

ASHLAND



**OPEN ENROLLMENT
DIVIDEND REINVESTMENT
AND
STOCK PURCHASE PLAN**

This plan is sponsored and administered by
National City Bank,
not by Ashland Inc.

**FOR INFORMATION, CONTACT THE PLAN
SPONSOR AND ADMINISTRATOR:**

**NATIONAL CITY BANK
REINVESTMENT SERVICES
P.O. BOX 94946
CLEVELAND, OHIO 44101-4946**

**FOR OVERNIGHT COURIER DELIVERY:
NATIONAL CITY BANK
REINVESTMENT SERVICES
3RD FLOOR – NORTH ANNEX
4100 W. 150TH STREET
CLEVELAND, OHIO 44135**

TOLL-FREE TELEPHONE: 1-800-622-6757

FAX: (216) 257-8367

**BUSINESS HOURS: MONDAY THROUGH FRIDAY
8 A.M. – 5 P.M. EASTERN TIME**

All correspondence concerning the plan, as well as optional cash investments with checks or money orders payable to National City Bank should be mailed to the above address.

If you are presently a participant, please include your account number on all correspondence, checks or money orders together with a telephone number where you can be reached during business hours.

National City Bank is pleased to offer a convenient plan for investment in shares of Ashland Inc. common stock. Whether purchasing shares for the first time or adding to existing holdings, investors can now buy and sell common shares of Ashland Inc. directly through National City's Open Enrollment Dividend Reinvestment and Stock Purchase Plan.

Key Features of the Plan...

- You place your purchase and sale orders with National City — not with a stockbroker.
- Transaction costs are usually less than if you trade through a typical full-service or discount broker.
- You can choose from a variety of investment options.
- Your ownership is registered on the books of Ashland Inc., meaning you will receive communications more promptly than if held in “street” name by a stockbroker or other institution.
- All shares are held for you in safekeeping by National City to prevent costly and inconvenient replacement of any lost stock certificates. However, you may request that certificates be issued whenever you wish.
- You may send your existing certificates of Ashland Inc. stock to us and/or instruct your broker or other custodian to send any shares you hold in street name to National City for safekeeping and automatic dividend reinvestment.
- An easy to understand statement detailing your transactions and accumulated share balance will be sent to you promptly following each transaction.

This brochure contains terms and conditions by which National City administers the plan. Instructions for opening a new account and for selecting your investment options are also enclosed. Please be aware that this type of plan does not offer the same flexibility for sales, purchases and dividend payments as ownership outside of the plan. Please read all of the information carefully before enrolling in this plan and retain this brochure for future reference.

How to Get Started

You can open a plan account whether or not you are already a registered shareholder.

To enroll, complete, sign and return the enclosed enrollment form along with your initial investment (optional for registered holders) directly to National City Bank.

Enrollment is free to both existing and new shareholders!

How and When Purchases are Made

Purchases are made at least once a week. Timing of purchases is at National City's discretion. Your payment will be applied to the purchase of full and fractional shares (to 3 decimal places). No interest is due or paid to you on funds held by National City pending investment. National City shall have no responsibility as to the market value or price at which any purchases are made.

Permitted Investment Amounts

Initial investments (to open an account) may be made for a minimum of \$500.00 to a maximum of \$10,000.00. Any subsequent investments, and any investments by registered shareholders, may be made for a minimum of \$25.00 to a maximum of \$5,000.00 per month. Checks and money orders in amounts that are below or exceed these permitted amounts will be returned to you, uninvested.

**All checks and money orders must be in U. S. dollars
and be made payable to National City Bank.**

How to Make Subsequent Investments

Attached to each statement is a tear-off form to accompany checks sent to us for investment. A pre-addressed postage paid envelope is provided with each statement for future investments or correspondence relating to your plan account.

Confirmation of Investments

We will promptly mail confirmation of receipt of your funds as well as statements detailing any purchase or sale transactions for the current year and the most recent account balance.

Important: Retain your most recently received statement and the final statement received in each calendar year for your tax records.

How Shares are Held for You

Shares purchased through this plan are issued in "book-entry" form, meaning that stock certificates are not issued. Instead, your account statements will be your record of ownership and transactions. This form of ownership prevents loss of valuable stock certificates, which can be replaced, but often at the expense and inconvenience to the shareholder.

Reinvestment and Purchase Options

Option I — Full Dividend Reinvestment directs the investment in accordance with the plan of all of your cash dividends on all of the shares then registered in your name, and also permits you to make optional cash payments for the purchase of additional shares in accordance with the plan;

Option II — Partial Dividend Reinvestment directs the investment in accordance with the plan of the cash dividends on only that number of shares registered in your name and held outside of your plan account which are designated in the appropriate space on the enrollment form, and also permits you to make optional cash payments for the purchase of additional shares in accordance with the plan;

Option III — Optional Cash Payments Only permits you to make cash payments only for the initial investment or for the subsequent purchase of shares, in accordance with the plan, without reinvesting dividends on any other shares you may own outside the plan.

You may select any one of the above investment options. In all cases, the cash dividends on all of the shares held in your plan account will be reinvested in accordance with the plan, including dividends on shares purchased with an initial cash investment or optional cash payments.

How and When Sales are Made

You can direct the sale of shares from your account by fax or mail. Sales are made at least once a week. Brokerage commissions and service fees are deducted from the sale proceeds and the net amount will be mailed to you by check, approximately one week following the sale.

The tear-off portion of your statement should be used for placing your sale order or you may fax your order to National City at (216) 257-8367. Be sure to include your plan account number, your name, the name of Ashland Inc. and the number of shares you wish to sell, and be sure to sign the instruction. Please call 1-800-622-6757 to confirm receipt of the fax. Selling shares does not automatically terminate your enrollment.

The timing of sales is at National City's discretion. National City shall have no responsibility as to the market value or the price at which shares are sold.

Deposit of Stock Certificates to Your Plan Account

You may send your existing Ashland Inc. stock certificates to us for safekeeping in your plan account. We recommend insured, registered mail, return receipt requested.

Withdrawal of Shares from Your Plan Account

Upon receipt of your written instructions, we will issue a stock certificate for all or part of the full shares held in your plan account. Withdrawal of shares from the plan does not automatically terminate your enrollment. Certificates for fractional shares will not be issued under any circumstances. Fractional shares are liquidated and paid by check.

To Change Reinvestment Options or Terminate Enrollment in the Plan

You may change options or terminate your enrollment by notifying us in writing. When termination is requested, certificates for whole shares and a check in payment of any fractional share will be mailed to you. Alternatively, you may instruct us to close your account by selling all full and fractional shares then held in your plan account.

Tax Consequences

Dividends, even when reinvested, are taxable as ordinary income. Brokerage commissions paid on your behalf by Ashland Inc. are also

taxable as ordinary income. The amount of such brokerage commissions will increase your tax basis for shares purchased under the plan.

A Form 1099-DIV will be sent to you following each calendar year reporting any dividends earned and brokerage commissions paid by Ashland Inc. in that year. A Form 1099-B will be sent to you reporting the proceeds of any sales made from your plan account in that year. Information you will need to prepare your tax reports is contained in the plan transaction statements. **It is very important that you retain the statements for your tax records.**

You are advised to consult your tax advisor to determine the tax consequences that may result from your participation in the plan and from subsequent sales or other dispositions of shares purchased under the plan.

To Change the Name or Transfer Ownership of Shares Held in Your Plan Account

Contact National City for assistance in making changes to your account registration:

**National City Bank
Reinvestment Services
P.O. Box 94946
Cleveland, Ohio 44101-4946**

Toll-Free Telephone Number: 1-800-622-6757

FAX Number: 216-257-8367

Cost to You

Start-up fee to open your plan account:	\$	-0-
Fee for purchases made with reinvested dividends:	\$	-0-
Brokerage commissions for purchases:		See below*
Service fee for purchase transactions: Fees are paid on your behalf by Ashland Inc.	\$	-0-
Service fee for sales (per transaction):	\$	10.00
Fee for withdrawal of shares:	\$	-0-
Fee for transferring ownership of your plan shares:	\$	-0-
Brokerage commissions for sales:		See below*

**Commissions on purchases are paid on your behalf by Ashland Inc., but are taxable to you and will be reported as income to you and the IRS as such.*

Brokerage commissions for purchases and sales vary, depending on the number of aggregated shares traded on behalf of all plan participants in the day's transaction, but are typically lower than those of full service and discount securities brokers.

Open Enrollment, Dividend Reinvestment and Stock Purchase Plan Agreement

Additional Terms and Conditions

1. National City Bank will:

Under Option I — Invest, in accordance with the plan, all of your cash dividends on all of the shares then or subsequently registered in your name on the books of National City, as Stock Transfer Agent for Ashland Inc., and will also invest your optional cash payments for the purchase of additional shares of Ashland Inc.

Under Option II — Invest, in accordance with the plan, cash dividends on only that number of shares registered in your name which are designated in the appropriate space on the enrollment form, and will also invest optional cash payments for the purchase of additional Ashland Inc. shares.

Under Option III — Invest, in accordance with the plan, optional cash payments and dividends earned on Ashland Inc. shares held in your plan account, without reinvesting dividends earned on any other shares you may own outside of your plan account.

Under any of the three options, purchases will be made on any securities exchange where the stock is traded at then current market prices.

All dividends earned on Ashland Inc. stock acquired through and held in your plan account will be automatically reinvested.

2. In making purchases for your account, National City may commingle your dividends and cash payments with those of other participants. In the case of each purchase, the price at which National City shall be deemed to have acquired shares of common stock for the participants' accounts shall be the average price of all shares of Ashland Inc. purchased by it from funds used for such purchase. National City may hold the shares of Ashland Inc. of all participants together in its name or in the name of its nominee. National City shall have sole discretion as to (i) the price per share of Ashland Inc. it purchases or sells on your behalf, (ii) where such purchases or sales may be made, whether on any securities exchange where the shares of Ashland Inc. are traded, (iii) the terms of the purchase or sale, including the timing thereof and the method of delivery, and (iv) the selection of the stockbroker or other agent from, to or through, which such purchases or sales are made. National City shall have no responsibility as to the market value of the shares of Ashland Inc. acquired for your account. Dividends will be reinvested by National City promptly on or around the dividend payment date and optional cash payments will be invested at least once a week. It is understood that government regulation may require the temporary curtailment or suspension of purchases under this plan. It is understood that, in any event, National City shall have no liability in connection with its inability to purchase shares for reasons beyond its control. In no event will dividends or cash payments be held by National City longer than thirty days after receipt of dividends or thirty-five days after receipt of cash payments. No interest is due or paid to you on funds held by National City pending investment or refund.

3. Following each purchase, National City will send to you an information statement concerning the transaction and showing the current total of shares in your plan account.

4. No certificates will be issued to you for shares of Ashland Inc. in the account unless you so request in writing or unless the account is terminated. You may request that a certificate be sent to you for full shares of Ashland Inc. credited to the account without terminating the account. Requests for account termination will be processed by National City without charge to you. No certificate for any fractional share will be issued.

5. All of National City's service charges and all brokerage commissions for each share purchase will be paid by Ashland Inc. on your behalf. However, you will incur brokerage commissions and service charges on shares of Ashland Inc. sold under the plan. National City may charge for any additional services it performs at your request which are not provided for herein.

6. It is understood that the reinvestment of dividends does not relieve you of your obligation to pay any taxes due on such dividends. National City will report annually to you and to the Internal Revenue Service the amount of dividends credited to your account during the year, brokerage commissions paid on your behalf, and any sales transactions and any tax withheld in accordance with federal tax regulations.

7. National City will send a form of proxy to you representing the full and fractional shares of Ashland Inc. held by you in your account on the record date for any annual or special meeting of Ashland Inc. shareholders, as declared by its Board of Directors, for the purpose of voting on any matter which requires shareholder approval. If you do not direct National City as to how to vote the shares held in this plan, we will not vote your shares.

8. a. You may terminate your plan account at any time by notifying National City in writing. All dividends having a record date after receipt of such letter will be paid directly to you. In requesting termination, you may elect to receive either shares of Ashland Inc. or cash for the full shares in the account. If cash is elected, National City will sell such shares and send the net proceeds to you as soon as practicable less any brokerage commissions and service fees. If no election is made in the request for termination, a certificate for all full shares of Ashland Inc. held in your account will be issued.

b. In any case, you will receive cash in lieu of any fractional interest in a share at the then current market value of shares of Ashland Inc.

c. National City may terminate your account at any time at its discretion.

d. If you have selected Option I or II of the plan and dispose of all of your shares of Ashland Inc. registered in your name on the books of Ashland Inc., and such disposal occurs after a dividend record date so that National City thereafter receives a dividend payment, then National City at its discretion may continue to reinvest the dividends paid on the shares in your account until you otherwise notify National City in writing.

e. You may sell part of the shares of Ashland Inc. or request partial delivery of such shares in your account without terminating the account. Brokerage commissions and service charges on shares sold under the plan will be incurred by you.

9. a. It is understood that share dividends, share splits or proceeds of sale of stock purchase rights on shares of Ashland Inc. held for you under the plan will be credited to your plan account.

b. It is further understood that all dividends on shares of Ashland Inc. registered to you under Option I will be credited to your account for the purchase of additional shares of Ashland Inc.

c. In the event that Ashland Inc. makes available to its shareholders rights to purchase additional shares, debentures or other securities, National City shall sell such rights (if marketable) accruing to shares of Ashland Inc. held by National City on your behalf and invest the resulting funds in shares of Ashland Inc. on the next investment date. National City may, at its sole discretion, hold the shares of Ashland Inc. of all participants together in its name or in the name of its nominee. In the event you desire to personally exercise any rights which may accrue from time to time to shares of Ashland Inc. held in your account, you must request distribution of certificates as provided for in Paragraph 4 above, prior to the time such rights accrue.

10. You may elect to send other Ashland Inc. certificates registered in your name to National City for safekeeping without charge to you.

Since you bear the risk of loss during transit, you are advised to send certificates by registered mail, properly insured, return receipt requested. Such certificates should not be endorsed.

11. National City shall not be liable hereunder for any act or failure to act, including without limitation, any claim of liability (a) arising out of a failure to terminate your account upon your death or adjudication of incompetency prior to receipt of notice in writing of the death or incompetency; (b) with respect to the prices at which such shares are purchased or sold for your account; and (c) certificates which are sent by you to National City and are lost in transit prior to receipt by National City. Notwithstanding the foregoing, National City shall be liable for acts of its gross negligence or willful misconduct.

12. You agree to notify National City promptly in writing of any change of address. Notices to you may be given by letter addressed to you at the last known address as reflected by the records of National City.

13. This Agreement may be amended, modified, or supplemented at any time by the mutual agreement of Ashland Inc. and National City with thirty (30) days' prior notice to you of such amendment, modification, or supplement, mailed to you at the last known address as reflected by the records of National City. National City retains the right to terminate or suspend its duty of making purchases or sales on your behalf under the plan, in the event that Ashland Inc. notifies National City that it believes that any purchases or sales of shares of Ashland Inc. by National City would be in violation of any rule or regulation of the Securities Exchange Commission or of any exchange, including the over-the-counter market, on which the shares of Ashland Inc. are traded or would be in violation of any other federal or state securities' law and Ashland Inc. so notifies National City in writing. In such event, National City shall promptly notify you by notice mailed to you as set forth above of such termination or suspension.

14. This Agreement, the enrollment card signed by you (which is deemed a part of this Agreement), and the account shall all be governed by and construed in accordance with the laws of the State of Ohio and the rules and regulations of the Securities and Exchange Commission as they may be changed or amended from time to time.

Securities held in plan accounts for plan participants are not subject to protection under the Securities Investor Protection Act of 1970. National City provides no advice and makes no recommendations respecting any security. Any decision to purchase or sell must be made by each individual plan participant based on his or her own research and judgement.