Suite 2060
Sacramento, California 95814

December 4, 2013

WELLS FARGO CAPITAL FINANCE, LLC,
as Agent for and on behalf of the
Lenders as referred to below
2450 Colorado Avenue
Suite 3000W
Santa Monica, CA 90404

Re: Amendment No. 1 to Amended and Restated Loan and Security Agreement

Ladies and Gentlemen:

Wells Fargo Capital Finance, LLC ("WFCF"), in its capacity as agent ("Agent") for the Lenders from time to time party to the Loan Agreement referred to below, the Lenders, Kinergy Marketing LLC, an Oregon limited liability company ("Kinergy"), and Pacific Ag. Products, LLC, a California limited liability company ("Pacific Ag", and together with Kinergy, each individually a "Borrowers" and collectively, "Borrowers"), have entered into certain financing arrangements pursuant to the Amended and Restated Loan and Security Agreement, dated as of May 4, 2012, by and among Agent, Lenders and Borrowers (as amended hereby and as the same may hereafter be further amended, modified, supplemented, extended, renewed, restated or replaced, the "Loan Agreement"), and the other Financing Agreements (as defined in the Loan Agreement). WFCF is currently both the Agent and the sole Lender under the Loan Agreement and is hereinafter referred to in this Amendment No. 1 to Amended and Restated Loan and Security Agreement (this " Amendment"), in both such capacities, as "WFCF".

Borrowers and Parent have requested that WFCF agree to (a) eliminate the Availability Block from the Borrowing Base, and (b) decrease the Applicable Margin effective from and after December 1**,** 2014, and WFCF has agreed to make such amendments to the Loan Agreement, on and subject to the terms and conditions set forth herein.

In consideration of the foregoing, the mutual agreements and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Interpretation. All initially capitalized terms used in this Amendment shall have the meanings assigned thereto in the Loan Agreement and the other Financing Agreements, unless otherwise defined herein.

2. Additional Definitions. As used herein, the following terms shall have the meanings given to them below, and Section 1 of the Loan Agreement is hereby amended to include in appropriate alphabetical order, in addition and not in limitation, the following definitions:

> "Amendment No. 1" shall mean the Letter Agreement re: Amendment No. 1 to Amended and Restated Loan and Security Agreement, dated as of December 4, 2013, by and among Borrowers, Parent, Agent and the Lenders, as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced.

3. Elimination of Availability Block from Borrowing Base.

(a) The definition of "Borrowing Base" set forth in Section 1.13 of the Loan Agreement is hereby amended by deleting clause (b) currently set forth therein in its entirety and re-designating clause "(c)" currently set forth therein as clause "(b)" thereof.

(b) Notwithstanding the elimination of the Availability Block provided for in Section 3(a) immediately above, WFCF shall have the right, in its sole discretion, to establish a Reserve against the Borrowing Base at any time, and from time to time, in an amount equal to the Availability Block. Such Reserve, if established, will be in addition to, and not in limitation of, any other Reserves then maintained by WFCF.

4. Reduction of Applicable Margin. Effective from and after December 1, 2013, the definition of "Applicable Margin" set forth in Section 1.6(a) of the Loan Agreement is hereby amended by amending and restating clause (a) thereof in its entirety as follows (it being understood that the definition of Applicable Margin as set forth in such Section 1.6(a) as of the date hereof shall remain in effect at all times through and including November 30, 2103):

> "1.6 "Applicable Margin" shall mean:
>
> Subject to clause (b) below, at any time, as to the Interest Rate for all Loans, the applicable percentage (on a per annum basis) set forth below if the Quarterly Average Excess Availability is at or within the amounts indicated for such percentage:

Tier	Quarterly Average Excess Availability	Applicable Margin
1	Greater than $6,000,000	2.25%
2	Less than or equal to $6,000,000 and greater than or equal to $3,000,000	2.75%
3	Less than $3,000,000	3.25%"

5. Amendment of EBITDA Financial Covenant. Section 9.17(a) of the Loan Agreement is hereby amended and restated in its entirety as follows:

> "(a) EBITDA. As of the end of each fiscal month, commencing with the fiscal month ending September 30, 2013 and for each fiscal month thereafter, Borrowers shall maintain EBITDA of not less than (i) for the fiscal month ending September 30, 2013 and for each fiscal month thereafter through and including the fiscal month ending December 31, 2013, for the three (3) fiscal months then ended $450,000, (ii) for each respective fiscal month commencing with the fiscal month ending September 30, 2013 through and including the fiscal month ending December 31, 2013, for the six (6) fiscal months then ended, $1,100,000, (iii) for the fiscal month ending January 31, 2014 and for each fiscal month thereafter, for the three (3) fiscal months then ended, $500,000, and (iv) for each respective fiscal month commencing with the fiscal month ending January 31, 2014 and for each fiscal month thereafter, for the six (6) fiscal months then ended, $1,300,000."

6 . Representations, Warranties and Covenants. Borrowers and Parent hereby represent, warrant and covenant to WFCF the following (which shall survive the execution and delivery of this Amendment), the truth and accuracy of which are continuing conditions of the making of Loans to Borrowers:

(a) this Amendment has been duly authorized, executed and delivered by all necessary action on the part of Borrowers and Parent and, if necessary, their respective stockholders and/or members, as the case may be, and the agreements and obligations of Borrowers and Parent contained herein and therein constitute the legal, valid and binding obligations of Borrowers and Parent, enforceable against them in accordance with their terms, except as enforceability is limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except to the extent that availability of the remedy of specific performance or injunctive relief is subject to the discretion of the court before which any proceeding therefor may be brought;

(b) the execution, delivery and performance of this Amendment (a) are all within Borrowers' and Parent's corporate or limited liability company powers (as applicable), (b) are not in contravention of law or the terms of Borrowers' or Parent's certificate or articles of organization or formation, operating agreement, by-laws or other organizational documentation, or any indenture, agreement or undertaking to which Borrowers or Parent is a party or by which Borrowers, Parent or its or their property is bound and (c) shall not result in the creation or imposition of any lien, claim, charge or encumbrance upon any of the Collateral, except in favor of WFCF pursuant to the Loan Agreement and the Financing Agreements as amended hereby;

(c) all of the representations and warranties set forth in the Loan Agreement and the other Financing Agreements, each as amended hereby, are true and correct in all material respects on and as of the date hereof, as if made on the date hereof, except to the extent any such representation or warranty is made as of a specified date, in which case such representation or warranty shall have been true and correct as of such date;

(d) after giving effect to this Amendment, no Default or Event of Default exists as of the date of this Amendment; and

(e) no action of, or filing with, or consent of any governmental or public body or authority and no approval or consent of any other party, is required to authorize, or is otherwise required in connection with, the execution, delivery and performance of this Amendment.

7. Conditions Precedent. This Amendment shall not become effective unless:

(a) WFCF shall have received an original (or faxed or electronic copy) of this Amendment, duly authorized, executed and delivered by Borrowers and Parent; and

(b) No Default or Event of Default shall have occurred and be continuing on the date hereof and after giving effect to the amendments to the Loan Agreement set forth herein.

8. Effect of this Amendment. Except as modified pursuant hereto, no other changes or modifications to the Loan Agreement and the other Financing Agreements are intended or implied and in all other respects the Loan Agreement and the other Financing Agreements are hereby specifically ratified, restated and confirmed by all parties hereto as of the effective date hereof. To the extent of any conflict between the terms of this Amendment and the Loan Agreement or any of the other Financing Agreements, the terms of this Amendment shall control. The Loan Agreement and this Amendment shall be read and construed as one agreement.

9. Further Assurances. At WFCF's request, Borrowers and Parent shall execute and deliver such additional documents and take such additional actions as WFCF requests to effectuate the provisions and purposes of this Amendment and to protect and/or maintain perfection of WFCF's security interests in and liens upon the Collateral.

10. Governing Law. The validity, interpretation and enforcement of this Amendment in any dispute arising out of the relationship between the parties hereto, whether in contract, tort, equity or otherwise shall be governed by the internal laws of the State of California (without giving effect to principles of conflicts of law).

11. Binding Effect. This Amendment shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns

12. Counterparts. This Amendment may be executed in any number of counterparts, but all of such counterparts shall together constitute but one and the same agreement. In making proof of this Amendment, it shall not be necessary to produce or account for more than one counterpart thereof signed by each of the parties hereto. Delivery of an executed counterpart of this Amendment by telecopier or other method of electronic communication shall have the same force and effect as delivery of an original executed counterpart of this Amendment. Any party delivering an executed counterpart of this Amendment by telecopier or other method of electronic communication also shall deliver an original executed counterpart of this Amendment, but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Amendment as to such party or any other party.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS hereof, the parties have executed and delivered this Amendment as of the day and year first above written.

Very truly yours,

KINERGY MARKETING LLC,
as a Borrower

By: /s/ Bryon T. McGregor
Name: Bryon T. McGregor
Title: CFO

PACIFIC AG. PRODUCTS, LLC,
as a Borrower

By: /s/ Bryon T. McGregor
Name: Bryon T. McGregor
Title: CFO

AGREED TO:

WELLS FARGO CAPITAL FINANCE, LLC,
as Agent and sole Lender

By: /s/ Carlos Valles
Name: Carlos Valles
Title: VP

PACIFIC ETHANOL, INC.,
as Parent

By: /s/ Bryon T. McGregor
Name: Bryon T. McGregor
Title: CFO

[Signature Page to Amendment No. 1 to A&R Loan and Security Agreement]

DEPARTMENT: CORPORATE **SOP# PEI-II-030**

Revision: 2.1
Effective Date: July 1, 2006
Amended: May 21, 2015

Prepared by: Christopher Wright
Approved by: Executive Committee

Title: CODE OF ETHICS

Policy: This policy defines expected standards of business behavior for Pacific Ethanol's Directors, officers, consultants and employees.

Purpose: This Code of Ethics covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all Directors, officers, consultants and employees of Pacific Ethanol, Inc. and its subsidiaries. All of our Directors, officers, consultants and employees must conduct themselves accordingly and seek to avoid even the appearance of improper behavior.

Scope: This policy applies to all Pacific Ethanol Directors, officers, consultants and employees.

Procedures:

1.0 Definition

Nothing in this Code, in any Pacific Ethanol policies and procedures, or in other related communications (verbal or written) creates or implies an employment contract or term of employment with Pacific Ethanol.

This Code of Ethics and the related policies are subject to modification. This Code supersedes all other such codes, policies, procedures, instructions, practices, rules or written or verbal representations to the extent they are inconsistent.

Those who violate the standards in this Code of Ethics or related policies will be subject to disciplinary action, up to and including termination of employment.

2.0 Compliance with Laws, Rules and Regulations

Obeying the law, both in letter and in spirit, is the foundation on which Pacific Ethanol's ethical standards are built. All employees must respect and obey the laws of the cities, states and countries in which we operate. Although not all employees are expected to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel.

As necessary, Pacific Ethanol will hold information and training sessions to promote compliance with laws, rules and regulations.

If a law conflicts with a policy in this Code of Ethics, you must comply with the law. If you have any questions about these conflicts, you should ask your supervisor how to handle the situation.

3.0 Conflicts of Interest

A "conflict of interest" exists when a person's private interest interferes with the interests of Pacific Ethanol. A conflict situation can arise when an employee, officer, consultant or Director takes actions or has interests that may make it difficult to perform his or her Pacific Ethanol work objectively and effectively. Conflicts of interest may also arise when an employee, officer, consultant or Director, or members of his or her family, receives improper personal benefits as a result of his or her position in Pacific Ethanol. The following are examples of activities that should be avoided:

- Holding a financial interest in a company where you could personally affect Pacific Ethanol's business with that company or having a significant financial interest in any entity that does business, seeks to do business or competes with Pacific Ethanol;
- Accepting an offer to purchase "friends and family stock" in a company issuing shares through an initial public offering (IPO) if you interface with that company in your Pacific Ethanol business activities;
- Misusing Pacific Ethanol resources, your position or influence to promote or assist an outside business or not-for-profit activity;
- Directly supervising or approving the actions and work of a family member in the employee of Pacific Ethanol;
- Subordinate employees lobbying superior family members in Pacific Ethanol on matters related to the subordinate employee's work activities in Pacific Ethanol;

- Preferential hiring of, direct supervision of or making a promotion decision about a spouse, relative or significant other that is not in the best interest of Pacific Ethanol or supported by sound business principles;
- Soliciting or accepting loans or guarantees of obligations between Pacific Ethanol and Directors, officers, consultants and employees of Pacific Ethanol or their families, except as specified in PEI-II-035 Officer, Employee and Shareholder Loans; and
- Soliciting or accepting gifts, favors, loans, contributions or preferential treatment from any person, entity, charity or political candidate that does business or seeks to do business with Pacific Ethanol, except as permitted in accordance with Section 4 below.

For purposes of this Section 3, the following definitions shall apply:

- Family: A person's "family" includes such person's spouse, parents grandparents, children, grandchildren, brothers, sisters, aunts, uncles, cousins and any other relative living in such person's home and any other individual with whom such person has a personal relationship that might impair their judgment.
- Financial interest: A person has a "financial interest" if such person or member of their family has directly or indirectly an ownership or investment interest in, or compensation arrangement with, any entity or individual with which Pacific Ethanol has or is contemplating entering into a transaction or arrangement. Also a financial interest exists when a person accepts gifts or favors other than those of nominal value from a person which does or is seeking to do business with Pacific Ethanol.

It is almost always a conflict of interest for a Pacific Ethanol employee to work simultaneously for a competitor, customer or supplier. You are not allowed to work or provide services for a competitor, customer or supplier as an employee, consultant or board member. The best policy is to avoid any direct or indirect business connection with our customers, suppliers or competitors, except on our behalf.

Conflicts of interest are prohibited as a matter of Pacific Ethanol policy, except under guidelines approved by the Board of Directors. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with higher levels of management, including the General Counsel or Chief Financial Officer. Any employee, officer, consultant or Director who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel or consult the procedures described in the Section 15, Compliance Procedures, set forth below.

In general, any transaction constituting a conflict of interest must be approved by the General Counsel. A transaction constituting a conflict of interest hereunder and involving an officer or Director is permitted only if authorized under guidelines approved by the Board of Directors. Notwithstanding the foregoing, with respect to our officers and Directors, transactions that are in the ordinary course of business for Pacific Ethanol and would not require either: (i) disclosure pursuant to Item 404(a) of Regulation S-K, or (ii) approval of the Board of Directors, Audit Committee or other independent committee of the Board of Directors pursuant to applicable rules of the NASDAQ stock market would not be deemed to give rise to any potential or actual conflict of interest for purposes of this Conflict of Interest policy.

Anyone that is faced with a conflict of interest or that faces a potential conflict should immediately report the situation to his or her manager and the General Counsel.

4.0 Gifts and Entertainment

We are dedicated to treating fairly and impartially all persons and firms with whom we do business. Therefore, our employees must not give or receive gifts, entertainment or gratuities that could influence or be perceived to influence business decisions. Misunderstandings can usually be avoided by conduct that makes clear that our company conducts business on an ethical basis and will not seek or grant special considerations.

Accepting Gifts and Entertainment

You should never solicit a gift or favor from those with whom we do business. You may not accept gifts of cash or cash equivalents.

You may accept novelty or promotional items or modest gifts related to commonly recognized occasions, such as a promotion, holiday, wedding or retirement, if:

- this happens only occasionally;
- the gift was not solicited;
- disclosure of the gift would not embarrass our company or the people involved; and
- the value of the gift is under $250.

You may accept an occasional invitation to a sporting activity, entertainment or meal if:

- there is a valid business purpose involved;
- this happens only occasionally; and
- the activity is of reasonable value and not lavish

A representative of the giver's company must be present at the event. If you are asked to attend an overnight event, you must obtain approval from the General Counsel or Chief Executive Officer.

5.0 Insider Trading

Employees who have access to confidential information are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of our business. All non-public information about Pacific Ethanol should be considered confidential information. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal. In order to assist with compliance with laws against insider trading, Pacific Ethanol has adopted a specific policy governing employees trading in securities of the Pacific Ethanol. This policy has been distributed to every employee. If you have any questions, please consult the General Counsel.

In addition, further definition, explanation and prohibited activities are provided in *PEI-II-033 Insider Trading.*

6.0 Corporate Opportunities

Employees, officers and Directors are prohibited from taking for themselves personally opportunities that are discovered through the use of corporate property, information or position without the consent of the Board of Directors. No employee may use corporate property, information, or position for improper personal gain, and no employee may compete with Pacific Ethanol directly or indirectly. Employees, officers and Directors owe a duty to Pacific Ethanol to advance its legitimate interests when the opportunity to do so arises.

7.0 Competition and Fair Dealing

We seek to outperform our competition fairly and honestly. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each employee should endeavor to respect the rights of and deal fairly with Pacific Ethanol's customers, suppliers, competitors and employees. No employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

Pacific Ethanol's activities are governed by federal and state antitrust and trade regulation statutes. There are many types of activities that may be violations of federal and state antitrust laws. For example, various activities, the effect or intent of which is to fix prices, allocate markets, or otherwise reduce competition, may violate the antitrust laws. Such activities may include certain types of discussions, meetings or arrangements with Pacific Ethanol competitors, agreements, (whether formal or informal), or any joint activity involving Pacific Ethanol and any other party. Competitive information must be gathered with care. We must conduct all interactions with competitors, including social activities, as if they were completely in the public view, because they may later be subject to examination and unfavorable interpretation.

The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain unfair advantage with customers. No gift or entertainment should ever be offered, given, provided or accepted by any Pacific Ethanol employee, family member of an employee, Director, consultant or agent unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is not excessive in value, (4) cannot be construed as a bribe or payoff, and (5) does not violate any laws or regulations. Please discuss with your supervisor any gifts or proposed gifts which you are not certain are appropriate.

8.0 Discrimination and Harassment

The diversity of Pacific Ethanol's employees is a tremendous asset. We are firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. Examples include derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances.

In addition, further definition, explanation and prohibited activities are provided in *PEI-V-021 Equal Opportunity Employment* and *PEI-V-042 Harassment*.

9.0 Health and Safety

Pacific Ethanol strives to provide each employee with a safe and healthy work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all employees by following safety and health rules and practices of Pacific Ethanol and as required by the laws of the city, state and country in which an employee resides. In addition, each employee has the responsibility to report accidents, injuries and unsafe equipment, practices or conditions.

Violence and threatening behavior are not permitted. Employees should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol. The use of illegal drugs in the workplace will not be tolerated.

In addition, further definition, explanation and prohibited activities are provided in *PEI-V-024 Violence in the Workplace*.

10.0 Record-Keeping

Pacific Ethanol requires honest and accurate recording and reporting of information in order to make responsible business decisions. For example, only the true and actual number of hours worked should be reported.

Many employees regularly use business expense accounts, which must be documented and recorded accurately. If you are not sure whether a certain expense is legitimate, ask your supervisor.

All of Pacific Ethanol's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect Pacific Ethanol's transactions and must conform both to applicable legal requirements and to the Pacific Ethanol's system of internal controls. Unrecorded or off the books funds or assets should not be maintained unless permitted by applicable law or regulation. In particular, with regards to Pacific Ethanol's books, records, accounts and financial statements:

- no employee may take or authorize any action that would cause Pacific Ethanol's financial records or financial disclosure to fail to comply with generally accepted accounting principles, the rules and regulations of the Securities and Exchange Commission (or equivalent government agencies outside of the United States) or other applicable laws, rules and regulations;
- all employees must cooperate fully with Pacific Ethanol's Finance Department, as well as Pacific Ethanol's independent public accountants and counsel, respond to their questions with candor and provide them with complete and accurate information to help ensure that Pacific Ethanol's books and records, as well as Pacific Ethanol's statements and reports filed with the Securities and Exchange Commission (or equivalent government agencies outside of the United States), are accurate and complete;
- no employee, officer, consultant or Director shall take any action to fraudulently induce, coerce, manipulate or mislead Pacific Ethanol's independent public accountants; and
- no employee should knowingly make (or cause or encourage any other person to make) any false or misleading statement in reports filed with the Securities and Exchange Commission (or equivalent government agencies outside of the United States) or knowingly omit (or cause or encourage any other person to omit) information necessary to make the disclosure in any of Pacific Ethanol's statements and reports accurate.

Any person who becomes aware of any departure from these standards has a responsibility to report his or her knowledge promptly to a supervisor, the Chief Executive Officer, the General Counsel, or one of the other compliance resources described in Section 15.

Business records and communications often become public, and we should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that can be misunderstood. This applies equally to e-mail, internal memos, and formal reports. Records should always be retained or destroyed according to the Pacific Ethanol's record retention policies. In accordance with those policies, in the event of litigation or governmental investigation please consult the General Counsel.

11.0 Confidentiality

Employees must maintain the confidentiality of confidential information entrusted to them by Pacific Ethanol or its customers, except when disclosure is authorized by the General Counsel, or required by laws or regulations. Confidential information includes all non- public information that might be of use to competitors, or harmful to Pacific Ethanol or its customers, if disclosed. It also includes information that suppliers and customers have entrusted to us. The obligation to preserve confidential information continues even after employment ends. In connection with this obligation, every employee should have executed a confidentiality agreement when he or she began his or her employment with Pacific Ethanol.

12.0 Protection and Proper Use of Pacific Ethanol Assets

All employees should endeavor to protect Pacific Ethanol's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on Pacific Ethanol's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. Pacific Ethanol equipment should not be used for non-Pacific Ethanol business, though incidental personal use may be permitted.

The obligation of employees to protect Pacific Ethanol's assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate Pacific Ethanol policy. It could also be illegal and result in civil or even criminal penalties.

Further definition, explanation and prohibited activities are provided in *PEI-II-060 Data Classification.*

13.0 Payments to Government Personnel

The U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country.

In addition, the U.S. government has a number of laws and regulations regarding business gratuities which may be accepted by U.S. government personnel. The promise, offer or delivery to an official or employee of the U.S. government of a gift, favor or other gratuity in violation of these rules would not only violate Pacific Ethanol policy but could also be a criminal offense. State and local governments, as well as foreign governments, may have similar rules. The Chief Financial Officer can provide guidance to you in this area.

14.0 Waivers

Any waiver of this Code of Ethics for executive officers or Directors may be made only by the Board of Directors or a committee of the Board of Directors and will be promptly disclosed as required by law or stock exchange regulation.

Further definition and explanations of additional standards of behavior for the Chief Executive Officer and Chief Financial Officer are provided in *PEI-II-031 Code of Ethics (CEO and CFO)*.

15.0 Reporting any Illegal or Unethical Behavior

Directors, officers, employee, consultants, agents and representatives of Pacific Ethanol are encouraged to promptly bring to the attention of the Chief Executive Officer, the General Counsel or the Audit Committee any evidence of a violation of this Code.

Employees are encouraged to talk to supervisors, managers or other appropriate personnel about observed illegal or unethical behavior and when in doubt about the best course of action in a particular situation. It is Pacific Ethanol's policy not to allow retaliation for reports of misconduct by others made in good faith by employees. Employees are expected to cooperate in internal investigations of misconduct.

Employees must read *PEI-II-040 Whistle Blower*, which describes Pacific Ethanol's procedures for the receipt, retention and treatment of complaints received by Pacific Ethanol regarding accounting, internal accounting controls or auditing matters. Any employee may submit a good faith concern regarding questionable accounting or auditing matters without fear of dismissal or retaliation of any kind.

16.0 Compliance Procedures

We must all work to ensure prompt and consistent action against violations of this Code of Ethics. However, in some situations it is difficult to know if a violation has occurred. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all of the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Ask yourself, "What specifically am I being asked to do? Does it seem unethical or improper? Could the activity appear improper to an outside observer? Could the activity have any potential adverse or beneficial impact on Pacific Ethanol's business or its relationships with customers, partners, suppliers or other service providers?" This will enable you to focus on the specific question you are faced with and the alternatives you have. Use your judgment and common sense. If something seems unethical or improper, it probably is.

- Clarify your responsibilities and role. Ask yourself, “Could the activity result in personal financial or other benefit to me? Could my outside business interests affect my job performance or my judgment on behalf of Pacific Ethanol or affect others with whom I work? Can I reasonably conduct the activity outside of normal work hours? Will I be using Pacific Ethanol equipment, materials or proprietary or confidential information in my activities?” In most situations, there is a shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is your supervisor’s responsibility to help solve problems.
- Seek help from Pacific Ethanol resources. In the rare case where it may not be appropriate to discuss an issue with your supervisor or, where you do not feel comfortable approaching your supervisor with your question, discuss it locally with another manager or the Director of Human Resources.
- You may report ethical violations in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. Pacific Ethanol does not permit retaliation of any kind against employees for good faith reports of ethical violations.
- Always ask first, act later. If you aren’t sure of what to do in any situation, seek guidance before you act.

Exhibit 16.1

July 6, 2015

Securities and Exchange Commission
Washington, D.C. 20549

Commissioners:

We have read Pacific Ethanol, Inc.'s statements included under Item 4.01 of its Form 8-K filed on July 6, 2015 and we agree with such statements concerning our firm.

/s/ Hein & Associates LLP

Exhibit 99.1

Pacific Ethanol, Inc.

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Pacific Ethanol Completes Aventine Merger

- Merger Connects Destination and Origin Market Strategies, Providing Synergies in Ethanol Production and Marketing -
- Establishes Annual Combined Production Capacity of 515 Million Gallons and Combined Annual Ethanol Marketing Volume of Over 800 Million Gallons -

Sacramento, CA, July 1, 2015 – Pacific Ethanol, Inc. (NASDAQ: PEIX), the leading producer and marketer of low-carbon renewable fuels in the Western United States, announced it completed its merger with Aventine Renewable Energy Holdings, Inc. ("Aventine").

Neil Koehler, the company's president and CEO, stated: "We are pleased to complete this transformative acquisition, establishing Pacific Ethanol as the sixth largest producer of ethanol in the United States. In addition to more than doubling our ethanol production capacity, this synergistic transaction expands our geographic footprint, leverages our existing infrastructure to reach new markets and customers and enhances our overall scale and co-product diversification. We look forward to working with the Aventine employees to achieve a smooth integration and accelerate the growth of our combined company."

Per the terms of the definitive merger agreement, Aventine stockholders received 1.25 shares of Pacific Ethanol common stock for each share of Aventine common stock owned at closing. As a result, Pacific Ethanol issued approximately 17.76 million shares in the merger, resulting in 42.5 million total shares outstanding as of July 1, 2015. Aventine had term debt of approximately $145 million as of July 1, 2015. Pacific Ethanol will provide information regarding capital plans and synergies when it releases its second quarter 2015 financial results anticipated in late July 2015.

Aventine's ethanol production assets include its 100 million gallon per year wet mill and 60 million gallon per year dry mill located in Pekin, Illinois, and its 110 million gallon per year and 45 million gallon per year dry mills in Aurora, Nebraska. Combined with Pacific Ethanol's current ethanol production capacity of 200 million gallons per year, the combined company will have a total ethanol production capacity of 515 million gallons per year and, together with Pacific Ethanol's marketing business, is expected to sell over 800 million gallons of ethanol annually based on historical volumes.

Pacific Ethanol, Inc.

About Pacific Ethanol, Inc.

Pacific Ethanol, Inc. (PEIX) is the leading producer and marketer of low-carbon renewable fuels in the Western United States. With the addition of four Midwestern ethanol plants in July 2015, Pacific Ethanol more than doubled the scale of its operations, entered new markets, and expanded its mission to be the industry leader in the production and marketing of low carbon renewable fuels. Pacific Ethanol owns and operates eight ethanol production facilities, four in the Western states of California, Oregon and Idaho, and four in the Midwestern states of Illinois and Nebraska. The plants have a combined production capacity of 515 million gallons per year, produce over one million tons per year of ethanol co-products such as wet and dry distillers grains, wet and dry corn gluten feed, condensed distillers solubles, corn gluten meal, corn germ, corn oil, distillers yeast and CO_2. Pacific Ethanol markets and distributes ethanol and co-products domestically and internationally. Pacific Ethanol's subsidiary, Kinergy Marketing LLC, markets all ethanol for the Pacific Ethanol plants as well as for third parties, with over 800 million gallons of ethanol marketed annually based on historical volumes. Pacific Ethanol's subsidiary, Pacific Ag. Products LLC, markets wet and dry distillers grains. For more information please visit www.pacificethanol.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

Statements contained in this communication that refer to Pacific Ethanol's estimated or anticipated future results or other non-historical expressions of fact are forward-looking statements that reflect Pacific Ethanol's current perspective of existing trends and information as of the date of this communication. Forward looking statements generally will be accompanied by words such as "anticipate," "believe," "plan," "could," "should," "estimate," "expect," "forecast," "outlook," "guidance," "intend," "may," "might," "will," "possible," "potential," "predict," "project," or other similar words, phrases or expressions. Such forward-looking statements include, but are not limited to statements about the benefits of the Aventine merger, including future financial and operating results, synergies that may result from the merger, Pacific Ethanol's ability to leverage its existing infrastructure to reach new markets and customers; and Pacific Ethanol's plans, objectives, expectations and intentions. It is important to note that Pacific Ethanol's goals and expectations are not predictions of actual performance. Actual results may differ materially from Pacific Ethanol's current expectations depending upon a number of factors affecting Pacific Ethanol's business, Aventine's business and risks associated with merger transactions. These factors include, among others, adverse economic and market conditions, including for ethanol and its co-products; raw material costs, including ethanol production input costs; changes in governmental regulations and policies; and insufficient capital resources. These factors also include, among others, the inherent uncertainty associated with financial projections; integration of Aventine and the ability to recognize the anticipated synergies and benefits of the Aventine merger; the anticipated size of the markets and continued demand for Pacific Ethanol's and Aventine's products; the impact of competitive products and pricing; the risks and uncertainties normally incident to the ethanol production and marketing industries; the difficulty of predicting the timing or outcome of pending or future litigation or government investigations; changes in generally accepted accounting principles; successful compliance with governmental regulations applicable to Pacific Ethanol's and Aventine's facilities, products and/or businesses; changes in the laws and regulations; changes in tax laws or interpretations that could increase Pacific Ethanol's consolidated tax liabilities; the loss of key senior management or staff; and other events, factors and risks previously and from time to time disclosed in Pacific Ethanol's filings with the Securities and Exchange Commission including, specifically, those factors set forth in the "Risk Factors" section contained in Pacific Ethanol's Form 10-Q filed with the Securities and Exchange Commission on May 11, 2015.

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