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

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Quarterly Period Ended March 31, 2014

Commission File Number 001-32924

GREEN PLAINS RENEWABLE ENERGY, INC.

(Exact name of registrant as specified in its charter)

Iowa	**84-1652107**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
450 Regency Parkway, Suite 400, Omaha, NE 68114	**(402) 884-8700**
(Address of principal executive offices, including zip code)	(Registrant’s telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

☒ Yes ☐ No

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

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐ Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☒ No

The number of shares of common stock, par value $0.001 per share, outstanding as of April 28, 2014 was 37,406,235 shares.

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GREEN PLAINS RENEWABLE ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(in thousands, except share amounts)

	March 31, 2014	December 31, 2013
	(unaudited)	
ASSETS		
Current assets		
Cash and cash equivalents	$ 207,034	$ 272,027
Restricted cash	22,893	26,994
Accounts receivable, net of allowances of $302 and $308, respectively	112,420	106,808
Inventories	179,750	158,328
Prepaid expenses and other	10,597	12,893
Deferred income taxes	46,719	7,619
Derivative financial instruments	37,221	48,636
Total current assets	616,634	633,305
Property and equipment, net of accumulated depreciation of $229,888 and $215,519, respectively	804,897	806,046
Goodwill	40,877	40,877
Other assets	49,961	51,817
Total assets	$ 1,512,369	$ 1,532,045
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 84,398	$ 112,001
Accrued and other liabilities	67,647	38,645
Unearned revenue	15,743	4,118
Short-term notes payable and other borrowings	128,429	171,500
Current maturities of long-term debt	134,639	82,933
Total current liabilities	430,856	409,197
Long-term debt	379,431	480,746
Deferred income taxes	100,650	91,294
Other liabilities	5,680	5,450
Total liabilities	916,617	986,687
Stockholders' equity		
Common stock, $0.001 par value; 75,000,000 shares authorized; 44,608,024 and 37,703,946 shares issued, and 37,408,024 and 30,503,946 shares outstanding, respectively	45	38
Additional paid-in capital	562,833	468,962
Retained earnings	190,312	148,505
Accumulated other comprehensive loss	(91,630)	(6,339)
Treasury stock, 7,200,000 shares	(65,808)	(65,808)
Total stockholders' equity	595,752	545,358
Total liabilities and stockholders' equity	$ 1,512,369	$ 1,532,045

See accompanying notes to the consolidated financial statements.

GREEN PLAINS RENEWABLE ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(unaudited and in thousands, except per share amounts)

	Three Months Ended March 31, 2014	Three Months Ended March 31, 2013
Revenues	$ 733,889	$ 765,476
Cost of goods sold	633,140	738,262
Gross profit	100,749	27,214
Selling, general and administrative expenses	22,406	14,510
Operating income	78,343	12,704
Other income (expense)		
Interest income	113	39
Interest expense	(9,759)	(8,070)
Other, net	1,031	(520)
Total other income (expense)	(8,615)	(8,551)
Income before income taxes	69,728	4,153
Income tax expense	26,525	1,598
Net income	$ 43,203	$ 2,555
Earnings per share:		
Basic	$ 1.30	$ 0.09
Diluted	$ 1.04	$ 0.08
Weighted average shares outstanding:		
Basic	33,153	29,933
Diluted	43,251	30,210
Cash dividend declared per share	$ 0.04	$ -

See accompanying notes to the consolidated financial statements.

GREEN PLAINS RENEWABLE ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(unaudited and in thousands)

	Three Months Ended March 31,	
	2014	**2013**
Net income	$ 43,203	$ 2,555
Other comprehensive loss, net of tax:		
Unrealized losses on derivatives arising during period, net of tax benefit of $86,015 and $8,502, respectively	(137,287)	(12,637)
Reclassification of realized losses on derivatives, net of tax benefit of $32,577 and $4,509, respectively	51,996	6,703
Total other comprehensive loss, net of tax	(85,291)	(5,934)
Comprehensive loss	$ (42,088)	$ (3,379)

See accompanying notes to the consolidated financial statements.

GREEN PLAINS RENEWABLE ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited and in thousands)

	Three Months Ended March 31,	
	2014	2013
Cash flows from operating activities:		
Net income	$ 43,203	$ 2,555
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation and amortization	14,627	12,609
Amortization of debt issuance costs	966	1,055
Amortization of debt discount	1,039	34
Deferred income taxes	23,791	2,015
Stock-based compensation	2,139	883
Undistributed equity in (income) loss of affiliates	(1,031)	520
Changes in operating assets and liabilities before effects of business combinations:		
Accounts receivable	(3,764)	1,641
Inventories	(21,422)	6,628
Derivative financial instruments	(127,314)	(15,277)
Prepaid expenses and other assets	2,305	4,735
Accounts payable and accrued liabilities	2,806	(33,050)
Unearned revenues	11,625	3,365
Other	814	392
Net cash used by operating activities	(50,216)	(11,895)
Cash flows from investing activities:		
Purchases of property and equipment	(14,777)	(1,904)
Distributions from (investments in) unconsolidated subsidiaries	12	(803)
Net cash used by investing activities	(14,765)	(2,707)
Cash flows from financing activities:		
Proceeds from the issuance of long-term debt	127,842	21,400
Payments of principal on long-term debt	(88,848)	(32,815)
Proceeds from short-term borrowings	802,174	847,650
Payments on short-term borrowings	(845,244)	(860,456)
Payment of cash dividends	(1,396)	-
Change in restricted cash	4,101	13,991
Payments of loan fees	(37)	(40)
Proceeds from exercises of stock options	1,396	391
Net cash used by financing activities	(12)	(9,879)
Net change in cash and cash equivalents	(64,993)	(24,481)
Cash and cash equivalents, beginning of period	272,027	254,289
Cash and cash equivalents, end of period	$ 207,034	$ 229,808

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	Three Months Ended March 31,	
	2014	2013
Supplemental disclosures of cash flow:		
Cash paid for income taxes	$ 547	$ 1,289
Cash paid for interest	$ 7,990	$ 7,880
Noncash investing and financing activities:		
Common stock issued for conversion of 5.75% Notes	$ 89,950	$ -

See accompanying notes to the consolidated financial statements.

1. BASIS OF PRESENTATION, DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

References to the Company

References to “Green Plains” or the “Company” in the consolidated financial statements and in these notes to the consolidated financial statements refer to Green Plains Renewable Energy, Inc., an Iowa corporation, and its subsidiaries.

Consolidated Financial Statements

The consolidated financial statements include the accounts of the Company and its controlled subsidiaries. All significant intercompany balances and transactions have been eliminated on a consolidated basis for reporting purposes. Unconsolidated entities are included in the financial statements on an equity basis. Results for the interim periods presented are not necessarily indicative of results to be expected for the entire year.

The accompanying unaudited consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles, or GAAP, for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. The consolidated financial statements should be read in conjunction with the Company’s annual report on Form 10-K for the year ended December 31, 2013.

The unaudited financial information reflects all adjustments which are, in the opinion of management, necessary for a fair presentation of the results of operations, financial position and cash flows for the periods presented. The adjustments are of a normal recurring nature, except as otherwise noted.

Use of Estimates in the Preparation of Consolidated Financial Statements

The preparation of consolidated financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Description of Business

Green Plains is North America’s fourth largest ethanol producer. The Company operates its business within four segments: (1) production of ethanol and distillers grains, collectively referred to as ethanol production, (2) corn oil production, (3) grain handling and storage, collectively referred to as agribusiness, and (4) marketing, merchant trading and logistics services for Company-produced and third-party ethanol, distillers grains, corn oil and other commodities, and the operation of blending and terminaling facilities, collectively referred to as marketing and distribution. The Company also is a partner in a joint venture to commercialize advanced technologies for growing and harvesting of algal biomass.

Revenue Recognition

The Company recognizes revenue when all of the following criteria are satisfied: persuasive evidence of an arrangement exists; risk of loss and title transfer to the customer; the price is fixed and determinable; and collectability is reasonably assured.

For sales of ethanol, distillers grains and other commodities by the Company’s marketing business, revenue is recognized when title to the product and risk of loss transfer to an external customer. Revenues related to marketing operations for third parties are recorded on a gross basis as the Company takes title to the product and assumes risk of loss. Unearned revenue is reflected on the consolidated balance sheets for goods in transit for which the Company has received payment and title has not been transferred to the customer. Revenues from the Company’s biofuel terminal operations, which include ethanol transload and splash blending services, are recognized as these services are rendered.

The Company routinely enters into fixed-price, physical-delivery ethanol sales agreements. In certain instances, the Company intends to settle the transaction by open market purchases of ethanol rather than by delivery from its own production. These transactions are reported net as a component of revenues. Revenues also include realized gains and losses on related derivative financial instruments, ineffectiveness on cash flow hedges, and reclassifications of realized gains and losses on effective cash flow hedges from accumulated other comprehensive income (loss).

Sales of agricultural commodities are recognized when title to the product and risk of loss transfer to the customer, which is dependent on the agreed upon sales terms with the customer. These sales terms provide for passage of title either at the time shipment is made or at the time the commodity has been delivered to its destination and final weights, grades and settlement prices have been agreed upon with the customer. Revenues related to grain merchandising are presented gross in the statements of operations with amounts billed for shipping and handling included in revenues and also as a component of cost of goods sold. Revenues from grain storage are recognized as services are rendered.

Cost of Goods Sold

Cost of goods sold includes costs for direct labor, materials and certain plant overhead costs. Direct labor includes all compensation and related benefits of non-management personnel involved in the operation of the Company's ethanol plants. Grain purchasing and receiving costs, other than labor costs for grain buyers and scale operators, are also included in cost of goods sold. Direct materials consist of the costs of corn feedstock, denaturant, and process chemicals. Corn feedstock costs include unrealized gains and losses on related derivative financial instruments not designated as cash flow hedges, inbound freight charges, inspection costs and transfer costs. Corn feedstock costs also include realized gains and losses on related derivative financial instruments, ineffectiveness on cash flow hedges, and reclassifications of realized gains and losses on effective cash flow hedges from accumulated other comprehensive income (loss). Plant overhead costs primarily consist of plant utilities, plant depreciation and outbound freight charges. Shipping costs incurred directly by the Company, including railcar lease costs, are also reflected in cost of goods sold.

The Company uses exchange-traded futures and options contracts to minimize the effects of changes in the prices of agricultural commodities on its agribusiness segment's grain inventories and forward purchase and sale contracts. Exchange-traded futures and options contracts are valued at quoted market prices. These contracts are predominantly settled in cash. The Company is exposed to loss in the event of non-performance by the counter-party to forward purchase and forward sale contracts. Grain inventories held for sale, forward purchase contracts and forward sale contracts in the agribusiness segment are valued at market prices, where available, or other market quotes adjusted for differences, primarily transportation, between the exchange-traded market and the local markets on which the terms of the contracts are based. Changes in the fair value of grain inventories held for sale, forward purchase and sale contracts, and exchange-traded futures and options contracts in the agribusiness segment are recognized in earnings as a component of cost of goods sold.

Derivative Financial Instruments

To minimize the risk and the effects of the volatility of commodity price changes primarily related to corn, ethanol and natural gas, the Company uses various derivative financial instruments, including exchange-traded futures, and exchange-traded and over-the-counter options contracts. The Company monitors and manages this exposure as part of its overall risk management policy. As such, the Company seeks to reduce the potentially adverse effects that the volatility of these markets may have on its operating results. The Company may take hedging positions in these commodities as one way to mitigate risk. While the Company attempts to link its hedging activities to purchase and sales activities, there are situations in which these hedging activities can themselves result in losses.

By using derivatives to hedge exposures to changes in commodity prices, the Company has exposures on these derivatives to credit and market risk. The Company is exposed to credit risk that the counterparty might fail to fulfill its performance obligations under the terms of the derivative contract. The Company minimizes its credit risk by entering into transactions with high quality counterparties, limiting the amount of financial exposure it has with each counterparty and monitoring the financial condition of its counterparties. Market risk is the risk that the value of the financial instrument might be adversely affected by a change in commodity prices or interest rates. The Company manages market risk by incorporating monitoring parameters within its risk management strategy that limit the types of derivative instruments and derivative strategies the Company uses, and the degree of market risk that may be undertaken by the use of derivative instruments.

The Company evaluates its contracts that involve physical delivery to determine whether they may qualify for the normal purchase or normal sale exemption and are expected to be used or sold over a reasonable period in the normal course of business. Any contracts that do not meet the normal purchase or sale criteria are recorded at fair value with the change in fair value recorded in operating income unless the contracts qualify for, and the Company elects, hedge accounting treatment.

Certain qualifying derivatives related to ethanol production are designated as cash flow hedges. Prior to entering into cash flow hedges, the Company evaluates the derivative instrument to ascertain its effectiveness. For cash flow hedges, any ineffectiveness is recognized in current period results, while other unrealized gains and losses are reflected in accumulated other comprehensive income until gains and losses from the underlying hedged transaction are realized. In the event that it becomes probable that a forecasted transaction will not occur, the Company would discontinue cash flow hedge treatment, which would affect earnings. These derivative financial instruments are recognized in current assets or other current liabilities at fair value.

At times, the Company hedges its exposures to changes in the value of inventories and designates certain qualifying derivatives as fair value hedges. The carrying amount of the hedged inventory is adjusted through current period results for changes in the fair value arising from changes in underlying prices. Any ineffectiveness is recognized in current period results to the extent that the change in the fair value of the inventory is not offset by the change in the fair value of the derivative.

2. ACQUISITION

Acquisition of Fairmont and Wood River Ethanol Plants

In November 2013, the Company acquired two ethanol plants, located in Fairmont, Minnesota and Wood River, Nebraska, with a combined annual production capacity of 230 million gallons, from Ethanol Holding Company, LLC, an entity composed of the predecessor owners' lender group. Consideration of $108.0 million, which included a preliminary amount for working capital, was paid in cash and acquisition-related costs of $0.8 million were recorded in selling, general and administrative expenses. The Company issued approximately $77.0 million of short-term notes payable and term debt shortly after the acquisition, with the acquired assets serving as collateral for these loans, and entered into capital leases totaling $10.0 million for grain facilities that were previously leased by the predecessor owner of the acquired assets. At the time of acquisition, the ethanol plant in Fairmont, Minnesota was not operational; however, upon completion of certain maintenance and enhancement projects, the Company began operations at the plant in early January 2014. The following is a summary of assets acquired and liabilities assumed (in thousands):

Amounts of Identifiable Assets Acquired and Liabilities Assumed	
Accounts receivable	$ 119
Inventory	8,680
Prepaid expenses and other	2,696
Property and equipment, net	105,956
Other assets	4,193
Current liabilities	(4,260)
Long-term portion of capital leases and tax increment financing bond	(7,895)
Other liabilities	(1,489)
Total identifiable net assets	$ 108,000

The amounts above reflect an updated preliminary purchase price allocation, which did not change materially from the initial allocation. Later this year, upon finalization of the purchase price, including working capital adjustments, the Company will complete the allocation, which it does not expect to differ materially from the preliminary amounts shown above.

3. FAIR VALUE DISCLOSURES

The following methods, assumptions and valuation techniques were used in estimating the fair value of the Company's financial instruments:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date. Level 1 unrealized gains and losses on commodity derivatives relate to exchange-traded open trade equity and option values in the Company's brokerage accounts.

Level 2 – directly or indirectly observable inputs such as quoted prices for similar assets or liabilities in active markets other than quoted prices included within Level 1; quoted prices for identical or similar assets in markets that are not active; and other inputs that are observable or can be substantially corroborated by observable market data by correlation or other means. Grain inventories held for sale in the agribusiness segment are valued at nearby futures values, plus or minus nearby basis levels.

Level 3 – unobservable inputs that are supported by little or no market activity and that are a significant component of the fair value of the assets or liabilities. The Company currently does not have any recurring Level 3 financial instruments.

There have been no changes in valuation techniques and inputs used in measuring fair value. The following tables set forth the Company's assets and liabilities by level for the periods indicated (in thousands):

	Fair Value Measurements at March 31, 2014			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	**Significant Other Observable Inputs (Level 2)**	**Reclassification for Balance Sheet Presentation**	**Total**
Assets:				
Cash and cash equivalents	$ 207,034	$ -	$ -	$ 207,034
Restricted cash	22,893	-	-	22,893
Margin deposits	130,425	-	(130,425)	-
Inventories carried at market	-	24,959	-	24,959
Unrealized gains on derivatives	58,091	10,783	(31,653)	37,221
Other assets (1)	2,319	-	-	2,319
Total assets measured at fair value	$ 420,762	$ 35,742	$ (162,078)	$ 294,426
Liabilities:				
Unrealized losses on derivatives	$ 162,078	$ 37,793	$ (162,078)	$ 37,793
Other	25	-	-	25
Total liabilities measured at fair value	$ 162,103	$ 37,793	$ (162,078)	$ 37,818

(1) Represents long-term restricted cash related to the $22.0 million revenue bond of Green Plains Bluffton.

	Fair Value Measurements at December 31, 2013			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	**Significant Other Observable Inputs (Level 2)**	**Reclassification for Balance Sheet Presentation**	**Total**
Assets:				
Cash and cash equivalents	$ 272,027	$ -	$ -	$ 272,027
Restricted cash	26,994	-	-	26,994
Margin deposits	77,102	-	(77,102)	-
Inventories carried at market	-	23,782	-	23,782
Unrealized gains on derivatives	3,629	18,712	26,295	48,636
Other assets (1)	2,200	-	-	2,200
Total assets measured at fair value	$ 381,952	$ 42,494	$ (50,807)	$ 373,639
Liabilities:				
Unrealized losses on derivatives	$ 50,807	$ 4,612	$ (50,807)	$ 4,612
Other	9	-	-	9
Total liabilities measured at fair value	$ 50,816	$ 4,612	$ (50,807)	$ 4,621

(1) Represents long-term restricted cash related to the $22.0 million revenue bond of Green Plains Bluffton.

The Company believes the fair value of its debt approximated its book value of $642.5 million at March 31, 2014 and the fair value of its debt approximated $775.7 million compared to a book value of $735.2 million at December 31, 2013. The Company estimates the fair value of its outstanding debt using Level 2 inputs. The Company believes the fair values of its accounts receivable and accounts payable approximated book value, which were $112.4 million and $84.4 million, respectively, at March 31, 2014 and $106.8 million and $112.0 million, respectively, at December 31, 2013.

Although the Company currently does not have any recurring Level 3 financial measurements, the fair values of the tangible assets and goodwill acquired and the equity component of convertible debt represent Level 3 measurements and were derived using a combination of the income approach, the market approach and the cost approach as considered appropriate for the specific assets or liabilities being valued.

4. SEGMENT INFORMATION

Company management reviews financial and operating performance in the following four separate operating segments: (1) production of ethanol and distillers grains, collectively referred to as ethanol production, (2) corn oil production, (3) grain handling and storage, collectively referred to as agribusiness, and (4) marketing, merchant trading and logistics services for Company-produced and third-party ethanol, distillers grains, corn oil and other commodities, and the operation of blending and terminaling facilities, collectively referred to as marketing and distribution. Selling, general and administrative expenses, primarily consisting of compensation of corporate employees, professional fees and overhead costs not directly related to a specific operating segment, are reflected in the table below as corporate activities.

During the normal course of business, the Company enters into transactions between segments. Examples of these intersegment transactions include, but are not limited to, the ethanol production segment selling ethanol to the marketing and distribution segment and the agribusiness segment selling grain to the ethanol production segment. These intersegment activities are recorded by each segment at prices approximating market and treated as if they are third-party transactions. Consequently, these transactions impact segment performance. However, revenues and corresponding costs are eliminated in consolidation and do not impact the Company's consolidated results.

The following tables set forth certain financial data for the Company's operating segments for the periods indicated (in thousands):

	Three Months Ended March 31,	
	2014	**2013**
Revenues:		
Ethanol production:		
Revenues from external customers (1)	$ (27,431)	$ 44,408
Intersegment revenues	565,803	464,651
Total segment revenues	538,372	509,059
Corn oil production:		
Revenues from external customers (1)	7	-
Intersegment revenues	16,384	15,699
Total segment revenues	16,391	15,699
Agribusiness:		
Revenues from external customers (1)	18,241	22,125
Intersegment revenues	304,238	64,919
Total segment revenues	322,479	87,044
Marketing and distribution:		
Revenues from external customers (1)	743,072	698,943
Intersegment revenues	33,465	1,289
Total segment revenues	776,537	700,232
Revenues including intersegment activity	1,653,779	1,312,034
Intersegment eliminations	(919,890)	(546,558)
Revenues as reported	$ 733,889	$ 765,476

(1) Revenues from external customers include realized gains and losses from derivative financial instruments.

	Three Months Ended March 31, 2014	Three Months Ended March 31, 2013
Gross profit:		
Ethanol production	$ 71,688	$ 1,230
Corn oil production	7,815	7,909
Agribusiness	2,976	1,226
Marketing and distribution	40,716	17,055
Intersegment eliminations	(22,446)	(206)
	$ 100,749	$ 27,214
Operating income (loss):		
Ethanol production	$ 66,226	$ (2,349)
Corn oil production	7,708	7,810
Agribusiness	935	369
Marketing and distribution	32,494	12,986
Intersegment eliminations	(22,386)	(161)
Corporate activities	(6,634)	(5,951)
	$ 78,343	$ 12,704

The following table sets forth revenues by product line for the periods indicated (in thousands):

	Three Months Ended March 31, 2014	Three Months Ended March 31, 2013
Revenues:		
Ethanol	$ 530,039	$ 579,493
Distillers grains	136,992	131,548
Corn oil	17,132	17,096
Grain	29,201	26,320
Other	20,525	11,019
	$ 733,889	$ 765,476

The following table sets forth total assets by operating segment (in thousands):

	March 31, 2014	December 31, 2013
Total assets:		
Ethanol production	$ 879,027	$ 911,315
Corn oil production	35,197	28,569
Agribusiness	101,255	165,570
Marketing and distribution	308,802	258,361
Corporate assets	217,456	175,210
Intersegment eliminations	(29,368)	(6,980)
	$ 1,512,369	$ 1,532,045

5. INVENTORIES

Inventories are carried at the lower of cost or market, except grain held for sale, which is valued at market value. The components of inventories are as follows (in thousands):

	March 31, 2014	December 31, 2013
Finished goods	$ 70,325	$ 56,664
Grain held for sale	24,959	23,782
Raw materials	54,885	51,726
Work-in-process	13,156	11,506
Supplies and parts	16,425	14,650
	$ 179,750	$ 158,328

6. GOODWILL

The Company did not have any changes in the total carrying amount of goodwill, which was $40.9 million during the three months ended March 31, 2014. Goodwill of $30.3 million is attributable to the ethanol production segment and $10.6 million is attributable to the marketing and distribution segment.

7. DERIVATIVE FINANCIAL INSTRUMENTS

At March 31, 2014, the Company's consolidated balance sheet reflects unrealized losses, net of tax, of $91.6 million in accumulated other comprehensive loss. The Company expects that all of the unrealized losses at March 31, 2014 will be reclassified into operating income over the next 12 months as a result of hedged transactions that are forecasted to occur. The amount ultimately realized in operating income, however, will differ as commodity prices change.

Fair Values of Derivative Instruments

The following table provides information about the fair values of the Company's derivative financial instruments and the line items on the consolidated balance sheets in which the fair values are reflected (in thousands):

	Asset Derivatives' Fair Value		Liability Derivatives' Fair Value	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Derivative financial instruments (1)	$ (93,204)(2)	$ (28,466)(3)	$ -	$ -
Accrued and other liabilities	-	-	37,794	4,612
Total	$ (93,204)	$ (28,466)	$ 37,794	$ 4,612

(1) Derivative financial instruments as reflected on the consolidated balance sheets are net of related margin deposit assets of $130.4 million and $77.1 million at March 31, 2014 and December 31, 2013, respectively.
(2) Balance at March 31, 2014 includes $150.6 million of net unrealized losses on derivative financial instruments designated as cash flow hedging instruments.
(3) Balance at December 31, 2013 includes $47.1 million of net unrealized losses on derivative financial instruments designated as cash flow hedging instruments.

Refer to *Note 3 - Fair Value Disclosures*, which also contains fair value information related to derivative financial instruments.

Effect of Derivative Instruments on Consolidated Statements of Operations and Consolidated Statements of Stockholders' Equity and Comprehensive Income

The following tables provide information about gains or losses recognized in income and other comprehensive income on the Company's derivative financial instruments and the line items in the financial statements in which such gains and losses are reflected (in thousands):

Gains (Losses) on Derivative Instruments Not Designated in a Hedging Relationship	Three Months Ended March 31, 2014	Three Months Ended March 31, 2013
Revenues	$ 18,250	$ (11,669)
Cost of goods sold	(1,163)	11,017
Net increase (decrease) recognized in earnings before tax	$ 17,087	$ (652)

Gains (Losses) Due to Ineffectiveness of Cash Flow Hedges	Three Months Ended March 31, 2014	Three Months Ended March 31, 2013
Revenues	$ (346)	$ (6)
Cost of goods sold	860	(25)
Net increase (decrease) recognized in earnings before tax	$ 514	$ (31)

Gains (Losses) Reclassified from Accumulated Other Comprehensive Loss into Net Income	Three Months Ended March 31, 2014	Three Months Ended March 31, 2013
Revenues	$ (88,146)	$ (10,379)
Cost of goods sold	3,573	(833)
Net decrease recognized in earnings before tax	$ (84,573)	$ (11,212)

Effective Portion of Cash Flow Hedges Recognized in Other Comprehensive Loss	Three Months Ended March 31, 2014	Three Months Ended March 31, 2013
Commodity Contracts	$ (223,302)	$ (21,139)

Gains (Losses) from Fair Value Hedges of Inventory	Three Months Ended March 31, 2014	Three Months Ended March 31, 2013
Revenues (effect of change in inventory value)	$ -	$ 301
Revenues (effect of fair value hedge)	-	(301)
Cost of goods sold (effect of change in inventory value)	3,146	-
Cost of goods sold (effect of fair value hedge)	(2,778)	-
Ineffectiveness recognized in earnings before tax	$ 368	$ -

There were no gains or losses due to the discontinuance of cash flow hedge or fair value hedge treatment during the three months ended March 31, 2014 and 2013.

The following table summarizes volumes of open commodity derivative positions as of March 31, 2014 (in thousands):

	March 31, 2014				
	Exchange Traded	Non-Exchange Traded			
Derivative Instruments	Net Long & (Short) (1)	Long (2)	(Short) (2)	Unit of Measure	Commodity
Futures	(5,345)			Bushels	Corn, Soybeans and Wheat
Futures	63,950 (3)			Bushels	Corn
Futures	(3,315)(4)			Bushels	Corn
Futures	54,684			Gallons	Ethanol
Futures	(235,620)(3)			Gallons	Ethanol
Futures	98			mmBTU	Natural Gas
Options	7,242			Bushels	Corn, Soybeans and Wheat
Options	6,659			Gallons	Ethanol
Options	(42)			mmBTU	Natural Gas
Forwards		10,127	(4,709)	Bushels	Corn and Soybeans
Forwards		5,386	(129,584)	Gallons	Ethanol
Forwards		91	(399)	Tons	Distillers Grains
Forwards		(37,491)	3,408	Pounds	Corn Oil

(1) Exchange traded futures and options are presented on a net long and (short) position basis. Options are presented on a delta-adjusted basis.
(2) Non-exchange traded forwards are presented on a gross long and (short) position basis including both fixed-price and basis contracts.
(3) Futures used for cash flow hedges.
(4) Futures used for fair value hedges.

Energy trading contracts that do not involve physical delivery are presented net in revenues on the consolidated statements of operations. Revenues and cost of goods sold under such contracts are summarized in the table below for the periods indicated (in thousands):

	Three Months Ended March 31,	
	2014	2013
Revenues	$ 3,620	$ 1,982
Cost of goods sold	4,744	1,962

8. DEBT

The principal balances of the components of long-term debt are as follows (in thousands):

	March 31, 2014	December 31, 2013
Green Plains Bluffton:		
$70.0 million term loan	$ 25,847	$ 26,621
$20.0 million revolving term loan	20,000	15,000
$22.0 million revenue bond	14,865	15,780
Green Plains Central City:		
$55.0 million term loan	31,668	33,100
$30.5 million revolving term loan	28,639	17,739
Equipment financing loan	18	36
Green Plains Fairmont and Green Plains Wood River:		
$50.0 million term loan	47,500	50,000
$27.0 million term loan	26,270	26,756
Tax increment financing bond	4,199	3,626
Capital leases on grain facilities	9,994	9,994
Capital leases on equipment and other	4,439	5,489
Green Plains Holdings II:		
$46.8 million term loans	34,760	15,914
$20.0 million revolving term loan	19,954	31,960
Green Plains Obion:		
$60.0 million term loan	1,479	3,879
$37.4 million revolving term loan	37,400	28,400
Equipment financing loan	83	126
Economic development grant	1,223	1,245
Green Plains Ord:		
$25.0 million term loan	14,488	15,143
$13.0 million revolving term loan	12,151	2,151
Green Plains Otter Tail:		
$30.3 million term loan	16,926	17,960
$19.2 million note payable	19,175	19,151
Equipment financing loan	13	-
Green Plains Shenandoah:		
$17.0 million revolving term loan	15,200	9,000
Green Plains Superior:		
$40.0 million term loan	8,375	9,750
$10.0 million revolving term loan	10,000	8,000
Equipment financing loan	-	18
Corporate:		
$90.0 million convertible notes	-	90,000
$120.0 million convertible notes	97,670	96,653
Capital lease	133	188
Other	11,601	10,000
Total long-term debt	514,070	563,679
Less: current portion of long-term debt	(134,639)	(82,933)
Long-term debt	$ 379,431	$ 480,746

Short-term notes payable and other borrowings at March 31, 2014 included working capital revolvers at Green Plains Grain and Green Plains Trade with outstanding balances of $55.0 million and $61.5 million, respectively. Green Plains Grain also had $11.9 million in outstanding short-term inventory financing arrangements at March 31, 2014. Short-term notes payable and other borrowings at December 31, 2013 included working capital revolvers at Green Plains Grain and Green

Plains Trade with outstanding balances of $95.0 million and $76.5 million, respectively.

Ethanol Production Segment

- Term Loans

  - Scheduled principal payments are as follows:

• Green Plains Bluffton	$0.3 million per month
• Green Plains Central City	$0.5 million per month
• Green Plains Fairmont and Green Plains Wood River $50.0 million term loan	$2.5 million per quarter, decreasing to $1.3 million per quarter in 2015
• Green Plains Fairmont and Green Plains Wood River $27.0 million term loan	$0.2 million per month
• Green Plains Holdings II	$1.8 million per quarter
• Green Plains Obion	$2.4 million per quarter
• Green Plains Ord	$0.2 million per month
• Green Plains Otter Tail	$0.4 million per month
• Green Plains Superior	$1.4 million per quarter

  - Final maturity dates (at the latest) are as follows:

• Green Plains Bluffton	January 31, 2015
• Green Plains Central City	July 1, 2016
• Green Plains Fairmont and Green Plains Wood River $50.0 million term loan	November 27, 2015
• Green Plains Fairmont and Green Plains Wood River $27.0 million term loan	November 27, 2014
• Green Plains Holdings II	July 1, 2019
• Green Plains Obion	May 20, 2014
• Green Plains Ord	July 1, 2016
• Green Plains Otter Tail	September 1, 2018
• Green Plains Superior	July 20, 2015

- Revolving Term Loans – The revolving term loans are generally available for advances throughout the life of the commitment, subject, in certain cases, to borrowing base restrictions. Allowable advances under the Green Plains Shenandoah loan agreement are reduced by $0.4 million each quarter. Allowable advances under the Green Plains Superior loan agreement are reduced by $2.5 million each six-month period commencing on the first day of the month beginning six months after repayment of the term loan, but in no event later than January 1, 2016. Allowable advances under the Green Plains Obion loan agreement are reduced by $4.7 million on a semi-annual basis commencing on March 1, 2015. Interest-only payments are due each month on all revolving term loans until the final maturity date for the Green Plains Bluffton, Green Plains Central City, Green Plains Ord, Green Plains Shenandoah, and Green Plains Superior loan agreements.

  - Final maturity dates (at the latest) are as follows:

• Green Plains Bluffton	January 31, 2015
• Green Plains Central City	July 1, 2016
• Green Plains Holdings II	July 1, 2019
• Green Plains Obion	June 1, 2018
• Green Plains Ord	July 1, 2016
• Green Plains Shenandoah	September 20, 2018
• Green Plains Superior	July 1, 2017

Green Plains Bluffton issued a $22.0 million Subordinate Solid Waste Disposal Facility Revenue Bond with the City of Bluffton, Indiana. The revenue bond requires: (1) semi-annual principal and interest payments of approximately $1.5 million through March 1, 2019, and (2) a final principal and interest payment of $3.745 million on September 1, 2019. The revenue bond bears interest at 7.50% per annum. At March 31, 2014, Green Plains Bluffton had $2.5 million of cash, presented as restricted cash with the long-term portion in other assets on the consolidated balance sheet, the use of which was restricted for principal and interest payments towards the revenue bond.

Green Plains Otter Tail issued $19.2 million in senior notes under New Market Tax Credits financing. The notes bear interest at an annual rate equal to the prime rate (as defined) plus 1.5%, but not less than 4.0%, payable monthly, and require monthly principal payments of approximately $0.3 million beginning in September 2014. These senior notes, which were scheduled to mature in September 2018, were extinguished on April 25, 2014, with $2.2 million of the outstanding obligation forgiven according to terms of the financing.

Allowable dividends or other annual distributions from each respective subsidiary, subject to certain additional restrictions including compliance with all loan covenants, terms and conditions, are as follows:

• Green Plains Bluffton	Up to 35% of net profit before tax, and up to an additional 15% of net profit before tax, after free cash flow payment is made
• Green Plains Central City and Green Plains Ord	Up to 35% of net profit before tax, and an unlimited amount may be distributed after free cash flow payment is made, provided maintenance of 70% tangible owner's equity
• Green Plains Fairmont and Green Plains Wood River	Up to amounts equal to permitted tax distributions, as defined in the loan agreement
• Green Plains Holdings II	Up to 40% of net profit before tax, and unlimited if working capital is greater than or equal to $20.0 million
• Green Plains Obion	Up to 40% of net profit before tax, and unlimited after free cash flow payment is made
• Green Plains Otter Tail	Up to 40% of net profit before tax, and an amount reasonably acceptable to the lender may be distributed provided maintenance of 40% tangible owner equity
• Green Plains Superior	Up to 40% of net profit before tax, and unlimited after free cash flow payment is made

In February 2014, the Green Plains Holdings II credit agreement was amended. Subsequent to the amendment, the Green Plains Holdings II credit agreement consists of three term loans and one revolving term loan. The discussions above have been updated to reflect the amendment.

Agribusiness Segment

Green Plains Grain has a $125.0 million senior secured revolving credit facility with various lenders to provide the agribusiness segment with working capital funding subject to a borrowing base as defined in the facility. The revolving credit facility matures on August 26, 2016. The revolving credit facility includes total revolving credit commitments of $125.0 million and an accordion feature whereby amounts available under the facility may be increased by up to $75.0 million of new lender commitments upon agent approval. The facility also allows for additional seasonal borrowings up to $50.0 million. The total commitments outstanding under the facility cannot exceed $250.0 million. As security for the revolving credit facility, the lender received a first priority lien on certain cash, inventory, accounts receivable and other assets owned by subsidiaries of the agribusiness segment. Advances are subject to interest charges at a rate per annum equal to the LIBOR rate for the outstanding period plus the applicable margin or a rate per annum equal to the base rate plus the applicable margin. In addition to other customary covenants, this revolving credit facility contains restrictions on distributions with respect to capital stock, with exceptions for distributions of up to 40% of net profit before tax, subject to certain conditions.

Marketing and Distribution Segment

Green Plains Trade has a senior secured asset-based revolving credit facility pursuant to which the lender will loan up to $130.0 million on eligible collateral. The amount of eligible collateral is determined by a calculated borrowing base value equal to the sum of percentages of eligible receivables and eligible inventories, less certain miscellaneous adjustments. The outstanding balance, if any, is subject to interest charges at the lender's floating base rate plus the applicable margin or LIBOR plus the applicable margin. The revolving credit facility expires on April 25, 2016. In addition to other customary covenants, this revolving credit facility contains restrictions on distributions with respect to capital stock, with exceptions (i) for distributions with respect to tax obligations, subject to certain conditions, and (ii) whereby distributions may be made in an amount up to 50% of net income if (a) undrawn availability under this facility, on a pro forma basis, is greater than $10.0 million for the preceding 30 days and (b) as of the date of the distribution, the borrower would be in compliance with the fixed charge coverage ratio on a pro forma basis. At March 31, 2014, Green Plains Trade had $18.0 million, presented as restricted cash on the consolidated balance sheets, the use of which was restricted for repayment towards the outstanding loan balance.

In June 2013, subsidiaries of the Company executed a New Markets Tax Credits financing transaction. In order to facilitate this financing transaction, the Company was required to issue promissory notes payable in the amount of $10.0 million and a note receivable in the amount of $8.1 million. The promissory notes payable and note receivable bear interest at 1% per annum, payable quarterly. Beginning in March 2020, the promissory notes and note receivable each require quarterly principal and interest payments of approximately $0.2 million; the Company retains the right to call $8.1 million of the promissory notes in 2020. The promissory notes payable and note receivable mature on September 15, 2031 and will be fully amortized upon maturity. In connection with the New Markets Tax Credits financing transaction, income tax credits were generated for the benefit of the lender. The Company has guaranteed the lender the value of these income tax credits over their statutory lives, a period of seven years, in the event that the income tax credits are recaptured or reduced. The value of the income tax credits was anticipated to be $5.0 million at the time of the transaction. The Company believes the likelihood of recapture or reduction of the income tax credits is remote, and therefore has not established a liability in connection with this guarantee.

Corporate Activities

In September 2013, the Company issued $120.0 million of 3.25% Convertible Senior Notes due 2018, or the 3.25% Notes. The 3.25% Notes represent senior, unsecured obligations of the Company, with interest payable on April 1 and October 1 of each year. Conversion of the 3.25% Notes may only be settled in shares of the Company’s common stock unless shareholder approval is received to allow for flexible settlement consisting of, at the Company's election, cash, shares of the Company's common stock, or a combination of cash and shares of the Company's common stock (and cash in lieu of fractional shares) until the day immediately preceding the maturity date. As a result, the 3.25% Notes contain liability and equity components which were bifurcated and accounted for separately. The liability component of the 3.25% Notes, as of the issuance date, was calculated by estimating the fair value of a similar liability issued at an 8.21% effective interest rate, which was determined by considering the rate of return investors would require for comparable debt of the Company without conversion rights. The amount of the equity component was calculated by deducting the fair value of the liability component from the principal amount of the 3.25% Notes, resulting in the initial recognition of $24.5 million as debt discount costs recorded in additional paid-in capital. The carrying amount of the 3.25% Notes will be accreted to the principal amount over the remaining term to maturity and the Company will record a corresponding amount of non-cash interest expense. Additionally, the Company incurred debt issuance costs of $5.1 million related to the 3.25% Notes and allocated $4.0 million of debt issuance costs to the liability component of the 3.25% Notes. These costs will be amortized to non-cash interest expense over the five-year term of the 3.25% Notes. Prior to April 1, 2018, the 3.25% Notes will not be convertible unless certain conditions are satisfied. The initial conversion rate is 47.9627 shares of common stock per $1,000 principal amount of 3.25% Notes, which is equal to an initial conversion price of approximately $20.85 per share. The conversion rate is subject to adjustment upon the occurrence of certain events, including the payment of a quarterly cash dividend that exceeds $0.04 per share. In addition, the Company may be obligated to increase the conversion rate for any conversion that occurs in connection with certain corporate events, including the Company calling the 3.25% Notes for redemption.

The Company may redeem for cash all, but not less than all, of the 3.25% Notes at any time on or after October 1, 2016 if the sale price of the Company's common stock equals or exceeds 140% of the applicable conversion price for a specified time period ending on the trading day immediately prior to the date the Company delivers notice of the redemption. The redemption price will equal 100% of the principal amount of the 3.25% Notes, plus any accrued and unpaid interest. In addition, upon the occurrence of a fundamental change, such as a change in control, holders of the 3.25% Notes will have the right, at their option, to require the Company to repurchase their 3.25% Notes in cash at a price equal to 100% of the principal amount of the 3.25% Notes to be repurchased, plus accrued and unpaid interest. Default with respect to any loan in excess of $10.0 million constitutes an event of default under the 3.25% Notes, which could result in the 3.25% Notes being declared due and payable.

In November 2010, the Company issued $90.0 million of 5.75% Convertible Senior Notes due 2015, or the 5.75% Notes. On February 14, 2014, the Company gave notice of its intention to redeem all of the outstanding 5.75% Notes pursuant to the optional redemption right in the indenture governing the 5.75% Notes. The 5.75% Notes were convertible into shares of the Company’s common stock at the conversion rate of 72.5846 shares of common stock for each $1,000 principal amount of

5.75% Notes from February 14, 2014 through February 28, 2014. From March 1, 2014 through March 19, 2014, the conversion rate was adjusted to 72.6961 shares of common stock for each $1,000 principal amount as a result of the quarterly cash dividend. Approximately $89.95 million of the 5.75% Notes were submitted for conversion into 6,532,713 shares of common stock through March 19, 2014. On March 20, 2014, the Company redeemed the remaining 5.75% Notes at par value plus accrued and unpaid interest through March 19, 2014. All $90.0 million of the 5.75% Notes were retired effective March 20, 2014.

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Covenant Compliance

The Company, including all of its subsidiaries, was in compliance with its debt covenants as of March 31, 2014.

Capitalized Interest

The Company had no capitalized interest during the three months ended March 31, 2014.

Restricted Net Assets

At March 31, 2014, there were approximately $686.9 million of net assets at the Company's subsidiaries that were not available to be transferred to the parent company in the form of dividends, loans or advances due to restrictions contained in the credit facilities of these subsidiaries.

9. STOCK-BASED COMPENSATION

The Company has an equity incentive plan which reserves a total of 3.5 million shares of common stock for issuance pursuant to its terms. The plan provides for the granting of shares of stock, including options to purchase shares of common stock, stock appreciation rights tied to the value of common stock, restricted stock, and restricted and deferred stock unit awards to eligible employees, non-employee directors and consultants. The Company measures share-based compensation grants at fair value on the grant date, adjusted for estimated forfeitures. The Company records noncash compensation expense related to equity awards in its financial statements over the requisite service period on a straight-line basis. Substantially all of the Company's existing share-based compensation awards have been determined to be equity awards.

The following table summarizes stock option activity for the three months ended March 31, 2014:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding at December 31, 2013	610,250	$ 10.71	3.4	$ 5,310
Granted	-	-		
Exercised	(151,000)	9.24		2,599
Forfeited	-	-		
Expired	-	-		
Outstanding at March 31, 2014	459,250	$ 11.19	3.4	$ 8,446
Exercisable at March 31, 2014 (1)	459,250	$ 11.19	3.4	$ 8,446

(1) Includes in-the-money options totaling 459,250 shares at a weighted-average exercise price of $11.19.

The Company's option awards allow employees to exercise options through cash payment to the Company for the shares of common stock or through a simultaneous broker-assisted cashless exercise of a share option through which the employee authorizes the exercise of an option and the immediate sale of the option shares in the open market. The Company uses newly-issued shares of common stock to satisfy its share-based payment obligations.

The following table summarizes non-vested stock award and deferred stock unit activity for the three months ended March 31, 2014:

	Non-Vested Shares and Deferred Stock Units	Weighted-Average Grant-Date Fair Value	Weighted-Average Remaining Vesting Term (in years)
Non-Vested at December 31, 2013	738,950	$ 10.39	
Granted	361,707	22.88	
Forfeited	(4,121)	11.53	
Vested	(394,812)	13.38	
Non-Vested at March 31, 2014	701,724	$ 15.14	2.4

Compensation costs expensed for share-based payment plans described above during the three months ended March 31, 2014 and 2013 were approximately $3.3 million and $2.3 million, respectively. At March 31, 2014, there were $9.4 million of unrecognized compensation costs from share-based compensation arrangements, which are related to non-vested awards. This compensation is expected to be recognized over a weighted-average period of approximately 2.4 years. The potential tax benefit realizable for the anticipated tax deductions of the exercise of share-based payment arrangements generally would approximate 38% of these expense amounts.

10. EARNINGS PER SHARE

Basic earnings per share, or EPS, is calculated by dividing net income available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted EPS is computed by dividing net income on an if-converted basis, with respect to the 3.25% Notes and the 5.75% Notes, by the weighted average number of common shares outstanding during the period, adjusted for the dilutive effect of any outstanding dilutive securities. The reconciliations of net income to net income on an if-converted basis and basic and diluted EPS are as follows (in thousands):

	Three Months Ended March 31,	
	2014	2013
Basic EPS:		
Net income	$ 43,203	$ 2,555
Weighted average shares outstanding - basic	33,153	29,933
Net income - basic	$ 1.30	$ 0.09
Diluted EPS:		
Net income	$ 43,203	$ 2,555
Interest and amortization on convertible debt, net of tax effect:		
5.75% Notes	576	-
3.25% Notes	1,379	-
Net income on an if-converted basis	$ 45,158	$ 2,555
Weighted average shares outstanding - basic	33,153	29,933
Effect of dilutive convertible debt:		
5.75% Notes	4,081	-
3.25% Notes	5,756	-
Effect of dilutive stock-based compensation awards	261	277
Total potential shares outstanding	43,251	30,210
Net income - diluted	$ 1.04	$ 0.08

Excluded from the computations of diluted EPS for the three months ended March 31, 2013 were stock-based compensation awards totaling 0.4 million shares because the exercise prices or the grant-date fair value, as applicable, of the corresponding awards were greater than the average market price of the Company’s common stock during the respective periods. Also, for the three months ended March 31, 2013, 6.3 million shares related to the effect of the 5.75% Notes were excluded from the computation of diluted EPS as the inclusion of these shares would have been antidilutive.

11. STOCKHOLDERS' EQUITY

Components of stockholders' equity are as follows (in thousands):

	Common Stock		Additional Paid-in Capital	Retained Earnings	Accum. Other Comp. Loss	Treasury Stock		Total Stockholders' Equity
	Shares	Amount				Shares	Amount	
Balance, December 31, 2013	37,704	$ 38	$ 468,962	$ 148,505	$ (6,339)	7,200	$ (65,808)	$ 545,358
Net income	-	-	-	43,203	-	-	-	43,203
Cash dividends declared	-	-	-	(1,396)	-	-	-	(1,396)
Other comprehensive loss before reclassification	-	-	-	-	(137,287)	-	-	(137,287)
Amounts reclassified from accum. other comprehensive loss	-	-	-	-	51,996	-	-	51,996
Other comprehensive loss, net of tax	-	-	-	-	(85,291)	-	-	(85,291)
Stock-based compensation	220	-	2,139	-	-	-	-	2,139
Stock options exercised	151	-	1,396	-	-	-	-	1,396
Conversion of 5.75 % Notes	6,533	7	90,336	-	-	-	-	90,343
Balance, March 31, 2014	44,608	$ 45	$ 562,833	$ 190,312	$ (91,630)	7,200	$ (65,808)	$ 595,752

Amounts reclassified from accumulated other comprehensive income for the periods indicated are as follows (in thousands):

	Three Months Ended March 31		Statements of Operations Classification
	2014	2013	
Gains (losses) on cash flow hedges:			
Ethanol commodity derivatives	$ (88,146)	$ (10,379)	Revenues
Corn commodity derivatives	3,573	(833)	Cost of goods sold
Total	(84,573)	(11,212)	Loss before income taxes
Income tax benefit	(32,577)	(4,509)	Income tax benefit
Amounts reclassified from accumulated other comprehensive loss	$ (51,996)	$ (6,703)	

12. INCOME TAXES

The Company records income tax expense or benefit during interim periods based on its best estimate of the annual effective tax rate. Certain items are given discrete period treatment and, as a result, the tax effects of such items are reported in full in the relevant interim period.

Income tax expense for the three months ended March 31, 2014 and 2013 was $26.5 million and $1.6 million, respectively. The effective tax rate (calculated as the ratio of income tax expense to income before income taxes) was approximately 38.0% and 38.5% for the three months ended March 31, 2014 and 2013, respectively. The effective tax rate for the three months ended March 31, 2014 reflects the release of a valuation allowance for state tax credits that the Company expects to utilize during the year and an income tax deduction for qualified production activities, offset by a change in estimate related to the Company's filing position in various jurisdictions.

The amount of unrecognized tax benefits for uncertain tax positions was $0.3 million as of March 31, 2014 and $0.2 million as of December 31, 2013. Recognition of these benefits would have a favorable impact on the Company's effective tax rate. The increase during the three months ended March 31, 2014 is due to a change in estimate related to the Company's filings in certain jurisdictions.

The 2014 annual effective tax rate can be affected as a result of variances among the estimates and amounts of full-year sources of taxable income (both among the various states and activity types), the realization of tax credits, adjustments that may arise from the resolution of tax matters under review, variances in the release of valuation allowances and the Company's assessment of its liability for uncertain tax positions.

13. COMMITMENTS AND CONTINGENCIES

Operating Leases

The Company leases certain facilities and parcels of land under agreements that expire at various dates. For accounting purposes, rent expense is based on a straight-line amortization of the total payments required over the lease term. The Company incurred lease expenses of $6.6 million and $5.0 million during the three months ended March 31, 2014 and 2013, respectively. Aggregate minimum lease payments under these agreements for the remainder of 2014 and in future fiscal years are as follows (in thousands):

Year Ending December 31,		Amount
2014	$	26,269
2015		17,500
2016		15,302
2017		10,240
2018		7,807
Thereafter		7,001
Total	$	84,119

Commodities

As of March 31, 2014 the Company had contracted for future purchases of grain, natural gas, ethanol and distillers grains valued at approximately $663.7 million, $29.7 million, $19.2 million and $12.1 million, respectively.

Legal

The Company is currently involved in litigation that has arisen in the ordinary course of business, but it does not believe that any pending litigation will have a material adverse effect on its financial position, results of operations or cash flows.

14. RELATED PARTY TRANSACTIONS

Commercial Contracts

Three subsidiaries of the Company have executed separate financing agreements for equipment with AXIS Capital Inc. Gordon F. Glade, President and Chief Executive Officer of AXIS Capital, is a member of the Company's Board of Directors. In March 2014, a subsidiary of the Company entered into $1.4 million of new equipment financing agreements with AXIS Capital with monthly payments beginning in April 2014. Totals of $1.4 million and $0.1 million were included in debt at March 31, 2014 and December 31, 2013, respectively, under these financing arrangements. Payments, including principal and interest, totaled $37 thousand for each of the three month periods ended March 31, 2014 and 2013. The weighted average interest rate for all financing agreements with AXIS Capital was 6.8%.

The Company has entered into ethanol purchase and sale agreements with Center Oil Company. Gary R. Parker was President and Chief Executive Officer of Center Oil and a member of the Company's Board of Directors until his death on February 8, 2014. During the period from January 1, 2014 to February 8, 2014, there were no cash receipts from Center Oil and cash payments to Center Oil totaled $0.9 million on these contracts. During the three months ended March 31, 2013, cash receipts from Center Oil totaled $0.6 million and cash payments to Center Oil totaled $1.0 million on these contracts. The Company had no outstanding receivables from or payables to Center Oil at March 31, 2014 and December 31, 2013.

Aircraft Lease

For the three months ended March 31, 2014, the Company had entered into an agreement with an entity controlled by Wayne B. Hoovestol, for the lease of an aircraft. Wayne B. Hoovestol is Chairman of the Company's Board of Directors. The Company agreed to pay $6,667 per month for use of up to 100 hours per year of the aircraft. Any flight time in excess of 100 hours per year incurred additional hourly-based charges. During the three months ended March 31, 2014 and 2013, payments related to the lease totaled $30 thousand and $35 thousand, respectively. The Company had approximately $1,800 in outstanding payables related to this agreement at March 31, 2014 and did not have any such outstanding payables at December 31, 2013. Effective April 1, 2014, the Company has entered into two agreements with entities controlled by Wayne B. Hoovestol, for the lease of two aircrafts. In total, the Company has agreed to pay $15,834 per month for combined use of up to 125 hours per year of the aircrafts. Any flight time in excess of 125 hours per year will incur additional hourly-based charges.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

General

The following discussion and analysis provides information which management believes is relevant to an assessment and understanding of our consolidated financial condition and results of operations. This discussion should be read in conjunction with the consolidated financial statements included herewith and notes to the consolidated financial statements thereto and our annual report on Form 10-K for the year ended December 31, 2013 including the consolidated financial statements, accompanying notes and the risk factors contained therein.

Cautionary Information Regarding Forward-Looking Statements

This report contains forward-looking statements based on current expectations that involve a number of risks and uncertainties. Forward-looking statements generally do not relate strictly to historical or current facts, but rather to plans and objectives for future operations based upon management's reasonable estimates of future results or trends, and include statements preceded by, followed by, or that include words such as "anticipates," "believes," "continue," "estimates," "expects," "intends," "outlook," "plans," "predicts," "may," "could," "should," "will," and words and phrases of similar impact, and include, but are not limited to, statements regarding future operating or financial performance, business strategy, business environment, key trends, and benefits of actual or planned acquisitions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The forward-looking statements are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Although we believe that our expectations regarding future events are based on reasonable assumptions, any or all forward-looking statements in this report may turn out to be incorrect. They may be based on inaccurate assumptions or may not account for known or unknown risks and uncertainties. Consequently, no forward-looking statement is guaranteed, and actual future results may vary materially from the results expressed or implied in our forward-looking statements. The cautionary statements in this report expressly qualify all of our forward-looking statements. In addition, we are not obligated, and do not intend, to update any of our forward-looking statements at any time unless an update is required by applicable securities laws. Factors that could cause actual results to differ from those expressed or implied in the forward-looking statements include, but are not limited to, those discussed in Part I, Item 1A – Risk Factors of our annual report on Form 10-K for the year ended December 31, 2013 and in Item 1A of Part II of this quarterly report on Form 10-Q for the quarter ended March 31, 2014. Specifically, we may experience significant fluctuations in future operating results due to a number of economic conditions, including, but not limited to, competition in the ethanol and other industries in which we operate, commodity market risks including those that may result from current weather conditions, financial market risks, counter-party risks, risks associated with changes to federal policy or regulation, risks related to closing and achieving anticipated results from acquisitions, risks associated with the joint venture to commercialize algae production and the growth potential of the algal biomass industry, and other risk factors detailed in our reports filed with the SEC. Actual results may differ from projected results due, but not limited, to unforeseen developments.

In light of these assumptions, risks and uncertainties, the results and events discussed in the forward-looking statements contained in this report or in any document incorporated by reference might not occur. Investors are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date of this report or the date of the document incorporated by reference in this report. We are not under any obligation, and we expressly disclaim any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

Overview

We are a leading, vertically-integrated producer, marketer and distributor of ethanol. We focus on generating stable operating margins through our diversified business segments and our risk management strategy. We believe that owning and operating strategically-located assets throughout the ethanol value chain enables us to mitigate changes in commodity prices and differentiates us from companies focused only on ethanol production. Today, we have operations throughout the ethanol value chain, beginning upstream with our grain handling and storage operations, continuing through our ethanol, distillers grains and corn oil production operations and ending downstream with our ethanol marketing, distribution and blending facilities.

We review our operations within the following four separate operating segments:

- *Ethanol Production.* We are North America's fourth largest ethanol producer. We operate a total of twelve ethanol plants in Indiana, Iowa, Michigan, Minnesota, Nebraska and Tennessee. We have the capacity to consume approximately 360 million bushels of corn per year and produce over one billion gallons of ethanol and approximately 2.9 million tons of distillers grains annually.

- *Corn Oil Production.* We operate corn oil extraction systems at our ethanol plants, with the capacity to produce approximately 250 million pounds annually. The corn oil systems are designed to extract non-edible corn oil, a value-added product, from the whole stillage immediately prior to production of distillers grains.

- *Agribusiness.* Within our bulk grain business, we have four grain elevators with approximately 8.2 million bushels of total storage capacity and approximately 22.6 million bushels of storage capacity at our ethanol plants. We believe our bulk grain business provides synergies with our ethanol production segment as it supplies a portion of the feedstock for our ethanol plants.
- *Marketing and Distribution.* Our in-house marketing business is responsible for the sale, marketing and distribution of all ethanol, distillers grains and corn oil produced at our ethanol plants. We also market and provide logistical services for ethanol and other commodities for a third-party producer. We purchase and sell ethanol, distillers grains, corn oil, grain, natural gas and other commodities and participate in other merchant trading activities in various markets. Additionally, our wholly-owned subsidiary, BlendStar LLC, operates eight blending or terminaling facilities with approximately 822 million gallons per year, or mmgy, of total throughput capacity in seven south central U.S. states. To optimize the value of our assets, we utilize a portion of our railcar fleet to transport crude oil for third parties.

We intend to continue to take a disciplined approach in evaluating new opportunities related to potential acquisition of additional ethanol plants by considering whether the plants meet our design, engineering, valuation and geographic criteria. In our marketing and distribution segment, our strategy is to expand our marketing efforts by entering into new or renewal contracts with other ethanol producers and realize additional profit margins by optimizing our commodity logistics. In 2013, we began to implement a plan to realign our agribusiness operations by adding grain storage capacity located at or near our ethanol plants to take advantage of our current infrastructure and enhance our corn origination and trading capabilities. We also intend to pursue opportunities to develop or acquire additional grain elevators, specifically those located near our ethanol plants. We intend to continue to add grain storage capacity with the goal of owning approximately 50 million bushels of total storage capacity by the end of 2015. We believe that owning additional grain handling and storage operations in close proximity to our ethanol plants enables us to strengthen relationships with local corn producers, allowing us to source corn more effectively and at a lower average cost. We also own approximately 60% of BioProcess Algae LLC, which was formed to commercialize advanced photo-bioreactor technologies for growing and harvesting algal biomass.

In 2013, we began operation of Green Plains Asset Management LLC, or GPAM, a registered commodity trading advisor and wholly-owned subsidiary that uses discretionary trading strategies driven by fundamental research and technical analysis to trade primarily in agricultural and energy commodity markets. GPAM uses the market knowledge derived from our ethanol production, grain merchandising, grain warehousing and fuel terminal businesses under strict risk management limits. GPAM has a team of experienced professionals with years of commodity trading experience and expertise in asset and fund management. GPAM is included in our Marketing and Distribution segment.

Industry Factors Affecting our Results of Operations

Variability of Commodity Prices. Our operations and our industry are highly dependent on commodity prices, especially prices for corn, ethanol, distillers grains and natural gas. Because the market prices of these commodities are not always correlated, at times ethanol production may be unprofitable. As commodity price volatility poses a significant threat to our margin structure, we have developed a risk management strategy focused on locking in favorable operating margins when available. We continually monitor market prices of corn, natural gas and other input costs relative to the prices for ethanol and distillers grains at each of our production facilities. We create offsetting positions by using derivative instruments, fixed-price purchases and sales contracts, or a combination of strategies within strict limits. Our primary focus is not to manage general price movements of individual commodities, for example to minimize the cost of corn consumed, but rather to lock in favorable profit margins whenever possible. By using a variety of risk management tools and hedging strategies, including our internally-developed real-time margin management system, we believe we are able to maintain a disciplined approach to price risks.

In 2013, U.S. ethanol production was 13.3 billion gallons compared with production of 13.2 billion gallons in 2012 and 13.8 billion gallons mandated by RFS II for 2013. As a result of the U.S. ethanol industry rationalizing production, inventory stocks reached a low of 628 million gallons at the end of October 2013, the lowest level since October 2010. Domestic inventory stocks were 667 million gallons at March 31, 2014. Lower production, stocks and corn prices had a positive effect on ethanol margins in 2013, especially in the fourth quarter, continuing in the first quarter of 2014. Drought conditions in the Midwestern region of the United States during 2012 caused corn to trade at unusually high prices through the third quarter of 2013. Also, during 2012, sugarcane ethanol imported from Brazil, which totaled approximately 530 million gallons, was one of the most economical means for certain parties to comply with an RFS II requirement to blend, in the aggregate, 2.0 billion gallons of advanced biofuels in 2012. Effective May 1, 2013, the Brazilian government increased the required percentage of ethanol in vehicle fuel sold in Brazil to 25 percent (from 20 percent) which, along with more competitively priced ethanol produced from corn, has reduced ethanol exports from Brazil into the U.S. In 2013, U.S. ethanol imports were 400 million gallons and exports were 600 million gallons. In the first quarter of 2014 the U.S. had ethanol exports, net of imports, of approximately 200 million gallons. We believe that U.S. ethanol production levels will continue to adjust to supply and demand factors for ethanol and corn.

There may be periods of time that, due to the variability of commodity prices and compressed margins, we reduce or cease ethanol production operations at certain of our ethanol plants. In 2013 we produced ethanol at approximately 94% of our total daily average capacity. In the first quarter of 2014, we produced ethanol at approximately 95.5% of our total daily average capacity. The reduced production rates increase ethanol yields and optimize cash flow in lower margin environments.

Legislation. Federal and state governments have enacted numerous policies and incentives to encourage the usage of domestically-produced alternative fuels. RFS II has been, and we expect will continue to be, a factor in the growth of ethanol usage. Due to drought conditions in 2012 and claims that blending of ethanol into the motor fuel supply will be constrained by unwillingness of the market to accept greater than ten percent ethanol blends, or the blend wall, legislation aimed at reducing or eliminating the renewable fuel use required by RFS II has been introduced into Congress.

To further drive the increased adoption of ethanol, Growth Energy, an ethanol industry trade association, and a number of ethanol producers requested a waiver from the EPA to increase the allowable amount of ethanol blended into gasoline from the current ten percent level, or E10, to a 15% level, or E15. Through a series of decisions beginning in October 2010, the EPA has granted a waiver for the use of E15 in model year 2001 and newer passenger vehicles, including cars, sport utility vehicles, and light pickup trucks. In June 2012, the EPA gave final approval for the sale and use of E15 ethanol blends. On June 24, 2013 the U.S. Supreme Court declined to hear an appeal from the American Petroleum Institute and other organizations challenging the EPA's decision to permit the sale of E15. According to the EPA, as of March 31, 2014, 82 fuel manufacturers were registered to sell E15. In January 2014, a major fuel retailer announced that it will begin offering E15 to customers with the objective to have 100 of its U.S. stores offering E15 in 2014.

The Domestic Alternative Fuels Act of 2012 was introduced on January 18, 2012 in the U.S. House of Representatives and was re-introduced on March 15, 2013 as H.R. 1214 to provide liability protection for claims based on the sale or use of certain fuels and fuel additives. Passage of this bill would provide liability protection to consumers in the event they unintentionally put any transportation fuel into their motor vehicle for which such fuel has not been approved. The American Fuel Protection Act of 2013 was introduced on June 5, 2013 in the U.S. House of Representatives to make the United States exclusively liable for certain claims of liability for damages resulting from, or aggravated by, the inclusion of ethanol in transportation fuel.

The Master Limited Partnership Parity Act was introduced on April 24, 2013 in the U.S. House of Representatives as H.R. 1696 to extend the publicly traded partnership ownership structure to renewable energy projects. The legislation would provide a more level financing system and tax burden for renewable energy and fossil energy projects.

Industry Fundamentals. The ethanol industry is supported by a number of market fundamentals that drive its long-term outlook and extend beyond the short-term margin environment. Following the EPA's approval, the industry is working to broadly introduce E15 into the retail fuel market. The RFS II mandate increased to 14.4 billion gallons of corn-derived renewable fuel for 2014, 600 million gallons over the mandated volume in 2013, and continues to increase through 2015. On November 15, 2013, the EPA released its Notice of Proposed Rulemaking for the 2014 Renewable Fuel Standard. The proposal discusses a variety of approaches for setting the 2014 standards, and includes a number of production and consumption ranges for key categories of biofuel covered by the RFS program. The proposal seeks comment on a range of total renewable fuel volumes for 2014 and proposes a level within that range of 15.2 billion gallons, including 13.0 billion gallons of corn-derived renewable fuel. The proposal addresses two constraints of RFS II: (1) limitations in the volume of ethanol that can be consumed in gasoline given practical constraints on the supply of higher ethanol blends to the vehicles that can use them and (2) limitations in the ability of the industry to produce sufficient volumes of qualifying renewable fuel.

The domestic gasoline market continues to evolve as refiners are producing more CBOB, a sub-grade (84 octane) gasoline, which requires ethanol or other octane sources to meet the minimum octane rating requirements for the U.S. gasoline market. The demand for ethanol is also affected by the overall demand for transportation fuel. Currently, according to the EIA, total gasoline demand in the U.S. is approximately 135 billion gallons annually. The ethanol blend rate in 2014 is projected to be approximately 10% of total gasoline demand, or 13.5 billion gallons annually. Demand for transportation fuel is affected by the number of miles traveled by consumers and the fuel economy of vehicles. Market acceptance of E15 may partially offset the effects of this decrease. Consumer acceptance of E15 and E85 (85% ethanol blended) fuels and flex-fuel vehicles is needed before ethanol can achieve any significant growth in market share. In addition, ethanol export markets, although affected by competition from other ethanol exporters, mainly from Brazil, are expected to remain active in 2014. Overall, the industry is producing below the mandated levels but ethanol prices have remained at a discount to gasoline, providing blenders and refiners with an economic incentive to blend.

BioProcess Algae Joint Venture

Our BioProcess Algae joint venture is focused on developing technology to grow and harvest algae, which consume carbon dioxide, in commercially viable quantities. Through multiple stages of expansion, BioProcess Algae has constructed a five-acre algae farm next to our Shenandoah, Iowa ethanol plant and has been operating its Grower Harvesters™ bioreactors since January 2011. The joint venture is currently focused on verification of growth rates, energy balances, capital requirements and operating expenses of the technology which are considered to be some of the key steps to commercialization.

BioProcess Algae announced in April 2013, that it had been selected to receive a grant of up to $6.4 million from the U.S. Department of Energy as part of a pilot-scale biorefinery project related to production of hydrocarbon fuels meeting military specification. The project will use renewable carbon dioxide, lignocellulosic sugars and waste heat through BioProcess Algae's Grower Harvester™ technology platform. The objective of the project is to demonstrate technologies to cost-effectively convert biomass into advanced drop-in biofuels. BioProcess Algae is required to contribute a minimum of 50% matching funds for the project.

BioProcess Algae intends to expand the algae farm with the construction of additional Grower Harvester™ bioreactors and a new processing facility, pending coordination with the U.S. Department of Energy. When construction is completed, annual capacity is expected be 350 to 400 tons of dry wholesale algae. We increased our ownership of BioProcess Algae to approximately 60% during the first quarter of 2014. However, we still do not possess the requisite control of this investment to consolidate it.

If we and the other BioProcess Algae members determine that the joint venture can achieve the desired economic performance, a larger build-out will be considered, possibly as large as 200 to 400 acres of Grower Harvester™ reactors at the Shenandoah, Iowa site. Such a build-out may be completed in stages and could take up to two years to complete. Funding for such a project would come from a variety of sources including current partners, new equity investors, debt financing or a combination thereof.

Critical Accounting Policies and Estimates

This disclosure is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires that we make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. We base our estimates on historical experience and other assumptions that we believe are proper and reasonable under the circumstances. We continually evaluate the appropriateness of estimates and assumptions used in the preparation of our consolidated financial statements. Actual results could differ materially from those estimates. Key accounting policies, including but not limited to those relating to revenue recognition, depreciation of property and equipment, impairment of long-lived assets and goodwill, derivative financial instruments, and accounting for income taxes, are impacted significantly by judgments, assumptions and estimates used in the preparation of the consolidated financial statements. See further discussion of our critical accounting policies and estimates, as well as significant accounting policies, in our annual report on Form 10-K for the year ended December 31, 2013.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our consolidated financial condition, results of operations or liquidity.

Components of Revenues and Expenses

Revenues. In our ethanol production segment, our revenues are derived primarily from the sale of ethanol and distillers grains, which is a co-product of the ethanol production process. In our corn oil production segment, our revenues are derived from the sale of corn oil, which is extracted from the whole stillage process immediately prior to the production of distillers grains. In our agribusiness segment, the sale of grain is our primary source of revenue. In our marketing and distribution segment, the sale of ethanol, distillers grains and corn oil that we market for our ethanol plants, the sale of ethanol we market for a third-party ethanol plant and the sale of other commodities purchased in the open market represent our primary sources of revenue. Revenues also include net gains or losses from derivatives.

Cost of Goods Sold. Cost of goods sold in our ethanol production and corn oil production segments includes costs for direct labor, materials and certain plant overhead costs. Direct labor includes all compensation and related benefits of non-management personnel involved in the operation of our ethanol plants. Plant overhead costs primarily consist of plant utilities, plant depreciation and outbound freight charges. Our cost of goods sold in these segments is mainly affected by the cost of corn, natural gas, purchased distillers grains and transportation. Within our corn oil segment, we compensate the ethanol plants for the value of distillers grains displaced during the production process. In the ethanol production segment, corn is our most significant raw material cost. We purchase natural gas to power steam generation in our ethanol production process and to dry our distillers grains. Natural gas represents our second largest cost in this business segment. Cost of goods sold also includes net gains or losses from derivatives related to commodities purchased.

Grain acquisition costs represent the primary components of cost of goods sold in our agribusiness segment. Grain inventories held for sale, forward purchase contracts and forward sale contracts are valued at market prices, where available, or other market quotes adjusted for differences, primarily transportation, between the exchange-traded market and the local markets on which the terms of the contracts are based. Changes in the market value of grain inventories, forward purchase and sale contracts, and exchange-traded futures and options contracts are recognized in earnings as a component of cost of goods sold.

In our marketing and distribution segment, purchases of ethanol, distillers grains and corn oil represent the largest components of cost of goods sold. Transportation expense represents an additional major component of our cost of goods sold in this segment. Transportation expense includes rail car leases, freight and shipping of our ethanol and co-products, as well as costs incurred in storing ethanol at destination terminals.

Selling, General and Administrative Expenses. Selling, general and administrative expenses are recognized at the operating segment level, as well as at the corporate level. These expenses consist of employee salaries, incentives and benefits; office expenses; director fees; and professional fees for accounting, legal, consulting, and investor relations activities. Personnel costs, which include employee salaries, incentives and benefits, are the largest single category of expenditures in selling, general and administrative expenses. We refer to selling, general and administrative expenses that are not allocable to a segment as corporate activities.

Other Income (Expense). Other income (expense) includes interest earned, interest expense, equity earnings in nonconsolidated subsidiaries and other non-operating items.

Results of Operations

Segment Results

Our operations fall within the following four segments: (1) production of ethanol and related distillers grains, collectively referred to as ethanol production, (2) corn oil production, (3) grain handling and storage, collectively referred to as agribusiness, and (4) marketing, merchant trading and logistics services for Company-produced and third-party ethanol, distillers grains, corn oil and other commodities, and the operation of blending and terminaling facilities, collectively referred to as marketing and distribution. Selling, general and administrative expenses, primarily consisting of compensation of corporate employees, professional fees and overhead costs not directly related to a specific operating segment, are reflected in the table below as corporate activities. When the Company’s management evaluates segment performance, they review the information provided below, as well as segment earnings before interest, income taxes, noncontrolling interest, depreciation and amortization.

During the normal course of business, our operating segments enter into transactions with one another. For example, our ethanol production and corn oil production segments sell ethanol, distillers grains and corn oil to our marketing and distribution segment and our agribusiness segment sells grain to our ethanol production segment. These intersegment activities are recorded by each segment at prices approximating market and treated as if they are third-party transactions. Consequently, these transactions impact segment performance. However, intersegment revenues and corresponding costs are eliminated in consolidation, and do not impact our consolidated results.

In June 2013, we acquired an ethanol plant located in Atkinson, Nebraska with the capacity to produce approximately 50 mmgy. The plant began ethanol production on July 25, 2013. Also, in June 2013, we acquired a grain elevator in Archer, Nebraska. In November 2013, we acquired two ethanol plants located in Fairmont, Minnesota and Wood River, Nebraska with the combined capacity to produce approximately 230 mmgy. The Wood River plant was operating at the time of acquisition and the Fairmont plant began ethanol production on January 2, 2014. The tables below reflect selected operating segment financial information for the periods indicated (in thousands):

	Three Months Ended March 31,	
	2014	2013
Revenues:		
Ethanol production:		
Revenues from external customers (1)	$ (27,431)	$ 44,408
Intersegment revenues	565,803	464,651
Total segment revenues	538,372	509,059
Corn oil production:		
Revenues from external customers (1)	7	-
Intersegment revenues	16,384	15,699
Total segment revenues	16,391	15,699
Agribusiness:		
Revenues from external customers (1)	18,241	22,125
Intersegment revenues	304,238	64,919
Total segment revenues	322,479	87,044
Marketing and distribution:		
Revenues from external customers (1)	743,072	698,943
Intersegment revenues	33,465	1,289
Total segment revenues	776,537	700,232
Revenues including intersegment activity	1,653,779	1,312,034
Intersegment eliminations	(919,890)	(546,558)
Revenues as reported	$ 733,889	$ 765,476

(1) Revenues from external customers include realized gains and losses from derivative financial instruments.

	Three Months Ended March 31,	
	2014	2013
Gross profit:		
Ethanol production	$ 71,688	$ 1,230
Corn oil production	7,815	7,909
Agribusiness	2,976	1,226
Marketing and distribution	40,716	17,055
Intersegment eliminations	(22,446)	(206)
	$ 100,749	$ 27,214
Operating income (loss):		
Ethanol production	$ 66,226	$ (2,349)
Corn oil production	7,708	7,810
Agribusiness	935	369
Marketing and distribution	32,494	12,986
Intersegment eliminations	(22,386)	(161)
Corporate activities	(6,634)	(5,951)
	$ 78,343	$ 12,704

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Three Months Ended March 31, 2014 Compared to the Three Months Ended March 31, 2013

Consolidated Results

Consolidated revenues decreased by $31.6 million for the three months ended March 31, 2014 compared to the same period in 2013. Ethanol revenues decreased by $49.5 million due to a decrease in revenue per gallon partially offset by an increase in volumes sold in the three months ended March 31, 2014 compared to the same period in 2013. The decrease in ethanol revenues were partially offset by an increase in merchant trading activities for other commodities including grain and natural gas, which contributed additional revenues of $2.9 million and $11.6 million, respectively. Gross profit increased by $73.5 million for the three months ended March 31, 2014 compared to the same period in 2013 primarily as a result of improved margins for ethanol production, a decrease in the cost of corn and profits from merchant trading activities. Operating income increased by $65.6 million for the three months ended March 31, 2014 compared to the same period in 2013 as a result of the factors discussed above reduced by a $7.9 million increase in selling, general and administrative expenses. Selling, general and administrative expenses were higher for the three months ended March 31, 2014 compared to the same period in 2013 due most significantly to an increase in personnel costs and the expanded scope of our operations following the acquisitions of our Atkinson, Fairmont and Wood River ethanol plants in the second and fourth quarters of 2013. Interest expense increased by $1.7 million for the three months ended March 31, 2014 compared to the same period in 2013 due to the issuance of $120.0 million of 3.25% convertible senior notes in September 2013. Income tax expense was $26.5 million for the three months ended March 31, 2014 compared to $1.6 million for the same period in 2013.

The following discussion of segment results provides greater detail on period-to-period results.

Ethanol Production Segment

The table below presents key operating data within our ethanol production segment for the periods indicated:

	Three Months Ended March 31,	
	2014	**2013**
Ethanol sold		
(thousands of gallons)	230,772	170,841
Distillers grains sold		
(thousands of equivalent dried tons)	636	482
Corn consumed		
(thousands of bushels)	82,058	59,749

Revenues in the ethanol production segment increased by $29.3 million for the three months ended March 31, 2014 compared to the same period in 2013 primarily due to higher volumes produced and sold, partially offset by lower average ethanol and distillers grains prices. Revenues in the first quarter of 2014 included production from our Atkinson, Fairmont and Wood River plants, which were acquired in 2013 and contributed an additional combined 57.2 million gallons of ethanol production and $134.8 million in revenue. The ethanol production segment produced 230.8 million gallons of ethanol, which represents approximately 95.5% of daily average production capacity, during the first quarter of 2014.

Cost of goods sold in the ethanol production segment decreased by $41.1 million for the three months ended March 31, 2014 compared to the same period in 2013. Consumption of corn increased by 22.3 million bushels but the average cost per bushel decreased by 39% during the three months ended March 31, 2014 compared to the same period in 2013. As a result of the factors identified above, gross profit and operating income for the ethanol production segment increased by $70.5 million and $68.6 million, respectively, for the three months ended March 31, 2014 compared to the same period in 2013. Depreciation and amortization expense for the ethanol production segment was $13.0 million for the three months ended March 31, 2014 compared to $11.1 million during the same period in 2013.

Corn Oil Production Segment

Revenues in the corn oil production segment increased by $0.7 million for the three months ended March 31, 2014 compared to the same period in 2013. During the three months ended March 31, 2014, we sold 50.6 million pounds of corn oil compared to 38.1 million pounds in the same period of 2013. Production in the first quarter of 2014 included 9.9 million pounds from our ethanol plants acquired in 2013. The average price realized for corn oil was 20% lower for the first quarter of 2014 compared to the same period in 2013.

Gross profit and operating income in the corn oil production segment decreased by $0.1 million for the three months ended March 31, 2014 compared to the same period in 2013. The increase in revenues was offset by $0.8 million of additional expense related to increased volumes produced along with higher input costs during the three months ended March 31, 2014 compared to the same period in 2013.

Agribusiness Segment

Revenues in the agribusiness segment increased by $235.4 million and gross profit and operating income increased by $1.8 million and $0.6 million, respectively, for the three months ended March 31, 2014 compared to the same period in 2013. We sold 70.8 million bushels of grain, including 68.7 million bushels to our ethanol production segment during the three months ended March 31, 2014 compared to sales of 11.0 million bushels of grain, including 8.7 million bushels to our ethanol production segment during the same period in 2013. The agribusiness segment focuses on supplying corn to our ethanol plants.

Marketing and Distribution Segment

Revenues in our marketing and distribution segment increased by $76.3 million for the three months ended March 31, 2014 compared to the same period in 2013. The increase in revenues was primarily due to a $44.3 million increase in merchant trading activities for grain, natural gas and other commodities as well as an increase in ethanol revenues of $22.7 million. The marketing and distribution segment sold 267.9 million and 239.2 million gallons of ethanol during the three months ended March 31, 2014 and 2013, respectively.

Gross profit and operating income for the marketing and distribution segment increased by $23.7 million and $19.5 million, respectively, for the three months ended March 31, 2014 compared to the same period in 2013, primarily due to the increased trading activities discussed above.

Intersegment Eliminations

Intersegment eliminations of revenues increased by $373.3 million for the three months ended March 31, 2014 compared to the same period in 2013 due to the following factors: increased corn sales from our agribusiness segment to our ethanol production segment of $243.0 million, increased natural gas sales from our marketing and distribution segment to our ethanol production segment of $22.7 million, increased sales of ethanol from our ethanol production segment to our marketing and distribution segment of $110.8 million and decreased sales of distillers grains from our ethanol production segment to our marketing and distribution segment of $4.5 million.

Intersegment eliminations of gross profit and operating income increased by $22.2 million for the three months ended March 31, 2014 compared to the same period in 2013 due primarily to a change in the title transfer point for ethanol between segments beginning in the fourth quarter of 2013 and increased product in transit to customers. Beginning October 1, 2013, ethanol is sold from our ethanol production segment to our marketing and distribution segment as it is produced and transferred into storage tanks located at each respective plant. The finished product is then sold from the marketing and distribution segment to external customers. Profit is recognized by the ethanol production segment upon sale to the marketing and distribution segment but is eliminated from consolidated results until title to the product has been transferred to a third party. During the three months ended March 31, 2014 finished ethanol inventory levels increased primarily due to product that was in-transit to external customers which resulted in a significant increase in intersegment profits that were deferred. The volume of ethanol and distillers grains in transit to customers at March 31, 2014 was affected by transportation constraints this winter.

Corporate Activities

Operating income was impacted by an increase in operating expenses for corporate activities of $0.7 million for the three months ended March 31, 2014 compared to the same period in 2013 primarily due to an increase in personnel costs.

Income Taxes

We record income tax expense or benefit during interim periods based on our best estimate of the annual effective tax rate. Certain items are given discrete period treatment and, as a result, the tax effects of such items are reported in full in the relevant interim period. We recorded income tax expense of $26.5 million for the three months ended March 31, 2014 compared to $1.6 million for the same period in 2013. The effective tax rate (calculated as the ratio of income tax expense to income before income taxes) was approximately 38.0% for the three months ended March 31, 2014 compared to 38.5% for the three months ended March 31, 2013. The annual effective tax rate can be affected as a result of variances among the estimates and amounts of full-year sources of taxable income (among the various states), the realization of tax credits, adjustments that may arise from the resolution of tax matters under review, variances in the release of valuation allowances and an assessment of our liability for uncertain tax positions.

EBITDA

Management uses earnings before interest, income taxes, depreciation and amortization, or EBITDA, to measure our financial performance and to internally manage our businesses. Management believes that EBITDA provides useful information to investors as a measure of comparison with peer and other companies. EBITDA should not be considered an alternative to, or more meaningful than, net income or cash flow as determined in accordance with generally accepted accounting principles. EBITDA calculations may vary from company to company. Accordingly, our computation of EBITDA may not be comparable with a similarly-titled measure of another company. The following sets forth the reconciliation of net income to EBITDA for the periods indicated (in thousands):

	Three Months Ended March 31,	
	2014	**2013**
Net income	$ 43,203	$ 2,555
Interest expense	9,759	8,070
Income tax expense	26,525	1,598
Depreciation and amortization	14,627	12,609
EBITDA	$ 94,114	$ 24,832

Liquidity and Capital Resources

On March 31, 2014, we had $207.0 million in cash and equivalents, excluding restricted cash, comprised of $142.2 million held at our parent company and the remainder at our subsidiaries. We also had up to an additional $138.5 million available under revolving credit agreements at our subsidiaries, some of which was subject to borrowing base restrictions or other specified lending conditions at March 31, 2014. Funds held at our subsidiaries are generally required for their ongoing operational needs and distributions from our subsidiaries are restricted pursuant to their credit agreements. At March 31, 2014, there were approximately $686.9 million of net assets at our subsidiaries that were not available to be transferred to the parent company in the form of dividends, loans or advances due to restrictions contained in the credit facilities of these subsidiaries.

We incurred capital expenditures of $14.8 million in the first three months of 2014 for various projects, mainly installation of fine grind technology at several of our ethanol plants and improvement of our property at our recently-acquired Fairmont ethanol plant. Capital spending for the remainder of 2014 is expected to be approximately $36.0 million. The remainder of our capital spending is expected to be financed with available borrowings under our credit facilities and cash provided by operating activities.

Net cash used by operating activities was $50.2 million for the three months ended March 31, 2014 compared to $11.9 million for the same period in 2013. Operating activities were affected by an increase in working capital for the three months ended March 31, 2014, primarily consisting of an increase in finished goods inventory and commodity hedging activity. On March 31, 2014, we had $130.4 million in margin deposits for broker margin requirements. Cash used by operating activities for the three months ended March 31, 2013 included cash outflows related to payments for deferred grain contract payables, accrued expenses and derivative financial instruments. Net cash used by investing activities was $14.8 million for the three months ended March 31, 2014, due primarily to capital expenditures at our ethanol plants. Net cash used by financing activities was $12 thousand for the three months ended March 31, 2014. Green Plains Trade and Green Plains Grain utilize revolving credit facilities to finance working capital requirements. These facilities are frequently drawn upon and repaid, resulting in significant cash movements that are reflected on a gross basis within financing activities as proceeds from and payments on short-term borrowings.

Our business is highly impacted by commodity prices, including prices for corn, ethanol, distillers grains and natural gas. We attempt to reduce the market risk associated with fluctuations in commodity prices through the use of derivative financial instruments. Sudden changes in commodity prices may require cash deposits with brokers or margin calls. Depending on our open derivative positions, we may require significant liquidity with little advanced notice to meet margin calls. We continuously monitor our exposure to margin calls and believe that we will continue to maintain adequate liquidity to cover such margin calls from operating results and borrowings. Increases in grain prices and hedging activity have led to more frequent and larger margin calls.

We were in compliance with our debt covenants at March 31, 2014. Based upon our forecasts and the current margin environment, we believe we will maintain compliance at each of our subsidiaries for the upcoming twelve months, or if necessary have sufficient liquidity available on a consolidated basis to resolve a subsidiary's noncompliance; however, no obligation exists to provide such liquidity for a subsidiary's compliance. No assurance can be provided that actual operating results will approximate our forecasts or that we will inject the necessary capital into a subsidiary to maintain compliance with its respective covenants. In the event actual results differ significantly from our forecasts and a subsidiary is unable to comply with its respective debt covenants, the subsidiary's lenders may determine that an event of default has occurred. Upon the occurrence of an event of default, and following notice, the lenders may terminate any commitment and declare the entire unpaid balance due and payable.

In August 2013, our Board of Directors approved the initiation of a quarterly cash dividend. We have paid a quarterly cash dividend of $0.04 per share since initiation and anticipate declaring a cash dividend in future quarters on a regular basis; however, future declarations of dividends are subject to Board approval and may be adjusted as our cash position, business needs or market conditions change.

We believe that we have sufficient working capital for our existing operations. However, a sustained period of unprofitable operations may strain our liquidity and make it difficult to maintain compliance with our financing arrangements. While we may seek additional sources of working capital in response, we can provide no assurance that we will be able to secure this funding if necessary. We may sell additional equity or borrow additional amounts to improve or preserve our liquidity, expand our existing businesses, or build additional or acquire existing businesses. We can provide no assurance that we will be able to secure the funding necessary for these additional projects or for additional working capital needs at reasonable terms, if at all.

Debt

For additional information related to our debt, see *Note 8 – Debt* included herein as part of the Notes to Consolidated Financial Statements and *Note 10 – Debt* included as part of the Notes to Consolidated Financial Statements included in our annual report on Form 10-K for the year ended December 31, 2013.

Ethanol Production Segment

Each of our ethanol production segment subsidiaries have credit facilities with lender groups that provide for term and revolving term loans to finance construction and operation of the production facilities.

Green Plains Bluffton debt includes a $70.0 million amortizing term loan and a $20.0 million revolving term loan. At March 31, 2014, $25.8 million related to the amortizing term loan was outstanding, along with $20.0 million on the revolving term loan. The amortizing term loan requires monthly principal payments of approximately $0.3 million. The amortizing term loan and revolving term loan mature on January 31, 2015.

Green Plains Central City debt includes a $55.0 million amortizing term loan and a $30.5 million revolving term loan. At March 31, 2014, $31.7 million related to the amortizing term loan was outstanding, and $28.6 million was outstanding on the revolving term loan. The amortizing term loan requires monthly principal payments of $0.5 million. The amortizing term loan and the revolving term loan mature on July 1, 2016.

Green Plains Fairmont and Green Plains Wood River combined debt includes a $27.0 million short-term loan that matures on November 27, 2014 and a $50.0 million term loan that matures on November 27, 2015. At March 31, 2014, $26.3 million was outstanding on the short-term loan and $47.5 million was outstanding on the term loan. The short-term note requires monthly principal payments of $0.2 million with an expected outstanding balance upon maturity of $25.0 million. The term loan requires quarterly principal payments of $2.5 million in 2014 and $1.3 million in 2015.

In February 2014, the Green Plains Holdings II credit agreement was amended. Subsequent to the amendment. Green Plains Holdings II debt includes three individual term loans totaling $46.8 million and a $20.0 million revolving term loan. The amortizing term loans require total quarterly payments of $1.8 million. The final maturity date of the term loans is July 1, 2019 and the maturity date of the revolving term loan is July 1, 2019.

Green Plains Obion debt includes a $60.0 million amortizing term loan and a revolving term loan of $37.4 million. At March 31, 2014, $1.5 million related to the amortizing term loan was outstanding along with $37.4 million on the revolving term loan. The amortizing term loan requires quarterly principal payments of $2.4 million. The amortizing term loan matures on May 20, 2014 and the revolving term loan matures on June 1, 2018.

Green Plains Ord debt includes a $25.0 million amortizing term loan and a $13.0 million revolving term loan. At March 31, 2014, $14.5 million related to the amortizing term loan was outstanding and $12.2 million outstanding on the revolving term loan. The amortizing term loan requires monthly principal payments of approximately $0.2 million. The amortizing term loan and the revolving term loan mature on July 1, 2016.

Green Plains Otter Tail debt includes a $30.3 million amortizing term loan. At March 31, 2014, $16.9 million related to the term loan was outstanding. The amortizing term loan requires monthly principal payments of approximately $0.4 million and matures on September 1, 2018.

Green Plains Shenandoah debt includes a $17.0 million revolving term loan. At March 31, 2014, $15.2 million on the revolving term loan was outstanding. The revolving term loan matures on September 20, 2018.

Green Plains Superior debt includes a $40.0 million amortizing term loan and a $10.0 million revolving term loan. At March 31, 2014, $8.4 million related to the amortizing term loan was outstanding along with $10.0 million on the revolving term loan. The amortizing term loan requires quarterly principal payments of $1.4 million. The amortizing term loan matures on July 20, 2015 and the revolving term loan matures on July 1, 2017.

Each term loan, except for the Green Plains Fairmont and Green Plains Wood River combined loan and the Green Plains Otter Tail loan, has a provision that requires us to make annual special payments ranging from 65% to 75% of the available free cash flow from the related entity’s operations (as defined in the respective loan agreements), subject to certain limitations. With certain exceptions, the revolving term loans within this segment are generally available for advances throughout the life of the commitment with interest-only payments due each month until the final maturity date.

The term loans and revolving term loans bear interest at LIBOR plus 3.00% to 4.50% or lender-established prime rates. Some have established a floor on the underlying LIBOR index. In some cases, the lender may allow us to elect to pay interest at a fixed interest rate to be determined. As security for the loans, the lenders received a first-position lien on all personal property and real estate owned by the respective entity borrowing the funds, including an assignment of all contracts and rights pertinent to construction and on-going operations of the plant. Additionally, debt facilities of Green Plains Central City and Green Plains Ord are cross-collateralized. These borrowing entities are also required to maintain certain combined financial and non-financial covenants during the terms of the loans.

Green Plains Bluffton issued a $22.0 million Subordinate Solid Waste Disposal Facility Revenue Bond with the city of Bluffton, Indiana, with $14.9 million outstanding at March 31, 2014. The revenue bond requires semi-annual principal and interest payments of approximately $1.5 million through March 1, 2019 and a final principal and interest payment of $3.7 million on September 1, 2019. The revenue bond bears interest at 7.50% per annum.

Green Plains Otter Tail issued $19.2 million in senior notes under New Market Tax Credits financing, with $19.2 million outstanding at March 31, 2014. The notes bear interest at a rate equal to the prime rate (as defined) plus 1.5%, but not less than 4.0%, payable monthly, and require monthly principal payments of approximately $0.3 million beginning in September 2014. These senior notes, which were scheduled to mature in September 2018, were extinguished on April 25, 2014, with $2.2 million of the outstanding obligation forgiven according to terms of the financing.

Additionally, certain locations had small equipment financing loans, capital leases on equipment or facilities, or other forms of debt financing.

Agribusiness Segment

Green Plains Grain has a $125.0 million senior secured revolving credit facility to provide the agribusiness segment with working capital funding subject to a borrowing base as defined in the facility. The revolving credit facility matures on August 26, 2016. The revolving credit facility includes total revolving credit commitments of $125.0 million and an accordion feature whereby amounts available under the facility may be increased by up to $75.0 million of new lender commitments upon agent approval. The facility also allows for additional seasonal borrowings up to $50.0 million. The total commitments outstanding under the facility cannot exceed $250.0 million. As security for the revolving credit facility, the lender received a first priority lien on certain cash, inventory, accounts receivable and other assets owned by subsidiaries of the agribusiness segment. Advances on the revolving credit facility are subject to interest charges at a rate per annum equal to the LIBOR rate for the outstanding period, or the base rate, plus the respective applicable margin. At March 31, 2014, $55.0 million on the revolving credit facility was outstanding. As security for the revolving credit facility, the lender received a first priority lien on certain cash, inventory, accounts receivable and other assets owned by subsidiaries of the agribusiness segment.

Marketing and Distribution Segment

Green Plains Trade has a senior secured asset-based revolving credit facility of up to $130.0 million, subject to a borrowing base value equal to the sum of percentages of eligible receivables and eligible inventories, less certain miscellaneous adjustments. At March 31, 2014, $61.5 million was outstanding on the revolving credit facility. The revolving credit facility expires on April 25, 2016 and bears interest at the lender's commercial floating rate plus the applicable margin or LIBOR plus the applicable margin. As security for the loan, the lender received a first-position lien on substantially all of the assets of Green Plains Trade, including accounts receivable, inventory and other property and collateral owned by Green Plains Trade.

In June 2013, certain of our subsidiaries executed a New Markets Tax Credits financing transaction. In order to facilitate this financing transaction, we were required to issue promissory notes payable in the amount of $10.0 million and a note receivable in the amount of $8.1 million. The promissory notes payable and note receivable bear interest at 1% per annum, payable quarterly. Beginning in March 2020, the promissory notes and note receivable each require quarterly principal and interest payments of approximately $0.2 million. The Company retains the right to call $8.1 million of the promissory notes in 2020. The promissory notes payable and note receivable mature on September 15, 2031 and will be fully amortized upon maturity. In connection with the New Markets Tax Credits financing transaction, income tax credits were generated for the benefit of the lender. We have guaranteed the lender the face value of these income tax credits over their statutory lives, a period of seven years, in the event that the income tax credits are recaptured or reduced. The value of the income tax credits was anticipated to be $5.0 million at the time of the transaction. We believe the likelihood of recapture or reduction of the income tax credits is remote, and therefore we have not established a liability in connection with this guarantee.

Corporate Activities

In September 2013, we issued $120.0 million of 3.25% Convertible Senior Notes due 2018, or the 3.25% Notes. The 3.25% Notes represent senior, unsecured obligations, with interest payable on April 1 and October 1 of each year. Conversion of the 3.25% Notes may only be settled in shares of common stock unless shareholder approval is received to allow for flexible settlement consisting of, at our election, cash, shares of our common stock, or a combination of cash and shares of our common stock (and cash in lieu of fractional shares) until the day immediately preceding the maturity date. As a result, the 3.25% Notes contain liability and equity components which were bifurcated and accounted for separately. The liability component of the 3.25% Notes, as of the issuance date, was calculated by estimating the fair value of a similar liability issued at an 8.21% effective interest rate, which was determined by considering the rate of return investors would require for comparable debt without conversion rights. The amount of the equity component was calculated by deducting the fair value of the liability component from the principal amount of the 3.25% Notes, resulting in the initial recognition of $24.5 million as debt discount costs recorded in additional paid-in capital. The carrying amount of the 3.25% Notes will be accreted to the principal amount over the remaining term to maturity, and we will record a corresponding amount of non-cash interest expense. Additionally, we incurred debt issuance costs of $5.1 million related to the 3.25% Notes and allocated $4.0 million of debt issuance costs to the liability component of the 3.25% Notes. These costs will be amortized to non-cash interest expense over the five-year term of the 3.25% Notes. Prior to April 1, 2018, the 3.25% Notes will not be convertible unless certain conditions are satisfied. The initial conversion rate is 47.9627 shares of common stock per $1,000 principal amount of 3.25% Notes, which is equal to an initial conversion price of approximately $20.85 per share. The conversion rate is subject to adjustment upon the occurrence of certain events, including the payment of a quarterly cash dividend that exceeds $0.04 per share. In addition, we may be obligated to increase the conversion rate for any conversion that occurs in connection with certain corporate events, including calling the 3.25% Notes for redemption.

We may redeem for cash all, but not less than all, of the 3.25% Notes at any time on or after October 1, 2016 if the sale price of our common stock equals or exceeds 140% of the applicable conversion price for a specified time period ending on the trading day immediately prior to the date we deliver notice of the redemption. The redemption price will equal 100% of the principal amount of the 3.25% Notes, plus any accrued and unpaid interest. In addition, upon the occurrence of a fundamental change, such as a change in control, holders of the 3.25% Notes will have the right, at their option, to require us to repurchase their 3.25% Notes in cash at a price equal to 100% of the principal amount of the 3.25% Notes to be repurchased, plus accrued and unpaid interest. Default with respect to any loan in excess of $10.0 million constitutes an event of default under the 3.25% Notes, which could result in the 3.25% Notes being declared due and payable.

In November 2010, we issued $90.0 million of 5.75% Convertible Senior Notes due 2015, or the 5.75% Notes. On February 14, 2014, we gave notice of our intention to redeem all of the outstanding 5.75% Notes pursuant to the optional redemption right in the indenture governing the 5.75% Notes. The 5.75% Notes were convertible into shares of the Company's common stock at the conversion rate of 72.5846 shares of common stock for each $1,000 principal amount of 5.75% Notes from February 14, 2014 through February 28, 2014. From March 1, 2014 to March 19, 2014, the conversion rate was adjusted to 72.6961 shares of common stock for each $1,000 principal amount as a result of the quarterly cash dividend. Approximately $89.95 million of the 5.75% Notes were submitted for conversion into 6,532,713 shares of common stock through March 19, 2014. On March 20, 2014, the Company redeemed the remaining 5.75% Notes at par value plus accrued and unpaid interest through March 19, 2014. All $90.0 million of the 5.75% Notes were retired effective March 20, 2014.

Contractual Obligations

Our contractual obligations as of March 31, 2014 were as follows (in thousands):

	Payments Due By Period				
Contractual Obligations	**Total**	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Long-term and short-term debt obligations (1)	$ 664,828	$ 263,068	$ 166,552	$ 183,173	$ 52,035
Interest and fees on debt obligations (2)	85,485	28,900	29,045	13,713	13,827
Operating lease obligations (3)	84,116	30,524	31,281	16,920	5,391
Deferred tax liabilities	100,650	-	-	-	100,650
Purchase obligations					
Forward grain purchase contracts (4)	663,693	655,302	5,974	2,000	417
Other commodity purchase contracts (5)	62,239	62,239	-	-	-
Other	239	176	63	-	-
Total contractual obligations	$ 1,661,250	$ 1,040,209	$ 232,915	$ 215,806	$ 172,320

(1) Includes the current portion of long-term debt and excludes the effect of any debt discounts.

(2) Interest amounts are calculated over the terms of the loans using current interest rates, assuming scheduled principal and interest amounts are paid pursuant to the debt agreements. Includes administrative and/or commitment fees on debt obligations.

(3) Operating lease costs are primarily for railcars and office space.

(4) Purchase contracts represent index-priced and fixed-price contracts. Index purchase contracts are valued at current quarter-end prices.

(5) Includes fixed-price ethanol, dried distillers grains and natural gas purchase contracts.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to various market risks, including changes in commodity prices and interest rates. Market risk is the potential loss arising from adverse changes in market rates and prices. In the ordinary course of business, we enter into various types of transactions involving financial instruments to manage and reduce the impact of changes in commodity prices and interest rates. At this time, we do not expect to have exposure to foreign currency risk as we expect to conduct all of our business in U.S. dollars.

Interest Rate Risk

We are exposed to market risk from changes in interest rates. Exposure to interest rate risk results primarily from holding term and revolving loans that bear variable interest rates. Specifically, we had $642.5 million outstanding in debt as of March 31, 2014, $311.1 million of which is variable-rate in nature. Interest rates on our variable-rate debt are determined based upon the market interest rate of either the lender's prime rate or LIBOR, as applicable. A 10% change in interest rates would affect our interest cost on such debt by approximately $2.1 million per year in the aggregate. Other details of our outstanding debt are discussed in the notes to the consolidated financial statements included as a part of this report.

Commodity Price Risk

We produce ethanol, distillers grains and corn oil from corn and our business is sensitive to changes in the prices of each of these commodities. The price of corn is subject to fluctuations due to unpredictable factors such as weather; corn planted and harvested acreage; changes in national and global supply and demand; and government programs and policies. We use natural gas in the ethanol production process and, as a result, our business is also sensitive to changes in the price of natural gas. The price of natural gas is influenced by such weather factors as extreme heat or cold in the summer and winter, or other natural events like hurricanes in the spring, summer and fall. Other natural gas price factors include North American exploration and production, and the amount of natural gas in underground storage during both the injection and withdrawal seasons. Ethanol prices are sensitive to world crude-oil supply and demand; crude-oil refining capacity and utilization; government regulation; and consumer demand for alternative fuels. Distillers grains prices are sensitive to various demand factors such as numbers of livestock on feed, prices for feed alternatives, and supply factors, primarily production by ethanol plants and other sources.

We attempt to reduce the market risk associated with fluctuations in the price of corn, natural gas, ethanol, distillers grains and corn oil by employing a variety of risk management and economic hedging strategies. Strategies include the use of forward fixed-price physical contracts and derivative financial instruments, such as futures and options executed on the Chicago Board of Trade and the New York Mercantile Exchange.

We focus on locking in operating margins based on a model that continually monitors market prices of corn, natural gas and other input costs against prices for ethanol and distillers grains at each of our production facilities. We create offsetting positions by using a combination of forward fixed-price physical purchases and sales contracts and derivative financial instruments. As a result of this approach, we frequently have gains on derivative financial instruments that are conversely offset by losses on forward fixed-price physical contracts or inventories and vice versa. In our ethanol production segment, gains and losses on derivative financial instruments are recognized each period in operating results while corresponding gains and losses on physical contracts are generally designated as normal purchase or normal sale contracts and are not recognized until quantities are delivered or utilized in production. For cash flow hedges, any ineffectiveness is recognized in current period results, while other unrealized gains and losses are deferred in accumulated other comprehensive income until gains and losses from the underlying hedged transaction are realized. In the event that it becomes probable that a forecasted transaction will not occur, we would discontinue cash flow hedge treatment, which would affect earnings. During the three months ended March 31, 2014, revenues included net losses of $70.2 million and cost of goods sold included net gains of $3.3 million from derivative financial instruments. To the extent net gains or losses from settled derivative instruments are related to hedging current period production, they are generally offset by physical commodity purchases or sales resulting in the realization of the intended operating margins. However, our results of operations are impacted when there is a mismatch of gains or losses associated with the change in fair value of derivative instruments at the reporting period when the physical commodity purchase or sales has not yet occurred since they are designated as a normal purchase or normal sale.

In our agribusiness segment, inventory positions, physical purchase and sale contracts, and financial derivatives are marked to market with gains and losses included in results of operations. The market value of derivative financial instruments such as exchange-traded futures and options has a high, but not perfect, correlation to the underlying market value of grain inventories and related purchase and sale contracts.

Ethanol Production Segment

A sensitivity analysis has been prepared to estimate our ethanol production segment exposure to ethanol, corn, distillers grains and natural gas price risk. Market risk related to these factors is estimated as the potential change in net income resulting from hypothetical 10% changes in prices of our expected corn and natural gas requirements, and ethanol and distillers grains output for a one-year period from March 31, 2014. This analysis includes the impact of risk management activities that result from our use of fixed-price purchase and sale contracts and derivatives. The results of this analysis, which may differ from actual results, are as follows (in thousands):

Commodity	Estimated Total Volume Requirements for the Next 12 Months (1)	Unit of Measure	Net Income Effect of Approximate 10% Change in Price	
Ethanol	1,020,000	Gallons	$	107,762
Corn	360,000	Bushels	$	84,459
Distillers grains	2,900	Tons (2)	$	23,773
Natural gas	28,600	MMBTU (3)	$	6,072

(1) Assumes production at full capacity.

(2) Distillers grains quantities are stated on an equivalent dried ton basis.

(3) Millions of British Thermal Units.

Corn Oil Production Segment

A sensitivity analysis has been prepared to estimate our corn oil production segment exposure to corn oil price risk. Market risk related to these factors is estimated as the potential change in net income resulting from hypothetical 10% changes in prices of our expected corn oil output for a one-year period from March 31, 2014. This analysis includes the impact of risk management activities that result from our use of fixed-price sale contracts. Market risk at March 31, 2014, based on the estimated net income effect resulting from a hypothetical 10% change in such prices, was approximately $4.6 million.

Agribusiness Segment

The availability and price of agricultural commodities are subject to wide fluctuations due to unpredictable factors such as weather, plantings, foreign and domestic government farm programs and policies, changes in global demand created by population changes and changes in standards of living, and global production of similar and competitive crops. To reduce price risk caused by market fluctuations in purchase and sale commitments for grain and grain held in inventory, we enter into exchange-traded futures and options contracts that function as economic hedges. The market value of exchange-traded futures and options used for hedging has a high, but not perfect correlation, to the underlying market value of grain inventories and related purchase and sale contracts. The less correlated portion of inventory and purchase and sale contract market value, known as basis, is much less volatile than the overall market value of exchange-traded futures and tends to follow historical patterns. We manage this less volatile risk by constantly monitoring our position relative to the price changes in the market. In addition, inventory values are affected by the month-to-month spread relationships in the regulated futures markets, as we carry inventories over time. These spread relationships are also less volatile than the overall market value and tend to follow historical patterns, but also represent a risk that cannot be directly mitigated. Our accounting policy for our futures and options, as well as the underlying inventory held for sale and purchase and sale contracts, is to mark them to the market and include gains and losses in the consolidated statement of operations in sales and merchandising revenues.

A sensitivity analysis has been prepared to estimate agribusiness segment exposure to market risk of our commodity position (exclusive of basis risk). Our daily net commodity position consists of inventories related to purchase and sale contracts and exchange-traded contracts. The fair value of our position, which is a summation of the fair values calculated for each commodity by valuing each net position at quoted futures market prices, is approximately $8 thousand at March 31, 2014. Market risk at that date, based on the estimated net income effect resulting from a hypothetical 10% change in such prices, was approximately $500.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934, or Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required financial disclosure.

As of the end of the period covered by this report, our management carried out an evaluation, under the supervision of and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Our disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms. These disclosure controls and procedures are designed to ensure that information required to be disclosed by us in the reports that it files or submits under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required financial disclosure. Based upon that evaluation, our management, including our Chief Executive Officer and the Chief Financial Officer, concluded that our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining effective internal control over financial reporting to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of our consolidated financial statements for external purposes in accordance with U.S. generally accepted accounting principles. There were no material changes in our internal control over financial reporting that occurred during the period covered by this quarterly report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

We are currently involved in litigation that has arisen in the ordinary course of business; however, we do not believe that any of this litigation will have a material adverse effect on our financial position, results of operations or cash flows.

Item 1A. Risk Factors.

Investors should carefully consider the discussion of risks and the other information included in our annual report on Form 10-K for the year ended December 31, 2013 and in this quarterly report on Form 10-Q, including Cautionary Information Regarding Forward-Looking Information, which is included in Part I, Item 2, “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” Although we have attempted to discuss key factors, our investors need to be aware that other risks may prove to be important in the future. New risks may emerge at any time and we cannot predict such risks or estimate the extent to which they may affect our financial performance. The following risk factors should be considered in conjunction with the other information included in, or incorporated by reference in, this quarterly report on Form 10-Q.

Tank cars used to transport crude oil and ethanol may need to be retrofitted or replaced to meet potential new rail safety standards.

The U.S. ethanol industry has long relied on the railroads to deliver its product to market. The Company has approximately 2,200 leased tank cars. These leased tank cars may need to be retrofitted or replaced if new standards are adopted in the U.S. to address concerns related to safety in the event of a derailment. Recently, the Canadian government proposed that its nation’s rail shippers use sturdier tank cars for transportation of crude oil and ethanol by 2017; however, a complete definition of the required changes has not been issued. While we cannot predict the nature or timing of changes in U.S. railcar safety standards at this time, upgrades or replacements of our tank cars, if required, may have an adverse effect on our operations as lease costs for tank cars would likely increase. Additionally, existing tank cars could be out of service for a period of time while such upgrades are made, tightening supply in an industry that is highly dependent on such railcars to transport its product.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Employees surrender shares upon the vesting of restricted stock grants to satisfy statutory minimum required payroll tax withholding obligations. The following table sets forth the shares that were surrendered by month during the first quarter of 2014.

Month	Total Number of Shares Withheld	Average Price Paid per Share
January	-	$ -
February	117,714	23.01
March	33,975	27.65
Total	151,689	$ 24.05

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit Index

Exhibit No.	Description of Exhibit
10.1	Second Amendment to Amended and Restated Credit Agreement, dated February 28, 2014, by and between Green Plains Holdings II LLC and CoBank ACB
10.2	Employment Agreement by and between Green Plains Renewable Energy, Inc. and Patrich Simpkins dated April 1, 2012
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The following information from Green Plains Renewable Energy, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2014, formatted in Extensible Business Reporting Language (XBRL): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive Income, (iv) Consolidated Statements of Cash Flows, and (v) the Notes to Consolidated Financial Statements

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.

GREEN PLAINS RENEWABLE ENERGY, INC.
(Registrant)

Date: May 1, 2014

By: */s/ Todd A. Becker*
Todd A. Becker
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 1, 2014

By: */s/ Jerry L. Peters*
Jerry L. Peters
Chief Financial Officer
(Principal Financial Officer)

Exhibit 10.1

SECOND AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT

This Second Amendment to Amended and Restated Credit Agreement (this "**Amendment**"), dated as of February 28, 2014, is entered into by and between GREEN PLAINS HOLDINGS II LLC, a Delaware limited liability company (the "**Borrower**"), and COBANK, ACB, a federally chartered instrumentality of the United States, in its capacity as Administrative Agent (as defined in the Credit Agreement described below).

RECITALS

The Borrower, the Lenders and the Administrative Agent are parties to an Amended and Restated Credit Agreement dated as of February 9, 2012 (as amended, supplemented or otherwise modified through the date hereof, the "**Credit Agreement**").

The Borrower has requested that the Administrative Agent and the Lenders agree to certain amendments to the Credit Agreement, and the Administrative Agent and the Lenders are willing to grant such request on the terms and subject to the conditions contained in this Amendment.

ACCORDINGLY, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Section 1. **Definitions**. Capitalized terms defined in the Credit Agreement and not otherwise defined herein shall have the meanings given to them in the Credit Agreement.

Section 2. **Amendments to the Credit Agreement**. The Credit Agreement is hereby amended as follows:

(a) Amendment to Section 1.1 of the Credit Agreement (Definitions). Section 1.1 of the Credit Agreement is amended by adding or amending and restating, as the case may be, the following definitions:

> "**Aggregate Term C Commitment Amount**" is the amount so specified in Exhibit D hereto, constituting the sum of the Term C Commitments of the Term C Lenders.
>
> "**Commitment**" means, with respect to any Lender, such Lender's Term A Commitment, Term B Commitment, Term C Commitment or Revolving Term Commitment, as the context requires.
>
> "**Commitment Amount**" means the Aggregate Term A Commitment Amount, the Aggregate Term B Commitment Amount, the Aggregate Term C Commitment Amount or the Aggregate Revolving Term Commitment Amount, as the context requires.

“**Credit Exposure**” means, with respect to any Facility and any Lender at any time, such Lender’s Revolving Term Exposure, Term A Exposure, Term B Exposure or Term C Exposure, or the aggregate of all of the foregoing, as the case may be.

“**Credit Extension**” means the making of any Advance, the conversion to or continuation of any LIBOR Loan or any Quoted Rate Loan or the issuance of any Letter of Credit.

“**Default Rate**” has the meaning specified in Section 2.8(e).

“**Facility**” means the Revolving Term Facility, the Term A Facility, the Term B Facility or the Term C Facility, as the context requires.

“**Financial Covenants**” means the covenants contained in Sections 5.10, 5.11 and 5.12.

“**Interest Payment Date**” means: (a) with respect to each LIBOR Loan, the last day of the Interest Period applicable thereto (and, if such Interest Period is longer than three months, each day prior to the last day of such Interest Period that occurs at intervals of three months’ duration after the first day of such Interest Period); (b) with respect to each Base Rate Loan, the 20th day of each calendar month; (c) with respect to each Quoted Rate Loan, the 20th day of each calendar month and the last day of the Quoted Rate Period applicable thereto; (d) with respect to each MetLife Fixed Rate Loan, the 1st day of each calendar month; and (e) with respect to each Loan, the Maturity Date with respect thereto.

“**Interest Period**” means, relative to any LIBOR Loan, the period beginning on (and including) the date on which such LIBOR Loan is made, or continued as, or converted into, a LIBOR Loan pursuant to Section 2.2, 2.3 or 2.4 and shall end on (but exclude) the day that numerically corresponds to such date that is one, two, three or six months thereafter; provided, however, if any of the foregoing months has no numerically corresponding day, such period shall end on the last Business Day of such month, as the Borrower may select in its relevant notice pursuant to Section 2.2, 2.3 or 2.4; provided, further, that:

(a) no more than five (5) different Interest Periods may be outstanding at any one time under any Facility;

(b) if an Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall end on the next following Business Day (unless such next following Business Day is the first Business Day of a month, in which case such Interest Period shall end on the next preceding Business Day);

(c) no Interest Period may end later than the Maturity Date for the applicable Facility; and

(d) in no event shall the Borrower select Interest Periods with respect to Loans under a Facility that, in the aggregate, would require payment of funding losses under Section 2.19 in order to make payments of regularly scheduled installments of principal thereunder or reduction of the related Commitment Amount.

"**LIBO Base Rate**" means, with respect to an Interest Period, a fixed annual rate (rounded upward to the next whole multiple of 1/100 of 1%) obtained by dividing (a) the rate of interest, as determined by the Administrative Agent, at which deposits in dollars for the relevant Interest Period are offered as determined by the ICE Benchmark Administration (or any successor thereto or any other readily available service selected by the Administrative Agent that has been approved by the ICE Benchmark Administration as an authorized information vendor for purposes of displaying rates) as of 11:00 a.m. (London time) on the day that is two (2) Business Days prior to the first day of such Interest Period, provided, that in the event the ICE Benchmark Administration ceases to provide such quotations (as determined by the Administrative Agent), the foregoing rate of interest shall mean any similar successor rate designated by the Administrative Agent in its reasonable discretion; by (b) a percentage equal to 1.00 minus the applicable percentage (expressed as a decimal) prescribed by the Board of Governors of the Federal Reserve System (or any successor thereto) for determining the maximum reserve requirements applicable to Eurodollar fundings (currently referred to as "Eurocurrency Liabilities" in Regulation D) or any other maximum reserve requirements applicable to a member bank of the Federal Reserve System with respect to such Eurodollar fundings.

"**Loan**" means a designated portion of outstanding principal indebtedness under one or more Facilities which bears interest at a rate determined by reference to a particular LIBO Rate, Base Rate, Quoted Rate or MetLife Fixed Rate, as the case may be.

"**Maturity Date**" means: (a) with respect to the Revolving Term Facility, July 1, 2019; (b) with respect to the Term A Facility, July 1, 2016; (c) with respect to the Term B Facility, July 1, 2016; and (d) with respect to the Term C Facility, July 1, 2019.

"**Note**" means a Revolving Term Note, a Term A Note, a Term B Note or a Term C Note.

"**Quoted Rate**" means, with respect to a Quoted Rate Period, the rate quoted by the Administrative Agent in accordance with Section 2.5(b).

"**Quoted Rate Advance**" means any Advance that bears interest at a rate determined by reference to a Quoted Rate.

"**Quoted Rate Loan**" means any Loan that bears interest at a rate determined by reference to the Quoted Rate.

"**Quoted Rate Period**" means, relative to any Quoted Rate Loan, the period beginning on (and including) the date on which such Quoted Rate Loan is made, or continued as, or converted into, a Quoted Rate Loan pursuant to Section 2.2, 2.3 or 2.4 and shall end on (but exclude) the day that is determined by the Administrative Agent in accordance with Section 2.5; provided, however, that:

(a) no more than five (5) different Quoted Rate Periods may be outstanding at any one time under any Facility;

(b) the Quoted Rate Period shall begin on a Business Day and shall continue for a period of not less than one hundred eighty (180) days;

(c) if a Quoted Rate Period would otherwise end on a day that is not a Business Day, such Quoted Rate Period shall end on the next following Business Day;

(d) no Quoted Rate Period may end later than the Maturity Date for the applicable Facility; and

(e) in no event shall the Borrower select Quoted Rate Periods with respect to Loans under a Facility that, in the aggregate, would require payment of funding losses under Section 2.19 in order to make payments of regularly scheduled installments of principal thereunder.

"**Second Amendment Effective Date**" means February 28, 2014.

"**Term C Advance**" means an advance deemed to have been made pursuant to Section 2.1(d).

"**Term C Commitment**" means, with respect to any Lender, the amount so designated for such Lender in the Register maintained by the Administrative Agent, plus or minus any such amount assumed or assigned pursuant to any Assignment and Assumption.

"**Term C Exposure**" means, with respect to any Lender, the aggregate principal amount of all outstanding Term C Advances held by such Lender.

"**Term C Facility**" means the term loan facility being made available to the Borrower by the Lenders pursuant to Section 2.1(d).

"**Term C Lender**" means any Lender with a Term C Commitment.

"**Term C Note**" means a promissory note of the Borrower payable to a Lender in the amount of such Lender's Term C Commitment, in substantially the form of Exhibit K, as such promissory note may be amended, extended or otherwise modified from time to time, and including each other promissory note accepted from time to time in substitution therefor or in renewal thereof.

"**Term Facility**" means the Term A Facility, the Term B Facility or the Term C Facility, as the context requires.

(b) Additional Amendment to Section 1.1 of the Credit Agreement (Definitions). Section 1.1 of the Credit Agreement is further amended by deleting therefrom the definitions of "Free Cash Flow" and "Free Cash Flow Payment".

(c) Amendment to Section 2.1 of the Credit Agreement (Commitments as to Facilities). Section 2.1 of the Credit Agreement is amended by adding a new subsection (d) to the end thereof to read in its entirety as follows:

"(d) *Term C Facility; Conversion of Revolving Term Advances to Term C Advances*. On the Second Amendment Effective Date, each Revolving Term Lender shall be deemed to have converted a portion of the Revolving Term Loans held by such Revolving Term Lender to a Term C Advance hereunder in an amount equal to such Revolving Term Lender's Term C Commitment Amount. The Term C Advances shall be repayable in accordance with the terms set forth herein and in the other Loan Documents with respect to the Term C Facility. The Term C Advances shall continue to be Obligations secured by the Collateral. The Borrower acknowledges and agrees that each Term C Lender's obligation with respect thereto is solely to convert a portion of its Revolving Term Loans into Term C Advances in accordance with this paragraph (d), that no Lender has any obligation otherwise to extend any loan or advance any funds with respect to any Term C Commitment, that the Term C Commitment is not a revolving facility, and that Term C Advances may not be reborrowed following payment thereof."

(d) Amendment to Section 2.2 of the Credit Agreement (Procedures for Revolving Term Advances). Section 2.2 of the Credit Agreement is amended and restated in its entirety to read as follows:

"**Section 2.2 Procedures for Revolving Term Advances.**

Each Revolving Term Borrowing shall be funded by the Revolving Term Lenders as Base Rate Advances, LIBOR Advances or Quoted Rate Advances, as the Borrower shall specify in the related notice of proposed Revolving Term Borrowing. Base Rate Loans, LIBOR Loans and Quoted Rate Loans may be outstanding at the same time. With respect to (a) Base Rate Loans, the principal amount of any Revolving Term Borrowing shall be in an amount equal to $500,000 or a higher integral multiple of $100,000 or, if less, the amount by which the Aggregate Revolving Term Commitment Amount exceeds the Revolving Term Facility Outstanding Amount; (b) LIBOR Loans, the principal amount of any Revolving Term Borrowing shall be in an amount equal to $1,000,000 or a higher integral multiple of $500,000; and (c) Quoted Rate Loans, the principal amount of any Revolving Term Borrowing shall be in an amount equal to $1,000,000 or a higher integral multiple of $500,000. The Borrower shall give notice to the Administrative Agent of each proposed Revolving Term Borrowing that is to bear interest initially at the Base Rate or a Quoted Rate not later than 11:00 a.m. on a Business Day which is at least one (1) Business Day prior to the proposed date of such Revolving Term Borrowing or, in the case of a Revolving Term Borrowing that is to bear interest initially at a LIBO Rate, not later than 11:00 a.m. on a Business Day which is at least three (3) Business Days prior to the proposed date of such Revolving Term Borrowing. Each such notice shall be effective upon receipt by the Administrative Agent, shall be in writing or by telephone or telecopy transmission, to be confirmed in writing by the Borrower if so requested by the Administrative Agent (in the form of Exhibit E) and shall specify whether the Revolving Term Borrowing is to bear interest initially at the Base Rate, a LIBO Rate or a Quoted Rate, and in the case of a Revolving Term Borrowing that is to bear interest initially at a LIBO Rate or a Quoted Rate, shall specify the Interest Period or the requested Quoted Rate Period applicable thereto. Promptly upon receipt of such notice (but in no event later than the close of business on the Business Day of receipt of such notice), the Administrative Agent shall advise each Lender of the proposed Revolving Term Borrowing. Subject to satisfaction of the conditions precedent set forth in Article III with respect to such Revolving Term Borrowing, at or before 10:00 a.m. on the date of the requested Revolving Term Borrowing, each Revolving Term Lender shall provide the Administrative Agent at the principal office of the Administrative Agent in Denver, Colorado (or such other office as the Administrative Agent may designate), with immediately available funds covering such Revolving Term Lender's Percentage of such Revolving Term Borrowing. The Administrative Agent shall pay over proceeds of such Revolving Term Borrowing to the Borrower, in immediately available funds, prior to the close of business on the date of the requested Revolving Term Borrowing, provided that the Administrative Agent shall have no obligation to provide funds to the Borrower in respect of a Revolving Term Lender's Revolving Term Commitment unless such funds have been received by the Administrative Agent from such Revolving Term Lender."

(e) Amendment to Section 2.3 of the Credit Agreement (Converting Loans to LIBOR Loans or Quoted Rate Loans; Procedures). Section 2.3 of the Credit Agreement is amended and restated in its entirety to read as follows:

"**Section 2.3 Converting Loans to LIBOR Loans or Quoted Rate Loans; Procedures.**

(a) *Converting Base Rate Loans and Quoted Rate Loans to LIBOR Loans*. So long as no Default or Event of Default exists and subject, in the case of a Quoted Rate Loan, to the payment of any amounts required to be paid pursuant to Section 2.19 if such conversion occurs on a date other than the last day of a Quoted Rate Period, the Borrower may convert all or any part of any outstanding Base Rate Loan or Quoted Rate Loan into a LIBOR Loan by giving notice to the Administrative Agent of such conversion not later than 11:00 a.m. on a Business Day which is at least three (3) Business Days prior to the date of the requested conversion. Each such notice shall be irrevocable, shall be effective upon receipt by the Administrative Agent, shall be in writing or by telephone or telecopy transmission, to be confirmed in writing by the Borrower if so requested by the

Administrative Agent (in the form of Exhibit F), shall specify the date and amount of such conversion, the total amount of the Loan to be so converted and the Interest Period therefor. Each conversion of a Loan to a LIBOR Loan shall be on a Business Day. The aggregate amount of each such conversion of any Loan shall be in an amount equal to $1,000,000 or a higher integral multiple of $500,000.

(b) *Converting Base Rate Loans and LIBOR Loans to Quoted Rate Loans*. So long as no Default or Event of Default exists and subject, in the case of a LIBOR Loan, to the payment of any amounts required to be paid pursuant to Section 2.19 if such conversion occurs on a date other than the last day of an Interest Period, the Borrower may convert all or any part of any outstanding Base Rate Loan or LIBOR Loan into a Quoted Rate Loan by giving notice to the Administrative Agent of the Borrower's request for conversion not later than 11:00 a.m. on a Business Day which is at least one (1) Business Day prior to the date of the requested conversion. Each such request shall be in writing or by telephone or telecopy transmission, to be confirmed in writing by the Borrower if so requested by the Administrative Agent (in the form of Exhibit F), shall specify the date and amount of such conversion, the total amount of the Loan to be so converted and the requested Quoted Rate Period therefor. Each conversion of a Loan to a Quoted Rate Loan shall be on a Business Day. The aggregate amount of each such conversion of any Loan shall be in an amount equal to $1,000,000 or a higher integral multiple of $500,000."

(f) <u>Amendment to Section 2.4 of the Credit Agreement (Procedures at End of an Interest Period or a Quoted Rate Period)</u>. Section 2.4 of the Credit Agreement is amended and restated in its entirety to read as follows:

"**Section 2.4 Procedures at End of an Interest Period or a Quoted Rate Period.**

(a) *Procedures at End of an Interest Period*. Unless the Borrower requests a new LIBOR Loan in accordance with the procedures set forth below, or requests and accepts a new Quoted Rate Loan in accordance with the procedures set forth in Sections 2.3(b) and 2.5(b), or pays the principal of an outstanding LIBOR Loan at the expiration of an Interest Period, each Lender shall automatically and without request of the Borrower convert each LIBOR Loan to a Base Rate Loan on the last day of the relevant Interest Period. So long as no Default or Event of Default exists, the Borrower may cause all or any part of any outstanding LIBOR Loan to continue to bear interest at a LIBO Rate after the end of the then applicable Interest Period by notifying the Administrative Agent not later than 11:00 a.m. on a Business Day which is at least three (3) Business Days prior to the first day of the new Interest Period. Each such notice shall be effective when received by the Administrative Agent, shall be in writing or by telephone or telecopy transmission, to be confirmed in writing by the Borrower if so requested by the Administrative Agent (in the form of Exhibit G), and shall specify the first day of the applicable Interest Period, the amount of the expiring LIBOR Loan to be continued and the new Interest Period therefor. Each new

Interest Period shall begin on a Business Day and the amount of each Loan bearing interest at a new LIBO Rate shall be in an amount equal to $1,000,000 or a higher integral multiple of $500,000.

(b) *Procedures at End of a Quoted Rate Period*. Unless the Borrower requests and accepts a new Quoted Rate Loan in accordance with the procedures set forth below and in Section 2.5(b), or requests a new LIBOR Loan in accordance with the procedures set forth in paragraph (a), or pays the principal of an outstanding Quoted Rate Loan at the expiration of a Quoted Rate Period, each Lender shall automatically and without request of the Borrower convert each Quoted Rate Loan to a Base Rate Loan on the last day of the relevant Quoted Rate Period. So long as no Default or Event of Default exists, the Borrower may cause all or any part of any outstanding Quoted Rate Loan to continue to bear interest at a Quoted Rate after the end of the then applicable Quoted Rate Period by notifying the Administrative Agent not later than 11:00 a.m. on a Business Day which is at least one (1) Business Day prior to the first day of the new Quoted Rate Period. Each such notice shall be effective when received by the Administrative Agent, shall be in writing (in the form of Exhibit G), and shall specify the first day of the applicable Quoted Rate Period, the amount of the expiring Quoted Rate Loan to be continued and the new Quoted Rate Period therefor. Each new Quoted Rate Period shall begin on a Business Day and the amount of each Loan bearing interest at a new Quoted Rate shall be in an amount equal to $1,000,000 or a higher integral multiple of $500,000."

(g) <u>Amendment to Section 2.5 of the Credit Agreement (Setting and Notice of LIBO Rate and Quoted Rate)</u>. Section 2.5 of the Credit Agreement is amended and restated in its entirety to read as follows:

"**Section 2.5 Setting and Notice of LIBO Rate and Quoted Rate.**

(a) *Setting and Notice of LIBO Rate.* The applicable LIBO Rate for each Interest Period shall be determined by the Administrative Agent on the second Business Day prior to the beginning of such Interest Period, whereupon notice thereof (which may be by telephone) shall be given by the Administrative Agent to the Borrower and each other Lender Party. Each such determination of the applicable LIBO Rate shall be conclusive and binding upon the parties hereto, in the absence of manifest error. The Administrative Agent, upon written request of the Borrower or any Lender, shall deliver to the Borrower or such requesting Lender a statement showing the computations used by the Administrative Agent in determining the applicable LIBO Rate hereunder.

(b) *Setting and Notice of Quoted Rate*. On the date on which any Quoted Rate Advance is to be made, any Base Rate Loan or LIBOR Loan is to be converted to a Quoted Rate Loan or any Quoted Rate Loan is to be continued as a new Quoted Rate Loan, the Administrative Agent, after consultation with the Lenders with Commitments under such Facility, shall notify the Borrower of the proposed Quoted Rate and Quoted Rate Period to be applicable to the requested

Quoted Rate Loan. The Borrower may accept a proposed Quoted Rate and applicable Quoted Rate Period quoted by the Administrative Agent not later than 1:00 p.m. on the day the quote is provided. If the Borrower does not affirmatively accept a proposed Quoted Rate and the applicable Quoted Rate Period quoted by the Administrative Agent, in writing, on or prior to such time, the Borrower's request for a Quoted Rate Loan shall be deemed to have been a request for a Base Rate Loan to be made, converted or continued (as applicable) on that day."

(h) Amendment to Section 2.7 of the Credit Agreement (Interest Rates Applicable to a Facility). Section 2.7 of the Credit Agreement is amended and restated in its entirety to read in its entirety as follows:

"**Section 2.7 Interest Rates Applicable to a Facility.**

Subject in all events to application of the Default Rate as provided in Section 2.8(e), Loans shall bear interest in accordance with the following:

(a) *Revolving Term Loans, Term A Loans and Term C Loans*. The aggregate unpaid principal amount of each Revolving Term Loan, Term A Loan and Term C Loan shall bear interest at the Base Rate, unless a LIBO Rate or a Quoted Rate shall become applicable thereto pursuant to Section 2.2, 2.3 or 2.4, in which case the aggregate unpaid principal amount of such Loan shall bear interest at the applicable LIBO Rate or Quoted Rate.

(b) *Term B Loans*. The aggregate unpaid principal amount of each Term B Loan shall bear interest at the MetLife Fixed Rate applicable to each such Term B Advance."

(i) Amendment to Section 2.8 of the Credit Agreement (Interest on Loans). Section 2.8 of the Credit Agreement is amended and restated in its entirety to read as follows:

"**Section 2.8 Interest on Loans.**

The Borrower will pay interest on the unpaid principal amount of each Loan for the period commencing on the date of this Agreement until the unpaid principal amount thereof is paid in full, in accordance with the following:

(a) *Base Rate Loans*. Subject to subsection (e) below, while any outstanding principal of a Loan constitutes a Base Rate Loan, the outstanding principal balance thereof shall bear interest at an annual rate at all times equal to the Base Rate.

(b) *LIBOR Loans*. Subject to subsection (e) below, while any outstanding principal of a Loan constitutes a LIBOR Loan, the outstanding principal balance thereof shall bear interest for the applicable Interest Period at an annual rate at all times equal to the LIBO Rate applicable to such LIBOR Loan.

(c) *MetLife Fixed Rate Loans*. Subject to subsection (e) below, while any outstanding principal of a Loan constitutes a MetLife Fixed Rate Loan, the outstanding principal balance thereof shall bear interest at an annual rate at all times equal to the applicable MetLife Fixed Rate.

(d) *Quoted Rate Loans*. Subject to subsection (e) below, while any outstanding principal of a Loan constitutes a Quoted Rate Loan, the outstanding principal balance thereof shall bear interest for the applicable Quoted Rate Period at an annual rate at all times equal to the Quoted Rate applicable to such Quoted Rate Loan.

(e) *Default Rate*. From and after written notice from the Administrative Agent to the Borrower following the occurrence of an Event of Default and continuing thereafter until such Event of Default shall be remedied to the written satisfaction of the Required Lenders, the outstanding principal balance of each Loan shall bear interest, until paid in full, at an annual rate equal to the sum of 200 basis points and the higher of the interest rate otherwise in effect with respect to such outstanding principal. In addition, any unreimbursed amounts payable under Section 2.6 and all fees, indemnification obligations and other Obligations not paid when due hereunder shall bear interest, until paid in full, at an annual rate equal to the sum of (x) the Base Rate and (y) 200 basis points (each rate described in this subsection (e) herein, a "**Default Rate**").

(f) *Savings Clause*. Notwithstanding anything in this Section 2.8 to the contrary, at no time shall the Borrower be obligated or required to pay interest on any Obligation at a rate which could subject any Lender to either civil or criminal liability as a result of being in excess of the maximum interest rate which the Borrower is permitted by applicable law. If, under the terms of this Agreement or any other Loan Document, the Borrower is at any time required or obligated to pay interest on any Obligation at a rate in excess of such maximum rate, the LIBO Rate, Base Rate, Quoted Rate, MetLife Fixed Rate or Default Rate, as the case may be, shall be deemed to be immediately reduced to such maximum rate and all previous payments in excess of the maximum rate shall be deemed to have been payments in reduction of principal and not on account of any interest thereon due hereunder. All sums paid or agreed to be paid to a Lender for the use, forbearance or retention of any Obligation, shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full stated term of the Obligation to which such payment applies until payment in full so that the rate or amount of interest on account of any such Obligation does not exceed the maximum lawful rate of interest from time to time in effect and applicable to such Obligation for so long as the Obligation is outstanding."

(j) <u>Amendment to Section 2.10(a) of the Credit Agreement (Promissory Notes Optional)</u>. Section 2.10(a) of the Credit Agreement is amended and restated in its entirety to read as follows:

"(a) *Promissory Notes Optional*. The Borrower's obligation to repay the principal of and interest on the Advances made by each Lender shall be evidenced in the Register and shall, if requested by such Lender, also be evidenced: (i) by a Revolving Term Note, duly executed and delivered by the Borrower, with blanks appropriately completed, with respect to the Revolving Term Advances made by such Lender; (ii) by a Term A Note, duly executed and delivered by the Borrower, with blanks appropriately completed, with respect to the Term A Advances made by such Lender; (iii) by a Term B Note, duly executed and delivered by the Borrower, with blanks appropriately completed, with respect to the Term B Advance made by such Lender; and (iv) by a Term C Note, duly executed and delivered by the Borrower, with blanks appropriately completed, with respect to the Term C Loans held by such Lender."

(k) Amendment to Section 2.10(b) of the Credit Agreement (Interest). Section 2.10(b) of the Credit Agreement is amended and restated in its entirety to read as follows:

"(b) *Interest*. The Borrower shall pay accrued but unpaid interest on each Loan on each Interest Payment Date with respect to that Loan; provided that in the case of a Base Rate Loan or a Quoted Rate Loan, the Borrower shall pay interest accrued through the last day of the calendar month immediately preceding the calendar month in which such Interest Payment Date occurs with respect to such Loan (unless such Interest Payment Date is also the last day of a Quoted Rate Period or the Maturity Date for such Loan, in which case the Borrower shall pay all accrued but unpaid interest on such Loan)."

(l) Amendment to Section 2.10(c) of the Credit Agreement (Revolving Term Facility Principal). Section 2.10(c) of the Credit Agreement is amended and restated in its entirety to read as follows:

"(c) *Revolving Term Facility Principal*. The outstanding principal amount of the Revolving Term Facility in excess of the applicable Aggregate Revolving Term Commitment Amount then in effect as of any date shall be due and payable on such date, and the entire remaining unpaid principal balance of the Revolving Term Facility and all accrued but unpaid interest thereon shall be due and payable in full on the Maturity Date of the Revolving Term Facility."

(m) Amendment to Section 2.10(g) of the Credit Agreement (Application of Mandatory Prepayments). Section 2.10(g) of the Credit Agreement is amended and restated in its entirety to read as follows:

"(g) *Application of Mandatory Prepayments*. Except as provided in Section 7.4 hereof, all amounts received pursuant to paragraph (f) shall be applied in the following order:

(i) *first*, to all fees, costs and expenses then due and owing to the Administrative Agent;

(ii) *second*, to accrued but unpaid interest, fees and breakage costs then due and owing to the Lenders;

(iii) *third*, to the outstanding principal balance of the Revolving Term Facility, with a concurrent reduction in the Aggregate Revolving Term Commitment Amount;

(iv) *fourth*, to the outstanding principal balance of the Term C Facility;

(v) *fifth*, to the outstanding principal balance of the Term A Facility and the Term B Facility, fifty percent of which amounts shall be applied to the Term A Facility and fifty percent to the Term B Facility, to be applied within each such Facility to the principal installments due thereunder in inverse order of their scheduled maturities; and

(vi) *sixth*, to any remaining Obligations, in such order as the Required Lenders may in their sole discretion designate.

Unless otherwise provided in this Agreement or the other Loan Documents, payments from the Borrower of principal within any category above shall be applied, first, to the principal of Base Rate Loans on a pro rata basis and, second, to the principal of LIBOR Loans and Quoted Rate Loans (and, among such LIBOR Loans and Quoted Rate Loans, in such order as may be determined by the Administrative Agent and the Borrower)."

(n) Additional Amendment to Section 2.10 of the Credit Agreement (Term C Facility Principal). Section 2.10 of the Credit Agreement is amended by adding a new subsection (h) to the end thereof to read in its entirety as follows:

"(h) *Term C Facility Principal*. The outstanding principal balance of the Term C Facility, together with all accrued but unpaid interest thereon, shall be paid in consecutive, quarterly installments in an amount equal to (i) $250,000 due and payable on April 1, 2014 and on each July 1, October 1, January 1 and April 1 thereafter through and including July 1, 2016, and (ii) $1,500,000 due and payable on October 1, 2016 and on each January 1, April 1, July 1 and October 1 of each year thereafter. The entire remaining unpaid principal balance of the Term C Facility and all accrued but unpaid interest thereon shall be due and payable in full on the Maturity Date of the Term C Facility."

(o) Amendment to Section 2.14(b) of the Credit Agreement (Prepayments). Section 2.14(b) of the Credit Agreement is amended and restated in its entirety to read as follows:

"(b) *Prepayments*. The Borrower from time to time may, upon three (3) Business Days' notice to the Administrative Agent, voluntarily prepay the Loans in whole or in part. In the event of either mandatory prepayment or voluntary prepayment hereunder, (i) any prepayment of a Facility shall be applied against outstanding Loans of each Lender under that Facility pro rata according to each Lender's Percentage of that Facility; (i) each prepayment of the Loans shall be made to the Administrative Agent not later than 2:00 p.m. on a Business Day, and funds received after that hour shall be deemed to have been received by the Administrative Agent on the next following Business Day; (iii) each partial prepayment of a LIBOR Loan, Quoted Rate Loan or MetLife Fixed Rate Loan shall be accompanied by accrued interest on such partial prepayment through the date of prepayment and additional compensation calculated in accordance with Section 2.19; (iv) each partial prepayment of a LIBOR Loan or a Quoted Rate Loan shall be in an aggregate amount equal to the applicable minimum Loan amount specified in Section 2.3 and, after application of any such prepayment, shall not result in a LIBOR Loan or a Quoted Rate Loan, as applicable, remaining outstanding in an amount less than such minimum Loan amount; (v) each partial prepayment of Base Rate Loans shall be in an aggregate amount equal to $100,000 or a higher integral multiple of $100,000, unless (in either case) the aggregate outstanding balance of all Loans under the Facility being prepaid is less than such minimum Loan amount, in which event any such prepayment may be in such lesser amount; (vi) unless notified by the Borrower in writing to the contrary, the Administrative Agent shall apply all partial prepayments first, to the outstanding principal balance of the Revolving Term Facility, with a concurrent reduction in the Aggregate Revolving Term Commitment Amount, second, to the outstanding principal balance of the Term C Facility and, third, to the outstanding principal balance of the Term A Facility and the Term B Facility, fifty percent of which amounts shall be applied to the Term A Facility and fifty percent to the Term B Facility, to be applied within each such Facility to the principal installments due thereunder in inverse order of their scheduled maturities, and (vii) unless notified by the Borrower in writing to the contrary, each partial prepayment of the Revolving Term Facility shall be applied to the remaining commitment reductions due thereunder in the inverse order of their maturities. Unless otherwise provided in this Agreement or the other Loan Documents, prepayments from the Borrower of principal within any category above shall be applied, first, to the principal of Base Rate Loans on a pro rata basis and, second, to the principal of LIBOR Loans and Quoted Rate Loans on a pro rata basis (and, among such LIBOR Loans and Quoted Rate Loans, in such order as may be determined by the Administrative Agent and the Borrower)."

(p) Amendment to Section 2.19 of the Credit Agreement (Loan Losses). Section 2.19 of the Credit Agreement is amended and restated in its entirety to read as follows:

"**Section 2.19 Loan Losses.**

The Borrower hereby agrees that upon demand by any Lender (which demand shall be accompanied by a statement setting forth the basis for the calculations of the amount being claimed) the Borrower will indemnify such Lender against any loss or expense which such Lender may have sustained or incurred (including but not limited to any net loss or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund or maintain LIBOR Loans) or which such Lender may be deemed to have sustained or incurred, as reasonably determined by such Lender, (a) as a consequence of any failure by the Borrower to make any payment when due of any amount due hereunder in connection with any LIBOR Loans or Quoted Rate Loans, (b) due to any failure of the Borrower to borrow or convert any LIBOR Loans or Quoted Rate Loans on a date specified therefor in a notice thereof, (c) due to any payment or prepayment of (i) any LIBOR Loan on a date other than the last day of the applicable Interest Period therefor or (ii) of any Quoted Rate Loan on a date other than the last day of the applicable Quoted Rate Period therefor, or (d) due to any payment or prepayment of a MetLife Fixed Rate Loan on a date other than on the Maturity Date of the Term B Facility, except as expressly provided in Section 2.10(e); provided, however, that amounts due in connection with prepayment of a MetLife Fixed Rate Loan are set forth and described in, and shall be payable in accordance with, the MetLife Make-Whole Agreement. For this purpose, all notices under Sections 2.2, 2.3, and 2.4 shall be deemed to be irrevocable."

(q) Amendment to Section 5.10 of the Credit Agreement (Minimum Debt Service Coverage Ratio). Section 5.10 of the Credit Agreement is amended and restated in its entirety to read as follows:

"**Section 5.10 Minimum Debt Service Coverage Ratio.**

The Borrower will maintain its Debt Service Coverage Ratio as of the last day of each fiscal year of the Borrower, commencing December 31, 2015, at not less than 1.25 to 1.00."

(r) Amendment to Section 5.11 of the Credit Agreement (Minimum Net Worth). Section 5.11 of the Credit Agreement is amended and restated in its entirety to read as follows:

"**Section 5.11 Minimum Net Worth.**

The Borrower will maintain its Net Worth at all times in an amount not less than $100,000,000, plus an amount equal to 25% of the Net Income of the Borrower for each fiscal year ending on or after December 31, 2014 (excluding any fiscal year in which Net Income is negative)."

(s) Amendment to Section 5.12 of the Credit Agreement (Minimum Working Capital). Section 5.12 of the Credit Agreement is amended and restated in its entirety to read as follows:

"**Section 5.12 Minimum Working Capital.**

The Borrower will maintain its Working Capital as of each Covenant Compliance Date at not less than $15,000,000."

(t) Amendment to Section 6.4 of the Credit Agreement (Investments). Section 6.4 of the Credit Agreement is amended by amending and restating subsection (d) thereof to read in its entirety as follows:

“(d) [Intentionally omitted.]”

(u) Amendment to Section 6.5 of the Credit Agreement (Restricted Payments). Section 6.5 of the Credit Agreement is amended and restated in its entirety to read as follows:

“**Section 6.5 Restricted Payments.**

The Borrower will not declare or make any Restricted Payments, except that the foregoing shall not prohibit the Borrower from declaring or paying any dividend on account of the Borrower’s Capital Stock, so long as (a) no Default or Event of Default has occurred and is continuing or would exist after giving pro forma effect to such dividend, (b) such dividend is not made until after the Administrative Agent has received the financial statements and certificate of chief financial officer of the Borrower pursuant to Section 5.1(b) hereof with respect to the fiscal quarter immediately preceding the fiscal quarter in which such dividend is paid, and (c) if the amount of such dividend exceeds forty percent of the pre-tax net income of the Borrower for such immediately preceding fiscal quarter, the Working Capital of the Borrower as of the last day of such immediately preceding fiscal quarter, after giving pro forma effect to such dividend, is equal to or greater than $20,000,000.”

(v) Amendment to Section 6.13 of the Credit Agreement (Capital Expenditures). Section 6.13 of the Credit Agreement is amended and restated in its entirety to read as follows:

“**Section 6.13** [Intentionally omitted.]”

(w) Amendment to Section 7.1 of the Credit Agreement (Events of Default). Section 7.1 of the Credit Agreement is amended by amending and restating subsection (c) thereof to read in its entirety as follows:

“(c) Default in the performance, or breach, of any covenant or agreement of the Borrower under Section 5.1, Section 5.6, Section 5.7, Section 5.13 or Article VI of this Agreement.”

(x) Amendment to Section 9.3(b) of the Credit Agreement (Assignments by Lenders). Section 9.3(b) of the Credit Agreement is amended by amending and restating subsection (i) thereof to read in its entirety as follows:

“(i) *Minimum Amounts*.

(A) In the case of an assignment of the entire remaining amount of the assigning Lender’s Commitments and the Loans at the time owing to it under one or more Facilities or in the case of an assignment to a Lender, no minimum amount need be assigned.

(B) In any case not described in Section 9.3(b)(i)(A), the aggregate amount of the Commitment to be assigned (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the outstanding principal balance of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if a "Trade Date" is specified in the Assignment and Assumption, as of such Trade Date) shall not be less than $5,000,000 or such lesser amount as approved by the Administrative Agent in its sole discretion."

(y) Amendment to Exhibits to the Credit Agreement. Exhibits D, E, F and G to the Credit Agreement are hereby deleted and replaced in their entirety with Exhibits D, E, F and G to this Amendment. The Credit Agreement is further amended by adding a new Exhibit K to the Credit Agreement in the form of Exhibit K to this Amendment.

(z) Reference to Chief Financial Officer. The Credit Agreement, including without limitation each exhibit thereto, is amended by (i) deleting each reference to "chief financial officer of the Borrower" and inserting "chief financial officer, treasurer or other similar officer of the Borrower" in substitution therefor, and (ii) deleting each reference to "the Borrower's chief financial officer" and inserting "the Borrower's chief financial officer, treasurer or other similar officer" in substitution therefor.

Section 3. **References**. All references in the Credit Agreement to "this Agreement" shall be deemed to refer to the Credit Agreement as amended hereby, and any and all references in any other Loan Document to the Credit Agreement shall be deemed to refer to the Credit Agreement as amended hereby.

Section 4. **Replacement Revolving Term Notes**. Concurrent with the execution of this Amendment, the Borrower shall execute and deliver to the Administrative Agent its promissory notes (the "**Replacement Revolving Term Notes**") in the form of Exhibit A to the Credit Agreement, dated the date hereof, payable to the order of each Revolving Term Lender in an amount equal to that Lender's Revolving Term Commitment, after giving effect to the amendments set forth in Section 2 above. The Revolving Term Lenders shall accept the Replacement Revolving Term Notes in substitution for, but not in payment of, the Revolving Term Notes (as defined prior to giving effect to this Amendment). Each reference in the Credit Agreement to the "Revolving Term Notes" shall hereafter be deemed to be a reference to the Replacement Revolving Term Notes.

Section 5. **No Other Changes.** Except as expressly set forth herein, all terms of the Credit Agreement and each of the other Loan Documents remain in full force and effect.

Section 6. **Representations and Warranties**. The Borrower hereby represents and warrants to the Administrative Agent and the other Lender Parties as follows:

(a) The Borrower has all requisite power and authority to execute and deliver this Amendment and to perform its obligations under this Amendment, the Credit Agreement as amended hereby and the other Loan Documents to which the Borrower is a party. This Amendment has been duly and validly executed and delivered to the Administrative Agent by the Borrower, and this Amendment, the Credit Agreement as amended hereby and the other Loan Documents to which the Borrower is a party constitute the Borrower's legal, valid and binding obligations, enforceable in accordance with their terms, except to the extent that enforcement thereof may be limited by any applicable bankruptcy, insolvency or similar laws now or hereafter in effect affecting creditors' rights generally and by general principles of equity.

(b) The execution and delivery of this Amendment and the performance by the Borrower of this Amendment, the Credit Agreement as amended hereby and the other Loan Documents to which the Borrower is a party have been duly authorized by all necessary limited liability company or other action and do not and will not (i) require any authorization, consent or approval by, or registration, declaration or filing with, or notice to, any governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, or any third party, except such authorization, consent, approval, registration, declaration, filing or notice as has been obtained, accomplished or given prior to the date hereof, (ii) violate the Borrower's Organizational Documents or any provision of any law, rule, regulation or of any order, writ, injunction or decree presently in effect having applicability to the Borrower or of the Organizational Documents of the Borrower, or (iii) result in a breach of, or constitute a default under, any indenture or loan or credit agreement or any other material agreement, lease or instrument to which the Borrower is a party or by which the Borrower or its properties may be bound or affected.

(c) All of the representations and warranties contained in the Loan Documents, including without limitation the representations and warranties in Article IV of the Credit Agreement, are correct in all material respects on and as of the date hereof as though made on and as of such date after giving effect to this Amendment, except to the extent that such representations and warranties relate solely to an earlier date, and in such case, such representations and warranties shall be true and correct in all material respects as of such date; provided that any representation or warranty that is qualified by materiality or "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the applicable date.

(d) No event has occurred and is continuing, or would result from the execution and delivery of this Amendment or the other documents contemplated hereunder to which the Borrower is a party, which constitutes a Default or an Event of Default.

Section 7. **Effectiveness**. The amendments set forth in Section 2 above shall be effective only if the Administrative Agent has received, on or before the date of this Amendment (or such later date as the Administrative Agent may agree in writing), each of the following, each in form and substance acceptable to the Administrative Agent in its sole discretion:

(a) this Amendment, duly executed by the Borrower, together with the written concurrence of each Lender;

(b) the Acknowledgment and Agreement set forth below, duly executed by GPRE;

(c) the Replacement Revolving Term Notes, duly executed by the Borrower;

(d) a Term C Note in favor of each Term C Lender, duly executed by the Borrower;

(e) a certificate of the secretary or other appropriate officer of the Borrower (i) certifying that the execution and delivery of this Amendment and the performance by the Borrower under this Amendment and the Credit Agreement as amended hereby have been duly approved by all necessary action of the Governing Board of the Borrower, and attaching true, correct and complete copies of the applicable resolutions granting such approval; (ii) certifying that the Organizational Documents of the Borrower, which were certified and delivered to Administrative Agent pursuant to that Certificate of Secretary of the Borrower dated February 9, 2012, continue in full force and effect and have not been amended or otherwise modified except as set forth in the certificate to be delivered as of the date hereof; and (iii) certifying that the officers and agents of the Borrower who have been certified to Administrative Agent pursuant to the Certificate of Secretary given by the Borrower on February 9, 2012 as being authorized to sign and to act on behalf of the Borrower continue to be so authorized or setting forth the sample signatures of each of the officers and agents of the Borrower authorized to execute and deliver this Amendment and all other documents, agreements and certificates on behalf of the Borrower;

(f) a certificate of good standing for the Borrower from the Secretary of State (or the appropriate official) of the state of Delaware, dated not more than 30 days prior to the date hereof;

(g) a signed opinion of counsel for the Borrower and GPRE addressed to the Administrative Agent, on behalf of the Lenders, with respect to the matters contemplated by this Amendment, the Credit Agreement as amended hereby, and the other documents delivered in connection herewith;

(h) payment in immediately available funds of a fully earned, non-refundable fee equal to $25,000, which fee shall be shared among the Revolving Term Lenders pro rata in accordance with their respective Percentages of the Revolving Term Facility; and

(i) to the extent invoiced on or prior to the date hereof, payment in immediately available funds of all fees and expenses due and payable pursuant to Section 10 hereof.

Section 8. **No Waiver**. The execution of this Amendment and any documents, agreements and certificates contemplated hereunder shall not be deemed to be a waiver of any Default or Event of Default or any other breach, default or event of default under any Loan Document, whether or not known to the Administrative Agent or any other Lender Party and whether or not existing on the date of this Amendment.

Section 9. **Release of Administrative Agent and other Lender Parties**. The Borrower, by its signature to this Amendment, hereby absolutely and unconditionally releases and forever discharges the Administrative Agent and the other Lender Parties, and any and all participants, parent corporations, subsidiary corporations, affiliated corporations, insurers, indemnitors, successors and assigns thereof, together with all of the present and former directors, officers, agents and employees of any of the foregoing, from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state or federal law or otherwise, which the Borrower has or claims to have, or may at any time have or claim to have, against any such Person for or by reason of any act, omission, matter, cause or thing whatsoever arising on or before the date of this Amendment in any way relating to or arising out of the Loan Documents or any action taken or omitted under the Loan

Documents, whether such claims, demands and causes of action are matured or unmatured or known or unknown.

Section 10. **Costs and Expenses**. Without limiting Section 9.6 of the Credit Agreement, the Borrower shall pay or reimburse the Administrative Agent on demand for all out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable fees, charges and disbursements of counsel for the Administrative Agent), in connection with the negotiation, preparation, execution, delivery and administration of this Amendment and the other documents, agreements, amendments and certificates contemplated hereunder (whether or not the transactions contemplated hereby or thereby shall be consummated).

Section 11. **Miscellaneous**. This Amendment shall be governed by, and construed in accordance with, the law of the State of Colorado (other than its conflicts of laws rules). This Amendment, together with the Credit Agreement as amended hereby and the other Loan Documents, comprise the final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire agreement among the parties hereto with respect to such subject matter, superseding all prior oral or written understandings. Any provision of this Amendment that is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same instrument. Delivery of an executed counterpart to this Amendment by facsimile or by e-mail transmission of a PDF or similar copy shall be equally as effective as delivery of an original executed counterpart of this Amendment. Any party delivering an executed counterpart by facsimile or by e-mail transmission shall also deliver an original executed counterpart, but the failure to deliver an original executed counterpart shall not affect the validity, enforceability or binding effect of this Amendment.

Signature pages follow.

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the day and year first above written.

GREEN PLAINS HOLDINGS II LLC

By: */s/ Patrich Simpkins*
Name: Patrich Simpkins
Title: EVP – Finance and Treasurer

COBANK, ACB,
as Administrative Agent

By: */s/ Doug Jones*
Name: Doug Jones
Title: Vice President

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ACKNOWLEDGMENT AND AGREEMENT

Green Plains Renewable Energy, Inc. ("**GPRE**") is a party to the Amended and Restated Support and Subordination Agreement (the "**Support and Subordination Agreement**") dated February 9, 2012 among GPRE, Green Plains Holdings II LLC (the "**Borrower**") and CoBank, ACB, as Administrative Agent under the Amended and Restated Credit Agreement dated February 9, 2012 among the Borrower, the lenders from time to time party thereto and the Administrative Agent (as amended by a First Amendment to Amended and Restated Credit Agreement dated October 16, 2012 and the foregoing Second Amendment to Amended and Restated Credit Agreement of even date herewith (the "**Amendment**"), and as may be further amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**"). As used herein, capitalized terms defined in the Credit Agreement and not otherwise defined herein shall have the meanings given to them in the Credit Agreement.

GPRE hereby (i) acknowledges receipt of the Amendment; (ii) consents to the terms and execution thereof; (iii) reaffirms all obligations to the Administrative Agent and the other Lender Parties pursuant to the terms of the Support and Subordination Agreement and each other Loan Document to which GPRE is a party; (iv) acknowledges that the Loan Documents may be amended, restated, supplemented or otherwise modified from time to time without notifying or obtaining the consent of GPRE and without impairing the liability of the undersigned under any Loan Documents to which it is a party; and (v) absolutely and unconditionally releases and forever discharges the Administrative Agent and the other Lender Parties, and any and all participants, parent corporations, subsidiary corporations, affiliated corporations, insurers, indemnitors, successors and assigns thereof, together with all of the present and former directors, officers, agents and employees of any of the foregoing, from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state or federal law or otherwise, which GPRE has or claims to have, or may at any time have or claim to have, against any such Person for or by reason of any act, omission, matter, cause or thing whatsoever arising on or before the date hereof in any way relating to or arising out of the Loan Documents or any action taken or omitted under the Loan Documents, whether such claims, demands and causes of action are matured or unmatured or known or unknown.

February 28, 2014

GREEN PLAINS RENEWABLE ENERGY, INC.

By: */s/ Patrich Simpkins*
Name: Patrich Simpkins
Title: EVP – Finance and Treasurer

Signature Page to Acknowledgment and Agreement to
Second Amendment to Amended and Restated Credit Agreement

Aggregate Commitment Amounts

I. **Aggregate Revolving Term Commitment Amount**

Applicable Period	**Aggregate Revolving Term Commitment Amount**
Closing Date to and including March 31, 2012	$51,066,000.00
April 1, 2012 to and including September 30, 2012	$48,386,000.00
October 1, 2012 to and including March 31, 2013	$45,706,000.00
April 1, 2013 to and including September 30, 2013	$43,026,000.00
October 1, 2013 to but excluding the Second Amendment Effective Date	$40,346,000.00
Second Amendment Effective Date to but excluding the Revolving Term Commitment Termination Date	$20,000,000.00
Revolving Term Commitment Termination Date and thereafter	$0

II. **Aggregate Term A Commitment Amount** $13,013,902.81

III. **Aggregate Term B Commitment Amount** $13,400,000.00

IV. **Aggregate Term C Commitment Amount** $20,346,000.00

Revolving Term Facility Borrowing Request

[______________, _____]

To: CoBank, ACB, as Administrative Agent
5500 South Quebec Street
Greenwood Village, CO 80111
Attention: Syndications

We refer to that certain Amended and Restated Credit Agreement dated as of February 9, 2012 (as amended, restated, supplemented or otherwise modified to date, the "**Credit Agreement**") by and among GREEN PLAINS HOLDINGS II LLC, certain Lenders from time to time party thereto and CoBank, ACB, as Administrative Agent for the Lenders. As used herein, capitalized terms defined in the Credit Agreement and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

Pursuant to Section 2.2 of the Credit Agreement, we hereby request or confirm our request for a Borrowing under the Revolving Term Facility on the date, of the type(s) and in the amount(s) specified in Annex I attached hereto and request or confirm our request that each Lender make Revolving Term Advance(s) in such Lender's Percentage of the requested Borrowing (the "**Requested Advances**").

To induce the Lenders to make the Requested Advances, we hereby represent and warrant to the Lenders that:

(a) As of the date hereof and before giving effect to the Requested Advances, the Revolving Term Facility Outstanding Amount was **[$____________________]**. After giving effect to the Requested Advances, the Revolving Term Facility Outstanding Amount will be **[$__________________]**.

(b) No Default or Event of Default exists, or will result from the making of the Requested Advances.

(c) The conditions precedent set forth in Section 3.2 of the Credit Agreement are fully satisfied as of the date of the Requested Advances.

GREEN PLAINS HOLDINGS II LLC

By: ________________________________
Name: ___________________________
Title: ___________________________

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<u>ANNEX I</u>
to Revolving Term Facility Borrowing Request
dated [_______________, ____]

Amount of Borrowing Request	*Type of Advance (Base Rate Advance, Quoted Rate Advance or LIBOR Advance)*	*Date of Borrowing*	*Interest Period (LIBOR Advance) or Quoted Rate Period (Quoted Rate Advance)*	*Expiry Date of Interest Period (LIBOR Advance) or Quoted Rate Period (Quoted Rate Advance)*	*LIBO Rate or Quoted Rate (if applicable)**

* [*To be completed by Administrative Agent*]

Notice of Conversion to LIBO Rate or Quoted Rate

[______________, _____]

To: CoBank, ACB, as Administrative Agent
5500 South Quebec Street
Greenwood Village, CO 80111
Attention: Syndications

We refer to that certain Amended and Restated Credit Agreement dated as of February 9, 2012 (as amended, restated, supplemented or otherwise modified to date, the "**Credit Agreement**") by and among GREEN PLAINS HOLDINGS II LLC, certain Lenders from time to time party thereto and CoBank, ACB, as Administrative Agent for the Lenders. As used herein, capitalized terms defined in the Credit Agreement and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

Pursuant to Section 2.3 of the Credit Agreement, we hereby request or confirm our request that Loans in the aggregate amount(s) specified in Annex I attached hereto be converted into LIBOR Loans or Quoted Rate Loans (the "**Requested Conversion(s)**") on the date(s) and for the Interest Period(s) or Quoted Rate Period(s) specified in Annex I attached hereto and that each Lender make such conversion(s) in such Lender's Percentage of the Requested Conversion(s).

To induce the Lenders to make the Requested Conversion(s), we hereby represent and warrant to the Lenders that no Default or Event of Default exists or will result from the making of any Requested Conversion(s).

GREEN PLAINS HOLDINGS II LLC

By: ________________________________
Name: ___________________________
Title: ___________________________

ANNEX I
to Notice of Conversion to LIBO Rate or Quoted Rate
dated [__________, _____]

REQUEST TO CONVERT INTO LIBOR LOANS

Facility under which Loans to be Converted are Outstanding	*Type of Loan to be Converted*	*Amount to be Converted*	*Date of Conversion*	*Interest Period*	*Expiry Date of Interest Period*	*LIBO Rate**

REQUEST TO CONVERT INTO QUOTED RATE LOANS

Facility under which Loans to be Converted are Outstanding	*Type of Loan to be Converted*	*Amount to be Converted*	*Date of Conversion*	*Quoted Rate Period*	*Expiry Date of Quoted Rate Period*	*Quoted Rate**

* [*To be completed by Administrative Agent*]

Notice of Rollover of LIBO Rate or Quoted Rate

[______________, _____]

To: CoBank, ACB, as Administrative Agent
5500 South Quebec Street
Greenwood Village, CO 80111
Attention: Syndications

We refer to that certain Amended and Restated Credit Agreement dated as of February 9, 2012 (as amended, restated, supplemented or otherwise modified to date, the "**Credit Agreement**") by and among GREEN PLAINS HOLDINGS II LLC, certain Lenders from time to time party thereto and CoBank, ACB, as Administrative Agent for the Lenders. As used herein, capitalized terms defined in the Credit Agreement and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

Pursuant to Section 2.4 of the Credit Agreement, we hereby request or confirm our request that LIBOR Loans or Quoted Rate Loans in the aggregate amount(s) specified in Annex I attached hereto be renewed (the "**Requested Renewal(s)**") on the date(s) and for the Interest Period(s) or Quoted Rate Period(s) specified in Annex I attached hereto and that each Lender make such renewal(s) in such Lender's Percentage of the Requested Renewal(s).

To induce the Lenders to make the Requested Renewal(s), we hereby represent and warrant to the Lenders that no Default or Event of Default exists or will result from the making of any such Requested Renewal(s).

GREEN PLAINS HOLDINGS II LLC

By: ________________________________
Name: ____________________________
Title: ____________________________

ANNEX I
to Notice of Rollover of LIBO Rate or Quoted Rate
dated __________, _____

REQUEST TO ROLLOVER LIBOR LOANS

Facility under which Loans to be Renewed are Outstanding	*Amount to be Renewed*	*Expiry Date of Current Interest Period*	*New Interest Period*	*Expiry Date of New Interest Period*	*New LIBO Rate**

REQUEST TO ROLLOVER QUOTED RATE LOANS

Facility under which Loans to be Renewed are Outstanding	*Amount to be Renewed*	*Expiry Date of Current Quoted Rate Period*	*New Quoted Rate Period*	*Expiry Date of New Quoted Rate Period*	*New Quoted Rate**

* [*To be completed by Administrative Agent*]

Term C Note

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$_____________ _______________,
____

___________ __, 20__

For value received, GREEN PLAINS HOLDINGS II LLC, a Delaware limited liability company(the “**Borrower**”), hereby promises to pay to the order of **[_________________**, a **_______________________]** (the “**Lender**”), at such place as the Administrative Agent under the Credit Agreement defined below may from time to time designate in writing, in lawful money of the United States of America and in immediately available funds, the principal sum of **[______________________** Dollars ($_________)], together with interest on the unpaid principal balance hereof outstanding from time to time at such interest rates and payable at such times as specified in that certain Amended and Restated Credit Agreement dated February 9, 2012 by and among the Borrower, the Lender, certain other Lenders from time to time party thereto and CoBank, ACB, as Administrative Agent (as the same may be amended, supplemented or otherwise modified from time to time, the “**Credit Agreement**”).

This Note is a Term C Note as defined in the Credit Agreement, and is issued subject, and pursuant, to the Credit Agreement, which among other things, provides for the amount and date of payments of principal and interest required hereunder, acceleration of the maturity hereof upon the occurrence of an Event of Default (as defined in the Credit Agreement), and prepayment hereof upon the occurrence of certain events.

The Borrower shall pay all costs of collection, including reasonable attorneys’ fees and legal expenses, if this Note is not paid when due, whether or not legal proceedings are commenced.

Presentment or other demand for payment, notice of dishonor and protest are expressly waived.

GREEN PLAINS HOLDINGS II LLC

By: ___________________________________
Name: _____________________________
Title: ______________________________

EMPLOYMENT AGREEMENT

This Employment Agreement (this "***Agreement***") is effective as of the Effective Date defined herein, by and between GREEN PLAINS RENEWABLE ENERGY, INC., an Iowa corporation (the "***Company***"), and Patrich Simpkins, an individual ("***Executive***").

In consideration of the promises and mutual covenants contained herein, the parties hereto agree as follows:

1. Employment; Location. The Company hereby employs Executive and Executive hereby accepts such employment in the Omaha, Nebraska metro area. Executive will be relocated in accordance with the relocation provisions herein.

2. Term. Executive's employment shall be "at-will" and may be terminated at any time, by either party, for any reason whatsoever (the "***Term***"). Executive's employment with the Company shall commence on May 7th, 2012 (the "Effective Date"). Upon execution of this Agreement, effective as of the Effective Date, the agreement with Executive's company pursuant to the Business Advisory Agreement with GPS Capital Partners LLC dated July 25, 2011 shall terminate.

3. Duties and Authorities. During the Term:

3.1 Executive's initial duties shall be to serve as the Executive Vice President – Finance and Treasurer, of the Company and its subsidiaries reporting to the Chief Financial Officer ("CFO") of the Company. Executive shall have duties and authorities detailed in Schedule A and reasonably accorded to such positions in similar businesses in the United States, including such responsibilities and duties assigned by Chief Financial Officer and Chief Executive Officer from time to time. It is expected that Executive's role will transition, at the discretion of the CEO, to the position, duties and responsibilities detailed on Schedule B, or shall incorporate those duties and responsibilities detailed in Schedule B. The Executive shall report directly to the CEO with respect to those duties assigned by the CEO as detailed in Schedule B. Schedule A and Schedule B together shall define Executive's principle duties (the "***Duties***").

3.2 Executive shall diligently execute such Duties and shall devote his full time, skills and efforts to such Duties, subject to the general supervision and control of the CFO as it pertains to duties under Schedule A and. of the CEO as it pertains to any assigned duties under Schedule B. Executive will not engage in any other employment, occupation or consulting activity during the Term of this Agreement with exception of transition of work of current clients and Board of Director assignments. Executive agrees to disclose details of current and future Board assignments to General Counsel per Business ethics Policy.

3.3 Executive shall be a Company Officer and have the authority, responsibilities and privileges commensurate with above titles.

4. Compensation and Benefits. The Company shall pay Executive, and Executive accepts as full compensation for all services to be rendered to the Company, the following compensation and benefits:

4.1 Base Salary. The Company shall pay Executive a base salary of Two Hundred Seventy Five Thousand Dollars ($275,000) per year. Base salary shall be payable in equal installments twice monthly or at more frequent intervals in accordance with the Company's customary pay schedule. The Company shall annually consider increases of Executive's base salary and may periodically increase such base salary in its discretion.

4.2 Additional Compensation. In addition to base salary, the Company shall pay the following to Executive:

(a) Annual Bonus. Executive will be entitled to participate in the Company's short-term incentive plan ("STIP"), which is subject to change at the discretion of the Board of Directors (the "Board"). Executive's designated bonus target under the STIP will be fifty percent (50%) of annual base salary, payable annually, when target objectives set by the Company's Compensation Committee are achieved. Executive's designated bonus target under the STIP will be eighty (80%) of annual base salary, payable annually, upon transition to those duties detailed in Schedule B.

(b) Long-Term Incentive Compensation. The Compensation Committee has developed a long-term incentive program ("LTIP") for the Company, which is subject to change at the discretion of the Board. Executive shall be eligible to participate in such LTIP and receive awards under such LTIP at the sole discretion of the Company.

4.3 Equity Incentive Compensation. On the Effective Date, the Company shall provide Executive a grant of 25,000 shares of the Company's common stock which shall be subject to terms and conditions set out in the Company's 2009 Equity Compensation Plan and related stock grant. As will be set forth in the related stock grant, the shares shall vest as follows: one-fourth shall vest at the Effective Time, with one-fourth vesting each year thereafter until fully vested. Executive shall receive a grant of 25,000 shares of the Company's common stock at the one year anniversary of the Effective Date, if then employed, which shall be subject to terms and conditions set out in the Company's 2009 Equity Compensation Plan and related stock grant. As will be set forth in the related stock grant, the shares shall vest as follows: one-fourth shall vest at the grant date, with one-fourth vesting each year thereafter until fully vested.

4.4 Additional Benefits. Executive shall be permitted, during the Term, if and to the extent eligible, to participate in any group life, hospitalization or disability insurance plan, health or dental program, pension plan, similar benefit plan or other so-called "fringe benefits" of the Company made available to officers of the Company.

4.5 Vacation. Executive shall be entitled to an aggregate of up to four weeks leave for vacation for each calendar year during the Term at full pay. Executive agrees to give reasonable notice of his vacation scheduling requests, which shall be allowed subject to the Company's reasonable business needs. No more than five (5) days vacation may be carried over from one year to the next year.

4.6 Deductions. The Company shall have the right to deduct from the compensation due to Executive hereunder any and all sums required for social security and withholding taxes and for any other federal, state or local tax or charge which may be hereafter enacted or required by law as a charge on the compensation of Executive.

5. Business Expenses. Executive may incur reasonable, ordinary and necessary business expenses in the course of his performance of his obligations under this Agreement. The Company shall reimburse Executive in accordance with the Company’s business expense reimbursement policy.

6. Relocation. The Company shall provide relocation assistance to Executive for the purpose of facilitating Executive’s move to Omaha, Nebraska pursuant to Section 1 above. No reimbursement by the Company to the Executive shall be made absent a receipt from Executive detailing the relocation expense incurred by the Executive. The following costs shall be reimbursed by the Company, as described above:

· Upon the sale of Executive’s residence in the Dallas, Texas area, the Company will pay a onetime payment of $200,000, which is intended to cover home preparation, home sale expenses and closing costs. In the event of a voluntary termination within the one year anniversary of the Effective Date, Executive shall be obligated to repay such one time payment.

· All reasonable costs associated with the movement of household goods from the Dallas Texas area to Omaha, Nebraska; and

· All reasonable house hunting expenses, i.e., travel, lodging and meals, and temporary living expenses for Executive in Omaha, Nebraska until the one year anniversary from the Effecitve Date, including reasonable airfare to commute to Omaha until such time.

7. Termination.

7.1 Termination for Cause. Executive’s employment hereunder shall be terminable for Cause (as defined below) upon written notice from the Company to Executive. As used in this Agreement, “***Cause***” shall mean one of the following: (a) a material breach by Executive of the terms of this Agreement, not cured within thirty (30) days from receipt of notice from the CEO of such breach, (b) conviction of or plea of guilty or no contest to, a felony; (c) willful misconduct or gross negligence in connection with the performance of Executive’s duties; or (d) willfully engaging in conduct that constitutes fraud, gross negligence or gross misconduct that results in material harm to the Company. For purposes of this definition, no act, or failure to act, on Executive’s part shall be considered "willful" unless done, or omitted to be done, by Executive in knowing bad faith and without reasonable belief that his action or omission was in, or not opposed to, the best interests of the Company. If the Company terminates Executive’s employment for Cause, Executive shall be paid his salary and benefits through the date of termination and, except as otherwise required by applicable law or under any applicable and properly approved compensation plan or arrangement, no other amounts shall be payable.

7.2 Termination without Cause or for Good Reason. The Company may terminate Executive’s employment at any time for any reason (or no reason) other than Cause, as determined by the CEO and the Executive may terminate Executive’s employment with the Company for Good Reason and resign any and all positions as officer of the Company and any related companies. If the Company terminates Executive's employment without Cause or the Executive terminates his employment for Good Reason:

(a) The Company shall pay within 10 business days after such termination: (1) an amount equal to six (6) months of Executive's annual base salary on the date of his termination; and

(b) All equity awards, whether made pursuant to this agreement or otherwise, shall become fully vested and released from any restrictions on transfer upon such termination, including all such equity awards to be granted under Section 4.3 above.

7.3 <u>Termination without Cause or for Good Reason following a Change of Control</u>. The Company may terminate Executive's employment at any time for any reason (or no reason) other than Cause, as determined by the CEO and the Executive may terminate Executive's employment with the Company for Good Reason and resign any and all positions as officer of the Company and any related companies. If the Company terminates Executive's employment without Cause or the Executive terminates his employment for Good Reason within two years following a Change in Control:

(a) The Company shall pay within 10 business days after such termination: an amount equal to one (1) year of Executive's full annual base salary on the date of his termination; and

(b) All equity awards, whether made pursuant to this agreement or otherwise, shall become fully vested and released from any restrictions on transfer upon such termination, including all such equity awards to be granted under Section 4.3 above.

(c) Accrued Bonus Compensation for the then current year paid on a pro-rated basis, the amount of which should not be less than the executive's annual target bonus amount.

As used in this Agreement, "***Good Reason***" shall mean any of the following if the same occurs without Executive's express written consent: (a) a material diminution in Executive's base salary as described in Section 4.1, which for such purposes shall be deemed to exist with a reduction of greater than fifteen percent (15%) ; (b) a material diminution in Executive's authority, Duties, or responsibilities; (c) a material diminution in the authority, duties, or responsibilities of the person to whom Executive is required to report; (d) any material reduction or other adverse change in Executive's benefits under any applicable and properly approved compensation plan or arrangement without the substitution of comparable benefits; or (e) any other action or inaction that constitutes a material breach by the Company under this Agreement. To terminate for Good Reason, an Executive must incur a termination of employment on or before the second (2^{nd}) anniversary of the initial existence of the condition.

Executive shall be required to provide notice to the Company of the existence of any of the foregoing conditions within 60 days of the initial existence of the condition, upon the notice of which the Company shall have a period of 30 days during which it may remedy the condition.

7.4 <u>Termination by Executive Without Good Reason</u>. If Executive terminates without Good Reason, then Executive will be required to give the Company at least ninety (90) days notice. If Executive terminates without Good Reason then Executive will be paid his salary and benefits through the date of termination and, except as otherwise required by applicable law, no other amounts shall be payable except as provided under any applicable and properly approved compensation plan or arrangement.

7.5 Effect of Termination. In the event Executive's employment is terminated, all obligations of the Company and all obligations of Executive shall cease except that (a) the terms of this Section 7 and of Sections 8 through 22 below shall survive such termination and (b) the Company shall continue to be obligated to fulfill its obligations pursuant to Section 4, 5 and 6 to the extent they have not been satisfied as of the date of such termination. Executive acknowledges that, upon termination of his employment, he is entitled to no other compensation, severance or other benefits other than those specifically set forth in this Agreement, except to the extent provided in any applicable compensation plan or arrangement.

8. Covenant Not to Compete; Nonsolicitation.

8.1 Covenant. Executive hereby agrees that, while he is employed or engaged by the Company as either an employee or as a consultant pursuant to this Agreement, and, in any event, for the one (1)-year period following Executive's termination of employment for any reason, he will not directly or indirectly compete (as defined in Section 8.2 below) with the Company in any geographic area in which the Company does or has done business.

8.2 Direct and Indirect Competition. As used herein, the phrase "***directly or indirectly compete***" shall mean owning, managing, operating or controlling, or participating in the ownership, management, operation or control of, or being connected with or having any interest in, as a stockholder, director, officer, employee, agent, consultant, assistant, advisor, sole proprietor, partner or otherwise, any business (other than the Company's) engaged in the production, marketing, sale or distribution of ethanol, provided, however, that this prohibition shall not apply to ownership of less than one percent (1%) of the voting stock in companies whose stock is traded on a national securities exchange or in the over-the-counter market.

8.3 Nonsolicitation. Executive hereby agrees that while he is employed or engaged by the Company as either an employee or as a consultant pursuant to this Agreement, and, in any event, during the two (2)-year period following Executive's termination of employment for any reason, he will not directly or indirectly solicit or attempt to solicit any customer, vendor or distributor of the Company, other than for the Company, with respect to any product or service being furnished, made or sold by the Company at any time during Executive's employment with the Company. Executive further agrees that during such time period, Executive shall not, directly or indirectly, solicit, encourage or attempt to solicit any of the executives, managers or employees who are employed by the Company on his termination date to become executives, manages or employees of any other person or entity with which Executive is affiliated.

9. Confidential Information. Executive acknowledges that during his employment or consultancy with the Company he will develop, discover, have access to and/or become acquainted with technical, financial, marketing, personnel and other information relating to the present or contemplated products or the conduct of business of the Company which is of a

confidential and proprietary nature ("***Confidential Information***"). Executive agrees that all files, records, documents and the like relating to such Confidential Information, whether prepared by him or otherwise coming into his possession, shall remain the exclusive property of the Company, and Executive hereby agrees to promptly disclose such Confidential Information to the Company upon request and hereby assigns to the Company any rights which he may acquire in any Confidential Information. Executive further agrees not to disclose or use any Confidential Information and to use his best efforts to prevent the disclosure or use of any Confidential Information either during the term of his employment or consultancy or at any time thereafter, except as may be necessary in the ordinary course of performing his duties under this Agreement. Upon termination of Executive's employment or consultancy with the Company for any reason, (a) Executive shall promptly deliver to the Company all materials, documents, data, equipment and other physical property of any nature containing or pertaining to any Confidential Information, and (b) Executive shall not take from the Company's premises any such material or equipment or any reproduction thereof.

10. <u>Inventions</u>.

10.1 <u>Disclosure of Inventions</u>. Executive hereby agrees that if he conceives, learns, makes or first reduces to practice, either alone or jointly with others, any "***Employment Inventions***" (as defined in Section 10.3 below) while he is employed by the Company, either as an employee or as a consultant, he will promptly disclose such Employment Inventions to the CEO or to any other Company officer designated by the Board.

10.2 <u>Ownership, Assignment Assistance and Power of Attorney</u>. All Employment Inventions shall be the sole and exclusive property of the Company, and the Company shall have the right to use and to apply for patents, copyrights or other statutory or common law protection for such Employment Inventions in any country. Executive hereby assigns to the Company any rights which he may acquire in such Employment Inventions. Furthermore, Executive agrees to assist the Company in every proper way at the Company's expense to obtain patents, copyrights and other statutory or common law protections for such Employment Inventions in any country and to enforce such rights from time to time. Specifically, Executive agrees to execute all documents as the Company may desire for use in applying for and in obtaining or enforcing such patents, copyrights and other statutory or common law protections together with any assignments thereof to the Company or to any person designated by the Company. Executive's obligations under this Section 10 shall continue beyond the termination of his employment under this Agreement, but the Company shall compensate Executive at a reasonable rate after any such termination for the time which Executive actually spends at the Company's request in rendering such assistance. In the event the Company is unable for any reason whatsoever to secure Executive's signature (after reasonable attempts to do so) to any lawful document required to apply for or to enforce any patent, copyright or other statutory or common law protections for such Employment Inventions, Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as his agents and attorneys-in-fact to act in his stead to execute such documents and to do such other lawful and necessary acts to further the issuance and prosecution of such patents, copyrights or other statutory or common law protection, such documents or such acts to have the same legal force and effect as if such documents were executed by or such acts were done by Executive.

10.3 Employment Inventions. The definition of "***Employment Invention***" as used herein is as follows: "***Employment Invention***" means any invention or part thereof conceived, developed, reduced to practice, or created by Executive which is: (a) conceived, developed, reduced to practice, or created by Executive: (i) within the scope of his employment; (ii) on the Company's time; or (iii) with the aid, assistance, or use of any of the Company's property, equipment, facilities, supplies, resources, or intellectual property; (b) the result of any work, services, or duties performed by Executive for the Company; (c) related to the industry or trade of the Company; or (d) related to the current or demonstrably anticipated business, research, or development of the Company.

10.4 Exclusion of Prior Inventions. Executive has identified on **Exhibit A** attached hereto a complete list of all inventions which Executive has conceived, learned, made or first reduced to practice, either alone or jointly with others, prior to employment with the Company and which Executive desires to exclude from the operation of this Agreement. If no inventions are listed on **Exhibit A**, Executive represents that he has made no such inventions at the time of signing this Agreement.

10.5 Inventions of Third Parties. Executive shall not disclose to the Company, use in the course of his employment, or incorporate into the Company's products or processes any confidential or proprietary information or inventions that belong to a third party, unless the Company has received authorization from such third party and Executive has been directed by the CEO to do so.

11. Compliance with Section 409A of the Code. Notwithstanding any provision in this Agreement to the contrary, this Agreement shall be interpreted, construed and conformed in accordance with Section 409A of the Code and regulations and other guidance issued thereunder. If, on the date of Executive's separation from service (as defined in Treasury Regulation §1.409A-1(h)), Executive is a specified employee (as defined in Code Section 409A and Treasury Regulation §1.409A-1(i)), no payment shall be made under this Agreement at any time during the 6-month period following the Employee's separation from service of any amount that results in the "deferral of compensation" within the meaning of Treasury Regulation §1.409A-1(b), after application of the exemptions provided in Treasury Regulation §§1.409A-1(b)(4) and 1.409A-1(b)(9)(iii) and (v), and any amounts otherwise payable during such 6-month period shall be paid in a lump sum on the first payroll payment date following expiration of such 6-month period.

12. No Conflicts. Executive hereby represents that, to the best of his knowledge, his performance of all the terms of this Agreement and his work as an employee or consultant of the Company does not breach any oral or written agreement which he has made prior to his employment with the Company.

13. Equitable Remedies. Executive acknowledges and agrees that the breach or threatened breach by him of certain provisions of this Agreement, including without limitation Sections 8, 9 or 10 above, would cause irreparable harm to the Company for which damages at law would be an inadequate remedy. Accordingly, Executive hereby agrees that in any such instance the Company shall be entitled to seek injunctive or other equitable relief in addition to any other remedy to which it may be entitled.

14. Assignment. This Agreement is for the unique personal services of Executive and is not assignable or delegable in whole or in part by Executive without the consent of the CEO. This Agreement may be assigned or delegated in whole or in part by the Company and, in such case, the terms of this Agreement shall inure to the benefit of, be assumed by, and be binding upon the entity to which this Agreement is assigned.

15. Waiver or Modification. Any waiver, modification or amendment of any provision of this Agreement shall be effective only if in writing in a document that specifically refers to this Agreement and such document is signed by the parties hereto.

16. Entire Agreement. This Agreement constitutes the full and complete understanding and agreement of the parties hereto with respect to the specific subject matter covered herein and therein and supersede all prior oral or written understandings and agreements with respect to such specific subject matter.

17. Severability. If any provision of this Agreement is found to be unenforceable by a court of competent jurisdiction, the remaining provisions shall nevertheless remain enforceable in full force and effect, and the court making such determination shall modify, among other things, the scope, duration, or geographic area of such affected provision to preserve the enforceability thereof to the maximum extent then permitted by law.

18. Notices. All notices thereunder shall be in writing addressed to the respective party as set forth below and may be personally served, sent by facsimile transmission, sent by overnight courier service, or sent by United States mail, return receipt requested. Such notices shall be deemed to have been given: (a) if delivered in person, on the date of delivery; (b) if delivered by facsimile transmission, on the date of transmission if transmitted by 5:00 p.m. (local time, Omaha, Nebraska) on a business day or, if not, on the next succeeding business day; provided that a copy of such notice is also sent the same day as the facsimile transmission by any other means permitted herein; (c) if delivered by overnight courier, on the date that delivery is first attempted; or (d) if by United States mail, on the earlier of two (2) business days after depositing in the United States mail, postage prepaid and properly addressed, or the date delivery is first attempted. Notices shall be addressed as set forth as set forth on the signature page hereof, or to such other address as the party to whom such notice is intended shall have previously designated by written notice to the serving party. Notices shall be deemed effective upon receipt.

19. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska, without reference to the choice of law provisions thereof.

20. Attorneys' Fees. In the event an action or proceeding is brought by any party under this Agreement to enforce or construe any of its terms, the party that prevails by enforcing this Agreement shall be entitled to recover, in addition to all other amounts and relief, its reasonable costs and attorneys' fees incurred in connection with such action or proceeding.

21. Construction. Whenever the context requires, the singular shall include the plural and the plural shall include the singular, the whole shall include any part thereof, and any gender shall include all other genders. The headings in this Agreement are for convenience only and

shall not limit, enlarge, or otherwise affect any of the terms of this Agreement. Unless otherwise indicated, all references in this Agreement to sections refer to the corresponding sections of this Agreement. This Agreement shall be construed as though all parties had drafted it.

22. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. Counterparts and signatures transmitted by facsimile shall be valid, effective and enforceable as originals. IN WITNESS WHEREOF, Executive has signed this Agreement personally and the Company has caused this Agreement to be executed by its duly authorized representative.

GREEN PLAINS RENEWABLE ENERGY, INC.

By: */s/ Todd Becker*
Name: Todd Becker
Title: Chief Executive Officer

Address:
Green Plains Renewable Energy, Inc.
450 Regency Parkway Suite 400
Omaha NE 68114

Executive

/s/ Patrich Simpkins
Patrich Simpkins, individually

Address:
3709 Southwestern Blvd.
Dallas, TX 75225

EXHIBIT A

EXCLUDED INVENTIONS

SCHEDULE A

SCHEDULE B

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) AND SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Todd A. Becker, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Green Plains Renewable Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 1, 2014

/s/ Todd A. Becker
Todd A. Becker
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) AND SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jerry L. Peters, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Green Plains Renewable Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 1, 2014

/s/ Jerry L. Peters
Jerry L. Peters
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Green Plains Renewable Energy, Inc. (the "Company") on Form 10-Q for the fiscal quarter ended March 31, 2014 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Todd A. Becker, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1) The Report fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 1, 2014

/s/ Todd A. Becker
Todd A. Becker
President and Chief Executive Officer

Exhibit 32.2

**CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Green Plains Renewable Energy, Inc. (the “Company”) on Form 10-Q for the fiscal quarter ended March 31, 2014 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Jerry L. Peters, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1) The Report fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 1, 2014

/s/ Jerry L. Peters
Jerry L. Peters
Chief Financial Officer