

October 4, 2016

e-mail: gberman@dsi.biz

To the Creditors of:

RNFL Acquisition, LLC.
A Minnesota Limited Liability Company,
dba Michigan Renewable Carbon

RE: NOTICE OF COMMENCEMENT OF GENERAL
ASSIGNMENT FOR THE BENEFIT OF CREDITORS

Dear Sir and/or Madam:

Please be advised that RNFL Acquisition, LLC (RNFL) executed a general assignment for the benefit of creditors (the “Assignment”) in favor of DSI Assignments, LLC, (the “Assignee”) in accordance with the applicable provisions of Delaware law governing General Assignments for the Benefit of Creditors, including 10 *Del. C. §7381 et. seq.* The petition commencing the Assignment was filed with the Chancery Court on September 12, 2016 and the Court granted the petition on September 26, 2016. A copy of the petition, Trust Agreement and General Assignment for the benefit of creditors are attached for your formation.

RNFL is owned by Biogenic Reagents Ventures, a Delaware LLC and which in turn is owned by Biogenic Reagents, LLC also a Delaware LLC. The company operated a renewable carbon facility in Gwinn, MI. RNFL entered into the Assignment because efforts to recapitalize RNFL failed after a prospective equity firm that executed June 2016 term sheet was unable to close on its capital commitment. RNFL operations were discontinued and the employees laid off at the end of June 2016.

RNFL owes its senior secured lenders in excess of \$23 million, as well as an additional \$20 plus million owing on New Market Tax Credits; this additional secured debt is subordinate to the senior secured debt of \$23 million. The senior secured debt is owed to, MVC Capital, Inc. a Delaware corporation and Equus Total Return, Inc., both of whom are arm’s length non-insider lenders. These senior loans are secured by all of RNFL’s assets, which includes all the plant equipment, parts inventory and other furniture, fixtures and equipment. The loans are also secured by cash and bank accounts, however since operations were terminated in June 2016, RNFL has no cash and the senior secured lenders have been paying all expenses related to preserving the plant and its related assets. The Assignee is investigating the perfection of the secured creditor claims and the secured lenders’ entitlement to the proceeds from the liquidation. The Assignee has retained the firm of Morris, Nichols, Arsht & Tunnell, LLP to serve as its counsel, and other professionals may be retained as become necessary.

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RNFL worked for a number of months to find investment capital or a buyer to provide the operating capital for the plant. Those efforts were undertaken with the aid of two global investment banking firms; however as of the mid-August, those efforts had not resulted in a buyer willing to pay an amount for which the senior secured lenders were willing to release their liens. Another party has approached the senior secured lenders as to its interest in the plant and equipment and discussions have advanced with that party about its interest in the plant. This sale is also likely not going to be in excess of the secured debt.

The plant assets were appraised at the time the plant operations were terminated. The appraisal, done on an orderly sale basis, would come close to but not retire the senior secured debt. A forced liquidation value for the plant would be well below the orderly liquidation value. Also attached creditors will find the Company's Balance Sheet as of April 2016, prepared from the Company's books and records (and is provided for informational purposes only).

Attached to this notice is an Affidavit of Claim form that must be completed and returned to the Assignee, at its Chicago, IL offices (the address is on the form) no later than **March 3, 2017** along with any documents supporting your claim. Creditors who fail to file their Affidavit of Claim by March 3, 2017 may not be entitled to share in any distribution on account of unsecured claims arising out of the liquidation of RNFL's assets. The filing of an Affidavit of Claim does not guaranty that there will in fact be a recovery for unsecured creditors.

Please feel free to contact Steve Victor (svictor@dsi.biz) or John Wheeler (jwheeler@dsi.biz) by e-mail or telephone at (312) 263-4141, the undersigned (gberman@dsi.biz) or by telephone at (213) 617-2717, or Daniel Butz, Esq. (dbutz@mnat.com) by e-mail or telephone at (302) 351-9348 if you have any questions regarding the Assignment. Information can also be found at www.dsiassignments.com.

Very truly yours,

DSI Assignments, LLC, solely in its capacity as Assignee
for the benefit of creditors of RNFL Acquisition, LLC
dba Michigan Renewable Carbon



By

Geoffrey L. Berman, Senior Managing Director
Development Specialists, Inc., the sole and managing member

Enclosures