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

FORM 10-K

FOR ANNUAL AND TRANSITION REPORTS
PURSUANT TO SECTIONS 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

(Mark One)
|X| ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended September 30, 2004

OR

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

For the transition period from _____ to _____

Commission file number 1-2918

ASHLAND INC.
(a Kentucky corporation)
I.R.S. No. 61-0122250

50 E. RiverCenter Boulevard
P.O. Box 391
Covington, Kentucky 41012-0391
Telephone Number (859) 815-3333

Securities Registered Pursuant to Section 12(b):

Title of each class	Name of each exchange on which registered
Common Stock, par value $1.00 per share	New York Stock Exchange and Chicago Stock Exchange
Rights to purchase Series A Participating Cumulative Preferred Stock	New York Stock Exchange and Chicago Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: None

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 |X| No |_|

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. |X|

Indicate by check mark whether the Registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes |X| No |_|

At March 31, 2004, based on the New York Stock Exchange closing price, the aggregate market value of voting stock held by non-affiliates of the Registrant was approximately $3,249,782,427. In determining this amount, the Registrant has assumed that its directors and executive officers are affiliates. Such assumption shall not be deemed conclusive for any other purpose.

At November 30, 2004, there were 71,941,455 shares of Registrant's common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of Registrant's definitive Proxy Statement for its January 27, 2005 Annual Meeting of Shareholders are incorporated by reference into Part III.

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PART I

ITEM 1. BUSINESS

Ashland Inc. is a Kentucky corporation, organized on October 22, 1936, with its principal executive offices located at 50 E. RiverCenter Boulevard, Covington, Kentucky 41011 (Mailing Address: 50 E. RiverCenter Boulevard, P.O. Box 391, Covington, Kentucky 41012-0391) (Telephone: (859) 815-3333). The terms "Ashland" and the "Company" as used herein include Ashland Inc. and its consolidated subsidiaries, except where the context indicates otherwise.

Ashland's businesses are grouped into five industry segments: APAC, Ashland Distribution, Ashland Specialty Chemical, Valvoline and Refining and Marketing. Financial information about these segments for the three fiscal years ended September 30, 2004, is set forth on pages F-26 and F-27 of this annual report on Form 10-K.

APAC performs asphalt and concrete contract construction work, including highway paving and repair, excavation and grading, and bridge construction, and produces asphaltic and ready-mix concrete, crushed stone and other aggregate in the southern and mid-continent United States.

Ashland Distribution distributes chemicals, plastics and resins in North America and plastics in Europe. Ashland Distribution also provides environmental services.

Ashland Specialty Chemical is focused on two primary businesses: thermoset resins and water technologies. It is a, worldwide supplier of specialty chemicals serving industries including building and construction; commercial and institutional water treatment; graphic arts and printing; industrial water treatment; marine; metal casting; packaging and converting; pulp and paper; recreational marine; and transportation.

Valvoline is a producer and marketer of premium packaged motor oil and automotive chemicals, including appearance products, antifreeze, filters, and automotive fragrances. In addition, Valvoline is engaged in the "fast oil change" business through outlets operating under the Valvoline Instant Oil Change(R) name.

Marathon Ashland Petroleum LLC ("MAP"), a joint venture with Marathon Oil Company ("Marathon"), operates seven refineries with a total crude oil refining capacity of 948,000 barrels per day. Refined products are distributed through a network of independent and company-owned outlets in the Midwest, the upper Great Plains and the southeastern United States. Marathon holds a 62% interest in MAP, and Ashland holds a 38% interest in MAP. Ashland accounts for its investment in MAP using the equity method.

At September 30, 2004, Ashland and its consolidated subsidiaries had approximately 21,200 employees (excluding contract employees).

Available Information. Ashland's Internet address is www.ashland.com. There, Ashland makes available, free of charge, its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports as well as any beneficial ownership reports of officers and directors filed electronically on Forms 3, 4 and 5. All such reports will be available as soon as reasonably practicable after Ashland electronically files such material with, or furnishes such material to, the Securities and Exchange Commission ("SEC"). Ashland also makes available, free of charge on its website, its Corporate Governance Guidelines; Board Committee Charters; Director Independence Standards; and Code of Business Conduct for directors, officers and employees. These documents are also available in print to any shareholder who requests it. Information contained on Ashland's website is not part of this annual report on Form 10-K and is not incorporated by reference in this document.

Ashland has designated a Presiding Director of the Board of Directors, whose primary responsibility is to preside over regular executive sessions of the Board in which management directors and other members of management do not participate. The Presiding Director is an independent director appointed by the Board. The non-management directors of the Board have designated Mr. Solso to serve in this capacity through Ashland's 2006 Annual Meeting. Shareholders and others interested in communicating directly with the Board, the Presiding Director, with a specific member of the Board or a Committee of the Board, or with the non-management directors as a group may do so by writing to the Presiding Director, Ashland Inc., 50 E. RiverCenter Boulevard, P.O. Box 391, Covington, Kentucky 41012-0391, Attn: Secretary. Communications directed to the Presiding Director will be reviewed by the Secretary and distributed to the Presiding Director as well as to other individual directors, as appropriate, depending on the subject matter and facts and circumstances outlined in such correspondence.

Communications that are not related to the duties and responsibilities of the Board, or are otherwise inappropriate, will not be forwarded to the Presiding Director, although all communications directed to the Board will be available to any director upon request.

CORPORATE DEVELOPMENTS

On March 19, 2004, Ashland announced the signing of an agreement under which it would transfer its 38% interest in MAP and two wholly-owned businesses to Marathon in a transaction structured to be generally tax free and valued at approximately $3.0 billion. The two other businesses are Ashland's maleic anhydride business and 61 Valvoline Instant Oil Change ("VIOC") centers. The transaction is subject to several previously disclosed conditions, including approval by Ashland's shareholders, consent from Ashland's public debt holders and receipt of a favorable private letter ruling from the Internal Revenue Service ("IRS") with respect to the tax treatment of the transaction. Ashland has filed registration statements and proxy materials with the SEC and is responding to comments. In addition, Ashland submitted a request to the IRS for a private letter ruling on the tax-free status of the proposed transaction. Ashland continues to discuss the complex tax issues related to this transaction with the IRS. Ashland has not resolved all issues with the IRS and is exploring alternatives for the resolution of these issues. At this time, Ashland cannot predict whether the requested rulings will be received. If the requested rulings are not received, the transaction would have to be modified or terminated. In any event, Ashland does not believe that a transaction will close earlier than March 2005.

APAC

The Ashland Paving And Construction, Inc. group of companies ("APAC") is one of the nation's largest transportation construction contractors and is a major supplier of construction materials. APAC performs construction work, such as paving, repairing and resurfacing highways, streets, airports, residential and commercial developments, sidewalks and driveways, and grading and base work. In addition, it performs a number of construction services such as excavation and related activities in the construction of bridges and structures, drainage facilities and underground utilities. APAC conducts its business through 24 market-focused business units and a Major Projects Group operating in 14 southern and mid-continent states. These business units provide construction services and materials throughout the regions in which they operate. The market-focused business units and Major Projects Group are supported by management and administrative staff in Atlanta, Georgia.

To deliver its services and products, APAC utilizes extensive aggregate-producing properties and construction equipment. It currently has 93 aggregate production facilities, including 36 permanent operating quarry locations; 31 ready-mix concrete plants; 226 hot-mix asphalt plants; and a fleet of over 13,000 mobile equipment units, including heavy construction equipment and transportation-related equipment. In certain market areas, APAC is vertically integrated with asphalt, aggregate and ready-mix operations, all complementing each other.

Raw materials and aggregate generally consists of sand, gravel, granite, limestone and sandstone. About 29% of the aggregate produced by APAC is used in APAC's own contract construction work and the production of various processed construction materials. The remainder is sold to third parties. APAC also purchases substantial quantities of raw aggregate from other producers whose proximity to the job site renders it economically attractive. Most other materials, such as liquid asphalt, Portland cement and reinforcing steel, are purchased from third parties.

Approximately 78% of APAC's sales and operating revenues are construction revenues, with the remaining 22% coming from sales of construction materials. Approximately 82% of APAC's construction revenues are derived directly from highway and other public sector sources, with the remaining 18% coming from industrial and commercial customers and private developers.

Climate and weather significantly affect revenues and margins in the construction business. Due to its location, APAC tends to enjoy a relatively long construction season. Most of APAC's operating income is generated during the construction period of May to October.

Total backlog at September 30, 2004, was $1,746 million (including APAC's $19 million proportionate share of work related to an unconsolidated equity joint venture), compared to $1,745 million at September 30, 2003. APAC includes a construction project in its backlog when a contract is awarded or a firm letter of commitment is obtained and funding is in place. The backlog at September 30, 2004, is considered firm, and a major portion is expected to be completed during fiscal 2005.

OTHER MATTERS

For information on APAC and federal, state and local statutes and regulations governing releases into, or protection of, the environment, see "Item 3. Legal Proceedings - Environmental Proceedings" in this annual report on Form 10-K.

ASHLAND DISTRIBUTION

Ashland Distribution distributes chemicals, plastics and resins in North America and plastics in Europe. Suppliers include many of the world's leading chemical manufacturers. Ashland Distribution specializes in providing mixed truckloads and less-than-truckload quantities to customers in a wide range of industries. Deliveries are facilitated through a network of owned or leased facilities including 126 locations in North America. Distribution of thermoplastic resins in Europe is conducted in 13 countries primarily through 17 third-party warehouses and one owned warehouse. Ashland Distribution operates in the following major market segments:

Chemicals - Ashland Distribution distributes specialty and industrial chemicals, additives and solvents to industrial users in the United States, Canada, Mexico and Puerto Rico as well as some export operations. Markets served include the paint and coatings, personal care, inks, adhesives, polymer, rubber, industrial and institutional compounding, automotive, appliance and paper industries.

Plastics - Ashland Distribution offers a broad range of thermoplastic resins and specialties to processors in the United States, Canada, Mexico and Puerto Rico as well as some export operations. Processors include injection molders, extruders, blow molders and rotational molders. Ashland Distribution also provides plastic material transfer and packaging services and less-than-truckload quantities of packaged thermoplastics. Additionally, Ashland Distribution markets a broad range of thermoplastics to processors in Europe via distribution centers located in Belgium, Denmark, England, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Poland, Portugal, Spain and Sweden.

Composites - Ashland Distribution supplies mixed truckload and less-than-truckload quantities of polyester thermosetting resins, fiberglass and other specialty reinforcements, catalysts and allied products to customers in the reinforced plastics and cultured marble industries through distribution facilities located throughout North America.

Environmental Services - Working in cooperation with chemical waste service companies, Ashland Distribution provides customers with collection, disposal and recycling of hazardous and non-hazardous waste streams. Services are offered through a North American network of more than 30 distribution centers, including 10 storage facilities that have been fully permitted by the United States Environmental Protection Agency ("USEPA").

On August 31, 2004, Ashland Distribution entered into an agreement to sell its ingestibles line of business - which includes food and beverage additives and pharmaceutical actives and excipients. Ashland expects the transaction to be completed by January 31, 2005.

ASHLAND SPECIALTY CHEMICAL

Ashland Specialty Chemical is focused on two primary businesses: thermoset resins and water technologies. It is a worldwide supplier of specialty chemicals serving industries including building and construction; commercial and institutional water treatment; graphic arts and printing; industrial water treatment; marine; metal casting; packaging and converting; power generation; pulp and paper; recreational marine and transportation. Ashland Specialty Chemical owns and operates 38 manufacturing facilities and participates in 12 manufacturing joint ventures in 19 countries.

THERMOSET RESINS

Composite Polymers - This business group manufactures and sells a broad range of corrosion-resistant, fire-retardant, general-purpose and high-performance marine grades of unsaturated polyester and vinyl ester resins and gel coats for the reinforced plastics industry. Key markets include the transportation, construction and marine industries. This business group has manufacturing plants in Jacksonville and Fort Smith, Arkansas; Los Angeles, California; Bartow, Florida; Pittsburgh and Philadelphia, Pennsylvania; Johnson Creek, Wisconsin; Kelowna, British Columbia, Canada; Kunshan, China; Porvoo and Lahti, Finland; Sauveterre, France; Miszewo, Poland;

Benicarlo, Spain; and, through separate joint ventures has manufacturing plants in Sao Paolo, Brazil, and Jeddah, Saudi Arabia. This business group also manufactures products through an Ashland Specialty Chemical facility located in Mississauga, Ontario, Canada. Composite Polymers also manufactures maleic anhydride in Neal, West Virginia, and markets maleic anhydride in North America. For information on the transfer of the maleic business as part of the proposed transfer of Ashland's 38% interest in MAP to Marathon, see "Item 1. Business - Corporate Developments" in this annual report on Form 10-K. In November 2004 this business group signed an agreement to purchase the DERAKANE(TM) epoxy vinyl ester resins business (which includes the DERAKANE MOMENTUM(TM) product line) from The Dow Chemical Company in a cash transaction valued at approximately $92 million. The closing of the transaction, which is anticipated to take place in late calendar 2004 or early 2005, is conditional upon a number of standard closing conditions, including several regulatory reviews.

Casting Solutions - This business group manufactures and sells metal casting chemicals worldwide, including sand-binding resin systems, refractory coatings, release agents, engineered sand additives and riser sleeves. This group also provides casting process modeling, core making process modeling and rapid prototyping services. This business group serves the global metal casting industry from nine owned and operated manufacturing sites, which include factories located in Campinas, Brazil; Mississauga, Ontario, Canada; Changzhou, China; Milan, Italy; Alava, Cantabria, Spain; Kidderminster, England and Cleveland East and Cleveland West, Ohio. Casting Solutions also has eight joint venture manufacturing facilities located in Vienna, Austria; Pons and Le Goulet, France; Bendorf and Wuelfrath, Germany; Ulsan, South Korea; Alvsjo, Sweden and St. Gallen, Switzerland.

Specialty Polymers and Adhesives - This business group manufactures and sells adhesive solutions to the building and construction, transportation, and packaging and converting markets. Key technologies and markets include: emulsion polymer isocyanate adhesives for structural wood bonding; elastomeric polymer adhesives and butyl rubber roofing tapes for commercial roofing applications; polyurethane and epoxy structural adhesives for bonding fiberglass reinforced plastics, composites, thermoplastics and metals in automotive, recreational, and industrial applications; specialty phenolic resins for paper impregnation and friction material bonding; induction bonding systems for thermoplastic materials; acrylic polymers for pressure-sensitive adhesives; urethane adhesives for flexible packaging applications; and hot melt adhesives for various packaging applications. It has manufacturing plants in Calumet City, Illinois; Norwood and Totowa, New Jersey; Ashland and Columbus, Ohio; White City, Oregon; and Kidderminster, England.

WATER TECHNOLOGIES

Drew Industrial - This business group supplies specialized chemicals and consulting services for treatment of boiler water, cooling water, steam, fuel and waste streams. It also supplies process chemicals and technical services to the pulp and paper and mining industries and additives to manufacturers of latex and paint. It conducts operations throughout North America, Europe and the Far East and has manufacturing plants in Kearny, New Jersey; Houston, Texas; Ajax, Ontario, Canada; Viiala, Finland; Somercotes, England; Chester Hill, Australia; and Singapore; and, through separate joint ventures, has production facilities in Seoul, South Korea and Navi Mumbai, India.

Drew Marine - This business group supplies technical products and services for the global marine industry. Products and services worldwide include a comprehensive line of marine chemicals and water treatment testing, sealing products, welding and refrigeration products, and firefighting, safety and rescue products for the world's merchant marine fleet.

OTHER MATTERS

For information on Ashland Distribution and Ashland Specialty Chemical and federal, state and local statutes and regulations governing releases into, or protection of, the environment, see "Item 1. Business - Miscellaneous - Environmental Matters" and "Item 3. Legal Proceedings - Environmental Proceedings" in this annual report on Form 10-K.

VALVOLINE

Valvoline is a marketer of premium-branded automotive and commercial lubricants, automotive chemicals, automotive appearance products and automotive services, with sales in more than 100 countries. The Valvoline(R) trademark was federally registered in 1873 and is the oldest trademark for lubricating oil in the United States.

Valvoline markets the following key brands of products and services to the private passenger car and light truck and commercial markets: Valvoline(R) lubricants, synthetic SynPower(R) automotive chemicals; Eagle One(R) automotive appearance products; Zerex(R) antifreeze; Pyroil(R) automotive chemicals; MaxLife(R) automotive products for vehicles with 75,000 miles or more; Premium Blue(R) commercial lubricants and Valvoline Instant Oil Change(R) automotive services.

In North America, Valvoline is comprised of the following three core businesses:

Do It Yourself ("DIY") - The DIY business group sells Valvoline products to consumers who perform their own auto maintenance through retail auto parts stores, mass merchandisers, and warehouse distributors and their affiliated jobber stores such as NAPA and Carquest.

Do It For Me ("DIFM") - The DIFM business unit sells Valvoline products to installers (such as car dealers and quick lubes) through a network of independent distributors and five company-owned and operated "direct market" operations. This business also includes a chain of quick lubes branded "Valvoline Express Care(R)," which consists of 348 independently owned and operated stores. The DIFM business group also has a strategic alliance with Cummins Engine Company, Inc. ("Cummins") to distribute heavy duty lubricants to the commercial market.

Valvoline Instant Oil Change(R) - VIOC is one of the largest competitors in the expanding U.S. "fast oil change" service business, providing Valvoline with a significant share of the DIFM segment of the passenger car and light truck motor oil market. As of September 30, 2004, 360 company-owned and 397 franchised service centers were operating in 39 states. (For information on the inclusion of 61 VIOC centers as part of the proposed transfer of Ashland's 38% interest in MAP to Marathon, see "Item 1. Business - Corporate Developments" in this annual report on Form 10-K.) VIOC has continued its customer service innovation through its upgraded and enhanced preventive maintenance tracking system for consumers and fleet operators. This computer-based system maintains service records on all customer vehicles and contains a database on all car models, which allows service technicians to make service recommendations based on vehicle owner's manual recommendations.

Outside North America, Valvoline is comprised of one core business group:

Valvoline International - Valvoline International markets Valvoline- and Eagle One- branded products through wholly-owned affiliates, joint ventures, licenses, and independent distributors in more than 100 countries. The profitability of the business is dispersed geographically, with more than half of the profit coming from mature markets in Europe and Australia. There are smaller, rapidly growing businesses in the emerging markets of China, India and Mexico, including joint ventures with Cummins in India and China. These businesses market lubricants for consumer vehicles and heavy duty engines and equipment and are served by toll manufacturers and company-owned plants in the United States, Australia, and the Netherlands.

OTHER MATTERS

For information on Valvoline and federal, state and local statutes and regulations governing releases into, or protection of, the environment, see "Item 3. Legal Proceedings - Environmental Proceedings" in this annual report on Form 10-K.

REFINING AND MARKETING

Refining and Marketing operations are conducted by MAP and its subsidiaries, including its wholly-owned subsidiaries, Speedway SuperAmerica LLC and Marathon Ashland Pipe Line LLC. MAP also participates in the travel center business through its joint venture with Pilot Corporation ("Pilot"). Marathon holds a 62% interest in MAP, and Ashland holds a 38% interest in MAP. For information on the proposed transfer of Ashland's 38% interest in MAP to Marathon, see "Item 1. Business - Corporate Developments" in this annual report on Form 10-K.

Refining - MAP owns and operates seven refineries with an aggregate refining capacity of 948,000 barrels of crude oil per calendar day (1 barrel = 42 United States gallons). The table below sets forth the location and daily crude oil throughput capacity (measured in barrels) of each of MAP's refineries as of September 30, 2004:

Garyville, Louisiana	245,000
Catlettsburg, Kentucky	222,000
Robinson, Illinois	192,000
Detroit, Michigan	74,000
Canton, Ohio	73,000
Texas City, Texas	72,000
St. Paul Park, Minnesota	70,000
Total	948,000

MAP's refineries include crude oil atmospheric and vacuum distillation, fluid catalytic cracking, catalytic reforming, desulfurization and sulfur recovery units. The refineries have the capability to process a wide variety of crude oils and to produce typical refinery products, including reformulated gasoline ("RFG"). Approximately 60% of MAP's crude oil throughputs are sour crudes. In addition to typical refinery products, the Catlettsburg refinery, an ISO-9000 certified facility, manufactures base lube oil stocks and a wide range of petrochemicals. For the twelve months ended September 30, 2004, 58% of MAP's base lube oil production was purchased by Valvoline, and 39% of MAP's petrochemical production (excluding propylene) was purchased by Ashland Distribution.

The table below sets forth MAP's refinery total input and refinery production by product group for the three years ended September 30, 2004. Refinery total inputs include crude oil and other feedstocks.

	Years Ended September 30		
(in thousands of barrels per day)	2004	2003	2002
Refinery Input	1,086.6	1,033.1	1,080.9
Refined Product Yields			
Gasoline	599.5	553.9	594.0
Distillates	291.5	278.4	292.9
Propane	21.3	20.7	21.7
Feedstocks & Special Products	90.3	87.6	83.5
Heavy Fuel Oils	23.2	23.1	21.3
Asphalt	73.8	70.5	73.3
Total	1,099.6	1,034.2	1,086.7

Planned maintenance activities requiring temporary shutdown of certain refinery operating units are periodically performed at each refinery.

At its Catlettsburg, Kentucky, refinery, MAP has completed an approximately $440 million multi-year integrated investment program to upgrade product yield realizations and reduce fixed and variable manufacturing expenses. This program involved the expansion, conversion and retirement of certain refinery processing units which, in addition to improving profitability, reduced the refinery's total gasoline pool sulfur below 30 parts per million, thereby eliminating the need for additional low sulfur gasoline compliance investments at the refinery based on current regulations.

In the December 2003 quarter, MAP commenced approximately $300 million in new capital projects for its Detroit, Michigan, refinery, with completion scheduled for the December 2005 quarter. One of the projects, a $110 million expansion project, is expected to raise crude throughput at the refinery by 35% to 100,000 barrels per day. Other projects are expected to enable the refinery to produce new clean fuels and further control regulated air emissions. MAP is obtaining financing from Marathon to fund these capital projects.

Marketing - MAP's principal marketing areas for gasoline and distillates include the Midwest, the upper Great Plains and the southeastern United States. Gasoline and distillates are sold in 21 states. Gasoline is sold at wholesale primarily to independent marketers, jobbers and chain retailers who resell these products through several thousand retail outlets. MAP also supplies approximately 3,970 jobber-dealer, open-dealer and lessee-dealer locations using the Marathon(R) and Ashland(R) brand names.

Gasoline, distillates and aviation products are also sold to utilities, railroads, river towing companies, commercial fleet operators, airlines and governmental agencies. About one-half of MAP's propane is sold into the home heating markets and the balance is purchased by industrial consumers. Propylene and petrochemicals are marketed to customers in the chemical industry. Base lube oils, slack wax and extract are sold throughout the United States. Pitch is also sold domestically, but approximately 16% of pitch products are exported into growing markets in Canada, Mexico, India, and South America.

MAP markets asphalt through owned and leased terminals located throughout the Midwest and Southeast. The MAP customer base includes approximately 900 asphalt paving contractors, government entities (states, counties, cities and townships) and asphalt roofing shingle manufacturers.

Retail sales of gasoline and diesel fuel are made through MAP's wholly-owned subsidiary, Speedway SuperAmerica LLC ("SSA"). As of September 30, 2004, SSA had 1,685 retail outlets in nine states in the Midwest that sell petroleum products and convenience store merchandise primarily under the brand names Speedway(R) and SuperAmerica(R). The retail locations sell a variety of food, merchandise, cigarettes, candy and beverages. Several locations also have on-premises brand-name restaurants.

During the twelve months ended September 30, 2004, 64% of SSA's revenues (excluding excise taxes) were derived from the sale of gasoline and diesel fuel, and the remainder were derived from the sale of merchandise.

Pilot Travel Centers LLC ("PTC") is the largest operator of travel centers in the United States with approximately 250 locations in 35 states. The travel centers offer diesel fuel, gasoline and a variety of other services associated with such locations, including on-premises brand-name restaurants. Pilot and MAP each own a 50% interest in PTC.

MAP's retail marketing strategy is focused on SSA's Midwest operations, additional growth in the Marathon(R) brand and continued growth for PTC.

The table below shows the volume of MAP's consolidated refined product sales for the three years ended September 30, 2004.

	Years Ended September 30		
(in thousands of barrels per day)	2004	2003	2002
Refined Product Sales			
Gasoline	801.9	772.4	774.3
Distillates	369.1	360.6	345.7
Propane	21.9	20.3	22.7
Feedstocks & Special Products	89.5	94.9	80.3
Heavy Fuel Oils	25.3	23.2	22.0
Asphalt	77.0	73.2	76.2
Total	1,384.7	1,344.6	1,321.2
Matching Buy/Sell Volumes included in above	68.4	68.3	69.3

MAP sells RFG in parts of its marketing territory, primarily Chicago, Illinois; Louisville, Kentucky; Northern Kentucky; and Milwaukee, Wisconsin. MAP also markets low-vapor-pressure gasolines in nine states.

Supply and Transportation - The crude oil processed in MAP's refineries is obtained from negotiated contract and spot purchases or exchanges. For the year ended September 30, 2004, MAP's negotiated contract and spot purchases for refinery input of crude oil produced in the United States averaged 424,500 barrels per day, including an average of 22,300 net barrels per day acquired from Marathon. For the year ended September 30, 2004, MAP's foreign crude oil requirements were met largely through purchases from various foreign national oil companies, producing companies and traders. Purchases of foreign crude oil represented 54% of MAP's crude oil requirements for the year ended September 30, 2004.

MAP's ownership or interest in domestic pipeline systems in its refining and marketing areas is significant. MAP owns, leases or has an ownership interest in 6,711 miles of pipelines in 13 states. This network transports crude oil and refined products to and from terminals, refineries and other pipelines and includes 2,861 miles of crude oil trunk lines and 3,850 miles of refined product lines.

MAP has a 46.7% ownership interest in LOOP LLC ("LOOP"), which is the owner and operator of the only U.S. deepwater port facility capable of receiving crude oil from very large crude carriers. Ashland has retained a 4% ownership interest in LOOP. MAP also owns a 49.9% ownership interest in LOCAP LLC ("LOCAP"), which is the owner and operator of a crude oil pipeline connecting LOOP to the Capline system. Ashland has retained an 8.62% ownership interest in LOCAP. For information on the transfer of Ashland's interests in LOOP and LOCAP as part of the proposed transfer of Ashland's 38% interest in MAP to Marathon, see "Item 1. Business - Corporate Developments" in this annual report on Form 10-K. In addition, MAP has a 37.2% ownership interest in the Capline system. These port and pipeline systems provide MAP with access to common carrier transportation from the Louisiana Gulf Coast to Patoka, Illinois. At Patoka, the Capline system connects with other common carrier pipelines owned by MAP that provide transportation to MAP's refineries in Illinois, Kentucky, Michigan, Minnesota and Ohio.

Ohio River Pipe Line LLC, a subsidiary of MAP, has completed construction of a pipeline from Kenova, West Virginia, to Columbus, Ohio. The pipeline is an interstate common carrier pipeline. The pipeline is known as Cardinal Products Pipeline. The pipeline, which has a capacity of up to 80,000 barrels per day, is expected to provide a stable, cost effective supply of gasoline, diesel and jet fuel to the central Ohio market.

MAP has a 50% ownership in Centennial Pipeline LLC ("Centennial"). Centennial, a 797-mile refined products pipeline, is designed to transport approximately 210,000 barrels per day of refined petroleum products from the Gulf Coast to the Midwest.

MAP has a 33.3% ownership interest Minnesota Pipe Line Company, which operates a crude oil pipeline in Minnesota. Minnesota Pipe Line Company provides MAP with access to crude oil common carrier transportation from Clearbrook, Minnesota, to Cottage Grove, Minnesota, which is in the vicinity of MAP's St. Paul Park, Minnesota refinery.

MAP's marine transportation operations include towboats and barges that transport refined products on the Ohio, Mississippi and Illinois rivers, their tributaries and the Intracoastal Waterway. MAP also leases and owns railcars in various sizes and capacities for movement and storage of petroleum products and a large number of tractors, tank trailers and general service trucks.

In addition, MAP owns and operates 84 terminal facilities from which it sells a wide range of petroleum products. These facilities are supplied by a combination of barges, pipeline, truck and/or rail.

OTHER MATTERS

For information on MAP and federal, state and local statutes and regulations governing releases into the environment or protection of the environment, see "Item 1. Business - Miscellaneous - Environmental Matters" in this annual report on Form 10-K.

In connection with the formation of MAP, Ashland and Marathon entered into a Put/Call, Registration Rights and Standstill Agreement (the "Put/Call Agreement"). The Put/Call Agreement provides that at any time after December 31, 2004, Ashland will have the right to sell Marathon all of Ashland's ownership interest in MAP, for an amount in cash and/or Marathon debt or equity securities equal to the product of 85% (90% if equity securities are used) of the fair market value of MAP at that time, multiplied by Ashland's percentage interest in MAP. Payment could be made at closing, or, at Marathon's option, in three equal annual installments, the first of which would be payable at closing. At any time after December 31, 2004, Marathon will have the right to purchase Ashland's ownership interest in MAP, for an amount in cash equal to the product of 115% of the fair market value in MAP at that time, multiplied by Ashland's percentage interest in MAP. The agreement entered into in connection with the proposed transfer of Ashland's 38% interest in MAP to Marathon provides that Ashland may not exercise its put right and Marathon may not exercise its call right under the Put/Call Agreement unless the agreement is terminated in accordance with its terms. For additional information on the proposed transfer of Ashland's 38% interest in MAP to Marathon, see "Item 1. Business - Corporate Developments" in this annual report on Form 10-K.

MISCELLANEOUS

ENVIRONMENTAL MATTERS

Ashland has implemented a companywide environmental policy overseen by the Environmental, Health and Safety Committee of Ashland's Board of Directors. Ashland's Environmental, Health and Safety ("EH&S")

department has the responsibility to ensure that Ashland's operating groups maintain environmental compliance in accordance with applicable laws and regulations. This responsibility is carried out via training; widespread communication of EH&S policies, information and regulatory updates; formulation of relevant policies, procedures and work practices; design and implementation of EH&S management systems; internal auditing by an independent auditing group within the EH&S department; monitoring of legislative and regulatory developments that may affect Ashland's operations; assistance to the operating divisions in identifying compliance issues and opportunities for voluntary actions that go beyond compliance; and incident response planning and implementation.

Federal, state and local laws and regulations relating to the protection of the environment have a significant impact on how Ashland conducts its businesses. New laws are being enacted and regulations are being adopted by various regulatory agencies on a continuing basis, and the costs of compliance with these new rules cannot be estimated until the manner in which they will be implemented has been more precisely defined. In addition, most foreign countries in which Ashland conducts business have laws dealing with similar matters.

At September 30, 2004, Ashland's reserves for environmental remediation amounted to $152 million, reflecting Ashland's estimates of the most likely costs that will be incurred over an extended period to remediate identified conditions for which the costs are reasonably estimable, without regard to any third-party recoveries. Engineering studies, probability techniques, historical experience and other factors are used to identify and evaluate remediation alternatives and their related costs in determining the estimated reserves for environmental remediation. Environmental remediation reserves are subject to numerous inherent uncertainties that affect Ashland's ability to estimate its share of the costs. Such uncertainties involve the nature and extent of contamination at each site, the extent of required cleanup efforts under existing environmental regulations, widely varying costs of alternate cleanup methods, changes in environmental regulations, the potential effect of continuing improvements in remediation technology, and the number and financial strength of other potentially responsible parties at multiparty sites. Ashland regularly adjusts its reserves as environmental remediation continues. Environmental remediation expense amounted to $2 million in 2004, $22 million in 2003 and $30 million in 2002. No individual remediation location is material to Ashland as its largest reserve for any site is less than 10% of the remediation reserve. As a result, Ashland's exposure to adverse developments with respect to any individual site is not expected to be material, and these sites are in various stages of ongoing remediation. Although environmental remediation could have a material effect on results of operations if a series of adverse developments occurs in a particular quarter or fiscal year, Ashland believes that the chance of such developments occurring in the same quarter or fiscal year is remote.

In connection with the formation of MAP, Marathon and Ashland each retained responsibility for certain environmental costs arising out of their respective prior ownership and operation of the facilities transferred to MAP. In certain situations, various threshold provisions apply, eliminating or reducing the financial responsibility of the contributing party until certain levels of expenditure have been reached. In other situations, sunset provisions gradually diminish the level of financial responsibility of the contributing party over time.

Air - The Clean Air Act (the "CAA") imposes stringent limits on air emissions, establishes a federally mandated operating permit program, and allows for civil and criminal enforcement actions. Additionally, it establishes air quality attainment deadlines and control requirements based on the severity of air pollution in a given geographical area. Various state clean air acts implement, complement and, in some instances, add to the requirements of the federal CAA. The requirements of the CAA and its state counterparts have a significant impact on the daily operation of Ashland's businesses and, in many cases, on product formulation and other long-term business decisions. Ashland's businesses maintain numerous permits pursuant to these clean air laws and have implemented systems to oversee ongoing compliance efforts.

In July 1997, the USEPA promulgated revisions to the National Ambient Air Quality Standards ("NAAQS") for ground level ozone and particulate matter that could have a significant effect on certain of Ashland's chemical manufacturing and distribution businesses, and on MAP. The USEPA has begun to implement the new ozone and particulate matters standards, which could result in areas of the country, where Ashland and MAP conduct operations, being designated as not in compliance with the NAAQS. Until these revisions have been more fully implemented, it is not currently possible to estimate any potential financial impact that the revised standards may have on Ashland's or MAP's operations.

Water - Ashland's businesses maintain numerous discharge permits, as the National Pollutant Discharge Elimination System of the Clean Water Act and state programs require, and have implemented systems to oversee their compliance efforts. In addition, several of MAP's operations, in particular its barge and terminal facilities, are regulated under the Oil Pollution Act of 1990.

Solid Waste - Ashland's businesses are subject to the Resource Conservation and Recovery Act ("RCRA"), which establishes standards for the management of solid and hazardous wastes. While many facilities are subject to the RCRA rules governing generators of hazardous waste, certain facilities also have hazardous waste storage permits. Ashland has implemented systems to oversee compliance with the RCRA regulations and, where applicable, permit conditions. In addition to regulating current waste disposal practices, RCRA also addresses the environmental effects of certain past waste disposal operations, the recycling of wastes and the storage of regulated substances in underground tanks.

Remediation - Ashland currently operates, and in the past has operated, various facilities where, during the normal course of business, releases of hazardous substances have occurred. Federal and state laws, including but not limited to RCRA and various remediation laws, require that contamination caused by such releases be assessed and, if necessary, remediated to meet applicable standards. MAP operates, and in the past has operated, certain retail outlets where, during the normal course of business, releases of petroleum products from underground storage tanks have occurred. Federal and state laws require that contamination caused by such releases at these sites be assessed and, if necessary, remediated to meet applicable standards.

RESEARCH

Ashland conducts a program of research and development to invent and improve products and processes and to improve environmental controls for its existing facilities. It maintains research facilities in Dublin, Ohio; Lexington, Kentucky; Boonton, New Jersey; and Atlanta, Georgia. Research and development costs are expensed as they are incurred and totaled $43 million in fiscal 2004 ($36 million in 2003 and $34 million in 2002).

COMPETITION

In all its operations, Ashland is subject to intense competition both from companies in the industries in which it operates and from products of companies in other industries.

The majority of the business for which APAC competes is obtained by competitive bidding. There are a substantial number of competitors in the markets in which APAC operates and, as a result, all of APAC's goods and services are marketed under highly competitive conditions. Factors which influence APAC's competitiveness are price, reputation for quality, the availability of aggregate materials, the geographic location of plants and aggregate materials, machinery and equipment, knowledge of local market conditions and estimating abilities.

Each of Ashland Distribution's lines of business (chemicals, plastics, ingredients, composites, and environmental services), competes with national, regional and local companies throughout North America. The plastics distribution business also competes in Europe. Competition within each line of business is based primarily on price and reliability of supply.

Ashland Specialty Chemical's businesses compete globally in selected niche markets, largely on the basis of technology and service. The number of competitors in the specialty chemical business varies from product to product, and it is not practical to identify such competitors because of the broad range of products and markets served by those products. However, many of Ashland Specialty Chemical's businesses hold proprietary technology, and Ashland believes it has a leading or strong market position in most of its specialty chemical products.

Valvoline competes in the highly competitive lubricants business principally through premium products and services, distribution capability, a focused "master" brand strategy, advertising and sales promotion. Some of the major brands of motor oils and lubricants Valvoline competes with internationally are Havoline(R), Castrol(R), Pennzoil(R) and Quaker State(R). The highly competitive consumer products car care business is primarily composed of maintenance chemicals, appearance products and tire cleaners. Valvoline competes primarily in this market through specific product performance benefits, distribution capability and advertising and sales promotion. In the highly competitive "fast oil change" business, Valvoline competes with other leading independent fast lube chains on a national, regional or local basis as well as automobile dealers and service stations. Important competitive factors for Valvoline in the "fast oil change" market include Valvoline's brand recognition; increasing market presence through VIOC and Valvoline Express Care outlets; as well as quality of service, speed, location, convenience and sales promotion.

MAP competes with a large number of companies to acquire crude oil for refinery processing and in the distribution and marketing of a full array of petroleum products. MAP believes it ranks among the top ten U.S. petroleum companies on the basis of crude oil refining capacity as of September 30, 2004. MAP competes in four

distinct markets for the sale of refined products - wholesale, spot, branded and retail distribution. MAP believes it competes with approximately 40 companies in the wholesale distribution of petroleum products to private brand marketers and large commercial and industrial consumers; approximately 80 companies in the sale of petroleum products in the spot market; approximately 10 refiner/marketers in the supply of branded petroleum products to dealers and jobbers; and approximately 600 petroleum product retailers in the retail sale of petroleum products. MAP also competes in the convenience store industry through SSA's retail outlets and in the travel center industry through its ownership in PTC. The retail outlets offer consumers gasoline, diesel fuel (at selected locations) and a variety of food, merchandise, cigarettes, candy and beverages.

FORWARD-LOOKING STATEMENTS

This annual report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Words such as "anticipates," "believes," "estimates," "expects," "is likely," "predicts," and variations of such words and similar expressions are intended to identify such forward-looking statements. Although Ashland believes that its expectations are based on reasonable assumptions, it cannot assure that the expectations contained in such statements will be achieved. Important factors that could cause actual results to differ materially from those contained in such statements are discussed under "Risks and Uncertainties" in Note A of "Notes to Consolidated Financial Statements" in this annual report on Form 10-K. For a discussion of other factors and risks affecting Ashland's revenues and operations see "Item 1. Business - Miscellaneous - Marketing Conditions" below.

MARKETING CONDITIONS

Domestic and international political, legislative, regulatory and legal changes may adversely affect Ashland's results of operations. Political actions may include changes in the policies of the Organization of Petroleum Exporting Countries or other developments involving or affecting oil-producing countries, including terrorist activities, military conflict, embargoes, internal instability or actions or reactions of the U.S. government in anticipation of, or in response to, such actions. Profitability of MAP depends largely on the margin between the cost of crude oil and other feedstocks refined and the selling prices of refined products. MAP is a purchaser of crude oil in order to satisfy its refinery throughput requirements. As a result, MAP's overall profitability could be adversely affected by increases in crude oil and other feedstock prices that are not recovered in the market place through higher prices. Reference should be made to the Refining and Marketing section of the Management's Discussion and Analysis section in this annual report on Form 10-K for a discussion of the impact of crude oil costs on MAP's operating performance. While Ashland maintains reserves for anticipated liabilities and carries various levels of insurance, Ashland could be affected by civil, criminal, regulatory or administrative proceedings and claims relating to asbestos, environmental remediation and other matters. Additional information concerning Ashland's asbestos-related litigation and environmental remediation may be found in Note M of "Notes to Consolidated Financial Statements" in this annual report on Form 10-K.

Ashland's operations are subject to various U.S. and foreign laws and regulations relating to environmental protection and worker health and safety. These laws and regulations regulate discharge of pollutants into the air and water, the management and disposal of hazardous substances, and the cleanup of contaminated properties. The costs of complying with these laws and regulations can be substantial and may increase as applicable requirements become more stringent and new rules are implemented. If violation of these laws and regulations occur, Ashland may be forced to pay substantial fines, to complete additional costly projects, or to modify or curtail its operations to limit contaminant emissions.

The profitability of Ashland's businesses is particularly susceptible to downturns in the economy, particularly downturns in the segments of the U.S. economy related to the purchase and sale of durable goods, including housing, construction, automotive, and marine. Both overall demand for Ashland's products and services and its profit margins may decline as a direct result of an economic recession, inflation, changes in the prices of hydrocarbons and other raw materials (e.g., crude oil and petroleum and chemical products), consumer confidence, interest rates or governmental fiscal policies. Ashland's profitability may also experience significant changes as a result of variations in sales, changes in product mix or pricing competition.

In addition, changes in climate and weather can significantly affect the performance of several of Ashland's operations. Extreme variations from normal climatic conditions could have a significant effect on the operating results of APAC's construction operations. In particular, unfavorable weather conditions will delay the completion

of construction projects and may require the use of additional resources. Additionally, most of the refined products sold by MAP and Valvoline are seasonal in nature, and thus demand for those products may decline due to significant changes in prevailing climate and weather conditions such as floods, frozen rivers or hurricanes. Adverse weather conditions that impair driving conditions, such as winter storms, can also result in reduced retail sales of gasoline.

ITEM 2. PROPERTIES

Ashland's corporate headquarters, which is leased, is located in Covington, Kentucky. Principal offices of other major operations are located in Atlanta, Georgia (APAC); Dublin, Ohio (Ashland Distribution and Ashland Specialty Chemical); Boonton, New Jersey (Ashland Specialty Chemical); Lexington, Kentucky (Valvoline); and Russell, Kentucky (Administrative Services). All of these offices are leased, except for the Russell office and two buildings in Dublin, Ohio, which are owned. Principal manufacturing, marketing and other materially important physical properties of Ashland and its subsidiaries are described under the appropriate segment under "Item 1" in this annual report on Form 10-K. Additional information concerning certain leases may be found in Note F of "Notes to Consolidated Financial Statements" in this annual report on Form 10-K.

ITEM 3. LEGAL PROCEEDINGS

Asbestos-Related Litigation - Ashland is subject to liabilities from claims alleging personal injury caused by exposure to asbestos. Such claims result primarily from indemnification obligations undertaken in 1990 in connection with the sale of Riley Stoker Corporation ("Riley"), a former subsidiary. Although Riley was neither a producer nor a manufacturer of asbestos, its industrial boilers contained some asbestos-containing components provided by other companies.

The majority of lawsuits filed involve multiple plaintiffs and multiple defendants, with the number of defendants in many cases exceeding 100. The monetary damages sought in the asbestos-related complaints that have been filed in state or federal courts vary as a result of jurisdictional requirements and practices, though the vast majority of these complaints either do not specify monetary damages sought or merely recite that the monetary damages sought meet or exceed the required jurisdictional minimum in which the complaint was filed. Plaintiffs have asserted specific dollar claims for damages in approximately 6% of the 50,500 active lawsuits pending as of September 30, 2004. In these active lawsuits, less than 0.2% of the active lawsuits involve claims between $0 and $100,000; approximately 1.6% of the active lawsuits involve claims between $100,000 and $1 million; less than 1% of the active lawsuits involve claims between $1 million and $5 million; less than 0.2% of the active lawsuits involve claims between $5 million and $10 million; approximately 3% of the active lawsuits involve claims between $10 million and $15 million; and less than 0.02% of the active lawsuits involve claims between $15 million and $100 million. The variability of requested damages, coupled with the actual experience of resolving claims over an extended period, demonstrates that damages requested in any particular lawsuit or complaint bear little or no relevance to the merits or disposition value of a particular case. Rather, the amount potentially recoverable by a specific plaintiff or group of plaintiffs is determined by other factors such as product identification or lack thereof, the type and severity of the disease alleged, the number and culpability of other defendants, the impact of bankruptcies of other companies that are co-defendants in claims, specific defenses available to certain defendants, other potential causative factors and the specific jurisdiction in which the claim is made.

For additional information regarding liabilities arising from asbestos-related litigation, see "Management's Discussion and Analysis - Application of Critical Accounting Policies - Asbestos-related litigation" and Note M of "Notes to Consolidated Financial Statements" in this annual report on Form 10-K.

U.S. Department of Justice Antitrust Division Investigation - In November 2003, Ashland received a subpoena from the USDOJ relating to a foundry resins grand jury investigation. Ashland is providing responsive records to the subpoena. As is frequently the case when such investigations are in progress, a number of civil actions have since been filed in multiple jurisdictions, most of which are seeking class action status for classes of customers of foundry resins. These cases have been consolidated for pretrial purposes in the United States District Court, Southern District of Ohio. Ashland will vigorously defend the actions.

Environmental Proceedings - (1) Under the federal Comprehensive Environmental Response Compensation and Liability Act (as amended) and similar state laws, Ashland may be subject to joint and several liability for clean-up costs in connection with alleged releases of hazardous substances at sites where it has been identified as a

"potentially responsible party" ("PRP"). As of September 30, 2004, Ashland had been named a PRP at 93 waste treatment or disposal sites. These sites are currently subject to ongoing investigation and remedial activities, overseen by USEPA or a state agency, in which Ashland is typically participating as a member of a PRP group. Generally, the type of relief sought includes remediation of contaminated soil and/or groundwater, reimbursement for past costs of site clean-up and administrative oversight, and/or long-term monitoring of environmental conditions at the sites. The ultimate costs are not predictable with assurance. For additional information regarding environmental matters and reserves, see Note M of "Notes to Consolidated Financial Statements" in this annual report on Form 10-K.

(2) On May 13, 2002, Ashland entered into a plea agreement with the U.S. Attorney's Office for the District of Minnesota and the U.S. Department of Justice regarding a May 16, 1997, sewer fire at the St. Paul Park, Minnesota refinery, which is now owned by MAP. As part of the plea agreement, Ashland entered guilty pleas to two misdemeanors, paid a $3.5 million fine related to violations of the CAA, paid $3.55 million as restitution to the employees injured in the fire, and paid $200,000 as restitution to the responding rescue units. Ashland also agreed to complete certain upgrades to the St. Paul Park refinery's process sewers, junction boxes and drains to meet standards established by Subpart QQQ of the New Source Performance Standards of the CAA (the "Refinery Upgrades"). The Refinery Upgrades are expected to be completed on or before the end of calendar 2004.

In addition, as part of the plea agreement, Ashland entered into a deferred prosecution agreement, wherein prosecution of a separate count of the indictment charging Ashland with violating Subpart QQQ was deferred for four years. The deferred prosecution agreement provides that if Ashland satisfies the terms and conditions of the plea agreement and completes the Refinery Upgrades, the deferred prosecution agreement will terminate and the United States will dismiss that count with prejudice. Ashland believes that it has satisfied these terms and conditions and has filed a motion with the court requesting that the deferred count be dismissed.

As part of its sentence, Ashland was placed on probation for five years. The primary condition of probation is an obligation not to commit future federal, state, or local crimes. If Ashland were to commit such a crime, it would be subject not only to prosecution for that new violation, but the government could also seek to revoke Ashland's probation. The probation office has retained an independent environmental consultant to review and monitor Ashland's compliance with applicable environmental requirements and the terms and conditions of probation. The court also included other customary terms and restrictions of probation in its probation order.

(3) Pursuant to a 1988 RCRA Administrative Consent Order ("Consent Order"), Ashland is remediating soil and groundwater at a former chemical distribution facility site in Lansing, Michigan. The USEPA has asserted that Ashland has not complied with certain provisions of the Consent Order relating to interim remedial measures at the site. Although Ashland disputed this assertion, Ashland and the USEPA agreed to resolve the dispute prior to USEPA's filing of a formal enforcement action. Ashland has paid a $650,000 penalty, and has signed a Consent Agreement and Final Order ("CAFO") that reflects an agreement between the parties as to what will constitute future compliance with the disputed provisions of the original Consent Order. Ashland is continuing to work with the USEPA to design and implement a final remedy at the site. Once the final remedy is implemented, the CAFO will expire.

(4) In 1990, contamination of groundwater at Ashland's former Canton, Ohio, refinery (now owned and operated by MAP) was first identified and reported to Ohio's Environmental Protection Agency ("OEPA"). Since that time, Ashland has voluntarily conducted investigation and remediation activities and regularly communicated with OEPA regarding this matter. Ashland and the state of Ohio have exchanged Consent Order drafts and have met to negotiate the terms of such an order. The state filed a complaint in February 2004, but simultaneously expressed an interest in continuing Consent Order settlement discussions. Following the filing of the complaint, Ashland, OEPA and Ohio's Office of the Attorney General have continued to work to finalize a Consent Order. The state has advised that it will assess a penalty as part of the overall settlement and has made an initial request for $650,000.

Shareholder Derivative Litigation - On August 16, 2002, Central Laborers' Pension Fund, derivatively as a shareholder of Ashland, instituted an action in the Circuit Court of Kentucky in Kenton County against Ashland's then-serving Board of Directors. On motion of Ashland and the other defendants, the case was removed to the United States District Court, Eastern District of Kentucky, Covington Division. The case has been remanded to the state court. Ashland has filed a Motion to Dismiss the Complaint. The action is purportedly filed on behalf of Ashland and asserts the following causes of action against the Directors: breach of fiduciary duty, abuse of control, gross mismanagement, and waste of corporate assets. The suit also names Paul W. Chellgren, the then-serving Chief Executive Officer and Chairman of the Board, and James R. Boyd, former Senior Vice President and Group

Operating Officer, as individual defendants, and it seeks to recover an unstated sum from them individually alleging unjust enrichment from various transactions completed during their tenure with Ashland. The suit further seeks an unspecified sum from Mr. Chellgren individually based upon alleged usurpation of corporate opportunities. The suit also names J. Marvin Quin, Ashland's Chief Financial Officer, as well as three former employees of Ashland's wholly-owned subsidiary, APAC, as individual defendants and alleges that they participated in the preparation and filing of false financial statements during fiscal years 1999 - 2001. The suit further names Ernst & Young LLP ("E&Y"), as a defendant, alleging professional accounting malpractice and negligence in the conduct of its audit of Ashland's 1999 and 2000 financial statements, respectively, as well as alleging that E&Y aided and abetted the individual defendants in their alleged breach of duties. The complaint seeks to recover, jointly and severally, from defendants an unstated sum of compensatory and punitive damages. The complaint seeks equitable and/or injunctive relief to avoid continuing harm from alleged ongoing illegal acts, and seeks a disgorgement of defendants' alleged insider-trading gains, in addition to the reasonable cost and expenses incurred in bringing the complaint, including attorneys' and experts' fees.

Other Legal Proceedings - In addition to the matters described above, there are various claims, lawsuits and administrative proceedings pending or threatened against Ashland and its current and former subsidiaries. Such actions are with respect to commercial matters, product liability, toxic tort liability, and other environmental matters, which seek remedies or damages, some of which are for substantial amounts. While these actions are being contested, their outcome is not predictable.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of security holders, through the solicitation of proxies or otherwise, during the quarter ended September 30, 2004.

ITEM X. EXECUTIVE OFFICERS OF ASHLAND

The following is a list of Ashland's executive officers, their ages and their positions and offices during the last five years (listed alphabetically after the Chief Executive Officer as to members of Ashland's Executive Committee and other executive officers).

JAMES J. O'BRIEN (age 50) is Chairman of the Board, Chief Executive Officer and Director of Ashland, and has served in such capacities since 2002. During the past five years, he has also served as President, Chief Operating Officer, Senior Vice President and Group Operating Officer of Ashland, and as President of Valvoline.

GARY A. CAPPELINE (age 55) is Senior Vice President of Ashland and President and Chief Operating Officer, Chemical Sector, and has served in such capacities since 2003. During the past five years, he has also served as Group Operating Officer of Ashland and President of Ashland Specialty Chemical, as a chemical industry partner at Bear Stearns Merchant Bank, as President of AlliedSignal Specialty Chemicals and as Group Vice President, Pigments and Additives of Engelhard Corp.

DAVID J. D'ANTONI (age 59) was Senior Vice President of Ashland, and served in such capacity since 1988. During the past five years, he has also served as Group Operating Officer of Ashland, and President of Ashland Paving And Construction, Inc. Mr. D'Antoni retired from Ashland on September 30, 2004.

DAVID L. HAUSRATH (age 52) is Senior Vice President, General Counsel and Secretary of Ashland and has served in such capacities since 2004, 1999 and 2004, respectively. During the past five years, he has also served as Vice President of Ashland.

GARRY M. HIGDEM (age 51) is Senior Vice President of Ashland; President and Chief Operating Officer, Transportation Construction Sector; and President, Ashland Paving And Construction, Inc., and has served in such capacities since 2004. During the past five years, he has also served as Vice President for Granite Construction Incorporated, Heavy Construction Division.

J. MARVIN QUIN (age 57) is Senior Vice President and Chief Financial Officer of Ashland and has served in such capacities since 1992.

LAMAR M. CHAMBERS (age 49) is Vice President and Controller of Ashland and has served in such capacities since 2004. During the past five years, he has also served as Regional Vice President and Senior Vice President, Finance & Administration of Ashland Paving And Construction, Inc., and Auditor of Ashland.

SUSAN B. ESLER (age 43) is Vice President Human Resources of Ashland and has served in such capacity since 2004. During the past five years, she has also served as Vice President Human Resources Programs & Services, Director of Corporate Human Resources and Manager of Executive Compensation of Ashland.

SAMUEL J. MITCHELL (age 43) is Vice President of Ashland and President of Valvoline and has served in such capacities since 2002. During the past five years, he has also served as Vice President - Retail Business, Vice President of Marketing and Director of Marketing -Valvoline.

FRANK L. WATERS (age 43) is Vice President of Ashland and President of Ashland Distribution and has served in such capacities since 2002. During the past five years, he has also served as Vice President of Ashland Plastics - Europe.

Each executive officer is elected by the Board of Directors of Ashland to a term of one year, or until a successor is duly elected, at the annual meeting of the Board of Directors, except in those instances where the officer is elected other than at an annual meeting of the Board of Directors, in which case his or her tenure will expire at the next annual meeting of the Board of Directors unless the officer is re-elected.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

There is hereby incorporated by reference the information appearing in Note P of "Notes to Consolidated Financial Statements" in this annual report on Form 10-K.

At September 30, 2004, there were approximately 15,900 holders of record of Ashland's Common Stock. Ashland Common Stock is listed on the New York and Chicago stock exchanges (ticker symbol ASH) and has trading privileges on the Boston, Cincinnati, Pacific and Philadelphia stock exchanges.

ITEM 6. SELECTED FINANCIAL DATA

See Five-Year Selected Financial Information on page F-28.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

See Management's Discussion and Analysis of Financial Condition and Results of Operations on pages M-1 through M-13.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See Quantitative and Qualitative Disclosures about Market Risk on page M-13.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The consolidated financial statements and financial schedule of Ashland presented in this annual report on Form 10-K are listed in the index on page F-1.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

(a) As of September 30, 2004, Ashland, under the supervision and with the participation of its management, including Ashland's Chief Executive Officer and its Chief Financial Officer, evaluated the effectiveness of Ashland's disclosure controls and procedures pursuant to Rule 13a-15(b) and 15d-15(b) promulgated under the Securities Exchange Act of 1934, as amended. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that the disclosure controls and procedures were effective.

(b) There were no significant changes in Ashland's internal control over financial reporting, or in other factors, that occurred during the fiscal quarter ended September 30, 2004, that have materially affected, or are reasonably likely to materially affect, Ashland's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

There is hereby incorporated by reference the information to appear under the caption "Election of Directors" and the information regarding Section 16 beneficial ownership reporting compliance in Ashland's definitive Proxy Statement for its January 27, 2005, Annual Meeting of Shareholders, which will be filed with the SEC within 120 days after September 30, 2004, ("Proxy Statement"). See also the list of Ashland's executive officers and related information under "Executive Officers of Ashland" in Part 1 - Item X in this annual report on Form 10-K.

There is hereby incorporated by reference the information to appear under the caption "Audit Committee Report" regarding Ashland's audit committee financial experts, as defined under Item 401 of Regulation S-K of the Securities Exchange Act of 1934, as amended, in Ashland's Proxy Statement.

There is hereby incorporated by reference the information to appear under the caption "Corporpate Governance - Shareholder Nominations of Directors" in Ashland's Proxy Statement.

Ashland has adopted a Code of Business Conduct (the "Code"). The Code applies to Ashland's directors, all employees of Ashland and its subsidiary companies, including the principal executive officer, principal financial officer, principal accounting officer and persons performing similar functions ("Key Personnel"). The Code is posted on Ashland's website. Ashland will satisfy any disclosure requirement under Item 5.05 of Form 8-K regarding an amendment to, or waiver from, any provision of the Code with respect to its Key Personnel or directors by disclosing the nature of such amendment or waiver on its website or in a current report on Form 8-K.

ITEM 11. EXECUTIVE COMPENSATION

There is hereby incorporated by reference the information to appear under the captions "Executive Compensation," "Compensation of Directors" and "Corporate Governance - Personnel and Compensation Committee Interlocks and Insider Participation" in Ashland's Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

There is hereby incorporated by reference the information to appear under the captions "Ashland Common Stock Ownership of Directors and Certain Officers of Ashland" and "Ashland Common Stock Ownership of Certain Beneficial Owners" in Ashland's Proxy Statement.

The following table summarizes the equity compensation plans under which Ashland Common Stock may be issued as of September 30, 2004. Except as disclosed in the narrative to the table, all plans were approved by shareholders of Ashland.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders.....	4,925,043	40.73	1,922,675 (2)
Equity compensation plans not approved by security holders (1).....	240,160	32.94	0
Total.....	5,165,203	40.37	1,922,675

(1) The Ashland Inc. Stock Option Plan for Employees of Joint Ventures is the only equity compensation plan of Ashland not approved by Ashland's shareholders. This plan was approved by Ashland's Board of Directors on September 17, 1998, and is specifically designed to grant stock options to employees of joint ventures in which Ashland has an interest. There are currently no shares reserved for future issuance under this plan. The Board of Directors authorizes the issuance of the shares at the time the stock options are granted. A recipient of such stock options will have the right to purchase Ashland Common Stock at a price and on terms specified by the Personnel and Compensation Committee of Ashland's Board of Directors. The stock options listed in the table above have been granted to certain MAP employees and were registered with the SEC.

(2) Includes 458,746 shares available for issuance under the Deferred Compensation Plan for Employees, and 365,527 shares available for issuance under the Deferred Compensation Plan for Non-Employee Directors.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

There is hereby incorporated by reference the information with respect to principal accountant fees and services to appear under the captions "Ratification of Auditors" and "Audit Committee Report" in Ashland's Proxy Statement.

Ashland has been made aware that, in connection with certain income tax compliance services, affiliates of E&Y held employment tax related funds of a de minimis amount and made payment of such funds to the applicable tax authority in respect of expatriot and foreign employees of subsidiaries of Ashland in Taiwan and China. These actions by affiliates of E&Y have been discontinued. Custody of the assets of an audit client is not permitted under the auditor independence rules in Regulation S-X of the SEC. The Audit Committee and E&Y have considered the impact that the holding and paying of these funds may have had on E&Y's independence with respect to Ashland and have concluded that there has been no impairment of E&Y's independence. In making this determination, the Audit Committee considered the de minimis amount of funds involved, the ministerial nature of the actions, and that the subsidiaries involved were immaterial to the consolidated financial statements of Ashland.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(A) DOCUMENTS FILED AS PART OF THIS REPORT

(1) and (2) Financial Statements and Financial Schedule

The consolidated financial statements and financial schedule of Ashland presented in this annual report on Form 10-K are listed in the index on page F-1.

(3) Exhibits

2.1* - Master Agreement dated as of March 18, 2004, among Ashland Inc., ATB Holdings Inc., EXM LLC, New EXM Inc., Marathon Oil Corporation, Marathon Oil Company, Marathon Domestic LLC and Marathon Ashland Petroleum LLC (filed as Exhibit 2.1 to Ashland's Form 8-K/A dated March 18, 2004, and filed November 5, 2004, and incorporated herein by reference).

2.2* - Tax Matters Agreement dated March 18, 2004, among Ashland Inc., ATB Holdings Inc., EXM LLC, New EXM Inc., Marathon Oil Corporation, Marathon Oil Company, Marathon Domestic LLC and Marathon Ashland Petroleum LLC (filed as Exhibit 2.2 to Ashland's Form 8-K/A dated March 18, 2004, and filed November 5, 2004, and incorporated herein by reference).

2.3* - Assignment and Assumption Agreement (VIOC Centers) dated as of March 18, 2004, between Ashland Inc. and ATB Holdings Inc. (filed as Exhibit 2.3 to Ashland's Form 8-K/A dated March 18, 2004, and filed November 5, 2004, and incorporated herein by reference).

2.4* - Assignment and Assumption Agreement (Maleic Business) dated as of March 18, 2004, between Ashland Inc. and ATB Holdings Inc. (filed as Exhibit 2.4 to Ashland's Form 8-K/A dated March 18, 2004, and filed November 5, 2004, and incorporated herein by reference).

2.5* - Amendment No. 2 dated as of March 18, 2004, to the Amended and Restated Limited Liability Company Agreement dated as of December 31, 1998, of Marathon Ashland Petroleum LLC, by and between Ashland Inc. and Marathon Oil Company (filed as Exhibit 2.5 to Ashland's Form 8-K/A dated March 18, 2004, and filed November 5, 2004, and incorporated herein by reference).

3.1 - Third Restated Articles of Incorporation of Ashland (filed as Exhibit 3(i) to Ashland's Form 10-Q for the quarter ended June 30, 2002, and incorporated herein by reference).

3.2 - By-laws of Ashland, effective as of November 15, 2002 (filed as Exhibit 3.2 to Ashland's annual report on Form 10-K for the fiscal year ended September 30, 2002, and incorporated herein by reference).

4.1 - Ashland agrees to provide the SEC, upon request, copies of instruments defining the rights of holders of long-term debt of Ashland and all of its subsidiaries for which consolidated or unconsolidated financial statements are required to be filed with the SEC.

4.2 - Indenture, dated as of August 15, 1989, as amended and restated as of August 15, 1990, between Ashland and Citibank, N.A., as Trustee (filed as Exhibit 4.2 to Ashland's annual report on Form 10-K for the fiscal year ended September 30, 2001, and incorporated herein by reference).

4.3 - Indenture, dated as of September 7, 2001, between Ashland and U.S. Bank National Association, as Trustee (filed as Exhibit 4.3 to Ashland's annual report on Form 10-K for the fiscal year ended September 30, 2001, and incorporated herein by reference).

4.4 - Rights Agreement, dated as of May 16, 1996, between Ashland Inc. and the Rights Agent, together with Form of Right Certificate (filed as Exhibit 4.4 to Ashland's annual report on Form 10-K for the fiscal year ended September 30, 2001, and incorporated herein by reference).

4.5 - Amendment No. 1 dated as of March 18, 2004, to Rights Agreement dated as of May 16, 1996, between Ashland Inc. and Rights Agent (filed as Exhibit 4 to Ashland's Form 10-Q for the quarter ended March 31, 2004, and incorporated herein by reference).

The following Exhibits 10.1 through 10.16 are compensatory plans or arrangements or management contracts required to be filed as exhibits pursuant to Item 601(b)(10)(ii)(A) of Regulation S-K.

10.1 - Amended Stock Incentive Plan for Key Employees of Ashland Inc. and its Subsidiaries (filed as Exhibit 10.1 to Ashland's annual report on Form 10-K for the fiscal year ended September 30, 1999, and incorporated herein by reference).

10.2 - Ashland Inc. Deferred Compensation Plan for Non-Employee Directors (filed as Exhibit 10.2 to Ashland's Form 10-Q for the quarter ended June 30, 2003, and incorporated herein by reference).

10.3 - Ashland Inc. Deferred Compensation Plan (filed as Exhibit 10.1 to Ashland's Form 10-Q for the quarter ended June 30, 2003, and incorporated herein by reference).

10.4 - Eleventh Amended and Restated Ashland Inc. Supplemental Early Retirement Plan for Certain Employees (filed as Exhibit 10.3 to Ashland's Form 10-Q for the quarter ended June 30, 2003, and incorporated herein by reference).

10.5 - Ashland Inc. Salary Continuation Plan (filed as Exhibit 10.5 to Ashland's annual report on Form 10-K for the fiscal year ended September 30, 2002, and incorporated herein by reference).

10.6 - Form of Ashland Inc. Executive Employment Contract between Ashland Inc. and certain executives of Ashland (filed as Exhibit 10.6 to Ashland's annual report on Form 10-K for the fiscal year ended September 30, 2002, and incorporated herein by reference).

10.7 - Form of employment agreement between Ashland Inc. and an executive officer.

10.8 - Form of Indemnification Agreement between Ashland Inc. and members of its Board of Directors (filed as Exhibit 10.7 to Ashland's annual report on Form 10-K for the fiscal year ended September 30, 2003, and incorporated herein by reference).

10.9 - Ashland Inc. Nonqualified Excess Benefit Pension Plan (filed as Exhibit 10.4 to Ashland's Form 10-Q for the quarter ended June 30, 2003, and incorporated herein by reference).

10.10 - Ashland Inc. Directors' Charitable Award Program (filed as Exhibit 10.11 to Ashland's annual report on Form 10-K for the fiscal year ended September 30, 2002, and incorporated herein by reference).

10.11 - Ashland Inc. 1993 Stock Incentive Plan (filed as Exhibit 10.11 to Ashland's annual report on Form 10-K for the fiscal year ended September 30, 2000, and incorporated herein by reference).

10.12 - Ashland Inc. 1997 Stock Incentive Plan (filed as Exhibit 10.14 to Ashland's annual report on Form 10-K for the fiscal year ended September 30, 2002, and incorporated herein by reference).

10.13 - Amended and Restated Ashland Inc. Incentive Plan (filed as Exhibit 10.1 to Ashland's Form 10-Q for the quarter ended June 30, 2004, and incorporated herein by reference).

10.14 - Form of Notice granting Stock Appreciation Rights Awards.

10.15 - Form of Notice granting Restricted Stock Awards.

10.16 - Form of Notice granting Nonqualified Stock Option Awards.

10.17 - Amended and Restated Limited Liability Company Agreement dated as of December 31, 1998, of Marathon Ashland Petroleum LLC by and between Ashland Inc. and Marathon Oil Company.

10.18** - Amendment No. 1 dated as March 17, 2004, to the Amended and Restated Limited Liability Company Agreement dated as of December 31, 1998, of Marathon Ashland Petroleum LLC (filed as Exhibit 10.2 to Ashland's Form 10-Q for the quarter ended March 31, 2004, and incorporated herein by reference).

10.19 - Put/Call Registration Rights and Standstill Agreement, dated as of January 1, 1998, including Amendment No. 1 thereto, dated as of December 31, 1998, among Marathon Oil Company, USX Corporation, Ashland Inc. and Marathon Ashland Petroleum LLC.

10.20 - Amendment No. 2 dated as of March 17, 2004, to the Put/Call Registration Rights and Standstill Agreement dated as of January 1, 1998, among Marathon Oil Company, USX Corporation, Ashland Inc. and Marathon Ashland Petroleum LLC (filed as Exhibit 10.1 to Ashland's Form 10-Q for the quarter ended March 31, 2004, and incorporated herein by reference).

10.21	-	Three-Year, $250 Million Revolving Credit Agreement dated as of April 2, 2004
10.22	-	364-Day, $100 Million Revolving Credit Agreement dated as of April 2, 2004
11	-	Computation of Earnings Per Share (appearing on page F-9 of this annual report on Form 10-K).
12	-	Computation of Ratio of Earnings to Fixed Charges.
21	-	List of Subsidiaries.
23.1	-	Consent of Independent Registered Public Accounting Firm.
24	-	Power of Attorney, including resolutions of the Board of Directors.
31.1	-	Certification of James J. O'Brien, Chief Executive Officer of Ashland, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	-	Certification of J. Marvin Quin, Chief Financial Officer of Ashland, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	-	Certification of James J. O'Brien, Chief Executive Officer of Ashland, and J. Marvin Quin, Chief Financial Officer of Ashland, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99.1	-	Consent of Tillinghast-Towers Perrin.
99.2	-	Consent of Hamilton, Rabinovitz & Alschuler, Inc.

*Ashland agrees to supplement this filing and furnish a copy of any omitted schedule to the United States Securities and Exchange Commission upon request.

**Portions of this document have received confidential treatment.

Upon written or oral request, a copy of the above exhibits will be furnished at cost.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ASHLAND INC.
(Registrant)
By:

/s/ J. Marvin Quin

J. Marvin Quin
Senior Vice President and Chief Financial Officer

Date: December 14, 2004

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant, in the capacities indicated, on December 14, 2004.

Signatures	Capacity
/S/ JAMES J. O'BRIEN JAMES J. O'BRIEN	Chairman of the Board, Chief Executive Officer and Director
/S/ J. MARVIN QUIN J. MARVIN QUIN	Senior Vice President and Chief Financial Officer
/S/ LAMAR M. CHAMBERS LAMAR M. CHAMBERS	Vice President, Controller and Principal Accounting Officer
* ERNEST H. DREW	Director
* ROGER W. HALE	Director
* BERNADINE P. HEALY	Director
* ERNEST H. DREW	Director
* MANNIE L. JACKSON	Director
* KATHLEEN LIGOCKI	Director
* PATRICK F. NOONAN	Director
* JANE C. PFEIFFER	Director
* WILLIAM L. ROUSE, JR.	Director
* GEORGE A. SCHAEFER, JR.	Director
* THEODORE M. SOLSO	Director
* MICHAEL J. WARD	Director

*By: /s/ David L. Hausrath
David L. Hausrath
Attorney-in-Fact
Date: December 14, 2004

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following table shows revenues, operating income and operating information by industry segment for each of the last three years ended September 30.

(In millions)	2004	2003	2002
SALES AND OPERATING REVENUES			
APAC	$ 2,525	$ 2,400	$ 2,652
Ashland Distribution	3,199	2,811	2,541
Ashland Specialty Chemical	1,386	1,212	1,130
Valvoline	1,297	1,235	1,152
Intersegment sales	(106)	(92)	(85)
	$ 8,301	$ 7,566	$ 7,390
OPERATING INCOME			
APAC	$ 111	$ (42)	$ 122
Ashland Distribution	78	32	1
Ashland Specialty Chemical	87	31	70
Valvoline	105	87	77
Refining and Marketing (1)	383	263	143
Corporate	(102)	(105)	(92)
	$ 662	$ 266	$ 321
OPERATING INFORMATION			
APAC			
Construction backlog at September 30 (millions) (2)	$ 1,746	$ 1,745	$ 1,691
Net construction job revenues (millions) (3)	$ 1,433	$ 1,361	$ 1,527
Hot-mix asphalt production (million tons)	33.4	32.5	36.7
Aggregate production (million tons)	29.6	28.7	31.0
Ready-mix concrete production (million cubic yards)	1.7	2.0	2.1
Ashland Distribution (4)			
Sales per shipping day (millions)	$ 12.6	$ 11.2	$ 10.1
Gross profit as a percent of sales	9.6%	9.9%	9.7%
Ashland Specialty Chemical (4)			
Sales per shipping day (millions)	$ 5.4	$ 4.8	$ 4.5
Gross profit as a percent of sales	27.9%	29.9%	32.9%
Valvoline			
Lubricant sales (million gallons)	191.6	193.5	199.0
Premium lubricants (percent of U.S. branded volumes)	21.5%	18.5%	16.1%
Refining and Marketing (5)			
Refinery runs (thousand barrels per day)			
Crude oil refined	920	900	930
Other charge and blend stocks	167	133	151
Refined product yields (thousand barrels per day)			
Gasoline	600	554	594
Distillates	291	278	293
Asphalt	74	71	73
Other	135	131	127
Total	1,100	1,034	1,087
Refined product sales (thousand barrels per day) (6)	1,385	1,345	1,321
Refining and wholesale marketing margin (per barrel) (7)	$ 3.11	$ 2.59	$ 1.82
Speedway SuperAmerica (SSA)			
Retail outlets at September 30	1,685	1,791	2,063
Gasoline and distillate sales (million gallons)	3,165	3,423	3,622
Gross margin - gasoline and distillates (per gallon)	$ .1167	$ .1191	$ .1040
Merchandise sales (millions) (8)	$ 2,301	$ 2,281	$ 2,381
Merchandise margin (as a percent of sales)	24.4%	24.5%	24.2%

(1) Includes Ashland's equity income from Marathon Ashland Petroleum LLC (MAP), amortization related to Ashland's excess investment in MAP, and other activities associated with refining and marketing.
(2) Includes APAC's proportionate share of the backlog of unconsolidated joint ventures.
(3) Total construction job revenues, less subcontract costs.
(4) Sales are defined as sales and operating revenues. Gross profit is defined as sales and operating revenues, less cost of sales and operating expenses.
(5) Amounts represent 100% of MAP's operations, in which Ashland owns a 38% interest.
(6) Total average daily volume of all refined product sales to MAP's wholesale, branded and retail (SSA) customers.
(7) Sales revenue less cost of refinery inputs, purchased products and manufacturing expenses, including depreciation.
(8) Effective January 1, 2003, SSA adopted EITF 02-16, "Accounting by a Customer (Including a Reseller) for Certain Consideration Received from a Vendor," which requires rebates from vendors to be recorded as reductions to cost of sales. Rebates from vendors recorded in SSA merchandise sales for periods prior to January 1, 2003 have not been restated and included $46 million in 2003 and $170 million in 2002.

RESULTS OF OPERATIONS

Ashland's net income amounted to $378 million in 2004, $75 million in 2003 and $117 million in 2002. Income from continuing operations (which excludes discontinued operations and the cumulative effect of accounting changes) amounted to $398 million in 2004, $94 million in 2003 and $115 million in 2002. Ashland's results from discontinued operations, consisting of charges associated with estimated future asbestos liabilities less probable insurance recoveries, as well as net income from the discontinued operations of its Electronic Chemicals business, along with the cumulative effect of accounting changes adopted in 2002 and 2003, accounted for the difference in net income and income from continuing operations.

Chemical Sector (consisting of Ashland Distribution, Ashland Specialty Chemical and Valvoline) operating income totaled $270 million in 2004, compared to $150 million in 2003 and $148 million in 2002. Ashland Distribution, Ashland Specialty Chemical and Valvoline all showed significant improvement in 2004, reflecting a combined 12% increase in sales and operating revenues and an improved cost structure. In the Transportation Construction Sector, Ashland Paving And Construction (APAC) recorded operating income of $111 million in 2004, compared to a loss of $42 million in 2003 and income of $122 million in 2002. APAC's improvement in 2004 reflected a reduced cost structure and more normal weather for the overall year. Refining and Marketing operating income was $383 million in 2004, compared to $263 million in 2003 and $143 million in 2002, reflecting higher refining margins year-over-year and increased refinery throughput in 2004 compared with 2003. An analysis of operating income by industry segment follows.

APAC

Operating income from APAC totaled $111 million in 2004, compared with an operating loss of $42 million in 2003. Higher margins on construction work, driven primarily by reduced operating costs, was the primary contributor to the earnings improvement. Income also increased from the sale of hot-mix asphalt and aggregates, reflecting improved pricing and margins as well as slightly higher sales volumes in both areas. Operating efficiency increased as a result of broad-based business improvement programs implemented over the last three years, and somewhat better weather conditions for 2004 overall, compared with the record levels of rainfall experienced in 2003. APAC reversed into income $5 million of a job loss reserve established in 2003 related to a large highway construction project in Virginia. Also contributing to 2004 earnings, APAC sold a significant portion of its ready-mix concrete operations in the June quarter, realizing proceeds net of selling expenses of $38 million and a pretax gain of $9 million. Costs related to Project PASS, APAC's process redesign initiative completed during 2004, amounted to $10 million in 2004, compared with $20 million in 2003. As of September 30, 2004, APAC's construction backlog, which consists of contracts awarded and funded but not yet performed, was $1.75 billion, essentially even with the year-end record set in 2003.

During 2003, APAC reported an operating loss of $42 million, compared to income of $122 million in 2002. In many of the states in which APAC operates, rainfall during 2003 was among the highest levels on record in the past 109 years as measured by the National Climatic Data Center. In addition to hampering the overall level of construction activity, the weather conditions resulted in significant levels of rework and created significant inefficiencies in completing the construction work that APAC performed. Earnings from construction jobs were down significantly, reflecting an 11% decrease in net construction job revenues (total construction job revenues less subcontract costs) and a related increase in overhead costs not allocated to individual jobs. As a result of weather-related cost increases and construction delays, APAC established reserves for job losses on several projects, including $14 million related to a large highway construction project in Virginia. Margins of the asphalt plants were also down due to an 11% decrease in production and significantly higher costs for liquid asphalt and fuel. In addition, APAC recognized an impairment charge of $9 million associated with non-strategic businesses identified for sale. Costs associated with Project PASS, APAC's process redesign initiative, amounted to $20 million in 2003, compared to $17 million in 2002.

ASHLAND DISTRIBUTION

Ashland Distribution generated record operating income of $78 million in 2004, compared with $32 million in 2003. Sales increased 14% compared with 2003, due to a 7% increase in unit volumes and a 7% increase in selling prices. Gross profit as a percent of sales declined slightly, from 9.9% to 9.6%, attributable primarily to lower margins within the chemicals product category. Selling, general and administrative expenses were reduced 10%, reflecting cost-cutting and efficiency improvements achieved through Ashland's Top-Quartile Cost Structure (TQCS) program that began in 2003. Income in 2004 increased from all regions, both domestically and in Europe.

Operating income from Ashland Distribution amounted to $32 million in 2003, compared to $1 million in 2002. Overall sales were up 11% (of which 5% came from higher volumes), despite a continuing sluggish industrial production environment. Reported results for 2003 included $6 million of gains from property sales and litigation settlements, as well as a charge of $5 million for staff reductions under the TQCS program. Results of Ashland Distribution for 2002 included income of $7 million from the settlement of the sorbate antitrust litigation.

ASHLAND SPECIALTY CHEMICAL

Operating income from Ashland Specialty Chemical increased to $87 million in 2004, compared to $31 million in 2003. Sales from the thermoset resins businesses (Casting Solutions, Composite Polymers and Specialty Polymers & Adhesives) increased 17%, reflecting an 11% increase in unit sales volumes and a 6% increase in selling prices. The increase in sales was partially offset by a decline in gross profit percentage due to the inability to fully recover persistently rising raw materials costs. The water technologies businesses (Drew Industrial and Drew Marine) achieved higher income as a result of a 7% increase in revenues. Ashland Specialty Chemical's selling, general and administrative expenses were reduced in 2004, reflecting cost reductions achieved through Ashland's TQCS program. Adding to income in 2004, a parcel of land and fixed assets in Plaquemine, Louisiana were sold for net proceeds of $9 million, resulting in a pretax gain of $6 million. Results for 2003 included an impairment charge of $10 million for a maleic anhydride production facility, as well as a charge of $5 million for staff reductions under the TQCS program.

Ashland Specialty Chemical's operating income amounted to $31 million in 2003, compared to $70 million in 2002. Although overall sales were up 7%, the individual businesses reported mixed results. Earnings from most of the thermoset resins businesses were down, reflecting raw material cost increases that were not completely recovered in the marketplace. Results from Castings Solutions and Drew Industrial were up, reflecting sales increases of 11% and 8%, combined with more stable margins. In spite of higher sales, operating income from Drew Marine was down largely due to the effects of the weakening U.S. dollar on margins. Sales of Drew Marine are principally denominated in U.S. dollars, while most of its costs are denominated in foreign currencies. In addition, the earnings of Ashland Specialty Chemical for 2003 included an impairment charge of $10 million for a maleic anhydride production facility, as well as a charge of $5 million for staff reductions under the TQCS program.

VALVOLINE

Valvoline generated record operating income of $105 million in 2004, compared with $87 million in 2003. Lubricant sales volumes decreased 1% from 2003, but unit sales of higher-margin premium lubricants (MaxLife, Durablend and SynPower) increased 15%. Valvoline Instant Oil Change (VIOC) reported its third year of record earnings due in part to a 3% increase in non-oil change revenues and a 2% increase in premium oil changes, contributing to a 6% increase in the average sale per customer visit. Valvoline's international operations posted record operating income, mostly due to a 6% increase in lubricant sales volumes and strengthening foreign currencies. At September 30, 2004, VIOC operated 360 company-owned service centers, compared to 357 centers in 2003 and 363 centers in 2002. The VIOC franchising program continues to expand, with 397 centers open at September 30, 2004, compared to 372 centers in 2003 and 335 centers in 2002. VIOC's future growth will continue to focus principally on expanding the number of franchised rather than company-owned centers.

Operating income from Valvoline amounted to $87 million in 2003, compared to $77 million in 2002. Branded lubricant volume was up slightly, but the mix improved considerably with higher margin premium lubricants accounting for 18.5% of the total in 2003, compared to 16.1% in 2002. Significant improvements were also achieved from international operations, VIOC and automotive system fluids. Valvoline International had better volumes and margins in Europe and Australia, and their improved operating results were further enhanced by strengthening foreign currency translation rates. VIOC's increased earnings reflected a growing number of oil changes using premium lubricants and increased revenues from transmission, cooling, fuel and air quality system services. Valvoline also sold its remaining inventory of R-12 refrigerant at a small profit.

REFINING AND MARKETING

Operating income from Refining and Marketing, which consists primarily of equity income from Ashland's 38% ownership interest in MAP, amounted to $383 million in 2004, compared to $263 million in 2003. In 2004, MAP achieved its second highest level of earnings for the twelve months ended September. Equity income from MAP's refining and marketing operations increased $127 million, reflecting an increase of 52 cents per barrel in its refining and wholesale marketing margin. MAP's refineries processed approximately 1.1 million barrels per day of crude oil and other feedstocks during 2004, an increase of 5% from 2003. Equity income from MAP's retail operations

(Speedway SuperAmerica and a 50% interest in the Pilot Travel Centers joint venture) declined $6 million due to an $8 million gain on the sale of Speedway SuperAmerica's southern stores in 2003.

On March 19, 2004, Ashland announced the signing of an agreement under which it would transfer its 38% interest in MAP and two wholly-owned businesses to Marathon in a transaction structured to be generally tax free and valued at approximately $3.0 billion (the "MAP Transaction"). The two other businesses are Ashland's maleic anhydride business and 61 VIOC centers. The transaction is subject to several previously disclosed conditions, including approval by Ashland's shareholders, consent from Ashland's public debt holders and receipt of a favorable private letter ruling from the Internal Revenue Service (IRS) with respect to the tax treatment. Ashland has filed registration statements and proxy materials with the Securities and Exchange Commission (SEC) and is responding to comments. In addition, Ashland submitted a request to the IRS for a private letter ruling on the tax-free status of the proposed transaction. Ashland continues to discuss the complex tax issues related to this transaction with the IRS. Ashland has not resolved all issues with the IRS and is exploring alternatives for the resolution of these issues. At this time, Ashland cannot predict whether the requested rulings will be received. If the requested rulings are not received, the transaction would have to be modified or terminated. In any event, Ashland does not believe that a transaction will close earlier than March 2005.

Operating income from Refining and Marketing was $263 million in 2003, compared to $143 million in 2002. Equity income from MAP's refining and wholesale marketing operations was up $92 million, principally reflecting an increase of 77 cents a barrel in its refining and wholesale marketing margin and higher operating expenses. Equity income from MAP's retail operations increased by $20 million, reflecting a gain of $8 million on the sale of Speedway SuperAmerica's southern stores and higher product and merchandise margins for Pilot Travel Centers.

CORPORATE

Corporate expenses were $102 million in 2004, $105 million in 2003 and $92 million in 2002. The reduction in expense reflects an increase in 2004 of $16 million related to performance-based employee incentive plans, which was more than offset by the inclusion in 2003 of $19 million in severance and other transition costs related to Ashland's TQCS and other cost reduction programs. The increase in 2003 compared to 2002 reflects the expense in 2003 for severance and other transition costs related to Ashland's TQCS and other cost reduction programs, increased incentive and deferred compensation costs and $6 million related to the expensing of employee stock options. Those increases were partially offset by lower ongoing administrative costs in 2003, as well as additional reserves that were included in 2002 costs.

NET INTEREST AND OTHER FINANCIAL COSTS

The following table summarizes the components of net interest and other financial costs.

(In millions)	2004	2003	2002
NET INTEREST AND OTHER FINANCIAL COSTS			
Interest expense	$ 114	$ 123	$ 135
Expenses on sales of accounts receivable	3	3	4
Other financial costs	3	3	3
Interest income	(6)	(1)	(4)
	$ 114	$ 128	$ 138

Ashland's long-term debt declined from $1.9 billion at October 1, 2001 to $1.5 billion at the end of fiscal 2004, accounting for a reduction in interest expense of $12 million in 2003 and an additional $9 million in 2004. Interest income increased $5 million in 2004, with most of that increase due to the recognition of interest income associated with income tax refunds claimed for prior years.

INCOME TAXES

Ashland's income tax expense for 2004 included $48 million in tax benefits related to prior years. During the year, Ashland reached resolution with the Internal Revenue Service on several open tax matters from prior years, resulting in a tax benefit of $33 million as a result of the reduction of amounts previously provided as contingent tax liabilities. In addition, Ashland recognized federal income tax benefits associated with a claim for additional research and development tax credits valued at $15 million. Excluding these two items, Ashland's adjusted effective tax rate was 36.0% in 2004, compared to 31.9% in 2003. The overall effective rate was lower in 2003 than in 2004

due to Ashland's lower level of earnings in 2003 and the resulting larger relative portion of those earnings derived from income taxed at less than full U.S. statutory rates.

Ashland's overall effective income tax rate declined from 37.2% in 2002 to 31.9% in 2003. Recurring nontaxable income, such as equity income from foreign operations, had a larger effect on the effective rate in 2003 due to the reduced level of earnings. In addition, the changed investment climate resulted in nontaxable income being realized under life insurance policies during 2003, compared to 2002 when nondeductible losses were incurred. These life insurance policies are the underlying investments behind Ashland's deferred compensation programs.

DISCONTINUED OPERATIONS AND ACCOUNTING CHANGES

Results of Ashland's discontinued operations are summarized below. See Note N of Notes to Consolidated Financial Statements for additional information.

(In millions)	2004	2003	2002
INCOME (LOSS) FROM DISCONTINUED OPERATIONS (NET OF TAX)			
Reserves for asbestos-related litigation (net of insurance recoveries)	$ (18)	$ (109)	$ -
Electronic Chemicals			
Results of operations	-	14	13
Gain on sale of operations	(3)	81	-
Resolution of tax contingency issues	1	-	-
	$ (20)	$ (14)	$ 13

Ashland is subject to liabilities from claims alleging personal injury caused by exposure to asbestos. Such claims result primarily from indemnification obligations undertaken in 1990 in connection with the sale of Riley Stoker Corporation, a former subsidiary. During the quarter ended December 31, 2002, Ashland increased its reserve for asbestos claims by $390 million to cover litigation defense and claim settlement costs expected to be paid through December 2012. Because insurance provides reimbursements for most of these costs and coverage-in-place agreements exist with the insurance companies that provide substantially all of the coverage being accessed, the increase in the asbestos reserve was offset in part by probable insurance recoveries valued at $235 million. The resulting $155 million pretax charge to income, net of deferred income tax benefits of $60 million, was reflected as an after-tax loss from discontinued operations of $95 million in the Statement of Consolidated Income for the three months ended December 31, 2002. Additional reserves have been provided since then to reflect updates in the estimate of potential payments for litigation defense and claim settlement costs.

During 2003, Ashland sold the net assets of its Electronic Chemicals business and certain related subsidiaries for $300 million. Due to the sale, the results of operations of those businesses, as well as the gain on the sale, were shown in discontinued operations.

During 2004, Ashland reached resolution with the Internal Revenue Service on several open tax matters from prior years, as described previously in the discussion of income taxes. In addition to amounts reported in income from continuing operations, favorable resolution was also reached on matters associated with previously discontinued businesses, resulting in a $1 million tax benefit from the associated reduction in contingent tax liabilities previously recorded.

As discussed in Note A to the Consolidated Financial Statements, Ashland adopted certain pronouncements of the FASB during the last three years. As of July 1, 2003, Ashland consolidated a lessor entity in its financial statements under FIN 46, and doing so resulted in an after-tax charge of $5 million to adjust the depreciation included in the cumulative lease payments to conform to Ashland's depreciation methods. Ashland also adopted FAS 142 in 2002 and recognized an impairment loss of $11 million after income taxes to write off the goodwill of Ashland Distribution.

FINANCIAL POSITION

LIQUIDITY

Cash flows from operations, a major source of Ashland's liquidity, amounted to $209 million in 2004, $242 million in 2003 and $168 million in 2002. Such amounts include cash distributions from MAP of $146 million in 2004, $197 million in 2003 and $196 million in 2002. During 2004, Ashland paid income taxes of $84 million,

compared with $24 million in 2003 and $158 million in 2002. Ashland also contributed $137 million to its qualified pension plans in 2004, compared with $61 million in 2003 and $103 million in 2002. Cash flows from operations during 2004 were supplemented by $108 million in proceeds from the issuance of common stock resulting from stock option exercises, as well as $48 million from the sale of certain APAC operations. Over the last three years, cash flows from operations approximately equaled Ashland's capital requirements for net property additions and dividends, despite the fact that cash distributions from MAP have been suspended since December 31, 2003, pending closure of the MAP Transaction. Ashland's share of MAP's undistributed cash on September 30, 2004 was $203 million.

Ashland's financial position has enabled it to obtain capital for its financing needs and to maintain investment grade ratings on its senior debt of Baa2 from Moody's and BBB from Standard & Poor's (S&P). In August 2003, S&P revised its outlook on Ashland to negative from stable, and lowered Ashland's commercial paper rating to A-3 from A-2. In March 2004, following the announcement of the pending MAP Transaction, S&P affirmed its long-term debt rating and placed Ashland's A-3 commercial paper rating on credit watch with positive implications. Conversely, in March 2004, Moody's lowered Ashland's commercial paper rating to P-3 from P-2. These actions materially restrict, and could at times eliminate, the availability of the commercial paper market to Ashland. Ashland has two revolving credit agreements providing for up to $350 million in borrowings. Although Ashland borrowed $175 million under these agreements to repay commercial paper shortly after the S&P downgrade in 2003, the revolving credit agreements were not used during 2004. In the June 2004 quarter, Ashland executed an additional $200 million revolving credit agreement which expires March 31, 2005. Ashland has utilized this facility to fund currently maturing long-term debt and certain lease payments, and had $40 million outstanding under this facility at September 30, 2004. While the revolving credit agreements contain covenants limiting new borrowings based on Ashland's stockholders' equity, these agreements would have permitted an additional $2.4 billion of borrowings at September 30, 2004. Additional permissible borrowings are increased (decreased) by 150% of any increase (decrease) in stockholders' equity.

At September 30, 2004, working capital (excluding debt due within one year) amounted to $926 million, compared to $703 million at the end of 2003. Ashland's working capital is affected by its use of the LIFO method of inventory valuation. That method valued inventories below their replacement costs by $95 million at September 30, 2004, and $78 million at September 30, 2003. Liquid assets (cash, cash equivalents and accounts receivable) amounted to 84% of current liabilities at September 30, 2004, compared to 92% at the end of 2003. Essentially all of this decrease was due to a $337 million increase in debt due within one year.

CAPITAL RESOURCES

Property additions amounted to $500 million during the last three years and are summarized in the Information by Industry Segment on page F-27. Property additions in 2004 included a $33 million buyout of an operating lease for a portion of the buildings on Ashland's Dublin, Ohio campus. For the past three years, APAC accounted for 45% of Ashland's capital expenditures, while Ashland Specialty Chemical accounted for an additional 25%. Capital used for acquisitions (including assumed debt) amounted to $27 million during the last three years, of which $20 million was invested in APAC, $4 million in Ashland Specialty Chemical and $3 million in Valvoline. A summary of the capital employed in Ashland's operations follows. The increase in capital employed in Refining and Marketing in 2004 is attributed to the terms of the pending MAP Transaction, under which MAP suspended quarterly cash distributions to Ashland and Marathon after December 31, 2003 until the closing of the transaction. The reduction in capital employed in Ashland Specialty Chemical in 2003 resulted principally from the sale of the Electronic Chemicals business.

(In millions)	2004	2003	2002
CAPITAL EMPLOYED			
APAC	$ 959	$ 1,014	$ 1,039
Ashland Distribution	449	418	459
Ashland Specialty Chemical	490	438	610
Valvoline	388	399	343
Refining and Marketing	2,053	1,866	1,818

Long-term borrowings provided cash flows of $55 million during the last three years, the proceeds from which were used in part to retire $456 million of long-term debt. Debt retirements included scheduled maturities, as well as prepayments or refundings to reduce interest costs. Cash flows were supplemented as necessary by the issuance of short-term notes, commercial paper and borrowings under the revolving credit agreements.

During 2004, Ashland reduced its total debt by $66 million to $1.5 billion. Stockholders' equity increased by $453 million during 2004 to $2.7 billion. Increases resulting from $378 million of net income, $132 million from issuance of common shares under stock incentive and other plans, and $33 million of translation gains associated with foreign operations were partially offset by cash dividends of $77 million and a $13 million increase in the minimum pension liability. Debt as a percent of capital employed was reduced from 41.7% at the end of 2003 to 36.4% at September 30, 2004.

At September 30, 2004, Ashland's debt included $69 million of floating-rate obligations, and the interest rates on an additional $183 million of fixed-rate, medium-term notes were effectively converted to floating rates through interest rate swap agreements. In addition, Ashland's costs under its sale of receivables program and various operating leases are based on the floating-rate interest costs on $187 million of third-party debt underlying those transactions. As a result, Ashland was exposed to short-term interest rate fluctuations on $439 million of debt obligations at September 30, 2004.

During 2005, Ashland expects capital expenditures of approximately $280 million, excluding any buyouts of current leases, compared with $210 million in 2004. Most of the increase is planned for APAC and Valvoline. Improvements in APAC's equipment management processes and a sizable lease program during the past two years has allowed a reduction in capital expenditures during that period. Valvoline's increase reflects capital spending on various organic growth and efficiency improvement projects. In 2004, Ashland initiated a multi-year SAP enterprise resource planning (ERP) project that is expected to be implemented world-wide across Ashland's Chemical Sector to achieve increased efficiency and effectiveness in supply chain, financial, and environmental, health and safety processes. Capital costs for this project through 2007 are expected to total in the range of $90 to $100 million, of which approximately $25 million is expected to be spent in 2005. Ashland's capital requirements in 2005 for property additions and dividends will be met from internally generated funds. Scheduled debt repayments of $439 million will be met either through proceeds from the pending MAP Transaction or, if that transaction should not close, partially from short-term investments and partially from refundings.

The following table aggregates Ashland's commitments to make future payments under existing contracts at September 30, 2004. Contractual cash obligations for which the ultimate settlement amounts are not fixed and determinable have been excluded.

(In millions)	Total	2005	2006-2007	2008-2009	Later Years
CONTRACTUAL OBLIGATIONS					
Short-term and long-term debt (1)	$ 2,151	$ 544	$ 341	$ 499	$ 767
Operating lease obligations	257	47	76	51	83
Purchase obligations					
Construction subcontracts	570	513	57	-	-
Construction materials	387	319	66	1	1
Other raw materials	173	75	88	10	-
Property, plant and equipment	6	6	-	-	-
Employee benefit obligations (2)	401	104	62	65	170
Total contractual obligations	$ 3,945	$ 1,608	$ 690	$ 626	$ 1,021

(1) Includes principal and interest payments. Capitalized lease obligations are not significant and are included in long-term debt.

(2) Includes estimated funding of Ashland's qualified U.S. and non-U.S. pension plans for 2005, as well as projected benefit payments through 2014 under Ashland's nonqualified pension plans and other postretirement benefit plans. See Note O of Notes to Consolidated Financial Statements for additional information.

OFF-BALANCE SHEET ARRANGEMENTS

Ashland and its subsidiaries are lessees of office buildings, retail outlets, transportation and off-road construction equipment, warehouses and storage facilities, and other equipment, facilities and properties under leasing agreements that expire at various dates. Under various operating leases, Ashland has guaranteed the residual value of the underlying property. If Ashland had canceled those leases at September 30, 2004, its maximum obligations under the residual value guarantees would have amounted to $98 million. Ashland does not expect to incur any significant charge to earnings under these guarantees, $24 million of which relates to real estate. These

lease agreements are with unrelated third party lessors and Ashland has no additional contractual or other commitments to any parties to the leases.

Ashland has also guaranteed 38% of MAP's payments for certain crude oil purchases, up to a maximum guarantee of $95 million. At September 30, 2004, Ashland's contingent liability under this guarantee amounted to the full $95 million. Ashland has not made and does not expect to make any payments under this guarantee.

During 2000, Ashland entered into a five-year agreement to sell, on an ongoing basis with limited recourse, up to a $200 million undivided interest in a designated pool of accounts receivable. Under the terms of the agreement, new receivables are added to the pool and collections reduce the pool. Since inception, interests totaling $150 million have been sold on a continuous basis, except for a period between April 29 and September 7, 2003, when the full $200 million capacity was utilized. Ashland retains a credit interest in these receivables and addresses its risk of loss on this retained interest in its allowance for doubtful accounts. Receivables sold exclude defaulted accounts or concentrations over certain limits with any one customer.

APPLICATION OF CRITICAL ACCOUNTING POLICIES

The preparation of Ashland's consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosures of contingent assets and liabilities. Significant items that are subject to such estimates and assumptions include long-lived assets, employee benefit obligations, reserves and associated receivables for asbestos litigation and environmental remediation, and income recognized under construction contracts. Although management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, actual results could differ significantly from the estimates under other assumptions or conditions. Management has reviewed the estimates affecting these items with the Audit Committee of Ashland's Board of Directors.

LONG-LIVED ASSETS

The cost of plant and equipment is depreciated by the straight-line method over the estimated useful lives of the assets. Useful lives are based on historical experience and are adjusted when changes in planned use, technological advances or other factors show that a different life would be more appropriate. Such costs are periodically reviewed for recoverability when impairment indicators are present. Such indicators include, among other factors, operating losses, unused capacity, market value declines and technological obsolescence. Recorded values of property, plant and equipment that are not expected to be recovered through undiscounted future net cash flows are written down to current fair value, which generally is determined from estimated discounted future net cash flows (assets held for use) or net realizable value (assets held for sale). During 2003, Ashland recognized an impairment charge of $10 million for a maleic anhydride production facility that is shut down and not likely to reopen based on internal analyses. Although circumstances can change considerably over time, Ashland is not aware of any impairment indicators that would necessitate periodic reviews on any significant asset within property, plant and equipment at September 30, 2004.

Intangible assets with indefinite lives are subject to annual impairment tests. Such tests are completed separately with respect to the goodwill of each of Ashland's reporting units, which generally are synonymous with its industry segments. However, the individual operating divisions of Ashland Specialty Chemical are also considered reporting units under FAS 142. Since market prices of Ashland's reporting units are not readily available, management makes various estimates and assumptions in determining the estimated fair values of those units. Fair values are based principally on EBITDA (earnings before interest, taxes, depreciation and amortization) multiples of peer group companies for each of these reporting units. Ashland recognized impairment charges of $9 million in 2003 and $2 million in 2004 for goodwill associated with non-strategic businesses of APAC identified for sale. The most recent annual impairment tests indicated that the fair values of each of Ashland's reporting units with significant goodwill were in excess of their carrying values, with the large majority of those units exceeding carrying value by more than 20%. Despite that excess, however, impairment charges could still be required if a divestiture decision were made with respect to a particular business included in one of the reporting units.

EMPLOYEE BENEFIT OBLIGATIONS

Ashland and its subsidiaries sponsor contributory and noncontributory qualified and non-qualified defined benefit pension plans that cover substantially all employees in the United States and in a number of other countries. Benefits under these plans generally are based on employee's years of service and compensation during the years immediately preceding their retirement. In addition, the companies also sponsor unfunded postretirement benefit

plans, which provide health care and life insurance benefits for eligible employees who retire or are disabled. Retiree contributions to Ashland's health care plans are adjusted periodically, and the plans contain other cost-sharing features, such as deductibles and coinsurance. Life insurance plans generally are noncontributory.

The principal assumptions used to determine Ashland's pension and other postretirement benefit costs are the discount rate, the rate of compensation increase and the expected long-term rate of return on plan assets. Because Ashland's retiree health care plans contain various caps that limit Ashland's contributions and because medical inflation is expected to continue at a rate in excess of these caps for the immediate future, no assumption is needed with respect to future inflation in medical costs.

The discount rates used to determine the present value of future pension payments, healthcare costs and life insurance benefits are based on the yields on high-quality, fixed-income investments (such as Moody's Aa-rated corporate bonds), as adjusted for the longer duration of Ashland's pension and other postretirement benefit obligations. The present value of Ashland's future obligations under the pension and postretirement plans were determined using discount rates of 6.0% at September 30, 2004, and 6.25% at September 30, 2003. Ashland's expense under these plans is determined using the discount rate as of the beginning of the fiscal year, which amounted to 6.25% for 2004, 6.75% for 2003, 7.25% for 2002, and will be 6.0% for 2005.

The rate of compensation increase assumptions are 4.5% for 2004 and 5.0% for 2003 and 2002. The long-term expected rate of return on assets is assumed to be 8.5% in 2004 and 9.0% in 2003 and 2002. The return on plan assets is subject to wide year-to-year variances. For 2004, the pension plan assets generated an actual return of 11.8%, compared to 19.1% in 2003 and losses of 6.7% in 2002. However, the expected return on plan assets is designed to be a long-term assumption, and actual returns will be subject to considerable year-to-year variances. Ashland has generated compounded annual investment returns of 5.3% and 9.3% on its pension plan assets over the last five-year and ten-year periods. Shown below are the estimated increases in pension and postretirement expense that would have resulted from a 1% change in each of the assumptions for each of the last three years.

(In millions)	2004	2003	2002
INCREASE IN PENSIONS COSTS FROM			
Decrease in the discount rate	$ 21	$ 20	$ 21
Increase in the salary adjustment rate	9	9	10
Decrease in the expected return on plan assets	7	6	5
INCREASE IN OTHER POSTRETIREMENT COSTS FROM			
Decrease in the discount rate	2	2	4

ASBESTOS-RELATED LITIGATION

Ashland is subject to liabilities from claims alleging personal injury caused by exposure to asbestos. Such claims result primarily from indemnification obligations undertaken in 1990 in connection with the sale of Riley Stoker Corporation (Riley), a former subsidiary. Although Riley was neither a producer nor a manufacturer of asbestos, its industrial boilers contained some asbestos-containing components provided by other companies.

During the December 2002 quarter, Ashland increased its reserve for asbestos claims by $390 million to cover the litigation defense and claim settlement costs for probable and reasonably estimable future payments related to existing open claims, as well as an estimate of those that may be filed in the future. Prior to December 31, 2002, the asbestos reserve was based on the estimated costs that would be incurred to settle existing open claims. A range of estimates of future asbestos claims and related costs using various assumptions was developed with the assistance of Hamilton, Rabinovitz & Alschuler, Inc. (HR&A). The methodology used by HR&A to project future asbestos costs was based largely on Ashland's recent experience, including claim-filing and settlement rates, disease mix, open claims, and litigation defense and claim settlement costs. Ashland's claim experience was compared to the results of previously conducted epidemiological studies estimating the number of people likely to develop asbestos-related diseases. Those studies were undertaken in connection with national analyses of the population expected to have been exposed to asbestos. Using that information, HR&A estimated a range of the number of future claims that may be filed, as well as the related costs that may be incurred in resolving those claims.

From the range of estimates, Ashland recorded the amount it believed to be the best estimate, which represented the expected payments for litigation defense and claim settlement costs during the next ten years. Subsequent updates to this estimate have been made, with the assistance of HR&A, based on a combination of a number of factors including the actual volume of new claims, recent settlement costs, changes in the mix of alleged disease,

enacted legislative changes and other developments impacting Ashland's estimate of future payments. Ashland's reserve for asbestos claims on an undiscounted basis amounted to $618 million at September 30, 2004.

Projecting future asbestos costs is subject to numerous variables that are extremely difficult to predict. In addition to the significant uncertainties surrounding the number of claims that might be received, other variables include the type and severity of the disease alleged by each claimant, the long latency period associated with asbestos exposure, dismissal rates, costs of medical treatment, the impact of bankruptcies of other companies that are co-defendants in claims, uncertainties surrounding the litigation process from jurisdiction to jurisdiction and from case to case, and the impact of potential changes in legislative or judicial standards. Furthermore, any predictions with respect to these variables are subject to even greater uncertainty as the projection period lengthens. In light of these inherent uncertainties, Ashland believes its asbestos reserve represents the best estimate within a range of possible outcomes. As a part of the process to develop Ashland's estimates of future asbestos costs, a range of long-term cost models is developed that assumes a run-out of claims through 2055. These models are based on national studies that predict the number of people likely to develop asbestos-related diseases and are heavily influenced by assumptions regarding long-term inflation rates for indemnity payments and legal defense costs, as well as other variables mentioned previously. The total future litigation defense and claim settlement costs on an undiscounted basis has been estimated within a reasonably possible range of $400 million to $2.0 billion, depending on the number of years those costs extend and other combinations of assumptions selected. Ashland's reserve represents between 10 and 29 years of future costs, depending on the model selected. If actual experience is worse than projected relative to the number of claims filed, the severity of alleged disease associated with those claims or costs incurred to resolve those claims, Ashland may need to increase further the estimates of the costs associated with asbestos claims and these increases could potentially be material over time.

Ashland has insurance coverage for most of the litigation defense and claim settlement costs incurred in connection with its asbestos claims, and coverage-in-place agreements exist with the insurance companies that provide substantially all of the coverage currently being accessed. As a result, increases in the asbestos reserve have been largely offset by probable insurance recoveries. The amounts not recoverable generally are due from insurers that are insolvent, rather than as a result of uninsured claims or the exhaustion of Ashland's insurance coverage.

Ashland retained the services of Tillinghast-Towers Perrin to assist management in the estimation of reasonably possible insurance recoveries associated with Ashland's estimate of its asbestos liabilities. Such recoveries are based on management's assumptions and estimates surrounding the available or applicable insurance coverage. One such assumption is that all solvent insurance carriers remain solvent. Although coverage limits are resolved in the coverage-in-place agreement with Equitas Limited (Equitas) and other London companies, which collectively provide a significant portion of Ashland's insurance coverage for asbestos claims, there is a disagreement with these companies over the timing of recoveries. The resolution of this disagreement could have a material effect on the value of insurance recoveries from those companies. In estimating the value of future recoveries, Ashland has used the least favorable interpretation of this agreement under which the ultimate recoveries are extended for many years, resulting in a significant discount being applied to value those recoveries. Ashland will continue to apply this methodology until such time as the disagreement is resolved. On July 21, 2004, Ashland filed a demand for arbitration to resolve the dispute concerning the interpretation of this agreement.

At September 30, 2004, Ashland's receivable for recoveries of litigation defense and claim settlement costs from its insurers amounted to $435 million, of which $54 million relates to costs previously paid. About 35% of the estimated receivables from insurance companies at September 30, 2004, are expected to be due from Equitas and other London companies. Of the remainder, approximately 90% is expected to come from companies or groups that are rated A or higher by A. M. Best.

ENVIRONMENTAL REMEDIATION

Ashland is subject to various federal, state and local environmental laws and regulations that require environmental assessment or remediation efforts (collectively environmental remediation) at multiple locations. At September 30, 2004, such locations included 93 waste treatment or disposal sites where Ashland has been identified as a potentially responsible party under Superfund or similar state laws, approximately 130 current and former operating facilities (including certain operating facilities conveyed to MAP) and about 1,220 service station properties. Ashland's reserves for environmental remediation amounted to $152 million at September 30, 2004. Such amounts reflect Ashland's estimates of the most likely costs that will be incurred over an extended period to remediate identified conditions for which the costs are reasonably estimable, without regard to any third-party recoveries. Engineering studies, probability techniques, historical experience and other factors are used to identify and evaluate remediation alternatives and their related costs in determining the estimated reserves for environmental remediation.

Environmental remediation reserves are subject to numerous inherent uncertainties that affect Ashland's ability to estimate its share of the costs. Such uncertainties involve the nature and extent of contamination at each site, the extent of required cleanup efforts under existing environmental regulations, widely varying costs of alternate cleanup methods, changes in environmental regulations, the potential effect of continuing improvements in remediation technology, and the number and financial strength of other potentially responsible parties at multiparty sites. Ashland regularly adjusts its reserves as environmental remediation continues. Environmental remediation expense amounted to $2 million in 2004, $22 million in 2003 and $30 million in 2002.

No individual remediation location is material to Ashland, as its largest reserve for any site is less than 10% of the remediation reserve. As a result, Ashland's exposure to adverse developments with respect to any individual site is not expected to be material, and these sites are in various stages of ongoing remediation. Although environmental remediation could have a material effect on results of operations if a series of adverse developments occurs in a particular quarter or fiscal year, Ashland believes that the chance of such developments occurring in the same quarter or fiscal year is remote.

CONSTRUCTION CONTRACTS

Income related to construction contracts generally is recognized by the units-of-production method, which is a variation of the percentage-of-completion method. Construction jobs by their very nature are subject to numerous risks that could create variances from expectations. Such risks include changes in raw material and other costs, adverse weather conditions and the performance of subcontractors and other entities. Income is only certain after a job is completed, and the extent of completion can be difficult to assess in certain circumstances.

The extent of completion for each production phase is determined by reference to material quantities, labor hours, subcontract costs or other factors that are believed to be most indicative of the progress made under each phase of a project. Revenues earned are computed by reference to the contract or detailed analyses of revenues and expenses by production phase that supported the related construction contract or bid proposal. These detailed analyses also serve as early indicators as to whether a construction contract may ultimately be completed at a loss. Any anticipated losses on such contracts are charged against operations as soon as such losses are determined to be probable and estimable. In 2003, reserves of $14 million were established for job losses related to a large highway construction project in Virginia, reflecting weather-related cost increases and construction delays resulting from record levels of rainfall. In 2004, $5 million of that reserve, which was the amount that had been provided for potential liquidated damages, was reversed into income when it was determined that those damages would not apply.

Assumptions concerning the extent of completion can have a significant effect on the income recognized on an individual construction project in any period. However, the effects of individual assumptions on APAC's reported results are mitigated to some extent by the significant number of jobs in various stages of completion at any point in time.

OUTLOOK

Ashland's focus in 2005 will be to support long-term growth in earnings and shareholder value through increased efficiency, effective capital management and expansion in existing and adjacent markets. Earnings performance will be driven largely by the strength of the U.S. and world economies, in combination with Ashland's continuing efforts to gain greater operational efficiency.

The Top-Quartile Cost Structure (TQCS) program initiated in 2003 has yielded selling, general and administrative (SG&A) cost reductions in every segment, evidenced by a reduction in total SG&A expense of $85 million in 2004. In 2005, this program's focus will transition from cost reductions within the individual business segments to gains in process efficiency and effectiveness across the segments.

Ashland is currently in the design phase of a multi-year SAP ERP system that is scheduled to be implemented globally over the next three years across Ashland's Chemical Sector. This project focuses on supply chain, financial, and environmental, health and safety processes. It is expected to provide an integrated system that streamlines and standardizes these key processes on an end-to-end basis, with the foundational objective being to deliver exemplary performance for Ashland's customers.

Positively impacting APAC, federal highway funding for the 14 states in which APAC operates increased 22% in 2004 compared to 2003. An even larger appropriation for fiscal year 2005 is pending in Congress. APAC should also benefit from additional savings as a result of its multi-year Project PASS business redesign initiative that focused on greater leverage of purchasing power, improved equipment management and more efficient administrative support. At September 30, 2004, construction backlog amounted to $1.7 billion, essentially the same

as the previous year-end record set in 2003. Earnings are also expected to benefit from 0.5% higher estimated margin on new construction contracts awarded in 2004, compared with that of 2003. APAC will pursue organic earnings growth through emphasizing large construction jobs and expanding existing capabilities in the areas of concrete paving, bridge work and milling.

Ashland Distribution's strong earnings performance is expected to continue in 2005, with a focus on increasing sales volumes through greater customer satisfaction from the delivery of on-time, accurate and complete orders and overall reductions in the level of rework in the order-to-cash process. Ashland Specialty Chemical should build on its successes achieved in 2004 in the area of manufacturing expense reduction and quality improvements through the application of Six Sigma principles, as well as drive revenue growth through various new product initiatives. Building on successes in 2004, Valvoline expects to further increase the share of its lubricants product mix represented by premium brands, reflecting a strategy of product innovation, while also driving growth in its Valvoline Instant Oil Change business through preventative maintenance service. Ashland expects to continue its growth outside the U.S. in areas where market position or the external market dynamics offer attractive opportunities for profitable growth.

Ashland was successful in 2004 in largely recovering raw material cost increases through higher selling prices in most segments. However, Ashland Specialty Chemical did experience a reduction in gross margin in 2004 due to its inability to fully recover those higher costs. The ability to recover any cost increases that may be experienced in 2005 will be an important determinant of Ashland's earnings.

Ashland does not believe that the proposed MAP Transaction will close earlier than March 2005. If certain rulings concerning the proposed transaction are not received from the IRS, the transaction would have to be modified or terminated. Forward petroleum markets currently suggest that 2005 should be another strong year for MAP and for Ashland's Refining and Marketing segment during the period Ashland holds its interest in MAP. Refining margins are, however, subject to considerable change as actual and perceived supply and demand factors change.

Ashland's sales and operating revenues are normally subject to seasonal variations. Although APAC normally enjoys a relatively long construction season, most of its operating income is generated during the construction period of May through October. In addition, MAP experiences demand increases for gasoline during the summer driving season, for propane and distillate during the winter heating season and for asphalt during the construction season. The following table compares operating income by quarter for the three years ended September 30, 2004 (amounts for each quarter do not necessarily total to results for the year due to rounding).

(In millions)	2004	2003	2002
QUARTERLY OPERATING INCOME (LOSS)			
December 31	$ 92	$ 32	$ 96
March 31	10	(24)	(3)
June 30	292	138	132
September 30	268	119	96

EFFECTS OF INFLATION AND CHANGING PRICES

Ashland's financial statements are prepared on the historical cost method of accounting and, as a result, do not reflect changes in the purchasing power of the U.S. dollar. Although annual inflation rates have been low in recent years, Ashland's results are still affected by the cumulative inflationary trend from prior years.

Certain of the industries in which Ashland and MAP operate are capital-intensive, and replacement costs for their plant and equipment generally would exceed their historical costs. Accordingly, depreciation, depletion and amortization expense would be greater if it were based on current replacement costs. However, since replacement facilities would reflect technological improvements and changes in business strategies, such facilities would be expected to be more productive than existing facilities, mitigating part of the increased expense.

Ashland uses the LIFO method to value a substantial portion of its inventories to provide a better matching of revenues with current costs. However, LIFO values such inventories below their replacement costs.

Monetary assets (such as cash, cash equivalents and accounts receivable) lose purchasing power as a result of inflation, while monetary liabilities (such as accounts payable and indebtedness) result in a gain, because they can be settled with dollars of diminished purchasing power. Ashland's monetary liabilities exceed its monetary assets, which results in net purchasing power gains and provides a hedge against the effects of future inflation.

FORWARD-LOOKING STATEMENTS

Management's Discussion and Analysis contains forward-looking statements, within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements include those that refer to Ashland's operating performance, earnings and expectations about the MAP Transaction. Although Ashland believes its expectations are based on reasonable assumptions, it cannot assure the expectations reflected herein will be achieved. These forward-looking statements are based upon internal forecasts and analyses of current and future market conditions and trends, management plans and strategies, weather, operating efficiencies and economic conditions, such as prices, supply and demand, cost of raw materials, and legal proceedings and claims (including environmental and asbestos matters) and are subject to a number of risks, uncertainties, and assumptions that could cause actual results to differ materially from those described in the forward-looking statements. The risks, uncertainties, and assumptions include the possibility that Ashland will be unable to fully realize the benefits anticipated from the MAP Transaction; the possibility of failing to receive a favorable ruling from the Internal Revenue Service; the possibility that Ashland fails to obtain the approval of its shareholders; the possibility that the transaction may not close or that Ashland may be required to modify some aspect of the transaction to obtain regulatory approvals. Other factors and risks affecting Ashland are contained in Risks and Uncertainties in Note A to the Consolidated Financial Statements and in Item 1 of this annual report on Form 10-K. Ashland undertakes no obligation to subsequently update or revise these forward-looking statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Ashland selectively uses unleveraged interest rate swap agreements to obtain greater access to the lower borrowing costs normally available on floating-rate debt, while minimizing refunding risk through the issuance of long-term, fixed-rate debt. At September 30, 2004, Ashland held interest rate swaps that effectively converted the interest rates on $183 million of fixed-rate, medium-term notes to floating rates based upon three-month LIBOR. The swaps have been designated as fair value hedges, and since the critical terms of the debt instruments and the swaps match, the hedges are assumed to be perfectly effective, with the changes in fair value of the debt and swaps offsetting.

Ashland regularly uses commodity-based and foreign currency derivative instruments to manage its exposure to price fluctuations associated with the purchase of natural gas, diesel fuel and gasoline, as well as certain transactions denominated in foreign currencies. In addition, Ashland opportunistically enters into petroleum crackspread futures to economically hedge its refining and marketing earnings. Changes in the fair value of all derivatives are recognized immediately in income unless the derivative qualifies as a hedge of future cash flows or certain foreign currency exposures. Ashland has designated a limited portion of its foreign currency derivatives as qualifying for hedge accounting treatment, but their impact on the consolidated financial statements is not significant. The potential loss from a hypothetical 10% adverse change in commodity prices or foreign currency rates on Ashland's open commodity-based and foreign currency derivative instruments at September 30, 2004, would not significantly affect Ashland's consolidated financial position, results of operations, cash flows or liquidity.

MAP uses commodity-based derivatives and financial instrument-related derivatives to manage its exposure to commodity price risk. MAP's management has authorized the use of futures, forwards, swaps and combinations of options, including written or net written options, related to the purchase or sale of crude oil, refined products and natural gas. Changes in the fair value of all derivatives are recognized immediately in income.

ITEM 8. CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND FINANCIAL SCHEDULE

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Schedules other than that listed above have been omitted because of the absence of the conditions under which they are required or because the information required is shown in the consolidated financial statements or the notes thereto. Separate financial statements for MAP required by Rule 3-09 of Regulation S-X will be filed as an amendment to this annual report on Form 10-K within 90 days after the end of MAP's fiscal year ending December 31, 2004. Separate financial statements of other unconsolidated affiliates are omitted because each company does not constitute a significant subsidiary using the 20% tests when considered individually. Summarized financial information for such affiliates is disclosed in Note D of Notes to Consolidated Financial Statements.

REPORT OF MANAGEMENT

Management is responsible for the consolidated financial statements and other financial information included in this annual report on Form 10-K. Such financial statements are prepared in accordance with U.S. generally accepted accounting principles. Accounting principles are selected and information is reported which, using management's best judgment and estimates, present fairly Ashland's consolidated financial position, results of operations and cash flows. The other financial information in this annual report on Form 10-K is consistent with the consolidated financial statements.

Ashland's Code of Business Conduct summarizes our guiding values as obeying the law, adhering to high ethical standards and acting as responsible members of the communities where we operate. Compliance with that Code forms the foundation of our internal control systems, which are designed to provide reasonable assurance that Ashland's assets are safeguarded and its records reflect, in all material respects, transactions in accordance with management's authorization. The concept of reasonable assurance is based on the recognition that the cost of a system of internal control should not exceed the related benefits. Management believes that adequate internal controls are maintained by the selection and training of qualified personnel, by an appropriate division of responsibility in all organizational arrangements, by the establishment and communication of accounting and business policies, and by internal audits.

The Board, subject to stockholder ratification, selects and engages the independent auditors based on the recommendation of the Audit Committee. The Audit Committee, composed of directors who are not members of management, reviews the adequacy of Ashland's policies, procedures and controls, the scope of auditing and other services performed by the independent auditors, and the scope of the internal audit function. The Committee holds meetings with Ashland's internal auditor and independent auditors, with and without management present, to discuss the findings of their audits, the overall quality of Ashland's financial reporting and their evaluation of Ashland's internal controls.

Ernst & Young, independent auditors, are engaged to audit Ashland's consolidated financial statements. Their audit includes a review of Ashland's internal controls to the extent they consider necessary in the circumstances, and their report follows.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have audited the accompanying consolidated balance sheets of Ashland Inc. and consolidated subsidiaries as of September 30, 2004 and 2003, and the related consolidated statements of income, stockholders' equity and cash flows for each of the three years in the period ended September 30, 2004. Our audits also included the financial statement schedule listed in the Index at Item 15(a). These financial statements and schedule are the responsibility of Ashland Inc.'s management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above (appearing on pages F-3 to F-27 of this annual report on Form 10-K) present fairly, in all material respects, the consolidated financial position of Ashland Inc. and consolidated subsidiaries at September 30, 2004 and 2003, and the consolidated results of their operations and their cash flows for each of the three years in the period ended September 30, 2004, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

As discussed in Note A to the financial statements, in 2003 Ashland Inc. changed its methods of accounting for employee stock options and variable interest entities and in 2002 Ashland Inc. changed its method of accounting for goodwill and other intangible assets.

Ernst & Young LLP

Cincinnati, Ohio
November 3, 2004

Ashland Inc. and Consolidated Subsidiaries
STATEMENTS OF CONSOLIDATED INCOME
Years Ended September 30

(In millions except per share data)	2004	2003	2002
REVENUES			
Sales and operating revenues	$ 8,301	$ 7,566	$ 7,390
Equity income - Note D	432	301	181
Other income	48	45	46
	8,781	7,912	7,617
COSTS AND EXPENSES			
Cost of sales and operating expenses	6,948	6,390	6,115
Selling, general and administrative expenses	1,171	1,256	1,181
	8,119	7,646	7,296
OPERATING INCOME	662	266	321
Net interest and other financial costs - Note E	(114)	(128)	(138)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	548	138	183
Income taxes - Note J	(150)	(44)	(68)
INCOME FROM CONTINUING OPERATIONS	398	94	115
Results from discontinued operations (net of income taxes) - Note N	(20)	(14)	13
INCOME BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGES	378	80	128
Cumulative effect of accounting changes (net of income taxes) - Note A	-	(5)	(11)
NET INCOME	$ 378	$ 75	$ 117
EARNINGS PER SHARE - NOTE A			
Basic			
Income from continuing operations	$ 5.69	$ 1.37	$ 1.67
Results from discontinued operations	(.28)	(.19)	.19
Cumulative effect of accounting changes	-	(.08)	(.17)
Net income	$ 5.41	$ 1.10	$ 1.69
Diluted			
Income from continuing operations	$ 5.59	$ 1.37	$ 1.64
Results from discontinued operations	(.28)	(.19)	.19
Cumulative effect of accounting changes	-	(.08)	(.16)
Net income	$ 5.31	$ 1.10	$ 1.67

See Notes to Consolidated Financial Statements.

Ashland Inc. and Consolidated Subsidiaries
CONSOLIDATED BALANCE SHEETS
September 30

(In millions)	2004	2003
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 243	$ 223
Accounts receivable (less allowances for doubtful accounts of $41 million in 2004 and $35 million in 2003)	1,290	1,135
Inventories - Note A	458	441
Deferred income taxes - Note J	103	142
Other current assets	208	144
	2,302	2,085
INVESTMENTS AND OTHER ASSETS		
Investment in Marathon Ashland Petroleum LLC (MAP) - Note D	2,713	2,448
Goodwill - Note A	513	523
Asbestos insurance receivable (noncurrent portion) - Note M	399	399
Other noncurrent assets	319	279
	3,944	3,649
PROPERTY, PLANT AND EQUIPMENT		
Cost		
APAC	1,302	1,337
Ashland Distribution	356	357
Ashland Specialty Chemical	780	723
Valvoline	466	452
Corporate	200	178
	3,104	3,047
Accumulated depreciation, depletion and amortization	(1,848)	(1,775)
	1,256	1,272
	$ 7,502	$ 7,006
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Debt due within one year		
Revolving credit facility	$ 40	$ -
Current portion of long-term debt	399	102
Trade and other payables	1,362	1,371
Income taxes	14	11
	1,815	1,484
NONCURRENT LIABILITIES		
Long-term debt (less current portion) - Note E	1,109	1,512
Employee benefit obligations - Note O	428	385
Deferred income taxes - Note J	367	291
Reserves of captive insurance companies	179	168
Asbestos litigation reserve (noncurrent portion) - Note M	568	560
Other long-term liabilities and deferred credits	330	353
Commitments and contingencies - Notes F and M		
	2,981	3,269
STOCKHOLDERS' EQUITY - Notes E, K and L		
Preferred stock, no par value, 30 million shares authorized	-	-
Common stock, par value $1.00 per share, 300 million shares authorized		
Issued - 72 million shares in 2004 and 68 million shares in 2003	72	68
Paid-in capital	478	350
Retained earnings	2,262	1,961
Accumulated other comprehensive loss	(106)	(126)
	2,706	2,253
	$ 7,502	$ 7,006

See Notes to Consolidated Financial Statements.

Ashland Inc. and Consolidated Subsidiaries
STATEMENTS OF CONSOLIDATED STOCKHOLDERS' EQUITY

(In millions)	Common stock	Paid-in capital	Retained earnings	Accumulated other comprehensive loss	Total
BALANCE AT OCTOBER 1, 2001	$ 69	$ 363	$ 1,920	$ (126)	$ 2,226
Total comprehensive income (1)			117	(68)	49
Cash dividends, $1.10 per common share			(76)		(76)
Issued 382,646 common shares under stock incentive and other plans (2)		16			16
Repurchase of 1,219,600 common shares	(1)	(41)			(42)
BALANCE AT SEPTEMBER 30, 2002	68	338	1,961	(194)	2,173
Total comprehensive income (1)			75	68	143
Cash dividends, $1.10 per common share			(75)		(75)
Issued 81,698 common shares under stock incentive and other plans (2)		12			12
BALANCE AT SEPTEMBER 30, 2003	68	350	1,961	(126)	2,253
Total comprehensive income (1)			378	20	398
Cash dividends, $1.10 per common share			(77)		(77)
Issued 3,310,204 common shares under stock incentive and other plans (2)	4	128			132
BALANCE AT SEPTEMBER 30, 2004 (3)	$ 72	$ 478	$ 2,262	$ (106)	$ 2,706

(1) Reconciliations of net income to total comprehensive income follow.

(In millions)	2004	2003	2002
Net income	$ 378	$ 75	$ 117
Minimum pension liability adjustment	(21)	24	(144)
Related tax benefit (expense)	8	(9)	56
Unrealized translation gains	32	53	19
Related tax benefit	1	-	1
Total comprehensive income	$ 398	$ 143	$ 49

(2) Includes income tax benefits resulting from the exercise of stock options of $16 million in 2004 and $2 million in 2002. The amount in 2003 was not significant.

(3) At September 30, 2004, the accumulated other comprehensive loss of $106 million (after tax) was comprised of net unrealized translation gains of $23 million and a minimum pension liability of $129 million.

See Notes to Consolidated Financial Statements.

Ashland Inc. and Consolidated Subsidiaries
STATEMENTS OF CONSOLIDATED CASH FLOWS
Years Ended September 30

(In millions)	2004	2003	2002
CASH FLOWS FROM OPERATIONS			
Income from continuing operations	$ 398	$ 94	$ 115
Expense (income) not affecting cash			
Depreciation, depletion and amortization	193	204	208
Deferred income taxes	125	49	(121)
Equity income from affiliates	(432)	(301)	(181)
Distributions from equity affiliates	169	203	201
Other items	2	1	-
Change in operating assets and liabilities (1)	(246)	(8)	(54)
	209	242	168
CASH FLOWS FROM FINANCING			
Proceeds from issuance of long-term debt	-	-	55
Proceeds from issuance of common stock	108	2	11
Repayment of long-term debt	(100)	(216)	(140)
Repurchase of common stock	-	-	(42)
Increase (decrease) in short-term debt	40	(10)	10
Dividends paid	(77)	(75)	(76)
	(29)	(299)	(182)
CASH FLOWS FROM INVESTMENT			
Additions to property, plant and equipment	(210)	(112)	(178)
Purchase of operations - net of cash acquired	(5)	(5)	(15)
Proceeds from sale of operations	48	7	-
Other - net	26	13	26
	(141)	(97)	(167)
CASH PROVIDED (USED) BY CONTINUING OPERATIONS	39	(154)	(181)
Cash provided (used) by discontinued operations	(19)	287	35
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	20	133	(146)
Cash and cash equivalents - beginning of year	223	90	236
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 243	$ 223	$ 90
DECREASE (INCREASE) IN OPERATING ASSETS (1)			
Accounts receivable	$ (157)	$ (79)	$ 110
Inventories	(14)	15	12
Deferred income taxes	2	22	17
Other current assets	(64)	(5)	30
Investments and other assets	(15)	7	41
INCREASE (DECREASE) IN OPERATING LIABILITIES (1)			
Trade and other payables	(15)	115	(132)
Income taxes	(19)	(50)	(18)
Noncurrent liabilities	36	(33)	(114)
CHANGE IN OPERATING ASSETS AND LIABILITIES	$ (246)	$ (8)	$ (54)

(1) Excludes changes resulting from operations acquired or sold.

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of Ashland and its majority owned subsidiaries. Investments in joint ventures and 20% to 50% owned affiliates are accounted for on the equity method. In January 2003, the Financial Accounting Standards Board (FASB) issued FASB Interpretation No. 46 (FIN 46), "Consolidation of Variable Interest Entities." Beginning July 1, 2003, the lessor entity in one of Ashland's lease programs was consolidated in Ashland's financial statements under FIN 46, resulting in a pretax charge of $8 million ($5 million net of income taxes) for the cumulative effect of this accounting change. Property, plant and equipment increased by $27 million and long-term debt increased by $35 million as a result of the consolidation of the lessor entity. Ashland canceled the lease and purchased the assets from the lessor in October 2003.

RISKS AND UNCERTAINTIES

The preparation of Ashland's consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosures of contingent assets and liabilities. Significant items that are subject to such estimates and assumptions include long-lived assets, employee benefit obligations, reserves and associated receivables for asbestos litigation and environmental remediation, and income recognized under construction contracts. Although management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, actual results could differ significantly from the estimates under different assumptions or conditions.

Ashland's results, including those of Marathon Ashland Petroleum LLC (MAP), are affected by domestic and international economic, political, legislative, regulatory and legal actions, as well as weather conditions. Economic conditions, such as recessionary trends, inflation, interest and monetary exchange rates, and changes in the prices of crude oil, petroleum products and petrochemicals, can have a significant effect on operations. Political actions may include changes in the policies of the Organization of Petroleum Exporting Countries or other developments involving or affecting oil-producing countries, including military conflict, embargoes, internal instability or actions or reactions of the U.S. government in anticipation of, or in response to, such actions. While Ashland maintains reserves for anticipated liabilities and carries various levels of insurance, Ashland could be affected by civil, criminal, regulatory or administrative actions, claims or proceedings relating to asbestos, environmental remediation or other matters. In addition, climate and weather can significantly affect Ashland's results from several of its operations, such as APAC's construction activities and MAP's refined product sales.

INVENTORIES

(In millions)	2004	2003
Chemicals and plastics	$ 370	$ 333
Construction materials	71	67
Petroleum products	61	66
Other products	45	48
Supplies	6	5
Excess of replacement costs over LIFO carrying values	(95)	(78)
	$ 458	$ 441

Chemicals, plastics and petroleum products with a replacement cost of $286 million at September 30, 2004, and $279 million at September 30, 2003, are valued using the last-in, first-out (LIFO) method. The remaining inventories are stated generally at the lower of cost (using the first-in, first-out [FIFO] or average cost methods) or market.

LONG-LIVED ASSETS, GOODWILL AND OTHER INTANGIBLE ASSETS

The cost of plant and equipment is depreciated by the straight-line method over the estimated useful lives of the assets. Such costs are periodically reviewed for recoverability when impairment indicators are present. Such

indicators include, among other factors, operating losses, unused capacity, market value declines and technological obsolescence. Recorded values of property, plant and equipment that are not expected to be recovered through undiscounted future net cash flows are written down to current fair value, which generally is determined from estimated discounted future net cash flows (assets held for use) or net realizable value (assets held for sale). During 2003, Ashland recognized an impairment charge of $10 million for a maleic anhydride production facility that is shutdown and not likely to reopen based on internal analyses.

As of October 1, 2001, Ashland adopted FASB Statement No. 142 (FAS 142), "Goodwill and Other Intangible Assets." Under FAS 142, goodwill and intangible assets with indefinite lives are no longer amortized but are subject to annual impairment tests. As a result of the adoption of FAS 142, it was determined the goodwill of Ashland Distribution was impaired. Accordingly, an impairment loss of $14 million ($11 million net of income taxes) was recorded as a cumulative effect of accounting change as of October 1, 2001. Ashland recognized impairment charges of $9 million in 2003 and $2 million in 2004 for goodwill associated with non-strategic businesses of APAC identified for sale.

All of Ashland's intangible assets are subject to amortization. These intangible assets (included in other noncurrent assets) and the related amortization expense are not material to Ashland's consolidated financial position or results of operations.

Following is a progression of goodwill by segment for the year ended September 30, 2004.

(In millions)	APAC	Ashland Specialty Chemical	Valvoline	Total
Balance at October 1, 2003	$ 426	$ 91	$ 6	$ 523
Goodwill assigned to sold businesses	(13)	-	-	(13)
Impairment losses	(2)	-	-	(2)
Currency translation adjustments	-	5	-	5
Balance at September 30, 2004	$ 411	$ 96	$ 6	$ 513

DERIVATIVE INSTRUMENTS

Ashland selectively uses unleveraged interest rate swap agreements to obtain greater access to the lower borrowing costs normally available on floating-rate debt, while minimizing refunding risk through the issuance of long-term, fixed-rate debt. At September 30, 2004, Ashland held interest rate swaps that effectively converted the interest rates on $183 million of fixed-rate, medium-term notes to floating rates based upon three-month LIBOR. The swaps have been designated as fair value hedges, and since the critical terms of the debt instruments and the swaps match, the hedges are assumed to be perfectly effective, with the changes in fair value of the debt and swaps offsetting. Settlements of terminated swaps are amortized to interest expense over the remaining term of the debt.

Ashland regularly uses commodity-based and foreign currency derivative instruments to manage its exposure to price fluctuations associated with the purchase of natural gas, diesel fuel and gasoline, as well as certain transactions denominated in foreign currencies. In addition, Ashland opportunistically enters into petroleum crackspread futures to economically hedge its refining and marketing earnings. Changes in the fair value of all derivatives are recognized immediately in income unless the derivative qualifies as a hedge of future cash flows or certain foreign currency exposures. Ashland has designated a limited portion of its foreign currency derivatives as qualifying for hedge accounting treatment, but their impact on the consolidated financial statements is not significant.

MAP uses commodity-based derivatives and financial instrument-related derivatives to manage its exposure to commodity price risk. MAP's management has authorized the use of futures, forwards, swaps and combinations of options, including written or net written options, related to the purchase or sale of crude oil, refined products and natural gas. Changes in the fair value of all derivatives are recognized immediately in income.

ENVIRONMENTAL COSTS

Accruals for environmental costs are recognized when it is probable a liability has been incurred and the amount of that liability can be reasonably estimated. Such costs are charged to expense if they relate to the remediation of

conditions caused by past operations or are not expected to mitigate or prevent contamination from future operations. Accruals are recorded at undiscounted amounts based on experience, assessments and current technology, without regard to any third-party recoveries and are regularly adjusted as environmental assessments and remediation efforts continue.

STOCK INCENTIVE PLANS

As of October 1, 2002, Ashland began expensing employee stock options in accordance with FASB Statement No. 123 (FAS 123), "Accounting for Stock-Based Compensation," and its related amendments. Ashland elected the modified prospective method of adoption, under which compensation costs recorded in the year ended September 30, 2003 were the same as that which would have been recorded had the recognition provisions of FAS 123 been applied from its original effective date. Results for prior periods were not restated. Prior to October 1, 2002, Ashland accounted for stock options under Accounting Principles Board Opinion No. 25 (APB 25), "Accounting for Stock Issued to Employees," and related Interpretations, and no expense was recorded. In 2004, Ashland began granting stock-settled stock appreciation rights (SARs), which are expensed like stock options in accordance with FAS 123. In addition to stock options and SARs, Ashland grants nonvested stock awards to key employees and directors, which are expensed over their vesting period under either APB 25 or FAS 123. See Note L for the impact of this accounting change on net income and earnings per share.

EARNINGS PER SHARE

Following is the computation of basic and diluted earnings per share (EPS) from continuing operations.

(In millions except per share data)	2004	2003	2002
NUMERATOR			
Numerator for basic and diluted EPS - Income from continuing operations	$ 398	$ 94	$ 115
DENOMINATOR			
Denominator for basic EPS - Weighted average common shares outstanding	70	68	69
Common shares issuable upon exercise of stock options	1	1	1
Denominator for diluted EPS - Adjusted weighted average shares and assumed conversions	71	69	70
EPS FROM CONTINUING OPERATIONS			
Basic	$ 5.69	$ 1.37	$ 1.67
Diluted	5.59	1.37	1.64

OTHER

Cash equivalents include highly liquid investments maturing within three months after purchase.

Income related to construction contracts generally is recognized by the units-of-production method, which is a variation of the percentage-of-completion method. Any anticipated losses on such contracts are charged against operations as soon as such losses are determined to be probable and estimable. Other revenues generally are recognized when products are shipped or services are provided to customers and the sales price is fixed or determinable and collectibility is reasonably assured. Costs associated with revenues, including shipping and handling costs, are recorded in cost of sales and operating expenses.

Because Ashland's products generally are sold without any extended warranties, liabilities for product warranties are insignificant. Costs of product warranties generally are expensed as incurred.

Advertising costs ($78 million in 2004, $77 million in 2003 and $78 million in 2002) and research and development costs ($43 million in 2004, $36 million in 2003 and $34 million in 2002) are expensed as incurred.

Certain prior year amounts have been reclassified in the consolidated financial statements and accompanying notes to conform to 2004 classifications.

NOTE B - INFORMATION BY INDUSTRY SEGMENT

Ashland's operations are managed along industry segments, which include APAC, Ashland Distribution, Ashland Specialty Chemical, Valvoline, and Refining and Marketing. Information by industry segment is shown on pages F-26 and F-27.

The APAC group of companies performs contract construction work, such as paving, repairing and resurfacing highways, streets, airports, residential and commercial developments, sidewalks, and driveways; grading and base work; and excavation and related activities in the construction of bridges and structures, drainage facilities and underground utilities in 14 southern and midwestern states. APAC also produces and sells construction materials, such as hot-mix asphalt, crushed stone and other aggregate and ready-mix concrete.

Ashland Distribution distributes chemicals, plastics, composites and fine ingredients in North America and plastics in Europe, and provides environmental services throughout North America.

Ashland Specialty Chemical manufactures composites, adhesives, and casting binder chemicals for use in the transportation and construction industries. Ashland Specialty Chemical also manufactures water treatment chemicals for use in the general industrial and merchant marine markets.

Valvoline is a marketer of premium-branded automotive and commercial oils, automotive chemicals, appearance products and automotive services, with sales in more than 100 countries. Valvoline is engaged in the "fast oil change" business through owned and franchised service centers operating under the Valvoline Instant Oil Change name.

The Refining and Marketing segment includes Ashland's 38% ownership interest in Marathon Ashland Petroleum LLC (MAP) and other activities associated with refining and marketing. MAP was formed January 1, 1998, combining the major elements of the refining, marketing and transportation operations of Ashland and Marathon Oil Company. MAP has seven refineries with a combined crude oil refining capacity of 948,000 barrels per calendar day, 84 light products and asphalt terminals in the Midwest and Southeast United States, about 5,650 retail marketing outlets in 17 states and significant pipeline holdings. Ashland accounts for its investment in MAP using the equity method.

Information about Ashland's domestic and international operations follows. Ashland has no material operations in any individual international country.

	Revenues from external customers			Property, plant and equipment	
(In millions)	2004	2003	2002	2004	2003
United States	$ 7,406	$ 6,787	$ 6,662	$ 1,105	$ 1,140
International	1,375	1,125	955	151	132
	$ 8,781	$ 7,912	$ 7,617	$ 1,256	$ 1,272

NOTE C - RELATED PARTY TRANSACTIONS

Ashland sells chemicals and lubricants to MAP and purchases petroleum products from MAP. Such transactions are in the ordinary course of business at negotiated prices comparable to those of transactions with other customers and suppliers. In addition, Ashland leases certain facilities to MAP, and provides certain information technology and administrative services to MAP. The following table indicates the amounts of these transactions for each of the last three years ended September 30. Ashland's transactions with other affiliates and related parties were not significant.

(In millions)	2004	2003	2002
Ashland's sales to MAP	$ 21	$ 23	$ 24
Ashland's purchases from MAP	274	247	217
Ashland's costs charged to MAP	2	3	6

Ashland has entered into a revolving credit agreement providing for short-term loans, at Ashland's discretion, to MAP at competitive rates. Under the agreement, Ashland may loan up to $190 million to MAP. No loans were outstanding under the agreement at September 30, 2004 and 2003. Interest income received from MAP in all three years was not significant.

Ashland has guaranteed 38% of MAP's payments for certain crude oil purchases, up to a maximum guarantee of $95 million. At September 30, 2004, Ashland's contingent liability under this guarantee amounted to $95 million. Although Ashland has not made and does not expect to make any payments under this guarantee, it has recorded the fair value of this guarantee obligation, which is not significant.

NOTE D - UNCONSOLIDATED AFFILIATES

Ashland accounts for its investment in MAP on the equity method. Under the agreements related to its formation, MAP was organized by Ashland and Marathon Oil Company (Marathon) as a limited liability company for an initial term expiring on December 31, 2022, subject to automatic ten-year extensions unless a termination notice is given by either parent. The parents also entered into a put/call agreement that could be exercised by either parent at any time after December 31, 2004. Under that agreement, Ashland will have the right to sell all of its ownership interest in MAP to Marathon for an amount equal to 85% (90% if equity securities are used) of the fair market value of that ownership interest, payable in cash or Marathon debt or equity securities. Similarly, Marathon will have the right to purchase all of Ashland's ownership interest in MAP for an amount equal to 115% of the fair market value of that ownership interest, payable in cash. Neither Ashland nor Marathon has the right to exercise their respective put and call rights unless the agreement described below is terminated.

On March 19, 2004, Ashland announced the signing of an agreement under which it would transfer its 38% interest in MAP and two wholly-owned businesses to Marathon in a transaction structured to be generally tax free and valued at approximately $3.0 billion. The two other businesses are Ashland's maleic anhydride business and 61 Valvoline Instant Oil Change (VIOC) centers. The transaction is subject to several previously disclosed conditions, including approval by Ashland's shareholders, consent from Ashland's public debt holders and receipt of a favorable private letter ruling from the Internal Revenue Service (IRS) with respect to the tax treatment. Ashland has filed registration statements and proxy materials with the Securities and Exchange Commission (SEC) and is responding to comments. In addition, Ashland submitted a request to the IRS for a private letter ruling on the tax-free status of the proposed transaction. Ashland continues to discuss the complex tax issues related to this transaction with the IRS. Ashland has not resolved all issues with the IRS and is exploring alternatives for the resolution of these issues. At this time, Ashland cannot predict whether the requested rulings will be received. If the requested rulings are not received, the transaction would have to be modified or terminated. In any event, Ashland does not believe that a transaction will close earlier than March 2005.

Summarized financial information reported by MAP and other companies accounted for on the equity method is presented in the following table, along with a summary of the amounts recorded in Ashland's consolidated financial statements. Since MAP is organized as a limited liability company that has elected to be taxed as a partnership, the parents are responsible for income taxes applicable to their share of MAP's taxable income. The net income of MAP reflected below does not include any provision for income taxes that will be incurred by its parents. At September 30, 2004, Ashland's retained earnings included $378 million of undistributed earnings from unconsolidated affiliates accounted for on the equity method.

NOTE D - UNCONSOLIDATED AFFILIATES (continued)

(In millions)	MAP	Other affiliates	Total
September 30, 2004			
Financial position			
Current assets	$ 5,265	$ 160	
Current liabilities	(3,436)	(87)	
Working capital	1,829	73	
Noncurrent assets	5,219	78	
Noncurrent liabilities	(724)	(14)	
Stockholders' equity	$ 6,324	$ 137	
Results of operations			
Sales and operating revenues	$ 40,672	$ 409	
Income from operations	1,129	51	
Net income	1,118	44	
Amounts recorded by Ashland			
Investments and advances	2,713 (1)	54	$ 2,767
Equity income	405	27	432
Distributions received	146	23	169
September 30, 2003			
Financial position			
Current assets	$ 3,889	$ 149	
Current liabilities	(2,640)	(82)	
Working capital	1,249	67	
Noncurrent assets	4,946	99	
Noncurrent liabilities	(586)	(59)	
Stockholders' equity	$ 5,609	$ 107	
Results of operations			
Sales and operating revenues	$ 32,034	$ 336	
Income from operations	810	41	
Net income	795	34	
Amounts recorded by Ashland			
Investments and advances	2,448	47	$ 2,495
Equity income	285	16	301
Distributions received	197	6	203
September 30, 2002			
Results of operations			
Sales and operating revenues	$ 25,063	$ 237	
Income from operations	511	24	
Net income	502	16	
Amounts recorded by Ashland			
Equity income	176	5	$ 181
Distributions received	196	5	201

(1) At September 30, 2004, Ashland's investment exceeds its equity in the net assets of MAP by $310 million, of which $135 million represents plant and equipment that will continue to be amortized, and $175 million represents goodwill. Straight-line amortization of the excess investment that was charged against equity income amounted to $16 million in each of the three years ended September 30, 2004.

NOTE E - DEBT

(In millions)	2004	2003
Medium-term notes, due 2005-2025, interest at a weighted average rate of 8% at September 30, 2004 (6.9% to 9.4%)	$ 524	$ 578
8.80% debentures, due 2012	250	250
7.83% medium-term notes, Series J, due 2005	229	229
Pollution control and industrial revenue bonds, due 2005-2022, interest at a weighted average rate of 5.7% at September 30, 2004 (1.7% to 7.1%)	168	176
6.86% medium-term notes, Series H, due 2009	150	150
6.625% senior notes, due 2008	150	150
Other	37	81
Total long-term debt	1,508	1,614
Current portion of long-term debt	(399)	(102)
Long-term debt (less current portion)	$ 1,109	$ 1,512

Aggregate maturities of long-term debt are $399 million in 2005, $62 million in 2006, $125 million in 2007, $168 million in 2008 and $211 million in 2009. Interest payments on all indebtedness amounted to $116 million in 2004, $125 million in 2003 and $138 million in 2002. The weighted average interest rate on short-term borrowings outstanding was 2.7% at September 30, 2004. No short-term borrowings were outstanding at September 30, 2003.

Ashland has two revolving credit agreements providing for up to $350 million in borrowings, neither of which was used during 2004. The agreement providing for $250 million in borrowings expires on April 1, 2007. The agreement providing for $100 million in borrowings expires on April 1, 2005. In the June 2004 quarter, Ashland executed an additional $200 million revolving credit agreement which expires March 31, 2005. Ashland has utilized this facility to fund currently maturing long-term debt and certain lease payments, and had $40 million outstanding under this facility at September 30, 2004. While the revolving credit agreements contain covenants limiting new borrowings based on Ashland's stockholders' equity, these agreements would have permitted an additional $2.4 billion of borrowings at September 30, 2004. Additional permissible borrowings are increased (decreased) by 150% of any increase (decrease) in stockholders' equity.

NET INTEREST AND OTHER FINANCIAL COSTS

(In millions)	2004	2003	2002
Interest expense	$ 114	$ 123	$ 135
Expenses on sales of accounts receivable (see Note G)	3	3	4
Other financial costs	3	3	3
Interest income	(6)	(1)	(4)
	$ 114	$ 128	$ 138

NOTE F - LEASES

Ashland and its subsidiaries are lessees of office buildings, retail outlets, transportation and off-road construction equipment, warehouses and storage facilities, and other equipment, facilities and properties under leasing agreements that expire at various dates. Under various operating leases, Ashland has made guarantees with respect to the residual value of the underlying property. If Ashland had canceled those leases at September 30, 2004, its maximum obligations under the residual value guarantees would have amounted to $98 million. Ashland does not expect to incur any significant charge to earnings under these guarantees, $24 million of which relates to real estate. These lease agreements are with unrelated third party lessors and Ashland has no additional contractual or other commitments to any party to the leases. Capitalized lease obligations are not significant and are included in long-term debt. Future minimum rental payments at September 30, 2004, and rental expense under operating leases follow.

(In millions) Future minimum rental payments		Rental expense	2004	2003	2002
2005	$ 47	Minimum rentals			
2006	41	(including rentals under			
2007	35	short-term leases)	$ 104	$ 98	$ 103
2008	28	Contingent rentals	3	3	3
2009	23	Sublease rental income	(2)	(2)	(2)
Later years	83		$ 105	$ 99	$ 104
	$ 257				

FASB Interpretation No. 45 (FIN 45), "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others," was issued in November 2002. Upon entering new lease agreements with residual value guarantees after December 31, 2002, Ashland is required to record the fair value at inception of these guarantee obligations in accordance with FIN 45. At September 30, 2004 and 2003, the recorded value of such obligations was not significant.

NOTE G - SALE OF ACCOUNTS RECEIVABLE

On March 15, 2000, Ashland entered into a five-year agreement to sell, on an ongoing basis with limited recourse, up to a $200 million undivided interest in a designated pool of accounts receivable. Under the terms of the agreement, new receivables are added to the pool and collections reduce the pool. Since inception, interests totaling $150 million have been sold on a continuous basis, except for a period between April 29 and September 7, 2003, when the full $200 million capacity was utilized. Ashland retains a credit interest in these receivables and addresses its risk of loss on this retained interest in its allowance for doubtful accounts. Receivables sold exclude defaulted accounts or concentrations over certain limits with any one customer. The costs of these sales are based on the buyer's short-term borrowing rates and approximated 2.2% at September 30, 2004, and 1.5% at September 30, 2003.

NOTE H - FINANCIAL INSTRUMENTS

DERIVATIVE INSTRUMENTS

Ashland uses interest rate swaps and commodity-based and foreign currency derivative instruments as described in Note A. Open contracts other than interest rate swaps were not significant at September 30, 2004 and 2003.

FAIR VALUES

The carrying amounts and fair values of Ashland's significant financial instruments at September 30, 2004 and 2003 are shown below. The fair values of cash and cash equivalents, investments of captive insurance companies and the revolving credit facility approximate their carrying amounts. The fair values of long-term debt are based on quoted market prices or, if market prices are not available, the present values of the underlying cash flows discounted at Ashland's incremental borrowing rates. The fair values of interest rate swaps are based on quoted market prices.

	2004		2003	
(In millions)	Carrying amount	Fair value	Carrying amount	Fair value
Assets				
Cash and cash equivalents	$ 243	$ 243	$ 223	$ 223
Interest rate swaps	(1)	(1)	1	1
Investments of captive insurance companies (1)	13	13	13	13
Liabilities				
Revolving credit facility	40	40	-	-
Long-term debt (including current portion)	1,508	1,675	1,614	1,809

(1) Included in other noncurrent assets in the Consolidated Balance Sheets.

NOTE I - ACQUISITIONS AND DIVESTITURES

ACQUISITIONS

Several small acquisitions were completed by APAC, Ashland Specialty Chemical and Valvoline during the three years ended September 30, 2004. These acquisitions were accounted for as purchases and did not have a significant effect on Ashland's consolidated financial statements.

DIVESTITURES

During 2003, APAC sold the assets of its Nashville division and certain ready-mix operations in Missouri. During 2004, APAC sold much of its remaining ready-mix operations and certain other operations. None of these divestitures had a significant effect on Ashland's consolidated financial statements. See Note N for a discussion of the sale of the Electronic Chemicals division of Ashland Specialty Chemical in 2003.

NOTE J - INCOME TAXES

A summary of the provision for income taxes related to continuing operations follows.

(In millions)	2004	2003	2002
Current (1)			
Federal	$ (6)	$ (17)	$ 151
State	6	(3)	22
Foreign	25	15	16
	25	(5)	189
Deferred	125	49	(121)
	$ 150	$ 44	$ 68

(1) Income tax payments amounted to $84 million in 2004, $24 million in 2003 and $158 million in 2002.

Deferred income taxes are provided for income and expense items recognized in different years for tax and financial reporting purposes. Ashland has not recorded deferred income taxes on the undistributed earnings of certain foreign subsidiaries and foreign corporate joint ventures. Management intends to indefinitely reinvest such earnings, which amounted to $160 million at September 30, 2004. Because of significant foreign tax credits, it is estimated that U.S. federal income taxes of approximately $17 million would be incurred if those earnings were distributed. Temporary differences that give rise to significant deferred tax assets and liabilities follow.

(In millions)	2004	2003
Employee benefit obligations	$ 201	$ 219
Environmental, self-insurance and litigation reserves (net of receivables)	183	196
Compensation accruals	74	59
Uncollectible accounts receivable	15	18
Other items	37	61
Total deferred tax assets	510	553
Property, plant and equipment	182	189
Investment in unconsolidated affiliates	592	513
Total deferred tax liabilities	774	702
Net deferred tax liability	$ 264	$ 149

Ashland's income tax expense for 2004 included $48 million in tax benefits related to prior years. During the year, Ashland reached resolution with the Internal Revenue Service on several open tax matters from prior years, resulting in a tax benefit of $33 million as a result of the reduction of amounts previously provided as contingent tax liabilities. In addition, Ashland recognized federal income tax benefits associated with a claim for additional research and development tax credits valued at $15 million.

NOTE J - INCOME TAXES (continued)

The U.S. and foreign components of income from continuing operations before income taxes and a reconciliation of the statutory federal income tax with the provision for income taxes follow.

(In millions)	2004	2003	2002
Income from continuing operations before income taxes			
United States	$ 441	$ 60	$ 114
Foreign	107	78	69
	$ 548	$ 138	$ 183
Income taxes computed at U.S. statutory rate (35%)	$ 192	$ 48	$ 64
Increase (decrease) in amount computed resulting from			
Resolution of prior-year contingency issues	(33)	-	-
Claim for prior-year research and development credits	(15)	-	-
State income taxes	18	3	1
Net impact of foreign results	-	(2)	3
Business meals and entertainment	2	3	3
Deductible dividends under employee stock ownership plan	(2)	(2)	(3)
Life insurance expense (income)	(2)	(2)	4
Other items	(10)	(4)	(4)
Income taxes	$ 150	$ 44	$ 68

NOTE K - CAPITAL STOCK

Under Ashland's Shareholder Rights Plan, each common share is accompanied by one right to purchase one-thousandth share of preferred stock for $140. Each one-thousandth share of preferred stock will be entitled to dividends and to vote on an equivalent basis with one common share. The rights are neither exercisable nor separately transferable from the common shares unless a party acquires or tenders for more than 15% of Ashland's common stock. If any party acquires more than 15% of Ashland's common stock or acquires Ashland in a business combination, each right (other than those held by the acquiring party) will entitle the holder to purchase preferred stock of Ashland or the acquiring company at a substantial discount. The rights expire on May 16, 2006, and Ashland's Board of Directors can amend certain provisions of the Plan or redeem the rights at any time prior to their becoming exercisable.

At September 30, 2004, 500,000 shares of cumulative preferred stock are reserved for potential issuance under the Shareholder Rights Plan and 7.1 million common shares are reserved for issuance under stock incentive and deferred compensation plans.

NOTE L - STOCK INCENTIVE PLANS

Ashland has stock incentive plans under which key employees or directors are granted stock options, stock-settled stock appreciation rights (SARs) or nonvested stock awards. Stock options and SARs are granted to employees at a price equal to the fair market value of the stock on the date of grant and become exercisable over periods of one to four years. Unexercised options and SARs lapse 10 years after the date of grant. Nonvested stock awards entitle employees or directors to vote the shares and to receive any dividends thereon. However, such shares are subject to forfeiture upon termination of service before the vesting period ends. During 2004, Ashland granted 216,900 nonvested stock awards with a weighted average fair value of $40.87 per share. Nonvested stock awards in 2003 and 2002 were not significant.

As discussed in Note A, Ashland began expensing employee stock options and SARs in accordance with FAS 123 in 2003. The following table illustrates the effect on net income and earnings per share if FAS 123 had been applied in 2002 to all outstanding and unvested awards. The fair value per share of options or SARs granted was determined using the Black-Scholes option pricing model with the indicated assumptions.

(In millions except per share data)	2004	2003	2002
Net income as reported	$ 378	$ 75	$ 117
Add: Stock-based employee compensation expense included in reported net income, net of related tax effects	4	5	-
Deduct: Total stock-based employee compensation expense determined under FAS 123 for all awards, net of related tax effects	(4)	(5)	(4)
Pro forma net income	$ 378	$ 75	$ 113
Earnings per share:			
Basic - as reported	$ 5.41	$ 1.10	$ 1.69
Basic - pro forma	5.41	1.10	1.63
Diluted - as reported	5.31	1.10	1.67
Diluted - pro forma	5.31	1.10	1.61
Weighted average fair value per share of options or SARs granted	12.65	6.71	5.35
Assumptions (weighted average)			
Risk-free interest rate	3.4%	3.1%	2.9%
Expected dividend yield	2.0%	3.3%	3.8%
Expected volatility	25.9%	27.3%	26.7%
Expected life (in years)	5.0	5.0	5.0

A progression of activity and various other information relative to stock options and SARs is presented in the following table.

	2004		2003		2002	
(In thousands except per share data)	Number of common shares	Weighted average exercise price per share	Common shares	Weighted average exercise price per share	Common shares	Weighted average exercise price per share
Outstanding-beginning of year (1)	7,807	$ 37.17	7,482	$ 37.28	6,735	$ 38.41
Granted	603	54.65	537	33.42	1,210	29.05
Exercised	(3,100)	35.29	(103)	27.96	(413)	31.34
Canceled	(145)	36.04	(109)	35.27	(50)	38.54
Outstanding-end of year (1)	5,165	40.37	7,807	37.17	7,482	37.28
Exercisable-end of year	4,067	39.37	6,491	38.25	5,537	39.34

(1) Shares of common stock available for future grants of options or awards amounted to 1,098,000 at September 30, 2004, and 1,860,000 at September 30, 2003. Exercise prices per share for options and SARs outstanding at September 30, 2004 ranged from $25.00 to $34.00 for 1,579,000 shares, from $35.88 to $43.13 for 1,829,000 shares, and from $44.20 to $54.81 for 1,757,000 shares. The weighted average remaining contractual life of the options and SARs was 6.0 years.

NOTE M - LITIGATION, CLAIMS AND CONTINGENCIES

ASBESTOS-RELATED LITIGATION

Ashland is subject to liabilities from claims alleging personal injury caused by exposure to asbestos. Such claims result primarily from indemnification obligations undertaken in 1990 in connection with the sale of Riley Stoker Corporation (Riley), a former subsidiary. Although Riley was neither a producer nor a manufacturer of asbestos, its industrial boilers contained some asbestos-containing components provided by other companies.

A summary of asbestos claims activity follows. Because claims are frequently filed and settled in large groups, the amount and timing of settlements and number of open claims can fluctuate significantly from period to period.

(In thousands)	2004	2003	2002
Open claims - beginning of year	198	160	167
New claims filed	29	66	45
Claims settled	(7)	(7)	(15)
Claims dismissed	(24)	(21)	(37)
Open claims - end of year	196	198	160

NOTE M - LITIGATION, CLAIMS AND CONTINGENCIES (continued)

Since October 1, 2001, Riley has been dismissed as a defendant in 73% of the resolved claims. Amounts spent on litigation defense and claim settlements averaged $1,655 per claim resolved in 2004, compared to $1,610 in 2003 and $723 in 2002. A progression of activity in the asbestos reserve is presented in the following table.

(In millions)	2004	2003	2002
Asbestos reserve - beginning of period	$ 610	$ 202	$ 199
Expense incurred	59	453	41
Amounts paid	(51)	(45)	(38)
Asbestos reserve - end of period	$ 618	$ 610	$ 202

During the December 2002 quarter, Ashland increased its reserve for asbestos claims by $390 million to cover the litigation defense and claim settlement costs for probable and reasonably estimable future payments related to existing open claims, as well as an estimate of those that may be filed in the future. Prior to December 31, 2002, the asbestos reserve was based on the estimated costs that would be incurred to settle existing open claims. A range of estimates of future asbestos claims and related costs using various assumptions was developed with the assistance of Hamilton, Rabinovitz & Alschuler, Inc. (HR&A). The methodology used by HR&A to project future asbestos costs was based largely on Ashland's recent experience, including claim-filing and settlement rates, disease mix, open claims, and litigation defense and claim settlement costs. Ashland's claim experience was compared to the results of previously conducted epidemiological studies estimating the number of people likely to develop asbestos-related diseases. Those studies were undertaken in connection with national analyses of the population expected to have been exposed to asbestos. Using that information, HR&A estimated a range of the number of future claims that may be filed, as well as the related costs that may be incurred in resolving those claims.

From the range of estimates, Ashland recorded the amount it believed to be the best estimate, which represented the expected payments for litigation defense and claim settlement costs during the next ten years. Subsequent updates to this estimate have been made, with the assistance of HR&A, based on a combination of a number of factors including the actual volume of new claims, recent settlement costs, changes in the mix of alleged disease, enacted legislative changes and other developments impacting Ashland's estimate of future payments. Ashland's reserve for asbestos claims on an undiscounted basis amounted to $618 million at September 30, 2004, compared to $610 million at September 30, 2003.

Projecting future asbestos costs is subject to numerous variables that are extremely difficult to predict. In addition to the significant uncertainties surrounding the number of claims that might be received, other variables include the type and severity of the disease alleged by each claimant, the long latency period associated with asbestos exposure, dismissal rates, costs of medical treatment, the impact of bankruptcies of other companies that are co-defendants in claims, uncertainties surrounding the litigation process from jurisdiction to jurisdiction and from case to case, and the impact of potential changes in legislative or judicial standards. Furthermore, any predictions with respect to these variables are subject to even greater uncertainty as the projection period lengthens. In light of these inherent uncertainties, Ashland believes its asbestos reserve represents the best estimate within a range of possible outcomes. As a part of the process to develop Ashland's estimates of future asbestos costs, a range of long-term cost models is developed that assumes a run-out of claims through 2055. These models are based on national studies that predict the number of people likely to develop asbestos-related diseases and are heavily influenced by assumptions regarding long-term inflation rates for indemnity payments and legal defense costs, as well as other variables mentioned previously. The total future litigation defense and claim settlement costs on an undiscounted basis has been estimated within a reasonably possible range of $400 million to $2.0 billion, depending on the number of years those costs extend and other combinations of assumptions selected. Ashland's reserve represents between 10 and 29 years of future costs, depending on the model selected. If actual experience is worse than projected relative to the number of claims filed, the severity of alleged disease associated with those claims or costs incurred to resolve those claims, Ashland may need to increase further the estimates of the costs associated with asbestos claims and these increases could potentially be material over time.

Ashland has insurance coverage for most of the litigation defense and claim settlement costs incurred in connection with its asbestos claims, and coverage-in-place agreements exist with the insurance companies that provide substantially all of the coverage currently being accessed. As a result, increases in the asbestos reserve have been largely offset by probable insurance recoveries. The amounts not recoverable generally are due from insurers that are insolvent, rather than as a result of uninsured

claims or the exhaustion of Ashland's insurance coverage.

Ashland retained the services of Tillinghast-Towers Perrin to assist management in the estimation of reasonably possible insurance recoveries associated with Ashland's estimate of its asbestos liabilities. Such recoveries are based on management's assumptions and estimates surrounding the available or applicable insurance coverage. One such assumption is that all solvent insurance carriers remain solvent. Although coverage limits are resolved in the coverage-in-place agreement with Equitas Limited (Equitas) and other London companies, which collectively provide a significant portion of Ashland's insurance coverage for asbestos claims, there is a disagreement with these companies over the timing of recoveries. The resolution of this disagreement could have a material effect on the value of insurance recoveries from those companies. In estimating the value of future recoveries, Ashland has used the least favorable interpretation of this agreement under which the ultimate recoveries are extended for many years, resulting in a significant discount being applied to value those recoveries. Ashland will continue to apply this methodology until such time as the disagreement is resolved. On July 21, 2004, Ashland filed a demand for arbitration to resolve the dispute concerning the interpretation of this agreement.

At September 30, 2004, Ashland's receivable for recoveries of litigation defense and claim settlement costs from its insurers amounted to $435 million, of which $54 million relates to costs previously paid. Receivables from insurance companies amounted to $429 million at September 30, 2003. About 35% of the estimated receivables from insurance companies at September 30, 2004, are expected to be due from Equitas and other London companies. Of the remainder, approximately 90% is expected to come from companies or groups that are rated A or higher by A. M. Best.

ENVIRONMENTAL PROCEEDINGS

Ashland is subject to various federal, state and local environmental laws and regulations that require environmental assessment or remediation efforts (collectively environmental remediation) at multiple locations. At September 30, 2004, such locations included 93 waste treatment or disposal sites where Ashland has been identified as a potentially responsible party under Superfund or similar state laws, approximately 130 current and former operating facilities (including certain operating facilities conveyed to MAP) and about 1,220 service station properties. Ashland's reserves for environmental remediation amounted to $152 million at September 30, 2004, and $174 million at September 30, 2003. Such amounts reflect Ashland's estimates of the most likely costs that will be incurred over an extended period to remediate identified conditions for which the costs are reasonably estimable, without regard to any third-party recoveries. Engineering studies, probability techniques, historical experience and other factors are used to identify and evaluate remediation alternatives and their related costs in determining the estimated reserves for environmental remediation.

Environmental remediation reserves are subject to numerous inherent uncertainties that affect Ashland's ability to estimate its share of the costs. Such uncertainties involve the nature and extent of contamination at each site, the extent of required cleanup efforts under existing environmental regulations, widely varying costs of alternate cleanup methods, changes in environmental regulations, the potential effect of continuing improvements in remediation technology, and the number and financial strength of other potentially responsible parties at multiparty sites. Ashland regularly adjusts its reserves as environmental remediation continues. Environmental remediation expense amounted to $2 million in 2004, $22 million in 2003 and $30 million in 2002.

No individual remediation location is material to Ashland as its largest reserve for any site is less than 10% of the remediation reserve. As a result, Ashland's exposure to adverse developments with respect to any individual site is not expected to be material, and these sites are in various stages of ongoing remediation. Although environmental remediation could have a material effect on results of operations if a series of adverse developments occurs in a particular quarter or fiscal year, Ashland believes that the chance of such developments occurring in the same quarter or fiscal year is remote.

OTHER LEGAL PROCEEDINGS

In addition to the matters described above, there are various claims, lawsuits and administrative proceedings pending or threatened against Ashland and its current and former subsidiaries. Such actions are with respect to commercial matters, product liability, toxic tort liability, and other environmental matters, which seek remedies or damages, some of which are for substantial amounts. While these actions are being contested, their outcome is not predictable.

NOTE N - DISCONTINUED OPERATIONS

Ashland is subject to liabilities from claims alleging personal injury caused by exposure to asbestos. Such claims result primarily from indemnification obligations undertaken in 1990 in connection with the sale of Riley Stoker Corporation, a former subsidiary. During the quarter ended December 31, 2002, Ashland increased its reserve for asbestos claims by $390 million to cover litigation defense and claim settlement costs expected to be paid through December 2012. Because insurance provides reimbursements for most of these costs and coverage-in-place agreements exist with the insurance companies that provide substantially all of the coverage being accessed, the increase in the asbestos reserve was offset in part by probable insurance recoveries valued at $235 million. The resulting $155 million pretax charge to income, net of deferred income tax benefits of $60 million, was reflected as an after-tax loss from discontinued operations of $95 million in the Statement of Consolidated Income for the three months ended December 31, 2002. Additional reserves have been provided since then to reflect updates in the estimate of potential payments for litigation defense and claim settlement costs. See Note M for further discussion of Ashland's asbestos-related litigation.

On August 29, 2003, Ashland sold the net assets of its Electronic Chemicals business and certain related subsidiaries in a transaction valued at approximately $300 million before tax. Electronic Chemicals was a part of Ashland Specialty Chemical, providing ultra pure chemicals and other products and services to the worldwide semiconductor industry, with revenues of $215 million in 2003 and $217 million in 2002. The sale reflects Ashland's strategy to optimize its business mix and focus greater attention on the remaining chemical and transportation construction operations where it can achieve strategic advantage. Ashland's after-tax proceeds were used primarily to reduce debt. During 2004, Ashland recorded certain minor adjustments to the gain reported in 2003.

During 2004, Ashland reached resolution with the Internal Revenue Service on several open tax matters from prior years. In addition to amounts reported in income from continuing operations, favorable resolution was also reached on matters associated with previously discontinued businesses, resulting in a $1 million tax benefit from the associated reduction in contingent tax liabilities previously recorded.

Components of amounts reflected in the income statements related to discontinued operations are presented in the following table.

(In millions)	2004	2003	2002
INCOME (LOSS) FROM DISCONTINUED OPERATIONS			
Reserves for asbestos-related litigation	$ (29)	$ (178)	$ -
Electronic Chemicals	-	17	17
GAIN (LOSS) ON DISPOSAL OF DISCONTINUED OPERATIONS			
Electronic Chemicals	(2)	101	-
INCOME (LOSS) BEFORE INCOME TAXES	(31)	(60)	17
INCOME TAX BENEFIT (EXPENSE)			
Income (loss) from discontinued operations			
Reserves for asbestos-related litigation	11	69	-
Electronic Chemicals	-	(3)	(4)
Gain (loss) on disposal of discontinued operations	(1)	(20)	-
Resolution of tax contingency issues	1	-	-
RESULTS FROM DISCONTINUED OPERATIONS	$ (20)	$ (14)	$ 13

NOTE O - EMPLOYEE BENEFIT PLANS

PENSION PLANS

Ashland and its subsidiaries sponsor contributory and noncontributory qualified and non-qualified defined benefit pension plans that cover substantially all employees in the United States and in a number of other countries. Included in the following pension plan disclosures for the first time in 2004 are amounts related to employees in the United Kingdom, the Netherlands and Canada. Amounts for prior years have not been restated, as the impact on Ashland's financial position and results of operations would not be material.

Ashland's funding policy is to fully fund the accumulated benefit obligations of its qualified U.S. plans with the level of contributions being determined annually to achieve that objective over time. In addition, Ashland has non-qualified unfunded pension plans which provide supplemental defined benefits to those employees whose benefits under the qualified pension plans are limited by the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code. Ashland funds the costs of the non-qualified plans as the benefits are paid. Pension obligations for employees of non-U.S. consolidated subsidiaries are provided for by depositing funds with trustees or by book reserves in accordance with local practices and regulations of the respective countries.

Prior to July 1, 2003, benefits under Ashland's U.S. pension plans generally were based on employees' years of service and compensation during the years immediately preceding their retirement. Although certain changes were implemented on that date, the pension benefits of employees with at least ten years of service were not affected. As of July 1, 2003, the pension benefits of affected employees were converted to cash balance accounts. Such employees received an initial account balance equal to the present value of their accrued benefits under the previous plan on that date. Pension benefits for these employees are based on the balances in their accounts upon retirement.

OTHER POSTRETIREMENT BENEFIT PLANS

Ashland and its subsidiaries sponsor healthcare and life insurance plans for eligible employees who retire or are disabled. Ashland's retiree life insurance plans are noncontributory, while Ashland shares the costs of providing healthcare coverage with its retired employees through premiums, deductibles and coinsurance provisions. Ashland funds its share of the costs of the postretirement benefit plans as the benefits are paid.

On December 8, 2003, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Act) was signed into law. Among other things, the Act will expand Medicare to include an outpatient prescription drug benefit beginning in 2006, as well as provide a subsidy for sponsors of retiree health care plans that provide a benefit that is at least actuarially equivalent to the Medicare Act benefits. In May 2004, the Financial Accounting Standards Board issued Staff Position No. FAS 106-2, "Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003." Pending final guidance on determining actuarial equivalency, Ashland has not yet been able to determine the impact of the Act on its postretirement benefit plans. As a result, the accumulated postretirement benefit obligation and net periodic postretirement benefit costs do not reflect the effects of the Act.

On July 1, 2003, Ashland implemented changes in the way it shares the cost of healthcare coverage with future retirees. These changes did not affect the previous cost-sharing program for retirees or for employees meeting certain qualifications at that date. However, Ashland did amend that program to limit its annual per capita costs to an amount equivalent to base year per capita costs, plus annual increases of up to 1.5% per year for costs incurred after January 1, 2004. Under a previous amendment, base year costs were limited to the amounts incurred in 1992, plus annual increases of up to 4.5% per year thereafter. Premiums for retiree healthcare coverage are equivalent to the excess of the estimated per capita costs over the amounts borne by Ashland.

Employees who were employed on June 30, 2003, who did not meet the required qualifications were allocated notional accounts that can only be used to pay all or part of the premiums for retiree healthcare coverage. Such premiums represent the full costs of providing that coverage, without any subsidy from Ashland. Employees must meet certain requirements upon separation in order to have access to their notional accounts. Retirees will continue to have access to Ashland coverage after their notional accounts are exhausted, but they will be responsible for paying the full premiums. New hires after June 30, 2003, will have access to any retiree health coverage that may be provided, but will have no company funds available to help pay for such coverage.

NOTE O - EMPLOYEE BENEFIT PLANS (continued)

OBLIGATIONS AND FUNDED STATUS

Ashland uses a measurement date of September 30 for its pension and postretirement benefit plans. Summaries of the change in benefit obligations, plan assets, funded status of the plans, amounts recognized in the balance sheet, and assumptions used to determine the U.S. plan benefit obligations for 2004 and 2003 follow. Non-U.S. pension plans use assumptions generally consistent with those of U.S. plans.

	Pension plans		Other postretirement benefit plans	
(In millions)	2004	2003	2004	2003
Change in benefit obligations				
Benefit obligations at October 1	$ 1,192 (1)	$ 983	$ 296	$ 361
Service cost	51	43	9	11
Interest cost	73	65	17	22
Participant contributions	1	-	11	12
Benefits paid	(48)	(37)	(31)	(33)
Plan amendments	-	(6)	-	(95)
Changes in assumptions	44	63	7	19
Foreign currency exchange rate changes	8	-	-	-
Other-net	9	(10)	(11)	(1)
Benefit obligations at September 30	$ 1,330	$ 1,101	$ 298	$ 296
Change in plan assets				
Value of plan assets at October 1	$ 740 (1)	$ 551		
Actual return on plan assets	86	99		
Employer contributions	137	61		
Participant contributions	1	-		
Benefits paid	(43)	(33)		
Foreign currency exchange rate changes	5	-		
Other	6	2		
Value of plan assets at September 30	$ 932	$ 680		
Funded status of the plans				
Unfunded benefit obligation	$ (398)	$ (421)	$ (298)	$ (296)
Unrecognized net actuarial loss	422 (1)	385	77	87
Unrecognized prior service credit	(2)	(3)	(85)	(100)
Net amount recognized	$ 22	$ (39)	$ (306)	$ (309)
Amounts recognized in the balance sheet				
Accrued benefit liabilities	$ (191)	$ (231)	$ (306)	$ (309)
Intangible assets	1	1	-	-
Accumulated other comprehensive loss	212	191	-	-
Net amount recognized	$ 22	$ (39)	$ (306)	$ (309)
U.S. plan assumptions				
Discount rate	6.00%	6.25%	6.00%	6.25%
Rate of compensation increase	4.50%	4.50%	-	-

(1) Beginning balances have been adjusted to include $91 million of benefit obligations, $60 million of plan assets, and $31 million of unrecognized net actuarial loss for certain non-U.S. pension plans.

The accumulated benefit obligation for all pension plans was $1,118 million at September 30, 2004 and $909 million at September 30, 2003. Information for pension plans with an accumulated benefit obligation in excess of plan assets follows.

	2004			2003		
(In millions)	Qualified plans (1)	Non-qualified plans	Total	Qualified plans	Non-qualified plans	Total
Projected benefit obligation	$ 1,195	$ 110	$ 1,305	$ 1,002	$ 99	$ 1,101
Accumulated benefit obligation	1,000	98	1,098	819	90	909
Fair value of plan assets	908	-	908	680	-	680

(1) Includes qualified U.S. and non-U.S. pension plans.

COMPONENTS OF NET PERIODIC BENEFIT COSTS

The plan amendments in 2003 and 1992 previously discussed under other postretirement benefit plans reduced Ashland's accrued obligations under those plans, and the reductions are being amortized to income over future periods. Such amortization reduced Ashland's net periodic benefit costs for other postretirement benefits by $15 million in 2004, $10 million in 2003 and $8 million in 2002. At September 30, 2004, the remaining unrecognized prior service credit resulting from the changes amounted to $85 million, and will reduce future costs by $9 million in 2005, $8 million in 2006 and approximately $8 million annually thereafter through 2014.

The following table summarizes the components of pension and other postretirement benefit costs, and the assumptions used to determine net periodic benefit costs for U.S. plans. Non-U.S. pension plans use assumptions generally consistent with those of U.S. plans.

	Pension benefits			Other postretirement benefits		
(In millions)	2004	2003	2002	2004	2003	2002
Net periodic benefit costs						
Service cost	$ 51	$ 43	$ 43	$ 9	$ 11	$ 12
Interest cost	73	65	59	17	22	23
Expected return on plan assets	(66)	(51)	(47)	-	-	-
Amortization of prior service cost (credit)	-	-	1	(15)	(10)	(8)
Amortization of net actuarial loss	29	30	18	5	3	2
	$ 87	$ 87	$ 74	$ 16	$ 26	$ 29
U.S. plan assumptions						
Discount rate	6.25%	6.75%	7.25%	6.25%	6.75%	7.25%
Rate of compensation increase	4.50%	5.00%	5.00%	-	-	-
Expected long-term rate of return on plan assets	8.50%	9.00%	9.00%	-	-	-

PLAN ASSETS

The expected long-term rate of return on U. S. pension plan assets for 2004 of 8.5% was based on an assumed real rate of return of 5.5% and a projected long-term inflation rate of 3%. The basis for determining the expected long-term rate of return is a combination of future return assumptions for various asset classes in Ashland's investment portfolio, historical analysis of previous returns, market indices, and a projection of inflation.

Ashland's U. S. pension plan assets are managed by outside investment managers, which are monitored monthly against investment return benchmarks and Ashland's established investment strategy. Ashland's investment strategy is designed to promote diversification to moderate volatility and to balance the expected long-term rate of return with an acceptable risk level. Investment managers are selected based on an analysis of, among other things, their investment process, historical investment results, frequency of management turnover, cost structure, and assets under management. Assets are periodically reallocated between investment managers to maintain an appropriate asset mix, diversification of investments and to maximize returns.

Ashland's investment strategy and management practices relative to plan assets of non-U.S. plans generally are consistent with those for U.S. plans, except in those countries where investment of plan assets is dictated by applicable regulations.

The target allocation for 2004 by asset category and actual allocations at September 30, 2004 and 2003 follow.

	Target	Actual at September 30	
(In millions)	2004	2004	2003
Plan assets allocation			
Equity securities	70%	68%	60%
Debt securities	30%	30%	36%
Other	-	2%	4%
	100%	100%	100%

CASH FLOWS

In fiscal 2005, Ashland expects to contribute $70 million to its U. S. pension plans and $7 million to its non-U.S. pension plans. The following benefit payments, which reflect future service, are expected to be paid in each of the next five years and in aggregate for five years thereafter.

(In millions)	Pension benefits	Other postretirement benefits
2005	$ 51	$ 21
2006	57	21
2007	61	22
2008	68	22
2009	70	23
2010-2014	451	122

OTHER PLANS

Certain union employees are covered under multiemployer pension plans administered by unions. Amounts contributed to the plans by Ashland and charged to expense amounted to $5 million annually in 2004, 2003 and 2002.

Ashland sponsors qualified savings plans to assist eligible employees in providing for retirement or other future needs. Under such plans, company contributions amounted to $23 million in 2004, $19 million in 2003, and $17 million in 2002.

NOTE P - QUARTERLY FINANCIAL INFORMATION (unaudited)

The following table presents quarterly financial information and per share data relative to Ashland's common stock.

Quarters ended	December 31		March 31		June 30		September 30	
(In millions except per share data)	2003	2002	2004	2003	2004	2003	2004	2003
Sales and operating revenues	$ 1,936	$ 1,749	$ 1,825	$ 1,657	$ 2,206	$ 2,018	$ 2,334	$ 2,142
Operating income (loss)	92	32	10	(24)	292	138	268	119
Income (loss) from continuing operations	39	(1)	(11)	(37)	167	71	203	61
Net income (loss)	34	(92)	(16)	(39)	161	70	200	137
Basic earnings (loss) per share								
Continuing operations	$ .56	$ (.02)	$ (.16)	$ (.54)	$ 2.38	$ 1.04	$ 2.86	$ .89
Net income (loss)	.49	(1.35)	(.23)	(.57)	2.29	1.02	2.81	2.00
Diluted earnings (loss) per share								
Continuing operations	$ .56	$ (.02)	$ (.16)	$ (.54)	$ 2.35	$ 1.03	$ 2.81	$ .89
Net income (loss)	.49	(1.35)	(.23)	(.57)	2.26	1.01	2.76	1.99
Common cash dividends per share	$ .275	$ .275	$ .275	$ .275	$ .275	$ .275	$ .275	$ .275
Market price per common share								
High	$ 44.55	$ 30.80	$ 52.20	$ 30.37	$ 53.35	$ 33.85	$ 56.71	$ 34.51
Low	33.19	23.60	43.73	25.91	44.25	28.66	48.40	30.27

Ashland Inc. and Consolidated Subsidiaries
Schedule II - Valuation and Qualifying Accounts

(In millions)	Balance at beginning of year	Provisions charged to earnings	Reserves utilized	Other changes	Balance at end of year
Year ended September 30, 2004					
Reserves deducted from asset accounts					
Accounts receivable	$ 35	$ 20	$ (16)	$ 2	$ 41
Inventories	9	2	(1)	-	10
Year ended September 30, 2003					
Reserves deducted from asset accounts					
Accounts receivable	$ 34	$ 18	$ (18)	$ 1	$ 35
Inventories	12	2	(5)	-	9
Year ended September 30, 2002					
Reserves deducted from asset accounts					
Accounts receivable	$ 33	$ 23	$ (23)	$ 1	$ 34
Inventories	12	5	(5)	-	12

Ashland Inc. and Consolidated Subsidiaries
Information by Industry Segment
Years Ended September 30

(In millions)	2004	2003	2002
Revenues			
Sales and operating revenues			
APAC	$ 2,525	$ 2,400	$ 2,652
Ashland Distribution	3,199	2,811	2,541
Ashland Specialty Chemical	1,386	1,212	1,130
Valvoline	1,297	1,235	1,152
Intersegment sales (1)			
Ashland Distribution	(19)	(21)	(20)
Ashland Specialty Chemical	(86)	(69)	(63)
Valvoline	(1)	(2)	(2)
	8,301	7,566	7,390
Equity income			
APAC	19	9	-
Ashland Specialty Chemical	8	7	4
Valvoline	-	-	1
Refining and Marketing	405	285	176
	432	301	181
Other income			
APAC	22	-	12
Ashland Distribution	9	18	17
Ashland Specialty Chemical	16	10	4
Valvoline	4	5	6
Refining and Marketing	(6)	2	2
Corporate	3	10	5
	48	45	46
	$ 8,781	$ 7,912	$ 7,617
Operating income			
APAC	$ 111	$ (42)	$ 122
Ashland Distribution	78	32	1
Ashland Specialty Chemical	87	31	70
Valvoline	105	87	77
Refining and Marketing (2)	383	263	143
Corporate	(102)	(105)	(92)
	$ 662	$ 266	$ 321
Assets			
APAC	$ 1,428	$ 1,481	$ 1,498
Ashland Distribution	922	856	884
Ashland Specialty Chemical	842	749	941
Valvoline	658	667	611
Refining and Marketing	2,742	2,484	2,409
Corporate (3)	910	769	379
	$ 7,502	$ 7,006	$ 6,722

(In millions)	2004	2003	2002
Investment in equity affiliates			
APAC	$ 6	$ 4	$ (2)
Ashland Specialty Chemical	40	35	30
Valvoline	7	8	9
Refining and Marketing	2,713	2,448	2,350
Corporate	1	-	-
	$ 2,767	$ 2,495	$ 2,387
Expense (income) not affecting cash			
Depreciation, depletion and amortization			
APAC	$ 95	$ 108	$ 114
Ashland Distribution	18	19	21
Ashland Specialty Chemical	41	40	38
Valvoline	27	26	24
Corporate	12	11	11
	193	204	208
Other noncash items (4)			
APAC	20	(25)	24
Ashland Distribution	3	3	1
Ashland Specialty Chemical	8	(2)	3
Valvoline	2	4	(2)
Refining and Marketing	(181)	2	(168)
Corporate	12	(30)	41
	(136)	(48)	(101)
	$ 57	$ 156	$ 107
Additions to property, plant and equipment			
APAC	$ 73	$ 47	$ 107
Ashland Distribution	10	5	15
Ashland Specialty Chemical	62	34	27
Valvoline	26	18	22
Corporate	39	8	7
	$ 210	$ 112	$ 178

(1) Intersegment sales are accounted for at prices that approximate market value.
(2) Includes Ashland's equity income from MAP, amortization related to Ashland's excess investment in MAP, and other activities associated with refining and marketing.
(3) Includes cash, cash equivalents and other unallocated assets.
(4) Includes deferred income taxes, equity income from affiliates net of distributions, and other items not affecting cash.

Ashland Inc. and Consolidated Subsidiaries
Five-Year Selected Financial Information
Years Ended September 30

(In millions except per share data)	2004	2003	2002	2001	2000
Summary of operations					
Revenues					
Sales and operating revenues	$ 8,301	$ 7,566	$ 7,390	$ 7,544	$ 7,785
Equity income	432	301	181	755	395
Other income	48	45	46	53	63
Cost and expenses					
Cost of sales and operating expenses	(6,948)	(6,390)	(6,115)	(6,358)	(6,517)
Selling, general and administrative expenses	(1,171)	(1,256)	(1,181)	(1,163)	(1,081)
Operating income	662	266	321	831	645
Net interest and other financial costs	(114)	(128)	(138)	(175)	(194)
Income from continuing operations before income taxes	548	138	183	656	451
Income taxes	(150)	(44)	(68)	(266)	(179)
Income from continuing operations	398	94	115	390	272
Results from discontinued operations	(20)	(14)	13	32	(202)
Income before cumulative effect of accounting changes	378	80	128	422	70
Cumulative effect of accounting changes	-	(5)	(11)	(5)	-
Net income	$ 378	$ 75	$ 117	$ 417	$ 70
Balance sheet information					
Current assets	$ 2,302	$ 2,085	$ 2,071	$ 2,233	$ 2,173
Current liabilities	1,815	1,484	1,520	1,530	1,711
Working capital	$ 487	$ 601	$ 551	$ 703	$ 462
Total assets	$ 7,502	$ 7,006	$ 6,722	$ 7,128	$ 6,824
Short-term debt	$ 40	$ -	$ 10	$ -	$ 245
Long-term debt (including current portion)	1,508	1,614	1,797	1,871	1,981
Stockholders' equity	2,706	2,253	2,173	2,226	1,965
Capital employed	$ 4,254	$ 3,867	$ 3,980	$ 4,097	$ 4,191
Cash flow information					
Cash flows from operations	$ 209	$ 242	$ 168	$ 814	$ 468
Additions to property, plant and equipment	210	112	178	214	240
Cash dividends	77	75	76	76	78
Common stock information					
Diluted earnings per share					
Income from continuing operations	$ 5.59	$ 1.37	$ 1.64	$ 5.54	$ 3.83
Net income	5.31	1.10	1.67	5.93	.98
Cash dividends per share	1.10	1.10	1.10	1.10	1.10

EXHIBIT INDEX

10.7	-	Form of employment agreement between Ashland Inc. and an executive officer.
10.14	-	Form of Notice of Grant of Stock Appreciation Right (SAR) Award.
10.15	-	Form of Restricted Stock Award.
10.16	-	Form of Notice of Grant of Nonqualified Stock Option.
10.17	-	Amended and Restated Limited Liability Company Agreement dated as of December 31, 1998, of Marathon Ashland Petroleum LLC by and between Ashland Inc. and Marathon Oil Company.
10.19	-	Put/Call Registration Rights and Standstill Agreement, dated as of January 1, 1998, including Amendment No. 1 thereto, dated December 31, 1998, among Marathon Oil Company, USX Corporation, Ashland Inc. and Marathon Ashland Petroleum LLC.
10.21	-	Three-Year, $250 Million Revolving Credit Agreement dated as of April 2, 2004
10.22	-	364-Day, $100 Million Revolving Credit Agreement dated as of April 2, 2004
11	-	Computation of Earnings Per Share (appearing on page F-9 of this annual report on Form 10-K).
12	-	Computation of Ratio of Earnings to Fixed Charges.
21	-	List of Subsidiaries.
23.1	-	Consent of Independent Registered Public Accounting Firm.
24	-	Power of Attorney, including resolutions of the Board of Directors.
31.1	-	Certification of James J. O'Brien, Chief Executive Officer of Ashland, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	-	Certification of J. Marvin Quin, Chief Financial Officer of Ashland, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	-	Certification of James J. O'Brien, Chief Executive Officer of Ashland, and J. Marvin Quin, Chief Financial Officer of Ashland, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99.1	-	Consent of Tillinghast-Towers Perrin.
99.2	-	Consent of Hamilton, Rabinovitz & Alschuler, Inc.

EXHIBIT 10.7

December 19, 2003

Mr. Garry Higdem
2207 Longmire Road
Conroe, TX 77304

Dear Garry:

This letter is to confirm the employment offer extended to you for the position of Senior Vice President of Ashland Inc., and President of APAC reporting directly to me as Chairman and Chief Executive Officer, Your salary will be $450,000 on an annualized basis, which is paid semi-monthly at $18,750. Ashland will provide you with a one time sign-on bonus in the amount of $250,000 to be paid upon commencement of your employment. You will also be recommended for a one time restricted stock grant of 25,000 shares. The shares will vest in increments of 25% per year and be fully vested four years from date of grant.

As was discussed in the job offer, you will be eligible for our annualized incentive program (IC). Your annualized target opportunity under this program is 90% of salary and actual payout is dependent upon your individual performance as well as Ashland end APAC financial performance for the year, however, we will guarantee a minimum payment of $300,000 for fiscal 2004. Bonuses are normally paid in November following the end of the fiscal year.

You will also be included in the company's multi-year incentive program called LTIP (long-term incentive program). Your target annual opportunity under this program is 100% of salary and again, actual payout is dependent on financial results over the performance cycle. However, you will be eligible for a guaranteed payment of $337,500 under the 2002-2004 performance cycle. A copy of the FY 2002-2004 and 2003-2005 Policy Memorandums outlining the specifics of the plan is included for your reference. You will receive more information regarding your grants under the 2003-2005 and 2004-2006 cycles once formally approved by the Personnel and Compensation Committee in January.

Stock options are typically granted in September of each year. Under the current guidelines you would be eligible to receive up to 20,000 options on an annual basis, We are currently reviewing our stock program and are considering some changes to the form of the equity compensation provided. In September 2004 you will be eligible to receive a grant under the guidelines established for a Level I executive.

In addition to the above, you will be eligible to participate in other benefit plans consisting of financial planning, deferred compensation, various insurance and health benefit plans. Your participation in particular employee benefits programs will be subject to the same limitations and conditions as those applicable to other employees eligible to participate.

Garry, we are very pleased to extend this offer of employment to you. We look forward to an excellent opportunity for both you and Ashland as a result of your acceptance.

If you have any questions, concerns or need additional information, Susan Baler, Vice President, Human Resources Programs & Services will be happy to assist you. She can be reached at 859/815-3543.

Yours truly,

James J. O'Brien

Enclosures

FORM OF NOTICE OF GRANT OF STOCK APPRECIATION RIGHT (SAR) AWARD

Name of Employee:

Name of Plan: Amended and Restated Ashland Inc. Incentive Plan

Number of SAR's:

Grant Price Per SAR:

Date of SAR Grant:

Exercise Schedule:

Expiration Date:

ASHLAND INC ("Ashland") hereby confirms the grant of a Stock Appreciation Right ("SAR") award ("Award") to the above-named Employee ("Employee"). This Award entitles Employee to receive Ashland stock equal to the excess of the fair market value of Ashland Common Stock, par value $1.00 per share ("Common Stock") , as determined by the closing price of the Common Stock as reported on the Composite Tape of the New York Stock Exchange, on the date the SAR is exercised over the grant price of the Common Stock, with an aggregate value equal to the excess of the fair market value of one share of Common Stock over the exercise price specified in such SAR multiplied by the number of SARs of Common Stock covered by such SAW or portion thereof which is so surrendered. This Award is granted under, and is subject to, all the terms and conditions of the Plan. Copies of the Plan and related Prospectus are available for your review on FirstHand, Ashland's intranet site. If you would prefer to have a hard copy of either of these documents mailed to you, please contact Corporate Human Resources at (859) 357-2008.

Please acknowledge your receipt of this Notice of Grant, by signing, dating and returning the enclosed copy of this Notice of Grant to Kristie Ptasnik, Corporate Human Resources, LA-lN, on or before _____, or the Award will become null and void

ASHLAND INC.

By:_____

DATE: EMPLOYEE:

_____ _____

EXHIBIT 10.15

FORM OF RESTRICTED STOCK AGREEMENT

Name of Company: ASHLAND INC.

Name of Participant:

Number of Shares of Ashland Inc.
Common Stock

Par Value Per Share: $1.00

Vesting Schedule:

Date of Award:

WHEREAS, Ashland Inc. (hereinafter called "Ashland") desires to award to the above-named Participant (hereinafter called the "Participant"), _____ shares of Ashland Common Stock, par value $1.00 per share, subject to certain restrictions (hereinafter called "Restricted Stock"), pursuant to the Amended and Restated Ashland Inc. Incentive Plan (hereinafter called the "Plan"), in order to provide the Participant with an additional incentive to continue his/her services to Ashland and to continue to work for the best interests of Ashland;

NOW, THEREFORE, Ashland hereby confirms this award to the Participant, as a matter of separate agreement and not in lieu of salary or any other compensation for services, of the number of shares of Restricted Stock set forth above, subject to and upon all the terms, provisions and conditions contained herein and in the Plan, which is incorporated by reference. Full details of the Plan are in the legal text of the Plan. If there are any differences between the general description of the restrictions offered herein and the legal text of the Plan, the Plan governs.

Your award will be evidenced by the issuance of Restricted Stock Certificates. Each certificate issued in respect of shares of Restricted Stock shall be registered in the name of the Participant, but held in the custody of Ashland along with a copy of an executed Stock Power (the form of which is attached hereto as Exhibit A), and shall bear the following legend:

> "The transferability of this certificate and the shares of stock represented hereby are subject to the terms and conditions (including forfeitures) contained in the Amended and Restated Ashland Inc. Incentive Plan and an Agreement entered into between the registered owner and Ashland Inc."

The Restricted Stock will vest according to the Vesting Schedule and may not be sold, assigned, transferred, pledged, or otherwise encumbered (except to the extent such shares shall have vested) until such date. Unless otherwise determined and directed by the Personnel and Compensation Committee (the "Committee"), in the case of the Participant's termination for any reason prior to the lapse of all restrictions on the Restricted Stock, all such Restricted Stock which has not vested will be forfeited. Except for such restrictions described above, the Participant will have all rights of a shareholder with respect to the shares of Restricted Stock including, but not limited to, the right to vote and to receive dividends if and when paid.

Six months prior to each Vesting Date, the Participant may elect to defer some or all of the shares of Restricted Stock that vest into a hypothetical stock fund in the Ashland Inc. Deferred Compensation Plan ("Deferred Compensation Plan") in the form of Common Stock Units (the "Common Stock Units"). Common Stock Units in the Deferred Compensation Plan have no voting rights. However, the Common Stock Units have the right to receive dividends if and when paid and those dividends will be automatically deferred. Distribution will be made in accordance with the Participant's election under the Deferred Compensation Plan. Currently, distribution of Common Stock Units must be made in shares of Ashland Common Stock.

If you elect to defer all of the shares of Restricted Stock, you will owe federal employment taxes, and depending on your city and county of residence, local income taxes at the Vesting Date. If you elect to defer a portion of the shares, you will owe federal, state and local income taxes and federal employment taxes on the portion of shares you receive, and federal employment taxes, and depending on your city and county of residence, local income taxes on the shares you defer, at the Vesting Date. If you do not elect to defer any of the shares, you will owe federal, state and local income taxes and employment taxes on all of the shares at the Vesting Date. The amount of taxes due in each instance is based on the fair market value of the shares on the Vesting Date.

Nothing contained in this Agreement or in the Plan shall confer upon the Participant any right to remain in the service of Ashland.

Subject to the terms and conditions specified herein and of the Plan, the Restricted Stock shall be confirmed by execution of this Agreement and delivery thereof no later than _____, to Ashland, which is located at 3499 Blazer Parkway, Lexington, KY 40509 Attention: Kristie Ptasnik (inter-company LA-1N). The right to the Restricted Stock under the Plan shall expire if not accepted within forty-five (45) days after the date of the award of Restricted Stock as set forth above.

IN WITNESS WHEREOF, ASHLAND has caused this instrument to be executed and delivered effective as of the day and year first above written. This Restricted Stock Agreement shall not be valid unless signed by a Vice President, Human Resources of Ashland.

ASHLAND INC.

By: _____
Vice President, Human Resources

I hereby elect to receive my award of Restricted Stock subject to the terms and conditions of the Amended and Restated Ashland Inc. Incentive Plan. My election to accept the award of Restricted Stock is effective October 1, 2004.

Date: _____

_____
Employee Name

STOCK POWER Exhibit A

FOR VALUE RECEIVED, _____ hereby sells, assigns and transfers unto _____ (_____) Shares of the Capital Stock of _____ standing in _____ name on the books of said _____ represented by Certificate No. _____ herewith and do hereby irrevocably constitute and appoint _____ attorney to transfer the said stock on the books of the within named Company with full power of substitution in the premises.

Dated: _____, ____ _____

Signature Guaranteed By:

Not Required

(Name of Bank)

By:----------
(Signature of Officer)
(Title of Officer)

TO BE EXECUTED BY A DULY AUTHORIZED
OFFICER OF THE BANK

EXHIBIT 10.16

FORM OF NOTICE OF GRANT OF NON-QUALIFIED STOCK OPTION

Name of Employee:

Name of Plan: Amended and Restated Ashland Inc. Incentive Plan

Number of Option Shares:

Exercise Price Per Share:

Date of Option Grant:

Exercise Schedule:

Expiration Date:

ASHLAND INC. ("Ashland") hereby confirms the grant of a non-qualified stock option to purchase shares of Ashland Common Stock including restoration options, (the "Option") to the above-named Employee ("Employee"). This Option is granted under, and is subject to, all of the terms and conditions of the Plan. Copies of the Plan end related Prospectus, including information with respect to restoration options, are available for your review on FirstHand, Ashland's intranet site. If you would prefer to have a hard copy of either of these documents mailed to you, please contact Corporate Human Resources at (859) 357-2008.

Please acknowledge your receipt of this Notice by signing, dating and returning the enclosed copy of this Notice of Grant to Kristie Ptasnik, Corporate Human Resources, LA-1N, on or before _____, or the Option will become null and void.

ASHLAND INC.

By:_____

DATE: EMPLOYEE:

_____ _____

Exhibit 10.17

EXECUTION COPY

AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT

of

MARATHON ASHLAND PETROLEUM LLC

Dated as of December 31, 1998

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AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT dated as of December 31, 1998, of MARATHON ASHLAND PETROLEUM LLC (the "Company"), by and between Marathon Oil Company, an Ohio corporation ("Marathon"), and Ashland Inc., a Kentucky corporation ("Ashland"), as Members.

Preliminary Statement

WHEREAS, on June 11, 1997, Marathon and Emro Marketing Company ("Emro Marketing") formed the Company (formerly known as "Emro Supply, LLC") by filing a Certificate of Formation of the Company with the Secretary of State of the State of Delaware and executed the Limited Liability Company Agreement of the Company pursuant to which Marathon received a 60% interest in the Company and Emro Marketing received a 40% interest in the Company;

WHEREAS, on July 18, 1997, Emro Marketing assigned its interest in the Company to Marathon and Fuelgas Company, Inc., a wholly owned subsidiary of Marathon ("Fuelgas"), with Marathon receiving an additional 39% interest in the Company and Fuelgas receiving a 1% interest in the Company, which interest will be transferred to Marathon immediately following the Closing (for purposes of this Agreement and the other Transaction Documents, all references to Marathon's interest in the Company shall be deemed to include the 1% interest owned by Fuelgas);

WHEREAS, on July 18, 1997, Marathon and Fuelgas executed the First Amended and Restated Limited Liability Company Agreement of the Company and filed an Amended and Restated Certificate of Formation of the Company with the Secretary of State of the State of Delaware;

WHEREAS, on October 29, 1997, Marathon and Fuelgas filed a Second Amended and Restated Certificate of Formation of the Company with the Secretary of State of the State of Delaware to change the name of the Company to Marathon Ashland Petroleum LLC;

WHEREAS, on December 8, 1997, Marathon and Fuelgas executed the Second Amended and Restated Limited Liability Company Agreement of the Company which became effective on December 10, 1997;

WHEREAS the parties hereto desire that the Company (a) be a premier petroleum supply, refining, marketing and transportation business, (b) create a highly efficient, cost-effective and competitive petroleum supply, refining,

marketing and transportation system, (c) deliver to the Members the highest possible economic value added, (d) be customer-focused and market-driven in its business strategy, (e) be a respected and responsible member of the communities in which the Company will operate, with a high regard for environmental responsibility and employee safety, and (f) seek to maximize Distributable Cash to the Members consistent with the foregoing, including capital spending levels which over time are expected to be generally equivalent to the level of non-cash charges; and

WHEREAS the Members entered into this Agreement on January 1, 1998 to set forth the rights and responsibilities of each of them with respect to the governance, financing and operation of the Company;

WHEREAS, the Members have executed Amendment No. 1 to this Agreement as of August 21, 1998, and have executed Amendment No. 2 to this Agreement as of September 1, 1998; and

WHEREAS, the Members wish to make certain additional amendments to this Agreement, and to restate this Agreement incorporating such additional amendments as well as the amendments contained in Amendment No. 1 and Amendment No. 2.

NOW, THEREFORE, the parties hereto hereby agree as follows:

ARTICLE I

Certain Definitions; Applicable GAAP

SECTION 1.01. Definitions. Defined terms used in this Agreement shall have the meanings ascribed to them by definition in this Agreement or in Appendix A. In addition, when used herein the following terms have the following meanings:

"Accounting Determination" has the meaning set forth in Section 1.02.

"Acquisition Expenditures" means, in connection with any acquisition by the Company and its subsidiaries, without duplication (i) the purchase price paid or to be paid for the net assets or capital stock or other equity interests in connection with such acquisition, (ii) any Indebtedness assumed by the Company and its subsidiaries in connection with any such acquisition, (iii) any contingent

liabilities assumed or incurred by the Company and its subsidiaries in connection with any such acquisition to the extent that such contingent liabilities are required to be reflected on the balance sheet of the Company and its subsidiaries in accordance with Financial Accounting Standard Number 5 (or any successor or superseding provision of Applicable GAAP), and (iv) all other costs and expenses incurred or to be incurred by the Company or any of its subsidiaries in connection with any such acquisition to the extent that such costs and expenses would be capitalized if such acquisition were consummated.

"Adjustable Amount" has the meaning set forth in Section 8.13.

"Additional Monetary Amount" has the meaning set forth in Section 14.03(c).

"Additional Required Cash Amount" has the meaning set forth in Section 14.01(a).

"Adjusted DD&A" means:

(i) for the twelve-month periods ended December 31, 1995 and 1996, $348 million and $346 million, respectively;

(ii) for the twelve-month period ended December 31, 1997, the total combined depreciation, depletion and amortization expense of the Marathon Business and the Ashland Business during such twelve-month period, including, without duplication, (a) any gains (deductions from depreciation, depletion and amortization) or losses (additions to depreciation, depletion and amortization) on asset retirements during such period and (b) pro forma depreciation, depletion and amortization expense related to the Financed Properties during such period (calculated in the same manner such pro forma depreciation, depletion and amortization expense was calculated in Schedule A, which considers the placed-in-service dates of the Financed Properties);

(iii) for the twelve-month period ended September 30, 1998, the sum of:

(a) the total combined depreciation, depletion and amortization expense of the Marathon Business and the Ashland Business during the period commencing on October 1, 1997, and ended on the date immediately preceding the Closing Date,

including, without duplication, (1) any gains (deductions from depreciation, depletion and amortization) or losses (additions to depreciation, depletion and amortization) on asset retirements during such period and (2) pro forma depreciation, depletion and amortization expense related to the Financed Properties during such period (calculated in the same manner such pro forma depreciation, depletion and amortization expense was calculated in Schedule A, which considers the placed-in-service dates of the Financed Properties); and

(b) the total depreciation, depletion and amortization expense of the Company and its subsidiaries for the period commencing on the Closing Date and ended on September 30, 1998, including (1) any gains (deductions from depreciation, depletion and amortization) or losses (additions to depreciation, depletion and amortization) on asset retirements during such period, (2) depreciation, depletion and amortization expense related to the Garyville Propylene Upgrade Project during such period and (3) depreciation, depletion and amortization expense related to all Company-funded Capital Expenditures, but excluding (4) depreciation, depletion and amortization expense related to Member-Funded Capital Expenditures and (5) the increase or decrease in such depreciation, depletion and amortization expense related to the Ashland Transferred Assets (including pro forma depreciation, depletion and amortization expense related to the Financed Properties) resulting from the application of purchase accounting treatment to the transactions contemplated by the Transaction Documents (such purchase accounting treatment causing an increase or decrease in the estimated useful lives and the net book value of the Ashland Transferred Assets); and

(iv) for the twelve-month period ended September 30, 1999, and each twelve-month period ended September 30 thereafter, the total depreciation, depletion and amortization expense of the Company and its subsidiaries for such twelve-month period, including, without duplication, (a) any gains (deductions from depreciation, depletion and amortization) or losses (additions to depreciation, depletion and amortization) on asset retirements during such period, (b) depreciation, depletion and amortization expense

related to the Garyville Propylene Upgrade Project during such period and (c) depreciation, depletion and amortization expense related to Company-funded Capital Expenditures but excluding (d) depreciation, depletion and amortization expense related to Member-Funded Capital Expenditures and (e) the increase or decrease in such depreciation, depletion and amortization expense related to the Ashland Transferred Assets (including pro forma depreciation, depletion and amortization expense related to the Financed Properties) resulting from the application of purchase accounting treatment to the transactions contemplated by the Transaction Documents (such purchase accounting treatment causing an increase or decrease in the estimated useful lives and the net book value of the Ashland Transferred Assets);

all as determined on a consolidated basis with respect to (x) in the case of any period ending prior to the Closing Date, Marathon and its subsidiaries or Ashland and its subsidiaries, as applicable, or (y) in the case of any period ending on or after the Closing Date, the Company and its subsidiaries, in each case in accordance with Applicable GAAP.

"Adjusted EBITDA" means:

(i) for the twelve-month periods ended December 31, 1995 and 1996, $657 million and $600 million, respectively;

(ii) for the twelve-month period ended December 31, 1997, the sum of:

(a) Historical EBITDA for such twelve-month period, plus

(b) $80 million, minus

(c) 38% of an amount equal to (1) the sum of the amounts calculated pursuant to clauses (a) and (b) above for such twelve-month period less (2) the Adjusted DD&A for such twelve-month period.

(iii) for the twelve-month period ended September 30, 1998, the sum of:

(a) for the period commencing on October 1, 1997, and ended on the date immediately preceding the Closing Date, the sum of:

(1) Historical EBITDA for such period, plus

(2) $20 million, minus

(3) 38% of an amount equal to (A) the sum of the amounts calculated pursuant to clauses (1) and (2) above with respect to such period less (B) the Adjusted DD&A for such period; and

(b) for the period commencing on the Closing Date and ended on September 30, 1998, the sum of:

(1) EBITDA of the Company and its subsidiaries for such period, plus

(2) $12.4 million, minus

(3) the Tax Distribution Amounts paid or to be paid in respect of each of the three Fiscal Quarters (or portion thereof) included in such period; and

(iv) for the twelve-month period ended September 30, 1999 and each twelve-month period ended September 30 thereafter, the sum of:

(a) EBITDA of the Company and its subsidiaries for such twelve-month period, minus

(b) the Tax Distribution Amounts paid or to be paid in respect of each of the four Fiscal Quarters included in such twelve-month period;

all as determined on a consolidated basis with respect to (x) in the case of any period ending prior to the Closing Date, Marathon and its subsidiaries or Ashland and its subsidiaries, as applicable, or (y) in the case of any period ending on or after the Closing Date, the Company and its subsidiaries, in each case in accordance with then Current GAAP (other than Ordinary Course Lease Expenses which shall be calculated in accordance with Applicable GAAP).

"Advanced Amount" has the meaning set forth in Section 14.01(b).

"Affiliate Transaction" means any agreement or transaction between the Company or any of its subsidiaries and any Member or any Affiliate of any Member that:

(a) for purposes of Section 7.03(a)(i), will result or is reasonably anticipated will result in expenditures, contingent or actual liabilities or benefits to the Company and its subsidiaries in excess of $2 million;

(b) for purposes of Section 7.03(b), is either (i) outside the ordinary course of the Company and its subsidiaries' business and results or will result in contingent or actual liabilities or benefits to the Company and its subsidiaries in excess of $100,000 in the applicable Fiscal Year or (ii) within the ordinary course of the Company and its subsidiaries' business and results or will result in expenditures, contingent or actual liabilities or benefits to the Company and its subsidiaries (A) in excess of $2 million individually in the applicable Fiscal Year or (B) when taken together with all other agreements or transactions entered into the same Fiscal Year as such agreement or transaction which are either related to such agreement or transaction or are substantially the same type of agreement or transaction as such agreement or transaction, in excess of $2 million in the aggregate in the applicable Fiscal Year; and

(c) for purposes of Section 8.08(k)(i), is either (i) outside the ordinary course of the Company and its subsidiaries' business and will result or is reasonably anticipated will result in expenditures, contingent or actual liabilities or benefits to the Company and its subsidiaries in excess of $2 million or (ii) within the ordinary course of the Company and its subsidiaries' business and will result or is reasonably anticipated will result in expenditures, contingent or actual liabilities or benefits to the Company and its subsidiaries in excess of $25 million.

For purposes of this definition of Affiliate Transaction, any guarantee by a Member or any Affiliate of any Member of any obligations of the Company or any of its subsidiaries that is provided by such Member or such Affiliate without cost to the Company and its subsidiaries shall not be deemed to be an Affiliate Transaction. Notwithstanding the foregoing, the term "Affiliate Transaction" shall not include any distributions of cash or other property to the Members pursuant to Article V.

"Affiliate Transaction Dispute Notice" has the meaning set forth in Section 8.11(b).

"Aggregate Tax Rate" has the meaning set forth in Section 5.01(a)(i).

"Agreed Additional Capital Contributions" has the meaning set forth in Section 4.02(c).

"Agreement" means this Limited Liability Company Agreement of the Company, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Annual Capital Budget" has the meaning set forth in Section 8.09(a).

"Applicable GAAP" has the meaning set forth in Section 1.02.

"Approved Marathon Crude Oil Purchase Program" has the meaning set forth in Section 8.12.

"Arbitratable Dispute" has the meaning set forth in Section 13.04(a).

"Arbitration Payment Due Date" has the meaning set forth in Section 14.03(a).

"Arbitration Proceeding" has the meaning set forth in Section 14.01(a).

"Arbitration Tribunal" has the meaning set forth in Appendix B.

"Arm's-Length Transaction" has the meaning set forth in Section 8.11(a).

"Ashland Designated Sublease Agreements" shall mean the Ashland Sublease Agreements attached as Exhibits L-1, L-2, L-3 and L-4 to the Asset Transfer and Contribution Agreement.

"Ashland-Funded Capital Expenditures" has the meaning set forth in Section 4.02(a).

"Audited Financial Statements" has the meaning set forth in Section 7.02(c).

"Average Annual DD&A" means:

(a) for Fiscal Year 1998, the average of the Adjusted DD&A for the three twelve-month periods ended December 31, 1995, 1996 and 1997;

(b) for Fiscal Year 1999, the average of the Adjusted DD&A (i) for the two twelve-month periods ended December 31, 1996 and 1997 and (ii) for the one twelve-month period ended September 30, 1998;

(c) for Fiscal Year 2000, the average of the Adjusted DD&A (i) for the twelve-month period ended December 31, 1997 and (ii) for the two twelve-month periods ending on September 30, 1998 and 1999; and

(d) for Fiscal Year 2001 and each Fiscal Year thereafter, the average of the Adjusted DD&A for the three twelve-month periods ending on September 30 in each of the three Fiscal Years immediately preceding such Fiscal Year.

"Average Adjusted EBITDA" means:

(a) for Fiscal Year 1998, the average of the Adjusted EBITDA for the three twelve-month periods ended December 31, 1995, 1996 and 1997;

(b) for Fiscal Year 1999, the average of the Adjusted EBITDA (i) for the two twelve-month periods ended December 31, 1996 and 1997 and (ii) for the one twelve-month period ended September 30, 1998;

(c) for Fiscal Year 2000, the average of the Adjusted EBITDA (i) for the twelve-month period ended December 31, 1997 and (ii) for the two twelve-month periods ending on September 30, 1998 and 1999; and

(d) for Fiscal Year 2001 and each Fiscal Year thereafter, the average of the Adjusted EBITDA for the three twelve-month periods ending on September 30 in each of the three Fiscal Years immediately preceding such Fiscal Year.

"Average Annual Level" means for any twelve-month period ending on September 30 of any calendar year, the average of the level of the Price Index ascertained by adding the twelve monthly levels of the Price Index during such twelve-month period and dividing the total by twelve.

"Bareboat Charters" has the meaning set forth in Section 9.3(k) of the Asset Transfer and Contribution Agreement.

"Base Level" means 161.2.

"Base Rate" has the meaning set forth in Section 1.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Board of Managers" has the meaning set forth in Section 8.02(a).

"Bulk Motor Oil Business" has the meaning set forth in Section 14.03(h) of the Put/Call, Registration Rights and Standstill Agreement.

"Business Plan" has the meaning set forth in Section 8.10.

"Capital Account" has the meaning set forth in Section 6.01.

"Capital Expenditures" means, for any period, the aggregate of all expenditures incurred by the Company and its subsidiaries during such period that, in accordance with Applicable GAAP, are or should be included in additions to property, plant or equipment or similar items reflected in the consolidated statement of cash flows of the Company and its subsidiaries; provided, however, that Capital Expenditures shall not include (a) exchanges of such items for other items, (b) expenditures of proceeds of insurance settlements by the Company or any of its subsidiaries in respect of lost, destroyed or damaged assets, equipment or other property to the extent such expenditures are made to replace or repair such lost, destroyed or damaged assets, equipment or other property within 18 months of such loss, destruction or damage, (c) funds expended by a Member or an Affiliate of a Member to purchase any Subleased Property that is contributed to the Company or a subsidiary of the Company pursuant to Section 4.01(c)(i)(A) or (d) Member-Funded Capital Expenditures; all as determined on a consolidated basis with respect to the Company and its subsidiaries in accordance with Applicable GAAP.

"Capital Lease" means any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a consolidated balance sheet of the Company and its subsidiaries in accordance with Applicable GAAP.

"Closing Date Affiliate Transactions" has the meaning set forth in Section 8.08(k)(i)(A).

"Company Independent Auditors" has the meaning set forth in Section 7.01.

"Company Investment Guidelines" has the meaning set forth in Section 8.15.

"Company Leverage Policy" has the meaning set forth in Section 8.14.

"Competitive Business" has the meaning set forth in Section 14.01(a) of the Put/Call, Registration Rights and Standstill Agreement.

"Competitive Third Party" has the meaning set forth in Section 14.01(d) of the Put/Call, Registration Rights and Standstill Agreement.

"Contracting Member" has the meaning set forth in Section 8.11(b).

"Covered Person" means any Member, any Affiliate of a Member or any officers, directors, shareholders, partners, employees, representatives or agents of a Member or their respective Affiliates, or any Representative, or any employee, officer or agent of the Company or its Affiliates.

"Critical Decision" means each Primary Critical Decision and each Other Critical Decision.

"Critical Decision Termination Date" means (a) in the case of any Other Critical Decision, the first anniversary of the Closing Date or (b) in the case of any Primary Critical Decision, the first anniversary of the Closing Date or, if the Critical Decision Termination Date shall be extended with respect to such Primary Critical Decision as provided in Section 8.19(c), the fifteen-month anniversary of the Closing Date.

"Crude Oil Purchases" means any purchase of crude oil by the Company or any of its subsidiaries from Marathon or any Affiliate of Marathon.

"Current GAAP" means, at any time, GAAP as in effect at such time.

"Delinquent Member" has the meaning set forth in Section 14.01(a).

"Designated Sublease Agreements" means the Ashland Designated Sublease Agreements and the Marathon Designated Sublease Agreements.

"Designated Sublease Amount" means any obligation of a Member to the Company or a subsidiary of the Company under Section 4.01(c) with respect to a Subleased Property or a Designated Sublease Agreement.

"Dispute" has the meaning set forth in Section 13.01.

"Dispute Notice" has the meaning set forth in Section 13.02.

"Disputed Capital Contribution Amount" has the meaning set forth in Section 13.04(a).

"Disputed Indemnification Amount" has the meaning set forth in Section 14.01(a).

"Disputed Monetary Amount" has the meaning set forth in Section 14.01(a).

"Distributable Cash" means, for each Fiscal Quarter, without duplication:

(a) the Short-Term Investments of the Company and its subsidiaries on the last day of such Fiscal Quarter, minus

(b) the Ordinary Course Debt of the Company and its subsidiaries on the last day of such Fiscal Quarter, minus

(c) the Tax Distribution Amount to be paid in respect of such Fiscal Quarter, minus

(d) funds held on the last day of such Fiscal Quarter for financing Special Projects or Permitted Capital Projects/Acquisitions, minus

(e) if the notional repayment of principal for Special Project Indebtedness or Permitted Capital Project/Acquisition Indebtedness during such Fiscal Quarter calculated using a notional repayment schedule established and approved by the Board of Managers in accordance with the Company Leverage Policy was more than the amount of actual principal repayments for such Special Project Indebtedness or Permitted Capital

Project/Acquisition Indebtedness during such Fiscal Quarter, the amount of such excess, plus

(f) if the amount of the actual principal repayments for Special Project Indebtedness or Permitted Capital Project/Acquisition Indebtedness during such Fiscal Quarter was more than the notional repayment of principal for such Special Project Indebtedness or Permitted Capital Project/Acquisition Indebtedness during such Fiscal Quarter (calculated in the manner described in clause (e) above), the amount of such excess, plus or minus

(g) any adjustments or reserves (including any adjustments for minimum cash balance requirements, including cash reserves for accrued or withheld Taxes not yet due) in the amounts and for the time periods established and approved by the Board of Managers pursuant to a vote in accordance with Section 8.07(b).

"Distribution Date" has the meaning set forth in Section 5.01(a).

"Distributions Calculation Statement" has the meaning set forth in Section 5.01(c).

"EBITDA" means for any period:

(a) net income, plus

(b) to the extent deducted in computing such net income, the sum of (i) estimated or actual Federal, state, local and foreign income tax expense, (ii) interest expense, (iii) depreciation, depletion and amortization expense, (iv) non-cash charges resulting from the cumulative effect of changes in accounting principles, and (v) non cash lower of cost or market inventory or fixed asset writedowns; minus

(c) to the extent added in computing such net income, (i) any interest income (excluding interest income on accounts receivable related to marketing programs), (ii) non-cash gains resulting from the cumulative effect of changes in accounting principles and (iii) non-cash lower of cost or market inventory or fixed asset gains;

all as determined on a consolidated basis (x) in the case of any period ended prior to the Closing Date, Marathon and its subsidiaries or Ashland and its subsidiaries, as applicable, or (y) in the case of any period ending on or after the

Closing Date, with respect to the Company and its subsidiaries, in each case in accordance with then Current GAAP. For purposes of this definition, depreciation, depletion and amortization expense will include any gains (deductions from depreciation, depletion and amortization) or losses (additions to depreciation, depletion and amortization) on asset retirements and excess purchase price amortization adjustments. For the avoidance of doubt, EBITDA shall not include any revenues or expenses constituting Member-Funded Capital Expenditures or Member-Indemnified Expenditures.

"Executive Officers" has the meaning set forth in Section 9.01(a).

"Final Monetary Amount" has the meaning set forth in Section 14.03(a).

"Financed Properties" means each of the properties listed in Schedule 1.01.

"Fiscal Quarter" means the three-month period ended March 31, June 30, September 30 and December 31 of each Fiscal Year.

"Fiscal Year" has the meaning set forth in Section 6.05.

"Fuelgas Interest" means the 1% interest in the Company which is owned by Fuelgas.

"GAAP" means United States generally accepted accounting principles applied on a consistent basis.

"Garyville Propylene Upgrade Project" means the propylene splitter with a capacity of approximately 800 million pounds per year that is being constructed at the Garyville refinery for the production of propylene.

"Historical EBITDA" means for any period ending prior to the Closing Date the sum of:

(a) EBITDA of the Marathon Business for such period as adjusted for each of the "EBIT Adjustment" items set forth in lines 10-55 of Schedule B-1 and each of the "Depreciation Adjustment" items set forth in lines 133 through 150 of Schedule B-1, in each case calculated for such period in the same manner that such adjustments were calculated in Schedule B-1, plus

(b) EBITDA of the Ashland Business for such period as adjusted for each of the "EBIT Adjustment" items set forth in lines 11-56 of Schedule B-2 and each of the "Depreciation Adjustment" items set forth in lines 111-120 of Schedule B-2, in each case calculated for such period in the same manner that such adjustments were calculated in Schedule B-2;

all determined on a consolidated basis with respect to Marathon and its subsidiaries or Ashland and its subsidiaries, as applicable, in accordance with then Current GAAP.

"Initial GAAP" has the meaning set forth in Section 1.02.

"Initial Term" has the meaning set forth in Section 2.03.

"Make-Up Expense" has the meaning set forth in Section 6.02(d).

"Maralube Express Business" has the meaning set forth in Section 14.03(d)(i) of the Put/Call, Registration Rights and Standstill Agreement.

"Marathon Crude Oil Purchase Program" has the meaning set forth in Section 8.12.

"Marathon Designated Sublease Agreements" shall mean the Marathon Sublease Agreements attached as Exhibits E-1, E-2 and E-3 to the Asset Transfer and Contribution Agreement.

"Marathon-Funded Capital Expenditures" has the meaning set forth in Section 4.02(a).

"Material Adverse Effect" has the meaning set forth in the Asset Transfer and Contribution Agreement.

"Member-Funded Capital Expenditures" has the meaning set forth in Section 4.02(a).

"Member-Indemnified Expenditures" has the meaning set forth in Section 4.02(b).

"Monetary Dispute" has the meaning set forth in Section 14.01(a).

"Non-Contracting Member" has the meaning set forth in Section 8.11(b).

"Non-Delinquent Member" has the meaning set forth in Section 14.01.

"Non-Terminating Member" has the meaning set forth in the Put/Call, Registration Rights and Standstill Agreement.

"Normal Annual Capital Budget Amount" means, for each Fiscal Year, an amount equal to the sum of:

(i) an amount equal to 130% of the Average Annual DD&A for such Fiscal Year, plus

(ii) if, with respect to any Fiscal Year, (a) the Average Adjusted EBITDA for such Fiscal Year less the amount calculated pursuant to clause (i) above for such Fiscal Year exceeds (b) $240 million (such excess, the "Excess EBITDA" for such Fiscal Year), the sum of (1) the lesser of: (x) 10% of the Average Annual DD&A for such Fiscal Year and (y) the Excess EBITDA for such Fiscal Year and (2) 50% of the amount by which the Excess EBITDA for such Fiscal Year exceeds an amount equal to 10% of the Average Annual DD&A for such Fiscal Year.

An example of the calculation of Adjusted DD&A, Adjusted EBITDA, Average Annual DD&A, Average Adjusted EBITDA and the Normal Annual Capital Budget Amount is shown in Schedule A. In the event of any inconsistency between such Schedule A and the language of this definition of Normal Annual Capital Budget Amount, neither shall control over the other.

"Offer Notice" has the meaning set forth in Section 10.04(a).

"Ordinary Course Debt" means, without duplication, the aggregate outstanding principal amount of all loans and advances under any committed or uncommitted credit facilities (including any commercial paper borrowings or borrowings under the Revolving Credit Agreement, but excluding trade payables), provided that Ordinary Course Debt shall not include any Permitted Intercompany Debt, any Special Project Indebtedness or any Permitted Capital Project Indebtedness.

"Ordinary Course Lease Expense" means, with respect to any Fiscal Year, the rental or lease expense for such Fiscal Year of assets rented or financed by operating leases (as determined in accordance with Applicable GAAP).

"Original Lease" means the lease or charter underlying a Marathon Designated Sublease Agreement or an Ashland Designated Sublease Agreement in which Marathon or Ashland, as applicable, is the lessee or charterer.

"Other Critical Decision" means each of the Level III decisions set forth in paragraphs 2(c)(iii), (v), (vii), (viii) and (ix) of the Retail Integration Protocol.

"Packaged Motor Oil Business" has the meaning set forth in Section 14.03(h) of the Put/Call, Registration Rights and Standstill Agreement.

"Percentage Interest" has the meaning set forth in Section 3.01.

"Permitted Capital Project/Acquisition Indebtedness" has the meaning set forth in the Company Leverage Policy.

"Permitted Intercompany Debt" has the meaning set forth in the Company Leverage Policy.

"Price Index" means the Consumer Price Index for All Urban Consumers of the United States Department of Labor Bureau of Labor Statistics for all Urban Areas (on the 1982-84 equals 100 standard).

"Primary Critical Decision" means each of the Level III decisions set forth in paragraphs 2(c)(i), (ii), (iv) and (vi) of the Retail Integration Protocol.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by Citibank, NA, as its prime rate in effect at its principal office in New York; each change in the Prime Rate shall be effective on the date such change is publicly announced as being effective.

"Private Label Packaged Motor Oil Business" has the meaning set forth in Section 14.03(h) of the Put/Call Registration Rights and Standstill Agreement.

"Profit and Loss", as appropriate, means, for any period, the taxable income or tax loss of the Company and its subsidiaries under Code Section 703(a) and Treasury Regulation Section 1.703-1 for the Fiscal Year, adjusted as follows:

(a) All items of income, gain, loss or deduction required to be separately stated pursuant to Code Section 703(a)(1) shall be included;

(b) Tax exempt income as described in Code Section 705(a)(1)(B) realized by the Company during such Fiscal Year shall be taken into account as if it were taxable income;

(c) Expenditures of the Company described in Code Section 705(a)(2)(B) for such Fiscal Year, including items treated under Treasury Regulation Section .704-1(b)(2)(iv)(i) as items described in Code Section 705(a)(2)(B), shall be taken into account as if they were deductible items;

(d) With respect to any property (other than money) which has been contributed to the capital of the Company, "Profit" and "Loss" shall be computed in accordance with the provisions of Treasury Regulation Section 1.704-1(b)(2)(iv)(g) by computing depreciation, amortization, income, gain, loss or deduction based upon the fair market value of such property at the date of contribution. Book depreciation (as that term is used in Treasury Regulation Section 1.704-(b)(2)(iv)(g)(3)) for any asset contributed to the Company that was fully depreciated for federal income tax purposes as of the date of its contribution shall be based on the applicable recovery period (as determined in Code Section 168(c)) for new assets of the same type;

(e) With respect to any property of the Company which has been revalued as required or permitted by Treasury Regulations under Code Section 704(b), "Profit" or "Loss" shall be determined based upon the fair market value of such property as determined in such revaluation; and

(f) With respect to any property of the Company which (i) is distributed in kind to a Member, or (ii) has been revalued under Section 6.03 upon the occurrence of any event specified in Treasury Regulation Section 1.704-1(b)(2)(iv)(f), the difference between the adjusted basis for federal income tax purposes and the fair market value shall be treated as gain or loss upon the disposition of such property.

"Qualified Candidate" has the meaning set forth in Section 9.02(c).

"Quick Lube Business" has the meaning set forth in Section 14.03(h) of the Put/Call, Registration Rights and Standstill Agreement.

"Refundable Amount" has the meaning set forth in Section 14.03(d).

"Representatives" has the meaning set forth in Section 8.01

"Response" has the meaning set forth in Section 13.02.

"Retail Integration Protocol" means the Speedway SuperAmerica LLC Retail Integration Protocol attached hereto as Exhibit A.

"Revolving Credit Agreement" has the meaning set forth in Section 2.2(a) of the Master Formation Agreement.

"Section 8.11(b) Affiliate Transaction" has the meaning set forth in Section 8.11(b).

"Security Interest" has the meaning set forth in Section 14.05(a).

"Selling Member" has the meaning set forth in Section 10.04(a).

"Senior Manager" has the meaning set forth in Section 13.02.

"Shared Service" means an administrative service that is provided to the Company or its subsidiaries by Marathon, Ashland or any of their respective Affiliates pursuant to the Shared Services Agreement or provided to Marathon, Ashland or any of their respective Affiliates by the Company or its subsidiaries pursuant to the Shared Services Agreement.

"Shared Services Agreement" means the Shared Services Agreement by and among Marathon, Ashland and the Company, including the Schedules thereto, attached as Exhibit U to the Asset Transfer and Contribution Agreement.

"Short-Term Investments" means, without duplication, collected or available bank cash balances, the fair market value of any investment made by the Company or any of its subsidiaries pursuant to the Company's Investment Guidelines and the fair market value of any investment made by the Company or any of its subsidiaries that should have been made pursuant to the Company's Investment Guidelines, but excluding Incidental Cash and any cash balances that represent uncollected funds.

"Significant Shared Service" means (a) any Shared Service related to the Treasury and Cash Management function and (b) any Shared Service (or group of related Shared

Services) that results or is reasonably anticipated to result in the payment by or to the Company or any of its subsidiaries of more than $2 million in any contract year in the period during which such Shared Service will be provided. For purposes of determining whether the $2 million threshold of this definition has been satisfied, payments for all Shared Services in each of the following general administrative areas shall be aggregated within each area specified below and considered related Shared Services: Human Resources; Health, Environment and Safety; Law; Public Affairs; Governmental Affairs; Finance and Accounting (including Internal Audit); Administrative Services; Information Technology Services; Procurement; Business Development; Aviation; Engineering and Technology; Economics; and Security.

"Sole Arbitrator" has the meaning set forth in Appendix B.

"Special Project" has the meaning set forth in the Company Leverage Policy.

"Special Project Indebtedness" has the meaning set forth in the Company Leverage Policy.

"Special Termination Right" has the meaning set forth in Section 2.01(a) of the Put/Call, Registration Rights and Standstill Agreement.

"Subleased Property" has the meaning set forth in Section 4.01(c).

"Super Majority Decision" has the meaning set forth in Section 8.08.

"Surplus Cash" has the meaning assigned to such term in the Company Leverage Policy.

"Tax Distribution Amount" has the meaning set forth in Section 5.01(a).

"Tax Liability" means, with respect to a Fiscal Year, a Member's liability for Federal, state, local and foreign taxes attributable to taxable income allocated to such Member pursuant to Section 6.03 and Section 10.03, taking into account any Tax deduction or loss specifically allocated to a Member pursuant to this Agreement or any other Transaction Document.

"Term of the Company" has the meaning set forth in Section 2.03.

"Terminating Member" has the meaning set forth in Section 2.01(a) of the Put/Call, Registration Rights and Standstill Agreement.

"Unaudited Financial Statements" has the meaning set forth in Section 7.02(a).

"Valvoline Business" has the meaning set forth in Section 14.03(h) of the Put/Call, Registration Rights and Standstill Agreement.

SECTION 1.02. Applicable GAAP. In connection with the calculation pursuant to this Agreement of Adjusted DD&A, Capital Expenditures or Ordinary Course Lease Expenses, the determination of whether a lease is a Capital Lease or the determination of whether the Company has entered into an operating lease for purposes of Section 8.16 (each such calculation or determination, an "Accounting Determination"), the Company shall apply then Current GAAP; provided, however, that if at any time after January 1, 1998, a change shall occur in GAAP which would result in any Accounting Determination being different under Current GAAP than such Accounting Determination would have been under GAAP as in effect on January 1, 1998 ("Initial GAAP"), then (a) the Members shall negotiate in good faith to make such amendments to the relevant provisions of this Agreement as shall be required to preserve the economic and other results intended by the Members as of January 1, 1998 with respect to such Accounting Determination and (b) unless and until such time as the Members shall in good faith mutually agree to such amendments, Initial GAAP shall be applied to make such Accounting Determination or, if the Members shall have previously amended the relevant provisions of this Agreement pursuant to this Section 1.02 in response to a prior change in GAAP, then GAAP as in effect at the time the most recent such previous amendment was made shall be used to make such Accounting Determination (the GAAP that is actually applied by the Company in making any such Accounting Determination pursuant to this Agreement being the "Applicable GAAP").

ARTICLE II

General Provisions

SECTION 2.01. Formation; Effectiveness. The Company has been formed as a limited liability company pursuant to the provisions of the Delaware Act by the filing of the Certificate of Formation with the Secretary of State of the State of Delaware. Pursuant to Section 18-201(d) of the Delaware Act, the provisions of this Agreement shall be

effective as of the Closing Date. Each Member hereby adopts, confirms and ratifies the Certificate of Formation and all acts taken in connection therewith. Ashland shall be admitted as a member of the Company upon its execution and delivery of this Agreement. Except as provided in this Agreement, the rights, duties, liabilities and powers of the Members shall be as provided in the Delaware Act.

SECTION 2.02. Name. The name of the Company shall be Marathon Ashland Petroleum LLC. The Board of Managers may adopt such trade or fictitious names as it may determine.

SECTION 2.03. Term. Subject to the provisions of Article XV providing for early termination in certain circumstances and the provisions of Article IX of the Put/Call, Registration Rights and Standstill Agreement, the initial term of the Company (the "Initial Term") began on the date the Certificate of Formation was filed with the Secretary of State of the State of Delaware, and shall continue until the close of business on December 31, 2022 and, thereafter, the term of the Company shall be automatically extended for successive 10-year periods unless at least two years prior to the end of the Initial Term or any succeeding 10-year period, as applicable, a Member notifies the Board of Managers and the other Member in writing that it wants to terminate the term of the Company at the end of the Initial Term or such 10-year period, in which event, the term of the Company shall not thereafter be extended for a successive ten-year term. The President of the Company shall notify each Member in writing at least six months prior to each such two-year notification date that the Term of the Company will be automatically extended unless a Member provides a notice to the contrary pursuant to this Section 2.03. The failure of the President of the Company to give such notice, or any defect in any notice so given, shall not affect the Members' rights to terminate the Term of the Company pursuant to this Section 2.03, and shall not result in a termination of the Term of the Company unless a Member provides a notice to the contrary pursuant to this Section 2.03. The Initial Term, together with any such extensions, is hereinafter referred to as the "Term of the Company". The existence of the Company as a separate legal entity shall continue until the cancelation of the Certificate of Formation in the manner provided in the Delaware Act.

SECTION 2.04. Registered Agent and Office. The name of the registered agent of the Company for service of process on the Company in the State of Delaware is The Corporation Trust Company, and the address of the registered

agent and the address of the office of the Company in the State of Delaware is c/o The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801. The Board of Managers may change such office and such agent from time to time in its sole discretion.

SECTION 2.05. Purpose. (a) The purpose of the Company is to engage in any lawful act or activity for which a limited liability company may be formed under the Delaware Act (either directly or indirectly through one or more subsidiaries). It is the Members' understanding and intent that (i) the Company will be an independent, self-funding entity, (ii) no additional capital contributions are expected to be required by the Members and (iii) the administrative requirements of the Company will generally be provided by the Company's own employees. In furtherance of this understanding and intent, and without limiting the generality of the foregoing, unless the Members shall mutually agree otherwise, the following administrative functions and services shall be provided substantially by the Company and its subsidiaries' employees (or by its unaffiliated third party contractors) under the supervision and control of the Company's officers: Human Resources; Health, Environment and Safety; Law; Finance and Accounting; Internal Audit; Treasury and Cash Management; and Information Technology. For the avoidance of doubt, the Members acknowledge and agree that the provision at any time of the specific Shared Services identified and described in Schedule 10.2(e) to the Marathon Asset Transfer and Contribution Agreement Disclosure Letter and Schedule 10.2(e) to the Ashland Asset Transfer and Contribution Agreement Disclosure Letter to the Company and its subsidiaries by the Members shall not be deemed to violate the requirements of the immediately preceding sentence.

(b) The Company, and the President on behalf of the Company, may enter into and perform the Transaction Documents and the Commercial Documents to which the Company is a party without any further act, vote or approval of the Board of Managers or the Members notwithstanding any other provision of this Agreement, the Delaware Act or other Applicable Law. The President of the Company is hereby authorized to enter into such Transaction Documents and such Commercial Documents on behalf of the Company, but such authorization shall not be deemed a restriction on the power of the Board of Managers to enter into other agreements on behalf of the Company.

SECTION 2.06. Powers. In furtherance of its purposes, but subject to all the provisions of this

Agreement, the Company shall have the power and is hereby authorized to:

(a) acquire by purchase, lease, contribution of property or otherwise, own, operate, hold, sell, convey, transfer or dispose of any real or personal property which may be necessary, convenient or incidental to the accomplishment of the purpose of the Company;

(b) act as a trustee, executor, nominee, bailee, director, officer, agent or in some other fiduciary capacity for any person or entity and to exercise all the powers, duties, rights and responsibilities associated therewith;

(c) take any and all actions necessary, convenient or appropriate as trustee, executor, nominee, bailee, director, officer, agent or other fiduciary, including the granting or approval of waivers, consents or amendments of rights or powers relating thereto and the execution of appropriate documents to evidence such waivers, consents or amendments;

(d) borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Company, and secure the same by mortgage, pledge or other lien on the assets of the Company;

(e) invest any funds of the Company pending distribution or payment of the same pursuant to the provisions of this Agreement;

(f) prepay in whole or in part, refinance, recast, increase, modify or extend any Indebtedness of the Company and, in connection therewith, execute any extensions, renewals or modifications of any mortgage or security agreement securing such Indebtedness;

(g) enter into, perform and carry out contracts of any kind, including, without limitation, contracts with any person or entity affiliated with any of the Members, necessary to, in connection with, convenient to, or incidental to the accomplishment of the purposes of the Company;

(h) employ or otherwise engage employees, managers, contractors, advisors, attorneys and consultants and pay reasonable compensation for such services;

(i) enter into partnerships, limited liability companies, trusts, associations, corporations or other ventures with other persons or entities in furtherance of the purposes of the Company; and

(j) do such other things and engage in such other activities related to the foregoing as may be necessary, convenient or incidental to the conduct of the business of the Company, and have and exercise all of the powers and rights conferred upon limited liability companies formed pursuant to the Delaware Act.

ARTICLE III

Members

SECTION 3.01. Members; Percentage Interests. The names and addresses of the Members and their respective percentage interests in the Company ("Percentage Interests") are as follows:

Members	Percentage Interests
Marathon Oil Company 5555 San Felipe P.O. Box 3128 Houston, TX 77056-2723	62%
Ashland Inc. 50 East RiverCenter Boulevard P.O. Box 391 Covington, KY 41012-0391	38%

Marathon's Percentage Interest shall be deemed to include the Fuelgas Interest. Promptly after the Closing, Marathon will cause Fuelgas to merge with and into Marathon.

SECTION 3.02. Adjustments in Percentage Interests. Marathon's and Ashland's Percentage Interests, and the Percentage Interests of each other Member, if any, shall be adjusted (a) at the time of any Transfer of such Member's Membership Interests pursuant to Section 10.02 and (b) at the time of the admission of each new Member pursuant to such terms and conditions as the Board of Managers from time to time shall determine pursuant to a vote in accordance with Section 8.07(b), in each case to take into account such Transfer or admission of a new Member.

ARTICLE IV

Capital Contributions; Assumption of Assumed Liabilities

SECTION 4.01. Contributions. (a) On or before the Closing Date, Marathon shall contribute, convey, transfer, assign and deliver to the Company or shall have contributed, conveyed, transferred, assigned and delivered to the Company, the Marathon Transferred Assets, and Ashland shall contribute, convey, transfer, assign and deliver to the Company or shall have contributed, conveyed, transferred, assigned and delivered to the Company, the Ashland Transferred Assets, in each case pursuant to terms and conditions of the Asset Transfer and Contribution Agreement. In addition, any additional assets that Marathon or Ashland are required to contribute, convey, transfer, assign and deliver to the Company at a later date pursuant to the terms and conditions of the Asset Transfer and Contribution Agreement shall be so contributed at such later date.

(b) The Company shall assume, as of the Closing Date, the Assumed Liabilities pursuant to the terms of the Asset Transfer and Contribution Agreement.

(c) Payments or Damages under Designated Sublease Agreements as Contributions. (i) Each Member has agreed, pursuant to the Designated Sublease Agreements to which it is a party, to sublease to the Company or one of its subsidiaries the assets or property listed on Schedule 4.01(c) ("Subleased Property") for a nominal consideration in lieu of transferring such property to the Company or such subsidiary, free of any Liens, other than Permitted Encumbrances, as a capital contribution.

(A) If at any time after January 1, 1998 a Member in its capacity as a sublessor shall become the owner of any Subleased Property, such Member shall promptly contribute, convey, transfer, assign and deliver to the Company (or, if the Company so directs, to one of its subsidiaries) at no cost to the Company or such subsidiary, and the Company hereby agrees to accept, or to cause such subsidiary to accept, such Subleased Property and the related Designated Sublease Agreement shall be terminated with respect to such Subleased Property, all as more specifically set forth in such Designated Sublease Agreement. In addition, if at any time after January 1, 1998 a Member assigns to the Company (or a subsidiary of the Company) a purchase option with respect to a Subleased Property pursuant to a Designated Sublease Agreement and the Company or such

subsidiary exercises such purchase option and pays all or a portion of the purchase price therefor, such Member shall promptly reimburse the Company or such subsidiary such amount so paid and, if not so reimbursed, such amount shall be subject to set-off pursuant to Section 14.04. Any such payment by the Company shall be treated as a distribution to the appropriate Member for capital account purposes, and any such amount paid to the Company or such subsidiary by a Member in connection with such reimbursement obligation, or to the extent of a set-off applied pursuant to Section 14.04 as a result of such failure to so reimburse, shall be treated as a capital contribution to the Company.

(B) Any amount paid by the Company or any of its subsidiaries under a Designated Sublease Agreement to cure or prevent a payment default by the sublessor Member under the underlying Original Lease shall be reimbursed to the Company or such subsidiary by such Member, and if not so reimbursed, shall be subject to set-off pursuant to Section 14.04. Any such payment by the Company shall be treated as a distribution to the appropriate Member for capital account purposes, and any such amount paid to the Company or such subsidiary by a Member in connection with a default of its payment obligations under its respective Designated Sublease Agreements, or to the extent of a set-off applied pursuant to Section 14.04 as a result of such default, shall be treated as a capital contribution to the Company.

(C) None of the capital contributions pursuant to (A) and (B) above shall result in any adjustment to the Members' respective Percentage Interests in the Company.

(ii) If (A) a Member commences a voluntary case under any applicable bankruptcy, insolvency, liquidation, receivership, reorganization or other similar law now in effect, or an order for relief is entered against such Member in an involuntary case under any such law and (B) a trustee of such Member rejects a Designated Sublease Agreement of such Member, then (1) the Member shall be obligated to reimburse the Company for the Loss to the Company as a result of such rejected Designated Sublease Agreement, which Loss, if not so reimbursed, shall be subject to set-off pursuant to Section 14.04 prior to the interest of such Member in any distributions hereunder and (2) the amount of such Loss shall be deemed to be the loss of use of such

Subleased Property for the economic life thereof rather than any other period.

SECTION 4.02. Additional Contributions. (a) Member-Funded Capital Expenditures. For each Capital Expenditure project identified on Schedule 4.02(a)-1, Marathon shall contribute to the Company the amount of funds necessary to comply with its obligations under Section 7.1(j) of the Asset Transfer and Contribution Agreement with respect to such Capital Expenditure project as, when and if the Company actually incurs Capital Expenditures related to such Capital Expenditure project (such Capital Expenditures, as, when and if they are funded by Marathon, are referred to herein as the "Marathon-Funded Capital Expenditures"). For each Capital Expenditure project identified on Schedule 4.02(a)-2, Ashland shall contribute to the Company the amount of funds necessary to comply with its obligations under Section 7.2(k) of the Asset Transfer and Contribution Agreement with respect to such Capital Expenditure project as, when and if the Company actually incurs Capital Expenditures related to such Capital Expenditure project (such Capital Expenditures, as, when and if they are funded by Ashland, are referred to herein as the "Ashland-Funded Capital Expenditures", and together with the Marathon-Funded Capital Expenditures, the "Member-Funded Capital Expenditures"). Each Member-Funded Capital Expenditure shall be treated as a capital contribution to the Company, but shall not result in any adjustment to the Members' respective Percentage Interests in the Company. To the extent permitted by applicable Tax law, any Tax deduction by the Company of a Member-Funded Capital Expenditure shall be specially allocated so that each Member will have the Tax benefit of its Member-Funded Capital Expenditures.

(b) Indemnification Payments as Contributions. Any indemnity amount paid by Marathon or Ashland to the Company under Article IX of the Asset Transfer and Contribution Agreement (each a "Member-Indemnified Expenditure") shall be treated as a capital contribution to the Company, but shall not result in any adjustment to the Members' respective Percentage Interests in the Company. A determination of whether the associated Loss will be deducted or capitalized by the Company for Tax purposes shall be made by the Company at the direction of the Indemnifying Party. Any Tax deduction or loss claimed by the Company with respect to the indemnified amount shall be specially allocated to the Indemnifying Party.

(c) Other Additional Capital Contributions. The Members shall make other additional capital contributions

("Agreed Additional Capital Contributions") pro rata based on their respective Percentage Interests if and to the extent such capital contributions are approved by the Board of Managers pursuant to a vote in accordance with Section 8.07(b).

(d) No Third-Party Beneficiaries. The provisions of this Agreement, including without limitation, this Section 4.02, are intended solely to benefit the Members and, to the fullest extent permitted by Applicable Law, shall not be construed as conferring any benefit upon any creditor of the Company other than the Members, and no such creditor of the Company other than the Members shall be a third-party beneficiary of this Agreement, and no Member or member of the Board of Managers shall have any duty or obligation to any creditor of the Company to issue any call for capital pursuant to this Agreement.

SECTION 4.03. Negative Balances; Withdrawal of Capital; Interest. Neither of the Members shall have any obligation to the Company or to the other Member to restore any negative balance in its Capital Account. Neither Member may withdraw capital or receive any distributions from the Company except as specifically provided herein. No interest shall be paid by the Company on any capital contributions.

ARTICLE V

Distributions

SECTION 5.01. Distributions. (a) Within 45 days after the end of each Fiscal Quarter during each Fiscal Year, the Company shall distribute to the Members (the date of such distribution being a "Distribution Date") an amount in cash (the "Tax Distribution Amount") determined as follows:

(i) The maximum Tax Liability of each Member with respect to its allocable portion (as provided in Section 6.03) of the Company's estimated taxable income for the portion of such Fiscal Year ending on the last day of such Fiscal Quarter shall be determined, based upon the highest aggregate marginal statutory Federal, state and local income tax rate (determined taking into account the deductibility, to the extent allowed, of income-based taxes paid to governmental entities) to which any Member may be subject for the related Fiscal Year (and excluding any deferred taxes) (the "Aggregate Tax Rate").

(ii) If the Tax Liability determined in clause (i) is positive with respect to either Member, there shall be a cash distribution to each of the Members, in accordance with their Percentage Interests, of an aggregate amount such that neither Member shall have received distributions under this clause and subsection (b) below for such portion of such Fiscal Year in an amount less than its Tax Liability for such portion of such Fiscal Year.

(iii) Following a determination by the Company of the Company's actual net taxable income with respect to a Fiscal Year, the maximum Tax Liability of each Member with respect to its allocable portion (as provided in Section 6.03) of the Company's net taxable income for such Fiscal Year shall be determined, based upon the Aggregate Tax Rate. If the maximum Tax Liability of any Member for the Fiscal Year is in excess of the cash distributions previously made to the Member for such Fiscal Year under clause (ii) above and subsection (b) below, the Company shall make a cash distribution to all the Members, in accordance with their Percentage Interests, of an aggregate amount such that the excess is eliminated for all the Members. Such distribution shall be made within 45 days of the date the Company's actual net taxable income is determined.

(iv) In the event that the Company Independent Auditors determine pursuant to Section 7.02(d) that the Company's actual net taxable income with respect to a Fiscal Year is greater than the amount determined by the Company pursuant to clause (iii) above, the Company shall make a determination of the amount of cash, if any, required to be distributed to the Members, in accordance with their Percentage Interests, such that, after taking into account cash distributions previously made to a Member under clauses (ii) and (iii) above and subsection (b) below, no Member shall receive less than its Tax Liability for such Fiscal Year based on such higher net taxable income amount. The Company shall, within 15 days after the determination is made, distribute such additional amount of cash to the Members, in accordance with their Percentage Interests.

(v) In the event that the Company Independent Auditors determine pursuant to Section 7.02(d) that the Company's actual net taxable income with respect to a Fiscal Year is less than the amount determined by the Company pursuant to clause (iii) above, a determination shall be made of the excess Tax Distribution Amount that was distributed to the Members in respect of such

Fiscal Year based on the Company's determination of its actual net taxable income and the Company shall deduct from the next Tax Distribution Amount payable to the Members pursuant to this Section 5.01, the amount of such excess distribution.

(b) In addition to the distributions pursuant to Section 5.01(a), on each Distribution Date, the Company shall distribute to the Members all Distributable Cash for the Fiscal Quarter to which such Distribution Date relates provided, however, that the distribution of (i) Distributable Cash pursuant to this paragraph 5.01(b) or (ii) cash pursuant to Section 5.01(a) above, in each case with respect to any Fiscal Quarter may be made in such other manner and in such other amount as the Members shall agree with respect to such Fiscal Quarter; provided, further, however, that any agreement by any Member with respect to the distribution of either Distributable Cash pursuant to this paragraph 5.01(b) or cash pursuant to Section 5.01(a) for any Fiscal Quarter pursuant to the preceding proviso shall not alter or waive any of the rights of either Member under this Agreement with respect to distributions of Distributable Cash pursuant to this paragraph 5.01(b) or cash pursuant to Section 5.01(a) with respect to any subsequent Fiscal Quarter. Subject to Section 5.02(b), each such distribution shall be allocated between the Members pro rata based upon their respective Percentage Interests.

(c) The Company shall prepare and distribute to each Member within 45 days after the end of each Fiscal Quarter a statement (a "Distributions Calculation Statement") setting forth the calculations (in reasonable detail) used by the Company for purposes of distributions pursuant to this Section 5.01 of (i) the Tax Distribution Amount for each Member for such Fiscal Quarter, (ii) the amount of Distributable Cash for such Fiscal Quarter and (iii) the allocation of such Distributable Cash between the Members.

(d) Notwithstanding anything to the contrary in this Agreement, any agreement reached between the Members to distribute any amount of cash different from the amounts which would be calculated in accordance with the methodology set forth in Section 5.01(a) and Section 5.01(b) above shall not alter or waive in any manner the obligations of the Company to prepare and deliver the Distributions Calculation Statement as set forth in Section 5.01(c) above, and after any such agreement has been reached the Company shall continue to prepare and deliver such Distribution Calculation Statement with respect to each Fiscal Quarter as if no such agreement had been reached.

SECTION 5.02. Certain General Limitations. (a) Notwithstanding any provision to the contrary contained in this Agreement, the Company, and the Board of Managers on behalf of the Company, shall not be required to make a distribution to either Member with respect to such Member's Membership Interests if such distribution would violate Section 18-607 of the Delaware Act or other applicable law.

(b) Notwithstanding any other provision of this Article V, all amounts distributed to the Members in connection with a dissolution of the Company or the sale or other disposition of all or substantially all the assets of the Company that results in a dissolution of the Company shall be distributed to the Members in accordance with their respective Capital Account balances, as adjusted pursuant to Article VI for all Company operations up to and including the date of such distribution.

SECTION 5.03. Distributions in Kind. The Company shall not distribute to the Members any assets in kind unless approved by the Board of Managers pursuant to a vote in accordance with Section 8.07(b). If cash and property in kind are to be distributed simultaneously, the Company shall distribute such cash and property in kind in the same proportion to each Member, unless otherwise approved by the Board of Managers pursuant to a vote in accordance with Section 8.07(b). For purposes of determining amounts distributable to Members under Section 5.01, for purposes of determining Profit and Loss under Section 1.01, for purposes of making adjustments to Capital Accounts under Article VI and for purposes of allocations under Article VI, any property to be distributed in kind shall have the value assigned to such property by the Board of Managers pursuant to a vote in accordance with Section 8.07(b) and such value shall be deemed to be part of and included in Distributable Cash for purposes of determining distributions to the Members under this Agreement.

SECTION 5.04. Distributions in the Event of an Exercise of the Marathon Call Right, Ashland Put Right or the Special Termination Rights. In the event of an exercise by Marathon of its Marathon Call Right or its Special Termination Right or the exercise by Ashland of its Ashland Put Right or its Special Termination Right pursuant to the Put/Call, Registration Rights and Standstill Agreement, certain distributions to Ashland or Marathon, as applicable, will be suspended in accordance with the provisions of Section 5.01 thereof.

ARTICLE VI

Allocations and Other Tax Matters

SECTION 6.01. Maintenance of Capital Accounts. An account (a "Capital Account") shall be established and maintained in the Company's books for each Member in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv) and to which the following provisions apply to the extent not inconsistent with such Regulation:

(a) There shall be credited to each Member's Capital Account (i) the amount of money contributed by such Member to the Company (including liabilities of the Company assumed by such Member as provided in Treasury Regulation Section 1.704-1(b)(2)(iv)(c)), (ii) the fair market value of any property contributed by the Member to the Company (net of liabilities secured by such contributed property that the Company is considered to assume or take subject to under Code Section 752), and (iii) such Member's share of the Company's Profit;

(b) There shall be debited from each Member's Capital Account (i) the amount of money distributed to such Member by the Company (including liabilities of such Member assumed by the Company as provided in Treasury Regulation Section 1.704-1(b)(2)(iv)(c)) other than amounts which are in repayment of debt obligations of the Company to such Member, (ii) the fair market value of property distributed to such Member (net of liabilities secured by such property that such Member is considered to assume or take subject to under Code Section 752), and (iii) such Member's share of the Company's Loss;

(c) To each Member's Capital Account there shall be credited, in the case of an increase, or debited, in the case of a decrease, such Member's share of any adjustment to the adjusted basis of Company assets pursuant to Code Section 734(b) or Code Section 743(b) to the extent provided by Treasury Regulation Section 1.704-(b)(2)(iv)(m); and

(d) Upon the transfer of all or any part of the Membership Interests of a Member, the Capital Account of the transferee Member shall include the portion of the Capital Account of the transferor Member attributable to such transferred Membership Interest (or portion thereof).

SECTION 6.02. Allocations. (a) Except as provided in Section 6.02(b), 6.02(c), 6.02(d) and 6.02(e), Profit or Loss for any Fiscal Year shall be allocated

between the Members in proportion to their respective Percentage Interests.

(b) To the extent any Tax deduction or loss is specifically allocated to a Member pursuant to this Agreement (other than pursuant to Section 6.03) or any other Transaction Document, including any deduction or loss indemnified by a Member, any Member-Funded Capital Expenditure, any Member-Indemnified Expenditure and any special allocations pursuant to Sections 6.12, 6.13, 6.14, 6.15 and 6.16 the associated Profit and Loss shall be allocated to the same Member.

(c) Depreciation and amortization with respect to any asset contributed by a Member to the Company shall be allocated solely to such Member.

(d) If any asset contributed by a Member is sold or otherwise disposed of prior to the time such asset has been completely depreciated or amortized for Federal income tax purposes, the Member contributing such property shall be allocated an expense ("Make-Up Expense") equal to (i) the remaining tax basis of the asset at the time of the sale or other disposition, multiplied by (ii) the other Member's Percentage Interest at the time of such sale or other disposition. The contributing Member shall be allocated Make-Up Expense over the remaining tax life of the asset at the time of sale or other disposition at the same rate as depreciation or amortization would have been allocated to such Member if the sale or other disposition had not occurred. Make-Up Expense allocated to a Member shall be taken from and reduce the amount of expenses allocated to the other Member. The purpose for this provision is to allocate to a Member, with respect to depreciable or amortizable assets contributed by such Member, a total amount of deductions and cost recovery allowances equal to 100% of the basis of such assets at the time of contribution.

(e) In the event that the Company sells or otherwise disposes of all or substantially all its assets or engages in any other transaction that will lead to a liquidation of the Company, then, notwithstanding the foregoing provisions of this Section 6.02, (i) any Profit or Loss realized by the Company in such transaction and (ii), to the extent necessary, any other Profit or Loss in the Fiscal Year such transaction occurs or thereafter (and, in each case, to the extent necessary, constituent items of income, gain, loss, deduction and credit) shall be specially allocated as between the Members as required so as to cause

in so far as possible each Member's Capital Account balance to be proportionate to its Percentage Interest.

SECTION 6.03. Tax Allocations. (a) For income tax purposes only, each item of income, gain, loss, deduction and credit of the Company as determined for income tax purposes shall be allocated between the Members in accordance with the corresponding allocation in Section 6.02, subject to the requirements of Section 704(c) of the Code.

(b) The Members acknowledge and agree that Section 704(c) shall be applied using the so-called "traditional method with curative allocations" set forth in Treasury Regulation Section 1.704-3(c). Curative allocations of income, gain, loss or deduction shall, to the extent possible, have substantially the same effect on each Member's Federal income tax liability as the item of income, gain, loss or deduction for which allocation is limited.

(c) By reason of the special allocation of book depreciation and amortization with respect to the assets contributed by the Members pursuant to Section 6.02(c), tax depreciation and amortization with respect to each such asset shall be allocated solely to the contributing Member.

(d) Items described in this Section 6.03 shall neither be credited nor charged to the Members' Capital Accounts.

SECTION 6.04. Tax Elections. (a) The Members intend that the Company be treated as a partnership for Federal income tax purposes. Accordingly, neither the Tax Matters Partner nor either Member shall file any election or return on its own behalf or on behalf of the Company that is inconsistent with that intent.

(b) Any elections or other decisions relating to tax matters that are not expressly provided for herein, including the determination of the fair market value of contributed property and the decision to adjust the Capital Accounts to reflect the fair market value of the Company's assets upon the occurrence of any event specified in Treasury Regulation Section 1.704-1(b)(2)(iv)(f), shall be made jointly by the Members in any manner that reasonably reflects the purpose and intention of this Agreement.

SECTION 6.05. Fiscal Year. The fiscal year (the "Fiscal Year") of the Company for tax and accounting purposes shall be the 12-month (or shorter) period ending on the last day of December of each year.

SECTION 6.06. Tax Returns. (a) The Company shall cause to be prepared and timely filed all Federal, state, local and foreign income tax returns and reports required to be filed by the Company and its subsidiaries. The Company shall provide copies of all the Company's Federal, state, local and foreign tax returns (and any schedules or other required filings related to such returns) that reflect items of income, gain, deduction, loss or credit that flow to separate Member returns, to the Members for their review and comment prior to filing, except as otherwise agreed by the Members. The Members agree in good faith to resolve any difference in the tax treatment of any item affecting such returns and schedules. However, if the Members are unable to resolve the dispute, the position of the Tax Matters Partner shall be followed if nationally recognized tax counsel acceptable to both Members provides an opinion that substantial authority exists for such position. Substantial authority shall be given the meaning ascribed to it in Code Section 6662. If the Members are unable to resolve the dispute prior to the due date for filing the return, including approved extensions, the position of the Tax Matters Partner shall be followed, and amended returns shall be filed if necessary at such time the dispute is resolved. The costs of the dispute shall be borne by the Company. The Members agree to file their separate Federal income tax returns in a manner consistent with the Company's return, the provisions of this Agreement and in accordance with applicable Federal income tax law.

(b) The Company shall elect the most rapid method of depreciation and amortization allowed under Applicable Law, unless the Members agree otherwise. The failure of either Member to agree that the Company should elect a less rapid method of depreciation or amortization is not subject to any dispute resolution provisions.

(c) The Members shall provide each other with copies of all correspondence or summaries of other communications with the Internal Revenue Service or any state, local or foreign taxing authority (other than routine correspondence and communications) regarding the tax treatment of the Company's operations. No Member shall enter into settlement negotiations with the Internal Revenue Service or any state, local or foreign taxing authority with respect to any issue concerning the Company's income, gains, losses, deductions or credits if the tax adjustment attributable to such issue (assuming the then current Aggregate Tax Rate) would be $2 million or greater, without first giving reasonable advance notice of such intended action to the other Member.

SECTION 6.07. Tax Matters Partner. (a) Initially, Marathon shall be the "Tax Matters Partner" of the Company within the meaning of Section 6231(a)(7) of the Code, and shall act in any similar capacity under state, local or foreign law, but only with respect to returns for which items of income, gain, loss, deduction or credit flow to the separate returns of the Members. In the event of a transfer of any Member's interest in the Company, the Tax Matters Partner shall be the Member with the largest Percentage Interest following such transfer.

(b) The Tax Matters Partner shall incur no liability (except as a result of the gross negligence or willful misconduct of the Tax Matters Partner) to the other Member including, but not limited to, liability for any additional taxes, interest or penalties owed by the other Member due to adjustments of Company items of income, gain, loss, deduction or credit at the Company level.

SECTION 6.08. Duties of Tax Matters Partner. (a) Except as provided in Section 6.08(b), the Tax Matters Partner shall cooperate with the other Member and shall promptly provide the other Member with copies of notices or other materials from, and inform the other Member of discussions engaged in with, the Internal Revenue Service or any state, local or foreign taxing authority and shall provide the other Member with notice of all scheduled administrative proceedings, including meetings with agents of the Internal Revenue Service or any state, local or foreign taxing authority, technical advice conferences, appellate hearings, and similar conferences and hearings, as soon as possible after receiving notice of the scheduling of such proceedings, but in any case prior to the date of such scheduled proceedings.

(b) The duties of the Tax Matters Partner under Section 6.08(a) shall not apply with respect to notices, materials, discussions, proceedings, meetings, conferences, or hearings involving any issue concerning the Company's income, gains, losses, deductions or credits if the tax adjustment attributable to such issue (assuming the then current Aggregate Tax Rate) would be less than $2 million except as otherwise required under Applicable Law.

(c) The Tax Matters Partner shall not extend the period of limitations or assessments without the consent of the other Member, which consent shall not be unreasonably withheld.

(d) The Tax Matters Partner shall not file a petition or complaint in any court, or file any claim,

amended return or request for an administrative adjustment with respect to partnership items, after any return has been filed, with respect to any issue concerning the Company's income, gains, losses, deductions or credits if the tax adjustment attributable to such issue (assuming the then current Aggregate Tax Rate) would be $2 million or greater, unless agreed by the other Member. If the other Member does not agree, the position of the Tax Matters Partner shall be followed if nationally recognized tax counsel acceptable to both Members issues an opinion that a reasonable basis exists for such position. Reasonable basis shall be given the meaning ascribed to it for purposes of applying Code Section 6662. The costs of the dispute shall be borne by the Company.

(e) The Tax Matters Partner shall not enter into any settlement agreement with the Internal Revenue Service or any state, local or foreign taxing authority, either before or after any audit of the applicable return is completed, with respect to any issue concerning the Company's income, gains, losses, deductions or credits, unless any of the following apply:

(i) both Members agree to the settlement;

(ii) the tax effect of the issue if resolved adversely would be, and the tax effect of settling the issue is, proportionately the same for both Members (assuming each otherwise has substantial taxable income);

(iii) the Tax Matters Partner determines that the settlement of the issue is fair to both Members and the amount of the tax adjustment attributable to such issue (assuming the then current Aggregate Tax Rate) would be less than $2 million; or

(iv) nationally recognized tax counsel acceptable to both Members determines that the settlement is fair to both Members and is one it would recommend to the Company if both Members were owned by the same person and each had substantial taxable income.

In all events, the costs incurred by the Tax Matters Partner in performing its duties hereunder shall be borne by the Company in accordance with the Shared Services Agreement.

(f) The Tax Matters Partner may request extensions to file any tax return or statement without the written consent of, but shall so inform, the other Member.

SECTION 6.09. Survival of Provisions. The provisions of this Agreement regarding the Company's tax returns and Tax Matters Partner shall survive the termination of the Company and the transfer of any Member's interest in the Company and shall remain in effect for the period of time necessary to resolve any and all matters regarding the federal, state, local and foreign taxation of the Company and items of Company income, gain, loss, deduction and credit.

SECTION 6.10. Section 754 Election. In the event that a Member purchases the Membership Interests of a Selling Member pursuant to Section 10.04, the purchasing Member shall have the right to direct the Tax Matters Partner to make an election under Section 754 of the Code. The purchasing Member shall pay all costs incurred by the Company in connection with such election, including any costs borne by the Company to maintain records required as a result of such election. The purchasing Member, at its option and expense, may maintain on behalf of the Company any records required as a result of such election.

SECTION 6.11. Qualified Income Offset, Minimum Gain Chargeback. Notwithstanding anything to the contrary in this Agreement, there is hereby incorporated a qualified income offset provision which complies with Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and minimum gain chargeback and partner minimum gain chargeback provisions which comply with the requirements of Treasury Regulation Section 1.704-2 and such provisions shall apply to the allocation of Profits and Losses.

SECTION 6.12. Tax Treatment of Designated Sublease Agreements. (a) For purposes of Article VI, Ashland or Marathon, as the case may be, shall be treated as transferring to the Company all of its interest in Subleased Property pursuant to an Ashland Designated Sublease Agreement or a Marathon Designated Sublease Agreement, as if the leasehold interest in such Subleased Property was an Ashland Transferred Asset or a Marathon Transferred Asset.

(b) Payments under the Original Lease made by Ashland or Marathon, as the case may be, after the effective date of the Ashland Designated Sublease Agreement or Marathon Designated Sublease Agreement, as the case may be, shall be treated as made by the Company or its subsidiaries, and then immediately reimbursed by Ashland or Marathon, as the case may be.

(c) All items of loss, deduction and credit attributable to payments under the Original Lease made by

Ashland or Marathon, as the case may be, including payments by the Company or any of its subsidiaries that are charged to Ashland or Marathon by set-off or other means, shall be allocated entirely to the Member incurring such payments.

(d) Depreciation and amortization deductions, if any, as well as any deductions or offsets to taxable income or gain, attributable to property described in the Ashland Designated Sublease Agreements or the Marathon Designated Sublease Agreements, as the case may be, shall be allocated entirely to Ashland or Marathon, as the case may be, except to the extent such deductions or offsets are attributable to amounts paid by the Company or any of its subsidiaries and not reimbursed by Ashland or Marathon, as the case may be, either directly or indirectly.

SECTION 6.13. Tax Treatment of Reimbursed Liability Payments. Any tax deduction or loss attributable to payments by the Company or any of its subsidiaries of Assumed Liabilities, as described in Schedules 2.3(d) and 3.3(d) to the Asset Transfer and Contribution Agreement, that are reimbursed by a Member either directly or indirectly, shall be allocated entirely to such Member.

SECTION 6.14. Tax Treatment of Disproportionate Payments. Except as otherwise provided in this Agreement or in any other Transaction Document, any Tax deduction or loss reflected on a Tax return, report or other Tax filing by the Company, attributable to (i) payments made or costs incurred by a Member, (ii) payments made or costs incurred by the Company and reimbursed or to be reimbursed by a Member and (iii) payments made or costs incurred by the Company and not shared among the Members based on their Percentage Interests, shall be allocated among the Members to take into account the amounts paid, incurred, reimbursed or shared by each.

SECTION 6.15. Allocation of Income, Gains, Losses and Other Items from LOOP LLC and LOCAP, Inc. (a) Income, gains, losses, deductions, credits, adjustments, tax preferences and other distributive share items with respect to the Company's interest in LOOP LLC, a tax partnership, for periods beginning on or after the Closing, shall be allocated between the Members in such a manner so that, when such items are included with the same items allocated to Ashland with respect to the Ashland LOOP/LOCAP Interest, each Member is allocated all such items in proportion to its respective Percentage Interest in the Company.

(b) In determining the Capital Account for each Member, (i) Ashland shall be treated as contributing the

Ashland LOOP/LOCAP Interest to the Company, (ii) Profit and Loss shall be treated as including taxable income, gain, loss and distributions arising from Ashland's 4% interest in LOOP LLC and (iii) dividends and distributions that Ashland receives from LOOP LLC or LOCAP, Inc. in respect of the Ashland LOOP/LOCAP Interest and paid to the Company pursuant to Section 7.2(i) of the Asset Transfer and Contribution Agreement shall be treated as being received directly by the Company.

SECTION 6.16. Allocation of Income, Gain, Loss, Deduction and Credits Attributable to Stock-Based Compensation. Each item of income, gain, loss, deduction (excluding deductions for administrative costs incurred by the Company) and credit attributable to the grant to, or the exercise by or on behalf of, an employee or retired employee of the Company of a stock option, stock appreciation right, or other stock-based incentive compensation involving the stock of a Member or an Affiliate of a Member shall be allocated to the Member whose stock or whose Affiliate's stock is involved. Any exercise price paid by or on behalf of the employee or retired employee to the Company shall be paid over to the Member whose stock (or whose Affiliate's stock) is involved. A Member's Capital Account shall be (i) increased by the fair market value of its (or its Affiliate's) stock delivered to or on behalf of an employee or retired employee as aforesaid (without duplication to the extent such stock is first contributed to the Company), (ii) decreased (pursuant to Section 6.01(a)(iii) or (b)(iii)) by the deduction allocated to such Member as aforesaid and (iii) decreased by the amount of the exercise price so paid over by the Company or deemed to be paid over by the Company under principles analogous to those in Treasury Regulation Section 1.83-6(d)(1).

ARTICLE VII

Books and Records

SECTION 7.01. Books and Records; Examination. The Board of Managers shall keep or cause to be kept such books of account and records with respect to the Company's business as they may deem appropriate. Each Member and its duly authorized representatives shall have the right at any time to examine, or to appoint independent certified public accountants (the fees of which shall be paid by such Member) to examine, the books, records and accounts of the Company and its subsidiaries, their operations and all other matters that such Member may wish to examine, including, without limitation, all documentation relating to actual or proposed transactions with either Member or any Affiliate of either

Member. The Company, and the Board of Managers, shall not have the right to keep confidential from the Members any information that the Board of Managers would otherwise be permitted to keep confidential from the Members pursuant to Section 18-305(c) of the Delaware Act. The Company's books of account shall be kept using the method of accounting determined by the Board of Managers. The Company Independent Auditors (the "Company Independent Auditors") shall be an independent public accounting firm selected by the Board of Managers pursuant to a vote in accordance with Section 8.07(b) or Section 8.07(c), as applicable, and shall initially be Price Waterhouse LLP.

SECTION 7.02. Financial Statements and Reports. (a) Unaudited Monthly Financial Statement (i) The Company shall prepare and send to each Member (at the same time) promptly, but in no event later than noon on the 15th Business Day after the last day of each month, the following unaudited financial statements with respect to the Company and its subsidiaries: a balance sheet, a statement of operations, a statement of cash flows and a statement of changes in capital (collectively, "Unaudited Financial Statements") as at the end of and for such month.

(ii) The Company shall prepare and send to each Member promptly, but in no event later than noon on the 20th Business Day after the last day of each month, an unaudited financial summary booklet containing a breakdown of such operating and financial information by major department or division of the Company and its subsidiaries as at the end of and for such month as either Member shall reasonably request; provided that each Member shall be provided with the same information at the same time as the other Member.

(b) Unaudited Quarterly Financial Statements. The Company shall prepare and send to each Member (at the same time) promptly, but in no event later than the 30th day after the last day of each Fiscal Quarter, (i) Unaudited Financial Statements as at the end of and for such Fiscal Quarter; (ii) a management's discussion and analysis of financial condition and results of operations section prepared in accordance with Rule 303 of Regulation S-K of the Securities Act with respect to such Fiscal Quarter; and (iii) an unaudited statement of changes in the Members' capital accounts as at the end of and for such Fiscal Quarter.

(c) Audited Annual Financial Statements. Within 75 days after the end of each Fiscal Year, the Board of

Managers shall cause (i) an examination to be made, at the expense of the Company, by the Company Independent Auditors, covering (A) the assets, liabilities and capital of the Company and its subsidiaries, and the Company's and its subsidiaries' operations during such Fiscal Year, (B) an examination of the Distributions Calculation Statement for such Fiscal Year, and (C) all other matters customarily included in such examinations and (ii) to be delivered to each Member (at the same time) a copy of the report of such examination, stating that such examination has been performed in accordance with generally accepted auditing standards, together with (1) the following financial statements with respect to the Company and its subsidiaries certified by such accountants as having been prepared in accordance with GAAP: a balance sheet, a statement of operations, a statement of cash flows and a statement of changes in capital as at the end of and for such Fiscal Year (collectively, the "Audited Financial Statements") and (2) a management's discussion and analysis of financial condition and results of operations section prepared in accordance with Rule 303 of Regulation S-K of the Securities Act with respect to such Fiscal Year. The Company shall prepare the Audited Financial Statements in such manner and form as is necessary to enable Ashland to file such Audited Financial Statements with the Commission in accordance with Item 3-09 of Regulation S-X under the Exchange Act.

(d) Schedule of Members' Capital Accounts. (i) Preliminary Annual Capital Account Schedule. The Company shall prepare and send to each Member (at the same time) promptly, but in no event later than the 75th day after the last day of each Fiscal Year, a schedule showing the respective Capital Accounts of the Members based on the Company's estimated taxable income for such Fiscal Year.

(ii) Examination. Unless otherwise agreed by the Members, within 15 days after the date the Company determines its net taxable income with respect to any Fiscal Year, but in no event later than 7 months after the end of such Fiscal Year, the Board of Managers shall cause (i) an examination to be made, at the expense of the Company, by the Company Independent Auditors, covering (A) the determination of the Company's taxable income with respect to such Fiscal Year and (B) the respective Capital Accounts of the Members based on the Company's taxable income for such Fiscal Year and (ii) to be delivered to each Member (at the same time) a copy of the report of such examination, stating that such examination has been performed in accordance with generally accepted auditing standards.

(iii) Final Annual Capital Account Schedule. The Company shall prepare and send to each Member (at the same time) promptly, but in no event later than the 15th day after the date the Company files its federal income tax return with respect to each Fiscal Year, a schedule showing the respective Capital Accounts of the Members based on the Company's actual taxable income for such Fiscal Year.

(e) Other Financial Information. The Company shall prepare and send to each Member (at the same time) promptly such other financial information as a Member shall from time to time reasonably request.

SECTION 7.03. Notice of Affiliate Transactions; Annual List. (a) (i) The Company shall notify each Member of any Affiliate Transaction (other than an Affiliate Transaction that is a Significant Shared Service) that the Company or any of its subsidiaries is considering entering into or renewing or extending the term thereof (whether pursuant to contractual provisions thereof or otherwise), which notice shall be given, to the extent reasonably possible, sufficiently in advance of the time that the Company intends to enter into, renew or extend the term of such Affiliate Transaction so as to provide the Members with a reasonable opportunity to examine the documentation related to such Affiliate Transaction.

(ii) The Company shall notify each Member of any Affiliate Transaction that is a Significant Shared Service that the Company or any of its subsidiaries is considering entering into or renewing or extending the term thereof (whether pursuant to contractual provisions thereof or otherwise), which notice shall be given, to the extent reasonably possible, sufficiently in advance of the time that the Company intends to enter into, renew or extend the term of such Affiliate Transaction so as to provide the Members with a reasonable opportunity to examine the documentation related to such Affiliate Transaction.

(b) Within 60 days after the end of each Fiscal Year, the Company shall prepare and distribute to each Member a list setting forth a description of each Affiliate Transaction entered into by the Company or any of its subsidiaries during such Fiscal Year and identifying all of the parties to such Affiliate Transactions; provided that if two or more Affiliate Transactions either (i) constitute a series of related transactions or agreements or (ii) are substantially the same type of transaction or agreement, the Company need not separately describe each such Affiliate

Transaction but instead can describe such related or similar Affiliated Transactions as a group.

ARTICLE VIII

Management of the Company

SECTION 8.01. Managing Members. The business and affairs of the Company shall be managed by the Members acting through their respective representatives on the Board of Managers ("Representatives"). The President and the Representatives shall be deemed "managers" of the Company within the meaning of the Delaware Act. Except for such matters as may be delegated to a Member from time to time by the Board of Managers pursuant to a vote in accordance with Section 8.07(b), and subject to the provisions of Sections 6.07 and 6.08, no Member shall act unilaterally on behalf of the Company or any of its subsidiaries without the approval of the other Member and no Member shall have the power unilaterally to bind the Company or any of its subsidiaries.

SECTION 8.02. Board of Managers. (a) The Members shall exercise their management authority through a board of managers (the "Board of Managers") consisting of (i) the President of the Company, who shall not be deemed a Representative hereunder and who shall not be entitled to vote on any matter coming before the Board of Managers, and (ii) eight Representatives, each of whom shall be entitled to vote, five of whom shall be designated by Marathon and three of whom shall be designated by Ashland. In the event of a Transfer by a Member of its Membership Interests pursuant to Article X, effective at the time of such Transfer, (i) such Member's Representatives shall automatically be removed from the Board of Managers and (ii) the transferee of such Membership Interests shall be permitted to designate the number of Representatives to the Board of Managers as is equal to the number previously designated by the transferor of such Membership Interests. Such transferee shall promptly notify the other Member as to the names of the persons who such transferee has designated as its Representatives on the Board of Managers.

(b) Each Representative may be removed and replaced, with or without cause, at any time by the Member designating him or her, but, except as provided in Section 8.02(a), may not be removed or replaced by any other means. A Member who removes one or more of its Representatives from the Board of Managers shall promptly

notify the other Member as to the names of its replacement Representatives.

SECTION 8.03. Responsibility of the Board of Managers. The Board of Managers shall be responsible for overseeing the operations of the Company and shall, in particular, have sole jurisdiction to approve each of the following matters:

(i) hiring senior executives of the Company, evaluating their performance and planning for their succession;

(ii) reviewing and approving Company strategies, Business Plans and Annual Capital Budgets;

(iii) reviewing and approving significant external business opportunities for the Company, including acquisitions, mergers and divestitures;

(iv) reviewing and approving policies of the Company that maintain high standards in areas of environmental responsibility, employee safety and health, community, government, employee and customer relations;

(v) reviewing external and internal audits and management responses thereto; and

(vi) establishing compensation and benefits policies for employees of the Company.

SECTION 8.04. Meetings. (a) Except as set forth in Section 8.04(h), all actions of the Board of Managers shall be taken at meetings of the Board of Managers in accordance with this Section 8.04.

(b) As soon as practicable after the appointment of the Representatives, the Board of Managers shall meet for the purpose of organization and the transaction of other business.

(c) Regular meetings of the Board of Managers shall be held at such times as the Board of Managers shall from time to time determine, but no less frequently than once each Fiscal Quarter; provided that an annual meeting of the Board of Managers (which annual meeting shall count as one of the regular quarterly meetings) shall be held no later than June 30 of each Fiscal Year.

(d) Special meetings of the Board of Managers shall be held whenever called by any Member. Any and all business may be transacted at a special meeting that may be transacted at a regular meeting of the Board of Managers.

(e) The Board of Managers may hold its meetings at such place or places as the Board of Managers may from time to time by resolution determine or as shall be designated in the respective notices or waivers of notice thereof; however, the Board of Managers shall consider holding meetings from time to time at each of the Member's corporate headquarters and at the operational sites of the Company.

(f) Notices of regular meetings of the Board of Managers or of any adjourned meeting shall be given at least two weeks prior to such meeting, unless otherwise agreed by each Member. Notices of special meetings of the Board of Managers shall be mailed by the Secretary or an Assistant Secretary to each member of the Board of Managers addressed to him or her at his or her residence or usual place of business, so as to be received at least two Business Days before the day on which such meeting is to be held, or shall be sent to him or her by telegraph, cable, facsimile or other form of recorded communication or be delivered personally, by overnight courier or by telephone so as to be received not later than two Business Days before the day on which such meeting is to be held. Such notice shall include the purpose, time and place of such meeting and shall set forth in reasonable detail the matters to be considered at such meeting. However, notice of any such meeting need not be given to any member of the Board of Managers if such notice is waived by him or her in writing or by telegraph, cable, facsimile or other form of recorded communication, whether before or after such meeting shall be held, or if he or she shall be present at such meeting.

(g) Action by Communication Equipment. The members of the Board of Managers may participate in a meeting of the Board of Managers by means of video or telephonic conferencing or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting.

(h) Unanimous Action by Written Consent. Any action required or permitted to be taken at any meeting of the Board of Managers may be taken without a meeting if all the Representatives consent thereto in writing and such writing is filed with the minutes of the proceedings of the Board of Managers.

(i) Organization. Meetings of the Board of Managers shall be presided over by a chair, who will be a member of the Board of Managers selected by a majority of the Board of Managers. The Secretary of the Company or, in the case of his or her absence, any person whom the person presiding over the meeting shall appoint, shall act as secretary of such meeting and keep the minutes thereof.

SECTION 8.05. Compensation. Unless the Members otherwise agree, no person shall be entitled to any compensation from the Company in connection with his or her services as a Representative.

SECTION 8.06. Quorum. (a) Quorum for Super Majority Decisions. Subject to Section 14.01(e) of the Put/Call, Registration Rights and Standstill Agreement and Sections 14.01 and 14.05 and Section 5 of Schedule 8.14, at all meetings of the Board of Managers, the quorum required for the transaction of any business that constitutes a Super Majority Decision shall be the presence, either in person or by proxy, of (i) at least one Representative of each Member and (ii) a majority of all the Representatives on the Board of Managers (which may include the Representatives referred to in the preceding clause (i)).

(b) Quorum for Other Decisions. Subject to Sections 14.01 and 14.05 and Section 5 of Schedule 8.14, at all meetings of the Board of Managers, the quorum required for the transaction of any business that does not constitute a Super Majority Decision shall be (i) in the case of all matters that were described in the notice in reasonable detail for such meeting delivered to the members of the Board of Managers pursuant to Section 8.04(f), the presence, either in person or by proxy, of a majority of all the Representatives on the Board of Managers and (ii) in the case of all matters that were not described in the notice in reasonable detail for such meeting delivered to the members of the Board of Managers pursuant to Section 8.04(f), the presence, either in person or by proxy, of (A) at least one Representative of each Member and (B) a majority of all the Representatives on the Board of Managers (which may include the Representatives referred to in the preceding clause A)).

(c) Rescheduled Meetings. The Company shall use its reasonable best efforts to schedule the time and place of each meeting of the Board of Managers so as to ensure that a quorum will be present at each such meeting and that at least one Representative of each Member will be present at each such meeting. In the absence of a quorum at any such meeting or any adjournment or adjournments thereof, a

majority in voting interest of those present in person or by proxy and entitled to vote thereat may reschedule such meeting from time to time until the Representatives requisite for a quorum, as aforesaid, be present in person or by proxy. At any such rescheduled meeting at which a quorum is present, any business may be transacted that might have been transacted at the meeting as originally called.

SECTION 8.07. Voting. (a) General. Each Representative shall be entitled to cast one vote on all matters coming before the Board of Managers. In exercising their voting rights under this Agreement, the Representatives may act by proxy.

(b) Super Majority Decisions. Subject to Section 14.01(e) of the Put/Call, Registration Rights and Standstill Agreement and Sections 14.01 and 14.05 and Section 5 of Schedule 8.14, all Super Majority Decisions to be decided by the Board of Managers shall be approved by the unanimous affirmative vote of the votes cast by the Representatives who are present, either in person or by proxy, at a duly called meeting of the Board of Managers at which a quorum is present. The parties acknowledge and agree that all references in this Agreement, any other Transaction Document and any appendices, exhibits or schedules hereto or thereto to any determination, decision, approval or other form of authorization by the Board of Managers pursuant to a vote in accordance with Section 8.07(b) shall be deemed to mean that such determination, decision, approval or other form of authorization shall constitute a Super Majority Decision which requires the approval of the Board of Managers in accordance with this Section 8.07(b).

(c) Other Decisions. Subject to Sections 14.01 and 14.05 and Section 5 of Schedule 8.14, all matters other than Super Majority Decisions to be decided by the Board of Managers shall be approved by the affirmative vote of a majority of the votes cast by the Representatives who are present, either in person or by proxy, at a duly called meeting of the Board of Managers at which a quorum is present, unless the vote of a greater number of Representatives is required by Applicable Law or this Agreement.

SECTION 8.08. Matters Constituting Super Majority Decisions. Subject to the provisions of Section 8.07(b), each of the following matters, and only the following matters, shall constitute a "Super Majority Decision" which requires the approval of the Board of Managers pursuant to Section 8.07(b):

(a) (i) the purchase or investment by the Company or any of its subsidiaries of or in any assets or securities, or any group of assets or securities, that have an aggregate purchase price or cost of more than $20 million, if the purpose or effect of such purchase or investment is to enable the Company to enter into a line of business other than (A) the Company's Business as such Business is conducted on the Closing Date or (B) any other line of business that is approved after the Closing Date by the Board of Managers as a Super Majority Decision under this Section 8.08(a)(i) pursuant to a vote in accordance with Section 8.07(b), provided that any such purchase or investment by the Company or any of its subsidiaries shall not require a Super Majority Decision under this Section 8.08(a) if and to the extent such purchase or investment is being made to enable the Company to enter into the Bulk Motor Oil Business, the Packaged Motor Oil Business, the Private Label Packaged Motor Oil Business and/or the Quick Lube Business and, at the time of such purchase or investment, (1) the Company and its subsidiaries are permitted to engage in such business under Section 14.03(b) of the Put/Call, Registration Rights and Standstill Agreement and (2) Ashland and its Affiliates shall own (beneficially or otherwise) 20% or more of the Valvoline Business (it being understood and agreed that this proviso shall not limit or constitute an exception to any other provision of Section 8.08); and

(ii) the determination of whether any new line of business approved by the Board of Managers as a Super Majority Decision under Section 8.08(a)(i) should constitute a "Competitive Business" for purposes of Section 14.01 of the Put/Call, Registration Rights and Standstill Agreement;

(b) (i) any reorganization, merger, consolidation or similar transaction between the Company and any person (other than a direct or indirect Wholly Owned Subsidiary of the Company) or any sale or lease of all or substantially all of the Company's assets to any person (other than a direct or indirect Wholly Owned Subsidiary of the Company);

(ii) any (A) reorganization, merger, consolidation or similar transaction or series of transactions between any of the Company's subsidiaries and any person (other than the Company or a direct or indirect Wholly Owned Subsidiary of the Company) or (B) sale or lease of all or substantially all of any of the

Company's subsidiaries' assets to any person (other than the Company or a direct or indirect Wholly Owned Subsidiary of the Company) which in either case involves an aggregate consideration of over $50,000,000;

c) the admission of a new Member (other than as a result of a Transfer of an existing Member's Membership Interests pursuant to Article X) or the issuance of any additional Membership Interests or other equity interests to any person, including any existing Member;

(d) except as expressly provided in Sections 4.01(c), 4.02(a) and 4.02(b), the acceptance or requirement of any additional capital contributions to the Company by either Member;

(e) the initial hiring of the following officers of the Company: the President; the Executive Vice President; the officers principally in charge of (i) refining, (ii) wholesale and branded marketing, (iii) retail marketing (two initially), (iv) supply and transportation and (v) environmental health and safety and human resources; the Senior Vice President-Finance and Commercial Services of the Company; and the general counsel of the Company;

(f) (i) the approval of Acquisition Expenditures, Capital Expenditures and such other expenditures of the type to be included in the Annual Capital Budget for any Fiscal Year (other than (A) Ordinary Course Lease Expenses, (B) up to $100 million in the aggregate for all periods in Capital Expenditures of the Company and its subsidiaries directly associated with the Garyville Propylene Upgrade Project, (C) Member-Funded Capital Expenditures, (D) Member-Indemnified Expenditures and (E) Acquisition Expenditures or Capital Expenditures of the Company and its subsidiaries directly associated with Permitted Capital Projects/Acquisitions that are funded with Permitted Capital Project/Acquisition Indebtedness) that when taken together with (x) the other expenditures already approved as part of the Annual Capital Budget for such Fiscal Year and (y) all other expenditures already made in such Fiscal Year, would reasonably be expected to exceed the Normal Annual Capital Budget Amount for such Fiscal Year; and

(ii) the incurrence of rentals or operating leases which result in aggregate Ordinary Course Lease Expenses (other than Ordinary Course Lease Expenses

incurred under the Bareboat Charters) for any Fiscal Year that exceed $80 million; provided, however, in the event the Company or one of its subsidiaries shall make any acquisition or divestiture, the Members shall negotiate in good faith to adjust the dollar amount set forth in this Section 8.08(f)(ii) to take into account the effect of such acquisition or divestiture;

(g) (i) except for any acquisition or capital project related to the Bulk Motor Oil Business, the Packaged Motor Oil Business, the Private Label Motor Oil Business and/or the Quick Lube Business, any acquisition, divestiture or individual capital project (other than (i) Ordinary Course Lease Expenses, (ii) up to $100 million in the aggregate for all periods in Capital Expenditures of the Company and its subsidiaries directly associated with the Garyville Propylene Upgrade Project, (iii) Member-Funded Capital Expenditures, (iv) Member-Funded Indemnified Expenditures and (v) Acquisition Expenditures or Capital Expenditures of the Company and its subsidiaries directly associated with Permitted Capital Projects/Acquisitions that are funded with Permitted Capital Project/Acquisition Indebtedness) where the liability or consideration involved is more than $50 million in the aggregate (including contingent liabilities only to the extent required to be reflected on the balance sheet of the Company in accordance with Financial Accounting Standard Number 5 (or any successor or superseding provision of Current GAAP));

(ii) any acquisitions or individual capital projects related to the Bulk Motor Oil Business, the Packaged Motor Oil Business, the Private Label Motor Oil Business and/or the Quick Lube Business during any Fiscal Year where the liability or consideration involved is more than $50 million in the aggregate in such Fiscal Year (including contingent liabilities only to the extent required to be reflected on the balance sheet of the Company in accordance with Financial Accounting Standard Number 5 (or any successor or superseding provision of Current GAAP)); provided that nothing in this Section 8.08(g)(ii) shall be deemed or interpreted to permit the Company or any of its subsidiaries to engage in any of such businesses except as and to the extent expressly permitted under Section 14.03 of the Put/Call, Registration Rights and Standstill Agreement;

(iii) for the avoidance of doubt, acquisitions or individual capital projects related to the Maralube

Express Business shall be subject to clause (i) of this Section 8.08(g) and not clause (ii) of this Section 8.08(g);

(h) the initiation or settlement of any action, suit, claim or proceeding involving (i) an amount in excess of $50 million (with respect to initiation) or $25 million (with respect to settlement), (ii) material non-monetary relief (including, without limitation, entering into any consent decree that has or could reasonably be expected to (A) impose any material obligation on Ashland or any of its Affiliates or the Company or any of its subsidiaries or (B) have a material adverse effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of Ashland or any of its Affiliates or the Company or any of its subsidiaries) or (iii) the initiation or settlement of any criminal action, suit, claim or proceeding (other than a misdemeanor) if such criminal action, suit or proceeding has or could reasonably be expected to (A) impose any material obligation on Ashland or any of its Affiliates or (B) have a material adverse effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of Ashland or any of its Affiliates;

(i) any change in the Company Independent Auditors unless the new firm is one of the "Big Six" accounting firms (or any successor thereto) or a firm of comparable stature in Ashland's opinion;

(j) any modification, alteration, amendment or termination of any Transaction Document to which the Company or any of its subsidiaries is a party and all Members are not a party;

(k) (i) in the case of any Affiliate Transaction that is not a Crude Oil Purchase, a Significant Shared Service or a Designated Sublease Agreement, (A) any Affiliate Transaction (other than the Affiliate Transactions listed on Schedule 8.08(k)(i)(A) (the "Closing Date Affiliate Transactions")), (B) any

material amendment to or change in the terms or provisions of any Affiliate Transaction that was either a Closing Date Affiliate Transaction or previously approved by the Board of Managers pursuant to Section 8.08(k)(i)(A) (it being understood that a renewal or extension of the term of an Affiliate Transaction pursuant to contractual provisions that were previously approved by the Board of Managers pursuant to this Section 8.08(k)(i) or that were included in a Closing Date Affiliate Transaction on the Closing Date shall be deemed for purposes of this Agreement not to constitute a new Affiliate Transaction or a material amendment to or change in an Affiliate Transaction) or (C) any amendment or change in the terms or provisions of any agreement or transaction between the Company or any of its subsidiaries and any Member or any Affiliate of any Member which causes such agreement or transaction to become an Affiliate Transaction;

(ii) in the case of Crude Oil Purchases, the approval of such Crude Oil Purchases in accordance with Section 8.12(a);

(iii) in the case of any Significant Shared Service, (A) any agreement or transaction constituting a Significant Shared Service (other than the specific Significant Shared Services identified and described in Schedule 10.2(e) to the Asset Transfer and Contribution Agreement), (B) any material amendment to or change in the terms and provisions of any Significant Shared Service identified and described in Schedule 10.2(e) to the Asset Transfer and Contribution Agreement or thereafter approved by the Board of Managers in accordance with this Section 8.08(k)(iii), (C) subject to the provisions of Section 8.11(b) and except as expressly provided in Section 8.12(b), any cancelation or failure by the Company or any of its subsidiaries to renew any Significant Shared Service provided by Ashland or any Affiliate of Ashland to the Company or any of its subsidiaries or provided by the Company or any of its subsidiaries to Ashland or any Affiliate of Ashland and (D) the periodic review and approval of Significant Shared Services in accordance with Section 8.12(b); and

(iv) any material amendment to or change in the terms or provisions of, cancelation, termination or failure to renew, any Designated Sublease Agreement or any election by the Company to refuse or reject the

contribution of any Subleased Property to the Company or any of its subsidiaries;

(l) the commencement of a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or the consent to the entry of an order for relief in an involuntary case under any such law, or the consent to the appointment of or the taking possession by a receiver, liquidator, assignee, custodian, trustee or sequestrator (or similar official) of the Company or any of its subsidiaries or for any substantial part of the Company's or any of its subsidiaries' property, or the making of any general assignment for the benefit of creditors;

(m) (i) the modification, alteration or amendment of the amount, timing, frequency or method of calculation of distributions to the Members from that provided in Article V or (ii) an adjustment to the amount of Distributable Cash pursuant to clause (g) of the definition of "Distributable Cash" in Section 1.01;

(n) (i) the modification, alteration or amendment of the Company Leverage Policy, or (ii) the approval of any matter which the Company Leverage Policy provides is to be approved by the Board of Managers as a Super Majority Decision;

(o) (i) the approval of any distribution by the Company to the Members of any assets in kind, (ii) the approval of any distribution by the Company to the Members of cash and property in kind on a non-pro rata basis, and (iii) the determination of the value assigned to such assets in kind;

(p) each Critical Decision or material amendment thereto made on or prior to the Critical Decision Termination Date for such Critical Decision; and

(q) the delegation to a Member of the power to unilaterally bind the Company or any of its subsidiaries with respect to any matter.

SECTION 8.09. Annual Capital Budget. (a) In Fiscal Year 1999 and in each Fiscal Year thereafter, the Executive Officers of the Company shall timely prepare or cause to be prepared a draft capital budget (the "Draft Annual Capital Budget") for such Fiscal Year, which shall set forth in reasonable line item detail the proposed Acquisition Expenditures, Capital Expenditures and the Ordinary Course Lease Expenditures of the Company and its

subsidiaries for such Fiscal Year, including all Ordinary Course Lease Expenditures and all Capital Expenditures of the Company and its subsidiaries directly associated with the Garyville Propylene Upgrade Project. In addition, to the extent that information can reasonably be obtained on the nature of assets rented or financed by operating leases, such information shall be presented along with the Annual Capital Budget. Copies of the Draft Annual Capital Budget shall be provided to each Member (at the same time) and to the Board of Managers. No later than the last regular meeting of the Board of Managers for a Fiscal Year, the Executive Officers shall present to the Board of Managers the Draft Annual Capital Budget for the following Fiscal Year for the Board of Managers' review, consideration and approval, with such additions, deletions and changes thereto as the Board of Managers shall deem necessary. Upon its approval by the Board of Managers (and taking into account any additions, deletions or other changes deemed necessary by the Board of Managers) the Draft Annual Capital Budget for a Fiscal Year shall become the "Annual Capital Budget" for such Fiscal Year.

(b) If the Board of Managers shall fail to approve an Annual Capital Budget for any Fiscal Year, the total expenditures provided for in the Annual Capital Budget for such Fiscal Year shall be in an amount equal to the Normal Annual Capital Budget Amount for such Fiscal Year.

(c) No later than August 30 of each Fiscal Year, the Board of Managers shall review the Annual Capital Budget for such Fiscal Year and shall make such additions, deletions and changes thereto as the Board of Managers shall deem necessary.

SECTION 8.10. Business Plan. In Fiscal Year 1999 and in each Fiscal Year thereafter, the Executive Officers of the Company shall timely prepare or cause to be prepared a draft business plan (the "Draft Business Plan") for the next three Fiscal Years. Copies of the Draft Business Plan shall be provided to each Member (at the same time) and to the Board of Managers. No later than the last regular meeting of the Board of Managers for a Fiscal Year, the Executive Officers shall present to the Board of Managers the Business Plan for their review, consideration and approval, with such additions, deletions and changes thereto as the Board of Managers shall deem necessary. Upon its approval by the Board of Managers (and taking into account any such additions, deletions or other changes deemed necessary by the Board of Managers), the Draft Business Plan for a Fiscal Year shall become the "Business Plan" for such Fiscal Year.

SECTION 8.11. Requirements as to Affiliate Transactions. (a) The Company and its subsidiaries shall only be permitted to enter into or renew or extend the term thereof (whether pursuant to contractual provisions thereof or otherwise) an agreement or a transaction with a Member or an Affiliate of a Member (which, solely for purposes of this Section 8.11, shall be deemed to include any entity more than 10% of the voting stock or other ownership interests of, or economic interest in, which is owned by a Member (other than the Company or any of its subsidiaries)) on the same terms or on terms no less favorable to the Company or such subsidiary than could be obtained from a third party on an arm's-length basis (an "Arm's-Length Transaction").

(b) (i) If (A) the Company or any subsidiary of the Company enters into, renews or extends the term of (pursuant to contractual provisions thereof that were previously approved by the Board of Managers or otherwise) or materially amends or changes the terms or provisions of, any agreement or transaction between the Company or any of its subsidiaries and any Member or any Affiliate of any Member (a "Section 8.11(b) Affiliate Transaction") or proposes to do any of the foregoing and (ii) not later than 90 days after receiving written notice thereof from the Company pursuant to Section 7.03 or otherwise (which notice describes the material terms and conditions of such transaction in reasonable detail), the Member that is not (or whose Affiliate is not) a party to such Section 8.11(b) Affiliate Transaction (the "Non-Contracting Member") notifies the Company and the Member that is (or whose Affiliate is) a party to such Section 8.11(b) Affiliate Transaction (the "Contracting Member") in writing that the Non-Contracting Member believes in good faith that either such Affiliate Transaction is not an Arm's-Length Transaction or that the quality of the service being provided or to be provided by the Contracting Member is inferior to that which the Company and its subsidiaries could otherwise obtain on comparable terms and conditions, then the Company shall promptly (and, in any event within 30 days) provide the Non-Contracting Member with a reasonably detailed explanation of the basis for the Company's determination that such new, renewed or extended Affiliate Transaction is an Arm's-Length Transaction or the quality of the service being provided or to be provided to the Company and its subsidiaries is not inferior.

(ii) If following receipt of such evidence, the Non-Contracting Member is not reasonably satisfied that

such Affiliate Transaction is an Arm's-Length Transaction or the quality of the service being provided or to be provided to the Company and its subsidiaries is not inferior, then, at the written request of the Non-Contracting Member (such written request being an "Affiliate Transaction Dispute Notice"), the Company shall (A) modify the terms of such Affiliate Transaction so that it becomes an Arm's-Length Transaction, (B) if the Company had given the Members written notice pursuant to Section 7.03(a) prior to entering into, renewing or extending such Affiliate Transaction, not enter into, renew or extend such Affiliate Transaction or (C) if the Company had given the Members written notice pursuant to Section 7.03(a) prior to entering into, renewing or extending such Affiliate Transaction, enter into, renew or extend such Affiliate Transaction in which event the determination of whether such Affiliate Transaction is an Arm's Length Transaction and/or whether the quality of the service being provided is inferior shall be in accordance with the Dispute Resolution Procedures set forth in Article XIII or (D) if the Company shall not have given the Members written notice pursuant to Section 7.03(a) prior to entering into, renewing or extending such Affiliate Transaction, commence the dispute resolution procedures set forth in Article XIII.

(iii) For purposes of Article XIII, a Non-Contracting Member's delivery of an Affiliate Transaction Dispute Notice to the Company shall constitute delivery of a Dispute Notice thereunder, and the Company shall be required to deliver a Response to the Non-Contracting Member within 30 days thereafter. If it is finally determined pursuant to such Dispute Resolution Procedures that such Affiliate Transaction is an Arm's-Length Transaction and, if disputed, that the quality of service being so provided is not inferior, then the Company shall be permitted to enter into, renew or extend such Affiliate Transaction. If it is finally determined pursuant to such Dispute Resolution Procedures that such Affiliate Transaction is not an Arm's-Length Transaction or that the quality of service being so provided is inferior, then the Company shall either modify the terms of such Affiliate Transaction so that it becomes an Arm's-Length Transaction and, if disputed, with an adequate level of quality of service or not enter into, renew or extend such Affiliate Transaction. In the event that such Affiliate Transaction has already been entered into, renewed or extended, then (A) the Company and the

Contracting Member shall make such modifications to the terms of such Affiliate Transaction as are necessary so that such Affiliate Transaction becomes an Arm's-Length Transaction and, if disputed, with an adequate level of quality of service and (B) the Contracting Member shall pay the Company an amount equal to the difference between (I) the costs incurred by the Company under such Affiliate Transaction since the time of such entering into, renewal or extension and (II) the costs that the Company would have incurred under such Affiliate Transaction during such time period had such Affiliate Transaction been an Arm's-Length Transaction and, if disputed, with an adequate level of quality of service at the time of such initial agreement, renewal or extension.

SECTION 8.12. Review of Certain Affiliate Transactions Related to Crude Oil Purchases and Shared Services. (a) (i) Not less than 30 days prior to the regular meeting of the Board of Managers during the fourth Fiscal Quarter of each Fiscal Year (or, if no regular meeting of the Board of Managers is scheduled during such Fiscal Quarter, at a special meeting of the Board of Managers during such Fiscal Quarter), the Company shall submit to the Board of Managers a reasonably detailed description of any proposed transactions or agreements related to crude oil purchases by the Company and its subsidiaries from Marathon or any Affiliate of Marathon that are intended to remain in effect or to be put into effect during such next Fiscal Year (collectively, the "Marathon Crude Oil Purchase Program"). Following such submission, the Company shall provide the Board of Managers promptly with such information with respect to such Marathon Crude Oil Purchase Program and the Company's other proposed crude oil purchases and policies for such next Fiscal Year as any Representative shall reasonably request. At each such regular or special meeting during the fourth Fiscal Quarter of each Fiscal Year, the Board of Managers shall review such Marathon Crude Oil Purchase Program. During such next Fiscal Year, the Company and its subsidiaries shall be permitted to purchase crude oil from Marathon or any Affiliate of Marathon only on the terms and conditions of the proposed transactions and agreements submitted to and approved by the Board of Managers at such regular or special meeting pursuant to a vote in accordance with Section 8.07(b) (the "Approved Marathon Crude Oil Purchase Program"). Any purchase (or group of related purchases) of crude oil by the Company or any of its subsidiaries from Marathon or any Affiliate of Marathon during such Fiscal Year that is an Affiliate Transaction for purposes of Section 8.08(k) and is not made under or in accordance with

the Approved Marathon Crude Oil Purchase Program and any material amendment to or change in the Approved Marathon Crude Oil Purchase Program during such Fiscal Year shall be made only with the prior approval of the Board of Managers pursuant to a vote in accordance with Section 8.07(b).

(ii) The Company shall prepare and send to each Member (at the same time) promptly, but in no event later than the 30th day after the last day of each Fiscal Quarter, (A) a summary of all Crude Oil Purchases during such Fiscal Quarter, (B) a description of any amendments to, changes in or deviations from the Approved Marathon Crude Oil Purchase Program in effect during such Fiscal Quarter, (C) a description of any then known proposed amendments to, changes in or deviations from the Approved Marathon Crude Oil Purchase Program in effect during the remaining balance of the Fiscal Year and (D) such other information with respect to purchases of crude oil by the Company and its subsidiaries as either Member shall reasonably request.

(b)(i) All administrative services that Marathon, Ashland and each of their respective Affiliates provide to the Company or any of its subsidiaries, and that the Company and its subsidiaries provide to Marathon, Ashland or any of their respective Affiliates, shall be pursuant to the Shared Services Agreement. To the extent that there is a conflict between the Shared Services Agreement, Schedule 10.2(e) to the Marathon Asset Transfer and Contribution Agreement Disclosure Letter or Schedule 10.2(e) to the Ashland Asset Transfer and Contribution Agreement Disclosure Letter, on the one hand, and this Agreement, on the other hand, this Agreement shall control.

(ii) Not less than 90 days prior to each of the annual meetings of the Board of Managers held in 2000, 2003 and every three years thereafter, the Company shall submit to the Board of Managers the provisions of the Shared Services Agreement that relate to each Significant Shared Service then in effect or that is proposed to be put into effect. Following such submission, the Company shall provide the Board of Managers promptly with such information with respect to such Significant Shared Services and with respect to any other Shared Services then being provided or proposed to be provided as any Representative shall reasonably request. At each such annual meeting, unless all the Representatives otherwise agree, the Board of Managers shall review each such Significant

Shared Service and shall determine pursuant to a vote in accordance with Section 8.07(b) whether such Significant Shared Service should be continued (or, in the case of any proposed Significant Shared Service, put into effect). Unless the Board of Managers approves pursuant to a vote in accordance with Section 8.07(b) the continuation or effectiveness of a Significant Shared Service, the Shared Service Agreement to the extent it relates to such Significant Shared Service shall be terminated effective 90 days after such annual meeting or at such later date as the Board of Managers shall specify pursuant to a vote in accordance with Section 8.07(b) and the Company shall be deemed at the time of such annual meeting to have given notice to the Member providing or receiving (or whose Affiliate is providing or receiving) such Significant Shared Service that the Company is terminating the Shared Service Agreement with respect to such Significant Shared Service.

SECTION 8.13. Adjustable Amounts. Within 30 days following the date on which the United States Department of Labor Bureau of Labor Statistics for all Urban Areas publishes the Price Index for the month of September of each Fiscal Year commencing September, 1998, the Company shall determine whether the Average Annual Level for the immediately preceding twelve-month period exceeds the Base Level. If the Company determines that the Average Annual Level for such twelve-month period exceeds the Base Level, then the Company shall increase or decrease each of the dollar amounts set forth in this Agreement (other than the $348 million and $346 million amounts set forth in the definition of Adjusted DD&A, the $657 million, $600 million, $80 million, $20 million and $12.4 million amounts set forth in the definition of Adjusted EBITDA, the $240 million amount set forth in the definition of "Normal Annual Capital Budget Amount" in Section 1.01, the $100 million amount set forth in Section 8.08(f)(i) and any dollar amount set forth in any Appendix, Exhibit or Schedule to this Agreement, including Schedule 8.14) (each dollar amount that is adjusted pursuant to this Section 8.13 being an "Adjustable Amount"), including, without limitation, the following amounts, to an amount calculated by multiplying the relevant Adjustable Amount by a fraction whose numerator is the Average Annual Level for such twelve-month period and whose denominator is the Base Level: (i) the $100,000, $2 million and $25 million amounts set forth in the definition of "Affiliate Transaction" and the $2 million amount set forth in the definition of "Significant Shared Service" in each case in Section 1.01; (ii) the $2 million amount set forth in Section 6.06(c); (iii) the $2 million amounts set forth

in Sections 6.08(b), (d) and (e); (iv) the $20 million amount set forth in Section 8.08(a)(i); (v) the $80 million amount set forth on Section 8.08(f)(ii) (or such other dollar amount as shall be agreed pursuant to the proviso to Section 8.08(f)(ii)); (vi) the $50 million amount set forth in Section 8.08(g); (vii) the $50 million and $25 million amounts set forth in Section 8.08(h)(i); and (viii) each $7.5 million amount set forth in Section 14.01(a); provided that in no event shall any Adjustable Amount be decreased below the initial amount thereof set forth herein. Within five Business Days after making such determinations, the Company shall distribute to each Member a notice setting forth: (A) the amount by which the Average Annual Level for such Fiscal Year exceeded the Base Level and (B) the calculations of any adjustments made to the Adjustable Amounts pursuant to this Section 8.13. Any adjustment made to the Adjustable Amounts pursuant to this Section 8.13 shall be effective as of January 1st of the next Fiscal Year.

SECTION 8.14. Company Leverage Policy. The leverage policy for the Company shall be the leverage policy set forth on Schedule 8.14, with such modifications, alterations or amendments thereto as the Board of Managers shall from time to time approve pursuant to a vote in accordance with Section 8.07(b) (such leverage policy, as so modified, altered or amended, is referred to herein as the "Company Leverage Policy").

SECTION 8.15. Company's Investment Guidelines. The Company's Senior Vice President-Finance and Commercial Services, Vice President-Finance and Controller and Treasurer (or Treasury Manager) shall constitute an Investment Policy Committee of the Company and shall establish investment guidelines for the Company and its subsidiaries (such investment guidelines, as they may be modified, altered or amended by such Investment Policy Committee from time to time, are referred to herein as the "Company Investment Guidelines"). The initial Company Investment Guidelines is set forth on Schedule 8.15. The Company and its subsidiaries shall only make investments that are permitted under the Company Investment Guidelines at the time of such investments. In addition, the Company and its subsidiaries shall invest all Surplus Cash (after meeting daily cash requirements) in accordance with the Company Investment Guidelines.

SECTION 8.16. Requirements as to Operating Leases. The Company and its subsidiaries shall not enter into any operating lease (as determined in accordance with Applicable GAAP) if the purpose or intent of entering into

such operating lease is to circumvent the Company Leverage Policy or the super majority voting requirement for Capital Expenditures of the Company set forth in Section 8.08(f). The lease by the Company and its subsidiaries of vehicles, railcars and computers in accordance with the historical practices of the Ashland Business and the Marathon Business shall not be deemed to violate this Section 8.16, provided, for the avoidance of doubt, that all Ordinary Course Lease Expenses related to any such leases shall be considered Ordinary Course Lease Expenses for the purposes of Section 8.08(f)(ii).

SECTION 8.17. Limitations on Actions Relating to the Calculation of Distributable Cash. Notwithstanding anything to the contrary contained in this Agreement, the Company shall not, and shall cause its subsidiaries not to (a) modify, alter or amend the Company Investment Guidelines, (b) accelerate the payment of the Company's and its subsidiaries' accounts payable, (c) delay the collection of the Company's and its subsidiaries' accounts receivable or (d) take any other action, if the purpose or intent of such action is to reduce the amount of Distributable Cash in a manner that is inconsistent with the intent of the Members to maximize the amount of Distributable Cash distributions to the Members.

SECTION 8.18. Reliance by Third Parties. Persons dealing with the Company are entitled to rely conclusively upon the power and authority of the Board of Managers herein set forth. Except as provided in this Agreement, neither the President, nor a Representative, nor any Member shall have any authority to bind the Company or any of its subsidiaries.

SECTION 8.19. Integration of Retail Operations. (a) Until the Critical Decision is made regarding the location of the Company's retail operations' headquarters, the Company's retail operations' business shall have headquarters in both Enon, Ohio and Lexington, Kentucky.

(b) (i) The Company shall make a formal recommendation to the Board of Managers with respect to each Critical Decision not later than the ten-month anniversary of the Closing Date. Following receipt of a formal recommendation with respect to any Critical Decision, Marathon and Ashland shall negotiate in good faith to reach an agreement with respect to such Critical Decision not later than the first anniversary of the Closing Date.

(ii) Each formal recommendation with respect to any Critical Decision shall be accompanied by a report on the business and economic analyses used by the Company to arrive at such recommendation, including but not limited to, a reasonably detailed description of the risks and benefits of the recommended decision and the anticipated impact of the recommended decision on the Speedway and SuperAmerica brand images and business models.

(iii) Following receipt of any formal recommendation with respect to any Critical Decision, each Member may request, and the Company shall promptly provide to both Members, such additional information and analyses (including studies by outside consultants) as such Member may reasonably request; provided, however, any additional information request shall not extend the Critical Decision Termination Date.

(c) If any Primary Critical Decision shall not have been agreed by the Board of Managers pursuant to a vote in accordance with Section 8.07(b) prior to the first anniversary of the Closing Date, the Critical Decision Termination Date with respect to such Primary Critical Decision shall be automatically, and without any further action required by either Member, the Company or the Board of Managers, extended until the fifteen-month anniversary of the Closing Date. During the period of such extension, the Company shall provide promptly to each Member such additional information or analyses (including studies by outside consultants) as either Member shall reasonably request. Not later than 30 days prior to the fifteen-month anniversary of the Closing Date, the Company shall, if requested by either Member, again make a formal recommendation to the Board of Managers with respect to such Primary Critical Decision. Such formal recommendation shall include a report on the supporting business and economic analyses described in Section 8.19(b)(ii). Any request for additional information shall not extend the Critical Decision Termination Date.

(d) Until such time as the implementation of any Critical Decision shall have been completed in all material respects, the President of the Company shall report to the Board of Managers at each regular meeting of the Board of Managers on the implementation of such Critical Decision and on any material modifications or changes to such Critical Decision.

(e) To the extent there is any conflict between the terms and provisions of this Agreement and the terms and provisions of the Retail Integration Protocol, the terms and provisions of this Agreement shall control.

ARTICLE IX

Officers

SECTION 9.01. (a) Election, Appointment and Term of Office. The executive officers of the Company (the "Executive Officers") shall consist solely of: a President; an Executive Vice President; an officer principally in charge of refining; an officer principally in charge of wholesale and branded marketing; the officer or officers (two initially) principally in charge of retail marketing; an officer principally in charge of supply and transportation; an officer who shall be the Senior Vice President-Finance and Commercial Services of the Company; and an officer who shall be the general counsel of the Company; provided, however, that Marathon and Ashland may make additions or deletions to the positions which shall be considered executive officers of the Company by mutual agreement. Schedule C sets forth a list of (i) the persons who Marathon and Ashland have chosen to serve initially as the Executive Officers of the Company, (ii) the executive office for which each such person is to serve and (iii) whether each such person was designated by Marathon or Ashland. Marathon and Ashland agree that the composition of the initial Executive Officers is intended to reflect their respective Percentage Interests in the Company. Accordingly, if any person identified on Schedule C is for any reason unable or unwilling to serve as an Executive Officer at the Closing Date, the Member who designated such person shall have the right to designate a substitute person, subject to the right of the other Member to consent to such substitute nominee (which consent shall not be unreasonably withheld). Marathon and Ashland shall cause their respective Representatives to promptly approve the appointment of each person listed on Schedule C to the related executive office position listed on Schedule C.

(b) Except as otherwise determined by the Board of Managers, each Executive Officer shall hold office until his or her death or until his or her earlier resignation or removal in the manner hereinafter provided. Except as otherwise expressly provided herein, the Executive Officers shall have such powers and duties in the management of the Company as generally pertain to their respective offices as if the Company were a corporation governed by the General Corporation Law of the State of Delaware.

(c) The Board of Managers may elect or appoint such other officers to assist and report to the Executive Officers as it deems necessary. Subject to the preceding sentence, each such officer shall have such authority and shall perform such duties as may be provided herein or as the Board of Managers may prescribe. The Board of Managers may delegate to any Executive Officer the power to choose such other officers and to prescribe their respective duties and powers.

(d) Except as otherwise determined by the Board of Managers, if additional officers are elected or appointed during the year pursuant to Section 9.01(c), each such officer shall hold office until his or her death or until his or her earlier resignation or removal in the manner hereinafter provided.

SECTION 9.02. Resignation, Removal and Vacancies. (a) Any officer may resign at any time by giving written notice to the President or the Secretary of the Company, and such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, when accepted by action of the Board of Managers. Except as aforesaid, the acceptance of such resignation shall not be necessary to make it effective.

(b) All officers and agents elected or appointed by the Board of Managers shall be subject to removal at any time by the Board of Managers with or without cause.

(c) Vacancies in all Executive Officer positions may only be filled by the majority vote of the Representatives on the Board of Managers. In each instance where a vacant Executive Officer position is to be filled, Marathon, after consultation with the Company, shall first send Ashland a notice which discloses the name and details of the candidate for the vacant Executive Officer position that the Representatives of Marathon will nominate and vote in favor of for such position. Ashland shall thereafter have the right, by notice to the Company and Marathon within ten days after receipt of such notice from Marathon, to veto such candidate. Each candidate that Marathon proposes for a vacant Executive Officer position shall be a bona fide candidate who is willing and able to serve and who Marathon in good faith believes is qualified to fill such vacant Executive Officer position (a "Qualified Candidate"). In the event Ashland exercises its veto with respect to a Qualified Candidate, the vacancy will be filled by the majority vote of the Representatives on the Board of Managers.

SECTION 9.03. Duties and Functions of Executive Officers. (a) President. The President of the Company, who shall be a non-voting member of the Board of Managers, shall be in charge of the day-to-day operations of the Company and shall preside at all meetings of the Board of Managers and shall perform such other duties and exercise such powers, as may from time to time be prescribed by the Board of Managers.

(b) Executive Vice President. The Executive Vice President of the Company initially shall report to the President and be the officer principally in charge of all supply, refining, marketing and transportation operations of the Company other than the Company's retail operations.

(c) Other Executive Officers. The Executive Officers of the Company other than the President and the Executive Vice President shall perform such duties and exercise such powers, as may from time to time be prescribed by the President or the Board of Managers.

ARTICLE X

Transfers of Membership Interests

SECTION 10.01. Restrictions on Transfers. (a) General. Except as expressly provided by this Article X, neither Member shall Transfer all or any part of its Membership Interests to any person without first obtaining the written approval of the other Member, which approval may be granted or withheld in its sole discretion. Notwithstanding anything to the contrary contained in this Agreement, no Transfer by a Member of its Membership Interests to any person shall be made except to a permitted assignee under Article XV of the Put/Call, Registration Rights and Standstill Agreement.

(b) Transfer by Operation of Law. In the event a Member shall be party to a merger, consolidation or similar business combination transaction with a third party or sell all or substantially all its assets to a third party, such Member may Transfer all (but not part) of its Membership Interests to such third party; provided, however, that such Member shall not be permitted to Transfer its Membership Interests to such third party as aforesaid if the purpose or intent of such merger, consolidation, similar business combination transaction or sale is to circumvent or avoid the application of Sections 10.01(c) and 10.04 to the Transfer of such Member's Membership Interests to such third party.

(c) Transfer by Sale to Third Party. At any time after December 31, 2002, a Member may sell all (but not part) of its Membership Interests (and, in the case of Ashland, the Ashland LOOP/LOCAP Interest) to any person (other than a Transfer by operation of law pursuant to Section 10.01(b), a Transfer to a Wholly Owned Subsidiary pursuant to Section 10.01(d) or a Transfer by Ashland to Marathon pursuant to Section 10.01(e)) if (i) it shall first have offered the other Member the opportunity to purchase such Membership Interests (and, in the case of Ashland, the Ashland LOOP/LOCAP Interest) pursuant to the right of first refusal procedures set forth in Section 10.04, (ii) such sale is completed within the time periods specified in Section 10.04, (iii) the other Member shall have approved the purchaser of such Membership Interests (and, in the case of Ashland, the Ashland LOOP/LOCAP Interest), which approval shall not be unreasonably withheld or delayed and (iv) it shall use its commercially reasonable best efforts to (A) terminate the outstanding Original Lease underlying each of its Designated Sublease Agreements on or prior to the date of such Transfer and (B) contribute the related Subleased Property to the Company or one of its subsidiaries at no cost to the Company or such subsidiary on or prior to the date of such Transfer; provided, however, that (i) such Member shall not be obligated to pay more than a reasonable amount as consideration therefor to, or make more than a reasonable financial accommodation in favor of, or commence litigation against, a third party lessor with respect to any such underlying Original Lease in order to obtain any consent required from such lessor and (ii) any additional cost associated with exercising an option under the Original Lease to purchase Subleased Property or to terminate the Original Lease shall be deemed not to constitute an obligation to pay more than a reasonable amount. In the event that such Member is unable to terminate an outstanding Original Lease in accordance with this Section 10.02(b), then (i) the Company shall be entitled to continue to sublease the Subleased Property pursuant to the related Designated Sublease Agreement until the term of the Original Lease expires, (ii) the Member shall continue to use its commercially reasonable best efforts to terminate the Original Lease and contribute the Subleased Property to the Company as provided above; provided, however that (A) such Member shall not be obligated to pay more than a reasonable amount as consideration therefor to, or make more than a reasonable financial accommodation in favor of, or commence litigation against, a third party lessor with respect to any such Original Lease in order to obtain any consent required from such lessor and (b) any additional cost associated with exercising an option under the Original Lease to purchase Subleased Property or to terminate the Original Lease shall

be deemed not to constitute an obligation to pay more than a reasonable amount and (iii) if such Member subsequently acquires fee title to the Subleased Property, such Member shall contribute such Subleased Property to the Company or one of its subsidiaries at no cost to the Company or such subsidiary at such time. It is expressly understood and agreed that, in determining whether to reasonably withhold its approval of a proposed purchaser of Marathon's Membership Interests pursuant to this Section 10.01(c), Ashland shall be entitled to consider the creditworthiness of such proposed purchaser, including whether such proposed purchaser is likely to be able to perform all of Marathon's and USX's respective obligations under the Put/Call, Registration Rights and Standstill Agreement.

(d) Transfer to Wholly Owned Subsidiary. A Member may Transfer all (but not part) of its Membership Interests at any time to a Wholly Owned Subsidiary of such Member if (i) such Member shall have received an opinion from nationally recognized tax counsel acceptable to both Members that such Transfer will not result in a termination of the status of the Company as a partnership for Federal income tax purposes and (ii) the transferring Member enters into an agreement with the other Member providing that so long as such Wholly Owned Subsidiary holds such transferring Member's Membership Interests, such Wholly Owned Subsidiary shall remain a Wholly Owned Subsidiary of such transferring Member.

(e) Transfer Pursuant to Put/Call, Registration Rights and Standstill Agreement. Ashland may Transfer all of its Membership Interests to Marathon in connection with the exercise by Marathon of its Marathon Call Right or its Special Termination Right or the exercise by Ashland of its Ashland Put Right. In addition, Marathon may Transfer all of its Membership Interests to Ashland in connection with the exercise by Ashland of its Special Termination Right.

(f) Consequences of Permitted Transfers. (i) In connection with any Transfer by a Member to a third party transferee pursuant to Section 10.01(b), (A) such third party transferee shall at the time of such Transfer become subject to all of such transferring Member's obligations hereunder and shall succeed to all of such transferring Member's rights hereunder and (B) such transferring Member shall be relieved of all of its obligations hereunder other than with respect to any default hereunder by such transferring Member or any of its Affiliates hereunder that occurred prior to the time of such Transfer.

(ii) In connection with any Transfer by a Member to a third party transferee or to the other Member pursuant to Section 10.01(c), (A) such third party transferee or such other Member shall at the time of such Transfer become subject to all of such transferring Member's obligations hereunder and shall succeed to all of such transferring Member's rights hereunder and (B) such transferring Member shall at the time of such Transfer be relieved of all of its obligations hereunder other than with respect to any default hereunder by such transferring Member or any of its Affiliates that occurred prior to the time of such Transfer.

(iii) In connection with any Transfer by a Member to a Wholly Owned Subsidiary of such Member pursuant to Section 10.01(d), (A) such Wholly Owned Subsidiary shall at the time of such Transfer become subject to all of such Member's obligations hereunder and shall succeed to all of such Member's rights hereunder and (B) such Member shall not be relieved of its obligations hereunder without the prior written consent of the other Member, which consent shall not be unreasonably withheld or delayed.

(iv) In connection with any Transfer by Ashland to Marathon pursuant to Section 10.01(e), (A) Marathon shall at the time of such Transfer become subject to all of Ashland's obligations hereunder and shall succeed to all of Ashland's rights hereunder and (B) Ashland shall at the time of such Transfer be relieved of all of its obligations hereunder other than with respect to any default hereunder by Ashland or any of its Affiliates that occurred prior to the Exercise Date (as such term is defined in the Put/Call, Registration Rights and Standstill Agreement).

(v) In connection with any Transfer by Marathon to Ashland pursuant to Section 10.01(e), (A) Ashland shall at the time of such Transfer become subject to all of Marathon's obligations hereunder and shall succeed to all of Marathon's rights hereunder and (B) Marathon shall at the time of such Transfer be relieved of all of its obligations hereunder other than with respect to any default hereunder by Marathon or any of its Affiliates that occurred prior to the Special Termination Exercise Date (as such term is defined in the Put/Call, Registration Rights and Standstill Agreement).

(vi) In connection with any Transfer by Ashland to a third party transferee pursuant to Section 10.01(b), 10.01(c) or 10.01(d), such third party transferee shall at the time of such Transfer succeed to all of Ashland's veto rights under Section 9.02(c); provided, that if Ashland Transfers its Membership Interests to a third party transferee pursuant to Section 10.01(c), such third party transferee shall not thereafter be permitted to transfer its veto rights under Section 9.02(c) to another third party transferee pursuant to Section 10.01(c).

(vii) In connection with any Transfer by a Member to a third party transferee pursuant to this Article X, such transferring Member shall retain all of the rights granted to a Member under Article VII to examine the books and records of the Company and to receive financial statements and reports prepared by the Company until such time following such Transfer as such transferring Member ceases to have any liability under Article IX of the Asset Transfer and Contribution Agreement.

(g) Consequences of an Unpermitted Transfer. Any Transfer of a Member's Membership Interests made in violation of the applicable provisions of this Agreement shall be void and without legal effect.

SECTION 10.02. Conditions for Admission. No transferee of all of the Membership Interests of any Member shall be admitted as a Member hereunder unless (a) such Membership Interests are Transferred to a person in compliance with the applicable provisions of this Agreement, (b) such transferee shall have executed and delivered to the Company such instruments as the Board of Managers deems necessary or desirable in its reasonable discretion to effectuate the admission of such transferee as a Member and to confirm the agreement of such transferee or recipient to be bound by all the terms and provisions of this Agreement with respect to the Membership Interests acquired by such transferee and (c) such transferee shall have executed and delivered an assignment and assumption agreement pursuant to Section 15.04 of the Put/Call, Registration Rights and Standstill Agreement.

SECTION 10.03. Allocations and Distributions. Subject to applicable Treasury Regulations, upon the Transfer of all the Membership Interests of a Member as herein provided, the Profit or Loss of the Company attributable to the Membership Interests so transferred for the Fiscal Year during which such Transfer occurs shall be

allocated between the transferor and transferee as of the date set forth on the written assignment, and such allocation shall be based upon any permissible method agreed to by the Members that is provided for in Code Section 706 and the Treasury Regulations issued thereunder. Except as otherwise expressly provided in Section 5.01 of the Put/Call, Registration Rights and Standstill Agreement, distributions shall be made to the holder of record of the Membership Interests on the date of distribution.

SECTION 10.04. Right of First Refusal. (a) If a Member (the "Selling Member") shall desire to sell all (but not part) of its Membership Interests (which, for purposes of this Section 10.04, shall be deemed to include, in the case of Ashland, the Ashland LOOP/LOCAP Interest) pursuant to Section 10.01(c), then the Selling Member shall give notice (the "Offer Notice") to the other Member, identifying the proposed purchaser from whom it has received a bona fide offer and setting forth the proposed sale price (which shall be payable only in cash or purchase money obligations secured solely by the Membership Interests being sold) and the other material terms and conditions upon which the Selling Member is proposing to sell such Membership Interests to such proposed purchaser. No such sale shall encompass or be conditioned upon the sale or purchase of any property other than such Membership Interests (other than, in the case of Ashland, the Ashland LOOP/LOCAP Interest). The other Member shall have 30 days from receipt of the Offer Notice to elect, by notice to the Selling Member, to purchase the Membership Interests offered for sale on the terms and conditions set forth in the Offer Notice.

(b) If a Member makes such election, the notice of election shall state a closing date not later than 60 days after the date of the Offer Notice. If such Member breaches its obligation to purchase the Membership Interests of the Selling Member on the same terms and conditions as those contained in the Offer Notice after giving notice of its election to make such purchase (other than where such breach is due to circumstances beyond such Member's reasonable control), then, in addition to all other remedies available, the Selling Member may, at any time for a period of 270 days after such default, sell such Membership Interests to any person at any price and upon any other terms without further compliance with the procedures set forth in Section 10.04.

(c) If the other Member gives notice within the 30-day period following the Offer Notice from the Selling Member that it elects not to purchase the Membership Interests, the Selling Member may, within 120 days after the

end of such 30-day period (or 270 days in the case where such parties have received a second request under HSR), sell such Membership Interests to the identified purchaser (subject to clause (iii) of Section 10.01(c)) on terms and conditions no less favorable to the Selling Member than the terms and conditions set forth in such Offer Notice. In the event the Selling Member shall desire to offer the Membership Interests for sale on terms and conditions less favorable to it than those previously set forth in an Offer Notice, the procedures set forth in this Section 10.04 must again be initiated and applied with respect to the terms and conditions as modified.

SECTION 10.05. Restriction on Resignation or Withdrawal. Except in connection with a Transfer permitted pursuant to Section 10.01, neither Member shall resign or withdraw from the Company without the consent of the other Member. Any purported resignation or withdrawal from the Company in violation of this Section 10.05 shall be null and void and of no force or effect.

ARTICLE XI

Liability, Exculpation and Indemnification

SECTION 11.01. Liability. Except as otherwise provided by the Delaware Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Covered Person.

SECTION 11.02. Exculpation. (a) No Covered Person shall be liable to the Company or any other Covered Person for any cost, expense, loss, damage, claim or liability incurred by reason of any act or omission performed or omitted by such Covered Person in such capacity, whether or not such person continues to be a Covered Person at the time of such cost, expense, loss, damage, claim or liability is incurred or imposed, if the Covered Person acted in good faith and in a manner the Covered Person reasonably believed to be in or not opposed to the best interests of the Company, and if, with respect to any criminal action or proceeding, such Covered Person had no reasonable cause to believe its conduct was unlawful, except that a Covered Person shall be liable for any such cost, expense, loss, damage, claim or liability incurred by reason of such Covered Person’s breach of Section 12.02.

(b) A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Company by any person as to any matters the Covered Person reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, profits, losses, or any other facts pertinent to the existence and amount of assets from which distributions to Members might properly be paid.

SECTION 11.03. Indemnification. (a) To the fullest extent permitted by Applicable Law, a Covered Person shall be entitled to indemnification from the Company for any reasonable cost and expense, loss, damage, claim or liability incurred by such Covered Person in connection with any pending, threatened or completed claim, action, suit or proceeding by reason of being a Covered Person or by reason of any act or omission performed or omitted by such Covered Person in such capacity, whether or not such person continues to be a Covered Person at the time such cost, expense, loss, damage, claim or liability is incurred or imposed, if the Covered Person (i) has been successful on the merits or otherwise with respect to such claim, action, suit or proceeding, or (ii) acted in good faith and in a manner the Covered Person reasonably believed to be in or not opposed to the best interests of the Company, and if, with respect to any criminal action or proceeding, such Covered Person had no reasonable cause to believe its conduct was unlawful, except that no Covered Person shall be entitled to be indemnified in respect of any such cost, expense, loss, damage, claim or liability incurred by such Covered Person by reason of such Covered Person's breach of Section 12.02 with respect to such acts or omissions; provided, however, that any indemnity under this Section 11.03 shall be provided out of and to the extent of Company assets only, and no Covered Person shall have any personal liability on account of such indemnification of any other Covered Person, and provided further that, in the case of officers, employees and agents of the Company, such right to indemnification shall be subject to any further limitations or requirements that may be adopted by the Board of Managers, provided such limitations or requirements were adopted prior to the events that gave rise to the claim for indemnification.

(b) Expenses incurred with respect to any claim, action, suit or proceeding of the character described in Section 11.03(a) shall be advanced to a Covered Person by

the Company prior to the final disposition thereof, but the Covered Person shall be obligated to repay such advances if it is ultimately determined that the Covered Person is not entitled to indemnification under Section 11.03(a). As a condition to advancing expenses hereunder, the Company may require the Covered Person to sign a written instrument acknowledging his obligation to repay any advances hereunder if it is ultimately determined he is not entitled to such indemnity.

(c) Notwithstanding anything in this Section 11.03 to the contrary, no Covered Person shall be indemnified in respect of any claim, action, suit or proceeding initiated by such Covered Person or his personal or legal representative, or which involved the voluntary solicitation or intervention of such person or his personal or legal representative (other than an action to enforce indemnification rights hereunder or any action initiated with the approval of a majority of the Board of Managers).

(d) The rights of indemnification provided in this Section 11.03 shall be in addition to any other rights to which any Covered Person may otherwise be entitled to by contract or otherwise; and in the event of any Covered Person's death, such rights shall extend to such Covered Person's heirs and personal representatives.

ARTICLE XII

Fiduciary Duties

SECTION 12.01. Duties and Liabilities of Covered Persons. To the extent that, at law or in equity, a Covered Person has duties (including fiduciary duties) and liabilities relating thereto to the Company or to any other Covered Person, a Covered Person acting under this Agreement shall not be liable to the Company or to any other Covered Person for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they expand or restrict the duties and liabilities of a Covered Person otherwise existing at law or in equity, are agreed by the parties hereto to replace such other duties and liabilities of such Covered Person.

SECTION 12.02. Fiduciary Duties of Members of the Company and Members of the Board of Managers. Each Member and each member of the Board of Managers shall have the fiduciary duties of loyalty and care (similar to the fiduciary duties of loyalty and care of directors of a business corporation governed by the General Corporation Law

of the State of Delaware) to the Company and all of the Members. Notwithstanding any provision of this Agreement to the contrary, each Member and each member of the Board of Managers agrees to and shall exercise good faith, fairness and loyalty to the Company and to all of the Members, and shall make all decisions in a manner that such Member or such member of the Board of Managers reasonably believes to be in the best interest of the Company and all of the Members. Notwithstanding the foregoing, this Section 12.02 is not intended to limit a Member's ability to exercise or enforce any of its rights and remedies under this Agreement and the other Transaction Documents in good faith, including, without limitation, Article IX of the Asset Transfer and Contribution Agreement.

ARTICLE XIII

Dispute Resolution Procedures

SECTION 13.01. General. All controversies, claims or disputes between the Members or between the Company and either Member that arise out of or relate to this Agreement or the construction, interpretation, performance, breach, termination, enforceability or validity of this Agreement, or the commercial, economic or other relationship of the parties hereto, whether such claim is based on rights, privileges or interests recognized by or based upon statute, contract, tort, common law or otherwise and whether such claim existed prior to or arises on or after January 1, 1998 (a "Dispute") shall be resolved in accordance with the provisions of this Article XIII (except as otherwise expressly provided in Sections 6.06 and 6.08). Notwithstanding anything to the contrary contained in this Article XIII, nothing in this Article XIII shall limit the ability of the directors and officers of either Member from communicating directly with the directors and officers of the other Member.

SECTION 13.02. Dispute Notice and Response. Either Member may give the other Member written notice (a "Dispute Notice") of any Dispute which has not been resolved in the normal course of business. Within fifteen Business Days after delivery of the Dispute Notice, the receiving Member shall submit to the other Member a written response (the "Response"). The Dispute Notice and the Response shall each include (i) a statement setting forth the position of the Member giving such notice, a summary of the arguments supporting such position and, if applicable, the relief sought and (ii) the name and title of a senior manager of such Member who has authority to settle the

Dispute and will be responsible for the negotiations related to the settlement of the Dispute (the "Senior Manager").

SECTION 13.03. Negotiation Between Senior Managers. (a) Within 10 days after delivery of the Response provided for in Section 13.02, the Senior Managers of both Members shall meet or communicate by telephone at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, and shall negotiate in good faith to attempt to resolve the Dispute that is the subject of such Dispute Notice. If such Dispute has not been resolved within 45 days after delivery of the Dispute Notice, then the Members shall attempt to settle the Dispute pursuant to Section 13.04.

(b) All negotiations between the Senior Managers pursuant to this Section 13.03 shall be treated as compromise and settlement negotiations. Nothing said or disclosed, nor any document produced, in the course of such negotiations which is not otherwise independently discoverable shall be offered or received as evidence or used for impeachment or for any other purpose in any current or future arbitration or litigation.

SECTION 13.04. Negotiation Between Chief Executive Officer and President. (a) If the Dispute has not been resolved by negotiation between the Senior Managers pursuant to Section 13.03, then within 10 Business Days after the expiration of the 45 day period provided in Section 13.03, the Chief Executive Officer of Ashland and the President of Marathon shall meet or communicate by telephone at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, and shall negotiate in good faith to attempt to resolve the Dispute that is the subject of such Dispute Notice. If such Dispute has not been resolved within 20 Business Days after the expiration of the 45 day period provided in Section 13.03, then (i) if the Dispute relates solely to (A) a claim by a Member or the Board of Managers that the other Member has failed to pay the Company a Designated Sublease Amount or an amount in respect of a Member-Funded Capital Expenditure, a Member-Funded Indemnity Expenditure or an Agreed Additional Capital Contribution required to be made by it pursuant to Section 4.02 (a "Disputed Capital Contribution Amount"), (B) the determination of any of the following amounts with respect to any period: distributions pursuant to Article V; the Aggregate Tax Rate; Adjusted DD&A; Adjusted EBITDA; EBITDA; Distributable Cash; the Average Annual Level and adjustments to Adjustable Amounts; the Normal Annual Capital Budget Amount; Ordinary Course Lease Expenses; Profit and Loss; the Tax Distribution

Amount; the Tax Liability of any Member; and the determination of fair market value of property distributed in kind under Section 15.03, (C) the resolution of any dispute arising under Section 8.11(b) with respect to Affiliate Transactions or (D) the resolution of any dispute arising under Section 8.12 with respect to certain Affiliate Transactions related to Crude Oil Purchases and Shared Services (any Dispute relating to any of the matters set forth in clause (A), (B), (C) or (D) above being referred to herein as an "Arbitratable Dispute"), such Dispute shall be settled pursuant to the arbitration procedures set forth in Appendix B and (ii) if the Dispute does not relate primarily to an Arbitratable Dispute, each party hereto shall be permitted to take such actions at law or in equity as it is otherwise permitted to take or as may be available under Applicable Law.

(b) All negotiations between the Chief Executive Officer of Ashland and the President of Marathon pursuant to this Section 13.04 shall be treated as compromise and settlement negotiations. Nothing said or disclosed, nor any document produced, in the course of such negotiations which is not otherwise independently discoverable shall be offered or received as evidence or used for impeachment or for any other purpose in any current or future arbitration or litigation.

SECTION 13.05. Right to Equitable Relief Preserved. Notwithstanding anything in this Agreement or Appendix B to the contrary, either Member or the Company may at any time seek from any court of the United States located in the State of Delaware or from any Delaware state court, any interim, provisional or injunctive relief that may be necessary to protect the rights or property of such party or maintain the status quo before, during or after the pendency of the negotiation process or the arbitration proceeding or any other proceeding contemplated by Section 13.03 or 13.04.

ARTICLE XIV

Rights and Remedies with Respect to Monetary Disputes

SECTION 14.01. Ability of Company to Borrow to Fund Disputed Monetary Amounts. (a) If the Company or a Member on behalf of the Company (a "Non-Delinquent Member") claims that the other Member (a "Delinquent Member") owes the Company a monetary amount in respect of either (i) a Disputed Capital Contribution Amount or (ii) an indemnification obligation under Article IX of the Asset Transfer and Contribution Agreement that the Company or the

Non-Delinquent Member claims the Delinquent Member owes the Company and is either (A) past due or (B) in dispute (a "Disputed Indemnification Amount") (each such claim described in clauses (i) and (ii) above being a "Monetary Dispute", and each such claimed amount being a "Disputed Monetary Amount"), and if (1) the Disputed Monetary Amount itself, or when added together all other Disputed Monetary Amounts, exceeds $7.5 million; (2) the Board of Managers (by vote of a majority of the Representatives of the Non-Delinquent Member at a special or regular meeting of the Board of Managers (which majority shall constitute a quorum for purposes of the transaction of such business)) has determined that an out-of-pocket disbursement of such Disputed Monetary Amount or any portion thereof by the Company or one of its subsidiaries within the next twelve months is reasonably necessary for the operation and conduct of the Company's Business and, accordingly, that such amount should be paid within the next twelve months; (3) the aggregate amount of all Disputed Monetary Amounts (or portions thereof) that the Board of Managers shall have determined pursuant to clause (2) above should be paid within the next twelve months (such aggregate amount being the "Additional Required Cash Amount") exceeds $7.5 million; (4) postponement by the Company or such subsidiary of such disbursement until such time as the Monetary Dispute is reasonably likely to be finally resolved pursuant to an arbitration proceeding in accordance with Appendix B to this Agreement or Appendix B to the Asset Transfer and Contribution Agreement, as applicable (an "Arbitration Proceeding"), would have, or would reasonably be expected to have, a Material Adverse Effect on the Company's Business; and (5) the Delinquent Member has not paid the Company the Disputed Monetary Amount pursuant to Section 14.02 or otherwise, then the Board of Managers (by vote of a majority of the Representatives of the Non-Delinquent Member at a special or regular meeting of the Board of Managers (which majority shall constitute a quorum for purposes of the transaction of such business)) shall be permitted to cause the Company to incur an amount of Indebtedness equal to such Additional Required Cash Amount, which Indebtedness may be borrowed from a third party or the Non-Delinquent Member.

(b) If the Non-Delinquent Member lends the Company the Additional Required Cash Amount pursuant to Section 14.01(a), then (i) the amount actually lent by the Non-Delinquent Member (the "Advanced Amount") and all accrued interest thereon shall be due and payable on the Arbitration Payment Due Date (provided that the Company shall be permitted to prepay the Advanced Amount in whole or in part at any time prior to such date); and (ii) the Advanced Amount shall bear interest at the Base Rate from

the date on which such advance is made until the date that the Advanced Amount, together with all interest accrued thereon, is repaid to the Non-Delinquent Member.

SECTION 14.02. Interim Payment of Disputed Monetary Amount. In order to reduce the amount of liquidated damages that a Delinquent Member would be required to pay to the Company pursuant to Section 14.03 in the event that such Delinquent Member loses in an Arbitration Proceeding with respect to a Monetary Dispute, the Delinquent Member shall be permitted to pay the Company the related Disputed Monetary Amount prior to the commencement of such Arbitration Proceeding. The Arbitration Tribunal or Sole Arbitrator, as applicable, shall not take into consideration in determining the liability of the Delinquent Member, a decision by such Delinquent Member to pay the Disputed Monetary Amount prior to the commencement of the Arbitration Proceeding.

SECTION 14.03. Liquidated Damages. (a) No Interim Payment of Disputed Monetary Amount—Delinquent Member is Found Liable for Final Monetary Amount. If (i) it is finally determined in an Arbitration Proceeding that a Delinquent Member owes the Company a monetary amount in respect of (A) a Disputed Capital Contribution Amount or (B) a Disputed Indemnification Amount (each such finally determined amount being a "Final Monetary Amount") and (ii) the Delinquent Member had not paid the Company the Disputed Monetary Amount prior to the commencement of such Arbitration Proceeding pursuant to Section 14.02, then the Delinquent Member shall promptly, and in any event on or before the tenth Business Day following the date on which the Arbitration Tribunal or Sole Arbitrator makes its final determination (such tenth Business Day being the "Arbitration Payment Due Date"), pay to the Company (A) the Final Monetary Amount, together with interest, accrued from the commencement of the Arbitration Proceeding to the date that the Delinquent Member pays the Final Monetary Amount to the Company, on the Final Monetary Amount, at a rate per annum equal to (1) during the period from the commencement of the Arbitration Proceeding to the Arbitration Payment Due Date, the Prime Rate and (2) at any time thereafter, 150% of the Prime Rate, in each case, with daily accrual of interest, plus (B) an amount equal to 25% of the Final Monetary Amount.

(b) Interim Payment of Disputed Monetary Amount—Delinquent Member is Found Liable for the Same Amount. If (i) it is finally determined in an Arbitration Proceeding that a Delinquent Member owes the Company a Final Monetary Amount, (ii) the Final Monetary Amount is equal to the

Disputed Monetary Amount and (iii) the Delinquent Member had paid the Company the Disputed Monetary Amount prior to the commencement of such Arbitration Proceeding pursuant to Section 14.02, then if the Final Monetary Amount is equal to the Disputed Monetary Amount, the Delinquent Member shall not owe the Company any other amount in respect of the Monetary Dispute.

(c) Interim Payment of Disputed Monetary Amount—Delinquent Member is Found Liable for a Greater Amount. If (i) it is finally determined in an Arbitration Proceeding that a Delinquent Member owes the Company a Final Monetary Amount, (ii) the Final Monetary Amount is greater than the Disputed Monetary Amount and (iii) the Delinquent Member had paid the Company the Disputed Monetary Amount prior to the commencement of such Arbitration Proceeding pursuant to Section 14.02, then the Delinquent Member shall promptly, and in any event on or before the Arbitration Payment Due Date, pay to the Company an amount (an "Additional Monetary Amount") equal to (A) the Final Monetary Amount less (B) the Disputed Monetary Amount, together with interest, accrued from the commencement of the Arbitration Proceeding to the date that the Delinquent Member pays the Additional Monetary Amount to the Company, on the Additional Monetary Amount, at a rate per annum equal to (1) during for the period from the commencement of the Arbitration Proceeding to the Arbitration Payment Due Date, the Prime Rate and (2) at any time thereafter, 150% of the Prime Rate, in each case, with daily accrual of interest.

(d) Interim Payment of Disputed Monetary Amount—Delinquent Member is Found Liable for a Lesser Amount. If (i) it is finally determined in an Arbitration Proceeding that a Delinquent Member owes the Company a Final Monetary Amount, (ii) the Final Monetary Amount is less than the Disputed Monetary Amount and (iii) the Delinquent Member had paid the Company the Disputed Monetary Amount prior to the commencement of such Arbitration Proceeding, then the Company shall promptly, and in any event on or before the Arbitration Payment Due Date, repay to the Delinquent Member an amount (a "Refundable Amount") equal to (A) the Disputed Monetary Amount less (B) the Final Monetary Amount, together with interest, accrued from the commencement of the Arbitration Proceeding to the date that the Company repays the Refundable Amount to the Delinquent Member, on the Refundable Amount, at a rate per annum equal to (1) during the period from the commencement of the Arbitration Proceeding to the Arbitration Payment Due Date, the Prime Rate and (2) at any time thereafter, 150% of the Prime Rate, in each case, with daily accrual of interest.

(e) Interim Payment of Disputed Monetary Amount—Delinquent Member is Found Not Liable for Disputed Monetary Amount. If (i) it is finally determined in an Arbitration Proceeding that a Delinquent Member does not owe the Company the related Disputed Monetary Amount and (ii) the Delinquent Member had paid the Company the Disputed Monetary Amount prior to the commencement of such Arbitration Proceeding, then the Company shall promptly, and in any event on or before the Arbitration Payment Due Date, repay to the Delinquent Member an amount equal to the Disputed Monetary Amount, together with interest, accrued from the commencement of the Arbitration Proceeding to the date that the Company repays the Disputed Monetary Amount to the Delinquent Member, on the Disputed Monetary Amount, at a rate per annum equal to (A) during the period from the commencement of the Arbitration Proceeding to the Arbitration Payment Due Date, the Prime Rate and (B) at any time thereafter, 150% of the Prime Rate, in each case, with daily accrual of interest.

SECTION 14.04. Right of Set-Off. Notwithstanding any provision to the contrary contained in this Agreement, if at the time of a Distribution Date a Delinquent Member has failed to pay the Company an amount that it was required pursuant to Section 14.03 to pay to the Company on or before such Distribution Date, then on such Distribution Date, the Company shall be permitted to set off from the distribution that it would otherwise be required to make to such Delinquent Member pursuant to Section 5.01 on such Distribution Date, an amount equal to such unpaid amount. If the amount of the distribution that such Delinquent Member was otherwise entitled to receive pursuant to Section 5.01 on such Distribution Date is less than the aggregate amount that such Delinquent Member owes to the Company pursuant to Section 14.03, then the Company shall be permitted to set off from subsequent distributions that it would otherwise make to such Delinquent Member pursuant to Section 5.01 the remaining unpaid amount until such time as such remaining unpaid amount shall have been paid in full. A Delinquent Member's interest in distributions to be made to such Delinquent Member pursuant to Section 5.01 shall be reduced by any amount set off by the Company against such distributions pursuant to this Section 14.04(a).

SECTION 14.05. Security Interest. (a) Each Member hereby agrees that if (i) it has failed to pay the Company an amount that it was required to pay to the Company pursuant to Section 14.03 on or prior to the related Arbitration Payment Due Date, and (ii) the Board of Managers (by vote of a majority of the Representatives of the other Member at a special or regular meeting of the Board of

Managers (which majority shall constitute a quorum for purposes of the transaction of such business) so requests, such Member shall (A) on the Business Day next following such Arbitration Payment Due Date, grant to the Company, as security for the performance of its obligation to pay the Company such amount owed (but for no other amount), a first priority security interest in its Membership Interests and the proceeds thereof (a "Security Interest"), all under the Uniform Commercial Code of the State of Delaware and (ii) promptly thereafter, execute and deliver to the Company all financing statements and other instruments that the Board of Managers (by vote of a majority of the Representatives of the other Member at a special or regular meeting of the Board of Managers (which majority shall constitute a quorum for purposes of the transaction of such business)) may request to effectuate and carry out the preceding provisions of this Section 14.05(a). The Company shall be entitled to all the rights and remedies of a secured party under the Uniform Commercial Code of the State of Delaware with respect to any Security Interest granted by such Member. At the option of the Company, this Agreement or a carbon, photographic, or other copy hereof may serve as a financing statement with respect to any such Security Interest. For purposes of perfecting a Security Interest, a Member's Membership Interests shall be deemed to be a "security" governed by Chapter 8 of the Delaware Uniform Commercial Code and as such term is therein defined in Section 8-102(c) thereunder.

(b) If the Company incurs Indebtedness pursuant to Section 14.01 by borrowing from a Non-Delinquent Member, the Company shall be permitted to assign all its rights with respect to a Security Interest granted to it pursuant to Section 14.05(a) to such Non-Delinquent Member as security for such Indebtedness; provided that such Non-Delinquent Member shall not be permitted to assign such Security Interest to a third party.

ARTICLE XV

Dissolution and Termination

SECTION 15.01. Dissolution. The Company shall be dissolved and its business and affairs wound up upon the earliest to occur of any one of the following events:

(a) the expiration of the Term of the Company;

(b) the sale or other disposition of all or substantially all the property of the Company;

(c) the written consent of both Members;

(d) the unanimous agreement of all Representatives on the Board of Managers;

(e) the bankruptcy, involuntary liquidation or dissolution of either Member; or

(f) the entry of a decree of judicial dissolution pursuant to Section 18-802 of the Delaware Act.

The bankruptcy, involuntary liquidation of dissolution of a Member shall cause a Member to cease to be a member of the Company. Notwithstanding the foregoing, the Company shall not be dissolved and its business and affairs shall not be wound up upon the occurrence of any event specified in (i) clause (e) above if within 90 days after the date on which such event occurs, the remaining Member elects in writing to continue the business of the Company or (ii) clause (a) above if a Non-Terminating Member purchases the Membership Interests of the Terminating Member pursuant to its Special Termination Right. Except as provided in this paragraph and Section 15.01(e), and to the fullest extent permitted by the Delaware Act, the occurrence of an event that causes a Member to cease to be a member of the Company shall not cause the Company to be dissolved or its business or affairs to be wound up, and upon the occurrence of such an event, the business of the Company shall continue without dissolution.

SECTION 15.02. Winding Up of Company. Upon dissolution, the Company's business shall be liquidated in an orderly manner. The Board of Managers shall act as the liquidating trustee (unless the Board of Managers elects to appoint a liquidating trustee) to wind up the affairs of the Company pursuant to this Agreement. In performing its duties, the liquidating trustee is authorized to sell, distribute, exchange or otherwise dispose of the assets of the Company in accordance with the Delaware Act and in any reasonable manner that the liquidating trustee shall determine to be in the best interest of the Members or their successors-in-interest.

SECTION 15.03. Distribution of Property. In the event the Board of Managers determines that it is necessary in connection with the liquidation of the Company to make a distribution of property in kind, such property shall be transferred and conveyed to the Members so as to vest in each of them as a tenant in common an undivided interest in the whole of such property equal to their interests in the property based upon the amount of cash that would be

distributed to each of the Members in accordance with Article V if such property were sold for an amount of cash equal to the fair market value of such property, as determined and approved by the Board of Managers pursuant to a vote in accordance with Section 8.07(b).

SECTION 15.04. Time Limitation. Any liquidating distribution pursuant to this Article XV shall be made no later than the later of (a) the end of the taxable year during which such liquidation occurs and (b) 90 days after the date of such liquidation.

SECTION 15.05. Termination of Company. The Company shall terminate when all assets of the Company, after payment of or due provision for all debts, liabilities and obligations of the Company, shall have been distributed to the Members in the manner provided for in this Agreement, and the Certificate of Formation shall have been canceled in the manner provided by the Delaware Act.

ARTICLE XVI

Miscellaneous

SECTION 16.01. Notices. Any notice, consent or approval to be given under this Agreement shall be in writing and shall be deemed to have been given if delivered: (i) personally by a reputable courier service that requires a signature upon delivery; (ii) by mailing the same via registered or certified first-class mail, postage prepaid, return receipt requested; or (iii) by telecopying the same with receipt confirmation (followed by a first-class mailing of the same) to the intended recipient. Any such writing will be deemed to have been given: (a) as of the date of personal delivery via courier as described above; (b) as of the third calendar day after depositing the same into the custody of the postal service as evidenced by the date-stamped receipt issued upon deposit of the same into the mails as described above; and (c) as of the date and time electronically transmitted in the case of telecopy delivery as described above, in each case addressed to the intended party at the address set forth below:

To the Board of Managers:

Marathon Ashland Petroleum LLC
539 South Main Street
Findlay, Ohio 45840
Attn: General Counsel
Phone: (419) 422-2121
Fax: (419) 421-4115

To Marathon:

Marathon Oil Company
5555 San Felipe
P.O. Box 3128
Houston, TX 77056-2723
Attn: General Counsel
Phone: (713) 296-4137
Fax: (713) 296-4171

To Ashland:

Ashland Inc.
50 E. RiverCenter Boulevard
P.O. Box 391
Covington, KY 41012-0391
Attn: General Counsel
Phone: (606) 815-4711
Fax: (606) 815-3823

Any party may designate different addresses or telecopy numbers by notice to the other parties.

SECTION 16.02. Merger and Entire Agreement. This Agreement (including the Exhibits, Schedules and Appendices attached hereto), together with the other Transaction Documents (including the exhibits, schedules and appendices thereto) and certain other agreements executed contemporaneously with the Master Formation Agreement constitutes the entire Agreement of the parties hereto and supersedes any prior understandings, agreements, or representations by or among the parties hereto, written or oral, to the extent they relate in any way to the subject matter hereof.

SECTION 16.03. Assignment. A party hereto shall not assign all or any of its rights, obligations or benefits under this Agreement to any third party otherwise than (i) in connection with a Transfer of its Membership Interests pursuant to Article X, (ii) with the prior written consent of the other party hereto, which consent may be withheld in such party's sole discretion, (iii) the granting by a Member of a Security Interest to the Company pursuant to Section 14.05 or (iv) pursuant to Article V of the Put/Call, Registration Rights and Standstill Agreement, and any attempted assignment not in compliance with this Section 16.03 shall be void ab initio.

SECTION 16.04. Parties in Interest. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors, legal representatives and permitted assigns.

SECTION 16.05. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

SECTION 16.06. Amendment; Waiver. This Agreement may not be amended except in a written instrument signed by each of the parties hereto and expressly stating it is an amendment to this Agreement. Any failure or delay on the part of any party hereto in exercising any power or right hereunder shall not operate as a waiver thereof, nor shall any single or partial exercise of any such right or power preclude any other or further exercise thereof or the exercise of any other right or power hereunder or otherwise available at law or in equity.

SECTION 16.07. Severability. If any term, provision, covenant, or restriction of this Agreement or the application thereof to any person or circumstance, at any time or to any extent, is held by a court of competent jurisdiction or other Governmental Authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement (or the application of such provision in other jurisdictions or to persons or circumstances other than those to which it was held invalid or unenforceable) shall in no way be affected, impaired or invalidated, and to the extent permitted by Applicable Law, any such term, provision, covenant or restriction shall be restricted in applicability or reformed to the minimum extent required for such to be enforceable. This provision shall be interpreted and enforced to give effect to the original written intent of the parties hereto prior to the determination of such invalidity or unenforceability.

SECTION 16.08. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICTS OF LAW THEREOF. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH SECTION 18-1101 OF THE DELAWARE ACT. ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY CLAIM OR PROCEEDING RELATED TO OR ARISING OUT OF THIS AGREEMENT, OR ANY TRANSACTION OR CONDUCT IN CONNECTION HEREWITH, IS WAIVED.

SECTION 16.09. Enforcement. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in the Delaware Chancery Court; provided that if the Delaware Chancery Court does not have jurisdiction with respect to such matter, the parties hereto shall be entitled to enforce specifically the terms and provisions of this Agreement in any court of the United States located in the State of Delaware or in Delaware state court, this being in addition to any other remedy to which they are entitled at law or in equity. In addition, each of the parties hereto (i) consents to submit itself to the personal jurisdiction of the Delaware Chancery Court in the event that any dispute arises out of this Agreement or any of the transactions contemplated by this Agreement; provided that if the Delaware Chancery Court does not have jurisdiction with respect to any such dispute, such party consents to submit itself to the personal jurisdiction of any Federal court located in the State of Delaware or any Delaware state court, (ii) agrees to appoint and maintain an agent in the State of Delaware for service of legal process, (iii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, (iv) agrees that it will not plead or claim in any such court that any action relating to this Agreement or any of the transactions contemplated by this Agreement in any such court has been brought in an inconvenient forum and (v) agrees that it will not initiate any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than (1) the Delaware Chancery Court, or (2)if the Delaware Chancery Court does not have jurisdiction with respect to such action, a Federal court sitting in the State of Delaware or a Delaware state court.

SECTION 16.10. Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditor of the Company or of any Member.

SECTION 16.11. No Bill for Accounting. In no event shall either Member have any right to file a bill for an accounting or any similar proceeding.

SECTION 16.12. Waiver of Partition. Each Member hereby waives any right to partition of the Company property.

SECTION 16.13. Table of Contents, Headings and Titles. The table of contents and section headings of this Agreement and titles given to Exhibits and Schedules to this Agreement are for reference purposes only and are to be given no effect in the construction or interpretation of this Agreement.

SECTION 16.14. Use of Certain Terms; Rules of Construction. As used in this Agreement, the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular paragraph, subparagraph, section, subsection or other subdivision. Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. Each party hereto agrees that any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation or construction of this Agreement or any Transaction Document.

SECTION 16.15. Holidays. Notwithstanding any deadline for payment, performance, notice or election under this Agreement, if such deadline falls on a date that is not a Business Day, then the deadline for such payment, performance, notice or election will be extended to the next succeeding Business Day.

SECTION 16.16. Third Parties. Nothing herein expressed or implied is intended or shall be construed to confer upon or give any person and their respective successors, legal representatives and permitted assigns any rights, remedies or basis for reliance upon, under or by reason of this Agreement.

SECTION 16.17. Liability for Affiliates. Except where and to the extent that a contrary intention otherwise appears, where a Member undertakes to cause its Affiliates to take or abstain from taking any action, such undertaking shall mean (i) in the case of any Affiliate that is controlled by such Member, that such Member shall cause such Affiliate to take or abstain from taking such action and (ii) in the case of an Affiliate that controls or is under common control with such Member, that such Member shall use its commercially reasonable best efforts to cause such Affiliates to take or abstain from taking such action; provided, however, that such Member shall not be required to violate, or cause any director of such Affiliate to violate, any fiduciary duty to minority shareholders of such Affiliate.

IN WITNESS WHEREOF, this Agreement has been duly executed by the Members as of the day and year first above written.

MARATHON OIL COMPANY

by /s/ V. G. BEGHNI
Name: **Victor G. Beghini**
Title: **President**

ASHLAND INC.

by /s/ PAUL W. CHELLGREN
Name: **Paul W. Chellgren**
Title: **Chairman of the Board and Chief Executive Officer**

DEFINITION OF TERMS

The following terms shall have the following meanings wherever they appear in a Transaction Document (as hereinafter defined) and such meanings shall be equally applicable to both the singular and the plural forms of the terms herein defined. References herein to an agreement, instrument or document shall, unless otherwise expressly provided, include such agreement, instrument or document as the same may be amended, modified or supplemented from time to time in accordance with its terms and as permitted by the Transaction Documents and shall include the permitted successors to, and assigns of, any Person.

"Addendum and Joinder" shall mean the Addendum and Joinder to the Asset Transfer and Contribution Agreement in substantially the form attached as Exhibit W to the Asset Transfer and Contribution Agreement.

"Affiliate" shall mean, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with, the Person in question; provided, however, that unless otherwise indicated, neither the Company nor any of its subsidiaries shall be considered an Affiliate of Marathon, USX or Ashland.

"Affiliated Ashland Group" shall have the meaning set forth in Section 6.4(c) of the Asset Transfer and Contribution Agreement.

"Affiliated Marathon Group" shall have the meaning set forth in Section 5.4(c) of the Asset Transfer and Contribution Agreement.

"Applicable GAAP" shall have the meaning set forth in Section 1.02 of the LLC Agreement.

"Applicable Law" shall mean any applicable statute, law, regulation, ordinance, rule, judgment, rule of law, order, decree, permit, approval, concession, grant, franchise, license, agreement, requirement, or other governmental restriction or any similar form of decision of, or any provision or condition of any permit, license or other operating authorization issued under any of the foregoing by, or any determination by any Governmental Authority having or asserting jurisdiction over the matter or matters in question, whether now or hereafter in effect and in each case as amended (including without limitation, all of the terms and provisions of the common law of such Governmental Authority), as interpreted and enforced at the time in question.

"Ashland" shall mean Ashland Inc., a Kentucky corporation, or its successor.

"Ashland Asset Leases" shall have the meaning set forth in Section 3.1(g) of the Asset Transfer and Contribution Agreement.

"Ashland Asset Transfer and Contribution Agreement Disclosure Letter" shall mean the letter from Ashland to Marathon and the Company dated the date of and relating to the Asset Transfer and Contribution Agreement.

"Ashland Assumed Liabilities" shall have the meaning set forth in Section 3.3 of the Asset Transfer and Contribution Agreement.

"Ashland Benefit Plan" shall mean every Employee Benefit Plan sponsored, maintained, or contributed to, or required to be contributed to, by Ashland, or any ERISA Affiliate of Ashland, for the benefit of current or former employees of Ashland's Business in the United States.

"Ashland Chemical Product Sale Agreement" shall mean the Ashland Chemical Product Sale Agreement in substantially the form attached as Exhibit P to the Asset Transfer and Contribution Agreement.

"Ashland Commercial Affiliates" shall have the meaning set forth in Section 4.1 of the Master Formation Agreement.

"Ashland Consent Decrees" shall mean any consent decrees, consent orders, agreed orders, notices of violation, judgments, decrees or similar orders or obligations entered into prior to Closing or relating to any investigations of which Ashland had received notice from the appropriate Governmental Authority prior to Closing.

"Ashland Contracts" shall have the meaning set forth in Section 3.1(o) of the Asset Transfer and Contribution Agreement.

"Ashland Designated Sublease Agreements" shall mean the Ashland Sublease Agreements in substantially the forms attached as Exhibit L to the Asset Transfer and Contribution Agreement.

"Ashland Designated UST Environmental Contamination" shall mean any Environmental Contamination associated with, or discovered as part of, Ashland's 1998 underground storage tank upgrade program at the Ashland Service Stations set forth on Schedule 9.1(c) to the Ashland Asset Transfer and Contribution Agreement Disclosure Letter under the heading "Ashland Designated UST Environmental Contamination."

"Ashland Environmental Loss" shall mean any Environmental Loss to the extent arising out of, based on, or occurring in connection with Ashland's Business prior to Closing or related to the ownership, use, operation or maintenance of, or related to the reporting practices associated with, the Ashland Transferred Assets prior to Closing, whether or not Asserted prior to Closing.

"Ashland Excluded Assets" shall have the meaning set forth in Section 3.2 of the Asset Transfer and Contribution Agreement.

"Ashland Excluded Liabilities" shall have the meaning set forth in Section 3.4 of the Asset Transfer and Contribution Agreement.

"Ashland Excluded Taxes" shall have the meaning set forth in Section 3.3(i) of the Asset Transfer and Contribution Agreement.

"Ashland Financial Statements" shall have the meaning set forth in Section 4.6 of the Master Formation Agreement.

"Ashland General Assignment and Assumption Agreement" shall mean the General Assignment and Assumption Agreement in substantially the form attached as of Exhibit I to the Asset Transfer and Contribution Agreement.

"Ashland Indemnified Persons" shall mean Ashland and its Affiliates and their respective employees, officers and directors.

"Ashland Information Package" shall have the meaning set forth in Section 4.8 of the Master Formation Agreement.

"Ashland Intellectual Property License Agreement" shall mean the Intellectual Property License Agreement in substantially the form attached as Exhibit J-1 to the Asset Transfer and Contribution Agreement.

"Ashland Joint Contracts" shall have the meaning set forth in Section 3.6(b) of the Asset Transfer and Contribution Agreement.

"Ashland Joint Permits" shall have the meaning set forth in Section 3.6(c) of the Asset Transfer and Contribution Agreement.

"Ashland Joint Services Agreement" shall mean the Ashland Joint Services Agreement in substantially the form attached as Exhibit Q to the Asset Transfer and Contribution Agreement.

"Ashland Lease Agreements" shall mean the Lease Agreements in substantially the form attached as Exhibit K to the Asset Transfer and Contribution Agreement.

"Ashland LOOP/LOCAP Interest" shall have the meaning set forth in Section 1.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Ashland Master Formation Agreement Disclosure Letter" shall mean the letter from Ashland to Marathon dated the date of and relating to the Master Formation Agreement.

"Ashland Material Contracts" shall have the meaning set forth in Section 6.9 of the Asset Transfer and Contribution Agreement.

"Ashland Material Permits" shall have the meaning set forth in Section 6.3 of the Asset Transfer and Contribution Agreement.

"Ashland 1997 Balance Sheet" shall mean the audited balance sheet of Ashland appearing in the Ashland Financial Statements.

"Ashland Ongoing Remediation" shall mean, with respect to any Ashland Environmental Loss, Remediation Activities that either were commenced prior to Closing or that relate to any investigation of which Ashland had received notice from the appropriate Governmental Authority prior to Closing.

"Ashland Other Real Property Rights" shall have the meaning set forth in Section 3.1(h) of the Asset Transfer and Contribution Agreement.

"Ashland Other Sublease Agreements" shall mean the Ashland Sublease Agreements in substantially the forms attached as Exhibit M to the Asset Transfer and Contribution Agreement.

"Ashland Pension Plan" shall have the meaning set forth in Section 10.5(c)(i) of the Asset Transfer and Contribution Agreement.

"Ashland Permits" shall have the meaning set forth in Section 3.1(p) of the Asset Transfer and Contribution Agreement.

"Ashland Personal Property Leases" shall have the meaning set forth in Section 3.1(j) of the Asset Transfer and Contribution Agreement.

"Ashland Personal Property Owned" shall have the meaning set forth in Section 3.1(i) of the Asset Transfer and Contribution Agreement.

"Ashland Pipelines" shall have the meaning set forth in Section 3.1(c) of the Asset Transfer and Contribution Agreement.

"Ashland Proprietary Rights" shall have the meaning set forth in Section 6.10(a) of the Asset Transfer and Contribution Agreement.

"Ashland Quitclaim Deeds" shall mean the Quitclaim Deeds substantially in the forms attached as Exhibit H to the Asset Transfer and Contribution Agreement.

"Ashland Real Property Leased" shall have the meaning set forth in Section 3.1(f) of the Asset Transfer and Contribution Agreement.

"Ashland Real Property Leases" shall have the meaning set forth in Section 3.1(f) of the Asset Transfer and Contribution Agreement.

"Ashland Real Property Owned" shall have the meaning set forth in Section 3.1(e) of the Asset Transfer and Contribution Agreement.

"Ashland Records" shall have the meaning set forth in Section 3.1(s) of the Asset Transfer and Contribution Agreement.

"Ashland Refineries" shall have the meaning set forth in Section 3.1(a) of the Asset Transfer and Contribution Agreement.

"Ashland Restricted Asset" shall have the meaning set forth in Section 3.6(a) of the Asset Transfer and Contribution Agreement.

"Ashland Restricted Liability" shall have the meaning set forth in Section 3.6(a) of the Asset Transfer and Contribution Agreement.

"Ashland Restriction" shall have the meaning set forth in Section 3.6(a) of the Asset Transfer and Contribution Agreement.

"Ashland Retirement Plan" shall have the meaning set forth in Section 10.7(a) of the Asset Transfer and Contribution Agreement.

"Ashland Service Stations" shall have the meaning set forth in Section 3.1(d) of the Asset Transfer and Contribution Agreement.

"Ashland Shut-Down Refinery Assets" shall mean those portions of shut down refineries of Ashland that are operating as terminals and are being leased to the Company pursuant to the Ashland Lease Agreements.

"Ashland Sublease Agreements" shall mean the Ashland Designated Sublease Agreements and the Ashland Other Sublease Agreements.

"Ashland Subsidiaries" shall have the meaning set forth in Section 4.1 of the Master Formation Agreement.

"Ashland Subsidiaries Interests" shall have the meaning set forth in Section 4.10 of the Master Formation Agreement.

"Ashland Supplier Cooperation Agreement" shall mean the Ashland Supplier Cooperation Agreement substantially in the form of Exhibit S to the Asset Transfer and Contribution Agreement.

"Ashland Terminals" shall have the meaning set forth in Section 3.1(b) of the Asset Transfer and Contribution Agreement.

"Ashland Trademark License Agreement" shall mean the Ashland Trademark License Agreement in substantially the form attached as Exhibit J-2 to the Asset Transfer and Contribution Agreement.

"Ashland Transferred Assets" shall have the meaning set forth in Section 3.1 of the Asset Transfer and Contribution Agreement.

"Ashland Transferred Employees" shall have the meaning set forth in Section 10.1(c) of the Asset Transfer and Contribution Agreement.

"Ashland Transferring Affiliates" shall have the meaning set forth in Section 4.1 of the Master Formation Agreement.

"Ashland Transferring Affiliate Interests" shall have the meaning set forth in Section 4.11 of the Master Formation Agreement.

"Ashland Transferring Entities" shall have the meaning set forth in Section 4.1 of the Master Formation Agreement.

"Ashland VEBA" shall have the meaning set forth in Section 10.14 of the Asset Transfer and Contribution Agreement.

"Ashland Working Capital Shortfall" shall have the meaning set forth in Section 4.3(g) of the Asset Transfer and Contribution Agreement.

"Ashland's Adjusted Capital Expenditures" shall have the meaning set forth in Section 4.4(c) of the Asset Transfer and Contribution Agreement.

"Ashland's Business" shall mean that portion of Ashland's business, tangible assets, intangible assets, rights, contracts, permits, licenses and other rights which comprise Ashland's petroleum supply, refining, marketing and transportation business (excluding the Ashland Excluded Assets and Ashland Excluded Liabilities).

"Ashland's Target Capital Expenditures" shall have the meaning set forth in Section 4.4(a) of the Asset Transfer and Contribution Agreement.

"Asserted" shall mean with respect to an Environmental Loss, that the Indemnified Party has provided written notice to the Indemnifying Party either of (i) its receipt of written notice, including letters of inquiry, requests for information or other investigatory inquiries, from a Governmental Authority relating to such Environmental Loss or (ii) the existence of facts, conditions or circumstances from which the Indemnified Party has reasonably concluded, based on an opinion of

counsel delivered at any time after the Closing Date to such Indemnified Party, that an Environmental Loss may result.

"Asset Transfer and Contribution Agreement" shall mean the Asset Transfer and Contribution Agreement dated as of December 12, 1997, among Marathon, Ashland and the Company, including any appendices and exhibits to the Asset Transfer and Contribution Agreement and the Asset Transfer and Contribution Agreement Disclosure Letters.

"Asset Transfer and Contribution Agreement Disclosure Letters" shall mean the Marathon Asset Transfer and Contribution Agreement Disclosure Letter and the Ashland Asset Transfer and Contribution Agreement Disclosure Letter.

"Assumed Liabilities" shall mean, with respect to Marathon and Ashland, the Marathon Assumed Liabilities and the Ashland Assumed Liabilities, respectively.

"Bareboat Charter" shall have the meaning set forth in Section 9.3(k) of the Asset Transfer and Contribution Agreement.

"Board of Managers" shall have the meaning set forth in Section 8.02(a) of the LLC Agreement.

"Business" shall mean, with respect to Marathon and Ashland, Marathon's Business and Ashland's Business, respectively, and with respect to the Company, the Company's Business.

"Business Day" shall mean any day that is not a Saturday, Sunday or a holiday on which national banks in New York City, New York are closed for business.

"Capital Expenditure Accounting Firm" shall have the meaning set forth in Section 4.4(e) of the Asset Transfer and Contribution Agreement.

"Capital Expenditure Statement" shall have the meaning set forth in Section 4.4(c) of the Asset Transfer and Contribution Agreement.

"Capital Lease" shall mean any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as a capital lease on a consolidated balance sheet of the Company and its subsidiaries in accordance with GAAP.

"Casualty or Condemnation Loss" shall mean, with respect to Marathon's Business or Ashland's Business, as the case may be, (i) a Loss, whether or not insured, as a result of any fire, flood, accident, explosion, strike, labor disturbance, riot, act of God or public enemy or other calamity or casualty, unless either such Loss shall have been substantially cured, repaired or restored by such party prior to the Closing Date, or such party shall have otherwise substantially compensated the Company for such Loss, or (ii) that proceedings have been instituted or threatened seeking the condemnation or other taking of a portion of such business in the future.

"CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended.

"Claim" shall mean any existing or threatened future claim, demand, suit, action, investigation, proceeding, governmental action or cause of action of any kind or character (in each case, whether civil, criminal, investigative or administrative), known or unknown, under any theory, including those based on theories of contract, tort, statutory liability, strict liability, employer liability, premises liability, products liability, breach of warranty or malpractice.

"Claims Review Committee" shall mean a committee, consisting of no more than six and no fewer than four qualified representatives, with each of Marathon and Ashland choosing 50% of the representatives, duly formed and constituted as soon as practicable after the Closing Date to consider any matter referred to it pursuant to Section 9.8(c)(iii) of the Asset Transfer and Contribution Agreement.

"Closing" shall have the meaning set forth in Section 2.1 of the Master Formation Agreement.

"Closing Date" shall have the meaning set forth in Section 2.1 of the Master Formation Agreement.

"COBRA" shall mean the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, and Sections 601 through 608 of ERISA.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commercial Documents" shall mean the Shared Services Agreement, the Marathon Pipe Line Operating Agreement, the Crude Oil and NGL Supply Agreement, the Valvoline Lube Oil Supply Agreement, the Ashland Chemical Product Sale Agreement, the Ashland Joint Services Agreement, the Ashland Supplier Cooperation Agreement and the Revolving Credit Agreement.

"Commission" shall have the meaning set forth in Section 1.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Company" shall mean Marathon Ashland Petroleum LLC, a Delaware limited liability company.

"Company Indemnified Persons" shall mean the Company and its Affiliates and their respective employees, officers and directors.

"Company's Business" shall mean Marathon's Business and Ashland's Business to be conducted by the Company and its subsidiaries after the Closing.

"Confidentiality Agreement" shall mean the Confidentiality Agreement dated December 13, 1996 between Marathon and Ashland.

"Contracts" shall mean contracts, leases, licenses, indentures, agreements, purchase orders, commitments and all other legally binding arrangements, whether oral or written, express or implied.

"Control" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities or general partnership or managing member interests, by contract or otherwise. Without limiting the generality of the foregoing, a Person shall be deemed to control any other Person in which it owns, directly or indirectly, a majority of the ownership interests.

"Conveyance Documents" shall mean the Asset Transfer and Contribution Agreement, the Marathon Quitclaim Deeds, the Ashland Quitclaim Deeds, the Marathon General Assignment and Assumption Agreement, the Ashland General Assignment and Assumption Agreement, the Marathon Intellectual Property License Agreement, the Ashland Intellectual Property License Agreement, the Marathon Trademark License Agreement, the Ashland Trademark License Agreement, the Marathon Lease Agreements, the Ashland Lease Agreements, the Marathon Sublease Agreements and the Ashland Sublease Agreements and related conveyancing documents pursuant to which Transferred Assets are transferred to the Company and its subsidiaries.

"Crude Oil and NGL Supply Agreement" shall mean the Crude Oil and Natural Gas Liquids Supply Agreement in substantially the form attached as Exhibit R to the Asset Transfer and Contribution Agreement.

"Cumene Project" shall have the meaning set forth in Section 4.4(c) of the Asset Transfer and Contribution Agreement.

"Cumene Project 1997 Budget Amount" shall have the meaning set forth in Section 4.4(c) of the Asset Transfer and Contribution Agreement.

"Delaware Act" shall mean the Delaware Limited Liability Company Act, as in effect and amended from time to time, or any successor statute.

"Demand Registration" shall have the meaning set forth in Section 10.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Designated Persons" shall have the meaning set forth in the Confidentiality Agreement.

"Disclosure Letters" shall mean the Master Formation Agreement Disclosure Letters, the Parent Agreement Disclosure Letter, the Asset Transfer and Contribution Agreement Disclosure Letters and the Put/Call, Registration Rights and Standstill Agreement Disclosure Letter.

"Dispute" shall have the meaning set forth in Appendix B to the Asset Transfer and Contribution Agreement and Appendix B to the Master Formation Agreement.

"DOJ" shall mean the United States Department of Justice.

"Employee Benefit Plans" shall mean all pension, retirement, profit-sharing, medical, vacation, hospitalization, vision, dental, health, life, severance or termination of employment plans, including any "employee benefit plan" as defined in Section 3(3) of ERISA.

"Employer Company" shall have the meaning set forth in Section 10.1(b) of the Asset Transfer and Contribution Agreement.

"Employment Transfer Date" shall have the meaning set forth in Section 10.1(c) of the Asset Transfer and Contribution Agreement.

"Emro" shall mean Emro Marketing Company.

"Emro Savings Plan" shall have the meaning set forth in Section 10.11 of the Asset Transfer and Contribution Agreement.

"Environmental Contamination" shall mean (a) any release, discharge or disposal of any Hazardous Substance into or onto groundwater, surface water or soil at, from, to or under any of the Marathon Real Property Owned or Marathon Real Property Leased or any of the Ashland Real Property Owned or Ashland Real Property Leased or (b) any transportation, treatment, recycling, storage, discharge or disposal by, at or to any facility owned or operated by another party, including any facility leased by either Marathon or Ashland or any of their respective Affiliates or predecessors or the Company or any of its Affiliates of any Hazardous Substance that (i) was shipped from or disposed of on, at or under any of the properties or facilities that are or have been owned, operated or used by either Marathon or Ashland or any of their respective Affiliates or predecessors or the Company or its Affiliates or (ii) arose from the operations of either Marathon or Ashland or any of their respective Affiliates or predecessors or the Company or its Affiliates.

"Environmental Law" shall mean any Applicable Law relating to (a) the protection of (i) the environment or (ii) the public welfare from actual or potential exposure (or the effects of exposure) to any actual or potential release, discharge, disposal or emission (whether past or present) of any Hazardous Substance or (b) the manufacture, processing, distribution, use, treatment, labeling, storage, disposal, transport or handling of any Hazardous Substance.

"Environmental Loss" shall mean any Loss arising out of any Environmental Contamination or any Environmental Violation or a combination of both. Environmental Loss specifically includes all costs incurred to install new improvements or make repairs or alterations to prevent the continuation of any Environmental Contamination or to remedy noncompliance with any Environmental Law and, in the case of any Special Environmental Projects, shall include the reasonable hourly costs of Company facility personnel to the extent dedicated to Remediation Activities or other activity directly related to such Special Environmental Projects. Environmental Loss specifically does not include any Claim brought by a Person other than a Governmental Authority seeking damages, contribution, indemnification, cost recovery, penalties, compensation or injunctive relief resulting from the existence or release of, or exposure to, Hazardous Substances except where such Claim is brought as a citizen's suit in which no monetary damages are sought for the account of such Person

Notwithstanding the foregoing, any Loss under CERCLA or any comparable state Environmental Law that arises out of, is based on or is in connection with the disposal by Marathon or Ashland of Hazardous Substances at a location other than a property included in the Transferred Assets shall be treated as a Marathon Excluded Liability or an Ashland Excluded Liability, as the case may be. All Environmental Losses arising from the same event, condition or set of circumstances at a particular facility shall be considered as an individual Environmental Loss for purposes of determining the applicability of the Individual Threshold Amount.

"Environmental Requirement" shall mean any notice of violation, directive, instruction, judgment, order or similar mandate from any Governmental Authority directing, ordering or requiring a correction of any Environmental Contamination or Environmental Violation, or any related Remediation Activities.

"Environmental Violation" shall mean any violation of any Environmental Law, excluding, however, any such violation related to Environmental Contamination.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" shall mean with respect to any Person any trade or business, whether or not incorporated, which together with such Person would be deemed a "single employer" within the meaning of Section 414(b), (c) or (m) of the Code.

"Exchange Act" shall have the meaning set forth in Section 1.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Extraordinary Environmental Loss" shall mean (a) an Environmental Loss arising from an Environmental Violation or Environmental Contamination in which (i) the amount in controversy could reasonably be expected to exceed $15,000,000; (ii) the Company has Asserted a Claim for indemnity under either Section 9.1(c) or Section 9.2(c) of the Asset Transfer and Contribution Agreement; and (iii) the Indemnifying Party has a prior course of dealing with the Governmental Authority with jurisdiction over the matter or (b) a facility-wide application of the corrective action requirements of Sections 3004(u) and (v) of RCRA to a refinery included in the Transferred Assets.

"Fiscal Quarter" shall mean the three-month period ended March 31, June 30, September 30 and December 31 of each Fiscal Year.

"Fiscal Year" shall have the meaning set forth in Section 6.05 of the LLC Agreement.

"FTC" shall mean the United States Federal Trade Commission.

"Former Marathon Plan Participants" shall have the meaning set forth in Section 10.5(a) of the Asset Transfer and Contribution Agreement.

"Freedom Employees" shall have the meaning set forth in Section 10.7(a) of the Asset Transfer and Contribution Agreement.

"Freedom Pension Plan" shall have the meaning set forth in Section 10.7(a) of the Asset Transfer and Contribution Agreement.

"Fundamental Adverse Effect" shall mean (a) with respect to Marathon's Business, an effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of Marathon's Business which results in a Loss of $80,000,000 or more, or, if such Loss is not susceptible to being measured in monetary terms, is otherwise fundamentally adverse to Marathon's Business, and in any event includes a shutdown by a Governmental Authority of any Marathon Refinery or Major Unit thereof contained within the Marathon Transferred Assets, (b) with respect to Ashland's Business, an effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of Ashland's Business which results in a Loss of $50,000,000 or more, or, if such Loss is not susceptible to being measured in monetary terms, is otherwise fundamentally adverse to Ashland's Business, and in any event includes a shutdown by a Governmental Authority of any Ashland Refinery or Major Unit thereof contained within the Ashland Transferred Assets, and (c) with respect to the Company's Business, an effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of the Company's Business which results, individually or in the aggregate, in a Loss of $65,000,000 or more, or, if such Loss is not susceptible to being measured in monetary terms, is otherwise fundamentally adverse to the Company's Business, and in any event includes a shutdown by a Governmental Authority of any Marathon Refinery or Ashland Refinery or Major Unit thereof contained within either the Marathon Transferred Assets or the Ashland Transferred Assets; provided, however, that any such effect relating to or resulting from any change in the price of petroleum or petroleum byproducts, general economic conditions or local, regional, national or international industry conditions (including changes in financial or market conditions) shall be deemed not to constitute a Fundamental Adverse Effect.

"Fuelgas Interest" shall have the meaning set forth in Section 1.01 of the LLC Agreement.

"GAAP" shall mean United States generally accepted accounting principles applied on a consistent basis.

"Governmental Approval" shall mean any permit, license, franchise, approval, consent, waiver, certification, qualification or other authorization issued, granted, given or otherwise made available by or under the authority of any Governmental Authority or pursuant to any Applicable Law.

"Governmental Authority" shall mean any federal, state, local or foreign government or any provincial, departmental or other political subdivision thereof, or any entity, body or authority exercising executive, legislative, judicial, regulatory, administrative or other governmental functions or any court, department, commission, board, bureau, agency, instrumentality or administrative body of any of the foregoing.

"Guarantee" by any Person shall mean any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person or in any manner, providing for the payment of any Indebtedness or other obligation of any other Person or otherwise protecting the holder of such Indebtedness or other obligation against loss (whether arising by virtue of partnership arrangements, by obtaining letters of credit, by agreement to keep-well, to purchase assets, goods, securities or services, or to take-or-pay or otherwise), provided that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business.

"Hazardous Substances" shall mean, collectively, any substance which is identified and regulated (or the cleanup of which can be required) under any Environmental Law, and, in addition, any substance which requires special handling, storage or disposal procedures or whose use, handling, storage or disposal of which is in any way regulated, whether now or in the future, in any case under any Applicable Law for the protection of health, safety and the environment. Without limiting the generality of the foregoing, Hazardous Substances shall include (a) "hazardous wastes," "hazardous substances," "toxic substances," "pollutants," or "contaminants" or other similar identified designations in, or otherwise subject to regulation under, any Environmental Law; and (b) petroleum, refined petroleum products and fractions or by-products thereof, in each case whether in their virgin, used or waste state.

"HIPAA" shall mean the Health Insurance Portability and Accountability Act of 1996.

"HSR Act" shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

"Incidental Cash" shall mean (a) petty cash, (b) refining, retail outlets and transportation ("RMT") working funds, (c) depository account balances for the RMT business (automated clearinghouse transmissions submitted on the most recent banking day in the applicable jurisdiction immediately preceding the Closing Date or later will be for the account of the Company and its subsidiaries), (d) funds in transit relating to retail outlet deposits, and (e) uncollected funds in lockboxes and lockbox bank accounts for the RMT business (automated clearinghouse transmissions submitted on the most recent banking day in the applicable jurisdiction immediately preceding the Closing Date or later will be for the account of the Company and its subsidiaries).

"Indebtedness" of any person shall mean, without duplication, (a) all obligations of such person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such person upon which interest charges are customarily paid, (d) all obligations of such person under conditional sale or other title retention agreements relating to property or assets purchased by such person, (e) all obligations of such person issued or assumed as the deferred purchase price of property or services (excluding trade accounts payable, trade advertising and accrued obligations), (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such person, whether or not the obligations secured thereby have been assumed, (g) all Guarantees by such person of Indebtedness of others, (h) all Capital Lease obligations of such person, (i) all

obligations of such person in respect of interest rate protection agreements, foreign currency exchange agreements or other interest or exchange rate hedging arrangements and (j) all obligations of such person as an account party in respect of letters of credit and bankers' acceptances. The Indebtedness of any person shall include the Indebtedness of any partnership in which such person is a general partner, other than to the extent that the instrument or agreement evidencing such Indebtedness expressly limits the liability of such person in respect thereof.

"Indemnified Party" shall have the meaning set forth in Section 9.6(a) of the Asset Transfer and Contribution Agreement.

"Indemnifying Party" shall have the meaning set forth in Section 9.6(b) of the Asset Transfer and Contribution Agreement.

"Indemnity Agreement" shall mean the Insurance Indemnity Agreement in substantially the form attached as Exhibit T to the Asset Transfer and Contribution Agreement.

"Individual Threshold Amount" shall mean, with respect to (a) each Environmental Loss related to Environmental Contamination associated with a Marathon Refinery or an Ashland Refinery, $1,000,000, (b) all Environmental Losses related to Environmental Contamination associated with any individual retail gasoline service station included in the Transferred Assets, $100,000, (c) each Environmental Loss related to Environmental Contamination associated with a pipeline, pipeline station or pipeline-related facility (other than a pipeline terminal) included in the Transferred Assets, $100,000; provided, however, that such amount shall be reduced to zero for purposes of each of Section 9.1(c)(ii) and Section 9.2(c)(ii) of the Asset Transfer and Contribution Agreement once the aggregate amount of Environmental Losses borne by the Company under each such section with respect to Environmental Contamination associated with pipelines, pipeline stations or pipeline-related facilities (other than pipeline terminals) as a result of application of the Individual Threshold Amount equals $5,000,000, (d) each Environmental Loss related to Environmental Contamination associated with a particular terminal (including a pipeline terminal) included in the Transferred Assets, $100,000, (e) each Environmental Loss related to Environmental Contamination associated with any other property included in the Transferred Assets, $100,000 and (f) each Environmental Violation (including a series of Environmental Violations arising from the same event, condition or set of circumstances), $100,000.

"Initial Term" shall have the meaning set forth in Section 2.03 of the LLC Agreement.

"Intellectual Property" shall mean patents, patent applications (filed, unfiled or being prepared), records of invention, invention disclosures, trademarks (registered or unregistered), trademark applications (filed, unfiled or being prepared), trade names, copyrights (registered or unregistered), copyright applications (filed, unfiled or being prepared), service marks (registered or unregistered), service mark registrations, service mark applications (filed, unfiled or being prepared), all together with the goodwill associated with such marks or names, trade secrets, shop and royalty rights, technology, inventions, knowhow, processes and confidential and proprietary information, including any being developed (including but not limited to designs, manufacturing data, design data, test data,

operational data, and formulae), whether or not recorded in tangible form through drawings, software, reports, manuals or other tangible expressions, whether or not subject to statutory registration, whether foreign or domestic, and all rights to any of the foregoing.

"Joint Defense Agreement" shall mean the Joint Defense Agreement in substantially the form attached as Exhibit N to the Asset Transfer and Contribution Agreement.

"Knowledge" shall mean (a) with respect to an individual, the actual knowledge of a particular fact or (b) with respect to a Person other than an individual, actual knowledge of a particular fact by an executive officer, division manager, refinery manager or terminal manager or by any individual serving in a similar capacity of such Person or individuals directly reporting to such individuals.

"Liabilities" shall mean obligations, responsibilities and liabilities (whether based in common law or statute or arising under written contract or otherwise, known or unknown, fixed or contingent, real or potential, tangible or intangible, now existing or hereafter arising).

"Lien" shall mean, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, encumbrance, charge or security interest in or on such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

"LLC Agreement" shall mean the Limited Liability Company Agreement of the Company in substantially the form attached as Exhibit A to the Master Formation Agreement.

"Loaned Employees" shall have the meaning set forth in Section 10.1(a) of the Asset Transfer and Contribution Agreement.

"Loss" shall mean any loss, cost, Liability or expense, settlement, damage of any kind, judgment, obligation, charge, fee, fine, penalty, court cost and/or attorneys' and administrative fee or disbursement (at all levels, including appellate), but excluding a party's indirect corporate and administrative overhead costs.

"Lowest Remediation Cost" shall mean the lowest overall obtainable cost to effect Remediation Activities or a correction of an Environmental Violation, as the case may be, taking into consideration the applicable Environmental Requirements or standards under applicable Environmental Laws, the nature and quantity of any Hazardous Substances being remediated, the location of any Environmental Contamination, the potential effect of any Environmental Contamination on health and safety, the difficulty of effecting the Remediation Activities, the expected duration of the Remediation Activities, the enforcement policies of the Governmental Authorities responsible for enforcing the applicable Environmental Requirements and Environmental Laws (subject to Section 9.8(h) of the Asset Transfer and Contribution Agreement), the reputation of the contractors available to effect the Remediation Activities and any potentially adverse effect on the operation of the Company's Business as a result of the Remediation Activities.

"Major Unit" of a refinery shall mean a crude unit, a catalytic cracker, a reformer, a wastewater treatment plant and a desulfurization unit.

"Marathon" shall mean Marathon Oil Company, an Ohio corporation, or its successor.

"Marathon Asset Leases" shall have the meaning set forth in Section 2.1(g) of the Asset Transfer and Contribution Agreement.

"Marathon Asset Transfer and Contribution Agreement Disclosure Letter" shall mean the letter from Marathon to Ashland and the Company dated the date of and relating to the Asset Transfer and Contribution Agreement.

"Marathon Assumed Liabilities" shall have the meaning set forth in Section 2.3 of the Asset Transfer and Contribution Agreement.

"Marathon Audited Financial Statements" shall have the meaning set forth in Section 3.6 of the Master Formation Agreement.

"Marathon Benefit Plan" shall mean every Employee Benefit Plan sponsored, maintained, or contributed to, or required to be contributed to, by Marathon, or any ERISA Affiliate of Marathon, for the benefit of current or former employees of Marathon's Business in the United States.

"Marathon Commercial Affiliates" shall have the meaning set forth in Section 3.1 of the Master Formation Agreement.

"Marathon Consent Decrees" shall mean any consent decrees, consent orders, agreed orders, notices of violation, judgments, decrees or similar orders or obligations entered into prior to the Closing Date or relating to any investigations of which Marathon had received notice from the appropriate Governmental Authority prior to the Closing Date.

"Marathon Contracts" shall have the meaning set forth in Section 2.1(o) of the Asset Transfer and Contribution Agreement.

"Marathon Designated Sublease Agreements" shall mean the Marathon Sublease Agreements in substantially the forms attached as Exhibit E to the Asset Transfer and Contribution Agreement.

"Marathon Designated UST Environmental Contamination" shall mean any Environmental Contamination associated with, or discovered as part of, Marathon's 1998 underground storage tank upgrade program at the Marathon Service Stations set forth on Schedule 9.1(c) to the Marathon Asset Transfer and Contribution Agreement Disclosure Letter under the heading "Marathon Designated UST Environmental Contamination."

"Marathon Environmental Loss" shall mean any Environmental Loss to the extent arising out of, based on, or occurring in connection with Marathon's Business prior to Closing or related to the

ownership, use, operation or maintenance of, or related to the reporting practices associated with, the Marathon Transferred Assets prior to Closing, whether or not Asserted prior to Closing.

"Marathon Equity Crude Payables" shall mean the amount owed for receipts by Marathon's Business of (i) Marathon and its Affiliates' equity crude oil with payment on the 20th day of the month following receipt and (ii) Marathon and its Affiliates' equity natural gas liquids with payment on the 10th day following receipt.

"Marathon Excluded Assets" shall have the meaning set forth in Section 2.2 of the Asset Transfer and Contribution Agreement.

"Marathon Excluded Liabilities" shall have the meaning set forth in Section 2.4 of the Asset Transfer and Contribution Agreement.

"Marathon Excluded Taxes" shall have the meaning set forth in Section 2.3(i) of the Asset Transfer and Contribution Agreement.

"Marathon Financial Statements" shall have the meaning set forth in Section 3.6 of the Master Formation Agreement.

"Marathon General Assignment and Assumption Agreement" shall mean the General Assignment and Assumption Agreement in substantially the form attached as Exhibit B to the Asset Transfer and Contribution Agreement.

"Marathon Group" shall have the meaning set forth in the Restated Certificate of Incorporation of USX dated September 1, 1996.

"Marathon Group Stock" shall mean the USX-Marathon Group Common Stock, par value $1.00 per share, of USX.

"Marathon Indemnified Persons" shall mean Marathon and its Affiliates and their respective employees, officers and directors.

"Marathon Information Package" shall have the meaning set forth in Section 3.8 of the Master Formation Agreement.

"Marathon Intellectual Property License Agreement" shall mean the Intellectual Property License Agreement in substantially the form attached as Exhibit C-1 to the Asset Transfer and Contribution Agreement.

"Marathon Joint Contracts" shall have the meaning set forth in Section 2.6(b) of the Asset Transfer and Contribution Agreement.

"Marathon Joint Permits" shall have the meaning set forth in Section 2.6(c) of the Asset Transfer and Contribution Agreement.

"Marathon Lease Agreements" shall mean the Lease Agreements in substantially the forms attached as Exhibit D to the Asset Transfer and Contribution Agreement.

"Marathon Master Formation Agreement Disclosure Letter" shall mean the letter from Marathon to Ashland dated the date of and relating to the Master Formation Agreement.

"Marathon Material Contracts" shall have the meaning set forth in Section 5.9 of the Asset Transfer and Contribution Agreement.

"Marathon Material Permits" shall have the meaning set forth in Section 5.3 of the Asset Transfer and Contribution Agreement.

"Marathon Ongoing Remediation" shall mean, with respect to any Marathon Environmental Loss, Remediation Activities that either were commenced prior to Closing or relate to any investigation of which Marathon had received notice from the appropriate Governmental Authority prior to Closing.

"Marathon Other Sublease Agreement" shall mean the Marathon Sublease Agreement in substantially the form attached as Exhibit F to the Asset Transfer and Contribution Agreement.

"Marathon Other Real Property Rights" shall have the meaning set forth in Section 2.1(h) of the Asset Transfer and Contribution Agreement.

"Marathon Permits" shall have the meaning set forth in Section 2.1(p) of the Asset Transfer and Contribution Agreement.

"Marathon Pension Transfer Date" shall have the meaning set forth in Section 10.5(a) of the Asset Transfer and Contribution Agreement.

"Marathon Personal Property Leases" shall have the meaning set forth in Section 2.1(j) of the Asset Transfer and Contribution Agreement.

"Marathon Personal Property Owned" shall have the meaning set forth in Section 2.1(i) of the Asset Transfer and Contribution Agreement.

"Marathon Pipelines" shall have the meaning set forth in Section 2.1(c) of the Asset Transfer and Contribution Agreement.

"Marathon Pipe Line" shall mean Marathon Pipe Line Company.

"Marathon Pipe Line Operating Agreement" shall mean the Marathon Pipe Line Operating Agreement in substantially the form attached as Exhibit G to the Asset Transfer and Contribution Agreement.

"Marathon Proprietary Rights" shall have the meaning set forth in Section 5.10(a) of the Asset Transfer and Contribution Agreement.

"Marathon Quitclaim Deeds" shall mean the Quitclaim Deeds in substantially the forms attached as Exhibit A to the Asset Transfer and Contribution Agreement.

"Marathon Real Property Leases" shall have the meaning set forth in Section 2.1(f) of the Asset Transfer and Contribution Agreement.

"Marathon Real Property Leased" shall have the meaning set forth in Section 2.1(f) of the Asset Transfer and Contribution Agreement.

"Marathon Real Property Owned" shall have the meaning set forth in Section 2.1(e) of the Asset Transfer and Contribution Agreement.

"Marathon Records" shall have the meaning set forth in Section 2.1(s) of the Asset Transfer and Contribution Agreement.

"Marathon Refineries" shall have the meaning set forth in Section 2.1(a) of the Asset Transfer and Contribution Agreement.

"Marathon Restricted Asset" shall have the meaning set forth in Section 2.6(a) of the Asset Transfer and Contribution Agreement.

"Marathon Restricted Liability" shall have the meaning set forth in Section 2.6(a) of the Asset Transfer and Contribution Agreement.

"Marathon Restriction" shall have the meaning set forth in Section 2.6(a) of the Asset Transfer and Contribution Agreement.

"Marathon Retirement Plan" shall have the meaning set forth in Section 10.5 of the Asset Transfer and Contribution Agreement.

"Marathon September 30, 1997 Balance Sheet" shall mean the unaudited balance sheet of the Marathon Group appearing in the Marathon September 30, 1997 Financial Statements.

"Marathon September 30, 1997 Financial Statements" shall have the meaning set forth in Section 3.6 of the Master Formation Agreement.

"Marathon Service Stations" shall have the meaning set forth in Section 2.1(d) of the Asset Transfer and Contribution Agreement.

"Marathon Shut-Down Refinery Assets" shall mean those portions of shut down refineries of Marathon that are operating as terminals and are being leased to the Company pursuant to the Marathon Lease Agreements.

"Marathon Sublease Agreements" shall mean the Marathon Designated Sublease Agreements and the Marathon Other Sublease Agreement.

"Marathon Subsidiaries" shall have the meaning set forth in Section 3.1 of the Master Formation Agreement.

"Marathon Subsidiaries Interests" shall have the meaning set forth in Section 3.10 of the Master Formation Agreement.

"Marathon Terminals" shall have the meaning set forth in Section 2.1(b) of the Asset Transfer and Contribution Agreement.

"Marathon Thrift Plan" shall have the meaning set forth in Section 10.10 of the Asset Transfer and Contribution Agreement.

"Marathon Trademark License Agreement" shall mean the Marathon Trademark License Agreement in substantially the form attached as Exhibit C-2 to the Asset Transfer and Contribution Agreement.

"Marathon Transferred Assets" shall have the meaning set forth in Section 2.1 of the Asset Transfer and Contribution Agreement.

"Marathon Transferred Employees" shall have the meaning set forth in Section 10.1(c) of the Asset Transfer and Contribution Agreement.

"Marathon Transferred Real Property" shall mean, collectively, the Marathon Real Property Owned and the Marathon Real Property Leased.

"Marathon Transferring Affiliate Interests" shall have the meaning set forth in Section 3.11 of the Master Formation Agreement.

"Marathon Transferring Affiliates" shall have the meaning set forth in Section 3.1 of the Master Formation Agreement.

"Marathon Transferring Entities" shall have the meaning set forth in Section 3.1 of the Master Formation Agreement.

"Marathon Working Capital Shortfall" shall have the meaning set forth in Section 4.3(g) of the Asset Transfer and Contribution Agreement.

"Marathon's Business" shall mean that portion of Marathon's business, tangible assets, intangible assets, rights, contracts, permits, licenses and other rights which comprise Marathon's petroleum supply, refining, marketing and transportation business (excluding the Marathon Excluded Assets and the Marathon Excluded Liabilities).

"Marathon's Target Capital Expenditures" shall have the meaning set forth in Section 4.4(a) of the Asset Transfer and Contribution Agreement.

"Master Formation Agreement" shall mean the Master Formation Agreement, dated as of December 12, 1997, between Marathon and Ashland, including any appendices and exhibits to the Master Formation Agreement and the schedules to the Master Formation Agreement Disclosure Letters.

"Material Adverse Effect" shall mean an effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of Marathon's Business, Ashland's Business or the Company's Business which results in a Loss of $2,000,000 or more, or, if such Loss is not susceptible to being measured in monetary terms, is otherwise materially adverse to Marathon's Business, Ashland's Business or the Company's Business, as the case may be; provided that any such effect relating to or resulting from any change in the price of petroleum or petroleum byproducts, general economic conditions or local, regional, national or international industry conditions (including changes in financial or market conditions) shall be deemed not to constitute a Material Adverse Effect.

"Members" shall mean Marathon and Ashland and any persons hereafter admitted as additional or substitute members of the Company pursuant to the LLC Agreement.

"Membership Interest" shall mean, with respect to any Member at any time, the limited liability company interest of such Member in the Company at such time, including the right of such Member to any and all benefits to which a Member may be entitled as provided in the LLC Agreement, together with the obligations of such Member to comply with all the terms and provisions of the LLC Agreement.

"Merrill Lynch Master Lease Program" shall mean The Bluegrass Funding, Inc. Master Lease Program and The Fayette Funding Limited Partnership Master Lease Program, collectively.

"Mutualized Formation Costs" shall have the meaning set forth in Section 9.2(c) of the Master Formation Agreement.

"New RCRA Environmental Loss" shall mean an Environmental Loss arising from any new application after the Closing of the corrective action requirements of Section 3004(u) and (v) of RCRA.

"Non-Retail DB Plan" shall have the meaning set forth in Section 10.5 of the Asset Transfer and Contribution Agreement.

"Northwestern Refinery Pension Plan" shall have the meaning set forth in Section 10.8 of the Asset Transfer and Contribution Agreement.

"Notice of Capital Expenditure Disagreement" shall have the meaning set forth in Section 4.4(d) of the Asset Transfer and Contribution Agreement.

"Notice of Working Capital Disagreement" shall have the meaning set forth in Section 4.3(d) of the Asset Transfer and Contribution Agreement.

"OCAW" shall mean Oil, Chemical & Atomic Workers International Union.

"Offering Memorandum" shall have the meaning set forth in Section 10.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Offer Notice" shall have the meaning set forth in Section 10.04(a) of the LLC Agreement.

"Opening Balance Sheet" shall have the meaning set forth in Section 4.3(b) of the Asset Transfer and Contribution Agreement.

"Parent Agreement" shall mean the Parent Agreement, dated as of December 12, 1997, among USX, Marathon and Ashland, including any exhibit to the Parent Agreement.

"Parent Agreement Disclosure Letter" shall mean the letter from USX to Ashland dated the date of and relating to the Parent Agreement.

"PBGC" shall mean the Pension Benefit Guaranty Corporation.

"PBO" shall have the meaning set forth in Section 10.5(a) of the Asset Transfer and Contribution Agreement.

"Pension Benefit Plan" shall mean every benefit plan subject to Title IV of ERISA or the minimum funding requirements of Section 302 of ERISA.

"Percentage Interest" shall have the meaning set forth in Section 3.01 of the LLC Agreement.

"Permian Plans" shall have the meaning set forth in Section 10.12 of the Asset Transfer and Contribution Agreement.

"Permits" shall mean licenses, permits, registrations, approvals and franchises issued by any Governmental Authority.

"Permitted Encumbrances" shall mean (a) Liens for current taxes, assessments, governmental charges or levies not yet due; (b) workers' or unemployment compensation Liens arising in the ordinary course of business; (c) mechanic's, materialman's, supplier's, vendor's, garnishment or similar Liens arising in the ordinary course of business for amounts not yet due; (d) security interests, pledges, Liens or other charges or encumbrances as may have arisen in the ordinary course of business, none of which individually or in the aggregate are material to the ownership, use or operation of the Marathon Transferred Assets or the Ashland Transferred Assets, as the case may be; (e) any state of facts which an accurate survey would show which does not materially detract from the value of or materially interfere with the use and operation of the Marathon Transferred Assets or the Ashland Transferred Assets, as the case may be; (f) any Liens, easements, rights-of-way, restrictions, rights, leases and other encumbrances affecting title thereto, whether or not of record, which do not materially detract from the value of or materially interfere with the use and operation of the Marathon Transferred Assets or the Ashland Transferred Assets, as the case may be; (g) legal highways, zoning and building laws, ordinances or regulations; (h) any liens for real estate Taxes which are not yet due and payable; and (i) except with respect to Permitted Encumbrances on the Marathon Refineries or the Ashland Refineries, Liens, if any, that do not have or would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Marathon's Business or Ashland's Business, as the case may be.

"Person" or "person" shall mean any natural person, trust, estate, unincorporated organization, firm, corporation, association, partnership, joint venture, joint stock company, limited liability company or Governmental Authority, whether acting in an individual, fiduciary or other capacity.

"Personal Property" shall mean machinery and equipment, including tanks, pumps and other containers; furniture and fixtures; tools; leasehold improvements; vessels, barges and other marine transportation equipment; railcars, trucks and automobiles; computing and telecommunications equipment; and other items of tangible personal property (and interests in any of the foregoing).

"PMRP" shall have the meaning set forth in Section 10.06(a) of the Asset Transfer and Contribution Agreement.

"Pre-Closing Tax Period" shall mean any Tax period (or portion thereof) ending on or before the close of business on the Closing Date.

"Prime Rate" shall mean the prime rate per annum established by Citibank, N.A. or if Citibank, N.A. no longer establishes a prime rate for any reason, the prime rate per annum established by the largest U.S. bank measured by deposits from time to time as its base rate on corporate loans, automatically fluctuating upward or downward with each announcement of such prime rate.

"Procedures for Dispute Resolution" shall mean the Procedures for Dispute Resolution in substantially the form attached as Appendix B to the Asset Transfer and Contribution Agreement, Appendix B to the Master Formation Agreement and Appendix B to the LLC Agreement.

"Put/Call, Registration Rights and Standstill Agreement" shall mean the Put/Call, Registration Rights and Standstill Agreement in substantially the form attached as Exhibit B to the Master Formation Agreement.

"Put/Call, Registration Rights and Standstill Agreement Disclosure Letters" shall mean the letters from USX, Marathon and Ashland, respectively, dated the date of and relating to the Put/Call, Registration Rights and Standstill Agreement.

"RCRA" shall mean the Resource Conservation and Recovery Act of 1976, as amended.

"Reasonable Requested Action" shall have the meaning set forth in Section 7.2(g) of the Asset Transfer and Contribution Agreement.

"Registration Statement" shall have the meaning set forth in Section 10.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Relevant Accounting Factors" shall mean (a) GAAP, (b) any pending Financial Accounting Standards Board exposure drafts or Emerging Issue Task Force minutes, (c) any relevant official pronouncement, release or staff accounting bulletin issued by the Commission, (d) any formal advice or statement by the Commission that it questions the ability of the parties to treat the transactions contemplated by this Agreement as a purchase by Marathon of Ashland's Business for accounting purposes or the ability of Marathon to consolidate the Company's Business in its financial statements or (e) if any other person has received formal advice, comment letter or a statement from the Commission that it questions the ability of such person to use purchase or consolidation accounting with respect to a similar transaction and such formal advice or statement leads Price Waterhouse to believe that the ability of Marathon and Ashland to treat the transactions contemplated by the Asset Transfer and Contribution Agreement as a purchase by Marathon of Ashland's Business for accounting purposes or the ability of Marathon to consolidate the Company's Business in its financial statements may be questioned or impaired.

"Remediation Activities" shall mean any testing, investigation, assessment, cleanup, removal, response, remediation or other similar activities undertaken in connection with any Environmental Loss.

"Representative" shall have the meaning set forth in Section 8.01 of the LLC Agreement.

"Requested Action" shall have the meaning set forth in Section 7.2(g) of the Asset Transfer and Contribution Agreement.

"Retirement Pension Transfer Date" shall have the meaning set forth in Section 10.7(a) of the Asset Transfer and Contribution Agreement.

"Revolving Credit Agreement" shall mean the Revolving Credit Agreement among Marathon, Ashland and the Company in substantially the form attached as Exhibit V to the Asset Transfer and Contribution Agreement.

"Securities Act" shall have the meaning set forth in Section 1.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Shared Services Agreement" shall mean the Shared Services Agreement in substantially the form attached as Exhibit U to the Asset Transfer and Contribution Agreement.

"Special Environmental Projects" shall mean the projects listed on Schedule 7.2(k) to the Ashland Asset Transfer and Contribution Agreement Disclosure Letter.

"Special Termination Price" shall have the meaning set forth in Section 2.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Special Termination Right" shall have the meaning set forth in Section 2.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Sublease Agreements" shall mean the Marathon Sublease Agreements and the Ashland Sublease Agreements.

"subsidiary" shall mean, with respect to any person (herein referred to as the "parent"), any corporation, partnership, limited liability company, association or other business entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or more than 50% of the general partner interests are, at the time any determination is being made, owned, controlled or held, or (b) that is, at the time any determination is made, otherwise controlled, by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"SuperAmerica" shall mean the SuperAmerica division of Ashland.

"Tax" shall mean any and all national, federal, state, provincial or local income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, assets, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on, minimum, estimated or other tax of any kind whatsoever, including any interest, penalty or addition thereto, whether disputed or not.

"Tax Benefit" shall mean the amount of the reduction in an indemnified party's liability for Taxes (including reductions in Taxes attributable, in whole or in part, to positive basis adjustments) realized as a result of the payment or accrual of any loss, expense or Tax.

"Teamster Member Employees" shall have the meaning set forth in Section 10.9(a) of the Asset Transfer and Contribution Agreement.

"Teamsters Pension Fund" shall have the meaning set forth in Section 10.9(a) of the Asset Transfer and Contribution Agreement.

"Term of the Company" shall have the meaning set forth in Section 2.03 of the LLC Agreement.

"Termination Event" shall mean, with respect to any Environmental Requirement (or discrete portion thereof) relating to Environmental Contamination, the earlier to occur of (a) the receipt by the Company, Marathon or Ashland, as applicable, of a no further action letter, or the substantial equivalent thereof, from the appropriate Governmental Authority or (b) the fifth anniversary date of the completion of Remediation Activities (which, for purposes of this definition, shall not include groundwater monitoring) undertaken as a result of or in connection with such Environmental Requirement (or discrete portion thereof) if during such five-year period no new Environmental Requirement relating to such Environmental Contamination (or discrete portion thereof) has been issued by an appropriate Governmental Authority.

"Third Party Claim" shall mean a Claim that is not a Claim by Marathon, USX, Ashland, the Company or any of their Affiliates for its own Losses.

"Throughput and Deficiency Agreements" shall mean (i) the First Stage Throughput and Deficiency Agreement dated as of December 1, 1977, as amended by the First Amendment dated as of March 27, 1986, the Second Amendment dated as of January 1, 1989 and the Third Amendment dated as of September 11, 1991, among Ashland Inc. (formerly Ashland Oil, Inc.), Marathon Oil Company, Murphy Oil Corporation, Shell Oil Company, Texaco Inc. and LOOP LLC (formerly LOOP Inc.), (ii) the Initial Facility Throughput and Deficiency Agreement dated as of March 1, 1979, as amended by the First Amendment dated as of January 1, 1989, among Ashland Inc. (formerly Ashland Oil Inc.), Marathon Oil Company, Texaco Inc., Shell Oil Company and LOCAP Inc., and (iii) the Adjustment Agreement dated March 1, 1979, as amended by the First Amendment dated as of January 1, 1989, among Ashland Inc. (formerly Ashland Oil Inc.), Marathon Oil Company, Texaco Inc., Shell Oil Company and LOCAP Inc.

"Transaction" shall mean the collective transactions contemplated by the Transaction Documents.

"Transaction Documents" shall mean the Conveyance Documents, the Master Formation Agreement, the Parent Agreement, the Put/Call, Registration Rights and Standstill Agreement, the LLC Agreement, the Indemnity Agreement and the Joint Defense Agreement.

"Transfer" shall mean any sale, exchange, transfer, assignment, pledge, hypothecation or other disposition, whether by merger or otherwise. When used as a verb, the term "Transfer" shall have a correlative meaning.

"Transfer Taxes" shall have the meaning set forth in Section 7.4 of the Asset Transfer and Contribution Agreement.

"Transferred Assets" shall mean, with respect to Marathon and Ashland, the Marathon Transferred Assets and the Ashland Transferred Assets, respectively.

"True Insurance Policy" shall mean any insurance policy other than an insurance policy which is a captive insurance policy, a fronting insurance policy or an insurance policy for which the insured party is required to indemnify the insurer.

"USX" shall mean USX Corporation, a Delaware corporation, any successor ultimate parent corporation of Marathon or, in the event Marathon is not a subsidiary of any other person, Marathon.

"Valvoline Lube Oil Supply Agreement" shall mean the Valvoline Lube Oil Supply Agreement substantially in the form of Exhibit O to the Asset Transfer and Contribution Agreement.

"Wholly Owned Subsidiary" shall mean, with respect to any person (herein referred to as the "parent"), any corporation, partnership, limited liability company, association or other business entity (a) of which securities or other ownership interests representing 100% of the equity or 100% of the ordinary voting power or 100% of the general partner interests are, at the time any determination is being made, owned, controlled or held, or (b) that is, at the time any determination is made, otherwise controlled, entirely by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"Working Capital Accounting Firm" shall have the meaning set forth in Section 4.3(e) of the Asset Transfer and Contribution Agreement.

"Working Capital Deficiency Materiality Threshold" shall have the meaning set forth in Section 4.3(d) of the Asset Transfer and Contribution Agreement.

APPENDIX B

PROCEDURES FOR DISPUTE RESOLUTION

For purposes of this Appendix, the term "Agreement" refers to any Transaction Document that incorporates the terms hereof by reference and the term "party" or "parties" refers to the party or parties to such Agreement. All other terms not defined herein shall have the meanings assigned to them in the Agreement.

Section 1. General. Except as otherwise expressly set forth in the Agreement, all controversies, claims or disputes that arise out of or relate to the Agreement or the construction, interpretation, performance, breach, termination, enforceability or validity of the Agreement, or the commercial, economic or other relationship of the parties thereto, whether such claim is based on rights, privileges or interests recognized by or based upon statute, contract, tort, common law or otherwise and whether such claim existed prior to or arises on or after the date of the Agreement (a "Dispute") shall be resolved in accordance with the provisions of this Appendix. Notwithstanding anything to the contrary contained in this Appendix, nothing in this Appendix shall limit the ability of the directors and officers of a party to the Agreement from communicating directly with the directors and officers of any other party thereto or its Affiliates.

Section 2. Dispute Notice and Response. A party may give another party written notice (a "Dispute Notice") of any Dispute which has not been resolved in the normal course of business. Within five Business Days after delivery of the Dispute Notice, the receiving party shall submit to the other party a written response (the "Response"). The Dispute Notice and the Response shall each include (i) a statement setting forth the position of the party giving such notice, a summary of the arguments supporting such position and, if applicable, the relief sought and (ii) in the event that the Dispute Notice is delivered at or after the Closing, the name and title of a senior manager of such party who has authority to settle the Dispute and will be responsible for the negotiations related to the settlement of the Dispute (the "Senior Manager").

Section 3. Pre-Closing Negotiation Between Chief Executive Officers.

a. If a Dispute Notice is delivered prior to the Closing, within 10 Business Days after delivery of the Response provided for in Section 2, the Chief Executive Officers of both parties shall meet or communicate by telephone at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, and shall negotiate in good faith to attempt to resolve the Dispute that is the subject of such Dispute Notice. If such Dispute has not been resolved within 10 Business Days after the delivery of the Response as provided for in Section 2, then each party shall be permitted to take such actions at law or in equity as it is otherwise permitted to take or as may be available under Applicable Law. Notwithstanding the foregoing, in the event that the Closing occurs

following delivery of such Dispute Notice and the Dispute has not been resolved prior to Closing, then to the extent such Dispute has not been resolved within 10 Business Days after delivery of the Response as provided in Section 2, either party may refer the Dispute to mediation in accordance with Section 6, or, if not so referred to mediation within the five Business Day period provided in Section 6, the Dispute shall be referred to arbitration in accordance with Section 7.

b. All negotiations between the Chief Executive Officers pursuant to this Section 3 shall be treated as compromise and settlement negotiations. Nothing said or disclosed, nor any document produced, in the course of such negotiations which is not otherwise independently discoverable shall be offered or received as evidence or used for impeachment or for any other purpose in any current or future arbitration or litigation.

Section 4. Post-Closing Negotiation Between Senior Managers.

a. If a Dispute Notice is delivered at or after the Closing, within 10 days after delivery of the Response provided for in Section 2, the Senior Managers of both parties shall meet or communicate by telephone at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, and shall negotiate in good faith to attempt to resolve the Dispute that is the subject of such Dispute Notice. If such Dispute has not been resolved within 30 days after delivery of the Dispute Notice, then the parties shall attempt to settle the Dispute pursuant to Section 5.

b. All negotiations between the Senior Managers pursuant to this Section 4 shall be treated as compromise and settlement negotiations. Nothing said or disclosed, nor any document produced, in the course of such negotiations which is not otherwise independently discoverable shall be offered or received as evidence or used for impeachment or for any other purpose in any current or future arbitration or litigation.

Section 5. Post-Closing Negotiation Between Chief Executive Officers.

a. If the Dispute Notice is delivered at or after the Closing and the Dispute has not been resolved by negotiation between the Senior Managers pursuant to Section 4, then within 10 Business Days after the expiration of the 30-day period provided in Section 4, the respective Chief Executive Officers of both parties shall meet or communicate by telephone at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, and shall negotiate in good faith to attempt to resolve the Dispute that is the subject of such Dispute Notice. If such Dispute has not been resolved within 20 Business Days after the expiration of the 30-day period provided in Section 4, then either party may refer the Dispute to mediation in accordance with Section 6, or, if not so referred to mediation within the five Business Day period provided in Section 6, the Dispute shall be referred to arbitration in accordance with Section 7.

b. All negotiations between the Chief Executive Officers pursuant to this Section 5 shall be treated as compromise and settlement negotiations. Nothing said or disclosed, nor any document

produced, in the course of such negotiations which is not otherwise independently discoverable shall be offered or received as evidence or used for impeachment or for any other purpose in any current or future arbitration or litigation.

Section 6. Mediation.

a. If the Dispute Notice is delivered at or after the Closing and the Dispute has not been resolved by negotiation between the Senior Managers pursuant to Section 4 or the Chief Executive Officers pursuant to Section 5, then within five Business Days after the expiration of such 20 Business Day period provided in Section 5, any party may initiate mediation hereunder by giving a notice of mediation (a "Mediation Notice") to any other party. Such Mediation Notice shall include an undertaking by the party delivering such Mediation Notice to pay all costs and expenses of the mediator chosen or appointed pursuant to this Section 6. If neither party has given a Mediation Notice to the other party within such five Business Day period, then the Dispute shall be referred to arbitration in accordance with Section 7.

b. *Selection of Mediator*. The mediator shall be jointly appointed by the parties. The parties intend that the mediator be independent and impartial. To this end, the mediator shall disclose to the parties any professional or social relationships, present or past, with any party (or its Affiliates), including any party's (or its Affiliates') directors, officers and supervisory personnel and counsel.

c. *Location.* Any mediation pursuant to this Section 6 shall be conducted in Columbus, Ohio, unless otherwise agreed.

d. *Governing Law*. The Model ADR Procedures for Mediation of Business Disputes of the Center for Public Resources, Inc., either as written or as modified by mutual agreement of the parties, shall govern any non-binding mediation pursuant to this Section 6.

e. *Mediation Process*.

(1) All mediation pursuant to this Section 6 shall be treated as compromise and settlement negotiations. Nothing said or disclosed, nor any document produced, in the course of such non-binding mediation which is not otherwise independently discoverable shall be offered or received as evidence or used for impeachment or for any other purpose in any current or future arbitration or litigation.

(2) In the mediation, each party shall be represented by an executive officer. No party shall be obligated to attend mediation proceedings for more than an aggregate of five days.

(3) If a Dispute has not been resolved within 10 Business Days after the delivery of the Mediation Notice, then the Dispute shall be referred to arbitration in accordance with Section 7.

Section 7. Arbitration.

a. *Commencement of Arbitration.* If the Dispute Notice is delivered at or after the Closing and the Dispute has not been resolved by negotiation between the Senior Managers pursuant to Section 4, by negotiation between the Chief Executive Officers pursuant to Section 5, or by mediation pursuant to Section 6 (or, if neither party delivered a mediation notice to the other party within the five Business Day period provided in Section 6, by the expiration of such five Business Day period), then any party may initiate an arbitration hereunder by giving a notice of arbitration (the "Arbitration Notice") to any other party. If the parties cannot agree on a procedure to be used to arbitrate the controversy within 10 days of receipt by the other party of the Arbitration Notice, then the controversy shall be finally resolved by arbitration as provided in this Section 7.

b. *Location*. Any arbitration pursuant to this Section 7 shall be conducted in Columbus, Ohio, unless otherwise agreed.

c. *Governing Law.* Section 2 of the Federal Arbitration Act (Title 9, U.S.C., Section 1, *et seq.*) shall control the validity of any arbitration proceeding pursuant to this Section 7. All other substantive issues in any arbitration hereunder shall be resolved by application of the provisions of the Agreement in accordance with the governing law provisions thereof.

d. *Framing of Issues*. The Arbitration Notice shall contain a statement of any controversies in sufficient detail to apprise the other parties of (i) the nature and scope of the controversies, (ii) the initiating party's position and (iii) the relief sought. Each other party shall, within a period of 30 days after delivery of the Arbitration Notice, or within such other period of time as the parties may agree, deliver its answer to the initiating party (the "Arbitration Answer"), which shall contain its statement of the controversy, its positions and any counterclaims or other determinations which it seeks. The initiating party shall then have 30 days, or such other period of time as the parties may agree, to deliver its reply (the "Arbitration Reply") to any counterclaim or request for determination raised in the Arbitration Answer. No amendments to the Arbitration Notice, Arbitration Answer or Arbitration Reply shall be permitted without the consent of the other parties or of the Arbitration Tribunal or Sole Arbitrator, as applicable. Such Arbitration Notice, Arbitration Answer and Arbitration Reply and all written notifications and other documents provided for in this Section 7 or in any rules or orders or directions issued by the Arbitration Tribunal or Sole Arbitrator, as applicable, to be delivered to a party or the Arbitration Tribunal or Sole Arbitrator, as applicable, shall be delivered in person against written receipt or by registered or certified mail, return receipt requested.

e. *Choice of Sole Arbitrator or Arbitration Tribunal*. The parties may agree in writing within 20 days after delivery of the Arbitration Notice that the arbitration proceedings shall be by

and before a Sole Arbitrator appointed in accordance with Section 7(f) and conducted in accordance with Section 7(h) or other procedures acceptable to them. Failing such agreement, the arbitration proceedings shall be by and before an Arbitration Tribunal appointed in accordance with Section 7(g) and conducted in accordance with Section 7(h) or other procedures acceptable to them.

f. *Appointment of Sole Arbitrator.*

(1) If so agreed pursuant to Section 7(e) or as provided in the Agreement, the arbitration proceedings shall be conducted by and before a single arbitrator (the "Sole Arbitrator"). Such Arbitrator shall be jointly appointed by the parties, who shall jointly obtain acceptance of his or her appointment within a period of 30 days after the date of delivery of the Arbitration Notice. Failing such joint appointment and its acceptance, either party may request the Center for Public Resources, acting in the capacity of the Appointing Authority hereunder (the "Appointing Authority") to make the appointment and obtain his or her acceptance (which appointment, subject to Section 7(f)(4), shall be binding upon the parties to the arbitration).

(2) If at any time during the course of the arbitration proceedings, the Sole Arbitrator dies, resigns, withdraws, or is removed by the parties pursuant to Section 7(f)(4), such vacancy shall be filled in the same manner and subject to the same requirements as provided in Section 7(f)(1) for the original appointment to that position except as to the period of time specified for such original appointment. If the vacancy is not filled within 30 days after the occurrence of the death, resignation, withdrawal or removal of the Sole Arbitrator, either party may request the Appointing Authority to make the appointment and obtain acceptance. Upon the filling of a vacancy, and after allowing the newly appointed Sole Arbitrator sufficient time to familiarize himself or herself with the submissions and proceedings, the arbitration proceedings shall be continued without rehearing from the point at which the vacancy occurred, unless the parties agree otherwise or the Sole Arbitrator directs otherwise.

(3) The parties intend that the Sole Arbitrator be independent and impartial. To this end, the Sole Arbitrator shall disclose to the parties any professional or other social relationships, present or past, with any party (or its Affiliates), including any party's (or its Affiliates') directors, officers and supervisory personnel and counsel.

(4) Except as otherwise provided in Section 7(f)(2), the Sole Arbitrator may be removed only by (i) application of either party to, and order of, the Appointing Authority after a showing of lack of independence, partiality, misconduct, incapacity of the Sole Arbitrator for more than 60 days or any other cause likely to impair his or her ability to effectively participate in the arbitration proceedings or render a fair and equitable decision, or (ii) mutual agreement of the parties.

g. *Appointment of Arbitration Tribunal.*

(1) If the parties do not agree within the 20-day period provided in Section 7(e) to have the arbitration proceedings conducted by and before a Sole Arbitrator, then the arbitration proceedings shall be conducted by and before a tribunal composed of three Arbitrators (an "Arbitration Tribunal") who are appointed pursuant to this Section 7(g). Each party shall appoint one arbitrator, obtain its appointee's acceptance of such appointment, and deliver written notification of such appointment and acceptance to the other party within 45 days after delivery of the Arbitration Notice. If a party fails for any reason to appoint an arbitrator, obtain acceptance of such appointment and notify the other party in writing within the period provided above, the Appointing Authority, upon written request of either party, shall appoint such arbitrator, obtain acceptance of such appointment and notify the parties in writing of such appointment and acceptance. If the controversy involves more than two parties, a party (and its Affiliates) shall be considered a single party for the purposes of this Section 7(g).

(2) The two arbitrators appointed pursuant to Section 7(g)(1) shall jointly appoint the third arbitrator (the "Third Arbitrator"), obtain such appointee's acceptance of such appointment and notify the parties in writing of such appointment and acceptance within 30 days after the appointment and acceptance of the two initial arbitrators. If the appointment and acceptance of the Third Arbitrator and the required notifications are not effected by the other two arbitrators within the 30-day period, then, upon the request of either party, the Appointing Authority shall appoint the Third Arbitrator, obtain acceptance of such appointment and notify the parties and both arbitrators appointed pursuant to Section 7(g)(1) in writing of such appointment and acceptance.

(3) The Third Arbitrator shall serve as the Chairman of the Arbitration Tribunal.

(4) If at any time a vacancy occurs on the Arbitration Tribunal by reason of death, resignation or withdrawal of an arbitrator or removal of an arbitrator pursuant to Section 7(g)(6), such vacancy shall be filled in the same manner and subject to the same requirements as are provided in Sections 7(g)(1) and 7(g)(2) for the original appointment to that position except as to the periods of time specified for such original appointments. If the vacancy is not filled within 30 days after the occurrence of the death, resignation, withdrawal or removal of the arbitrator, either party may request the Appointing Authority to make the appointment and obtain acceptance. Upon the filling of a vacancy, and after allowing the newly appointed arbitrator sufficient time to familiarize himself or herself with the submissions and proceedings, the arbitration proceedings shall be continued without rehearing from the point at which the vacancy occurred, unless the parties agree otherwise or the Chairman of the Arbitration Tribunal, whether appointed prior to the occurrence of the vacancy or appointed to fill the vacancy, directs otherwise.

(5) The parties intend that each of the arbitrators on the Arbitration Tribunal be independent and impartial. To this end, each such arbitrator shall disclose to the parties, and to the other members of the Arbitration Tribunal, any professional or social relationships, present or past, with any party (or its Affiliates), including any party's (or its Affiliates') directors, officers and supervisory personnel and counsel.

(6) Any party may challenge in writing the appointment or continued service of any arbitrator on the Arbitration Tribunal for lack of independence, partiality, incapacity of the arbitrator for more than 60 days, or any other cause likely to impair such arbitrator's ability to

effectively participate in the arbitration proceedings or render a fair and equitable decision. Where such challenge is made with regard to an arbitrator other than the Third Arbitrator, the Third Arbitrator shall uphold or dismiss the challenge. Where such challenge is made with regard to the Third Arbitrator, the Appointing Authority shall uphold or dismiss the challenge. In the event a challenge is upheld, the arbitrator as to whom the challenge was upheld shall cease to be a member of the Arbitration Tribunal. Furthermore, any arbitrator may be removed upon mutual agreement of the parties.

(7) The Arbitration Tribunal in its discretion may appoint a secretary to assist the Arbitration Tribunal in the administrative arrangements for the arbitration proceedings. The Arbitration Tribunal may also employ such stenographic and other assistance as it deems necessary.

(8) All decisions or rulings of the Arbitration Tribunal, as well as any interim or final award, shall be pursuant to the majority vote of the three arbitrators comprising the Arbitration Tribunal.

h. *Arbitration Procedures.*

(1) The Arbitration Tribunal or Sole Arbitrator, as applicable, shall hold a preliminary meeting with the parties at a time and place determined by the Arbitration Tribunal or Sole Arbitrator, as applicable, for the discussion of procedural matters prior to the issuance of rules of procedure or other procedural directives by the Arbitration Tribunal or Sole Arbitrator, as applicable, and for discussion of such other matters as the Arbitration Tribunal or Sole Arbitrator, as applicable, may determine.

(2) The procedure to be followed in any arbitration proceedings hereunder shall be as prescribed in this Section 7 and in the rules of procedure which shall be issued by the Arbitration Tribunal or Sole Arbitrator, as applicable, following consultation with the parties. Such rules shall be based on the principle of fairness to both parties, and unless otherwise agreed by the parties shall provide, *inter alia*, for the submission of briefs by the parties, the introduction of documents and the oral testimony of witnesses, cross-examination of witnesses, oral arguments, the closure of the arbitration proceedings and such other matters as the Arbitration Tribunal or Sole Arbitrator, as applicable, may deem appropriate. Further, the Arbitration Tribunal or Sole Arbitrator, as applicable, shall regulate all matters relating to the conduct of the arbitration proceedings not otherwise provided for. Subject to any contrary rules adopted by the Arbitration Tribunal or Sole Arbitrator, as applicable:

(A) The party which initiated the Arbitration shall, within 14 days after the date of the Sole Arbitrator's appointment pursuant to Section 7(f) or the appointment of the Arbitration Tribunal pursuant to Section 7(g), as applicable, or within such other period of time as the parties

may mutually agree, submit to the Arbitration Tribunal or the Sole Arbitrator, as applicable, a written brief in support of its case and the relief or determination it seeks, with a copy to the other party. Each such other party shall, within 21 days after delivery to it of a copy of the initiating party's brief or within such other period of time as the parties may agree, submit to the Arbitration Tribunal or the Sole Arbitrator, as applicable, such other party's answering brief in support of its defense, with a copy to the initiating party. Such answering brief shall also state and support any counterclaim or determination of a matter not submitted by the initiating party which such other party seeks. In the event that the answering brief states a counterclaim or request for determination of a matter not submitted by the initiating party, the initiating party may submit, within a period of 21 days after delivery to it of such answering brief, or within such other period of time as the parties may agree, a reply brief stating its defense to such counterclaim or request for determination, with a copy to the other parties.

(B) Any brief provided for in Section 7(h)(2)(A) may include documentary evidence and written affidavits. The Arbitration Tribunal or the Sole Arbitrator, as applicable, may invite any other written submissions or documents he or she deems necessary for the proper determination of the arbitration.

(C) Copies of documents submitted in a brief shall be deemed authentic unless challenged by a party by written notification to the Arbitration Tribunal or the Sole Arbitrator, as applicable, with a copy to the other party. The facts stated in any affidavit submitted in a brief shall be deemed accurate unless similarly challenged. Any such notification of challenge, together with any supporting documents or affidavits and a list of the names and addresses of any witnesses the challenging party will present in support of such challenge, shall be submitted by that party within a period of 30 days after the date of such party's receipt of the document or affidavit being challenged. The party challenging the contents of an affidavit may also include, in its notification, a request that the party which submitted the affidavit or challenging affidavit produce the affiant for cross-examination. Subject to a request to the Arbitration Tribunal or the Sole Arbitrator, as applicable, for a protective order, the party which submitted a document or affidavit challenged shall, within a period of 14 days after its receipt of notification of the challenge, submit any documents and a list of the names and addresses of any witnesses it will present to establish the authenticity of a document or the accuracy of the facts stated in an affidavit.

(D) An oral hearing shall be held, at a place and time designated by the Arbitration Tribunal or the Sole Arbitrator, as applicable, such time to be within a period of 30 days after the date of the submission of the answering brief or, if a reply brief was submitted pursuant to Section 7(h)(2)(A), within 30 days thereafter, or, where objection or challenge was made as provided in Section 7(h)(2)(C), within a period of 14 days after the date of the last submission made pursuant to that Section. At such hearing, the Arbitration Tribunal or the Sole Arbitrator, as applicable, shall permit the submission of further documentation or oral testimony by the parties, including direct examination, cross-examination and redirect examination, relevant to the determination of any challenge to the authenticity of a document or to the accuracy of the facts stated in an affidavit. No oral testimony shall be permitted except as provided in this Section 7 or as permitted by order of the

Arbitration Tribunal or the Sole Arbitrator, as applicable. The Arbitration Tribunal or the Sole Arbitrator, as applicable, shall, following the submission of any documents and oral testimony, invite each of the parties to make oral arguments in support of its case on the controversy concerning which the initiating party initiated the arbitration and on any counterclaim or other controversy initiated by the other party.

(E) Strict rules of evidence shall not apply in any arbitration proceedings conducted pursuant to this Section 7. The parties may offer such evidence as they desire and the Arbitration Tribunal or the Sole Arbitrator, as applicable, shall accept such evidence as its deems relevant to the issue(s) and accord it such weight as the Arbitration Tribunal or the Sole Arbitrator, as applicable, deems appropriate. However, no party or witness may be required to waive any privilege recognized under Applicable Law.

(F) The parties agree that discovery shall be limited and handled expeditiously. Discovery procedures available in litigation before the courts shall not apply in any arbitration proceedings pursuant to this Section 7. However, each party shall produce relevant and nonprivileged documents or copies thereof requested by the other party in writing. Unless otherwise agreed or ordered by the Arbitration Tribunal or the Sole Arbitrator, as applicable, any such request by either party shall be made within 15 days after submission of the brief, document or affidavit submitted earliest which could reasonably have indicated that the documents sought to be produced were relevant, and production shall be made within 10 days of receipt of such request. All disputes regarding discovery shall be resolved promptly by the Arbitration Tribunal or the Sole Arbitrator, as applicable. In the event of a party's failure to produce such documents as provided above, the Arbitration Tribunal or the Sole Arbitrator, as applicable, shall take such failure into consideration in the light of the prevailing circumstances.

(G) In the event the Sole Arbitrator or a member of the Arbitration Tribunal, as applicable, becomes incapable of acting for a period of less than 60 days and then resumes his or her duties as Sole Arbitrator or an arbitrator, as applicable, the time periods provided in Sections 7(h)(2)(A), (C), (D) and (F) shall be extended by the number of days during which the Sole Arbitrator or an arbitrator, as applicable, was incapable of acting. In the event the Sole Arbitrator or a member of the Arbitration Tribunal, as applicable, dies or resigns or becomes incapable of acting for a period of at least 60 days, such time periods shall be extended by the number of days between the date of such death, resignation, or commencement of incapacity and the date of the appointment of a substitute arbitrator plus a reasonable period of time (to be mutually agreed upon by the parties or fixed by the Arbitration Tribunal or the Sole Arbitrator, as applicable) for the Sole Arbitrator or arbitrator, as applicable, to familiarize himself or herself with the submissions and proceedings.

(H) The arbitration proceedings shall be deemed closed at the conclusion of the oral hearing provided in Section 7(h)(2)(D), except that in the event the Arbitration Tribunal or the Sole Arbitrator, as applicable, requests or invites the submission of any further documents or briefs, the proceedings shall be deemed closed upon the submission of such further documents or briefs or

upon the expiration of the period set by the Arbitration Tribunal or the Sole Arbitrator, as applicable, for such submissions, whichever date is earlier.

(I) If requested by any party, the Arbitration Tribunal or the Sole Arbitrator, as applicable, shall keep records of all its proceedings and decisions, and a verbatim record of all oral hearings. Such records shall be available and copies shall be furnished to the parties upon request and reasonable notice by any party to the Arbitration Tribunal or the Sole Arbitrator, as applicable.

(J) All awards or portions thereof, whether preliminary or final, shall be in writing signed by the Sole Arbitrator or, in the case of an Arbitration Tribunal, by each arbitrator, and shall state the reasons upon which such are based. In the event that one arbitrator in an Arbitration Tribunal refuses to sign the award or a portion thereof, the two arbitrators forming the majority shall note such refusal in the award or portion thereof. The arbitrator dissenting from an award or portion thereof may issue a dissent from the award or portion thereof in writing, stating the reasons therefor.

(K) The Arbitration Tribunal or the Sole Arbitrator, as applicable, shall use its best efforts to issue its final award or awards, and any dissent therefrom, in any arbitration proceedings conducted pursuant to this Section 7, within a period of 30 days after closure of such arbitration proceedings. Failure of the Arbitration Tribunal or Sole Arbitrator, as applicable, to do so, however, shall not be a basis for challenging the award or awards.

i. *Failure to Participate.* In the event a party, having been given due notice and opportunity, shall fail or shall refuse to appear or participate in any arbitration proceedings pursuant to this Section 7 or in any stage thereof, or to so appear or participate in accordance with time limits or dates set forth in this Section 7, or in rules of procedure issued pursuant hereto by the Arbitration Tribunal or the Sole Arbitrator, as applicable, or other directives issued by the Arbitration Tribunal or the Sole Arbitrator, as applicable, the arbitration proceedings shall nevertheless be conducted to conclusion and final award. Any award or awards rendered under such circumstances shall be as valid and enforceable as if both parties had appeared and participated fully at all stages.

j. *Relief.* Subject to any limitations on awards and damages that are expressly set forth in the Agreement, the Arbitration Tribunal or the Sole Arbitrator, as applicable, shall be empowered in an award to deny or grant, in whole or in part, relief of the following types if so requested by a party in the Arbitration Notice, the Arbitration Answer or the Arbitration Reply:

(i) compensatory damages;

(ii) other monetary claims or counterclaims;

(iii) pre-award and post-award interest on monetary awards, including applicable rates and periods at to which such interest shall be computed;

(iv) specific performance of the Agreement or any portion thereof;

(v) interpretation, including declaratory interpretation, of the provisions of the Agreement; and

(vi) any other equitable relief.

The Arbitration Tribunal or the Sole Arbitrator, as applicable, shall, in a final award, assess, as set forth in Section 7(m), the amount of the costs of the arbitration proceedings.

k. *Finality*. Any award or portion of award rendered, whether final or interim, by the Arbitration Tribunal or the Sole Arbitrator, as applicable, in any arbitration proceedings pursuant to this Section 7 shall be binding on the parties, who hereby waive all rights of appeal or challenge except to the extent permitted by Title 9, U.S.C. §§ 10 and 11. The parties further agree that judgment upon any award hereunder may be entered in any of the courts referred to in Section 9.17 of the Agreement (if the Agreement is the Master Formation Agreement), Section 11.15 of the Agreement (if the Agreement is the Asset Transfer and Contribution Agreement or an Agreement that incorporates by reference the procedures for dispute resolution of the Asset Transfer and Contribution Agreement) or Section 16.09 of the Agreement (if the Agreement is the LLC Agreement), and application may be made by a party to such court or to any court of competent jurisdiction wherever situated for enforcement of such judgment and the entry of whatever orders are necessary for such enforcement.

l. *Confidentiality*. The parties and the Arbitration Tribunal or the Sole Arbitrator, as applicable, shall treat all aspects of the arbitration proceedings, including without limitation discovery, testimony and other evidence, briefs and the award, as strictly confidential.

m. *Costs and Expenses*. Each party shall pay its own costs and expenses. The costs of the arbitration proceedings, including the expenses of the Arbitration Tribunal and its members and secretary, if any, or of the Sole Arbitrator, as applicable, and the honoraria of the members of an Arbitration Tribunal and its secretary, or the honorarium of the Sole Arbitrator, as applicable, shall be borne by the parties to the arbitration proceedings in equal shares. The Chairman of the Arbitration Tribunal or the Sole Arbitrator, as applicable, shall notify the parties, from time to time, of the estimated amounts to be advanced by them in equal shares to meet all such anticipated expenses, and each party shall advance its share promptly.

Section 8. Disputes; Consent to Jurisdiction.

(a) Except as otherwise expressly provided in the Agreement, no party shall be entitled to commence or maintain any action, suit or other proceeding against any other party regarding any Dispute, other than any action, suit or other proceeding (i) to the extent provided in Section 3, (ii) to compel arbitration pursuant to Section 7, (iii) to select an arbitrator or arbitrators pursuant to Section 7 or (iv) to enforce any judgment pursuant to Section 7(k).

(b) Section 9.17 of the Agreement (if the Agreement is the Master Formation Agreement), Section 11.15 of the Agreement (if the Agreement is the Asset Transfer and Contribution Agreement or an Agreement that incorporates by reference the procedures for dispute resolution of the Asset Transfer and Contribution Agreement) or Section 16.09 of the Agreement (if the Agreement is the LLC Agreement) shall apply with respect to any suit, action or proceeding permitted under Section 8(a).

SPEEDWAY SUPERAMERICA LLC

RETAIL INTERGRATION PROTOCOL

The retail business unit of Marathon Ashland Petroleum LLC ("MAP"), Speedway SuperAmerica LLC ("SSA"), will include the combined assets of Emro Marketing Company ("Emro") and SuperAmerica Group ("SuperAmerica"). This protocol establishes the plan of integration of Emro and SuperAmerica from the present state of two competing retail organizations to an integrated retail organization.

1. General Principles. Marathon and Ashland desire to begin realizing the efficiencies and other benefits of the integration of retail operations as soon as possible after the closing of the Joint Venture. However, Marathon and Ashland agree to integrate Emro and SuperAmerica in a deliberate manner, based upon thorough analyses of all relevant information and issues, including impact on the brand equity, operating systems and operating practices (collectively referred to as the "Business Equity") of Emro or SuperAmerica. Such analyses shall be conducted by or at the direction of one or more integration teams, each of which is comprised of members representing both Emro and SuperAmerica (collectively, the "Integration Teams"). Major decisions and actions relative to integration of Emro and SuperAmerica shall be reviewed and approved prior to implementation by the appropriate levels of SSA and MAP executive management and the MAP Board of Managers. An overriding principle of the integration process is to maximize the economic value added to MAP in total.

2. Integration Levels. The integration process will commence immediately after the Joint Venture closes, and will occur in three general levels as analyses of various functions and aspects of the business are completed:

a. Level I. Level I integration initiatives require little or no analysis to determine best practice, or that create obvious efficiencies, with little or no impact on the Business Equity of Emro or SuperAmerica. Level I initiatives include, but are not limited to, the following:

(i) coordination of the retail pricing of light products between Emro and SuperAmerica (but not major and long-range light product or merchandise pricing philosophy as described in Paragraph 2(c)(iv) below);

(ii) purchase of common supplies for consumption and products and services for resale;

(iii) supply of retail locations from various terminals to minimize operating costs to the SSA and MAP;

(iv) coordination of support services and elimination of duplicate services and processes not required to maintain separate operations; and

(v) establishment of Integration Teams to extend the process of integration and define and analyze the more complex issues.

b. Level II. Level II integration initiatives are relatively more complex and will require more time and effort to gather and analyze relevant information, determine the best practices, and evaluate the potential impact of alternate strategies or actions on the Business Equity of Emro or SuperAmerica. Level II integration initiatives will be prioritized by the Integration Teams and SSA executive management to generate savings as rapidly as possible without adversely impacting the Business Equity of Emro and SuperAmerica. Level II initiatives include, but are not limited to, the following:

(i) Consolidating purchases of items such as pumps, dispensers and operating hardware that may be interchangeable between Emro and SuperAmerica;

(ii) Adoption of a unified and coordinated marketing program (i.e., private label applicable category merchandising agreements, etc.) as opportunities are identified and evaluated by the marketing integration team;

(iii) Adoption of common maintenance practices and coordination and integration of maintenance personnel in overlapping areas;

(iv) Internal communication in support of our one-company commitment and vision (All outside product and service provider communications will support this same commitment.);

(v) Adoption of new common product and services offerings where appropriate;

(vi) Further consolidation of support services that SSA and MAP executive management determine will not adversely affect the Business Equity of Emro and SuperAmerica;

(vii) Continued integration of common support services (such as law, accounting, planning and analysis, environmental, health and safety, and security);

(viii) Overall Information Technology strategy (but not store-automation strategy, which is a Level III issue as provided in Paragraph 2(c), below);

(ix) Changing the geography of our present joint territories, e.g., truck stop travel center expansion; and

(x) Physical facility issues, e.g., size of facilities, common building designs, number of basic designs.

c. Level III. Level III integration initiatives involve complex and strategic issues that may have material impact on the Business Equity of Emro and SuperAmerica. Level III initiatives will require the most time an effort to gather and analyze relevant information, determine the best practices, and evaluate the potential impact of proposed decisions or actions on such Business Equity. Consultants may be used to assist the Integration Teams in quantifying various matters that are not easily quantified, especially those related to differences in Business Equity. Decisions and other actions on Level III initiatives will be made only after a thorough analysis of all relevant information, by super-majority approval of the MAP Board of Managers to the extent and for the time periods provided in the Limited Liability Company Agreement between Marathon and Ashland (the “LLC Agreement”). Level III issues are:

(i) Utilization of the Enon and Lexington facilities, including establishment of a single headquarters location for Speedway SuperAmerica LLC;

(ii) Major store staffing and similar employment issues, including any material change in the compensation or benefit packages of the Speedway SuperAmerica LLC unit;

(iii) Branding strategy (e.g., continuing to use the present brand names, combining brands or developing a new brand), including any material change in the brand image of SuperAmerica and Emro stores;

(iv) Any material change in the fundamental business strategies of SuperAmerica and Emro including, but not limited to, major and long-range light-product or merchandise pricing philosophy, in-store merchandising strategy and advertising and promotion practices.

(v) Future use of the Speedway and SuperAmerica business models in SSA;

(vi) Finalizing the retail organization (See discussion in Paragraph 5(a) below);

(vii) Credit card acceptance between Emro and SuperAmerica. More specifically the development of a new common credit card for SSA.

(viii) Evaluation of alternate modes of supplying stores with merchandise through company-owned warehouses or outside suppliers, including an evaluation of SuperAmerica's existing warehousing/distribution processes; and

(ix) Store-automation strategy.

Provided, however, that until any decision or action by the Board of Managers to the contrary, Emro and SuperAmerica shall continue to do business in accordance with their historical practices.

3. Timeframe for Super Majority Decisions. The timeframe for super-majority decisions or actions by the MAP Board of Managers with respect to the issues described in Paragraph 2(c)(i), (ii), (iv) and (vi) only are subject to extension as provided in the LLC Agreement. The integration timetable outlined in (4) below anticipates that all super majority recommendations for all Level III issues will be submitted for action to the Board of Managers by SSA MAP executive management by October 30, 1998, thus permitting the Board of Managers to act on these issues during calendar 1998. Such submissions shall include the business and economic analyses necessary to support the recommended decision or action including but not limited to the risks and

benefits of such decisions and the anticipated impact of such decision or action on the Speedway and SuperAmerica brand images and business models.

4. Integration Timetable. The integration process will be fluid, but should occur along the following general timeline:

a. January 1st: MAP and SSA are established. SSA Integration Teams begin work without restrictions on information flow.

b. First Quarter 1998: Emro and SuperAmerica continue the transition from separate operations to an integrated retail organization, through Level I integration. Also during this quarter, analyses of Level II and III issues continue. All such analyses shall include benchmarking of Emro and SuperAmerica practices and results. Recommendations for some Level II issues are presented to MAP executive management for review and approval. SSA executive management reviews progress on Level I, II and III initiatives with MAP executive management and MAP Board of Managers.

c. Second Quarter 1998: Emro and SuperAmerica continue the transition from separate operations to one integrated retail organization. During this quarter, recommendations for some Level II and III integration issues may be presented to the MAP executive management and MAP Board of Managers for review and approval, and analyses of other Level II and III issues continue as provided in paragraph 4(b). SSA executive management reviews progress on Level I, II and III initiatives with MAP executive management and MAP Board of Managers.

d. Third Quarter 1998: Emro and SuperAmerica complete additional Level I integration and continue work on Level II and III integration actions approved during the second quarter. During this quarter, the Integration Teams and SSA executive management complete additional analyses and valuation of alternatives and make additional recommendations on Level II and III initiatives. SSA executive management

reviews progress on Level I, II and III integration actions with MAP executive management and with the MAP Board of Managers.

e. Fourth Quarter 1998: Emro and SuperAmerica complete additional Level I integration and continue work on Level II and III integration actions. SSA executive management reviews progress on Level I, II and III integration actions with MAP executive management and Board of Managers. SSA and MAP executive management will present any remaining super majority issues proposals for action by the Board of Managers no later than October 30, 1998 to provide ample time for the MAP executive management and Board of Managers to formulate decisions during the fourth quarter.

f. Calendar 1999: Complete Level II and III integration actions as directed by the MAP executive management and Board of Managers.

5. Management Guidance. A number of Level III issues are addressed in more detail in this Paragraph 5. This Paragraph 5 is intended to give guidance to the executive management of SSA and MAP on certain key issues:

a. SSA Organization. As the integration process proceeds, it will be implemented through a transitional organization as outlined on Exhibit A with the intention of ultimately implementing an organization similar to that shown on Exhibit B, subject to changes approved by SSA and MAP executive management and the MAP Board of Managers.

b. Key Management Issues.

(i) Proper communication to everyone concerned needs to occur early and clearly to ensure the success of the operation. Structure, form, and responsibilities need to be clearly communicated. Key SSA managers, especially those involved in best practice

integration teams, need to fully understand their individual roles during what may be a chaotic period that may last longer than originally anticipated.

(ii) Outside agencies and suppliers will be dealing with one legal entity that in some cases will continue to behave as two separate entities. This is potentially an area of confusion that needs to be addressed to avoid causing problems in the retail operation. Speedway SuperAmerica LLC office of the president will have the primary responsibility for developing and disseminating the proper communication as needed to address these issues.

c. Co-Management. It is anticipated that through its early stages, SSA will be con-managed by R.N. Yammine and J. F. Pettus to achieve the overall objectives of Marathon and Ashland for MAP. During such stages, it is anticipated that Pettus' emphasis will be on SSA operations and Yammine's on SSA financial and other support functions, but they will share responsibility for managing SSA, ensuring that best practices guide the integration process in the manner and on the timetable described in this protocol, and ensuring that the non-integrated segments on SSA continue to operate smoothly and efficiently. References in this protocol to the executive management of SSA are references to Yammine and Pettus. ALL SSA EXECUTIVE MANAGEMENT DECISIONS, RECOMMENDATIONS AND OTHER ACTIONS RELATIVE TO INTEGRATION AND TO ONGOING OPERATION OF SSA'S BUSINESS ARE TO BE MADE JOINTLY BY YAMMINE AND PETTUS; PROVIDED THAT IF YAMMINE AND PETTUS ARE UNABLE TO AGREE ON A DECISION, RECOMMENDATION OR ACTION, THEY WILL REPORT TO THE PRESIDENT OF MAP WHO WILL RESOLVE ANY DIFFERENCE AND REPORT HIS RECOMMENDATION TO THE MAP BOARD ON ANY MATTER REQUIRED HEREUNDER, INCLUDING LEVEL III DECISIONS.

d. Measurement of Success.

(i) The present P & L statements of Emro and SuperAmerica are not consistent since Emro's P & L is based on rack prices and SuperAmerica's is based on adjusted rack prices. A common transfer price will be adopted by MAP executive management after the closing of the Joint Venture, with appropriate input from the SSA executive management. Depending upon the transfer price methodology used, various adjustments will be made to permit accurate analysis of Emro and SuperAmerica performance, e.g., if rack price is used, adjustments will be made to reflect the synergy added to MAP by Emro and SuperAmerica.

(ii) Except as noted in this protocol, the intent of Marathon and Ashland is to analyze all decisions to be made and other actions to be taken relative to Level II and Level III integration, and to value alternatives, on an economic value added ("EVA") basis, as it relates to MAP in total. However, Marathon and Ashland recognize that certain qualitative issues relative to Emro and SuperAmerica Business Equity may not lend themselves to a strict EVA analysis. In such cases, other tools may be used to analyze such qualitative issues and value alternatives, including but not limited to:

A) Benchmarking performances between similar operations in Emro and SuperAmerica, e.g., money loss and inventory shrink in similar groups of stores, sales by category, profit by store category, etc.;

B) Marketing program and reverse marketing program testing;

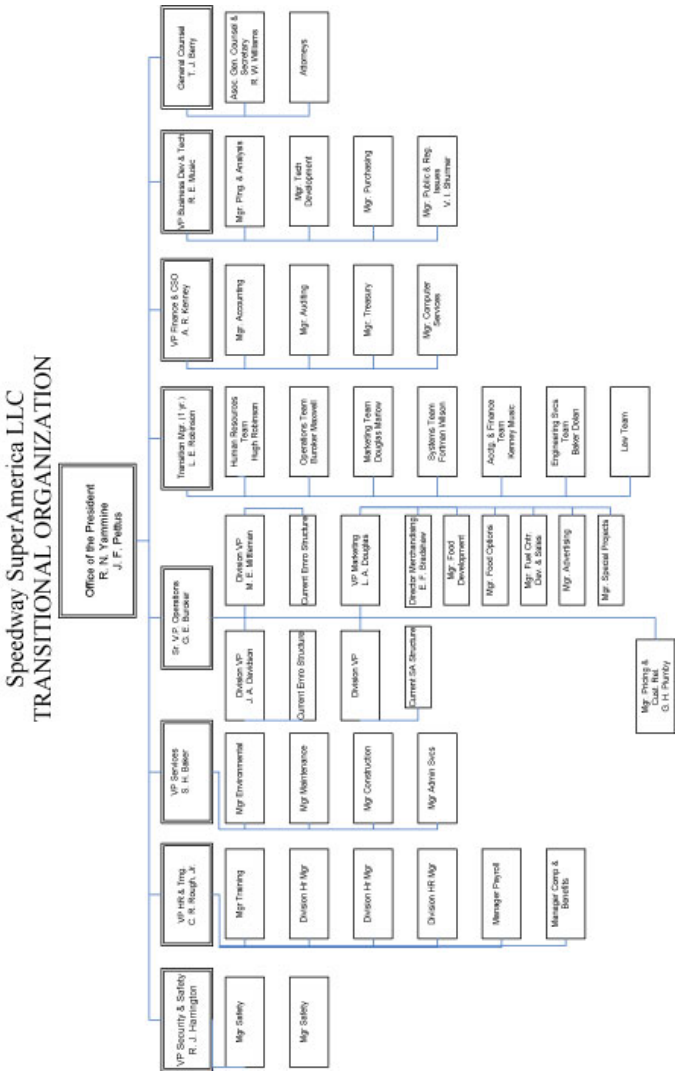
C) Customer-intercept studies;

D) Focus-group evaluations; and

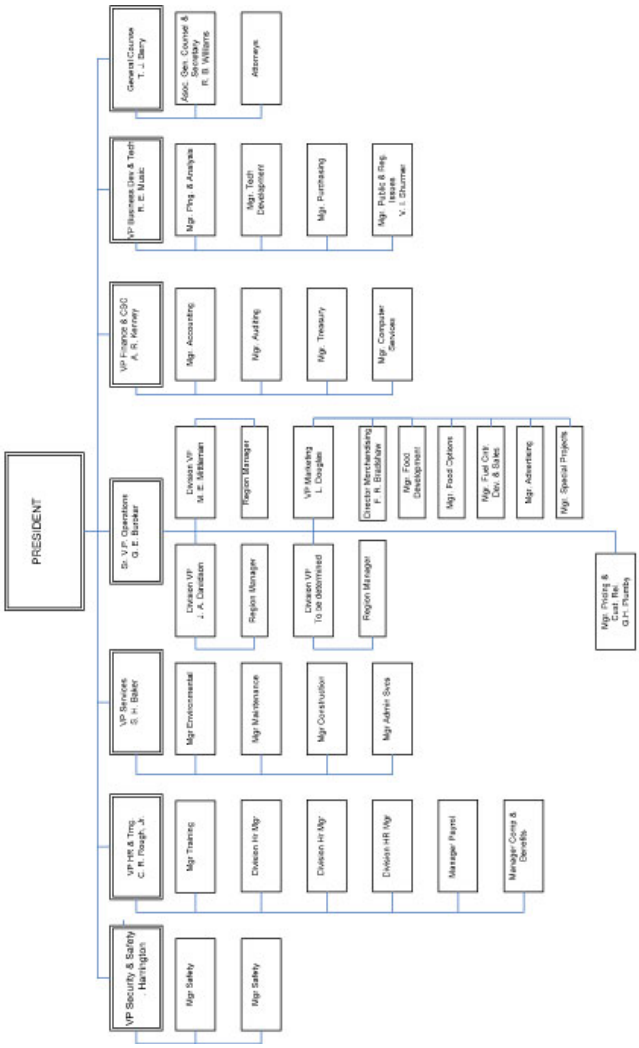
E) Consultants' input and analysis, as deemed appropriate and cost effective by the SSA or MAP executive management.

F) Various economic methodologies pertinent to the economic performance of SSA and SSA and MAP combined.

Speedway SuperAmerica LLC
TRANSITIONAL ORGANIZATION



SPEEDWAY SUPERAMERICA LLC
PROPOSED ULITIMATE ORGANIZATION



SCHEDULE 1.01
to
Limited Liability Company Agreement
Financed Properties

1. Double-Skin Barge Program – PNC Leasing Corp., Kentucky and Pitney Bowes Credit Corporation (35 barges are currently in the program).

   (a) Charter Agreement between PNC Leasing Corp., Kentucky, as Owner, and Ashland Inc., as Charterer, dated as of January 19, 1996, as amended by First Amendment thereto dated as of October 28, 1997.

   (b) Charter Agreement between Pitney Bowes Credit Corporation, as Owner, and Ashland Inc., as Charterer, dated as of January 19, 1996, as amended by First Amendment thereto dated as of October 28, 1997.

2. Sale & Leaseback of 125 DOT 112J340W Pressure Tank Cars between Signet Leasing & Financial Corporation and Ashland Inc.

   (a) Master Lease Agreement, dated as of April 26, 1995, between Signet Leasing and Financial Corporation, as lessor, and Ashland Inc., as lessee.

3. Super America-Goldman Sachs Sale Leaseback (24 properties).

   (a) Lease Agreement, dated as of December 31, 1990, between State Street Bank and Trust Company of Connecticut, National Association, as lessor, and Ashland Inc., (formerly Ashland Oil, Inc.), as lessee.

4. Bluegrass Funding, Inc. Master Lease Program (15 SuperAmerica properties are currently in the program).

   (a) Amended, Restated and Consolidated Lease Agreement, dated as of October 22, 1993, between Bluegrass Funding, Inc. and Ashland Oil, Inc.;

   (b) Amendment No. 1, dated as of October 31, 1994 to Amended, Restated and Consolidated Lease Agreement between Bluegrass Funding, Inc. and Ashland Oil, Inc.; and

   (c) Amendment No. 2, dated as of March 17, 1995, to Amended, Restated and Consolidated Lease Agreement dated as of October 22, 1993, between Bluegrass funding, Inc. and Ashland Inc.

5. Fayette Funding, Limited Partnership master Lease Program (172 SuperAmerica and Rich Oil properties are currently in the program that will be contributed to the Company).

   (a) Second Amended, Restated and Consolidated Lease Agreement, dated as of November 14, 1995, between Fayette Funding, Limited Partnership and Ashland Inc.; and

   (b) Amendment No. 1 to Second Amended, Restated and Consolidated Agreement for Lease, dated as of July 9, 1996, between Fayette Funding, Limited Partnership and Ashland Inc.

LIMITED LIABILITY COMPANY AGREEMENT

Schedule 4.01(c)

Marathon Subleased Property

Subleased Property is described in the Sublease Schedules to the Marathon Designated Sublease Agreements attached as Exhibit E to the Asset Transfer and Contribution Agreement.

1. Service/Truck Stations under the following leases:

   (a) Lease Agreement dated as of September 15, 1987 between Wilmington Trust Company and William J. Wade, not in their respective individual capacities, but solely as owner trustees under a Trust Agreement dated as of September 15, 1987, Lessor and Marathon Oil Company, as assignee of Emro Marketing Company, Lessee.

   (b) Lease for each Original Lease identified on a Sublease Schedule, which Lease is one of a series of lease agreements between Station Associates Venture, an Indiana general partnership, as Landlord, and Marathon Oil Company, an Ohio corporation, as assignee of Emro Marketing Company, a Delaware corporation, as successor by merger to R. I. Marketing, Inc., and Indiana corporation, as Tenant.

2. Hydrotreater-Penex Units under the following leases:

   (a) Equipment Lease Agreement dated as of December 1, 1985, as amended effective October 11, 1995, between State Street Bank and Trust Company not in its individual capacity but solely as Trustee (“Lessor”), as successor Trustee to the original Trustee, The First National Bank of Boston, under that certain Trust Agreement dated as of December 1, 1985 with BNY Capital Resources Corporation (“Trustor”), as successor in interest to BNY One Leasing Corporation (formerly BNY Leasing, Inc.) and Marathon Oil Company (“Lessee”), as successor by merger to Marathon Petroleum Company.

   (b) Equipment Lease (“Lease”) dated as of November 1, 1986 between Sequa Capital Corporation, formerly Forsun Leasing Corp., as Lessor and Marathon Oil Company, successor by merger to Marathon Petroleum Company, as Lessee.

SCHEDULE 4.01(c)
to
Limited Liability Company Agreement

1. Double-Skin Barge Program – PNC Leasing Corp., Kentucky and Pitney Bowes Credit Corporation (35 barges are currently in the program).

(a) Charter Agreement between PNC Leasing Corp., Kentucky, as Owner, and Ashland Inc., as Charterer, dated as of January 19, 1996, as amended by First Amendment thereto dated as of October 28, 1997.

(b) Charter Agreement between Pitney Bowes Credit Corporation, as Owner, and Ashland Inc., as Charterer, dated as of January 19, 1996, as amended by First Amendment thereto dated as of October 28, 1997.

2. Sale & Leaseback of 125 DOT 112J340W Pressure Tank Cars between Signet Leasing & Financial Corporation and Ashland Inc.

(a) Master Lease Agreement, dated as of April 26, 1995, between Signet Leasing and Financial Corporation, as lessor, and Ashland Inc., as lessee.

3. SuperAmerica- Goldman Sachs Sale & Leaseback (24 properties).

(a) Lease Agreement, dated as of December 31, 1990, between State Street Bank and Trust Company of Connecticut, National Association, as lessor, and Ashland Inc. (formerly Ashland Oil, Inc.), as lessee.

LIMITED LIABILITY COMPANY AGREEMENT

Schedule 4.02(a)-1

Marathon Funded Capital Expenditure

1. The work necessary to restore the Patoka to Lima Pipe Line to the operating pressure and throughput conditions that existed prior to the release of crude oil from such pipeline on August 24, 1997.

LIMITED LIABILITY COMPANY AGREEMENT

SCHEDULE 4.02(a)-2
MEMBER FUNDED CAPITAL EXP.

See Schedule 7.2(k) of the Asset Transfer and Contribution Agreement

12/10/97

LIMITED LIABILITY COMPANY AGREEMENT

SCHEDULE 8.08(k)i(a)
CLOSING DATE AFFILIATE TRANSACTIONS

Put/Call, Registration Rights, and Standstill Agreement by and among Marathon Oil Company, USX Corporation, Ashland Inc. and Marathon Ashland Petroleum LLC

Intellectual Property License Agreement from Ashland Inc. to Marathon Ashland Petroleum LLC

Trademark License Agreement from Ashland Inc. to Marathon Ashland Petroleum LLC

Office Lease Agreement by and between Ashland Inc. and Marathon Ashland Petroleum LLC of Lexington, KY office building

Office Lease Agreement by and between Ashland Inc. and Marathon Ashland Petroleum LLC for lease of Russell, KY office building

Lease Agreement by and between Ashland Inc. and Marathon Ashland Petroleum LLC for lease of the Louisville, KY Terminal

Lease Agreement by and between Ashland Inc. and Marathon Ashland Petroleum LCC for lease of the Findlay, OH Terminal

Lease Agreement by and between Ashland Inc. and Marathon Ashland Petroleum LLC for lease of Heath, OH Terminal

Lease Agreement by and between Ashland Inc. and Marathon Ashland Petroleum LLC for lease of the Cincinnati, OH Asphalt Terminal

Lease Agreement by and between Ashland Inc. and Marathon Ashland Petroleum LLC for lease of the Ashland Brand Bulk Plants

Goldman Sachs Master Sublease Agreement by and between Ashland Inc. and Marathon Ashland Petroleum LLC

Pitney Bowes Credit Corporation Master Subcharter Agreement by and between Ashland Inc. and Marathon Ashland Petroleum LLC

PNC Leasing Corp. Kentucky Master Subcharter Agreement by and between Ashland Inc. and Marathon Ashland Petroleum LLC

Signet Leasing and Financing Corporation Master Sublease Agreement by and between Ashland Inc. and Marathon Ashland Petroleum LLC

Pass-Through Sublease Agreement by and between Ashland Inc. and Marathon Ashland Petroleum LLC for sublease of BLC Corporation vehicles and railcars

Pass-Through Sublease Agreement by and between Ashland Inc. and Marathon Ashland Petroleum LLC for sublease of First Union Commercial Corporation vehicles and trailers

Lube Oils and Chemicals Supplement Agreement between Marathon Oil Company and Ashland Inc. (Valvoline Lube Purchase Contract)

Hydrocarbon Supply Agreement between Industrial Chemicals and Solvents Division of Ashland Chemical Company, a division of Ashland Inc. and Ashland Petroleum Company, a division of Ashland Inc. (Ashland Chemical Agreement)

Joint Services Agreement by and between Marathon Ashland Petroleum LLC and Ashland Chemical Company, a division of Ashland Inc. (Ashland Chemical Interplant Services Agreement)

Supplier Cooperation Agreement by and between Marathon Ashland Petroleum LLC and The Drew Industrial Division of Ashland Chemical Company, Division of Ashland Inc. (Wastewater Treatment Agreement)

License Agreement by and between Ashland Inc. and Marathon Ashland Petroleum LLC (Caverns/Neal, West Virginia)

Insurance Indemnity Agreement by and among Marathon Oil Company, Ashland Inc., USX Corporation and Marathon Ashland Petroleum LLC

Services Agreement by and among Marathon Ashland Petroleum LLC, Marathon Oil Company and Ashland Inc.

Revolving Credit Agreement among Ashland Inc., Marathon Oil Company, and Marathon Ashland Petroleum LLC

Possible subcharter of M/V Kentucky and M/F West Virginia

LIMITED LIABILITY COMPANY AGREEMENT

Schedule 8.08(k)(i)(A)

Marathon's Closing Date Affiliate Transactions

The following Affiliate Transactions:

- **Marathon Intellectual Property Agreement**
- **Marathon Trademark License Agreement**
- **Findlay Office Lease Agreement**
- **Indianapolis Terminal Lease Agreement**
- **Emro Marketing Sublease Agreement**
- **Garyville Hydrotreater Sublease Agreement**
- **Robinson Hydrotreater Sublease Agreement**
- **SAV Sublease Agreement**
- **Marathon Other Sublease Agreement**
- **Marathon Pipe Line Operating Agreements**
- **Joint Defense Agreement**
- **Crude Oil & NGL Agreement**
- **Indemnity Agreement**
- **Shared Services Agreement**
- **Revolving Credit Facility**
- **Put/Call, Registration Rights and Standstill Agreement**

Company Leverage Policy

For purposes of the Limited Liability Company Agreement dated as of January 1, 1998, of Marathon Ashland Petroleum LLC (the "Company"), by and among Marathon Oil Company, an Ohio corporation and Ashland Inc., a Kentucky corporation (the "LLC Agreement"), the Company Leverage Policy shall be as set forth below. Unless otherwise indicated, Section and Article references in this Schedule 8.14 are to Sections and Articles of the LLC Agreement.

The Company Leverage Policy is based on the following general principals:

(1) It is the intent of Marathon and Ashland that the Company and its subsidiaries operate without financial leverage, either on balance sheet (through Indebtedness) or off balance sheet (through lease programs, receivable financing programs and similar financing methods).

(2) It is the intent of Marathon and Ashland that the Company and its subsidiaries have available to them on an on-going basis one or more revolving credit facilities, uncommitted money market credit facilities or other comparable debt facilities in such amount to provide adequate liquidity to fund the normal operation of the Company and that the company and its subsidiaries promptly repay any amounts borrowed under such facilities at the time of, and to the extent of, any collected or available bank cash balances other than Incidental Cash and any cash balances that represent uncollected funds that are not otherwise included in Incidental Cash (collectively "Surplus Cash").

(3) It is the intent of Marathon and Ashland that increases in Ordinary Course Lease Expenses over time shall not exceed the rate of inflation (it being understood that notwithstanding the foregoing, the $80 million limitation on Ordinary Course Lease Expenses in Section 8.08(f)(ii) of the LLC Agreement exceeds the historical average lease expense of certain specified leases of both Marathon's Business and Ashland's Business).

Accordingly, the parties hereto hereby agree as follows:

SECTION 1. Definitions. Capitalized terms used but not defined in this Schedule 8.14 shall have the meanings set forth in the LLC Agreement. In addition the following terms used herein have the following meanings:

"Permitted Capital Projects/Acquisitions" means one or more capital improvement projects or acquisitions, each approved by the Board of Managers on or prior to December 31, 2004, pursuant to a vote in accordance with Section 8.07(c) of the LLC Agreement, following a vote of the Board of Managers in accordance with Section 8.07(b) of the LLC Agreement with respect to such capital improvement projects or acquisitions in circumstances where such capital improvement project or acquisition was not approved and a majority of the Marathon Representatives voted in favor of such capital improvement or acquisition; provided however, that each such capital improvement project or acquisition has a discounted cash flow rate of return of at least 15%, based upon such economic assumptions and methodology as are mutually acceptable to Marathon and Ashland, acting in good faith; provided further, however, that the aggregate amount of all Capital Expenditures and Acquisition Expenditures of the Company and its subsidiaries made with respect to Permitted Capital Projects/Acquisitions shall not exceed $300 million.

"Permitted Capital Project/Acquisition Indebtedness" means the actual or notional amount of any Indebtedness that is designated for, and is incurred for the specific purpose of, funding a Permitted Capital Project/Acquisition.

"Permitted Intercompany Debt" mean (i) Indebtedness owed by the Company to any of its Wholly Owned Subsidiaries, (ii) Indebtedness owed by a Wholly Owned Subsidiary of the Company to the Company and (iii) Indebtedness owed by a Wholly Owned Subsidiary of the Company to another Wholly Owned Subsidiary of the Company.

"Special Project" means (a) a Capital Expenditure of, or an acquisition by, the Company or any of its subsidiaries that is designated by the Board of Managers as a "Special Project" pursuant to a vote in accordance with Section 8.07(b) of the LLC Agreement or (b) any acquisition of assets or stock resulting in the incurrence of Indebtedness in an amount of less than $15 million pursuant to Section 2(d) hereto.

"Special Project Indebtedness" means the actual or notional amount of any Indebtedness that is designated for, and is incurred for the specific purpose of funding, a Special Project.

SECTION 2. Limitation on Incurrence of Indebted-ness. (a) The Company and its subsidiaries shall not incur any indebtedness other than: (1) borrowings under one or more revolving credit facilities, uncommitted money market credit facilities or other comparable debt facilities (including under the Revolving Credit Agreement) to fund cash deficiencies in an amount not to exceed $500 million in the aggregate, (ii) Permitted Intercompany Debt, (iii) Permitted Capital Project/Acquisition Indebtedness, (iv) any Special Project Indebtedness and (v) the Indebtedness assumed by the Company pursuant to Section 2.3(d) of the Asset Transfer and Contribution Agreement.

(b) The Company shall promptly repay any amounts borrowed under clause (a)(i) above at the time of, and to the extent of any Surplus Cash.

(c) The Company and its subsidiaries shall not be permitted to incur Indebtedness under clause (a)(i) above to fund Special Projects or Permitted Capital Projects/Acquisitions.

(d) Any Indebtedness incurred by the Company and it s subsidiaries under clause (a)(i) above in excess of $500 million shall be approved by the Board of Managers pursuant to a vote in accordance with Section 8.07(b) of the LLC Agreement. Any Indebtedness incurred by the company and its subsidiaries under clause (a)(ii) above shall not require approval of the Board of Managers. Any Indebtedness incurred by the company and its subsidiaries under clause (a)(iii) above shall be approved in accordance with the provisions of Section 4 hereto. Any Indebtedness incurred by the Company and its subsidiaries under clause (a)(iv) above shall be approved by the Board of Managers pursuant to a vote in accordance with Section 8.07(b) of the LLC Agreement; provided however, that Special Indebtedness incurred in an amount less than $15 million in any transaction to purchase assets or stock that is payable to the seller on an installment basis or that is otherwise assumed as a result of an acquisition of assets or stock shall be approved by: (a) The Board of managers pursuant to a vote in accordance with Section 8.07(c) of the LLC Agreement if the amount of the Indebtedness is more than $5 million or (b) the Senior Vice President Finance and Commercial Services if the amount of Indebtedness in $5 million or less. Any Special Project

Indebtedness incurred pursuant to the foregoing proviso shall be paid as promptly as in economically attractive given the terms of the Indebtedness and the transaction documents.

(e) It is understood and agreed that with respect to operating leases, the amount of rental or lease expense stated in Section 8.08(f)(ii) of the LLC Agreement shall be considered Ordinary Course Lease Expenses rather than off balance sheet financial leverage.

SECTION 3. Special Project Indebtedness. At the time of and in connection with its approval of any Special Project Indebtedness, the Board of managers shall also establish and approve pursuant to a vote in accordance with Section 8.07(b) of the LLC Agreement a notional repayment schedule with respect to such Special Project Indebtedness; provided, however, that any notional repayment schedule of such Special Project Indebtedness incurred pursuant to the proviso in Section 2(d) hereto shall be established and approved by the Board of Managers pursuant to a vote in accordance with Section 8.07(c) of the LLC Agreement if the amount of Indebtedness is more than $5 million or by the Senior Vice President of Finance and Commercial Services if the amount of Indebtedness in $5 million or less.

SECTION 4. Permitted Capital Project/Acquisition Indebtedness. (a) During Fiscal Years 1998 through 20004, the Company and its subsidiaries shall be permitted to incur up to $300 million in the aggregate in Permitted Capital Project/Acquisition Indebtedness to the extent such Permitted Capital Project/Acquisition Indebtedness is approved by the Board of Managers pursuant to a vote in accordance with Section 8.07(c) of the LLC Agreement.

(b) At the time of and in connection with is approval of any Permitted Catlettsburg Capital Project/Acquisition Indebtedness, the Board of Managers shall also establish and approve pursuant to a cote in accordance with Section 8.07(c) of the LLC Agreement a notional repayment schedule with respect to such Permitted Capital Project/Acquisition Indebtedness which reflects the payback of the Permitted Capital Project/Acquisition.

(c) The 20% threshold set forth in the definition of “Permitted Catlettsburg Capital Project/Acquisition” shall be periodically adjusted to reflect changes in the cost of capital as Marathon and Ashland shall mutually agree.

(d) To the extent that there is a disagreement between Ashland and Marathon over the economic assumptions

or methodology to be use to determine the discounted cash flow rate of return of a Permitted Capital Project/Acquisition, such disagreement shall be resolved pursuant to the Procedures for Dispute Resolution set forth in Exhibit B to the LLC Agreement, but with any arbitration proceeding being conducted by a sole arbitrator who is qualified industry-recognized expert in the petroleum refining business.

SECTION 5. Amendments. The Company Leverage Policy set forth herein, and any notional repayment schedule established and approved by the Board of Manager in accordance with Section 3 hereto, may be modified, altered or amended only with the approval of the Board of Manager pursuant to a vote in accordance with Section 8.07(b) of the LLC Agreement. Notwithstanding the above, any notional repayment schedule established and approved by the Board of Managers in accordance with Section 4 hereto may be modified, altered or amended only with the approval of the Board of Managers pursuant to a vote in accordance with Section 8.07(c) of the LLC Agreement. Any notional repayment schedule associated with Special Project Indebtedness established and approved pursuant to the proviso in Section 3 may be modified, altered or amended only with the approval of the Board of Managers pursuant to a vote in accordance with Section 8.07(c) of the LLC Agreement if the amount of Indebtedness is more than $5 million or by the Senior Vice President Finance and Commercial Services if the amount of Indebtedness is $5 million or less.

Schedule 8.15

Investment Guidelines

Marathon Ashland Petroleum LLC (MAP)
Short-Term Investment Guidelines

Policy Statement

Funds which are deemed to be surplus after meeting daily requirements shall be invested in money market instruments. Surplus funds shall always be invested with safety of principal and liquidity foremost in mind. Yield is important but secondary to safety and liquidity considerations.

Investment Committee

The Investment Committee shall plan the general strategy for the management of the short-term investment portfolio. The Committee will discuss from time to time market conditions and general strategy and will have the authority to change policy as deemed needed. The Committee shall be composed of the Senior Vice President, Finance and Administration; Vice President Finance and Controller; and the Treasurer. The guidelines may be changed upon written approval of the Investment Committee with individual exceptions approved verbally by two voting members of the Committee and subsequently documented.

General Rules

1. **A maximum maturity of 60 days will be observed except for U. S. Treasury securities.**
2. **MAP will generally conduct business only with money center, regional, local and foreign banks and securities dealers, brokers and financial institutions which are approved by the Investment Committee.**
3. **Accrued interest at date of purchase will be excluded from the test for compliance with the guideline limits as to individual institutions.**
4. **Investments for MAP (including affiliates, subsidiaries and joint ventures) are governed by the guideline limits.**
5. **Investment limits shall be construed in the aggregate and not severally.**
6. **Generally securities will be purchased on a "pay versus delivery" basis Inclusive of Tri-Party agreements in the case of Repurchase Agreements. However, exceptions will be made based upon the written approval of the Investment Committee.**
7. **Moody's Investor Service and/or Standard & Poor Corporation shall be the only recognized rating agencies.**
8. **The lower rating shall be applicable on investments with split-ratings.**

U.S. Treasury and Agency Securities

There is no limit to the amount that may be invested in outright purchases of U.S. Treasury Securities. Investments in securities which are the indirect obligation of the U.S. government ("Agencies") are allowed to a limit of $25MM per Agency.

Repurchase Agreements; U.S. Treasury and Agency Securities

Repurchase Agreements (Repo) shall be limited to only Primary Government Securities Dealers (Primary Dealers) as determined from time to time by the Federal Reserve Bank of New York. Repo Transaction shall be 102% collateralized with U.S. Treasury or agency securities with MAP retaining the right to ask and receive additional margin due to a change in the value of the underlying security. Repurchase agreements with Primary Dealers shall be limited to a maximum of $50MM per institution and a maximum maturity of sixty days.

Rating Guidelines for Financial and Non-financial Issuers

$Limit per Issuer	Minimum Long-term rating	Minimum Short-term rating	Maximum Maturity
35MM	AAA - and Aaa3	A-1 and P-1	60 days
25MM	AA - Aa3	A-1 and P-1	30 days
15MM	A - and A3	A-1 and P-1	30 days

Investments that do not meet the rating guidelines for Issuers shall not exceed the FDIC insurance limitation unless approved by the Investment Committee.

Eligible Investment Types

- **Commercial Paper (CP) – This includes financial and non-financial issuers.**
- **Certificates of Deposit (CD) – This includes domestic and foreign financial institutions. The lower rating of the parent holding company or the financial institution will apply.**
- **Time Deposits (TD) – This includes domestic and foreign financial institutions. The lower rating of the parent holding company or the financial institution will apply.**
- **Repurchase Agreements (Repo) – May invest in repurchase agreements that are at least 102% collateralized by instruments deemed eligible under Eligible Investment types with other non Primary Dealers that qualify under the rating guidelines. Such Repo will be governed by the dollar and maturity limits established under the ratings guidelines.**

MARATHON ASHLAND PETROLEUM LLC
CALCULATION OF NORMAL ANNUAL CAPITAL BUDGET AMOUNT
($000s)

TBD = To Be Determined

DD&A = Depreciation, Depletion and Amortization

		1992	1993	1994	1995	1996	1997	1998
1	Marathon Financial DD&A (Including Loss on Retirements & EPP Amortization)	149,493	163,194	163,680	170,209	172,123	TBD	TBD
2	Marathon Pro Forma DD&A for Financed Properties	5,857	5,505	5,505	4,026	4,026	4,026	0
3	Marathon Financial DD&A* (Line 1 + Line 2)	155,350	168,699	169,185	174,235	176,149	TBD	TBD
4	Ashland Financial DD&A (Including Loss on Retirements)	150,173	154,634	166,134	168,308	158,967	TBD	TBD
5	Ashland Pro Forma DD&A for Financed Properties	432	432	2,041	5,411	10,638	16,597	0
6	Ashland Financial DD&A* (Line 4 + Line 5)	150,605	155,066	168,175	173,719	169,605	TBD	TBD
7	Purchase Accounting Treatment Elimination	0	0	0	0	0	0	TBD
8	Adjusted DD&A (Line 3 + Line 6 + Line 7)	305,955	323,765	337,360	347,954	345,754	TBD	TBD
	Step 1							
9	Average Annual DD&A (Prior Three-Year Average of Line 8)				322,360	336,360	343,689	TBD
10	Percent of Average Annual DD&A				130%	130%	130%	130%
11	Capital Expenditures - 130% of Average Annual DD&A (Line 9 X Line 10)				419,068	437,268	446,796	TBD
12	Applicable GAAP EBITDA (Including $80MM Net Efficiencies)**	539,250	992,243	922,042	846,438	755,778	TBD	TBD
13	Tax Distribution Amount***	(88,652)	(254,022)	(222,179)	(189,424)	(155,809)	TBD	TBD
14	Adjusted EDITDA (Line 12 + Line 13)	450,598	738,221	699,863	657,014	599,969	TBD	TBD
15	Average Adjusted EBITDA (Prior Three-Year Average of Line 14)				629,561	698,366	652,282	TBD
16	Average Adjust EBITDA less Capital Expenditures - 130% of Average Annual DD&A Amount (Line 15 - Line 11)				210,493	261,099	205,486	TBD
17	Threshold of $240 Million				240,000	240,000	240,000	240,000
18	Excess EBITDA (Line 16 less Line 17)				0	21,098	0	TBD
	Step 2							
19	Excess EBITDA (Line 18)				0	21,098	0	TBD
20	10% of Average Annual DD&A Amount (10% X Line 9)				32,236	33,636	34,369	TBD
21	First Incremental Amount (Lesser of Line 19 or Line 20)				0	21,098	0	TBD
	Step 3							
22	Excess EBITDA (Line 18)				0	21,098	0	TBD
23	First Incremental Amount (Line 21)				0	21,098	0	TBD
24	Excess EBITDA less First Incremental Amount (Line 22 - Line 23)				0	0	0	TBD
25	X 50%				50%	50%	50%	50%
26	Excess EBITDA less First Incremental Amount X 50% (Line 24 X Line 25)				0	0	0	TBD
27	Normal Annual Capital Budget Amount **** (Line 11 + Line 21 +Line 26)				419,068	458,366	446,796	TBD

* 1992 -1997 Financial DD&A Expense for both Marathon and Ashland includes pro forma amounts associated with the Financed Properties for which the lease obligations will remain with the Venturers. Starting in 1998 and thereafter, these items will be part of the JV's Adjusted DD&A. Financial DD&A for Marathon will also include depreciation for the Garyville Propylene Upgrade Project. Additionally, the excess purchase price (EPP) amortization level for 1994 & 1995 (-$3.6MM) was used in lieu of the actual 1992 level (-$29.8MM) for Marathon.

** Applicable GAAP EBIDTA excludes applicable environmental and lease expenses to be indemnified by the Venturers. Additionally, Applicable GAAP EBITDA also excludes any non-cash cumulative effect changes in accounting principles and lower of cost or market inventory adjustments. Turnaround expense is adjusted to represent a five-year rolling average expense profile for 1992-1997. In 1998 and thereafter, actual cash turnaround expense will be used to determine each year's Applicable GAAP EBITDA.

*** Assumed a 38% tax rate through 1997. In 1998 and thereafter, the actual Tax Distribution Amount applicable to the period will be utilized.

**** The Garyville Propylene Upgrade Project costs are specifically excluded from the application of the Normal Annual Capital Budget Amount.

MARATHON OIL COMPANY
R, M & T EBIT & EBITDA ADJUSTMENTS
FOR THE YEARS 1994 - ESTIMATED 1997
($000s)

		Actual 1994	Actual 1995	Actual 1996	Estimated 1997
	Reported EBIT				
1	Refining & Marketing	81,943	80,192	86,102	399,847
2	Marathon Brand Division	10,144	12,917	12,640	16,176
3	Emro Marketing Company	118,659	98,835	59,610	80,959
4	Other Transportation Subs & Affiliates	(248)	(64)	956	(129)
5	Sub-Total (Excl. Pipeline Assets)	210,498	191,880	159,308	496,853
6	Marathon Pipe Line Company	64,642	82,607	78,057	70,914
7	Pipeline Transportation Subs & Affiliates	13,293	13,871	13,064	12,872
8	Sub-Total - Pipeline Assets	77,935	96,478	91,121	83,786
9	Total Reported EBIT	288,433	288,358	250,429	580,639
	EBIT Adjustments				
	Refining & Marketing				
10	Indianapolis Idling Costs	16,710	9,961	1,820	2,125
11	FAS 121 Not Included in Reported EBIT	0	(107,503)	0	0
12	Effect of Change in 3-2-1 Crack Spread Assumption	0	0	0	(5,248)
13	WTS/Bottom of Barrel Sensitivity	0	0	0	0
14	Turnaround Expense - Reported in P&L	41,571	2,687	24,067	52,070
15	Turnaround Expense - Averaging Method	(34,675)	(34,257)	(30,183)	(27,551)
16	MPA Resignation Charge	0	0	9,391	0
17	Environmental Expense in P& L Excluded	8,807	7,751	11,218	1,290
18	Restructuring Costs	12,117	0	0	0
19	Indiana Gross Income Tax	(1,805)	(1,827)	(1,782)	(1,599)
20	Franchise Tax Expense Adjustment	(2,004)	(1,909)	(1,166)	784
21	Additional Unallocated Costs	(5,500)	(6,800)	(12,700)	(26,168)
22	Capital Expenditure to Expense Reclassification	0	0	0	0
23	Elimination of Major Asset Lease Expense	3,183	3,183	3,308	3,277
24	Reversal of Surplus Property Sale Gains	82	(4,328)	(4,901)	(4,752)
25	Shared Services Adjustment	25,000	25,000	0	0
26	Shared Services Adjustment (Charges for Core Corp. Items)	(10,000)	(10,000)	(10,000)	(10,000)
27	Total Refining & Marketing Adjustments	53,486	(118,042)	(10,928)	(15,772)
	Brand Division				
28	Environmental Expense in P&L Excluded	4,146	516	281	(707)
29	Indiana Gross Income Tax				(900)
30	Additional Unallocated Costs	(100)	(200)	(400)	(1,110)
31	Total Brand Division	4,046	316	(119)	(2,717)
	Emro Marketing Company				
32	Discontinued Operations EBIT	(11,409)	0	0	0
33	Environmental Expense in P&L Excluded	12,512	4,067	7,333	13,294
34	Additional Unallocated Costs - Reallocated Personnel	(100)	(100)	(500)	(700)
35	Indiana Gross Income Tax	(1,420)	(1,440)	(1,530)	(1,899)
36	Elimination of Major Asset Lease Expense	5,088	5,050	4,985	4,958
37	Reversal of Surplus Property Sale Gains	(821)	(1,487)	(1,508)	(3,458)
38	Total Emro Marketing Adjustments	3,850	6,090	8,780	12,195
	Marathon Pipe Line Company				
39	Restructuring Costs	1,656	0	0	0
40	Environmental Expense in P&L Excluded	550	4,720	8,700	3,926
41	Additional Unallocated Costs	(300)	(400)	(1,600)	(2,936)
42	Adjustment for Non-Operating Income Exclusion, etc.	954	1,126	3,364	3,035
43	Additional Excluded Assets (Capline System)	(11,147)	(20,673)	(18,998)	(18,162)
44	Capline Inclusion (Adjusted for Non-Operating Income)	11,559	21,113	18,108	18,109
45	Yates Gathering System Exclusion	(2,894)	(3,203)	(3,567)	(3,547)
46	Reversal of Surplus Property Sale Gains	(1,532)	0	(520)	0
47	Total Marathon Pipe Line Adjustments	(1,154)	2,683	5,487	425
	Other Subs & Affiliates				
48	Other Transportation Subs & Affil. Discontinued Operations	182	149	0	0
49	Other Transportation Subs Equity in Earning (AFIT)	(162)	27	207	74
50	Other Transportation Subs Dividends (Excluded)	0	0	0	0
51	LOOP/LOCAP Equity in Earnings (AFIT)	4,129	775	8,460	3,851
52	LOOP/LOCAP Dividends (Excluded)	(1,503)	(297)	0	0
53	Pipeline Transportation Subs & Affil. Discontinued Operations	(876)	(1,150)	0	0
54	Pipeline Dividend Companies Exclusion	(10,914)	(12,424)	(13,064)	(12,872)
55	Total Subs & Affiliates Adjustments	(9,144)	(12,920)	(4,397)	(8,947)
56	Total EBIT Adjustments	51,084	(121,873)	(1,177)	(14,816)
	JV GAAP EBIT				
57	Refining & Marketing	135,429	(37,850)	75,174	384,075
58	Marathon Brand Division	14,190	13,233	12,521	13,459
59	Emro Marketing Company	122,509	104,925	68,390	93,154

MARATHON OIL COMPANY
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($000s)

		Actual 1994	Actual 1995	Actual 1996	Estimated 1997
60	Other Transportation Subs & Affiliates	(228)	112	1,163	(55)
61	Sub-Total (Excl. Pipeline Assets)	271,900	80,420	157,248	490,633
62	Marathon Pipe Line Company	63,488	85,290	83,544	71,339
63	Pipeline Transportation Subs & Affiliates	4,129	775	8,460	3,851
64	Sub-Total - Pipeline Assets	67,617	86,065	92,004	75,190
65	Total JV GAAP EBIT	339,517	166,485	249,252	565,823
	JV GAAP EBIT				
57	Refining & Marketing	135,429	(37,850)	75,174	384,075
58	Marathon Brand Division	14,190	13,233	12,521	13,459
59	Emro Marketing Company	122,509	104,925	68,390	93,154
60	Other Transportation Subs & Affiliates	(228)	112	1,163	(55)
61	Sub-Total (Excl. Pipeline Assets)	271,900	80,420	157,248	490,633
62	Marathon Pipe Line Company	63,488	85,290	83,544	71,339
63	Pipeline Transportation Subs & Affiliates	4,129	775	8,460	3,851
64	Sub-Total - Pipeline Assets	67,617	86,065	92,004	75,190
65	Total JV GAAP EBIT	339,517	166,485	249,252	565,823
	Net Benefit Credits				
66	R&M	(16,389)	(21,885)	(14,812)	(18,749)
67	Brand Division	0	0	(1,240)	(955)
68	Emro Marketing Company	(586)	(778)	(634)	(600)
69	Marathon Pipe Line Company	(2,044)	(2,995)	(3,035)	(2,950)
70	Total Net Benefit Credits	(19,019)	(25,658)	(19,721)	(23,254)
	JV GAAP EBIT Excluding Net Benefit Credits				
71	Refining & Marketing	119,040	(59,735)	60,362	365,326
72	Marathon Brand Division	14,190	13,233	11,281	12,504
73	Emro Marketing Company	121,923	104,147	67,756	92,554
74	Other Transportation Subs & Affiliates	(228)	112	1,163	(55)
75	Sub-Total - (Excl. Pipeline Assets)	254,925	57,757	140,562	470,329
76	Marathon Pipe Line Company	61,444	82,295	80,509	68,389
77	Pipeline Transportation Subs & Affiliates	4,129	775	8,460	3,851
78	Sub-Total - Pipeline Assets	65,573	83,070	88,969	72,240
79	Total JV GAAP EBIT Excluding Net Benefit Credits	320,498	140,827	229,531	542,569
	Valuation Adjustments				
	Refining & Marketing				
80	Environmental Recovery Adjustment	370	0	1,549	0
81	Reversal of FAS 121 Adjustment	0	107,503	0	0
82	In-Transit Crude Oil LIFO Adjustments Reversal	22,700	13,211	34,335	(44,562)
83	Benefits Exclusion	37,855	35,230	38,623	44,390
84	Add'l. Benefits Exclusion Due to Dental Plan Omission &'96 Actuals	804	590	581	0
85	Benefits Exclusion for Add'l. Unallocated Costs & Shared Svcs. Adj.	(1,779)	(1,832)	1,833	0
86	Workers' Comp. Adjustment to Benefit Exclusion	(642)	(876)	(794)	(800)
87	In-Process Capital Expenditure EBIT	0	0	0	(15,900)
88	Total Refining & Marketing Adjustments	59,308	153,826	76,127	(16,872)
	Marathon Brand Division				
89	Benefits Exclusion	1,551	1,431	1,576	2,166
90	Add'l. Benefits Exclusion Due to Dental Plan Omission &'96 Actuals	33	25	24	0
91	Benefits Exclusion for Add'l. Unallocated Costs & Shared Svcs. Adj.	0	0	22	0
92	Environmental Recovery Adjustment	909	776	2,583	1,500
93	Total Marathon Brand Division Adjustments	2,493	2,232	4,205	3,666
	Emro Marketing				
94	Merchandise Adjustment - LIFO to FIFO	5,000	5,000	5,000	5,000
95	Benefits Exclusion	24,372	26,943	28,380	29,518
96	Add'l. Benefits Exclusion Due to Dental Plan Omission &'96 Actuals	29	22	24	0
97	Benefits Exclusion for Add'l. Unallocated Costs & Shared Svcs. Adj.	0	0	27	0
98	Workers' Comp. Adjustment to Benefit Exclusion	(4,127)	(5,757)	(5,266)	(5,062)
99	Environmental Recovery Adjustment	4,778	3,920	8,026	4,650
100	Total Emro Marketing	30,052	30,128	36,191	34,106
	Marathon Pipe Line Company				
101	Excess Purchase Price Amortization	0	0	0	0
102	Benefits Exclusion for Add'l. Unallocated Costs & Shared Svcs. Adj.	0	0	87	0
103	Add'l. Benefits Exclusion Due to Dental Plan Omission &'96 Actuals	81	64	86	0

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($000s)

		Actual 1994	Actual 1995	Actual 1996	Estimated 1997
104	Workers' Comp. Adjustment to Benefit Exclusion	(50)	(87)	(125)	(113)
105	Benefits Exclusion	3,781	3,782	5,755	5,588
106	Total Marathon Pipe Line Company Adjustments	3,812	3,759	5,803	5,475
107	Excess Purchase Price Amortization	0	0	0	0
108	Other Subs Equity Earnings (AFIT) Reversal	162	(27)	(207)	(74)
109	LOOP / LOCAP Equity Earnings (AFIT) Reversal	(4,129)	(775)	(8,460)	(3,851)
110	Total Valuation Adjustments	91,698	189,143	113,659	22,450
	Valuation EBIT				
111	Refining & Marketing	178,348	94,091	136,489	348,454
112	Marathon Brand Division	16,683	15,465	15,486	16,170
113	Emro Marketing Company	151,975	134,275	103,947	126,660
114	Other Transportation Subs & Affiliates	(66)	85	956	(129)
115	Sub-Total (Excl. Pipeline Assets)	346,940	243,916	256,878	491,155
116	Marathon Pipe Line Company	65,256	86,054	86,312	73,864
117	Pipeline Transportation Subs & Affiliates	0	0	0	0
118	Sub-Total - Pipeline Assets	65,256	86,054	86,312	73,864
119	Total Valuation EBIT	412,196	329,970	343,190	565,019
	Reported Financial DD&A Expense				
120	Refining & Marketing	110,000	100,337	92,012	89,016
121	Marathon Brand Division	8,339	8,931	10,130	9,646
122	Emro Marketing Company	51,072	59,398	61,564	66,397
123	Other Transportation Subs & Affiliates	1,589	1,570	1,542	1,543
124	Sub-Total (Excl. Pipeline Assets)	171,000	170,235	165,248	166,602
125	Marathon Pipe Line Company Before Excluded Assets	9,678	9,593	9,717	8,508
126	Eugene Island Depreciation	1,045	1,046	1,049	0
127	South Pass / West Delta Depreciation	204	197	206	0
128	East Cameron Depreciation	154	154	154	0
129	Marathon Pipe Line Company After Excluded Assets	8,276	8,196	8,309	8,508
130	Pipeline Transportation Subs & Affiliates	0	0	0	0
131	Sub-Total - Pipeline Assets	8,276	8,196	8,309	8,508
132	Total Reported Financial DD&A Expense	179,276	178,432	173,557	175,110
	Depreciation Adjustments Refining & Marketing				
133	Indianapolis Refinery Depreciation	(11,563)	(7,614)	(835)	(832)
134	In-Process Capital Expenditure Depreciation	0	0	0	(1,378)
135	Forecast Loss on Retirement Expense	0	0	0	0
136	Excess Purchase Price Amortization	0	0	0	0
137	Total Refining & Marketing Adjustments	(11,563)	(7,614)	(835)	(2,210)

MARATHON OIL COMPANY
R, M & T EBIT & EBITDA ADJUSTMENTS
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($000s)

		Actual 1994	Actual 1995	Actual 1996	Estimated 1997
138	Brand Division Excess Purchase Price Amortization	0	0	0	0
	Emro Marketing Company				
139	Discontinued Operations Depreciation	(3,430)	0	0	0
140	Forecast Loss on Retirement Expense	0	0	0	0
141	Excess Purchase Price Amortization	0	0	0	0
142	Total Emro Marketing Adjustments	(3,430)	0	0	0
	Marathon Pipe Line Company Adjustments				
143	Excess Purchase Price Amort.	0	0	0	0
144	Excluded Assets Depreciation (Capline System)	(832)	(837)	(841)	(847)
145	Capline Inclusion	832	837	841	847
146	Yates Gathering System Exclusion	(594)	(607)	(599)	(633)
147	Total Marathon Pipe Line Adjustments	(594)	(607)	(599)	(633)
	Other Subs & Affiliates				
148	Discontinued Operations Depreciation	(9)	(2)	0	0
149	Excess Purchase Price Amortization	0	0	0	0
150	Total Subs & Affiliates Adjustments	(9)	(2)	0	0
151	Total Adjustments	(15,596)	(8,223)	(1,434)	(2,843)
	Adjusted Financial DD&A Expense				
152	Refining & Marketing	98,437	92,723	91,177	86,806
153	Marathon Brand Division	8,339	8,931	10,130	9,646
154	Emro Marketing Company	47,642	59,398	61,564	66,397
155	Other Transportation Subs & Affiliates	1,580	1,568	1,542	1,543
156	Sub-Total (Excl. Pipeline Assets)	155,998	162,619	164,413	164,392
157	Marathon Pipe Line Company	7,682	7,589	7,710	7,875
158	Pipeline Transportation Subs & Affiliates	0	0	0	0
159	Sub-Total - Pipeline Assets	7,682	7,589	7,710	7,875
160	Total Adjusted Financial DD&A Expense	163,680	170,209	172,123	172,267
	JV GAAP EBITDA				
161	Refining & Marketing	233,866	162,376	166,351	472,259
162	Marathon Brand Division	22,529	22,164	22,651	23,105
163	Emro Marketing Company	170,151	164,323	129,954	159,551
164	Other Transportation Subs & Affiliates	1,352	1,680	2,705	1,488
165	Sub-Total (Excl. Pipeline Assets)	427,898	350,542	321,661	656,403
166	Marathon Pipe Line Company	71,170	92,879	91,254	79,214
167	Pipeline Transportation Subs & Affiliates	4,129	775	8,460	3,851
168	Sub-Total - Pipeline Assets	75,299	93,654	99,714	83,065
169	Total JV GAAP EBITDA	503,197	444,197	421,375	739,468

MARATHON OIL COMPANY
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($000s)

		Actual 1994	Actual 1995	Actual 1996	Estimated 1997
	Valuation EBITDA				
170	Refining & Marketing	276,785	186,814	227,666	435,260
171	Marathon Brand Division	25,022	24,396	25,616	25,816
172	Emro Marketing Company	199,617	193,673	165,511	193,057
173	Other Transportation Subs & Affiliates	1,514	1,653	2,498	1,414
174	Sub-Total (Excl. Pipeline Assets)	502,938	406,535	421,291	655,547
175	Marathon Pipe Line Company	72,938	93,643	94,022	81,739
176	Pipeline Transportation Subs & Affiliates	0	0	0	0
177	Sub-Total - Pipeline Assets	72,938	93,643	94,022	81,739
178	Total Valuation EBITDA	575,876	500,179	515,313	737,286

Note: JV GAAP EBITDA is calculated by adding JV GAAP EBIT, Reported Financial DD&A & Depreciation Adjustments (Plus FAS 121).

In-process capital expenditure depreciation is not removed however since the earnings are in JV GAAP EBIT.

ASHLAND PETROLEUM COMPANY
EBIT & EBITDA ADJUSTMENTS
EXCLUDING VALVOLINE
FOR THE YEARS 1994 - ESTIMATED 1997
($000s)

		Actual 1994	Actual 1995	Actual 1996	Estimated 1997
	Reported EBIT				
1	Refining & Marketing	45,362	(83,243)	(1,169)	116,408
2	Scurlock Permian	15,403	15,477	11,837	5,133
3	Ashland Brand Division	0	1,190	(8,562)	(8,272)
4	SuperAmerica Group	55,886	45,931	28,182	61,419
5	Other Transportation Subs & Affiliates	0	0	0	0
6	Sub-Total (Excl. Pipeline Assets)	116,651	(20,645)	30,288	174,688
7	Ashland Pipeline Company	33,682	55,562	54,362	57,368
8	Pipeline Transportation Subs & Affiliates	(4,494)	(1,592)	1,261	1,909
9	Sub-Total - Pipeline Assets	29,188	53,970	55,623	59,277
10	Total Reported EBIT	145,839	33,325	85,911	233,965
	EBIT Adjustments				
	Refining & Marketing				
11	Unusual Items	0	34,586	(8,659)	(6,697)
12	FAS 121 Adjustment	0	0	0	0
13	Bulk Lube Oils Sales Commission	2,309	2,472	2,159	1,412
14	Retail Transfer Price Adjustment	8,170	7,566	7,971	22,882
15	Additional Retail Transfer Price Adjustment	8,935	5,819	2,580	0
16	Impact of 3-2-1 Crack Spread Changes	0	0	0	0
17	Asphalt Price Assumption Change	0	0	0	0
18	No. 6 Oil Price Assumption Change	0	0	0	0
19	Amortized Turnaround	42,795	30,885	35,730	33,120
20	Turnaround Expenses - Averaging Method	(27,171)	(24,385)	(25,395)	(34,676)
21	Environmental Expenses in P&L Excluded	1,776	1,915	4,240	11,695
22	Incurred-But-Not-Reported Claims Adjustment	3,996	1,236	194	(4,695)
23	In-Transit Crude Oil LIFO Adjustment Estimate	0	(6,506)	(16,752)	18,945
24	Unallocated General Administrative Costs	(3,000)	(3,000)	(3,000)	(2,000)
25	Capital Expenditure to Expense Reclassification	0	0	0	0
26	Elimination of Major Asset Lease Expense	586	880	1,681	3,612
27	Reversal of Surplus Property Sale Gain	(61)	(88)	39	52
28	Discontinued Operations EBIT	43	3,022	3,518	63
29	Total Refining & Marketing Adjustments	38,378	54,402	4,306	43,713
	Scurlock Permian Unusual Items EBIT				
30	Unusual Items	0	0	0	1,794
31	Reversal of Surplus Property Sale Gain	(339)	(47)	(234)	0
32	Equity Earnings Adjustments	0	0	0	0
33	Total Scurlock Permian Adjustments	(339)	(47)	(234)	1,794
	Ashland Brand				
34	Reversal of Surplus Property Sale Gain	(56)	1,931	5	0
35	Total Ashland Brand Adjustments	(56)	1,931	5	0
	SuperAmerica Group				
36	Equity Earnings Adjustments	0	0	0	0
37	Unallocated General Administrative Costs	(1,000)	(1,000)	(1,000)	(1,000)
38	Retail Transfer Price Adjustment	(8,170)	(7,566)	(7,971)	(22,882)
39	Additional Retail Transfer Price Adjustment	(8,935)	(5,819)	(2,580)	0
40	Liquid Products Margin Equalization	0	0	0	0
41	Environmental Expense in P&L Excluded	5,689	3,730	3,074	4,077
42	Reversal of Surplus Property Sale Gain	51	(53)	117	(186)
43	Elimination of Major Asset Lease Expense	7,081	11,186	17,480	23,493
44	Incurred-But-Not-Reported Claims Adjustment	676	(636)	(35)	508
45	Estimated Retail Merchandise LIFO Adjustment	(2,388)	(2,694)	(2,500)	(2,500)
46	Unusual Items	0	0	(1,316)	1,632
47	Discontinued Operations EBIT	0	0	0	0
48	Total SuperAmerica Group Adjustments	(6,996)	(2,852)	5,269	3,142
	Ashland Pipeline				
49	Unusual Items	0	0	0	0
50	Reversal of Surplus Property Sale Gain	(190)	(755)	179	(900)
51	Equity Earnings Adjustments	0	0	0	0
52	Equity Affiliate Dividends (Not Included)	0	0	0	0
53	Total Ashland Pipeline Adjustments	(190)	(755)	179	(900)
	Pipeline Transportation Subs & Affiliates				
54	Unusual Items	(3,925)	0	0	0
55	Discontinued Operations EBIT	0	0	0	0
56	Total Pipeline Transportation Subs & Affiliates	(3,925)	0	0	0
57	Total EBIT Adjustments	26,872	52,679	9,525	47,749
	JV GAAP EBIT				
58	Refining & Marketing	83,740	(28,841)	3,137	160,121
59	Scurlock Permian	15,064	15,430	11,603	6,927

ASHLAND PETROLEUM COMPANY
EBIT & EBITDA ADJUSTMENTS
EXCLUDING VALVOLINE
FOR THE YEARS 1994 - ESTIMATED 1997
($000s)

		Actual 1994	Actual 1995	Actual 1996	Estimated 1997
60	Ashland Brand Division	(56)	3,121	(8,557)	(8,272)
61	SuperAmerica Group	48,890	43,079	33,451	64,561
62	Other Transportation Subs & Affiliates	0	0	0	0
63	Sub-Total (Excl. Pipeline Assets)	147,638	32,789	39,634	223,337
64	Ashland Pipeline Company	33,492	54,807	54,541	56,468
65	Pipeline Transportation Subs & Affiliates	(8,419)	(1,592)	1,261	1,909
66	Sub-Total - Pipeline Assets	25,073	53,215	55,802	58,377
67	Total JV GAAP EBIT	172,711	86,004	95,436	281,714
	JV GAAP EBIT				
58	Refining & Marketing	83,740	(28,841)	3,137	160,121
59	Scurlock Permian	15,064	15,430	11,603	6,927
60	Ashland Brand Division	(56)	3,121	(8,557)	(8,272)
61	SuperAmerica Group	48,890	43,079	33,451	64,561
62	Other Transportation Subs & Affiliates	0	0	0	0
63	Sub-Total (Excl. Pipeline Assets)	147,638	32,789	39,634	223,337
64	Ashland Pipeline Company	33,492	54,807	54,541	56,468
65	Pipeline Transportation Subs & Affiliates	(8,419)	(1,592)	1,261	1,909
66	Sub-Total - Pipeline Assets	25,073	53,215	55,802	58,377
67	Total JV GAAP EBIT	172,711	86,004	95,436	281,714
	Valuation Adjustments				
	Refining & Marketing				
68	In-Transit Crude Oil LIFO Adjustment Reversal	0	6,506	16,752	(18,945)
69	In-Process Capital EBIT	0	0	0	0
70	FAS 121 Reversal	0	67,929	0	0
71	Benefit Plan Exclusion	20,299	19,023	18,950	21,224
72	Workers' Comp. Adjustment to Benefit Exclusion	(1,644)	1,483	(426)	39
73	Total Refining & Marketing Adjustments	18,655	94,941	35,276	2,318
	Scurlock Permian				
74	Scurlock Permian Benefit Plan Exclusion	6,541	6,218	6,194	6,955
75	Scurlock Equity Earnings Exclusion	(409)	(129)	(82)	(100)
76	Total Scurlock Permian Adjustments	6,132	6,089	6,112	6,855
	Ashland Brand				
77	Ashland Brand Benefit Plan Exclusion	0	275	274	298
78	Environmental Recovery Adjustment	0	411	936	449
79	Total Ashland Brand Adjustments	0	686	1,210	747
	SuperAmerica Group				
80	Benefit Plan Exclusion	9,219	9,460	9,413	10,040
81	Workers' Comp. Adjustment to Benefit Exclusion	(1,079)	1,272	(221)	(57)
82	Equity Earnings Exclusion	(814)	0	0	0
83	Environmental Recovery Adjustment	2,207	4,617	6,042	4,450
84	Estimated Retail Merch. LIFO Adj. Reversal	2,388	2,694	2,500	2,500
85	Total SuperAmerica Group Adjustments	11,921	18,043	17,734	16,933
	Ashland Pipeline				
86	Pipeline Benefit Plan Exclusion	841	800	797	939
87	Pipeline Equity Earnings Exclusion	(4,668)	(4,119)	(4,314)	(4,063)
88	Total Pipeline Adjustments	(3,827)	(3,319)	(3,517)	(3,124)
89	Other Subs & Affil. Benefit Plan Expense Elimination	362	344	342	424
90	Total Valuation Adjustments	33,243	116,373	56,221	23,704
	Valuation EBIT				
91	Refining & Marketing	102,395	66,100	38,413	162,439
92	Scurlock Permian	21,196	21,519	17,715	13,782
93	Ashland Brand Division	(56)	3,807	(7,347)	(7,525)
94	SuperAmerica Group	60,811	61,122	51,185	81,494
95	Other Transportation Subs & Affiliates	0	0	0	0
96	Sub-Total (Excl. Pipeline Assets)	184,346	152,548	99,966	250,190
97	Ashland Pipeline Company	29,665	51,488	51,024	53,344
98	Pipeline Transportation Subs & Affiliates	(8,057)	(1,248)	1,603	2,333
99	Sub-Total - Pipeline Assets	21,608	50,240	52,627	55,677
100	Total Valuation EBIT	205,954	202,788	152,593	305,867
	Reported Financial DD&A Expense				
101	Refining & Marketing	108,726	106,278	96,763	100,215
102	Scurlock Permian	19,736	18,172	16,062	16,364
103	Ashland Brand Division	0	49	2,532	2,856

ASHLAND PETROLEUM COMPANY
EBIT & EBITDA ADJUSTMENTS
EXCLUDING VALVOLINE
FOR THE YEARS 1994 - ESTIMATED 1997
($000s)

		Actual 1994	Actual 1995	Actual 1996	Estimated 1997
104	SuperAmerica Group	27,316	29,940	31,492	35,760
105	Other Transportation Subs & Affiliates	0	0	0	0
106	Sub-Total (Excl. Pipeline Assets)	155,778	154,439	146,849	155,195
107	Ashland Pipeline Company	6,983	7,226	7,146	6,612
108	Pipeline Transportation Subs & Affiliates	202	364	142	138
109	Sub-Total - Pipeline Assets	7,185	7,590	7,288	6,750
110	Total Reported Financial DD&A Expense	162,963	162,029	154,137	161,945
	Adjustments				
	Refining & Marketing				
111	Discontinued Operations DD&A	0	0	0	0
112	Loss on Asset Retirements	1,296	3,646	3,387	497
113	In-Process Capital Depreciation	0	0	0	0
114	Total Refining & Marketing Adjustments	1,296	3,646	3,387	497
115	Scurlock Permian Loss on Retirements	75	65	88	0
116	Ashland Brand Loss on Retirements	49	67	(1)	28
	SuperAmerica Group				
117	Discontinued Operations DD&A	0	0	0	0
118	Loss on Asset Retirements	1,727	2,224	1,347	484
119	Total SuperAmerica Adjustments	1,727	2,224	1,347	484
120	Ashland Pipeline Loss on Retirements	24	277	9	41
121	Total DD&A Adjustments	3,171	6,279	4,830	1,050
	Adjusted Financial DD&A Expense				
122	Refining & Marketing	110,022	109,924	100,150	100,712
123	Scurlock Permian	19,811	18,237	16,150	16,364
124	Ashland Brand Division	49	116	2,531	2,884
125	SuperAmerica Group	29,043	32,164	32,839	36,244
126	Other Transportation Subs & Affiliates	0	0	0	0
127	Sub-Total (Excl. Pipeline Assets)	158,925	160,441	151,670	156,204
128	Ashland Pipeline Company	7,007	7,503	7,155	6,653
129	Pipeline Transportation Subs & Affiliates	202	364	142	138
130	Sub-Total - Pipeline Assets	7,209	7,867	7,297	6,791
131	Total Financial DD&A Expense	166,134	168,308	158,967	162,995
	JV GAAP EBITDA				
132	Refining & Marketing	193,762	149,012	103,287	260,833
133	Scurlock Permian	34,875	33,667	27,753	23,291
134	Ashland Brand Division	(7)	3,237	(6,026)	(5,388)

ASHLAND PETROLEUM COMPANY
EBIT & EBITDA ADJUSTMENTS
EXCLUDING VALVOLINE
FOR THE YEARS 1994 - ESTIMATED 1997
($000s)

		Actual 1994	Actual 1995	Actual 1996	Estimated 1997
135	SuperAmerica Group	77,933	75,243	66,290	100,805
136	Other Transportation Subs & Affiliates	0	0	0	0
137	Sub-Total (Excl. Pipeline Assets)	306,563	261,159	191,304	379,541
138	Ashland Pipeline Company	40,499	62,310	61,696	63,121
139	Pipeline Transportation Subs & Affiliates	(8,217)	(1,228)	1,403	2,047
140	Sub-Total - Pipeline Assets	32,282	61,082	63,099	65,168
141	Total JV GAAP EBITDA	338,845	322,241	254,403	444,709
	Valuation EBITDA				
142	Refining & Marketing	212,417	176,024	138,563	263,151
143	Scurlock Permian	41,007	39,756	33,865	30,146
144	Ashland Brand Division	(7)	3,923	(4,816)	(4,641)
145	SuperAmerica Group	89,854	93,286	84,024	117,738
146	Other Transportation Subs & Affiliates	0	0	0	0
147	Sub-Total (Excl. Pipeline Assets)	343,271	312,989	251,636	406,394
148	Ashland Pipeline Company	36,672	58,991	58,179	59,997
149	Pipeline Transportation Subs & Affiliates	(7,855)	(884)	1,745	2,471
150	Sub-Total - Pipeline Assets	28,817	58,107	59,924	62,468
151	Total Valuation EBITDA	372,088	371,096	311,560	468,862

Note: JV GAAP EBITDA is calculated by adding JV GAAP EBIT, Reported Financial DD&A and Depreciation Adjustments (Plus FAS 121).

In-process capital expenditure depreciation is not removed since the earnings are in JV GAAP EBIT.

LLC Agreement

Schedule C

Initial Executive Officers

President	J. L. Frank
Executive Vice President	D. D. Gilliam
Senior Vice President, Refining	M. Spindler
Senior Vice President, Marketing	R. E. White
Senior Vice President, Supply & Transportation	K. M. Henning
Senior Vice President, Finance & Commercial Services	G. L. Peiffer
General Counsel	J. M. Wilder
President, Speedway Super/America LLC	R. N. Yammine
Vice President, Speedway SuperAmerica LLC	J. F. Pettus

PUT/CALL, REGISTRATION RIGHTS

AND

STANDSTILL AGREEMENT

Dated as of January 1, 1998

among

MARATHON OIL COMPANY,

USX CORPORATION,

ASHLAND INC.

and

MARATHON ASHLAND PETROLEUM LLC

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PUT/CALL, REGISTRATION RIGHTS AND STANDSTILL AGREEMENT dated as of [January 1], 1998,[2]/ by and among MARATHON OIL COMPANY, an Ohio corporation ("Marathon"), USX CORPORATION, a Delaware corporation ("USX"), ASHLAND INC., a Kentucky corporation ("Ashland"), and MARATHON ASHLAND PETROLEUM LLC, a Delaware limited liability company (the "Company").

Preliminary Statement

WHEREAS Marathon and Ashland have previously entered into a Master Formation Agreement dated as of December 12, 1997, relating to the formation of the Company, which will own and operate certain of Marathon's and Ashland's respective petroleum supply, refining, marketing, and transportation businesses;

WHEREAS Marathon and Ashland have previously entered into an Asset Transfer and Contribution Agreement dated as of December 12, 1997, pursuant to which, among other things, Marathon and Ashland will transfer their respective Businesses (as defined below) to the Company;

WHEREAS Marathon, USX and Ashland have previously entered into a Parent Agreement dated as of December 12, 1997;

WHEREAS Marathon and Ashland have entered into an LLC Agreement dated as of the date hereof in order to establish the rights and responsibilities of each of them with respect to the governance, financing and operation of the Company;

WHEREAS Marathon and Ashland have agreed that under certain circumstances, Ashland will sell to Marathon and Marathon will purchase from Ashland all of Ashland's Membership Interests and the Ashland LOOP/LOCAP Interest (each as defined below), upon the terms and subject to the conditions set forth herein;

---

[2] To be dated as of the Closing Date under the Master Formation Agreement.

WHEREAS Marathon and Ashland have agreed that if Marathon or Ashland elects to terminate the Term of the Company pursuant to Section 2.03 of the LLC Agreement, then the non-terminating Member shall have the right to purchase from the terminating Member all of the terminating Member's Membership Interests, upon the terms and subject to the conditions set forth herein;

WHEREAS Marathon and USX have agreed that Marathon and USX will grant Ashland certain registration rights with respect to any Securities (as defined below) that Marathon or USX issues to Ashland pursuant to this Agreement in connection with the purchase by Marathon of Ashland's Membership Interests and the Ashland LOOP/LOCAP Interest, upon the terms and subject to the conditions set forth herein;

WHEREAS Marathon and USX have agreed to certain restrictions with respect to actions relating to Ashland Voting Securities (as defined below), upon the terms and subject to the conditions set forth herein;

WHEREAS Ashland has agreed to certain restrictions with respect to actions relating to USX Voting Securities (as defined below), upon the terms and subject to the conditions set forth herein; and

WHEREAS Marathon, USX and Ashland have agreed to certain restrictions with respect to certain of their business activities, upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, the parties hereto hereby agree as follows:

ARTICLE I

Certain Definitions; Adjustable Amounts;
Representations and Warranties

SECTION 1.01. Definitions. Defined terms used in this Agreement shall have the meanings ascribed to them by definition in this Agreement or in Appendix A. In addition,

when used herein the following terms have the following meanings:

"Actively Traded Marathon Equity Securities" means Marathon Equity Securities for which there is an active trading market on the National Market System of the NASDAQ or on a National Securities Exchange during the period commencing 30 days prior to the Closing Date or applicable Installment Payment Date and ending on the Closing Date or such Installment Payment Date.

"Adjustable Amount" has the meaning set forth in Section 1.02.

"Adjustable Amounts Notice" has the meaning set forth in Section 1.02.

"Adjustment Year" has the meaning set forth in Section 1.02.

"Agreement" means this Put/Call, Registration Rights, and Standstill Agreement, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Appraised Value Determination Date" has the meaning set forth in Section 6.01(c).

"Appraised Value of the Company" has the meaning set forth in Section 6.01(c).

"Ashland Designated Sublease Agreements" means the Ashland Sublease Agreements attached as Exhibits L-1, L-2, L-3 and L-4 to the Asset Transfer and Contribution Agreement.

"Ashland Exercise Period Distributions" has the meaning set forth in Section 5.01(a)(i).

"Ashland LOOP/LOCAP Interest" means (i) the 4.0% interest in LOOP LLC owned by Ashland on the date hereof pursuant to the limited liability company agreement of LOOP LLC dated as of October 18, 1996, among Ashland, Marathon Pipe Line Company, Murphy Oil Corporation, Shell Oil Company and Texaco Inc. and (ii) the 86.20 shares of common stock of LOCAP, Inc. owned by Ashland, which shares on the date hereof represent an 8.6% interest in LOCAP, Inc.; provided

that in the event there is a reclassification of the LOOP, LLC membership interests or the common stock of LOCAP, Inc. into one or more different types or classes of securities, the "Ashland LOOP/LOCAP Interest" shall instead include such different types or classes of securities.

"Ashland LOOP/LOCAP Irrevocable Proxy" has the meaning set forth in Section 9.02(e).

"Ashland LOOP/LOCAP Revocable Proxy" has the meaning set forth in Section 5.02(c).

"Ashland Material Adverse Effect" means, for purposes of Section 1.03, either (i) a material adverse effect on the ability of Ashland to perform its obligations under this Agreement or (ii) an effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of Ashland's Business which results in a Loss of two million dollars ($2,000,000) or more, or, if such Loss is not susceptible to being measured in monetary terms, is otherwise materially adverse to Ashland's Business; provided that any such effect relating to or resulting from any change in the price of petroleum or petroleum byproducts, general economic conditions or local, regional, national or international industry conditions (including changes in financial or market conditions) shall be deemed not to constitute an Ashland Material Adverse Effect.

"Ashland Membership Interests" means the initial Membership Interests of Ashland on the date hereof, together with any additional Membership Interests that Ashland may hereafter acquire.

"Ashland Put Exercise Date" has the meaning set forth in Section 4.03.

"Ashland Put Exercise Notice" has the meaning set forth in Section 4.03.

"Ashland Put Price" has the meaning set forth in Section 4.01.

"Ashland Put Price Election Date" has the meaning set forth in Section 4.04(b).

"Ashland Put Price Election Notice" has the meaning set forth in Section 4.04(a).

"Ashland Put Right" has the meaning set forth in Section 4.01.

"Ashland Representatives Revocable Proxies" has the meaning set forth in Section 5.02(a).

"Ashland Special Termination Right" means the Special Termination Right granted to Ashland pursuant to Section 2.01.

"Ashland Voting Securities" means the securities of Ashland (i) having the power under ordinary circumstances to elect at least a majority of the board of directors of Ashland (whether or not any senior class of stock has voting power by reason of any contingency) or (ii) convertible into or exchangeable for securities of Ashland having the power under ordinary circumstances to elect at least a majority of the board of directors of Ashland (whether or not any senior class of stock has voting power by reason of any contingency).

"Average Annual Level" means for any twelve-month period ending on December 31 of any calendar year, the average of the level of the Price Index ascertained by adding the twelve monthly levels of the Price Index during such twelve-month period and dividing the total by twelve.

"Base Level" has the meaning set forth in the LLC Agreement.

"Base Rate" means a rate of interest closely approximating that of comparable term senior debt securities or debt obligations priced to trade at par issued by USX or issued by Marathon and fully guaranteed by USX, or issued by a firm of comparable credit standing.

"Blackout Period" has the meaning set forth in Section 10.01(b).

"Bulge Bracket Investment Banking Firm" means an investment banking firm that is listed as one of the top 10 investment banking firms for all domestic equity issues in terms of the aggregate dollar amount of such issues (with full credit given to the lead manager) as reported in the

latest issue of Investment Dealers' Digest or a publication (or otherwise) of similar national repute which provides rankings of investment banking firms by size of domestic issues.

"Bulk Motor Oil Business" has the meaning set forth in Section 14.03(h).

"Cash" means United States dollars or immediately available funds in United States dollars.

"Closing" has the meaning set forth in Section 9.01(a).

"Closing Date" has the meaning set forth in Section 9.01(a).

"Commission" means the Securities and Exchange Commission or any successor agency having jurisdiction under the Securities Act.

"Company Competitive Business" has the meaning set forth in Section 14.01(a).

"Company Competitive Business Assets" has the meaning set forth in Section 14.01(d).

"Company Competitive Third Party" has the meaning set forth in Section 14.01(d).

"Company Material Adverse Effect" means, for purposes of Section 1.03, an effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of the Company's Business which results in a Loss of two million dollars ($2,000,000) or more, or, if such Loss is not susceptible to being measured in monetary terms, is otherwise materially adverse to the Company's Business; provided that any such effect relating to or resulting from any change in the price of petroleum or petroleum byproducts, general economic conditions or local, regional, national or international industry conditions (including changes in financial or market conditions) shall be deemed not to constitute a Company Material Adverse Effect.

"Competitive Business Purchase Price" has the meaning set forth in Section 14.04.

"Confidential Information" has the meaning set forth in Section 14.02(b).

"Confidentiality Agreement" has the meaning set forth in Section 14.02(b).

"Delayed Closing Date" has the meaning set forth in Section 9.03(b).

"Delayed Closing Date Interest Period" has the meaning set forth in Section 9.03(b).

"Delayed Installment Payment Date" has the meaning set forth in Section 9.06.

"Delayed Installment Payment Date Interest Period" has the meaning set forth in Section 9.06.

"Demand Registration" has the meaning set forth in Section 10.01(a).

"Designated Sublease Agreements" means the Ashland Designated Sublease Agreements and the Marathon Designated Sublease Agreements.

"Disclosing Party" has the meaning set forth in Section 14.02(b).

"Dispute" has the meaning set forth in Section 16.01.

"Dispute Notice" has the meaning set forth in Section 16.02.

"Distributable Cash" has the meaning set forth in the LLC Agreement.

"Escrow Account" has the meaning set forth in Section 5.01(a)(ii)(B).

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Exercise Date" means the Special Termination Exercise Date, the Marathon Call Exercise Date or the Ashland Put Exercise Date, as applicable.

"Exercise Period Distributions" means Ashland Exercise Period Distributions or Marathon Exercise Period Distributions, as applicable.

"Fair Market Value" has the meaning set forth in Section 7.01.

"14.01(d) Presentation Meeting" has the meaning set forth in Section 14.01(d).

"14.01(d) Scheduled Closing Date" has the meaning set forth in Section 14.01(d).

"14.03(d) Offer Notice" has the meaning set forth in Section 14.03(d).

"14.03(d) Purchase Election Notice" has the meaning set forth on Section 14.03(d).

"14.03(d) Scheduled Closing Date" has the meaning set forth in Section 14.03(d).

"14.03(f) Offer Notice" has the meaning set forth in Section 14.03(f)(i).

"14.03(f) Purchase Election Notice" has the meaning set forth in Section 14.03(f)(i).

"14.04 Appraisal Process Commencement Date" has the meaning set forth in Section 14.04.

"14.04 Appraisal Report" has the meaning set forth in Section 14.04.

"14.04 Initial Opinion Values" has the meaning set forth in Section 14.04.

"14.04 Subsequent Appraisal Process Commencement Date" has the meaning set forth in Section 14.04.

"14.04 Third Opinion Value" has the meaning set forth in Section 14.04.

"Fully Distributed Sale" has the meaning set forth in Section 8.04.

"Holding Period" has the meaning set forth in Section 8.03.

"Installment Payment" has the meaning set forth in Section 4.02(b).

"Installment Payment Date" means a Scheduled Installment Payment Date or a Delayed Installment Payment Date, as applicable.

"Investment Grade Rating" means a rating of BBB- or higher by S&P or Baa3 or higher by Moody's or the equivalent of such rating by S&P and Moody's.

"Issuer" has the meaning set forth in Section 10.01(a).

"Issuer Material Adverse Effect" means either (i) a material adverse effect on the ability of the Issuer to perform its obligations under this Agreement or (ii) a material adverse effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of the Issuer and its subsidiaries, taken as a whole; provided, however, that any such effect relating to or resulting from any change in the price of petroleum or petroleum byproducts, general economic conditions or local, regional, national or international industry conditions (including changes in financial or market conditions) or any change in applicable tax laws or regulations shall be deemed not to constitute an Issuer Material Adverse Effect.

"LIBOR Rate" means, for any one-month period or portion thereof, the per annum rate (rounded to the nearest 1/10,000 of 1%) for U.S. dollar deposits for such one-month period which appears on Bloomberg Page DG522a Equity GPGX as of 11:00 a.m. London time on the second London business day preceding the first day of such one-month period. "Bloomberg Page DG522a Equity GPGX" means the display page designated "DG522a Equity GPGX" on the Bloomberg, L.P. quotation service (or replacement page or successor service for displaying comparable rates).

"Losses" has the meaning set forth in Section 10.04.

"Long Term Debt" means Indebtedness with a maturity of one year or longer.

"Maralube Express Business" has the meaning set forth in Section 14.03(d)(i).

"Marathon Call Exercise Date" has the meaning set forth in Section 3.03.

"Marathon Call Exercise Notice" has the meaning set forth in Section 3.03.

"Marathon Call Price" has the meaning set forth in Section 3.01.

"Marathon Call Right" has the meaning set forth in Section 3.01.

"Marathon Debt Securities" has the meaning set forth in Section 8.01.

"Marathon Designated Sublease Agreements" means the Marathon Sublease Agreements attached as Exhibits E-1, E-2 and E-3 to the Asset Transfer and Contribution Agreement.

"Marathon Equity Securities" means any of (i) the class of common stock of USX designated as USX-Marathon Group Common Stock, par value $1.00 per share, (ii) the class of common equity securities of Marathon or, if USX has transferred all of the assets and liabilities of the Marathon Group to a Marathon Group Subsidiary (as such term is defined in the Certificate of Incorporation of USX) pursuant to Section 2(a) of Division I of Article Fourth of the Certificate of Incorporation of USX and the Board of Directors of USX has declared that all of the outstanding shares of USX-Marathon Group Common Stock be exchanged for shares of common stock of the Marathon Group Subsidiary, the Marathon Group Subsidiary; provided, that so long as Marathon shall be a subsidiary of USX, such common equity securities shall constitute Marathon Equity Securities only if such class accounts for USX's primary ownership interest in Marathon, or (iii) the common equity securities of USX (but only if a single class of common equity securities of USX exists), in each case (1) registered pursuant to Section 12 of the Exchange Act and (2) issued to Ashland pursuant to Section 4.02(c); provided that in the event there is a

reclassification of any of the foregoing classes of common stock into one or more different types or classes of securities, "Marathon Equity Securities" shall instead include such different types or classes of securities.

"Marathon Exercise Period Distributions" has the meanings set forth in Section 5.01(b)(i).

"Marathon Material Adverse Effect" means, for purposes of Section 1.03, either (i) a material adverse effect on the ability of Marathon to perform its obligations under this Agreement or (ii) an effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of Marathon's Business which results in a Loss of two million dollars ($2,000,000) or more, or, if such Loss is not susceptible to being measured in monetary terms, is otherwise materially adverse to Marathon's Business; provided that any such effect relating to or resulting from any change in the price of petroleum or petroleum byproducts, general economic conditions or local, regional, national or international industry conditions (including changes in financial or market conditions) shall be deemed not to constitute a Marathon Material Adverse Effect.

"Marathon Membership Interests" means the initial Membership Interests of Marathon on the date hereof, together with any additional Membership Interests that Marathon may hereafter acquire.

"Marathon Representatives Revocable Proxies" has the meaning set forth in Section 5.02(b).

"Marathon Special Termination Right" means the Special Termination Right granted to Marathon pursuant to Section 2.01.

"Market Value of the Company" has the meaning set forth in Section 6.01(c).

"Maximum Offering Size" has the meaning set forth in Section 10.01(e).

"Mid-Level Employee" has the meaning set forth in Section 14.02(a)(ii).

"Minimum Lube Oil Purchase Amount" has the meaning set forth in Section 14.03(h).

"Moody's" means Moody's Investors Service Inc. and any successor thereto.

"National Securities Exchange" means a securities exchange registered as a national securities exchange under Section 6 of the Exchange Act.

"9.04(b) Post-Scheduled Closing Date Distribution Amount" has the meaning set forth in Section 9.04(b).

"9.08(b) Post-Scheduled Closing Date Distribution Amount" has the meaning set forth in Section 9.08(b).

"Non-Terminating Member" has the meaning set forth in Section 2.01(a).

"Offering Memorandum" means any offering memorandum prepared in connection with a sale of Securities effected in accordance with Section 4(2) or Rule 144A under the Securities Act, including all amendments and supplements to such offering memorandum, all exhibits thereto and all materials incorporated by reference in such offering memorandum.

"Other Holders" has the meaning set forth in Section 10.01(e).

"Packaged Motor Oil Business" has the meaning set forth in Section 14.03(h).

"Percentage Interest" has the meaning set forth in the LLC Agreement.

"Permitted Investments" means any of the following: (i) any investment in direct obligations of the United States of America or any agency thereof or obligations Guaranteed by the United States of America or any agency thereof; (ii) investments in time deposit accounts, certificates of deposit and money market deposits maturing within 180 days of the date of acquisition thereof issued by a bank or trust company which is organized under the laws of the United States of America, any state thereof or any foreign country recognized by the United States of America having capital, surplus and undivided profits

aggregating in excess of $250,000,000 (or the foreign currency equivalent thereof) and whose Long Term debt is rated "A" (or higher) by Moody's or S&P; (iii) repurchase agreements having terms of not more than 30 days that are (A) collateralized by underlying securities of the types described in clause (i) above having a fair market value at the time the Company enters into such repurchase agreements of at least 102% of the principal amount of such repurchase agreements and (B) entered into with a bank meeting the qualifications described in clause (ii) above; (iv) investments in commercial paper, maturing not more than 90 days after the date of acquisition, issued by a corporation (other than an Affiliate of any of the parties hereto) organized and in existence under the laws of the United States of America, any state thereof or any foreign country recognized by the United States of America with a rating at the time as of which any investment therein is made of both "P-1" (or higher) according to Moody's and "A-1" (or higher) according to S&P; and (v) investments in securities with maturities of six months or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "A" by S&P or "A" by Moody's.

"Price Index" has the meaning set forth in the LLC Agreement.

"Private Label Packaged Motor Oil Business" has the meaning set forth in Section 14.03(h).

"Qualifying Public Offering" has the meaning set forth in Section 8.04.

"Quick Lube Business" has the meaning set forth in Section 14.03(h).

"Registration Statement" means any registration statement under the Securities Act which permits the public offering of Securities, including the prospectus included therein, all amendments and supplements to such registration statement or prospectus, including post-effective amendments, all exhibits thereto and all materials incorporated by reference in such registration statement.

"Representatives" has the meaning set forth in Section 14.02(b).

"Response" has the meaning set forth in Section 16.02.

"Required Disclosure" has the meaning set forth in Section 7.03(a).

"Required Disclosure Date" has the meaning set forth in Section 7.03(a).

"Scheduled Closing Date" has the meaning set forth in Section 9.01(a).

"Scheduled Installment Payment Date" has the meaning set forth in Section 4.02(b).

"Securities" means Marathon Debt Securities and/or Marathon Equity Securities.

"Securities Act" means the Securities Act of 1933.

"Securities Document" has the meaning set forth in Section 8.02.

"Senior Employee" has the meaning set forth in Section 14.02(a)(ii).

"S&P" means Standard & Poor's Corporation and any successor thereto.

"7.03(b) Appraisal Process Commencement Date" has the meaning set forth in Section 7.03(b).

"7.03(b) Appraisal Report" has the meaning set forth in Section 7.03(b).

"7.03(b) Discount Amount" has the meaning set forth in Section 7.03(b).

"7.03(b) Initial Opinion Values" has the meaning set forth in Section 7.03(b).

"7.03(b) Subsequent Appraisal Process Commencement Date" has the meaning set forth in Section 7.03(b).

"7.03(b) Third Opinion Value" has the meaning set forth in Section 7.03(b).

"7.04 Appraisal Process Commencement Date" has the meaning set forth in Section 7.04(b).

"7.04 Appraisal Report" has the meaning set forth in Section 7.04(b).

"7.04 Discount Amount" has the meaning set forth in Section 7.04(b).

"7.04 Initial Opinion Values" has the meaning set forth in Section 7.04(b).

"7.04 Subsequent Appraisal Process Commencement Date" has the meaning set forth in Section 7.04(b).

"7.04 Third Opinion Value" has the meaning set forth in Section 7.04(b).

"6.01 Appraisal Process Commencement Date" has the meaning set forth in Section 6.01(b).

"6.01 Appraisal Report" has the meaning set forth in Section 6.01(b).

"6.01 Initial Opinion Values" has the meaning set forth in Section 6.01(b).

"6.01 Subsequent Appraisal Process Commencement Date" has the meaning set forth in Section 6.01(b).

"6.01 Third Opinion Value" has the meaning set forth in Section 6.01(b).

"Special Termination Exercise Date" has the meaning set forth in Section 2.03.

"Special Termination Exercise Notice" has the meaning set forth in Section 2.03.

"Special Termination Price" has the meaning set forth in Section 2.01(a).

"Special Termination Right" has the meaning set forth in Section 2.01(a).

"Tax Liability" has the meaning set forth in the LLC Agreement.

"Tax Liability Distributions" means the cash distributions to which a Member is entitled pursuant to Section 5.01(a) of the LLC Agreement.

"Terminating Member" has the meaning set forth in Section 2.01(a).

"Terminating Member's Membership Interests" means, if Ashland is the Terminating Member, the Ashland Membership Interests and, if Marathon is the Terminating Member, the Marathon Membership Interests.

"Terminating Member's Percentage Interest" means, if Ashland is the Terminating Member, the Ashland Percentage Interest and, if Marathon is the Terminating Member, the Marathon Percentage Interest.

"Termination Notice" has the meaning set forth in Section 2.01(a).

"Trading Day" means any day on which the New York Stock Exchange is open for business.

"Underwritten Public Offering" means an underwritten public offering of Securities pursuant to an effective Registration Statement under the Securities Act.

"USX Material Adverse Effect" means, for purposes of Section 1.03, a material adverse effect on the ability of USX to perform its obligations under this Agreement.

"USX Voting Securities" means the securities of USX (i) having the power under ordinary circumstances to elect at least a majority of the board of directors of USX (whether or not any senior class of stock has voting power by reason of any contingency) or (ii) convertible into or exchangeable for securities of USX having the power under ordinary circumstances to elect at least a majority of the board of directors of USX (whether or not any senior class of stock has voting power by reason of any contingency); provided, that each class of common equity securities of USX, and any securities of USX convertible into or exchangeable for any such class, shall constitute USX Voting Securities regardless of whether such class has the power under ordinary circumstances to elect at least a majority of the board of directors of USX.

"Valvoline" has the meaning set forth in Section 14.03(h).

"Valvoline Business" has the meaning set forth in Section 14.03(h).

"Valvoline Competitive Business Assets" has the meaning set forth in Section 14.03(d).

"Valvoline Competitive Third Party" has the meaning set forth in Section 14.03(d).

"Weighted Average Price" has the meaning set forth in Section 7.03(a).

SECTION 1.02. Adjustable Amounts. Within 30 days following the date on which the United States Department of Labor Bureau of Labor Statistics for all Urban Areas publishes the Price Index for (a) the month of December, 2002 and (b) thereafter, the month of December in each five year anniversary of the year 2002 (the year 2002 and each such five year anniversary being an "Adjustment Year"), the Company shall determine whether the Average Annual Level for the applicable Adjustment Year exceeds the Base Level. If the Company determines that the Average Annual Level for such Adjustment Year exceeds the Base Level, then the Company shall increase or decrease each of the following amounts (each, an "Adjustable Amount") to an amount calculated by multiplying the relevant Adjustable Amount by a fraction whose numerator is the Average Annual Level for such Adjustment Year and whose denominator is the Base Level: (i) the two million dollars ($2,000,000) amount set forth in the definition of "Ashland Material Adverse Effect"; (ii) the two million dollars ($2,000,000) amount set forth in the definition of "Company Material Adverse Effect"; (iii) the two million dollars ($2,000,000) amount set forth in the definition of "Marathon Material Adverse Effect"; (iv) the $250 million amount set forth in clause (ii) of the definition of "Permitted Investments" in Section 1.01; and (v) the $100 million and $25 million amounts set forth in Section 10.01(a); provided that in no event shall any Adjustable Amount be decreased below the initial amount thereof set forth herein. Within five Business Days after making such determinations, the Company shall distribute to each Member a notice (an "Adjustable Amounts Notice") setting forth: (A) the amount by which the Average Annual Level for such Adjustment Year exceeded the

Base Level and (B) the calculations of any adjustments made to the Adjustable Amounts pursuant to this Section 1.02. Any adjustment made to the Adjustable Amounts pursuant to this Section 1.02 shall be effective as of the date on which the Company delivers to the Members the related Adjustable Amounts Notice.

SECTION 1.03. Representations and Warranties. Each of Marathon and USX represents and warrants to Ashland, and Ashland represents and warrants to each of Marathon and USX, in each case as of the date hereof and will be required to represent and warrant as of any Closing Date, as follows:

(a) Due Organization, Good Standing and Power. It is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation with the power and authority to own, lease and operate its assets and to conduct the business now being or to be conducted by it. It is duly authorized, qualified or licensed to do business as a foreign corporation or other organization in good standing in each of the jurisdictions in which its right, title or interest in or to any of the assets held by it or the business conducted by it requires such authorization, qualification or licensing, except where the failure to be so authorized, qualified, licensed or in good standing would not have and would not reasonably be expected to have, individually or in the aggregate, a Marathon Material Adverse Effect, a USX Material Adverse Effect or an Ashland Material Adverse Effect, as the case may be. It has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder.

(b) Authorization and Validity of Agreements. The execution and delivery by it of this Agreement and the consummation by it of the transactions contemplated hereby have been duly authorized and approved by all necessary corporate or other action on its part. This Agreement has been duly executed and delivered by it. This Agreement is its legal, valid and binding obligation, enforceable against it in accordance with its terms.

(c) Lack of Conflicts. Except as set forth on Schedule 1.03(c) to the Marathon, USX or Ashland Put/Call, Registration Rights and Standstill Disclosure

Letter, as applicable, neither the execution and delivery by it of this Agreement nor the consummation by it of the transactions contemplated hereby does or will (i) conflict with, or result in the breach of any provision of, its charter or by-laws or similar governing or organizational documents or any of its subsidiaries, (ii) violate any Applicable Law or any permit, order, award, injunction, decree or judgment of any Governmental Authority applicable to or binding upon it or any of its subsidiaries or to which any of their respective properties or assets is subject, (iii) violate, conflict with or result in the breach or termination of, or otherwise give any other person the right to terminate, or constitute a default, an event of default or an event which with notice, lapse of time or both, would constitute a default or an event of default under the terms of, any mortgage, indenture, deed of trust or lease or other agreement or instrument to which it or any of its subsidiaries is a party or by which any of their respective properties or assets is subject, except, in the case of clauses (ii) or (iii), for such violations, conflicts, breaches, terminations and defaults which would not have and would not reasonably be expected to have, individually, a Company Material Adverse Effect.

(d) No Consents. Except as set forth on Schedule 1.03(d) to the Marathon, USX or Ashland Put/Call, Registration Rights and Standstill Disclosure Letter, as applicable, no Governmental Approval or other consent is required by it for the execution and delivery by it of this Agreement or for the consummation of the transactions contemplated hereby except (a) for such Governmental Approvals or other consents as have been obtained or are contemplated hereby to be obtained after Closing or (b) where the failure to obtain such Governmental Approvals or other consents would not have and would not reasonably be expected to have, individually, a Company Material Adverse Effect.

ARTICLE II

Special Termination Right

SECTION 2.01. Special Termination Right. (a) If Ashland or Marathon (the "Terminating Member") notifies the Board of Managers of the Company and the other Member (the "Non-Terminating Member") in writing pursuant to Section 2.03 of the LLC Agreement that it wants to terminate the term of the Company at the end of the Initial Term or any succeeding 10-year period (any such notice being a "Termination Notice"), then, subject to Section 2.01(b), the Non-Terminating Member shall have the right, exercisable at any time during the 180-day period following its receipt from the Terminating Member of a Termination Notice, to purchase from the Terminating Member on the Scheduled Closing Date (the "Special Termination Right"), and the Terminating Member shall thereupon be required to sell to the Non-Terminating Member on the Scheduled Closing Date, all of its Membership Interests and, in the circumstance where Ashland is the Terminating Member, the Ashland LOOP/LOCAP Interest, for an aggregate amount equal to the purchase price (the "Special Termination Price") set forth in Section 2.02(a), plus interest on the Special Termination Price at a rate per annum equal to the Base Rate, with daily accrual of interest, for the period commencing on the Special Termination Exercise Date and ending on the Scheduled Closing Date. The Special Termination Right shall automatically terminate at the close of business on the 180th day following the Non-Terminating Member's receipt of a Termination Notice, unless previously exercised by the Non-Terminating Member in accordance with the provisions of Section 2.03.

(b) Notwithstanding anything to the contrary contained in Section 2.01(a), if Marathon and Ashland each deliver a Terminating Notice to the Board of Managers of the Company and the other Member, then neither Marathon nor Ashland shall have a Special Termination Right.

SECTION 2.02. Special Termination Price. (a) Amount. The Special Termination Price shall be an amount equal to the product of (i) 100% of the Appraised Value of the Company multiplied by (ii) the Terminating Member's Percentage Interest.

(b) Timing of Payment. The Non-Terminating Member shall pay the entire Special Termination Price, together with accrued interest calculated as set forth in Section 2.01, on the Scheduled Closing Date.

(c) Form of Consideration. The Non-Terminating Member shall pay the Special Termination Price, and all accrued interest, in Cash.

SECTION 2.03. Method of Exercise. The Non-Terminating Member shall exercise its Special Termination Right by delivering to the Terminating Member a notice of such exercise (the "Special Termination Exercise Notice"). The date of the Terminating Member's receipt of the Special Termination Exercise Notice shall be deemed to be the date of the Non-Terminating Member's exercise of its Special Termination Right (the "Special Termination Exercise Date") and, except as expressly provided in Sections 9.08(a) and 9.09, the Non-Terminating Member's exercise of its Special Termination Right shall thereafter be irrevocable.

ARTICLE III

Marathon Call Right

SECTION 3.01. Marathon Call Right. Subject to Section 3.04, at any time on and after December 31, 2004, Marathon shall have the right to purchase from Ashland on the Scheduled Closing Date (the "Marathon Call Right"), and Ashland shall thereupon be required to sell to Marathon on the Scheduled Closing Date, all of Ashland's Membership Interests and the Ashland LOOP/LOCAP Interest, for an aggregate amount equal to the purchase price (the "Marathon Call Price") set forth in Section 3.02(a), plus interest on the Marathon Call Price at a rate per annum equal to the Base Rate, with daily accrual of interest, for the period commencing on the Marathon Call Exercise Date and ending on the Scheduled Closing Date.

SECTION 3.02. Marathon Call Price. (a) Amount. The Marathon Call Price shall be an amount equal to the product of (i) 115% of the Appraised Value of the Company multiplied by (ii) Ashland's Percentage Interest.

(b) Timing of Payment. Marathon shall pay the entire Marathon Call Price, together with accrued interest calculated as set forth in Section 3.01, on the Scheduled Closing Date.

(c) Form of Consideration. Marathon shall pay the Marathon Call Price, and all accrued interest, in Cash.

SECTION 3.03. Method of Exercise. Marathon shall exercise its Marathon Call Right by delivering to Ashland a notice of such exercise (the "Marathon Call Exercise Notice"). The date of Ashland's receipt of the Marathon Call Exercise Notice shall be deemed to be the date of Marathon's exercise of its Marathon Call Right (the "Marathon Call Exercise Date") and, except as expressly provided in Sections 9.03(a), 9.04(a) and 9.05, Marathon's exercise of its Marathon Call Right shall thereafter be irrevocable.

SECTION 3.04. Limitation on Marathon's Ability To Exercise its Marathon Call Right If prior to the Marathon Call Exercise Date, Ashland elects to Transfer its Membership Interests to a third party pursuant to Section 10.01(c) of the LLC Agreement, and in connection therewith delivers to Marathon the requisite Offer Notice pursuant to Section 10.04 of the LLC Agreement, Marathon shall not be permitted to exercise its Marathon Call Right for a period commencing on the date of Marathon's receipt of such Offer Notice and ending on the earliest of (i) 120 days (or 270 days if a second request has been made under HSR) following such receipt, (ii) the closing of such Transfer, and (iii) the date such proposed Transfer by Ashland shall have been finally abandoned. After such period, Marathon shall be entitled to exercise its Marathon Call Right.

ARTICLE IV

Ashland Put Right

SECTION 4.01. Ashland Put Right. Subject to Section 4.05, at any time after December 31, 2004, Ashland shall have the right to sell to Marathon on the Scheduled Closing Date (the "Ashland Put Right"), and Marathon shall thereupon be required to purchase from Ashland on the Scheduled Closing Date, all of Ashland's Membership Interests and the Ashland LOOP/LOCAP Interest, for an

aggregate amount equal to the purchase price (the "Ashland Put Price") set forth in Section 4.02, plus interest on the Ashland Put Price (or, in the event that Marathon elects to pay the Ashland Put Price in installments, any unpaid portion of the Ashland Put Price) at a rate per annum equal to the Base Rate, with daily accrual of interest, for the period commencing on the Ashland Put Exercise Date and ending on the Scheduled Closing Date (or, in the event that Marathon elects to pay the Ashland Put Price in installments, on the applicable Scheduled Installment Payment Date).

SECTION 4.02. Ashland Put Price. (a) Amount. The Ashland Put Price shall be an amount equal to the sum of (i) for that portion of the Ashland Put Price to be paid to Ashland in Cash or in Marathon Debt Securities, an amount equal to the product of (x) 85% of the Appraised Value of the Company multiplied by (y) Ashland's Percentage Interest multiplied by (z) the percentage of the Ashland Put Price to be paid to Ashland in Cash and/or in Marathon Debt Securities, plus (ii) for that portion of the Ashland Put Price to be paid to Ashland in Marathon Equity Securities, an amount equal to the product of (x) 90% of the Appraised Value of the Company multiplied by (y) Ashland's Percentage Interest multiplied by (z) the percentage of the Ashland Put Price to be paid to Ashland in Marathon Equity Securities.

(b) Timing of Payment. Subject to Section 4.02(d), Marathon shall have the right to elect, by specifying in the Ashland Put Price Election Notice, to (i) pay the entire Ashland Put Price on the Scheduled Closing Date or (ii) pay the Ashland Put Price in three equal installments (each an "Installment Payment"), in either case, together with accrued interest calculated as set forth in Section 4.01. If Marathon elects to pay the Ashland Put Price in installments, Marathon shall pay Ashland (x) the first Installment Payment on the Scheduled Closing Date; (y) the second Installment Payment on the first anniversary of the Scheduled Closing Date; and (z) the third Installment Payment on the second anniversary of the Scheduled Closing Date (each such date being a "Scheduled Installment Payment Date"), in each case, together with accrued interest calculated as set forth in Section 4.01.

(c) Form of Consideration. Subject to Section 4.02(d), Marathon shall have the right to elect, by specifying in an Ashland Put Price Election Notice, to pay

the Ashland Put Price (i) entirely in Cash or (ii) in a combination of Cash and Securities; provided that at least 50% of the Ashland Put Price (and at least 50% of each Installment Payment if Marathon elects to pay in installments) shall consist of Cash; provided further, that the sum of (x) the Fair Market Value of any Securities issued to Ashland on the Closing Date (or on any Installment Payment Date) plus (y) the amount of Cash paid to Ashland on the Closing Date (or on such Installment Payment Date) in respect of the Ashland Put Price, in each case exclusive of any interest paid thereon, shall equal the Ashland Put Price (or the applicable Installment Payment); and provided further, that in no event shall Marathon or USX issue to Ashland an amount of Marathon Equity Securities that would cause Ashland to own, directly or indirectly, at the Closing or on any Scheduled Installment Payment Date in the aggregate 10% or more of the number of shares of such class of Marathon Equity Securities that are outstanding on the Closing Date and are publicly held (it being understood and agreed that for purposes of this Section 4.02(c), any shares of such class of Marathon Equity Securities that are either held by Marathon or any of its Affiliates or subject to restrictions on transfer shall not be considered publicly held). Marathon shall pay all accrued interest in Cash.

(d) Consequences of Failure to Make Certain Elections. Notwithstanding anything to the contrary in this Agreement:

(i) if Marathon fails to deliver to Ashland an Ashland Put Price Election Notice within the requisite time period set forth in Section 4.04(a) or if Marathon delivers to Ashland an Ashland Put Price Election Notice that states that the entire Ashland Put Price will be paid at Closing but does not state whether any portion of the Ashland Put Price will be paid in Securities, Marathon shall thereafter be required to pay Ashland the entire Ashland Put Price in Cash on the Closing Date;

(ii) if Marathon delivers to Ashland an Ashland Put Price Election Notice pursuant to Section 4.04(a) that does not indicate whether it is electing to pay the Ashland Put Price in installments, Marathon shall thereafter be required to pay Ashland the entire Ashland Put Price on the Closing Date;

(iii) if Marathon delivers to Ashland an Ashland Put Price Election Notice pursuant to Section 4.04(a) that does not indicate the form of consideration regarding the Ashland Put Price (or, if such Ashland Put Price Election Notice states that Marathon has elected to pay the Ashland Put Price in installments, the first Installment Payment), Marathon shall thereafter be required to pay Ashland the entire Ashland Put Price (or first Installment Payment) in Cash on the Closing Date;

(iv) if Marathon has elected in its Ashland Put Price Election Notice delivered pursuant to Section 4.04(b) to pay the Ashland Put Price in installments and thereafter if Marathon fails to deliver to Ashland an Ashland Put Price Election Notice within the requisite time period set forth in Section 4.04(b) for any Scheduled Installment Payment Date, Marathon shall thereafter be required to pay Ashland the entire Installment Payment in Cash on the applicable Installment Payment Date;

(v) if Marathon elects in any Ashland Put Price Election Notice to issue (or to have USX issue) to Ashland Actively Traded Marathon Equity Securities on the Closing Date (or applicable Installment Payment Date) and at any time prior to the Closing Date (or such Installment Payment Date), such Securities cease for whatever reason to be Actively Traded Marathon Equity Securities, Marathon shall thereafter be required to pay Ashland the entire Ashland Put Price (or the applicable Installment Payment) in Cash on the Closing Date (or applicable Installment Payment Date); and

(vi) if Marathon elects in any Ashland Put Price Election Notice to issue (or to have USX issue) to Ashland Actively Traded Marathon Equity Securities on the Closing Date (or applicable Installment Payment Date) and Marathon fails to give the related Required Disclosure on the applicable Required Disclosure Date, Marathon shall thereafter be required to pay to Ashland the entire Ashland Put Price (or the applicable Installment Payment) in Cash on the Closing Date (or on such Installment Payment Date).

SECTION 4.03. Method of Exercise. Ashland may exercise its Ashland Put Right by delivering to Marathon a notice of such exercise (the "Ashland Put Exercise Notice"). The date of Marathon's receipt of the Ashland Put Exercise Notice shall be deemed to be the date of Ashland's exercise of its Ashland Put Right (the "Ashland Put Exercise Date") and, except as expressly provided in Sections 9.03(a), 9.04(a) and 9.05, Ashland's exercise of its Ashland Put Right shall thereafter be irrevocable.

SECTION 4.04. Ashland Put Price Election Notice. (a) Notice re: Closing. Within five Business Days after the Appraised Value Determination Date, Marathon shall notify Ashland (a "Ashland Put Price Election Notice") as to (i) whether it elects to pay the Ashland Put Price (A) entirely at Closing or (B) in three equal installments and (ii) whether Marathon elects to pay part of the Ashland Put Price or first Installment Payment, as applicable, at Closing in Securities, and, if so, (A) the name of the issuer of such Securities, (B) the type of such Securities, (C) the portion of the Ashland Put Price or first Installment Payment, as applicable, which will be comprised of such Securities, (D) whether it elects to impose a Holding Period with respect to any of such Securities and (E) the length of any such Holding Period.

(b) Notices re: Second and Third Scheduled Installment Payment Dates. Within 45 days prior to each of the second and third Scheduled Installment Payment Dates, if applicable, Marathon shall deliver to Ashland an Ashland Put Price Election Notice as to whether Marathon elects to pay part of the applicable Installment Payment in Securities, and, if so, (i) the name of the issuer of such Securities, (ii) the type of Securities, (iii) the portion of the applicable Installment Payment which will be comprised of such Securities, (iv) whether it elects to impose a Holding Period with respect to any of such Securities and (v) the length of any such Holding Period. The date of Ashland's receipt of any Ashland Put Price Election Notice is referred to herein as the "Ashland Put Price Election Date" with respect to such Ashland Put Price Election Notice.

(c) Additional Information With Respect to Securities. If Marathon elects to pay any part of the Ashland Put Price in Securities, then in addition to the information provided to Ashland in the Ashland Put Price Election Notice pursuant to Section 4.04(a) or 4.04(b),

Marathon shall provide Ashland and its advisors with any other information concerning such Securities that Ashland or its advisors may reasonably request.

(d) Irrevocability of Elections. Marathon's elections as set forth in an Ashland Put Price Election Notice shall be irrevocable upon Ashland's receipt of such Ashland Put Price Election Notice; provided that at any time prior to the date that is ten Business Days prior to the Closing Date (or applicable Installment Payment Date) Marathon shall have the right to change a previous election to pay part of the Ashland Put Price (or applicable Installment Payment) in Securities to an election to pay a greater portion of or the entire Ashland Put Price (or applicable Installment Payment) in Cash, or to change a previous election to pay the Ashland Put Price in installments to an election to pay the entire or remaining Ashland Put Price on the Closing Date (or applicable Installment Payment Date).

SECTION 4.05. Limitation on Ashland's Ability To Exercise its Ashland Put Right If prior to the Ashland Put Exercise Date, Marathon elects to Transfer all of its Membership Interests to a third party pursuant to Section 10.01(c) of the LLC Agreement, and in connection therewith delivers to Ashland the requisite Offer Notice pursuant to Section 10.04 of the LLC Agreement, Ashland shall not be permitted to exercise its Ashland Put Right for a period commencing on the date of Ashland's receipt of such Offer Notice and ending on the earlier of (i) 120 days (270 days if a second request has been made under HSR) following such receipt, (ii) the closing of such Transfer, and (iii) the date such proposed Transfer by Marathon shall have been finally abandoned. After such period, Ashland shall be entitled to exercise its Ashland Put Right.

ARTICLE V

Termination of Certain Distributions; Revocable Proxies

SECTION 5.01. Termination of Certain Distributions (a) Distributions to Ashland. (i) Subject to Sections 9.04(a), 9.05, 9.08(a) and 9.09, in the event that Marathon exercises its Marathon Call Right or its Special Termination Right, or in the event that Ashland exercises its Ashland Put Right, then on the relevant

Exercise Date, Ashland shall cause each of its Representatives to authorize Marathon's Representatives to cause the Company to withhold from Ashland all distributions of Distributable Cash and all Tax Liability Distributions that Ashland would otherwise be entitled to receive pursuant to Article V of the LLC Agreement during the period from the relevant Exercise Date to the Closing Date, other than (i) all distributions of Distributable Cash and Tax Liability Distributions that are attributable to any Fiscal Quarter that ends on or prior to the close of business on the relevant Exercise Date, (ii) a pro rata portion of all distributions of Distributable Cash and Tax Liability Distributions that are attributable to the portion of a Fiscal Quarter that begins prior to the relevant Exercise Date and that ends after such Exercise Date and (iii) all Tax Liability Distributions that are attributable to the period from the relevant Exercise Date to the Closing Date to the extent that Ashland has any Tax Liability during such period ("Ashland Exercise Period Distributions").

(ii) Any Ashland Exercise Period Distributions withheld from Ashland pursuant to Section 5.01(a)(i) shall be distributed by the Company as follows:

(A) if at the time such distribution is so withheld, either (1) USX's Long Term Debt has an Investment Grade Rating and USX has agreed in writing to guarantee (which guarantee shall be a guarantee of payment) Marathon's obligations to pay to Ashland in the circumstances set forth in Sections 9.04(a) and 9.05 (pursuant to a guarantee agreement in form and substance reasonably satisfactory to Ashland and its counsel) or (2) Marathon's Long Term Debt has an Investment Grade Rating, then the Company shall pay such Ashland Exercise Period Distributions directly to Marathon; and

(B) if at the time such distribution is so withheld, (1) Marathon's Long Term Debt does not have an Investment Grade Rating and (2) either (x) USX's Long Term Debt does not have an Investment Grade Rating or (y) USX's Long Term Debt has an Investment Grade Rating but USX has not agreed in writing to guarantee Marathon's payment obligations described in clause (2) of subparagraph (A) above, then Marathon's Representatives shall cause the Company to, and the Company shall, deposit all Ashland Exercise Period

Distributions into an escrow account to be established by the Company (the "Escrow Account") and to release such deposits from the Escrow Account only in accordance with this Agreement. All amounts in the Escrow Account shall be invested only in Permitted Investments.

(b) Distributions to Marathon. (i) Subject to Sections 9.08(a) and 9.09, in the event that Ashland exercises its Special Termination Right in accordance with the terms hereof, then on the Special Termination Exercise Date, Marathon shall cause each of its Representatives to authorize Ashland's Representatives to cause the Company to withhold from Marathon all distributions of Distributable Cash and all Tax Liability Distributions that Marathon would otherwise be entitled to receive pursuant to Article V of the LLC Agreement during the period from the Special Termination Exercise Date to the Closing Date, other than (A) all distributions of Distributable Cash and Tax Liability Distributions that are attributable to any Fiscal Quarter that ends on or prior to the close of business on the Special Termination Exercise Date, (B) a pro rata portion of all distributions of Distributable Cash and Tax Liability Distributions that are attributable to the portion of a Fiscal Quarter that begins prior to the Special Termination Exercise Date and that ends after the Special Termination Exercise Date and (C) all Tax Liability Distributions that are attributable to the period from the Special Termination Exercise Date to the Closing Date to the extent that Marathon has any Tax Liability during such period ("Marathon Exercise Period Distributions").

(ii) Any Marathon Exercise Period Distributions withheld from Ashland pursuant to Section 5.01(a) shall be distributed by the Company as follows:

(A) if at the time such distribution is so withheld, Ashland's Long Term Debt has an Investment Grade Rating, then the Company shall pay such Marathon Exercise Period Distributions directly to Ashland; and

(B) if at the time such distribution is so withheld, Ashland's Long Term Debt does not have an Investment Grade Rating, then Ashland's Representatives shall cause the Company to, and the Company shall, deposit all Marathon Exercise Period Distributions into an Escrow Account and to release such deposits from the

Escrow Account only in accordance with this Agreement. All amounts in the Escrow Account shall be invested only in Permitted Investments.

SECTION 5.02. Revocable Proxies. (a) Ashland Representatives Revocable Proxies. Subject to Sections 9.04(a), 9.05, 9.08(a) and 9.09, in the event that Marathon exercises its Marathon Call Right or its Special Termination Right, or in the event that Ashland exercises its Ashland Put Right, then on the relevant Exercise Date, Ashland shall cause each of its Representatives to grant to Marathon's Representatives a proxy (the "Ashland Representatives Revocable Proxies") which shall authorize Marathon's Representatives to cast each Ashland Representative's vote at a Board of Managers' meeting (but not by written consent in lieu of a meeting in accordance with Section 8.04(h) of the LLC Agreement unless Marathon shall have given Ashland prior written notice of the specific action to be taken by such written consent) in favor of or against any of the Super Majority Decisions described in Sections 8.08 of the LLC Agreement, as Marathon's Representatives shall, in their sole discretion, determine, other than any vote with respect to a Super Majority Decision described in Sections 8.08(c) (admission of a new Member; issuance of additional Membership Interests), 8.08(d) (additional capital contributions), 8.08(i) (change in Company's independent auditors), 8.08(j) (amendments to LLC Agreement or other Transaction Documents to which Company or its subsidiaries is a party), 8.08(l) (bankruptcy), 8.08(m) (modification of provisions re: distributions of Distributable Cash) or 8.08(q) (delegation to a Member of power to unilaterally bind the Company), with respect to which Ashland's Representatives shall retain all of their rights and authority to vote; provided that Marathon shall not, and shall cause each of its Representatives not to, take any action through the exercise of the Ashland Representatives Revocable Proxies to cause the Company's status as a partnership for Federal income tax purposes to terminate prior to the Closing Date.

(b) Marathon Representative Revocable Proxy. Subject to Sections 9.08(a) and 9.09, in the event that Ashland exercises its Special Termination Right, then on the Special Exercise Date, Marathon shall cause each of its Representatives to grant to Ashland's Representatives a proxy (the "Marathon Representatives Revocable Proxies") which shall authorize Ashland's Representatives to cast each

Marathon Representative's vote at a Board of Managers' meeting (but not by written consent in lieu of a meeting in accordance with Section 8.04(h) of the LLC Agreement unless Ashland shall have given Marathon prior written notice of the specific action to be taken by such written consent) in favor of or against any of the Super Majority Decisions described in Sections 8.08 of the LLC Agreement, as Ashland's Representatives shall, in their sole discretion, determine, other than any vote with respect to a Super Majority Decision described in Section 8.08(c), 8.08(d), 8.08(i), 8.08(j), 8.08(l), 8.08(m) or 8.08(q) (except as expressly provided in Section 5.01), with respect to which Marathon's Representatives shall retain all of their rights and authority to vote; provided that Ashland shall not, and shall cause each of its Representatives not to, take any action through the exercise of the Marathon Representatives Revocable Proxies to cause the Company's status as a partnership for Federal income tax purposes to terminate prior to the Closing Date.

(c) Ashland LOOP/LOCAP Revocable Proxy. Subject to Sections 9.04(a), 9.05, 9.08(a) and 9.09, in the event that Marathon exercises its Marathon Call Right or its Special Termination Right, or in the event that Ashland exercises its Ashland Put Right, then on the relevant Exercise Date, Ashland shall grant to Marathon, or such other person as Marathon shall designate, a proxy (the "Ashland LOOP/LOCAP Revocable Proxy") which shall authorize Marathon and its Representatives (or such other person) to exercise on Ashland's behalf, all of Ashland's voting rights with respect to the Ashland LOOP/LOCAP Interest.

ARTICLE VI

Determination of the Appraised Value of the Company

SECTION 6.01. Determination of Appraised Value of the Company. (a) Negotiation Period. If Marathon exercises its Special Termination Right or its Marathon Call Right or if Ashland exercises its Special Termination Right or its Ashland Put Right, then for a period of 60 days following the relevant Exercise Date, Marathon and Ashland shall negotiate in good faith to seek to reach agreement as to the Market Value of the Company. If Marathon and Ashland reach such an agreement, then the Market Value of the Company shall be deemed to be the amount so agreed upon by Marathon and Ashland.

(b) Appraisal Process. In the event Marathon and Ashland are unable to reach an agreement as to the Market Value of the Company within the 60-day period referred to in Section 6.01(a), then within five Business Days after the expiration of such 60-day period (such fifth Business Day being referred to herein as the "6.01 Appraisal Process Commencement Date"), Marathon and Ashland each shall select a nationally recognized investment banking firm to (i) prepare a report which (A) sets forth such investment banking firm's determination of the Market Value of the Company (which shall be a single amount as opposed to a range) and (B) includes work papers which indicate the basis for and calculation of the Market Value of the Company (a "6.01 Appraisal Report") and (ii) deliver to Marathon or Ashland, as the case may be, an oral and written opinion addressed to such party as to the Market Value of the Company. The fees and expenses of each investment banking firm shall be paid by the party selecting such investment banking firm. Each of Marathon and Ashland shall instruct its respective investment banking firm to (i) not consult with the other investment banking firm with respect to its view as to the Market Value of the Company prior to the time that both investment banking firms have delivered their respective opinions to Marathon or Ashland, as applicable, (ii) determine the Market Value of the Company in accordance with Section 6.01(c), (iii) deliver their respective 6.01 Appraisal Reports, together with their oral and written opinions as to the Market Value of the Company (the "6.01 Initial Opinion Values"), within 60 days after the 6.01 Appraisal Process Commencement Date, and (iv) deliver a copy of its written opinion and its 6.01 Appraisal Report to the Company, the other party and the other party's investment banking firm at the time it delivers its oral and written opinion to Marathon or Ashland, as applicable.

If the 6.01 Initial Opinion Values differ and the lesser 6.01 Initial Opinion Value equals or exceeds 90% of the greater 6.01 Initial Opinion Value, the Market Value of the Company shall be deemed to be an amount equal to (i) the sum of the 6.01 Initial Opinion Values divided by (ii) two.

If the 6.01 Initial Opinion Values differ and the lesser 6.01 Initial Opinion Value is less than 90% of the greater 6.01 Initial Opinion Value, then:

(i) within two Business Days after both investment banking firms have delivered their respective opinions to Marathon or Ashland, as applicable, each investment banking firm shall, at a single meeting at which Marathon, Ashland, the Company and the other investment banking firm are present,make a presentation with respect to its 6.01 Initial Opinion Value. At such presentation, Marathon, Ashland, the Company and the other investment banking firm shall be entitled to ask questions as to the basis for and the calculation of such investment banking firm's 6.01 Initial Opinion Value; and

(ii) Marathon and Ashland shall, within five Business Days after the date Marathon and Ashland receive the 6.01 Initial Opinion Values (such fifth Business Day being referred to herein as the "6.01 Subsequent Appraisal Process Commencement Date"), jointly select a third nationally recognized investment banking firm to (A) prepare a 6.01 Appraisal Report and (B) deliver an oral and written opinion addressed to Marathon and Ashland as to the Market Value of the Company. The fees and expenses of such third investment banking firm shall be paid 50% by Marathon and 50% by Ashland. Such third investment banking firm shall not be provided with the 6.01 Initial Opinion Values and shall not consult with the initial investment banking firms with respect thereto. During such five-Business Day period, Marathon and Ashland shall negotiate in good faith to independently reach an agreement as to the Market Value of the Company. If Marathon and Ashland reach such an agreement, then the Market Value of the Company shall be deemed to be the amount so agreed upon by Marathon and Ashland. If Marathon and Ashland are unable to reach such an agreement, then Marathon and Ashland shall instruct such third investment banking firm to (A) determine the Market Value of the Company in accordance with Section 6.01(c) and (B) deliver its 6.01 Appraisal Report, together with its oral and written opinion (the "6.01 Third Opinion Value"), within 60 days after the 6.01 Subsequent Appraisal Process Commencement Date. The Market Value of the Company in such circumstance shall

be deemed to be an amount equal to (A) the sum of (x) the 6.01 Third Opinion Value plus (y) whichever of the two 6.01 Initial Opinion Values is closer to the 6.01 Third Opinion Value (or, if the 6.01 Third Opinion Value is exactly halfway between the two 6.01 Initial Opinion Values, the 6.01 Third Opinion Value), divided by (B) two.

(c) Definition of Market Value of the Company. For purposes of this Agreement, the Market Value of the Company (the "Market Value of the Company") means the fair market value of the combined common equity of the Company as of the relevant Exercise Date, (including, in the circumstance where Marathon has exercised its Marathon Call Right or its Special Termination Right or Ashland has exercised its Ashland Put Right, the Ashland LOOP/LOCAP Interest) assuming the consummation of a transaction designed to achieve the highest value of such combined common equity. In determining the Market Value of the Company, (i) consideration should be given as to (A) all possible transaction participants (other than Marathon or Ashland or their respective Affiliates) and categories of possible transactions; (B) a range of analytical methodologies, potentially including, but not limited to, the following: comparable trading analysis, comparable transaction analysis, discounted cash flow analysis, leveraged buyout analysis and break-up analysis; and (C) the value to the Company of all indemnification obligations of Marathon, USX and Ashland in favor of the Company pursuant to any Transaction Document (including, without limitation, Article IX of the Asset Transfer and Contribution Agreement), to the extent such indemnification obligations remain in effect after the Closing and (ii) no separate incremental value will be attributed to the Ashland LOOP/LOCAP Interest. In determining the Market Value of the Company, no consideration should be given to the values that are initially assigned to assets of the Company for purchase accounting or tax accounting purposes. The Market Value of the Company as determined pursuant to this Section 6.01 is referred to herein as the "Appraised Value of the Company", and the date on which the Market Value of the Company is so determined is referred to herein as the "Appraised Value Determination Date".

ARTICLE VII

Determination of the Fair Market Value of Securities

SECTION 7.01. General The fair market value of any Securities to be issued to Ashland on the Closing Date and on any subsequent Installment Payment Date, shall be determined pursuant to the following procedures (the fair market value of such Securities as so determined being the "Fair Market Value" of such Securities).

SECTION 7.02. Determination of Fair Market Value of Marathon Debt Securities. The Fair Market Value of any Marathon Debt Securities shall be deemed to be an amount equal to the aggregate stated principal amount of such Marathon Debt Securities.

SECTION 7.03. Determination of Fair Market Value of Actively Traded Marathon Equity Securities. (a) Fair Market Value Where There is No Holding Period. The Fair Market Value of any Actively Traded Marathon Equity Securities to be issued to Ashland on the Closing Date or applicable Installment Payment Date for which Marathon has not elected a Holding Period shall be deemed to be an amount equal to the product of (i) the aggregate number of such Actively Traded Marathon Equity Securities to be issued to Ashland multiplied by (ii) the Weighted Average Price (as defined below) of such Actively Traded Marathon Equity Securities on the National Market System of the NASDAQ or the relevant National Securities Exchange, as reported by The Wall Street Journal or, if not reported thereby, as reported by any other authoritative source, for the ten full Trading Days immediately preceding the Business Day immediately preceding the Closing Date or applicable Installment Payment Date; provided that at least five Trading Days prior to the commencement of such ten full Trading Day period (the "Required Disclosure Date"), Marathon shall have made appropriate public disclosure (including by issuing a press release and filing a copy of such press release with the Commission) of (A) the existence of the Transaction, (B) the Ashland Put Price and (C) the information required to be included in the Ashland Put Price Election Notice (each such public disclosure being a "Required Disclosure"). Marathon shall provide Ashland with a copy of each Required Disclosure prior to Marathon making such disclosure public. Any such Required Disclosure shall be in form and substance reasonably satisfactory to Ashland

and its counsel. For purposes of this Section 7.03(a), the "Weighted Average Price" means the quotient of (1) the product of (x) the number of shares in each trade in such Actively Traded Marathon Equity Securities that occurred during such ten full Trading Day period multiplied by (y) the price at which each such trade occurred, divided by (2) the total number of shares traded in such Actively Traded Marathon Equity Securities that occurred during such ten full Trading Day period. In the event of (i) any split, combination or reclassification of the class of Actively Traded Marathon Equity Securities to be issued to Ashland on the Closing Date or applicable Installment Payment Date, (ii) any issuance or the authorization of any issuance of any other securities in exchange or in substitution for the shares of such class of Actively Traded Marathon Equity Securities or (iii) any issuance or declaration of cash or stock dividends or other distributions with respect to such class of Actively Traded Marathon Equity Securities, in each case at any time during the ten full Trading Day period referred to above, Marathon and Ashland shall make such adjustment to the Fair Market Value of such Actively Traded Equity Securities determined pursuant to this Section 7.03(a) as Marathon and Ashland shall mutually agree so as to preserve the economic benefits to Ashland expected on the date of this Agreement as a result of the issuance to it of such Actively Traded Marathon Equity Securities as part of the Ashland Put Price.

(b) Fair Market Value Where There is a Holding Period. In the event that Marathon elects pursuant to Section 4.04(a) or 4.04(b) to impose a Holding Period on any Actively Traded Marathon Equity Securities, the Fair Market Value of such Actively Traded Marathon Equity Securities shall be deemed to be an amount equal to (i) the Fair Market Value of such Actively Traded Marathon Equity Securities as determined pursuant to Section 7.03(a), minus (ii) a discount factor that takes into account such limitation on Ashland's ability to freely trade such Actively Traded Marathon Equity Securities (a "7.03(b) Discount Amount") The 7.03(b) Discount Amount with respect to the Fair Market Value of such Actively Traded Marathon Equity Securities shall be determined pursuant to the following procedures:

(i) Negotiation Period. For a period of 15 days following the applicable Ashland Put Price Election Date, Marathon and Ashland will negotiate in good faith to seek to reach an agreement as to the 7.03(b)

Discount Amount. If Marathon and Ashland reach such an agreement, then the 7.03(b) Discount Amount shall be deemed to be the amount so agreed upon by Marathon and Ashland.

(ii) Appraisal Process. In the event Marathon and Ashland are unable to reach an agreement as to the 7.03(b) Discount Amount within the 15-day period referred to in clause (i) above, then within five Business Days after the expiration of such 15-day period (such fifth Business Day being referred to herein as the "7.03(b) Appraisal Process Commencement Date"), Marathon and Ashland each shall select a nationally recognized investment banking firm to (A) prepare a report which (1) sets forth such investment banking firm's determination of the 7.03(b) Discount Amount (which shall be a single amount as opposed to a range) and (2) includes work papers which indicate the basis for and the calculation of the 7.03(b) Discount Amount (a "7.03(b) Appraisal Report") and (B) deliver to Marathon or Ashland, as the case may be, an oral and written opinion addressed to such party as to the 7.03(b) Discount Amount. The fees and expenses of each investment banking firm shall be paid by the party selecting such investment banking firm. Each of Marathon and Ashland shall instruct its respective investment banking firm to (i) not consult with the other investment banking firm with respect to its view as to the 7.03(b) Discount Amount prior to the time that both investment banking firms have delivered their respective opinions to Marathon and Ashland, as applicable, (ii) deliver their respective 7.03(b) Appraisal Reports, together with their oral and written opinions as to the 7.03(b) Discount Amount (the "7.03(b) Initial Opinion Values"), within 15 days after the 7.03(b) Appraisal Process Commencement Date, and (iii) deliver a copy of its written opinion and its 7.03(b) Appraisal Report to the Company, the other party and the other party's investment banking firm at the time it delivers its oral and written opinion to Marathon or Ashland, as applicable.

If the 7.03(b) Initial Opinion Values differ and the lesser 7.03(b) Initial Opinion Value equals or exceeds 90% of the greater 7.03(b) Initial Opinion Value, the 7.03(b) Discount Amount shall be deemed to

be an amount equal to (1) the sum of the 7.03(b) Initial Opinion Values divided by (2) two.

If the 7.03(b) Initial Opinion Values differ and the lesser 7.03(b) Initial Opinion Value is less than 90% of the greater 7.03(b) Initial Opinion Value, then:

(i) within two Business Days after both investment banking firms have delivered their respective opinions to Marathon or Ashland, as applicable, each investment banking firm shall, at a single meeting at which Marathon, Ashland, the Company and the other investment banking firm are present, make a presentation with respect to its 7.03(b) Initial Opinion Value. At such presentation, Marathon, Ashland, the Company and the other investment banking firm shall be entitled to ask questions as to the basis for and the calculation of such investment banking firm's 7.03(b) Initial Opinion Value; and

(ii) Marathon and Ashland shall, within five Business Days after the date Marathon and Ashland receive the 7.03(b) Initial Opinion Values (such fifth Business Day being referred to herein as the "7.03(b) Subsequent Appraisal Process Commencement Date"), jointly select a third nationally recognized investment banking firm to (i) prepare a 7.03(b) Appraisal Report and (ii) deliver an oral and written opinion addressed to Marathon and Ashland as to the 7.03(b) Discount Amount. The fees and expenses of such third investment banking firm shall be paid 50% by Marathon and 50% by Ashland. Such third investment banking firm shall not be provided with the 7.03(b) Initial Opinion Values and shall not consult with the initial investment banking firms with respect thereto. During such five-Business Day period, Marathon and Ashland shall negotiate in good faith to independently reach an agreement as to the 7.03(b) Discount Amount. If Marathon and Ashland reach such an agreement, then the 7.03(b) Discount Amount shall be deemed to be the amount so agreed upon by Marathon and Ashland. If Marathon and Ashland are unable to reach such an agreement, then Marathon and Ashland shall instruct such third investment banking firm to deliver its 7.03(b) Appraisal Report, together with its oral and written opinion as to the 7.03(b) Discount Amount (the "7.03(b) Third Opinion Value"),

within 15 days after the 7.03(b) Subsequent Appraisal Process Commencement Date. The 7.03(b) Discount Amount in such circumstance shall be deemed to be an amount equal to (1) the sum of (x) the 7.03(b) Third Opinion Value plus (y) whichever of the two 7.03(b) Initial Opinion Values is closer to the 7.03(b) Third Opinion Value (or, if the 7.03(b) Third Opinion Value is exactly halfway between the two 7.03(b) Initial Opinion Values, the 7.03(b) Third Opinion Value), divided by (2) two.

SECTION 7.04. Determination of Fair Market Value of Non-Actively Traded Marathon Equity Securities (a) Negotiation Period. If Marathon proposes to issue (or to have issued) to Ashland Marathon Equity Securities that are not Actively Traded Marathon Equity Securities, then for a period of 15 days following the applicable Ashland Put Price Election Date, Marathon and Ashland will negotiate in good faith to seek to reach an agreement as to the Fair Market Value of such Marathon Equity Securities, taking into account, if there is a Holding Period, a discount factor that takes into account such limitation on Ashland's ability to freely trade such Marathon Equity Securities (a "7.04 Discount Amount"). If Marathon and Ashland reach such an agreement, then the Fair Market Value of such Marathon Equity Securities shall be deemed to be the amount so agreed upon by Marathon and Ashland.

(b) Appraisal Process. In the event Marathon and Ashland are unable to reach an agreement as to such Fair Market Value of Marathon Equity Securities and such 7.04 Discount Amount, if any, within the 15-day period referred to in clause (a) above, then within five Business Days after the expiration of such 15-day period (such fifth Business Day being referred to herein as the "7.04 Appraisal Process Commencement Date"), Marathon and Ashland each shall select a nationally recognized investment banking firm to (i) prepare a report which (1) sets forth such investment banking firm's determination of the Fair Market Value of such Marathon Equity Securities (which shall be a single amount as opposed to a range), taking into account, if there is a Holding Period, a 7.04 Discount Amount, which is determined by such investment banking firm, and (2) includes work papers which separately indicate the basis for and the calculation of the Fair Market Value of such Marathon Equity Securities and, if there is a Holding Period, the basis for and the calculation of the 7.04 Discount Amount (a "7.04

Appraisal Report") and (ii) deliver to Marathon or Ashland, as the case may be, an oral and written opinion addressed to such party as to the Fair Market Value of such Marathon Equity Securities (which opinion shall take into account a 7.04 Discount Amount if there is a Holding Period with respect to such Marathon Equity Securities). The fees and expenses of each investment banking firm shall be paid by the party selecting such investment banking firm. Each of Marathon and Ashland shall instruct its respective investment banking firm to (i) not consult with the other investment banking firm with respect to its view as to the Fair Market Value of such Marathon Equity Securities and the 7.04 Discount Amount prior to the time that both investment banking firms have delivered their respective opinions to Marathon and Ashland, as applicable, (ii) deliver their respective 7.04 Appraisal Reports, together with their oral and written opinions as to the Fair Market Value of such Marathon Equity Securities (the "7.04 Initial Opinion Values"), within 15 days after the 7.04 Appraisal Process Commencement Date, and (iii) deliver a copy of its written opinion and its 7.04 Appraisal Report to the Company, the other party and the other party's investment banking firm at the time it delivers its oral and written opinion to Marathon or Ashland, as applicable.

If the 7.04 Initial Opinion Values differ and the lesser 7.04 Initial Opinion Value equals or exceeds 90% of the greater 7.04 Initial Opinion Value, the Fair Market Value of such Marathon Equity Securities shall be deemed to be an amount equal to (1) the sum of the 7.04 Initial Opinion Values divided by (2) two.

If the 7.04 Initial Opinion Values differ and the lesser 7.04 Initial Opinion Value is less than 90% of the greater 7.04 Initial Opinion Value, then:

(i) within two Business Days after both investment banking firms have delivered their respective opinions to Marathon or Ashland, as applicable, each investment banking firm shall, at a single meeting at which Marathon, Ashland, the Company and the other investment banking firm are present, make a presentation with respect to its 7.04 Initial Opinion Value. At such presentation, Marathon, Ashland, the Company and the other investment banking firm shall be entitled to ask questions as to the basis for and the calculation of

such investment banking firm's 7.04 Initial Opinion Value; and

(ii) Marathon and Ashland shall, within five Business Days after the date Marathon and Ashland receive the 7.04 Initial Opinion Values (such fifth Business Day being referred to herein as the "7.04 Subsequent Appraisal Process Commencement Date"), jointly select a third nationally recognized investment banking firm to (i) prepare a 7.04 Appraisal Report and (ii) deliver an oral and written opinion addressed to Marathon and Ashland as to the Fair Market Value of such Marathon Equity Securities (which opinion shall take into account a 7.04 Discount Amount if there is a Holding Period with respect to such Marathon Equity Securities). The fees and expenses of such third investment banking firm shall be paid 50% by Marathon and 50% by Ashland. Such third investment banking firm shall not be provided with the 7.04 Initial Opinion Values and shall not consult with the initial investment banking firms with respect thereto. During such five-Business Day period, Marathon and Ashland shall negotiate in good faith to independently reach an agreement as to the Fair Market Value of such Marathon Equity Securities. If Marathon and Ashland reach such an agreement, then the Fair Market Value of such Marathon Equity Securities shall be deemed to be the amount so agreed upon by Marathon and Ashland. If Marathon and Ashland are unable to reach such an agreement, then Marathon and Ashland shall instruct such third investment banking firm to deliver its 7.04 Appraisal Report, together with its oral and written opinion as to the Fair Market Value of such Marathon Equity Securities (the "7.04 Third Opinion Value"), within 15 days after the 7.04 Subsequent Appraisal Process Commencement Date. The Fair Market Value of such Marathon Equity Securities in such circumstance shall be deemed to be an amount equal to (i) the sum of (x) the 7.04 Third Opinion Value plus (y) whichever of the two 7.04 Initial Opinion Values is closer to the 7.04 Third Opinion Value (or, if the 7.04 Third Opinion Value is exactly halfway between the two 7.04 Initial Opinion Values, the 7.04 Third Opinion Value), divided by (ii) two.

ARTICLE VIII

Certain Matters Relating to Securities

SECTION 8.01. Certain Requirements with Respect to Marathon Debt Securities. All debt securities issued to Ashland pursuant to Section 4.02(c) shall (i) be unsecured senior public fixed income debt securities of (a) USX or (b) Marathon and fully guaranteed as to performance by USX; (ii) have maturities of 5 to 7 years; (iii) have yields which are comparable to those of 5 to 7 year public debt instruments issued by companies whose Long Term Debt at the time of the issuance of such debt securities to Ashland is rated by S&P and Moody's at least equal to the respective ratings by S&P and Moody's of USX's Long Term Debt; (iv) be priced to trade at par initially; and (v) have covenants substantially the same as those included in other outstanding senior publicly traded debt instruments of USX, including a negative pledge providing for pari passu security rights and usual and customary successorship provisions concerning changes in USX's ownership (all such debt securities are referred to herein as "Marathon Debt Securities").

SECTION 8.02. Procedures with Respect to the Issuance of Securities All Securities to be issued hereunder shall be accompanied on the Closing Date or applicable Installment Payment Date by (i) a certificate from an authorized officer of the Issuer and (ii) an opinion from such Issuer's counsel, in each case as to such matters as Ashland may reasonably request, including, but not limited to the matters substantially as follows (which shall be made as of the Closing Date or applicable Installment Payment Date):

(i) the Issuer is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation with the power and authority to own, lease and operate its assets and to conduct the business now being or to be conducted by it. The Issuer is duly authorized, qualified or licensed to do business as a foreign corporation or other organization in good standing in each of the jurisdictions in which its right, title or interest in or to any of the assets held by it or the business conducted by it requires such authorization, qualification or licensing, except where the failure to

be so authorized, qualified, licensed or in good standing would not, individually or in the aggregate, result in an Issuer Material Adverse Effect;

(ii) the Issuer's authorized capitalization is as set forth in its Exchange Act filings (or, in the circumstance where Ashland has made a Demand Registration, as set forth in the Registration Statement or Offering Memorandum, as applicable, with respect to such Securities). All of the outstanding equity securities of the Issuer are duly and validly authorized and issued, are fully paid and nonassessable and were not issued in violation of or subject to any preemptive rights or other contractual rights to purchase securities;

(iii) if such Securities are Marathon Equity Securities, such Securities are duly authorized, validly issued and outstanding, are fully paid and nonassessable, and were not issued in violation of or subject to any preemptive rights or other contractual rights to purchase securities;

(iv) if such Securities are Marathon Debt Securities, such Securities have been duly authorized and validly issued by the Issuer and constitute legal, valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms, except as such enforcement is subject to the effect of any applicable bankruptcy, insolvency, reorganization or other law relating to or affecting creditors' rights generally and general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law);

(v) such Securities conform in all material respects to the description thereof contained in the Issuer's Exchange Act filings (or, in the circumstance where Ashland has made a Demand Registration, to the description thereof contained in the Registration Statement or Offering Memorandum, as applicable, with respect to such Securities) and the certificates evidencing such Securities will be, upon issuance, in due and proper form;

(vi) if such Securities are Marathon Equity Securities, such Securities have been authorized

conditionally for listing on each national securities exchange on which the other securities of the Issuer of the same class are listed at the time of the Closing Date or Installment Payment Date, subject to issuance and certain other conditions that are not material;

(vii) if such Securities are Marathon Debt Securities, the execution and delivery by the Issuer of each agreement pursuant to which such Securities have been issued or which relate to such Securities (each, a "Securities Document") and the consummation by it of the transactions contemplated thereby have been duly authorized and approved by all necessary corporate or other action on the part of the Issuer. Each Securities Document has been duly executed and delivered by the Issuer and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as such enforcement is subject to the effect of any applicable bankruptcy, insolvency, reorganization or other law relating to or affecting creditors' rights generally and general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law);

(viii) neither the execution and delivery by the Issuer of the Securities Documents (in the case of Marathon Debt Securities), nor the issuance of the Securities pursuant to this Agreement and/or such Securities Documents will (a) conflict with, or results in the breach of any provision of, the charter or by-laws or similar governing or organizational documents of the Issuer or any of its subsidiaries, (b) violate any Applicable Law or any permit, order, award, injunction, decree or judgment of any Governmental Authority applicable to or binding upon the Issuer or any of its subsidiaries or to which any of their respective properties is subject or (c) violate, conflict with or result in the breach or termination of, or otherwise give any other person the right to terminate, or constitute a default, event of default or an event which with notice, lapse of time or both, would constitute a default or event of default under the terms of, any mortgage, indenture, deed of trust or lease or other agreement or instrument to which the Issuer or any of its subsidiaries is a party or by which any of their respective properties or

assets is subject, except, in the case of clauses (b) and (c) for such violations, conflicts, breaches, terminations and defaults which would not, individually or in the aggregate, result in an Issuer Material Adverse Effect; and

(ix) except as set forth on a schedule to such certificate or opinion, no Governmental Approval or other consent is required by the Issuer for the execution and delivery by it of the Securities Documents (in the case of Marathon Debt Securities) or the issuance of the Securities pursuant to this Agreement and/or such Securities Documents, except (a) for such Governmental Approvals or other consents as have been obtained or (b) where the failure to obtain such Governmental Approvals or other consents would not, individually or in the aggregate, result in an Issuer Material Adverse Effect.

If any Securities are issued by Marathon and guaranteed by USX, each of Marathon and USX shall provide Ashland with a certificate and an opinion of counsel in accordance with this Section 8.02.

SECTION 8.03. Holding Period If Marathon elects (by so notifying Ashland in the Ashland Put Price Election Notice) to impose a Holding Period with respect to sales by Ashland of Marathon Equity Securities issued to Ashland on the Closing Date or on an Installment Payment Date, as applicable, then Ashland shall not be permitted to sell such Marathon Equity Securities during such Holding Period. The term "Holding Period", with respect to any Marathon Equity Securities, means the period commencing on the Closing Date or applicable Installment Payment Date and ending on such later date as Marathon shall state in the Ashland Put Price Election Notice; provided that the length of a Holding Period with respect to any Marathon Equity Securities shall in no event exceed 30 days.

SECTION 8.04. Manner of Sale of Marathon Equity Securities Ashland agrees to sell all Marathon Equity Securities (i) pursuant to a bona fide Underwritten Public Offering managed by one or more Bulge Bracket Investment Banking Firms selected by Ashland, or by one or more other investment banking firms selected by Ashland and to which Marathon or USX shall not have reasonably objected, in a manner reasonably designed to effect a broad distribution of

such Marathon Equity Securities (a "Qualifying Public Offering"), (ii) to any person, provided that after giving effect to such sale such person beneficially owns, together with such person's Affiliates, no more than 5% of the Marathon Equity Securities of the relevant issuer then outstanding on a fully diluted basis (a "Fully Distributed Sale") or (iii) to a broker or underwriter selected by Ashland who agrees to effect any subsequent transfer by it of such Marathon Equity Securities in a Qualifying Public Offering or a Fully Distributed Sale.

ARTICLE IX

Closing; Conditions to Closing; Consequences of Delay

SECTION 9.01. Closing (a) Closing Date. The closing (the "Closing") of (i) the purchase and sale of Ashland's Membership Interests and the Ashland LOOP/LOCAP Interest pursuant to Marathon's exercise of its Special Termination Right or Marathon Call Right or Ashland's exercise of its Ashland Put Right or (ii) the purchase and sale of Marathon's Membership Interests pursuant to Ashland's exercise of its Special Termination Right, shall be held at the offices of Marathon, at 10:00 a.m. on the later of (x) the 60th day after the Appraised Value Determination Date (or at such other place or at such other time or such other date as Marathon and Ashland shall mutually agree) (the "Scheduled Closing Date") and (y) the fifth Business Day following the satisfaction or waiver of all conditions to the obligations of Marathon and Ashland set forth in Section 9.02. The date on which the Closing actually occurs is referred to herein as the "Closing Date".

(b) Purchase Procedures in the Event of the Exercise by Marathon of its Special Termination Right or its Marathon Call Right. In the event that Marathon exercises its Special Termination Right or Marathon Call Right, at the Closing:

(i) Marathon shall deliver to Ashland, in Cash or by wire transfer to a bank account designated in writing by Ashland, immediately available funds in an amount equal to the sum of (x) the Special Termination Price or Marathon Call Price, as applicable, plus (y) the amount of interest payable pursuant to Section 3.01, plus (z) the amount of interest, if any,

payable pursuant to Section 9.04(b), 9.05, 9.08(b) or 9.09;

(ii) Ashland shall Transfer to Marathon (or, if Marathon so elects by written notice to Ashland, a Wholly Owned Subsidiary of Marathon or USX) in accordance with Article X of the LLC Agreement, all of Ashland's Membership Interests;

(iii) Ashland shall Transfer to Marathon or, if Marathon so elects by written notice to Ashland, to the Company or such other person as Marathon shall direct, the Ashland LOOP/LOCAP Interest; and

(iv) the Company shall release to Marathon any amounts held in the Escrow Account, including any income earned thereon.

(c) Purchase Procedures in the Event of the Exercise by Ashland of its Ashland Put Right. In the event that Ashland exercises its Ashland Put Right, at the Closing:

(i) Marathon shall deliver to Ashland, in Cash or by wire transfer to a bank account designated in writing by Ashland, immediately available funds in an amount equal to the sum of (x) the Cash portion of the Ashland Put Price or first Installment Payment, as applicable, plus (y) the amount of interest payable pursuant to Section 4.01, plus (z) the amount of interest, if any, payable pursuant to Section 9.04(b), 9.05, 9.08(b) or 9.09;

(ii) Marathon and/or USX, as applicable, shall issue the Securities to be issued on the Closing Date, if any, which Securities shall be accompanied by the certificate(s) and opinion(s) referred to in Section 8.02;

(iii) Ashland shall Transfer to Marathon or, if Marathon so elects by written notice to Ashland, a Wholly Owned Subsidiary of Marathon or USX in accordance with Article X of the LLC Agreement, all of Ashland's Membership Interests;

(iv) Ashland shall Transfer to Marathon or, if Marathon so elects by written notice to Ashland, to the

Company or such other person as Marathon shall direct, the Ashland LOOP/LOCAP Interest; and

(v) the Company shall release to Marathon any amounts held in the Escrow Account, including any income earned thereon.

In addition, on each of two remaining Scheduled Installment Payment Dates, if any, (i) Marathon shall deliver to Ashland, in Cash or by wire transfer to a bank account (which bank account has been designated in writing by Ashland at least two Business Days prior to the applicable Installment Payment Date), immediately available funds in an amount equal to the sum of (x) the Cash portion of the second and third Installment Payments, respectively, plus (y) the amount of interest payable pursuant to Section 4.01, plus (z) the amount of interest, if any, payable pursuant to Section 9.04(b) or 9.05; and (ii) Marathon and/or USX, as applicable, shall issue the Securities to be issued on such Installment Payment Dates, if any, which Securities shall be accompanied by the certificate(s) and opinion(s) referred to in Section 8.02.

(d) Purchase Procedures in the Event of the Exercise by Ashland of its Special Termination Right. In the event that Ashland exercises its Special Termination Right at the Closing:

(i) Ashland shall deliver to Marathon, in Cash or by wire transfer to a bank account designated in writing by Marathon, immediately available funds in an amount equal to the sum of (x) the Special Termination Price plus (y) the amount of interest payable pursuant to Section 2.01, plus (z) the amount of interest, if any, payable pursuant to Section 9.08(b) or 9.09;

(ii) Marathon shall Transfer to Ashland (or, if Ashland so elects by written notice to Marathon, a Wholly Owned Subsidiary of Ashland) in accordance with Article X of the LLC Agreement, all of Marathon's Membership Interests; and

(iii) the Company shall release to Ashland any amounts held in the Escrow Account, including any income earned thereon.

SECTION 9.02. Conditions to Closing (a) Marathon's Obligation in the Event of an Exercise by Marathon of its Special Termination Right or its Marathon Call Right or an Exercise by Ashland of its Ashland Put Right. Marathon's obligation to purchase and pay for Ashland's Membership Interests and the Ashland LOOP/LOCAP Interest pursuant to this Agreement in the event of an exercise by Marathon of its Special Termination Right or its Marathon Call Right or in the event of an exercise by Ashland of its Ashland Put Right is subject in each case to the satisfaction (or waiver by Marathon) as of the Closing of the following conditions:

(i) As of the Closing Date, there shall be no (i) injunction or restraining order of any nature issued by any Governmental Authority which directs, or which has the effect of directing, that the Closing shall not be consummated as herein provided or (ii) investigation, action or other proceeding that shall have been brought by any Governmental Authority and be pending on the Closing Date, or that shall have been threatened by any Governmental Authority, in any such case against Marathon or Ashland in connection with the consummation of the transactions contemplated by this Agreement which is reasonably likely to result in an injunction or restraining order which directs, or which has the effect of directing, that the Closing shall not be consummated as herein provided;

(ii) the waiting period under the HSR Act, if applicable to the purchase and sale of Ashland's Membership Interests pursuant to this Agreement shall have expired or been terminated; and

(iii) Ashland shall have Transferred to Marathon (or, if Marathon shall have so elected by written notice to Ashland, a Wholly Owned Subsidiary of Marathon or USX) all of its Membership Interests on the Closing Date free and clear of all Liens.

It is understood and agreed that a breach by Ashland of any of its representations or warranties in this Agreement shall not constitute a condition to Marathon's obligation to purchase and pay for Ashland's Membership Interests and the Ashland LOOP/LOCAP Interest pursuant to this Agreement in the circumstances set forth above; provided that Marathon shall not be deemed to have waived any right to make a Claim

against Ashland with respect to any Loss that Marathon suffers as a result of any such breach.

(b) Ashland's Obligation in the Event of an Exercise by Marathon of its Special Termination Right or its Marathon Call Right or an Exercise by Ashland of its Ashland Put Right. Ashland's obligation to sell its Membership Interests and the Ashland LOOP/LOCAP Interest to Marathon pursuant to this Agreement in the event of an exercise by Marathon of its Special Termination Right or its Marathon Call Right or in the event of an exercise by Ashland of its Ashland Put Right is subject in each case to the satisfaction (or waiver by Ashland) as of the Closing of the following conditions:

(i) As of the Closing Date, there shall be no (i) injunction or restraining order of any nature issued by any Governmental Authority which directs, or which has the effect of directing, that the Closing shall not be consummated as herein provided or (ii) investigation, action or other proceeding that shall have been brought by any Governmental Authority and be pending on the Closing Date, or threatened by any Governmental Authority, in any such case against Marathon or Ashland in connection with the consummation of the transactions contemplated by this Agreement which is reasonably likely to result in an injunction or restraining order which directs, or which has the effect of directing, that the Closing shall not be consummated as herein provided;

(ii) the waiting period under HSR Act, if applicable to the purchase and sale of Ashland's Membership Interests pursuant to this Agreement shall have expired or been terminated;

(iii) Marathon shall have delivered to Ashland, in Cash or by wire transfer to a bank account designated in writing by Ashland, immediately available funds in an amount equal to (x) the Special Termination Price or Marathon Call Price, as applicable, or the Cash portion of the Ashland Put Price or applicable Installment Payment, plus (y) the amount of interest payable pursuant to Section 3.01 or 4.01, as applicable, plus (z) the amount of interest, if any, payable pursuant to Section 9.04(b) or 9.05; and

(iv) Marathon or USX, as applicable, shall have issued the Securities to be issued on the Closing Date, if any, accompanied by the certificate(s) and opinion(s) referred to in Section 8.02.

It is understood and agreed that a breach by Marathon or USX of any of its respective representations or warranties in this Agreement shall not constitute a condition to Ashland's obligation to sell its Membership Interests and the Ashland LOOP/LOCAP Interest to Marathon pursuant to this Agreement in the circumstances set forth above; provided that Ashland shall not be deemed to have waived any right to make a Claim against Marathon or USX with respect to any Loss that Ashland suffers as a result of any such breach.

(c) Ashland's Obligation in the Event of an Exercise by Ashland of its Special Termination Right. Ashland's obligation to purchase and pay for Marathon's Membership Interests pursuant to this Agreement in the event of an exercise by Ashland of its Special Termination Right is subject to the satisfaction (or waiver by Ashland) as of the Closing of the following conditions:

(i) As of the Closing Date, there shall be no (i) injunction or restraining order of any nature issued by any Governmental Authority which directs, or which has the effect of directing, that the Closing shall not be consummated as herein provided or (ii) investigation, action or other proceeding that shall have been brought by any Governmental Authority and be pending on the Closing Date, or that shall have been threatened by any Governmental Authority, in any such case against Marathon or Ashland in connection with the consummation of the transactions contemplated by this Agreement which is reasonably likely to result in an injunction or restraining order which directs, or which has the effect of directing, that the Closing shall not be consummated as herein provided;

(ii) the waiting period under the HSR Act, if applicable to the purchase and sale of Marathon's Membership Interests pursuant to this Agreement shall have expired or been terminated; and

(iii) Marathon shall have Transferred to Ashland (or, if Ashland shall have so elected by written notice to Marathon, a Wholly Owned Subsidiary of Ashland) all

of its Membership Interests on the Closing Date free and clear of all Liens.

It is understood and agreed that a breach by Marathon or USX of any of its respective representations or warranties in this Agreement shall not constitute a condition to Ashland's obligation to purchase and pay for Marathon's Membership Interests pursuant to this Agreement in the circumstances set forth above; provided that Ashland shall not be deemed to have waived any right to make a Claim against Marathon or USX with respect to any Loss that Ashland suffers as a result of any such breach.

(d) Marathon's Obligation in the Event of an Exercise by Ashland of its Special Termination Right. Marathon's obligation to sell its Membership Interests to Ashland pursuant to this Agreement in the event of an exercise by Ashland of its Special Termination Right is subject to the satisfaction (or waiver by Marathon) as of the Closing of the following conditions:

(i) As of the Closing Date, there shall be no (i) injunction or restraining order of any nature issued by any Governmental Authority which directs, or which has the effect of directing, that the Closing shall not be consummated as herein provided or (ii) investigation, action or other proceeding that shall have been brought by any Governmental Authority and be pending on the Closing Date, or threatened by any Governmental Authority, in any such case against Marathon or Ashland in connection with the consummation of the transactions contemplated by this Agreement which is reasonably likely to result in an injunction or restraining order which directs, or which has the effect of directing, that the Closing shall not be consummated as herein provided;

(ii) the waiting period under HSR Act, if applicable to the purchase and sale of Marathon's Membership Interests pursuant to this Agreement shall have expired or been terminated; and

(iii) Ashland shall have delivered to Marathon, in Cash or by wire transfer to a bank account designated in writing by Marathon, immediately available funds in an amount equal to (x) the Special Termination Price plus (y) the amount of interest payable pursuant to

Section 2.01 plus (z) the amount of interest, if any, payable pursuant to Section 9.08(b) or 9.09.

It is understood and agreed that a breach by Ashland of any of its representations or warranties in this Agreement shall not constitute a condition to Marathon's obligation to sell its Membership Interests to Ashland pursuant to this Agreement in the circumstances set forth above; provided that Marathon shall not be deemed to have waived any right to make a Claim against Ashland with respect to any Loss that Marathon suffers as a result of any such breach.

(e) Consequences of Inability To Transfer the Ashland LOOP/LOCAP Interest on the Closing Date. It shall not be a condition to the Closing of the Marathon Call Right, the Ashland Put Right or the Marathon Special Termination Right, as applicable, that Ashland shall have Transferred the Ashland LOOP/LOCAP Interest to Marathon, the Company or such other person as Marathon shall direct. In the event that any consents or approvals required for such Transfer are not obtained prior to the Closing of the Marathon Call Right, the Ashland Put Right or the Marathon Special Termination Right, as applicable, and as a consequence Ashland is not able to Transfer the Ashland LOOP/LOCAP Interest to Marathon, the Company or such other person as Marathon shall direct, as applicable, on the Closing Date, the parties hereto shall use their commercially reasonable best efforts to achieve any lawful and reasonable (including with respect to the costs and expenses to be borne by Ashland) arrangement proposed by Marathon under which Marathon or the Company, as applicable, shall obtain the economic claims, rights and benefits under the Ashland LOOP/LOCAP Interest. Such reasonable arrangement may include (i) Ashland subcontracting, sublicensing or subleasing to Marathon, the Company or such other person as Marathon shall direct, as applicable, any and all of Ashland's rights, and delegating all of Ashland's obligations, under the Ashland LOOP/LOCAP Interest, and (ii) Ashland granting to Marathon, the Company or such other person as Marathon shall direct, as applicable, a proxy (the "Ashland LOOP/LOCAP Irrevocable Proxy") which shall authorize such party to exercise on Ashland's behalf, all of Ashland's voting rights with respect to the Ashland LOOP/LOCAP Interest. The costs and expenses incurred in connection with any such arrangements shall be borne 62% by Marathon and 38% by Ashland.

SECTION 9.03. Consequences of a Delayed Closing of the Marathon Call Right or the Ashland Put Right Where Ashland Is at Fault. (a) Right to Revoke Ashland Put Exercise Notice or Marathon Call Exercise Notice. If the Closing of the Marathon Call Right or the Ashland Put Right shall not have occurred on or prior to the date that is 180 days after the Scheduled Closing Date, and (i) the delay is due to (x) a failure by Ashland to timely perform in any material respect any of its covenants and agreements contained herein or (y) the fact that any of Ashland's representations and warranties contained herein have ceased to be true and correct in any material respect, and (ii) neither Marathon nor USX shall have (x) failed to timely perform in any material respect any of its covenants and agreements contained herein or (y) breached any of its representations and warranties contained herein in any material respect, then Marathon shall thereafter have the right, exercisable at any time prior to the Closing by written notice to Ashland, to revoke Ashland's Ashland Put Exercise Notice or its Marathon Call Exercise Notice, as applicable.

(b) Adjustment to Ashland Put Price or Marathon Call Price. If the Closing of the Marathon Call Right or the Ashland Put Right does not occur on the Scheduled Closing Date, and (i) the delay is due to (x) a failure by Ashland to timely perform in any material respect any of its covenants and agreements contained herein or (y) the fact that any of Ashland's representations and warranties contained herein have ceased to be true and correct in any material respect, and (ii) neither Marathon nor USX shall have (x) failed to timely perform in any material respect any of its covenants and agreements contained herein or (y) breached any of its representations and warranties contained herein in any material respect, then on such later date on which the Closing actually takes place (such later date being the "Delayed Closing Date") Marathon shall deduct from the Marathon Call Price or the Ashland Put Price (or the first Installment Payment, as applicable) payable to Ashland on the Delayed Closing Date, an amount equal to the amount of interest accrued during the period commencing at 12:01 a.m. on the day immediately following the Scheduled Closing Date and ending on and including the Delayed Closing Date (the "Delayed Closing Date Interest Period") on the Marathon Call Price, or the Ashland Put Price (or the first Installment Payment thereof, as applicable), at a rate per

annum equal to the 30-day LIBOR Rate multiplied by 1.5, with daily accrual of interest.

(c) Other Consequences. In the event that Marathon revokes Ashland's Ashland Put Exercise Notice or its Marathon Call Exercise Notice pursuant to Section 9.03(a), each of Marathon and Ashland shall thereafter have the right to exercise their respective Marathon Call Right and Ashland Put Right in accordance with the terms of this Agreement. Any such revocation shall not operate as a release of Ashland from any liability it may have to Marathon for any breach of its obligations under this Agreement and such revocation shall not in any way preclude Marathon from exercising any right or power hereunder or otherwise available to it at law or in equity as a result of any such breach.

SECTION 9.04. Consequences of a Delayed Closing of the Marathon Call Right or the Ashland Put Right Where Marathon or USX Is at Fault. (a) Revocation of Proxies; Payment of Distributions to Ashland; Right To Revoke Ashland Put Exercise Notice or Marathon Call Exercise Notice. If the Closing of the Marathon Call Right or the Ashland Put Right does not occur on the Scheduled Closing Date, and (i) the delay is due to (x) a failure by Marathon or USX to timely perform in any material respect any of its respective covenants and agreements contained herein or (y) the fact that any of Marathon's or USX's respective representations and warranties contained herein (or in any certificate required to be delivered to Ashland pursuant to Section 9.02(b)(iv)) have ceased to be true and correct in any material respect, and (ii) Ashland shall not have (x) failed to timely perform in any material respect any of its covenants and agreements contained herein or (y) breached any of its representations and warranties contained herein in any material respect, then (i) effective as of 12:01 a.m. on the day immediately following the Scheduled Closing Date, all Ashland Representatives Revocable Proxies and the Ashland LOOP/LOCAP Revocable Proxy shall automatically be revoked; (ii) Marathon shall, and shall cause each of its Representatives to, promptly take all such actions as are necessary to provide that the Company shall thereupon resume making distributions of Distributable Cash and Tax Liability Distributions directly to Ashland pursuant to Article V of the LLC Agreement; (iii) Marathon shall immediately pay to Ashland an amount equal to all Exercise Period Distributions received by

Marathon from the Company in accordance with the provisions of Section 5.01(a)(ii), together with interest on each such Exercise Period Distribution at a rate per annum equal to the Base Rate, with daily accrual of interest, from (but excluding) the date such amount was otherwise payable to Ashland (or, if earlier, the date such amount was paid to Marathon) to (and including) the date such amount is paid to Ashland in accordance with the provisions of this clause (iii); (iv) the Company shall immediately release to Ashland all amounts then held in the Escrow Account, including any income earned thereon; and (v) if the Closing shall not have occurred on or prior to the date that is 180 days after the Scheduled Closing Date, Ashland thereafter shall have the right, exercisable at any time prior to the Closing by written notice to Marathon, to revoke its Ashland Put Exercise Notice or Marathon's Marathon Call Exercise Notice, as applicable.

(b) Adjustments to Ashland Put Price or Marathon Call Price. In addition, if the Closing of the Marathon Call Right or the Ashland Put Right does not occur on the Scheduled Closing Date, and (i) the delay is due to (x) a failure by Marathon or USX to timely perform in any material respect any of its respective covenants and agreements contained herein or (y) the fact that any of Marathon's or USX's respective representations and warranties contained herein have ceased to be true and correct in any material respect, and (ii) Ashland shall not have (x) failed to timely perform in any material respect any of its covenants and agreements contained herein or (y) breached any of its representations and warranties contained herein in any material respect, then Marathon shall be entitled to deduct from the Marathon Call Price or from the Ashland Put Price (or the first Installment Payment, as applicable) payable to Ashland on the Delayed Closing Date, an amount (the "9.04(b) Post-Scheduled Closing Date Distribution Amount") equal to the amount of any Ashland Exercise Period Distributions that Ashland shall have received from the Company in Cash during the Delayed Closing Date Interest Period and, on the Delayed Closing Date, Marathon shall pay to Ashland in addition to the Marathon Call Price or the Ashland Put Price (or the first Installment Payment, as applicable) and related accrued interest payable pursuant to Section 3.01 or 4.01, as applicable, an amount in Cash equal to the amount of interest accrued during the Delayed Closing Interest Period on an amount equal to (1) the Marathon Call Price or the Ashland Put Price (or the first Installment Payment thereof,

as applicable) minus (2) the 9.04(b) Post-Scheduled Closing Date Distribution Amount, at a rate per annum equal to the 30-day LIBOR Rate multiplied by 1.5, with daily accrual of interest.

(c) Other Consequences. In the event that Ashland revokes its Ashland Put Exercise Notice or Marathon's Marathon Call Exercise Notice pursuant to clause (v) of Section 9.03(a), each of Ashland and Marathon shall thereafter have the right to exercise their respective Ashland Put Right and Marathon Call Right in accordance with the terms of this Agreement. Any such revocation shall not operate as a release of Marathon or USX from any liability it may have to Ashland for any breach of its obligations under this Agreement and such revocation shall not in any way preclude Ashland from exercising any right or power hereunder or otherwise available to it at law or in equity as a result of any such breach.

SECTION 9.05. Consequences of a Delayed Closing of the Marathon Call Right or the Ashland Put Right Where No Party Is at Fault. If the Closing of the Marathon Call Right or the Ashland Put Right does not occur on the Scheduled Closing Date, and the delay is not due to a failure by any party hereto to timely perform in any material respect any of its respective covenants and agreements contained herein or to the fact that any party's representations and warranties contained herein have ceased to be true and correct in any material respect, then Marathon shall pay to Ashland on the Delayed Closing Date, in addition to the Marathon Call Price or the Ashland Put Price (or the first Installment Payment, as applicable) and related accrued interest payable pursuant to Section 3.01 or 4.01, as applicable, an amount in Cash equal to the amount of interest accrued during the Delayed Closing Interest Period on the Marathon Call Price or the Ashland Put Price (or the first Installment Payment, as applicable), at a rate per annum equal to the Base Rate, with daily accrual of interest. If the Delayed Closing Date does not occur on or prior to the date that is 180 days after the Scheduled Closing Date and the delay is not due to an action or failure to act by any of Marathon, USX or Ashland, then (i) effective as of 12:01 a.m. on the day immediately following the last day of such 180-day period, all Ashland Representatives Revocable Proxies and the Ashland LOOP/LOCAP Revocable Proxy shall automatically be revoked; (ii) Marathon shall, and shall cause each of its

Representatives to, promptly take all such actions as are necessary to provide that the Company shall resume making distributions of Distributable Cash and Tax Liability Distributions directly to Ashland pursuant to Article V of the LLC Agreement; (iii) Marathon shall immediately pay to Ashland an amount equal to all Exercise Period Distributions received by Marathon from the Company in accordance with the provisions of Section 5.01(a)(ii), together with interest on each such Exercise Period Distribution at a rate per annum equal to the Base Rate, with daily accrual of interest, from (but excluding) the date such amount was otherwise payable to Ashland (or, if earlier, the date such amount was paid to Marathon) to (and including) the date such amount is paid to Ashland in accordance with the provisions of this clause (iii); (iv) the Company shall immediately release to Ashland all amounts then held in the Escrow Account, including any income earned thereon; and (v) the parties shall be restored to their rights as though the Ashland Put Right or the Marathon Call Right had never been exercised, without liability to any party and without any effect on the ability of Ashland to exercise its Ashland Put Right or Marathon to exercise its Marathon Call Right in accordance with the terms of this Agreement in the future.

SECTION 9.06. Consequences of Delayed Second or Third Scheduled Installment Payment. If Marathon shall fail to make an Installment Payment on the second or third Scheduled Installment Payment Date, if applicable, then on such later date on which the applicable Installment Payment is actually made (such later date being a "Delayed Installment Payment Date"), Marathon shall pay to Ashland, in addition to the applicable Installment Payment and related accrued interest payable pursuant to Section 3.01 or 4.01, as applicable, an amount in Cash equal to the amount of interest accrued during the period commencing on the day immediately following the Scheduled Installment Payment Date and ending on and including the date of the payment of the relevant Installment Payment (the "Delayed Installment Payment Date Interest Period") on the applicable Installment Payment, at a rate per annum equal to the 30 day LIBOR Rate multiplied by 1.5, with daily accrual of interest.

SECTION 9.07. Consequences of a Delayed Closing of the Special Termination Right Where Terminating Member Is at Fault. (a) Continuation of Term of the Company; Right to Specific Performance. If the Closing of the Special Termination Right shall not have occurred on or prior to the

Scheduled Closing Date, and (i) the delay is due to (x) a failure by the Terminating Member (or, if Marathon is the Terminating Member, Marathon or USX) to timely perform in any material respect any of its covenants and agreements contained herein or (y) the fact that any of the Terminating Member's (or, if Marathon is the Terminating Member, Marathon's or USX's) representations and warranties contained herein have ceased to be true and correct in any material respect, and (ii) the Non-Terminating Member (or, if Marathon is the Non-Terminating Member, Marathon or USX) shall not have (x) failed to timely perform in any material respect any of its covenants and agreements contained herein or (y) breached any of its representations and warranties contained herein in any material respect, then the Non-Terminating Member shall have the right to elect, by written notice to the Company and the Terminating Member, to either (i) terminate the Term of the Company at the end of the Initial Term or the then-current 10-year extension thereof, as applicable (in which case the Term of the Company shall automatically terminate upon the expiration of the Initial Term or the then-current 10-year extension thereof), or (ii) extend the Term of the Company for two additional years following the expiration of the Initial Term or the then-current 10-year extension thereof, as applicable (in which case the Term of the Company shall automatically be extended for such additional two-year period).

(b) Adjustment to Special Termination Price. If the Closing of the Special Termination Right does not occur on the Scheduled Closing Date, and (i) the delay is due to (x) a failure by the Terminating Member (or, if Marathon is the Terminating Member, Marathon or USX) to timely perform in any material respect any of its covenants and agreements contained herein or (y) the fact that any of the Terminating Member's (or, if Marathon is the Terminating Member, Marathon's or USX's) representations and warranties contained herein have ceased to be true and correct in any material respect, and (ii) the Non-Terminating Member (or, if Marathon is the Terminating Member, Marathon or USX) shall not have (x) failed to timely perform in any material respect any of its covenants and agreements contained herein or (y) breached any of its representations and warranties contained herein in any material respect, then on the Delayed Closing Date the Non-Terminating Member shall deduct from the Special Termination Price payable to the Terminating Member on the Delayed Closing Date, an amount equal to the amount of interest accrued during the Delayed

Closing Date Interest Period on the Special Termination Price, at a rate per annum equal to the 30-day LIBOR Rate multiplied by 1.5, with daily accrual of interest.

SECTION 9.08. Consequences of a Delayed Closing of the Special Termination Right Where Non-Terminating Member Is at Fault. (a) Revocation of Proxies; Payment of Distributions to Terminating Member; Right to Revoke Special Termination Exercise Notice. If the Closing of the Special Termination Right does not occur on the Scheduled Closing Date, and (i) the delay is due to a failure by the Non-Terminating Member (or, if Marathon is the Non-Terminating Member, Marathon or USX) to timely perform in any material respect any of its covenants and agreements contained herein or (y) the fact that any of the Non-Terminating Member's (or, if Marathon is the Non-Terminating Member, Marathon's or USX's) representations and warranties contained herein have ceased to be true and correct in any material respect, and (ii) the Terminating Member (or, if Marathon is the Terminating Member, Marathon or USX) shall not have(x) failed to timely perform in any material respect any of its covenants and agreements contained herein or (y) breached any of its representations and warranties contained herein in any material respect, then (i) effective as of 12:01 a.m. on the day immediately following the Scheduled Closing Date, all Marathon Representative Revocable Proxies (in the circumstance where Marathon is the Terminating Member) or all Ashland Representative Revocable Proxies and the Ashland LOOP/LOCAP Revocable Proxy (in the circumstance where Ashland is the Terminating Member) shall automatically be revoked; (ii) the Non-Terminating Member shall, and shall cause each of its Representatives to, promptly take all such actions as are necessary to provide that the Company shall thereupon resume making distributions of Distributable Cash and Tax Liability Distributions directly to the Terminating Member pursuant to Article V of the LLC Agreement; (iii) the Non-Terminating Member shall immediately pay to theTerminating Member an amount equal to all Exercise Period Distributions received by the Non-Terminating Member from the Company in accordance with the provisions of Section 5.01(a)(ii) or Section 5.01(b)(ii), as applicable, together with interest on each such Exercise Period Distribution at a rate per annum equal to the Base Rate, with daily accrual of interest, from (but excluding) the date such amount was otherwise payable to the Terminating Member (or, if earlier, the date such amount was paid to the Non-Terminating Member) to (and including) the

date such amount is paid to the Terminating Member in accordance with the provisions of this clause (iii); (iv) the Company shall immediately release to the Terminating Member all amounts then held in the Escrow Account, including any income earned thereon; and (v) if the Closing shall not have occurred on or prior to the date that is 120 days before the expiration of the Initial Term or the then-current 10-year extension thereof, each of the Terminating Member and the Non-Terminating Member thereafter shall have the right, exercisable at any time prior to the Closing by written notice to the other party, to revoke the Non-Terminating Member's Special Termination Exercise Notice, in which event the Term of the Company shall automatically terminate upon the expiration of the Initial Term or the then-current 10-year extension thereof.

(b) Adjustments to Special Termination Price. In addition, if the Closing of the Special Termination Right does not occur on the Scheduled Closing Date, and (i) the delay is due to (x) a failure by the Non-Terminating Member (or, if Marathon is the Non-Terminating Member, Marathon or USX) to timely perform in any material respect any of its covenants and agreements contained herein or (y) the fact that any of the Non-Terminating Member's (or, if Marathon is the Non-Terminating Member, Marathon's or USX's) representations and warranties contained herein have ceased to be true and correct in any material respect, and (ii) the Terminating Member (or, if Marathon is the Terminating Member, Marathon or USX) shall not have (x) failed to timely perform in any material respect any of its covenants and agreements contained herein or (y) breached any of its representations and warranties contained herein in any material respect, then the Non-Terminating Member shall be entitled to deduct from the Special Termination Price payable to the Terminating Member on the Delayed Closing Date, an amount (the "9.08(b) Post-Scheduled Closing Date Distribution Amount") equal to the amount of any Exercise Period Distributions that the Terminating Member shall have received from the Company in Cash during the Delayed Closing Date Interest Period and, on the Delayed Closing Date, the Non-Terminating Member shall pay to the Terminating Member in addition to the Special Termination Price and related accrued interest payable pursuant to Section 2.01, an amount in Cash equal to the amount of interest accrued during the Delayed Closing Interest Period on an amount equal to (1) the Special Termination Price minus (2) the 9.08(b) Post-Scheduled Closing Date Distribution Amount, at a rate

per annum equal to the 30-day LIBOR Rate multiplied by 1.5, with daily accrual of interest.

(c) Other Consequences. In the event that the Terminating Member revokes the Non-Terminating Member's Special Termination Exercise Notice, then the Non-Terminating Member shall not thereafter have the right to exercise its Special Termination Right. Any such revocation shall not operate as a release of the Non-Terminating Member from any liability it may have to the Terminating Member for any breach of its obligations under this Agreement and such revocation shall not in any way preclude the Terminating Member from exercising any right or power hereunder or otherwise available to it at law or in equity as a result of any such breach.

SECTION 9.09. Consequences of Delayed Closing of Special Termination Right Where No Party Is at Fault. If the Closing of the Special Termination Right does not occur on the Scheduled Closing Date, and the delay is not due to a failure by any party hereto to timely perform in any material respect any of its respective covenants and agreements contained herein or to the fact that any party's representations and warranties contained herein have ceased to be true and correct in any material respect, then the Non-Terminating Member shall pay to the Terminating Member on the Delayed Closing Date, in addition to the Special Termination Price and related accrued interest payable pursuant to Section 2.01, an amount in Cash equal to the amount of interest accrued during the Delayed Closing Interest Period on the Special Termination Price, at a rate per annum equal to the Base Rate, with daily accrual of interest. If the Delayed Closing Date does not occur on or prior to the date that is 120 days before the expiration of the Initial Term or the then-current 10-year extension thereof and the delay is not due to an action or failure to act by the Terminating Member or the Non-Terminating Member, then (i) effective as of 12:01 a.m. on the day immediately following such 120th day before the expiration of the Initial Term or the then-current 10-year extension thereof, all Marathon Representative Revocable Proxies (in the circumstance where Marathon is the Terminating Member) or all Ashland Representative Revocable Proxies and the Ashland LOOP/LOCAP Revocable Proxy (in the circumstance where Ashland is the Terminating Member) shall be revoked; (ii) the Non-Terminating Member shall, and shall cause each of its Representatives to, promptly take all such actions as

are necessary to provide that the Company shall resume making distributions of Distributable Cash and Tax Liability Distributions directly to the Terminating Member pursuant to Article V of the LLC Agreement; (iii) the Non-Terminating Member shall immediately pay to the Terminating Member an amount equal to all Exercise Period Distributions received by the Non-Terminating Member from the Company in accordance with the provisions of Section 5.01(a)(ii) or Section 5.01(b)(ii), as applicable, together with interest on each such Exercise Period Distribution at a rate per annum equal to the Base Rate, with daily accrual of interest, from (but excluding) the date such amount was otherwise payable to the Terminating Member (or, if earlier, the date such amount was paid to the Non-Terminating Member) to (and including) the date such amount is paid to the Terminating Member in accordance with the provisions of this clause (iii); (iv) the Company shall immediately release to the Terminating Member all amounts then held in the Escrow Account, including any income earned thereon; and (v) the Term of the Company shall automatically terminate upon the expiration of the Initial Term or the then-current 10-year extension thereof.

ARTICLE X

Registration Rights

SECTION 10.01. Registration upon Request. (a) Ashland shall have the right to make a written demand upon the issuer or, in the case of any Marathon Debt Securities issued by Marathon and guaranteed by USX, issuers of any class of Securities delivered or to be delivered to Ashland as payment of any portion of the Ashland Put Price (both parties hereinafter referred to collectively as the "Issuer"), on not more than six separate occasions (subject to the provisions of this Section 10.01), to either, at Ashland's option, (i) register under the Securities Act all or a portion of such Securities for purposes of a public offering by Ashland of such Securities or (ii) prepare an Offering Memorandum that covers all or a portion of such Securities for purposes of a private placement by Ashland of such Securities (either of such requests being referred to herein as a "Demand Registration") that were not registered under the Securities Act at the time of issuance thereof to Ashland on the Closing Date or Installment Payment Date, as the case may be, and the Issuer shall use its best efforts

to file a Registration Statement and cause such Securities to be registered under the Securities Act (in the case of a Demand Registration for a public offering) or to prepare a final Offering Memorandum (in the case of a Demand Registration for a private placement) (i) in the case of any Securities to be delivered to Ashland on the Closing Date or any Installment Payment Date, not later than the Scheduled Closing Date or applicable Scheduled Installment Payment Date or (ii) in the case of any Securities that have been delivered to Ashland on the Closing Date or any Installment Payment Date, in each case not later than 60 days after such written demand by Ashland; provided that each Demand Registration shall cover Securities having an aggregate fair market value (based on the then-current market value of such Securities or, if such market value cannot be determined, based on the expected offering price of such Securities) equal to (i) in the case of a public offering, $100 million or more, unless Ashland shall hold less than $100 million of Securities, in which event, the remaining Securities held by Ashland and (ii) in the case of a private placement, $25 million or more, unless Ashland shall hold less than $25 million of Securities, in which event, the remaining Securities held by Ashland.

(b) Notwithstanding the provisions of Section 10.01(a), the Issuer (i) shall not be obligated to prepare or file more than one Registration Statement pursuant to this Section 10.01 during any six month period (measured from the effective date (or, in the case of a private placement, the closing date) of the most recently requested Demand Registration to the date of the demand by Ashland for a subsequent Demand Registration) and (ii) shall be entitled to postpone the filing of any Registration Statement otherwise required to be prepared and filed by it pursuant to Section 10.01(a), and to prevent Ashland from initially distributing any Offering Memorandum required to be prepared by the Issuer pursuant to Section 10.01(a), in each case (x) if the Issuer is actively pursuing an Underwritten Public Offering, for a period of up to 90 days following the closing of any Underwritten Public Offering; provided that the Issuer is advised by its managing underwriter or underwriters in writing (with a copy to Ashland), that the price at which securities would be offered in such offering would, in its or in their opinion, be materially adversely affected by the registration or the initial dissemination of the Offering Memorandum so requested, or (y) for a period of up to 90 days if the

Issuer determines in its reasonable judgment and in good faith that the registration and distribution of such Securities (or the private placement thereof, in the case of a sale by Ashland of such securities pursuant to Section 4(2) or Rule 144A of the Securities Act) would materially adversely impair or interfere with in any material respect any contemplated material financing, acquisition, disposition, corporate reorganization or other similar transaction involving the Issuer or any of its subsidiaries or Affiliates ((x) or (y) being hereinafter referred to as a "Blackout Period"), provided, however, that the aggregate number of days included in all Blackout Periods during any consecutive 12 months shall not exceed 180 days, and; provided further, however, that a period of at least 30 days shall elapse between the termination of any Blackout Period and the commencement of the immediately succeeding Blackout Period. In the event of such postponement, Ashland shall have the right to withdraw such request for registration or request for preparation of an Offering Memorandum by giving written notice to the Issuer within 20 days after receipt of notice of postponement and, in the event of such withdrawal, such request shall not be counted for purposes of determining the number of Demand Registrations to which Ashland is entitled pursuant to Section 10.01(a).

(c) A registration requested pursuant to this Section 10.01 shall not be deemed to have been effected unless the Registration Statement relating thereto (i) has become effective under the Securities Act and (ii) has remained effective for a period of at least 90 days (or such shorter period in which all Securities included in such registration have actually been sold thereunder); provided, however, that if after any Registration Statement requested pursuant to this Section 10.01 becomes effective such Registration Statement is interfered with by any stop order, injunction or other order or requirement of the Commission or other Governmental Authority solely due to the actions or omissions to act of the Issuer prior to being effective for 90 days and less than 75% of the Securities have been sold thereunder, such Registration Statement shall be at the sole expense of the Issuer and shall not constitute a Demand Registration. In addition, a request for the preparation of an Offering Memorandum pursuant to this Section 10.01 shall not be deemed to have been effected unless the information contained in such Offering Memorandum has remained "reasonably current" (as such term is defined in Rule 144A

under the Securities Act) for a period of at least 90 days (or such shorter period in which all Securities covered by such Offering Memorandum have actually been sold thereunder); provided, however, that if such Offering Memorandum is interfered with by any stop order, injunction or other order or requirement of the Commission or other Governmental Authority solely due to the actions or omissions to act of the Issuer prior to such Offering Memorandum being made available to Ashland for 90 days and less than 75% of the Securities have been sold pursuant thereto, such Offering Memorandum shall be at the sole expense of the Issuer and shall not constitute a Demand Registration.

(d) On or after the date hereof, the Issuer shall not grant to any other holder of its securities, whether currently outstanding or issued in the future, any incidental or "piggy-back" registration rights with respect to any Registration Statement filed or Offering Memorandum prepared pursuant to a Demand Registration under this Section 10.01 and, without the prior consent of Ashland, will not permit any holder of its securities to participate in any offering or private placement made pursuant to a Demand Registration under this Section 10.01.

(e) If a Demand Registration involves an Underwritten Public Offering and the managing underwriter or underwriters shall advise the Issuer and Ashland in writing that, in its view, the number of securities requested to be included in such registration (including, without limitation, Securities requested to be included by Ashland, securities which the Issuer proposes to be included, and securities proposed to be included by other holders of securities entitled to include securities in such registration pursuant to incidental or "piggy-back" registration rights other than those pursuant to this Article X (the "Other Holders")) exceeds the largest number of shares of securities which can be sold without having an adverse effect on such offering, including the price at which such securities can be sold (the "Maximum Offering Size"), the Issuer shall include in such registration, in the priority listed below, up to the Maximum Offering Size:

(i) first, all Securities requested to be registered by Ashland;

(ii) second, all securities requested to be included in such registration by any Other Holder (allocated, if necessary, for the offering not to exceed the Maximum Offering Size, pro rata among such Other Holders on the basis of the relative number of securities requested to be included in such registration); and

(iii) third, any securities proposed to be registered by the Issuer or by any Other Holders pursuant to incidental or "piggy-back" registration rights.

(f) Ashland may, at any time, prior to the effective date of the Registration Statement or the initial distribution of the Offering Memorandum relating to such request, revoke such request by providing a written notice to the Issuer, in which case such request, as so revoked, shall not constitute a Demand Registration.

SECTION 10.02. Covenants of the Issuer. (a) Registration Statement Covenants. In the event that any Securities are to be registered pursuant to Section 10.01, the Issuer covenants and agrees that it shall (i) use its best efforts to effect the registration, (ii) cooperate in the sale of the Securities and (iii) as expeditiously as possible:

(1) prepare and file with the Commission a Registration Statement with respect to such Securities on Form S-3, if permitted, or otherwise on any form for which the Issuer then qualifies or which counsel for the Issuer shall deem appropriate, and which form shall be available for the sale of the Securities in accordance with the intended methods of distribution thereof, and use its best efforts to cause such Registration Statement to become and remain effective;

(2) prepare and file with the Commission amendments and supplements to such Registration Statement and prospectus used in connection therewith as may be necessary to maintain the effectiveness of such registration and to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement until the earlier of (i) such time as all of such securities have been disposed of in accordance with the

intended methods of disposition by Ashland set forth in such Registration Statement and (ii) the expiration of 90 days after the date such Registration Statement becomes effective; provided that before filing a Registration Statement or prospectus, or any amendments or supplements thereto, the Issuer shall furnish to Ashland and its counsel, copies of all documents proposed to be filed;

(3) furnish to Ashland such number of copies of such Registration Statement and of each amendment and supplement thereto (in each case including all exhibits), such number of copies of the prospectus and prospectus supplement, as applicable, in conformity with the requirements of the Securities Act, and such other documents as Ashland may reasonably request in order to facilitate the disposition of the Securities by Ashland;

(4) use its best efforts to register or qualify such Securities covered by such Registration Statement under such other securities or blue sky laws of such jurisdictions as Ashland shall reasonably request, and do any and all other acts and things which may be reasonably necessary or advisable to enable Ashland to consummate the disposition in such jurisdictions of the Securities owned by Ashland, except that the Issuer shall not for any such purpose be required to (i) qualify generally to do business as a foreign corporation in any jurisdiction where, but for the requirements of this Section 10.04(a)(4), it would not be obligated to be so qualified, (ii) subject itself to taxation in any such jurisdiction or (iii) consent to general service of process in any such jurisdiction);

(5) use its best efforts to cause such Securities covered by such Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable Ashland to consummate the disposition of such Securities;

(6) notify Ashland at any time when a prospectus relating to a Registration Statement is required to be delivered under the Securities Act within the appropriate period mentioned in Section 10.02(a)(2), of the happening of any event as a result of which such Registration Statement contains an untrue statement of

a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing, and at the request of Ashland, prepare and furnish to Ashland a reasonable number of copies of an amended or supplemental prospectus as may be necessary so that, as thereafter delivered to the purchasers of such Securities, such prospectus shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing;

(7) otherwise use its best efforts to comply with all applicable rules and regulations of the Commission, and make available to Ashland, as soon as reasonably practicable (but not more than eighteen months) after the effective date of the Registration Statement, an earnings statement which shall satisfy the provisions of Section 11(a) of the Securities Act and the rules and regulations promulgated thereunder;

(8) use its best efforts to cause all such Securities that are Marathon Equity Securities to be listed on any securities exchange on which the securities of the Issuer are then listed, if such Securities are not already so listed and if such listing is then permitted under the rules of such exchange, and to provide a transfer agent and registrar for such Securities covered by such Registration Statement no later than the effective date of such Registration Statement;

(9) use its best efforts to obtain a "cold comfort" letter or letters from the Issuer's independent public accountants in customary form; and

(10) cooperate with Ashland and the managing underwriter or underwriters, if any, to facilitate the timely preparation and delivery of certificates (not bearing any restrictive legends) representing the Securities to be sold under such Registration Statement, and enable such Securities to be in such denominations and registered in such names as the managing underwriter or underwriters, if any, or Ashland may request.

(b) Offering Memorandum Covenants. In the event that any Securities are to be sold by Ashland by means of an Offering Memorandum prepared by the Issuer pursuant to Sections 10.01, the Issuer covenants and agrees that it shall (i) cooperate in the sale of the Securities and (ii) as expeditiously as possible:

(1) prepare the Offering Memorandum;

(2) prepare amendments and supplements to such Offering Memorandum as may be necessary to keep the information in such Offering Memorandum "reasonably current" (as such term is defined in Rule 144A under the Securities Act) and to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Offering Memorandum until the earlier of (i) such time as all of such securities have been disposed of in accordance with the intended methods of disposition by Ashland set forth in such Offering Memorandum and (ii) the expiration of 90 days after the date such Offering Memorandum (in definitive form) is circulated to the initial purchasers; provided that before making any amendments or supplements thereto, the Issuer shall furnish to Ashland and its counsel, copies of all proposed amendments or supplements;

(3) furnish to Ashland such number of copies of such Offering Memorandum and of each amendment and supplement thereto (in each case including all exhibits), and such other documents as Ashland may reasonably request in order to facilitate the disposition of the Securities by Ashland;

(4) use its best efforts to register or qualify such Securities covered by such Offering Memorandum under such other securities or blue sky laws of such jurisdictions as Ashland shall reasonably request, and do any and all other acts and things which may be reasonably necessary or advisable to enable Ashland to consummate the disposition in such jurisdictions of the Securities owned by Ashland, except that the Issuer shall not for any such purpose be required to (i) qualify generally to do business as a foreign corporation in any jurisdiction where, but for the requirements of this Section 10.02(b)(4), it would not be obligated to be so qualified, (ii) subject itself to

taxation in any such jurisdiction or (iii) consent to general service of process in any such jurisdiction);

(5) use its best efforts to cause such Securities covered by such Offering Memorandum to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable Ashland to consummate the disposition of such Securities;

(6) notify Ashland at any time prior to the completion of the sale of the Securities by Ashland that are covered by the Offering Memorandum, of the happening of any event as a result of which such Offering Memorandum contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing, and at the request of Ashland, prepare and furnish to Ashland a reasonable number of copies of an amended or supplemental Offering Memorandum as may be necessary so that, as thereafter delivered to the purchasers of such Securities, such Offering Memorandum shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing;

(7) otherwise use its best efforts to comply with all applicable rules and regulations of the Commission;

(8) use its best efforts to cause all such Securities that are Marathon Equity Securities to be listed on any securities exchange on which the securities of the Issuer are then listed, if such Securities are not already so listed and if such listing is then permitted under the rules of such exchange, and to provide a transfer agent and registrar for such Securities covered by such Offering Memorandum no later than the effective date of such Offering Memorandum;

(9) use its best efforts to obtain a “cold comfort” letter or letters from the Issuer’s independent public accountants in customary form; and

(10) cooperate with Ashland and the initial purchasers, if any, to facilitate the timely preparation and delivery of certificates representing the Securities to be sold under such Offering Memorandum, and enable such Securities to be in such denominations and registered in such names as the initial purchasers, if any, or Ashland may request.

The Issuer may require Ashland to furnish the Issuer with such information regarding Ashland and pertinent to the disclosure requirements relating to the registration and/or the distribution of such Securities pursuant to this Article X as the Issuer may from time to time reasonably request in writing.

Ashland agrees that, upon receipt of any notice from the Issuer of the happening of any event of the kind described in Section 10.02(a)(6) or 10.02(b)(6), or of the imposition by the Issuer of a Blackout Period of the type described in clause (y) of 10.01(b)(ii), Ashland shall forthwith discontinue such disposition of such Securities pursuant to the Registration Statement or Offering Memorandum covering such Securities until Ashland's receipt of the copies of the supplemented or amended prospectus or Offering Memorandum contemplated by Section 10.02(a)(6) and 10.02(b)(6), respectively, or the expiration of such Blackout Period, as applicable, and, if so directed by the Issuer, Ashland shall deliver to the Issuer (at the Issuer's expense) all copies, other than permanent file copies then in Ashland's possession, of the prospectus or Offering Memorandum covering such Securities current at the time of receipt of such notice. In the event the Issuer shall give any such notice, the period mentioned in Section 10.02(a)(2) or 10.02(b)(2), as applicable, shall be extended by the number of days during the period from the date of the giving of such notice pursuant to Section 10.02(a)(6) or 10.02(b)(6), as applicable, and through the date when Ashland shall have received the copies of the supplemented or amended prospectus or Offering Memorandum contemplated by Section 10.02(a)(6) or 10.02(b)(6), respectively, or the expiration of such Blackout Period, as applicable.

SECTION 10.03. Fees and Expenses. In connection with any registration pursuant to this Article X or the preparation of any Offering Memorandum pursuant to this Article X, (i) Ashland shall pay all agent fees and commissions and underwriting discounts and commissions

related to the Securities being sold by Ashland and the fees and disbursements of its counsel and accountants and (ii) the Issuer shall pay all fees and disbursements of its counsel and accountants and the expenses, including fees incurred in the preparation of a cold comfort letter requested by Ashland pursuant to Section 10.02(a)(9) or 10.02(b)(9), as applicable. All others fees and expenses in connection with any Registration Statement or Offering Memorandum (including, without limitation, all registration and filing fees, all printing costs, all fees and expenses of complying with securities or blue sky laws) shall be borne by Ashland; provided that Ashland shall not pay any expenses relating to work that would otherwise be incurred by the Issuer including, but not limited to, the preparation and filing of periodic reports with the Commission.

SECTION 10.04. Indemnification and Contribution. In the case of any offering registered pursuant to this Article X or any private placement pursuant to an Offering Memorandum prepared by the Issuer pursuant to this Article X, the Issuer agrees to indemnify and hold Ashland, each underwriter or initial purchaser, if any, of the Securities under such registration or covered by such Offering Memorandum and each person who controls any of the foregoing within the meaning of Section 15 of the Securities Act, and any director, officer, employee, stockholder, partner, agent or representative, of the foregoing, harmless against any and all losses, claims, damages or liabilities (including reasonable legal fees and other reasonable expenses incurred in the investigation and defense thereof) (collectively "Losses") to which they or any of them may become subject under the Securities Act or otherwise, insofar as any such Losses shall arise out of or shall be based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (as amended if the Issuer shall have filed with the Commission any amendment thereof) or Offering Memorandum (as amended if the Issuer shall have prepared and delivered to Ashland for private distribution any amendment to such Offering Memorandum), or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in the prospectus relating to the sale of such Securities (as amended or supplemented if the Issuer shall have filed with the Commission any amendment

thereof or supplement thereto), or the omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; provided that the indemnification contained in this Section 10.04 shall not apply to such Losses which shall arise out of or shall be based upon any such untrue statement or alleged untrue statement, or any such omission or alleged omission, which shall have been made in reliance upon and in conformity with information furnished in writing to the Issuer by Ashland or such underwriter or initial purchaser, as the case may be, specifically for use in connection with the preparation of the Registration Statement, the prospectus contained in the Registration Statement or the Offering Memorandum, as applicable, or any such amendment thereof or supplement therein.

Notwithstanding the foregoing provisions of this Section 10.04, the Issuer shall not be liable to Ashland, any person who participates as an underwriter in the offering or sale of such Securities, any person who participates as an initial purchaser in the private placement of such Securities or any other person, if any, who controls Ashland or any underwriter or initial purchaser (within the meaning of the Securities Act), under the indemnity agreement in this Section 10.04 for any such Losses that arise out of Ashland's or such other person's failure to send or give a copy of the final prospectus or final Offering Memorandum to the person asserting an untrue statement or alleged untrue statement or omission or alleged omission at or prior to the written confirmation of the sale of the Securities to such person if such statement or omission was corrected in such final prospectus or final Offering Memorandum and the Issuer has previously furnished copies thereof in accordance with this Agreement.

In the case of each offering registered pursuant to this Article X and each private placement pursuant to this Article X, Ashland shall agree, and each underwriter or initial purchaser, if any, participating therein shall agree, substantially in the same manner and to the same extent as set forth in the preceding paragraph, severally to indemnify and hold harmless the Issuer and each person who controls the Issuer within the meaning of Section 15 of the Securities Act, and any director, officer, employee, stockholder, partner, agent or representative of the Issuer, with respect to any statement in or omission from such

Registration Statement (as amended or as supplemented, if amended or supplemented as aforesaid) or Offering Memorandum (as amended or as supplemented, if amended or supplemented as aforesaid), as applicable, if such statement or omission shall have been made in reliance upon and in conformity with information furnished in writing to the Issuer by Ashland or such underwriter or initial purchaser, as the case may be, specifically for use in connection with the Registration Statement, the prospectus contained in such Registration Statement or the Offering Memorandum, as applicable, or any such amendment thereof or supplement thereto.

Each party indemnified under this Section 10.04 shall, promptly after receipt of notice of the commencement of any claim against any such indemnified party in respect of which indemnity may be sought hereunder, notify the indemnifying party in writing of the commencement thereof. The failure of any indemnified party to so notify an indemnifying party of any action shall not relieve the indemnifying party from any liability in respect of such action which it may have to such indemnified party on account of the indemnity contained in this Section 10.04, unless (and only to the extent) the indemnifying party was prejudiced by such failure, and in no event shall such failure relieve the indemnifying party from any other liability which it may have to such indemnified party. In case any action in respect of which indemnification may be sought hereunder shall be brought against any indemnified party and it shall notify an indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it may desire, jointly with any other indemnifying party similarly notified, to assume the defense thereof through counsel reasonably satisfactory to the indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under this Section 10.04 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof, other than reasonable costs of investigation (unless (i) such indemnified party reasonably objects to such assumption on the grounds that there may be defenses available to it which are different from or in addition to those available to such indemnifying party, (ii) the indemnifying party and such indemnified party shall have mutually agreed to the retention of such counsel or (iii) in the reasonable opinion

of such indemnified party representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding, in which case the indemnified party shall be reimbursed by the indemnifying party for the reasonable expenses incurred in connection with retaining one firm of separate legal counsel; provided that (i) in circumstances where Ashland or an underwriter or initial purchaser is the indemnifying party, the indemnifying party shall not be liable for more than one firm of legal counsel for all indemnified parties and (ii) in circumstances where the Issuer is the indemnifying party, the indemnifying party shall not be liable for more than (A) one firm of legal counsel for Ashland, each person who controls Ashland within the meaning of Section 15 of the Securities Act, and any director, officer, employee, stockholder, partner, agent or representative of Ashland, and (B) one firm of legal counsel for the underwriters or initial purchasers, if any, indemnified under this Section 10.04, each person who controls such underwriters or initial purchasers within the meaning of Section 15 of the Securities Act, and any director, officer, employee, stockholder, partner, agent or representative of such underwriters or initial purchasers). No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any claim or pending or threatened proceeding in respect of which the indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability arising out of such claim or proceeding. If an indemnifying party shall have expressly acknowledged its indemnification obligations with respect to a claim or pending or threatened proceeding, then the indemnified party with respect to such claim or pending or threatened proceeding shall not, without the prior written consent of the indemnifying party, effect any settlement of such claim or pending or threatened proceeding.

If the indemnification provided for in this Section 10.04 is unavailable to an indemnified party or is insufficient to hold such indemnified party harmless from any Losses in respect of which this Section 10.04 would otherwise apply by its terms (other than by reason of exceptions provide herein), then each applicable

indemnifying party, in lieu of indemnifying such indemnified party, shall have a joint and several obligation to contribute to the amount paid or payable by such indemnified party as a result of such Losses, in such proportion as is appropriate to reflect the relative benefits received by and fault of the indemnifying party, on the one hand, and such indemnified party, on the other hand, in connection with the offering or private placement to which such contribution relates as well as any other relevant equitable considerations. The relative benefit shall be determined by reference to, among other things, the amount of proceeds received by each party from the offering or private placement to which such contribution relates. The relative fault shall be determined by reference to, among other things, each party's relative knowledge and access to information concerning the matter with respect to which the claim was asserted, and the opportunity to correct and prevent any statement or omission. The amount paid or payable by a party as a result of any Losses shall be deemed to include any legal or other fees or expenses incurred by such party in connection with any investigation or proceeding, to the extent such party would have been indemnified for such expenses if the indemnification provided for in this Section 10.04 was available to such party.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 10.04 were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in the immediately preceding paragraph. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

SECTION 10.05. Underwriting Agreement; Purchase Agreement. In connection with any underwritten offering or private placement of Securities pursuant to a Demand Registration under Section 10.01, the Issuer and Ashland shall enter into an underwriting agreement with the underwriters for such offering or a purchase agreement with the initial purchasers for such private placement, such underwriting agreement or purchase agreement to contain such representations and warranties by the Issuer and Ashland and such other terms and provisions as are customarily contained

in underwriting agreements with respect to secondary distributions or purchase agreements with respect to private placements, including, without limitation, indemnities and contribution to the effect and to the extent provided in Section 10.04 (and customary provisions with respect to indemnities and contribution by such underwriters or initial purchasers).

SECTION 10.06. Undertaking To File Reports. For as long as Ashland holds Securities, the Issuer shall use its best efforts to file, on a timely basis, all annual, quarterly and other reports required to be filed by it under Sections 13 and 15(d) of the Exchange Act and the rules and regulations of the Commission thereunder, as amended from time to time, or any successor statute or provisions.

ARTICLE XI

Covenants

SECTION 11.01. Cooperation; Commercially Reasonable Best Efforts. Each of the parties hereto shall cooperate with each other in good faith, and shall cause their respective officers, employees, agents, auditors and representatives to cooperate with each other in good faith, to cause the Closing to occur. In addition, each of the parties hereto shall use its commercially reasonable best efforts to cause the Closing to occur.

SECTION 11.02. Antitrust Notification; FTC or DOJ Investigation. (a) Each of Marathon, USX and Ashland shall as promptly as practicable, but in no event later than 30 days following the relevant Exercise Date, file with the FTC and the DOJ the notification and report form, if any, required for the transactions contemplated hereby and any supplemental information requested in connection therewith pursuant to the HSR Act. Any such notification and report form and supplemental information shall be in substantial compliance with the requirements of the HSR Act. Each of Marathon, USX and Ashland shall furnish to the other such necessary information and reasonable assistance as the other may request in connection with its preparation of any filing or submission which is necessary under the HSR Act. Each of Marathon, USX and Ashland shall keep each other apprised of the status of any communications with, and any inquiries or requests for additional information from, the FTC and the

DOJ and shall comply promptly with any such inquiry or request.

(b) In the event that Marathon, USX and Ashland are not required to file with the FTC and the DOJ any notification and report form pursuant to the HSR Act, but the FTC or the DOJ nevertheless commences an investigation with respect to the transactions contemplated hereby, each of Marathon, USX and Ashland shall comply promptly with any inquiry or request made by the DOJ or the FTC in connection with such investigation.

(c) In the event that Marathon, USX and Ashland file notification and report forms with the FTC and the DOJ pursuant to Section 11.02(a) or the FTC or the DOJ commences an investigation with respect to the transactions contemplated hereby, then, in addition to the obligations of Marathon, USX and Ashland set forth in Section 11.02(a) and 11.02(b), as applicable, Marathon, USX and Ashland agree as follows:

(i) In the case of Marathon's exercise of its Marathon Call Right, each of Marathon and USX shall take all such actions as are necessary to obtain any clearance required under the HSR Act or from the FTC or DOJ in connection with any such investigation, as applicable, for the purchase and sale of Ashland's Membership Interests and the Ashland LOOP/LOCAP Interest pursuant to this Agreement, including divesting or holding separate any assets or commencing or defending litigation; provided, however, that neither Marathon nor USX shall be required to take any action proposed by the FTC or the DOJ that would or would reasonably be expected to have a material adverse effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of the Company and its subsidiaries, taken as a whole.

(ii) In the case of (A) Ashland's exercise of its Ashland Put Right or (B) Marathon's exercise of its Special Termination Right, each of Marathon and USX shall take all such actions as are necessary to obtain any clearance required under the HSR Act or from the FTC or DOJ in connection with any such investigation, as applicable, for the purchase and sale of Ashland's Membership Interests and the Ashland LOOP/LOCAP

Interest pursuant to this Agreement, including divesting or holding separate any assets or commencing or defending litigation; provided, however, that neither Marathon nor USX shall be required to take any action proposed by the FTC or the DOJ that would or would reasonably be expected to have a material adverse effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of (A) the Company and its subsidiaries, taken as a whole, (B) Marathon and its subsidiaries, taken as a whole, or (C) USX and its subsidiaries, taken as a whole.

(iii) In the case of Ashland's exercise of its Special Termination Right, Ashland shall take all such actions as are necessary to obtain any clearance required under the HSR Act or from the FTC or DOJ in connection with any such investigation, as applicable, for the purchase and sale of Marathon's Membership Interests pursuant to this Agreement, including divesting or holding separate any assets or commencing or defending litigation; provided, however, that Ashland shall not be required to take any action proposed by the FTC or the DOJ that would or would reasonably be expected to have a material adverse effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of (A) the Company and its subsidiaries, taken as a whole or (B) Ashland and its subsidiaries, taken as a whole.

SECTION 11.03. Governmental Filings re: Ashland LOOP/LOCAP Interest. (a) Each of the parties hereto shall as promptly as practical, but in no event later than five Business Days following the relevant Exercise Date, file all documentation with all relevant Governmental Entities that is required to be filed with such Governmental Entities in connection with the purchase and sale of the Ashland LOOP/LOCAP Interest on the Scheduled Closing Date. Each of the parties hereto shall keep the other apprised of the status of any communications with, and any inquiries or requests for additional information from, such Governmental Entities and shall comply promptly with any such inquiry or request.

(b) In addition to the obligations of the parties hereto set forth in Section 11.03(a), Marathon and USX agree as follows:

(i) In the case of Marathon's exercise of its Marathon Call Right, each of Marathon and USX shall take all such actions as are necessary to obtain any requisite approvals from such Governmental Entities as are required in connection with the purchase and sale of the Ashland LOOP/LOCAP Interest pursuant to this Agreement, including commencing or defending litigation; provided, however, that neither Marathon nor USX shall be required to take any such action that would or would reasonably be expected to have a material adverse effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of the Company and its subsidiaries, taken as a whole.

(ii) In the case of Marathon's exercise of its Special Termination Right or Ashland's exercise of its Ashland Put Right, each of Marathon and USX shall take all such actions as are necessary to obtain any requisite approvals from such Governmental Entities as are required in connection with the purchase and sale of the Ashland LOOP/LOCAP Interest pursuant to this Agreement, including commencing or defending litigation; provided, however, that neither Marathon nor USX shall be required to take any such action that would or would reasonably be expected to have a material adverse effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of (A) the Company and its subsidiaries, taken as a whole, (B) Marathon and its subsidiaries, taken as a whole, or (C) USX and its subsidiaries, taken as a whole.

SECTION 11.04. Designated Sublease Agreements. (a) Ashland Designated Sublease Agreements. In the event of (i) Marathon's exercise of its Marathon Call Right, (ii) Ashland's exercise of its Ashland Put Right or (iii) Marathon's exercise of its Special Termination Right, Ashland shall use its commercially reasonable best efforts to (A) terminate the outstanding Original Lease underlying each Ashland Designated Sublease Agreement on or prior to Closing and (B) contribute the related Subleased Property to the Company or one of its subsidiaries at no cost to the

Company or such subsidiary on or prior to Closing; provided, however, that (i) Ashland shall not be obligated to pay more than a reasonable amount as consideration therefor to, or make more than a reasonable financial accommodation in favor of, or commence litigation against, a third party lessor with respect to any such underlying Original Lease in order to obtain any consent required from such lessor and (ii) any additional cost associated with exercising an option under the Original Lease to purchase Subleased Property shall be deemed not to constitute an obligation to pay more than a reasonable amount. In the event that Ashland is unable to terminate an outstanding Original Lease in accordance with this Section 11.04(a), then (i) the Company shall be entitled to continue to sublease the Subleased Property pursuant to the related Ashland Designated Sublease Agreement until the term of the Original Lease expires, (ii) Ashland shall continue to use its commercially reasonable best efforts to terminate the Original Lease and contribute the Subleased Property to the Company as provided above; provided, however, that (A) Ashland shall not be obligated to pay more than a reasonable amount as consideration therefor to, or make more than a reasonable financial accommodation in favor of, or commence litigation against, a third party lessor with respect to any such underlying Original Lease in order to obtain any consent required from such lessor and (B) any additional cost associated with exercising an option under the Original Lease to purchase Subleased Property shall be deemed not to constitute an obligation to pay more than a reasonable amount and (iii) if Ashland subsequently acquires fee title to the Subleased Property, Ashland shall contribute such Subleased Property to the Company or one of its subsidiaries at no cost to the Company or such subsidiary at such time.

(b) Marathon Designated Sublease Agreements. In the event of Ashland's exercise of its Special Termination Right, Marathon shall use its commercially reasonable best efforts to (A) terminate the outstanding Original Lease underlying each Marathon Designated Sublease Agreement on or prior to Closing and (B) contribute the related Subleased Property to the Company or one of its subsidiaries at no cost to the Company or such subsidiary on or prior to Closing; provided, however, that (i) Marathon shall not be obligated to pay more than a reasonable amount as consideration therefor to, or make more than a reasonable financial accommodation in favor of, or commence litigation against, a third party lessor with respect to any such

underlying Original Lease in order to obtain any consent required from such lessor and (ii) any additional cost associated with exercising an option under the Original Lease to purchase Subleased Property shall be deemed not to constitute an obligation to pay more than a reasonable amount. In the event that Marathon is unable to terminate an outstanding Original Lease in accordance with this Section 11.04(b), then (i) the Company shall be entitled to continue to sublease the Subleased Property pursuant to the related Marathon Designated Sublease Agreement until the term of the Original Lease expires, (ii) Marathon shall continue to use its commercially reasonable best efforts to terminate the Original Lease and contribute the Subleased Property to the Company as provided above; provided, however, that (A) Marathon shall not be obligated to pay more than a reasonable amount as consideration therefor to, or make more than a reasonable financial accommodation in favor of, or commence litigation against, a third party lessor with respect to any such underlying Original Lease in order to obtain any consent required from such lessor and (B) any additional cost associated with exercising an option under the Original Lease to purchase Subleased Property shall be deemed not to constitute an obligation to pay more than a reasonable amount and (iii) if Marathon subsequently acquires fee title to the Subleased Property, Marathon shall contribute such Subleased Property to the Company or one of its subsidiaries at no cost to the Company or such subsidiary at such time.

ARTICLE XII

Standstill Agreement

SECTION 12.01. Restrictions of Certain Actions by Marathon and USX Each of Marathon and USX covenants and agrees that, from the date hereof through the six-month anniversary of the earlier to occur of (a) the date that Ashland and its Affiliates do not own any Membership Interests, and (b) the date that Marathon and its Affiliates do not own any Membership Interests, it shall not, and it shall cause each of its Affiliates (including, for the avoidance of doubt, Employee Benefit Plans of USX, Marathon and their respective Affiliates) not to, singly or as part of a partnership, limited partnership, syndicate or other

group (as those terms are defined in Section 13(d)(3) of the Exchange Act), directly or indirectly:

(i) acquire, offer to acquire, or agree to acquire, by purchase, gift or otherwise, more than 1% of any class of any Ashland Voting Securities, except (A) pursuant to a stock split, stock dividend, rights offering, recapitalization, reclassification or similar transaction, (B) in connection with the transfer of Ashland Voting Securities to a Marathon or USX Employee Benefit Plan as contemplated by Section 3.1(v) of the Asset Transfer and Contribution Agreement or (C) the ownership by any Employee Benefit Plan of USX, Marathon or any of their respective Affiliates of any interest in any diversified index, mutual or pension fund managed by an independent investment advisor, which fund in turn holds, directly or indirectly, Ashland Voting Securities; provided that not more than 5% of such fund's assets are comprised of Ashland Voting Securities;

(ii) make, or in any way participate in any "solicitation" of "proxies" to vote (as such terms are defined in Rule 14a-1 under the Exchange Act), solicit any consent or communicate with or seek to advise or influence any person or entity with respect to the voting of any Ashland Voting Securities or become a "participant" in any "election contest" (as such terms are defined or used in Rule 14a-11 under the Exchange Act) with respect to Ashland;

(iii) form, join, encourage or in any way participate in the formation of, any "person" within the meaning of Section 13(d)(3) of the Exchange Act with respect to any Ashland Voting Securities;

(iv) deposit any Ashland Voting Securities into a voting trust or subject any such Ashland Voting Securities to any arrangement or agreement with respect to the voting thereof;

(v) initiate, propose or otherwise solicit shareholders for the approval of one or more shareholder proposals with respect to Ashland as described in Rule 14a-8 under the Exchange Act, or induce or attempt to induce any other person to initiate any shareholder proposal;

(vi) seek election to or seek to place a representative on the Board of Directors of Ashland or seek the removal of any member of the Board of Directors of Ashland;

(vii) except with the approval of management of Ashland, call or seek to have called any meeting of the shareholders of Ashland;

(viii) otherwise act to seek to control, disrupt or influence the management, business, operations, policies or affairs of Ashland;

(ix) (A) solicit, seek to effect, negotiate with or provide any information to any other person with respect to, (B) make any statement or proposal, whether written or oral, to the Board of Directors of Ashland or any director or officer of Ashland with respect to, or (C) otherwise make any public announcement or proposal whatsoever with respect to, any form of business combination transaction involving Ashland (other than the Transaction), including, without limitation, a merger, exchange offer, or liquidation of Ashland's assets, or any restructuring, recapitalization or similar transaction with respect to Ashland;

(x) seek to have Ashland waive, amend or modify any of the provisions contained in this Section 12.01;

(xi) disclose or announce any intention, plan or arrangement inconsistent with the foregoing; or

(xii) advise, assist, instigate or encourage any third party to do any of the foregoing.

If either Marathon or USX or any of their respective Affiliates owns or acquires any Ashland Voting Securities in violation of this Section 12.01, such Ashland Voting Securities shall immediately be disposed of to persons who (i) are not Marathon or USX or Affiliates thereof and (ii) do not own, individually or as part of a "group" (within the meaning of Section 13(d)(3) of the Exchange Act), more than 5% of the then outstanding Ashland Voting Securities; provided that Ashland may also pursue any other available remedy to which it may be entitled as a result of such violation.

SECTION 12.02. Restrictions of Certain Actions by Ashland. Ashland covenants and agrees that, from the date hereof through the later to occur of (a) the six-month anniversary of the earlier to occur of (i) the date that Marathon and its Affiliates do not own any Membership Interests and (ii) the date that Ashland and its Affiliates do not own any Membership Interests and (b) in the event that Ashland or its Affiliates acquires USX Voting Securities pursuant to the Closing of the Ashland Put Right, the date on which Ashland and its Affiliates do not own more than 5% of the then outstanding USX Voting Securities, it shall not, and it shall cause each of its Affiliates (including, for the avoidance of doubt, Employee Benefit Plans of Ashland and its Affiliates) not to, singly or as part of a partnership, limited partnership, syndicate or other group (as those terms are defined in Section 13(d)(3) of the Exchange Act), directly or indirectly:

(i) acquire, offer to acquire, or agree to acquire, by purchase, gift or otherwise, more than 1% of any class of USX Voting Securities, except (A) pursuant to a stock split, stock dividend, rights offering, recapitalization, reclassification or similar transaction and except for any issuance of USX Voting Securities to Ashland as payment of any portion of the Ashland Put Price in accordance with the provisions of this Agreement or (B) the ownership by any Employee Benefit Plan of Ashland or any of its Affiliates of any interest in any diversified index, mutual or pension fund managed by an independent investment advisor, which fund in turn holds, directly or indirectly, USX Voting Securities; provided that not more than 5% of such fund's assets are comprised of USX Voting Securities;

(ii) make, or in any way participate in any "solicitation" of "proxies" to vote (as such terms are defined in Rule 14a-1 under the Exchange Act), solicit any consent or communicate with or seek to advise or influence any person or entity with respect to the voting of any USX Voting Securities or become a "participant" in any "election contest" (as such terms are defined or used in Rule 14a-11 under the Exchange Act) with respect to USX;

(iii) form, join, encourage or in any way participate in the formation of, any "person" within

the meaning of Section 13(d)(3) of the Exchange Act with respect to any USX Voting Securities;

(iv) deposit any USX Voting Securities into a voting trust or subject any such USX Voting Securities to any arrangement or agreement with respect to the voting thereof;

(v) initiate, propose or otherwise solicit shareholders for the approval of one or more shareholder proposals with respect to USX as described in Rule 14a-8 under the Exchange Act, or induce or attempt to induce any other person to initiate any shareholder proposal;

(vi) seek election to or seek to place a representative on the Board of Directors of USX or seek the removal of any member of the Board of Directors of USX or seek the removal of any member of the Board of Directors of USX;

(vii) except with the approval of management of USX, call or seek to have called any meeting of the shareholders of USX;

(viii) otherwise act to seek to control, disrupt or influence the management, business, operations, policies or affairs of USX;

(ix) (A) solicit, seek to effect, negotiate with or provide any information to any other person with respect to, (B) make any statement or proposal, whether written or oral, to the Board of Directors of USX or any director or officer of USX with respect to, or (C) otherwise make any public announcement or proposal whatsoever with respect to, any form of business combination transaction involving USX (other than the Transaction), including, without limitation, a merger, exchange offer, or liquidation of USX's assets, or any restructuring, recapitalization or similar transaction with respect to USX;

(x) seek to have USX waive, amend or modify any of the provisions contained in this Section 12.02;

(xi) disclose or announce any intention, plan or arrangement inconsistent with the foregoing; or

(xii) advise, assist, instigate or encourage any third party to do any of the foregoing.

If Ashland or any of its Affiliates owns or acquires any USX Voting Securities in violation of this Section 12.02, such USX Voting Securities shall immediately be disposed of to persons who (i) are not Ashland or Affiliates thereof and (ii) do not own, individually or as part of a "group" (within the meaning of Section 13(d)(3) of the Exchange Act), more than 5% of the then outstanding USX Voting Securities; provided that USX may also pursue any other available remedy to which it may be entitled as a result of such violation.

ARTICLE XIII

Indemnification

SECTION 13.01. Indemnification re: Ashland Representatives' Revocable Proxies and the Ashland LOOP/LOCAP Revocable Proxy. In the event that Ashland's Representatives grant Marathon's Representatives the Ashland Representatives Revocable Proxies pursuant to Section 5.02(a) and Ashland grants to Marathon or a person designated by Marathon, as applicable, the Ashland LOOP/LOCAP Revocable Proxy pursuant to Section 5.02(c), each of Marathon, USX and the Company agree to indemnify and hold Ashland, its Representatives, their respective Affiliates and any director, officer, employee, stockholder, partner, agent or representative of Ashland or its Affiliates harmless against any and all Losses to which they or any of them may become subject, insofar as any such Losses shall arise out of, are based upon or relate to any obligations or liabilities of whatever kind and nature, primary or secondary, direct or indirect, absolute or contingent, known or unknown, whether or not accrued, which arise on or after the relevant Exercise Date and which are attributable to (i) in the event that the Closing occurs, (A) the Company and its subsidiaries or LOOP, LLC or LOCAP, Inc., (B) Ashland's ownership interest in the Company or the Ashland LOOP/LOCAP Interest, (C) actions taken by Marathon's Representatives pursuant to the Ashland Representatives Revocable Proxies or (D) actions taken by Marathon or the Company, as applicable, pursuant to the Ashland LOOP/LOCAP Revocable Proxy, and (ii) in the event that Ashland or Marathon revokes Ashland's Ashland Put Exercise Notice or Marathon's Marathon Call

Exercise Notice pursuant to Section 9.03(a), 9.04(a), 9.05, 9.08(a) or 9.09, or Ashland revokes Marathon's Special Termination Exercise Notice pursuant to Section 9.08(a) or 9.09 (A) actions taken by Marathon's Representatives pursuant to the Ashland Representatives Revocable Proxies or (B) actions taken by Marathon or the Company, as applicable, pursuant to the Ashland LOOP/LOCAP Revocable Proxy.

SECTION 13.02. Indemnification re: Marathon Representatives Revocable Proxies. In the event that Marathon's Representatives grant Ashland's Representatives the Marathon Representatives Revocable Proxies pursuant to Section 5.02(b), each of Ashland and the Company agree to indemnify and hold Marathon, its Representatives, their respective Affiliates and any director, officer, employee, stockholder, partner, agent or representative of Marathon or its Affiliates harmless against any and all Losses to which they or any of them may become subject, insofar as any such Losses shall arise out of, are based upon or relate to any obligations or liabilities of whatever kind and nature, primary or secondary, direct or indirect, absolute or contingent, known or unknown, whether or not accrued, which arise on or after the Special Termination Exercise Date and which are attributable to (i) in the event that the Closing occurs, (A) the Company and its subsidiaries or (B) actions taken by Ashland's Representatives pursuant to the Marathon Representatives Revocable Proxies and (ii) in the event that Marathon revokes Ashland's Special Termination Exercise Notice pursuant to Section 9.08(a) or 9.09, actions taken by Ashland's Representatives pursuant to the Marathon Representatives Revocable Proxies.

SECTION 13.03. Indemnification re: Transfer of Economic Interests in the Ashland LOOP/LOCAP Interest to Marathon, the Company or a Person Designated by Marathon. To the extent that Ashland is unable to Transfer the Ashland LOOP/LOCAP Interest to Marathon, the Company or a person designated by Marathon, as applicable, at Closing, and as a result thereof, Ashland enters into any arrangement under which Marathon, the Company or such other person shall obtain the economic claims, rights and benefits under the Ashland LOOP/LOCAP interest, including a grant to Marathon, the Company or such other person, as applicable, of the Ashland LOOP/LOCAP Irrevocable Proxy, each of Marathon, USX and the Company agree to indemnify and hold Ashland, its Representatives, their respective Affiliates and any director, officer, employee, stockholder, partner, agent or

representative of Ashland or its Affiliates harmless against any and all Losses to which they or any of them may become subject, insofar as any such Losses shall arise out of, be based upon or relate to any obligations or liabilities of whatever kind and nature, primary or secondary, direct or indirect, absolute or contingent, known or unknown, whether or not accrued, which arise on or after the relevant Exercise Date and which are attributable to (i) LOOP, LLC, (ii) LOCAP, Inc., (iii) Ashland's ownership interest in LOOP, LLC and LOCAP, Inc., (iv) any such arrangements between Ashland and Marathon, the Company or such other person or (v) actions taken by Marathon, the Company or such other person, as applicable, pursuant to the Ashland LOOP/LOCAP Irrevocable Proxies.

SECTION 13.04. Procedures Relating to Indemnification Under This Article XIII. The procedures for Indemnification under this Article XIII shall be the procedures for indemnification set forth in Section 9.7 of the Asset Transfer and Contribution Agreement.

ARTICLE XIV

Company Competitive Businesses; Detrimental Activities; Limitations on the Company Entering into Valvoline's Business

SECTION 14.01. Competitive Businesses. (a) Subject to Sections 14.01(b), 14.01(d) and 14.03(c), and except to the extent otherwise provided in Schedule 14.01(a), each of Marathon, USX and Ashland hereby agrees that during the Term of the Company, it shall not, and it shall cause its Affiliates not to, engage in any business within North America which is substantially in competition with (i) the Company's Business conducted on the date hereof or (ii) any new line of business of the Company that the Board of Managers has approved in accordance with Section 8.07(b) of the LLC Agreement (but only if and to the extent that the Board of Managers specifically determined pursuant to Section 8.07(b) of the LLC Agreement that such new line of business should also constitute a Company Competitive Business) (each such business in clauses (i) and (ii), a "Company Competitive Business"); provided, however, that nothing in this Section 14.01 shall be deemed or interpreted to prohibit Ashland or any of its Affiliates from engaging in the Valvoline Business.

(b) Notwithstanding any limitation contained in Section 14.01(a), Marathon, USX and Ashland and their respective Affiliates shall be permitted to engage in a Company Competitive Business if: (i) Marathon or Ashland, as applicable, shall have first presented the Company, at a meeting of the Board of Managers at which at least one of the Representatives of the other Member was present, with the opportunity to pursue or engage in such Company Competitive Business and (ii) one or more of the Representatives of the other Member on the Board of Managers shall have voted against the Company pursuing such Company Competitive Business.

(c) If Marathon, USX or Ashland or any of their respective Affiliates is permitted pursuant to Section 14.01(b) to engage in a Company Competitive Business and, in connection therewith, wishes to use any of the properties, facilities or other assets of the Company or any of its subsidiaries, Marathon or Ashland and their respective Representatives will negotiate in good faith with the Company to reach a reasonable agreement as to the nature and scope of any agreement between the Company or any such subsidiary and such Member with respect to the use of such property, facility or other assets. Any transaction relating to such property, facility or assets shall be deemed for purposes of the LLC Agreement to constitute an Affiliate Transaction that was entered into outside the ordinary course of the Company's business.

(d) Notwithstanding any limitation contained in Section 14.01(a), Marathon, USX and Ashland and their respective Affiliates shall be permitted to purchase: (i) less than an aggregate of 10% of any class of stock of a person engaged, directly or indirectly, in one or more Competitive Businesses (a "Company Competitive Third Party."); provided that such stock is listed on a national securities exchange or is quoted on the National Market System of NASDAQ; (ii) less than 10% in value of any instrument of Indebtedness of a Company Competitive Third Party; (iii) a Company Competitive Third Party (whether by merger or purchase of

all or substantially all of such Company Competitive Third Party's assets) which engages, directly or indirectly, in one or more Company Competitive Businesses which accounted for less than 20% of such Company Competitive Third Party's consolidated revenues for the most recently completed fiscal quarter; and (iv) a Company Competitive Third Party (whether by merger or purchase of all or substantially all of such Company Competitive Third Party's assets or otherwise) which engages, directly or indirectly, in one or more Company Competitive Businesses which accounted for greater than 20% of such Company Competitive Third Party's consolidated revenues for the most recently completed fiscal quarter; provided that a purchase by Marathon, USX or Ashland or any of their respective Affiliates of a Company Competitive Third Party pursuant to this clause (iv) shall only be permitted if within 30 Business Days after the earlier to occur of (A) the execution of definitive agreements with respect to such purchase or (B) the closing of such purchase, Marathon, USX, Ashland or such Affiliate, as applicable, shall present the Company with the opportunity to purchase the portion of such Company Competitive Third Party's business that is in substantial competition with the Company in North America (the "Company Competitive Business Assets") at a purchase price determined in accordance with Section 14.04, at a special or regular meeting of the Board of Managers (such meeting, a "14.01(d) Presentation Meeting").

(e) If the Board of Managers determines at the 14.01(d) Presentation Meeting (by a vote of a majority of the Representatives of the Member not purchasing such Company Competitive Third Party's business at a special or regular meeting of the Board of Managers (which majority shall constitute a quorum for purposes of the transaction of business)) to purchase the Company Competitive Business Assets, the closing date with respect to such purchase shall not be later than 60 days after the date of the determination of the Purchase Price pursuant to Section 14.04 or, if later, 30 days after the Company has received any antitrust clearance or other Governmental Approval required in connection with such purchase (the "14.01(d) Scheduled Closing Date"). If the Company breaches its obligation to purchase the Company Competitive Business Assets on the 14.01(d) Scheduled Closing Date after

the Board of Managers shall have determined to make such purchase as provided in the immediately preceding sentence (other than where such breach is due to circumstances beyond the Company's reasonable control), then Marathon, USX, Ashland or such Affiliate, as applicable, shall be permitted to retain such Company Competitive Business Assets and the Company shall cease to have the right to purchase such Company Competitive Business Assets. If the Company breaches its obligation to purchase the Company Competitive Business Assets on the 14.01(d) Scheduled Closing Date after the Board of Managers shall have determined to make such purchase as provided in the first sentence of this Section 14.01(e)and such breach is due to circumstances beyond the Company's reasonable control, then, if the closing of the purchase by the Company of the Company Competitive Business Assets does not occur within 270 days after the Scheduled Closing Date, Marathon, USX, Ashland or such Affiliate, as applicable, shall be permitted to retain such Company Competitive Business Assets and the Company shall cease to have the right to purchase such Company Competitive Business Assets. If the Board of Managers determines at the 14.01(d) Presentation Meeting not to purchase such Company Competitive Business Assets, then Marathon, USX, Ashland or such Affiliate, as applicable, shall be permitted to retain such Company Competitive Business Assets and the Company shall cease to have the right to purchase such Company Competitive Business Assets.

(f) It is the intention of each of the parties hereto that if any of the restrictions or covenants contained in this Section 14.01 is held by a court of competent jurisdiction to cover a geographic area or to be for a length of time that is not permitted by Applicable Law, or is in any way construed by a court of competent jurisdiction to be too broad or to any extent invalid, such provision shall not be construed to be null, void and of no effect, but to the extent such provision would be valid or enforceable under Applicable Law, a court of competent jurisdiction shall construe and interpret or reform this Section 14.01 to provide for a covenant having the maximum enforceable geographic area, time period and other provisions (not greater than those contained in this Section 14.01) as shall be valid and enforceable under such Applicable Law. Each of the parties hereto acknowledges that any breach of the terms, conditions or covenants set forth in this Section 14.01 shall be competitively unfair and may cause irreparable damage to the Company because of the special, unique, unusual, extraordinary and intellectual character of the Company's business, and the Company's recovery of damages at law will not be an adequate remedy. Accordingly, each of the parties hereto agrees that for any breach of the terms, covenants or agreements of this Section 14.01, a restraining order or an injunction or both may be issued against such person, in addition to any other rights or remedies the Company or the other parties hereto may have.

SECTION 14.02. Detrimental Activities. (a) Solicitation, Recruiting or Hiring of Employees. Each of Marathon, USX and Ashland hereby agrees that during the Term of the Company, without the consent of each of the Members, it shall not, and it shall cause its Affiliates not to, solicit, recruit or hire any employee of the Company or any of its subsidiaries (other than solicitations that are directed at the public in general in publications available to the public in general) if:

(i) such employee is an Executive Officer or the officer principally in charge of environmental health and safety and human resources, unless, subject to clauses (iii) and (iv) below, such solicitation, recruitment or hiring is consented to in advance by Ashland (in the case of a solicitation, recruitment or hiring by Marathon, USX or any of their respective Affiliates) or by Marathon (in the case of a solicitation, recruitment or hiring by Ashland or any of its Affiliates), which consent shall not be unreasonably withheld;

(ii) such employee reports directly to (A) an Executive Officer or the officer principally in charge of environmental health and safety and human resources(a "Senior Employee") or (B) a Senior Employee (a "Mid-Level Employee"), unless, subject to clauses (iii) and (iv) below, at the time of such solicitation, recruitment or hiring, the total number of Senior Employees and Mid-Level Employees that have been hired by Marathon, USX, Ashland and their respective Affiliates during the then preceding twenty-four months is less than 10% of the total number of Senior Employees and Mid-Level Employees employed by the Company at the time Marathon, USX, Ashland or an Affiliate thereof wishes to solicit, recruit or hire such Senior Employee or Mid-Level Employee (based on the average number of Senior Employees and Mid-Level Employees employed by the Company during such twenty-four-month period);

(iii) the hiring of such employee, when considered together with all other employees hired by Marathon, USX, Ashland and their respective Affiliates during the then preceding twenty-four months, would have or would reasonably be expected to have, a significant

detrimental impact on the department of the Company in which such employee is then working; or

(iv) such employee is being solicited, recruited or hired for a position in a Competitive Business of such person or such person's Affiliates.

Notwithstanding the foregoing, the employees of the Company shall not be required to accept any job offer by Marathon, USX, Ashland or any of their respective Affiliates and a refusal to accept such a job offer shall not negatively affect an employee's career opportunities at the Company.

(b) Disclosure of Confidential Information. Each of Marathon, USX and Ashland (each, a "Disclosing Party") hereby agrees that during the Term of the Company, it shall not, and it shall cause its Affiliates not to, disclose or furnish to anyone any confidential information relating to the Company and its subsidiaries ("Confidential Information") except pursuant to a confidentiality agreement in form and substance reasonably satisfactory to the other parties hereto which expressly provides that the other parties hereto shall be a beneficiary thereof (a "Confidentiality Agreement"). The foregoing restriction on disclosure of Confidential Information shall not apply to (i) information which is or becomes part of the public domain through no fault or breach of the Disclosing Party; (ii) information which at the time of disclosure is already in the possession of the Disclosing Party in written form and was not received directly or indirectly from the Company or any of its subsidiaries under a requirement of confidentiality; (iii) information received by the Disclosing Party from a third party; provided that the Disclosing Party, after reasonable inquiry, has no reason to believe that the third party obtained the information directly or indirectly from the Company or any of its subsidiaries under a requirement of confidentiality; (iv) information required to be disclosed under subpoena or other mandatory legal process; provided, that the Disclosing Party shall give the Company timely notice of the service of the subpoena or other process so that the Company may seek a protective order or other legal remedy to prevent such disclosure; (v) information which has been subsequently and independently acquired or developed by the Disclosing Party without violating any of its obligations under this Section 14.02(b) or under any Confidentiality Agreement; and (vi) information which is required or advisable to be disclosed

under the Securities Act or the Exchange Act. Notwithstanding the foregoing, a Disclosing Party shall be permitted to disclose Confidential Information to its directors, officers, employees, auditors, agents, advisors and representatives (such persons being collectively referred as its "Representatives") if the Disclosing Party informs its Representatives of the confidential nature of the Confidential Information and obtains their agreement to be bound by this Section 14.02(b) and not to disclose such Confidential Information to any other person. Each Disclosing Party shall be responsible for any breach of this Section 14.02 by its Representatives.

SECTION 14.03. Limitations on the Company Entering into the Valvoline Business. (a) Subject to Sections 14.03(b) and 14.03(d), the Company hereby agrees that it shall not, and it shall cause its Affiliates (other than Marathon, Ashland and their respective subsidiaries (other than the Company and its subsidiaries)) not to, engage in any business worldwide which is substantially in competition with the Valvoline Business. Notwithstanding the foregoing, the provisions of this Section 14.03(a) shall terminate on the first date on which Ashland and its Affiliates shall own (beneficially or otherwise) less than 20% of the Valvoline Business.

(b)(i) Notwithstanding any limitation contained in Section 14.03(a), if in any two consecutive calendar years, (A) Valvoline shall not have purchased from the Company and its subsidiaries a quantity of lube oil at least equal to the Minimum Lube Oil Purchase Amount and (B)(1) such failure to purchase was due to the fact that the Company and Valvoline could not in good faith agree to mutually acceptable terms and conditions for the sale by the Company and its subsidiaries to Valvoline of at least such quantity of lube oil and (2) such failure was not due, in whole or in part, to the failure of the Company and its subsidiaries to produce and offer for sale to Valvoline the Minimum Lube Oil Purchase Amount during either such calendar year, the failure of the Company and its subsidiaries to produce and offer for sale to Valvoline lube oil satisfying contractual specifications or any other failure of the Company or its subsidiaries to satisfy in any material respect any of its then existing material contractual obligations to Valvoline, then the Company and its subsidiaries shall be permitted to

engage in a business which is substantially in competition with Valvoline's Bulk Motor Oil Business and/or Valvoline's Packaged Motor Oil Business (but, except as expressly permitted in Section 14.03(a), no other business that constitutes part of the Valvoline Business); provided that, notwithstanding the foregoing, the Company and its subsidiaries shall not be permitted to enter into or engage in any such business if the Company and its subsidiaries shall have substantially ceased production at the Catlettsburg, Kentucky refinery of lube oil for sale to third parties (other than due to a force majeure or an inability to find a willing bu consecutive days or more prior to the time the Company and its subsidiaries shall first enter or propose to enter into such business.

(ii) Notwithstanding any limitation contained in Section 14.03(a), if in each of the four calendar years following the consecutive two-year period provided for in Section 14.03(b)(i), (A) Valvoline shall not have purchased from the Company and its subsidiaries a quantity of lube oil at least equal to the Minimum Lube Oil Purchase Amount and (B)(1) such failure to purchase was due to the fact that the Company and Valvoline could not in good faith agree to mutually acceptable terms and conditions for the sale by the Company and its subsidiaries to Valvoline of at least such quantity of lube oil and (2) such failure was not due, in whole or in part, to the failure of the Company and its subsidiaries to produce and offer for sale to Valvoline the Minimum Lube Oil Purchase Amount during any such calendar year, the failure of the Company and its subsidiaries to produce and offer for sale to Valvoline lube oil satisfying contractual specifications or any other failure of the Company or its subsidiaries to satisfy in any material respect any of its existing material contractual obligations to Valvoline, then at any time after the conclusion of such consecutive four-year period, the Company and its subsidiaries shall be permitted to engage in a business which is substantially in competition with Valvoline's Private Label Packaged Motor Oil Business and/or Valvoline's Quick Lube Business; provided that, notwithstanding the foregoing, the Company and its subsidiaries shall not be permitted to enter into or engage in any such business if the Company and its subsidiaries shall have

substantially ceased production at the Catlettsburg, Kentucky refinery of lube oil for sale to third parties (other than due to a force majeure or an inability to find a willing buyer for its lube oil) for any period of 90 consecutive days or more prior to the time the Company and its subsidiaries shall first enter or propose to enter into such business.

(iii) The provisions set forth in this Section 14.03(b) permitting the Company and its subsidiaries to engage in a new business in competition with the Valvoline Business if certain conditions are satisfied shall be an exception only to the super majority vote requirement in Section 8.08(a) of the LLC Agreement, and shall not be an exception to any other supermajority vote requirements of Section 8.08 of the LLC Agreement.

(c) Notwithstanding any limitation contained in Section 14.01(a), if at any time the Company or any of its subsidiaries enters into, other than as expressly permitted in Section 14.03(d), either the Bulk Motor Oil Business, the Packaged Motor Oil Business, the Private Label Packaged Motor Oil Business or the Quick Lube Business, Ashland and its subsidiaries thereafter shall be permitted to enter into a business which is substantially in competition with the Company's lube oil production business.

(d) Notwithstanding any limitation contained in Section 14.03(a), subject to Section 8.08 of the LLC Agreement, the Company and its subsidiaries shall be permitted to (i) engage, directly or through its own dealers, jobbers or jobber dealers, in the business currently conducted under the brand name "Maralube Express" (the "Maralube Express Business"); (ii) engage, directly or through its own dealers, jobbers or jobber dealers, in the truck stop oil change business; (iii) engage, directly or through its own dealers, jobbers, or jobber dealers, in the oil, lubricants, antifreeze and other, in each case automotive fluid change business and auto and light truck maintenance service, in each case incidental to operating their service stations or other retail units; (iv) engage, directly or through its own dealers, jobbers, or jobber dealers, in the sale of lubricants to farm, government, school and other similar commercial accounts; (v) engage, directly or through its own dealers, jobbers, or jobber dealers, in the sale of car care products and chemicals,

antifreeze and rust preventatives in service stations or similar retail units that are owned or operated by them, in each case incidental to operating their service stations or other retail units; (vi) engage, directly or through its own dealers, jobbers, or jobber dealers, in the collection of used lubricants at service stations or similar retail units that are owned or operated by them, in each case incidental to operating their service stations or other retail units; (vii) enter into contractual agreements with Valvoline or other third party packagers with respect to the packaging by Valvoline or such other third party packagers of lube oil products for sale (A) in service stations or similar retail units that are owned or operated by the Company and its subsidiaries or its dealers, jobbers or jobber dealers or to farm, government, school or other similar commercial accounts pursuant to clause (iv) above and (B) solely under the brandnames or trademarks of such service stations; and (viii) purchase a Person (whether by merger or purchase of all or substantially all the assets or otherwise) which engages, directly or indirectly, in a business that is substantially in competition with the Valvoline Business (a "Valvoline Competitive Third Party") provided that less than 33% of such Valvoline Competitive Third Party's consolidated revenues for the most recently completed fiscal quarter are derived from businesses which are substantially in competition with Valvoline's Business; provided further that a purchase by the Company or one of its subsidiaries of a Valvoline Competitive Third Party shall be permitted only if within 30 Business Days after the earlier to occur of (A) the execution of definitive agreements with respect to such purchase or (B) the closing of such purchase, the Company shall give notice (a "14.03(d) Offer Notice") to Ashland, identifying the portion of such Valvoline Competitive Third Party's business that is substantially in competition with the Valvoline Business (the "Valvoline Competitive Business Assets") and offering to sell to Ashland such Valvoline Competitive Business Assets at a purchase price determined in accordance with Section 14.04.

(e) Ashland shall have 90 days from receipt of the 14.03(d) Offer Notice to elect, by notice to the Company (a "14.3(d) Purchase Election Notice"), to purchase such Valvoline Competitive Business Assets. If Ashland makes such election, the notice of election shall state a closing date not later than 60 days after the date of the Section 14.03(d) Purchase Election Notice or, if later, 30 days after Ashland has received any antitrust clearance or other

Governmental Approval required in connection with such purchase (a "14.03(d) Scheduled Closing Date"). If Ashland breaches its obligation to purchase the Valvoline Competitive Business Assets on the 14.03(d) Scheduled Closing Date after giving notice of its election to make such purchase (other than where such breach is due to circumstances beyond Ashland's reasonable control), then the Company shall be permitted to retain such Valvoline Competitive Business Assets. If Ashland breaches its obligation to purchase the Valvoline Competitive Business Assets on the 14.03(d) Scheduled Closing Date after giving notice of its election to make such purchase and such breach is due to circumstances beyond Ashland's reasonable control, then, if the closing of the purchase by Ashland of the Valvoline Competitive Business Assets does not occur within 270 days after the Scheduled Closing Date, the Company shall be permitted to retain such Valvoline Competitive Business Assets. If Ashland elects not to purchase such Valvoline Competitive Business Assets, then the Company shall be permitted to retain such Valvoline Competitive Business Assets.

(f) (i) If the Company and its subsidiaries are permitted under Section 14.03(d) to retain any Valvoline Competitive Business Assets and, at any time thereafter, the Company or any such subsidiary shall determine to sell such Valvoline Competitive Business Assets (or any portion thereof), then the Company shall give notice (a "14.03(f) Valvoline Offer Notice") to Ashland, identifying the proposed purchaser from whom it has received a bona fide offer and setting forth the proposed sale price (which shall be payable only in cash or purchase money obligations secured solely by such Valvoline Competitive Business Assets (or portion thereof) being sold) and the other material terms and conditions upon which the Company is proposing to sell such Valvoline Competitive Business Assets to such identified purchaser (or portion thereof). No such sale shall encompass or be conditioned upon the sale or purchase of any property other than such Valvoline Competitive Business Assets (or portion thereof). Ashland shall have 90 days from receipt of the Valvoline Offer Notice to elect, by notice to the Company (a "14.03(f) Valvoline Purchase Election Notice"), to purchase such Valvoline Competitive Business Assets (or portion thereof) on the terms and conditions set forth in the 14.03(f) Valvoline Offer Notice.

(ii) If Ashland makes such election, the notice of election shall state a closing date not later than 60 days after the date of the 14.03(f) Valvoline Purchase Election Notice. If Ashland breaches its obligation to purchase such Valvoline Competitive Business Assets (or portion thereof) on the same terms and conditions as those contained in the 14.03(f) Valvoline Offer Notice after giving notice of its election to make such purchase (other than where such breach is due to circumstances beyond Ashland's reasonable control), then the Company may, at any time for a period of 270 days after such default, sell such Valvoline Competitive Business Assets (or portion thereof) to any person at any price and upon any other terms without further compliance with the procedures set forth in this Section 14.03(f).

(iii) If Ashland gives notice within the 90-day period following the 14.03(f) Valvoline Offer Notice from the Company that it elects not to purchase such Valvoline Competitive Business Assets (or portion thereof), the Company may, within 120 days after the end of such 90-day period (or 270 days in the case where such parties have received a second request under HSR), sell such Valvoline Competitive Business Assets to the identified purchaser on terms and conditions no less favorable to the Company than the terms and conditions set forth in such 14.03(f) Valvoline Offer Notice. In the event the Company shall desire to offer such Valvoline Competitive Business Assets (or portion thereof) for sale to such identified purchaser or to any other person on terms and conditions less favorable to it than those previously set forth in a 14.03(f) Valvoline Offer Notice, the procedures set forth in this Section 14.03(f) must again be initiated and applied with respect to the terms and conditions as modified.

(g) It is the intention of each of the parties hereto that if any of the restrictions or covenants contained in this Section 14.03 is held by a court of competent jurisdiction to cover a geographic area or to be for a length of time that is not permitted by Applicable Law, or is in any way construed by a court of competent jurisdiction to be too broad or to any extent invalid, such provision shall not be construed to be null, void and of no effect, but to the extent such provision would be valid or enforceable under Applicable Law, a court of competent jurisdiction shall construe and interpret or reform this Section 14.03 to provide for a covenant having the maximum enforceable geographic area, time period and other

provisions (not greater than those contained in this Section 14.03) as shall be valid and enforceable under such Applicable Law. Each of the parties hereto acknowledges that any breach of the terms, conditions or covenants set forth in this Section 14.03 shall be competitively unfair and may cause irreparable damage because of the special, unique, unusual, extraordinary and intellectual character of the applicable business, and recovery of damages at law will not be an adequate remedy. Accordingly, each of the parties hereto agrees that for any breach of the terms, covenants or agreements of this Section 14.03, a restraining order or an injunction or both may be issued against such person, in addition to any other rights or remedies the aggrieved party may have.

(h) For purposes of this Agreement, the following terms shall have the following meanings:

(i) "Bulk Motor Oil Business" means sales of blended (finished) motor oil in tanker truck, barge and tanker railcar quantities.

(ii) "Minimum Lube Oil Purchase Amount" means a quantity of lube oil at least equal to 70% of the quantity of lube oil that Valvoline purchased from the Catlettsburg, Kentucky refinery in the 1997 calendar year.

(iii) "Packaged Motor Oil Business" means the ownership, use and/or operation (including toll processing through a third party's plant) of packaging facilities for the sale of packaged motor oil under third party brandnames or trademarks.

(iv) "Private Label Packaged Motor Oil Business" means the sale of packaged motor oil under third party and/or the Company's brand names or trademarks.

(v) "Quick Lube Business" means the provision of services for changing oil, lubricants, antifreeze and other automotive fluids for passenger car and light commercial trucks and the provision of maintenance checks and related services.

(vi) "Valvoline" means the Valvoline division of Ashland.

(vii) "Valvoline Business" means the business currently engaged in by Valvoline, including (A) the production and marketing of automotive and industrial oils, automotive car care products and chemicals, antifreeze, rust preventives, (B) automotive services and (C) environmental recycling services (including collection of used oil, filters and related items). For the avoidance of doubt, the Valvoline Business includes the Bulk Motor Oil Business, the Packaged Motor Oil Business, the Private Label Packaged Motor Oil Business and the Quick Lube Business.

SECTION 14.04. Purchase Price of Competitive Business Assets. In the event that (x) the Company elects to purchase any Company Competitive Business Assets pursuant to the proviso to Section 14.01(d)(iv) or (y) Ashland elects to purchase any Valvoline Competitive Business Assets pursuant to the second proviso to Section 14.03(d)(viii), the purchase price of such Company Competitive Business Assets or Valvoline Competitive Business Assets (the "Competitive Business Purchase Price") shall be determined pursuant to the following procedures:

(a) Negotiation Period. For a period of 15 days following the date the Board of Managers approves such purchase, Marathon and Ashland will negotiate in good faith to seek to reach an agreement as to the Competitive Business Purchase Price. If Marathon and Ashland reach such an agreement, then the Competitive Business Purchase Price shall be deemed to be the amount so agreed upon by Marathon and Ashland.

(b) Appraisal Process. (i) In the event Marathon and Ashland are unable to reach an agreement as to the Competitive Business Purchase Price within the 15 day period referred to in clause (a) above, then within five Business Days after the expiration of such 15-day period (such fifth Business Day being referred to herein as the "14.04 Appraisal Process Commencement Date"), Marathon and Ashland each shall select a nationally recognized investment banking firm to (A) prepare a report which (1) sets forth such investment banking firm's determination of the Competitive Business Purchase Price (which shall be a single amount as opposed to a range) and (2) includes work papers which indicate the basis for the calculations of the Competitive Business Purchase Price

(a "14.04 Appraisal Report") and (B) deliver to Marathon or Ashland, as the case may be, an oral and written opinion addressed to such party as to the Competitive Business Purchase Price.

(ii) The fees and expenses of each investment banking firm shall be paid by the party selecting such investment banking firm.

(iii) Each of Marathon and Ashland shall instruct its respective investment banking firm to (A) not consult with the other investment banking firm with respect to its view as to the Competitive Business Purchase Price prior to the time that both investment banking firms have delivered their respective opinions to Marathon and Ashland, as applicable, (B) deliver their respective 14.04 Appraisal Reports, together with their oral and written opinions as to the Competitive Business Purchase Price (the "14.04 Initial Opinion Values"), within 15 days after the 14.04 Appraisal Process Commencement Date, and (C) deliver a copy of its written opinion and its 14.04 Appraisal Report to the Company, the other party and the other party's investment banking firm at the time it delivers its oral and written opinion to Marathon or Ashland, as applicable.

(iv) If the 14.04 Initial Opinion Values differ and the lesser 14.04 Initial Opinion Value equals or exceeds 90% of the greater 14.04 Initial Opinion Value, the Competitive Business Purchase Price shall be deemed to be an amount equal to (A) the sum of the 14.04 Initial Opinion Values divided by (B) two.

(v) If the 14.04 Initial Opinion Values differ and the lesser 14.04 Initial Opinion Value is less than 90% of the greater 14.04 Initial Opinion Value then:

(A) within two Business Days after both investment banking firms have delivered their respective opinions to Marathon or Ashland, as applicable, each investment banking firm shall, at a single meeting at which Marathon, Ashland, the Company and the other investment banking firm are present, make a presentation with respect to its 14.04 Initial Opinion Value. At such presentation, Marathon, Ashland, the Company and the other

investment banking firm shall be entitled to ask questions as to the basis for and the calculation of such investment banking firm's 14.04 Initial Opinion Value; and

(B) Marathon and Ashland shall, within five Business Days after the date Marathon and Ashland receive the 14.04 Initial Opinion Values (such fifth Business Day being referred to herein as the "14.04 Subsequent Appraisal Process Commencement Date"), jointly select a third nationally recognized investment banking firm to (1) prepare a 14.04 Appraisal Report and (2) deliver an oral and written opinion addressed to Marathon and Ashland as to the Competitive Business Purchase Price. The fees and expenses of such third investment banking firm shall be paid 50% by Marathon and 50% by Ashland. Such third investment banking firm shall not be provided with the 14.04 Initial Opinion Values and shall not consult with the initial investment banking firms with respect thereto. During such five-Business Day period, Marathon and Ashland shall negotiate in good faith to independently reach an agreement as to the Competitive Business Purchase Price. If Marathon and Ashland reach such an agreement, then the Competitive Business Purchase Price shall be deemed to be the amount so agreed upon by Marathon and Ashland. If Marathon and Ashland are unable to reach such an agreement, then Marathon and Ashland shall instruct such third investment banking firm to deliver its 14.04 Appraisal Report, together with its oral and written opinion as to the Competitive Business Purchase Price (the "14.04 Third Opinion Value"), within 15 days after the 14.04 Subsequent Appraisal Process Commencement Date. The Competitive Business Purchase Price in such circumstances shall be deemed to be an amount equal to (I) the sum of (x) the 14.04 Third Opinion Value plus (y) whichever of the two 14.04 Initial Opinion Values is closer to the 14.04 Third Opinion Value (or, if the 14.04 Third Opinion Value is exactly halfway between the two 14.04 Initial Opinion Values, the 14.04 Third Opinion Value), divided by (II) two.

ARTICLE XV

Survival; Assignment

SECTION 15.01. Survival and Assignment re: Marathon and USX. (a) General. Except as expressly permitted by this Section 15.01, neither Marathon nor USX shall assign all or any part of its rights and obligations hereunder to any person without first obtaining the written approval of each of the other parties hereto, which approval may be granted or withheld in such parties' sole discretion.

(b) Merger or Sale of Substantially All of Marathon's or USX's Assets. In the event that Marathon or USX shall be a party to a merger, consolidation or other similar business combination transaction with a third party or sell all or substantially all its assets to a third party, Marathon's or USX's, as the case may be, rights and obligations hereunder shall be assignable to such third party in connection with such transaction; provided, however, that Marathon or USX shall not be permitted to assign its rights and obligations hereunder to such third party as aforesaid if the purpose or intent of such merger, consolidation, similar business combination transaction or sale is to circumvent or avoid the application of Sections 10.01(c) and 10.04 of the LLC Agreement to the related Transfer of Marathon's Membership Interests to such third party.

(c) Transfer of Marathon's Membership Interests Pursuant to Section 10.01(c) of the LLC Agreement. In the event that Marathon Transfers all of its Membership Interests to a third party pursuant to Section 10.01(c) of the LLC Agreement, then:

(i) such third party shall at the time of such Transfer become subject to all of Marathon's and USX's respective obligations hereunder and shall succeed to all of Marathon's and USX's respective rights hereunder;

(ii) such third party and its ultimate parent, if any, shall each become subject to the same standstill obligations that apply to Marathon and USX under Section 12.01, which standstill provisions shall remain in effect with respect to such third party and its ultimate parent, if any, through the six-month

anniversary of the earlier to occur of (a) the date that Ashland and its Affiliates do not own any Membership Interests and (b) the date that such third party and its Affiliates do not own any Membership Interests;

(iii) such third party and its ultimate parent, if any, shall each become subject to the same non- compete covenants that apply to Marathon and USX under Article XIV; and

(iv) Marathon and USX shall each be relieved of all of its obligations hereunder other than (1) any default hereunder by Marathon or USX or any of their respective Affiliates that occurred prior to the time of such Transfer; (2) Marathon's and USX's respective obligations under Section 12.01 (which are in addition to, and not in lieu of such third party's obligations under Section 12.01); (3) Marathon's and USX's respective obligations under Article X with respect to any Securities that Marathon and/or USX issued to Ashland pursuant to Section 4.02(c) prior to such Transfer or that Marathon and/or USX intends to issue to Ashland pursuant to Section 4.02(c) after such Transfer; and (4) Marathon's and USX's respective obligations under Article XIV (which shall survive for six months from the date of such Transfer and which are in addition to, and not in lieu of such third party's obligations under Article XIV).

(d) Assignment of Marathon's Marathon Call Right and Special Termination Right. In the event of an assignment by Marathon of its rights and obligations under this Agreement to a third party pursuant to this Section 15.01, Marathon's rights and obligations related to its Marathon Call Right and its Special Termination Right shall also be assigned to such third party; provided, that such third party shall not be permitted to exercise the Marathon Call Right until the third anniversary of the date of such assignment.

SECTION 15.02. Survival and Assignment re: Ashland. (a) General. Except as expressly permitted by this Section 15.02, Ashland shall not assign all or any part of its rights and obligations hereunder to any person without first obtaining the prior written approval of each

of the other parties hereto, which approval may be granted in such parties' sole discretion.

(b) Merger or Sale of Substantially all of Ashland's Assets. In the event that Ashland shall be a party to a merger, consolidation or other similar business combination transaction with a third party or sell all or substantially all of its assets to a third party, Ashland's rights and obligations hereunder shall be assignable to such third party in connection with such transaction; provided, however, that Ashland shall not be permitted to assign its rights and obligations hereunder to such third party as aforesaid if the purpose or intent of such merger, consolidation, similar business combination transaction or sale is to circumvent or avoid the application of Sections 10.01(c) and 10.04 of the LLC Agreement to the related Transfer of Ashland's Membership Interests to such third party.

(c) Transfer of Membership Interests Pursuant to Section 10.01(c) of the LLC Agreement. In the event that Ashland Transfers all of its Membership Interests to a third party pursuant to Section 10.01(c) of the LLC Agreement, then:

(i) such third party shall at the time of such Transfer become subject to all of Ashland's obligations hereunder and shall succeed to all of Ashland's rights hereunder;

(ii) such third party and its ultimate parent, if any, shall each become subject to the same standstill obligations that apply to Ashland under Section 12.02, which standstill provisions shall remain in effect with respect to such third party and its ultimate parent, if any, through the later to occur of (i) the six-month anniversary of the earlier to occur of (A) the date that Marathon and its Affiliates do not own any Membership Interests and (B) the date that such third party and its Affiliates do not own any Membership Interests and (ii) in the event that such third party or its Affiliates acquires USX Voting Securities pursuant to the Closing of the Ashland Put Right, the date on which such third party and its Affiliates do not own more than 5% of the then outstanding USX Voting Securities;

(iii) such third party and its ultimate parent, if any, shall each become subject to the same non-compete covenants that apply to Ashland under Article XIV;

(iv) Ashland shall be relieved of all of its obligations hereunder other than (1) any default hereunder by Ashland or any of its Affiliates that occurred prior to the time of such Transfer; (2) Ashland's obligations under Section 12.02 (which are in addition to, and not in lieu of such third party's obligations under Section 12.02); and (3) Ashland's obligations under Article XIV (which shall survive for six months from the date of such Transfer and which are in addition to, and not in lieu of such third party's obligations under Article XIV); and

(v) Ashland shall retain all of its rights under Article X with respect to any Securities that are issued to Ashland pursuant to Section 4.02(c) prior to or after the date of such Transfer (which rights shall be in addition to and not in lieu of the rights that the third party of Ashland's Membership Interests is entitled to under Article X).

(d) Assignment of Ashland's Ashland Put Right and Special Termination Right. In the event of an assignment by Ashland of its rights and obligations under this Agreement to a third party pursuant to this Section 15.02, Ashland's rights and obligations related to its Ashland Put Right and its Special Termination Right shall also be assigned to such third party; provided that such third party shall not be permitted to exercise the Ashland Put Right until the third anniversary of the date of such assignment.

SECTION 15.03. Survival and Assignment re: the Company. The Company shall not be permitted to assign its rights and obligations hereunder without the prior written consent of each of the other parties hereto, which consent shall not be unreasonably withheld.

SECTION 15.04. Assignment and Assumption Agreements. Any assignment of Marathon's, USX's, Ashland's or the Company's respective rights and obligations hereunder pursuant to this Article XV shall be pursuant to an assignment and assumption agreement by and among the third party, such third party's ultimate parent, if any, and each

of the parties hereto, in such form as the parties hereto shall reasonably approve.

SECTION 15.05. Consequences of Unpermitted Assignments. Any attempted assignment in violation of this Article XV shall be void and without legal effect.

ARTICLE XVI

Dispute Resolution Procedures

SECTION 16.01. General. All controversies, claims or disputes that arise out of or relate to the Agreement or the construction, interpretation, performance, breach, termination, enforceability or validity of the Agreement, or the commercial economic or other relationship of the parties thereto, whether such claim is based on rights, privileges or interests recognized by or based upon statute, contract, tort, common law or otherwise and whether such claim existed prior to or arises on or after the date of the Agreement (a "Dispute") shall be resolved in accordance with the provisions of this Article XVI. Notwithstanding anything to the contrary contained in this Article XVI, nothing in this Article XVI shall limit the ability of the directors and officers of a party hereto from communicating directly with the directors and officers of any other party hereto.

SECTION 16.02. Dispute Notice and Response. A party hereto may give another party hereto written notice (a "Dispute Notice") of any Dispute which has not been resolved in the normal course of business. Within fifteen Business Days after delivery of the Dispute Notice, the receiving party shall submit to the other party a written response (the "Response"). The Dispute Notice and the Response shall each include a statement setting forth the position of the party giving such notice, a summary of the arguments supporting such position and, if applicable, the relief sought.

SECTION 16.03. Negotiation Between Chief Executive Officers. (a) If a Dispute Notice is delivered prior to the Closing, within 10 Business Days after delivery of the Response provided for in Section 16.02, the Chief Executive Officer (in the case of Ashland and USX) and/or the President (in the case of Marathon and the Company) of

each party to such Dispute shall meet or communicate by telephone at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, and shall negotiate in good faith to attempt to resolve the Dispute that is the subject of such Dispute Notice. If such Dispute has not been resolved within 20 Business Days after the delivery of the Response as provided for in Section 16.02, then each party shall be permitted to take such actions at law or in equity as it is otherwise permitted to take or as may be available under Applicable Law.

(b) All negotiations between the Chief Executive Officer(s) and/or the President(s) pursuant to this Section 16.03 shall be treated as compromise and settlement negotiations. Nothing said or disclosed, nor any document produced, in the course of such negotiations which is not otherwise independently discoverable shall be offered or received as evidence or used for impeachment or for any other purpose in any current or future arbitration or litigation.

SECTION 16.04. Right to Equitable Relief Preserved. Notwithstanding anything in this Agreement to the contrary, any party hereto may at any time seek from any court of the United States located in the State of Delaware or from any Delaware state court, any interim, provisional or injunctive relief that may be necessary to protect the rights or property of such party or maintain the status quo before, during or after the pendency of the negotiation process or any other proceeding contemplated by Section 16.03.

ARTICLE XVII

Miscellaneous

SECTION 17.01. Notices. Any notice, consent or approval to be given under this Agreement shall be in writing and shall be deemed to have been given if delivered: (i) personally by a reputable courier service that requires a signature upon delivery; (ii) by mailing the same via registered or certified first-class mail, postage prepaid, return receipt requested; or (iii) by telecopying the same with receipt confirmation (followed by a first-class mailing of the same) to the intended recipient. Any such writing will be deemed to have been given: (a) as of the date of

personal delivery via courier as described above; (b) as of the third calendar day after depositing the same into the custody of the postal service as evidenced by the date-stamped receipt issued upon deposit of the same into the mails as described above; and (c) as of the date and time electronically transmitted in the case of telecopy delivery as described above, in each case addressed to the intended party at the address set forth below:

To Marathon:

Marathon Oil Company
5555 San Felipe
P.O. Box 3128
Houston, TX 77056
Attn: General Counsel
Phone: (713) 296-4137
Fax: (713) 296-4171

To USX:

USX Corporation
600 Grant Street
Pittsburgh, PA, 15219-4776
Attn: General Counsel
Phone: (412) 433-1121
Fax: (412) 433-2015

To Ashland:

Ashland Inc.
1000 Ashland Drive
Russell, KY 41169
Attn: General Counsel
Phone: (606) 329-3333
Fax: (606) 329-3823

To the Company:

Marathon Ashland Petroleum LLC
539 South Main Street
Findlay, Ohio 45840
Attn: General Counsel
Phone: (419) 421-4115
Fax: (419) 422-2121

Any party may designate different addresses or telecopy numbers by notice to the other parties.

SECTION 17.02. Merger and Entire Agreement. This Agreement (including the Schedules and Appendices attached hereto), together with the other Transaction Documents (including the exhibits, schedules and appendices thereto) and certain other agreements executed contemporaneously with the Master Formation Agreement constitutes the entire Agreement of the parties hereto and supersedes any prior understandings, agreements, or representations by or among the parties hereto, written or oral, to the extent they relate in any way to the subject matter hereof.

SECTION 17.03. Parties in Interest. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors, legal representatives and permitted assigns.

SECTION 17.04. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

SECTION 17.05. Amendment; Waiver. This Agreement may not be amended except in a written instrument signed by each of the parties hereto and expressly stating it is an amendment to this Agreement. Any failure or delay on the part of any party hereto in exercising any power or right hereunder shall not operate as a waiver thereof, nor shall any single or partial exercise of any such right or power preclude any other or further exercise thereof or the exercise of any other right or power hereunder or otherwise available at law or in equity.

SECTION 17.06. Severability. If any term, provision, covenant, or restriction of this Agreement or the application thereof to any Person or circumstance, at any time or to any extent, is held by a court of competent jurisdiction or other Governmental Authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement (or the application of such provision in other jurisdictions or to Persons or circumstances other than those to which it was held invalid or unenforceable) shall in no way be affected, impaired or invalidated, and to the extent permitted by Applicable Law, any such term, provision, covenant or

restriction shall be restricted in applicability or reformed to the minimum extent required for such to be enforceable. This provision shall be interpreted and enforced to give effect to the original written intent of the parties hereto prior to the determination of such invalidity or unenforceability.

SECTION 17.07. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICTS OF LAW THEREOF. ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY CLAIM OR PROCEEDING RELATED TO OR ARISING OUT OF THIS AGREEMENT, OR ANY TRANSACTION OR CONDUCT IN CONNECTION HEREWITH, IS WAIVED.

SECTION 17.08. Enforcement. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in the Delaware Chancery Court; provided that if the Delaware Chancery Court does not have jurisdiction with respect to such matter, the parties hereto shall be entitled to enforce specifically the terms and provisions of this Agreement in any court of the United States located in the State of Delaware or in Delaware state court, this being in addition to any other remedy to which they are entitled at law or in equity. In addition, each of the parties hereto (i) consents to submit itself to the personal jurisdiction of the Delaware Chancery Court in the event that any dispute arises out of this Agreement or any of the transactions contemplated by this Agreement; provided that if the Delaware Chancery Court does not have jurisdiction with respect to any such dispute, such party consents to submit itself to the personal jurisdiction of any Federal court located in the State of Delaware or any Delaware state court, (ii) agrees to appoint and maintain an agent in the State of Delaware for service of legal process, (iii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, (iv) agrees that it will not plead or claim in any such court that any action relating to this Agreement or any of the transactions contemplated by this Agreement in any such court has been brought in an inconvenient forum and (v) agrees that it will not initiate

any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than (1) the Delaware Chancery Court, or (2) if the Delaware Chancery Court does not have jurisdiction with respect to such action, a Federal court sitting in the State of Delaware or a Delaware state court.

SECTION 17.09. Table of Contents, Headings and Titles. The table of contents and section headings of this Agreement and titles given to Schedules and Appendices to this Agreement are for reference purposes only and are to be given no effect in the construction or interpretation of this Agreement.

SECTION 17.10. Use of Certain Terms; Rules of Construction. As used in this Agreement, the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular paragraph, subparagraph, section, subsection or other subdivision. Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. Each party hereto agrees that any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation or construction of this Agreement or any Transaction Document.

SECTION 17.11. Holidays. Notwithstanding any deadline for payment, performance, notice or election under this Agreement, if such deadline falls on a date that is not a Business Day, then the deadline for such payment, performance, notice or election will be extended to the next succeeding Business Day.

SECTION 17.12. Third Parties. Nothing herein expressed or implied is intended or shall be construed to confer upon or give any person and their respective successors, legal representatives and permitted assigns any rights, remedies or basis for reliance upon, under or by reason of this Agreement.

SECTION 17.13. Liability for Affiliates. Except where and to the extent that a contrary intention otherwise appears, where any party hereto undertakes to cause its Affiliates to take or abstain from taking any action, such

undertaking shall mean (i) in the case of an Affiliate that is controlled by such party, that such party shall cause such Affiliate to take or abstain from taking such action and (ii) in the case of an Affiliate that controls or is under common control with such party, that such party shall use its commercially reasonable best efforts to cause such Affiliates to take or abstain from taking such action; provided, however, that such party shall not be required to violate, or cause any director of an Affiliate to violate, any fiduciary duty to minority shareholders of such Affiliate.

SECTION 17.14. Schedules. No representation or warranty hereunder shall be deemed to be inaccurate if the actual situation is disclosed pursuant to another representation or warranty herein or in a schedule to a Put/Call, Registration Rights and Standstill Agreement Disclosure Letter or in any other Transaction Document or any exhibit, schedule or appendix thereto, whether or not an explicit cross-reference appears. Neither the specification of any dollar amount in any representation, warranty or covenant contained in this Agreement nor the inclusion of any specific item in a schedule to a Put/Call, Registration Rights and Standstill Agreement Disclosure Letter is intended to imply that such amount, or higher or lower amounts, or the item so included or other items, are or are not material, and neither party shall use the fact of the setting forth of any such amount or the inclusion of any such item in any dispute or controversy involving the parties as to whether any obligation, item or matter not described herein or included in a schedule to a Put/Call,

Registration Rights and Standstill Agreement Disclosure Letter is or is not material for purposes of this Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties as of the day and year first above written.

MARATHON OIL COMPANY

by /s/ V G BEGHINI
Name: **Victor G. Beghini**
Title: **President**

USX CORPORATION

by /s/ T J USHER
Name: **Thomas J. Usher**
Title: **Chairman of the Board and Chief Executive Officer**

ASHLAND INC.

by /s/ PAUL CHELLGREN
Name: **Paul W. Chellgren**
Title: **Chairman of the Board and Chief Executive Officer**

MARATHON ASHLAND PETROLEUM LLC

by /s/ J. L. FRANK
Name: **J. L. Frank**
Title: **President**

APPENDIX A

DEFINITION OF TERMS

The following terms shall have the following meanings wherever they appear in a Transaction Document (as hereinafter defined) and such meanings shall be equally applicable to both the singular and the plural forms of the terms herein defined. References herein to an agreement, instrument or document shall, unless otherwise expressly provided, include such agreement, instrument or document as the same may be amended, modified or supplemented from time to time in accordance with its terms and as permitted by the Transaction Documents and shall include the permitted successors to, and assigns of, any Person.

"Addendum and Joinder" shall mean the Addendum and Joinder to the Asset Transfer and Contribution Agreement in substantially the form attached as Exhibit W to the Asset Transfer and Contribution Agreement.

"Affiliate" shall mean, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with, the Person in question; provided, however, that unless otherwise indicated, neither the Company nor any of its subsidiaries shall be considered an Affiliate of Marathon, USX or Ashland.

"Affiliated Ashland Group" shall have the meaning set forth in Section 6.4(c) of the Asset Transfer and Contribution Agreement.

"Affiliated Marathon Group" shall have the meaning set forth in Section 5.4(c) of the Asset Transfer and Contribution Agreement.

"Applicable GAAP" shall have the meaning set forth in Section 1.02 of the LLC Agreement.

"Applicable Law" shall mean any applicable statute, law, regulation, ordinance, rule, judgment, rule of law, order, decree, permit, approval, concession, grant, franchise, license, agreement, requirement, or other governmental restriction or any similar form of decision of, or any provision or condition of any permit, license or other operating authorization issued under any of the foregoing by, or any determination by any Governmental Authority having or asserting jurisdiction over the matter or matters in question, whether now or hereafter in effect and in each case as amended (including without limitation, all of the terms and provisions of the common law of such Governmental Authority), as interpreted and enforced at the time in question.

"Ashland" shall mean Ashland Inc., a Kentucky corporation, or its successor.

"Ashland Asset Leases" shall have the meaning set forth in Section 3.1(g) of the Asset Transfer and Contribution Agreement.

"Ashland Asset Transfer and Contribution Agreement Disclosure Letter" shall mean the letter from Ashland to Marathon and the Company dated the date of and relating to the Asset Transfer and Contribution Agreement.

"Ashland Assumed Liabilities" shall have the meaning set forth in Section 3.3 of the Asset Transfer and Contribution Agreement.

"Ashland Benefit Plan" shall mean every Employee Benefit Plan sponsored, maintained, or contributed to, or required to be contributed to, by Ashland, or any ERISA Affiliate of Ashland, for the benefit of current or former employees of Ashland's Business in the United States.

"Ashland Chemical Product Sale Agreement" shall mean the Ashland Chemical Product Sale Agreement in substantially the form attached as Exhibit P to the Asset Transfer and Contribution Agreement.

"Ashland Commercial Affiliates" shall have the meaning set forth in Section 4.1 of the Master Formation Agreement.

"Ashland Consent Decrees" shall mean any consent decrees, consent orders, agreed orders, notices of violation, judgments, decrees or similar orders or obligations entered into prior to Closing or relating to any investigations of which Ashland had received notice from the appropriate Governmental Authority prior to Closing.

"Ashland Contracts" shall have the meaning set forth in Section 3.1(o) of the Asset Transfer and Contribution Agreement.

"Ashland Designated Sublease Agreements" shall mean the Ashland Sublease Agreements in substantially the forms attached as Exhibit L to the Asset Transfer and Contribution Agreement.

"Ashland Designated UST Environmental Contamination" shall mean any Environmental Contamination associated with, or discovered as part of, Ashland's 1998 underground storage tank upgrade program at the Ashland Service Stations set forth on Schedule 9.1(c) to the Ashland Asset Transfer and Contribution Agreement Disclosure Letter under the heading "Ashland Designated UST Environmental Contamination."

"Ashland Environmental Loss" shall mean any Environmental Loss to the extent arising out of, based on, or occurring in connection with Ashland's Business prior to Closing or related to the ownership, use, operation or maintenance of, or related to the reporting practices associated with, the Ashland Transferred Assets prior to Closing, whether or not Asserted prior to Closing.

"Ashland Excluded Assets" shall have the meaning set forth in Section 3.2 of the Asset Transfer and Contribution Agreement.

"Ashland Excluded Liabilities" shall have the meaning set forth in Section 3.4 of the Asset Transfer and Contribution Agreement.

"Ashland Excluded Taxes" shall have the meaning set forth in Section 3.3(i) of the Asset Transfer and Contribution Agreement.

"Ashland Financial Statements" shall have the meaning set forth in Section 4.6 of the Master Formation Agreement.

"Ashland General Assignment and Assumption Agreement" shall mean the General Assignment and Assumption Agreement in substantially the form attached as of Exhibit I to the Asset Transfer and Contribution Agreement.

"Ashland Indemnified Persons" shall mean Ashland and its Affiliates and their respective employees, officers and directors.

"Ashland Information Package" shall have the meaning set forth in Section 4.8 of the Master Formation Agreement.

"Ashland Intellectual Property License Agreement" shall mean the Intellectual Property License Agreement in substantially the form attached as Exhibit J-1 to the Asset Transfer and Contribution Agreement.

"Ashland Joint Contracts" shall have the meaning set forth in Section 3.6(b) of the Asset Transfer and Contribution Agreement.

"Ashland Joint Permits" shall have the meaning set forth in Section 3.6(c) of the Asset Transfer and Contribution Agreement.

"Ashland Joint Services Agreement" shall mean the Ashland Joint Services Agreement in substantially the form attached as Exhibit Q to the Asset Transfer and Contribution Agreement.

"Ashland Lease Agreements" shall mean the Lease Agreements in substantially the form attached as Exhibit K to the Asset Transfer and Contribution Agreement.

"Ashland LOOP/LOCAP Interest" shall have the meaning set forth in Section 1.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Ashland Master Formation Agreement Disclosure Letter" shall mean the letter from Ashland to Marathon dated the date of and relating to the Master Formation Agreement.

"Ashland Material Contracts" shall have the meaning set forth in Section 6.9 of the Asset Transfer and Contribution Agreement.

"Ashland Material Permits" shall have the meaning set forth in Section 6.3 of the Asset Transfer and Contribution Agreement.

"Ashland 1997 Balance Sheet" shall mean the audited balance sheet of Ashland appearing in the Ashland Financial Statements.

"Ashland Ongoing Remediation" shall mean, with respect to any Ashland Environmental Loss, Remediation Activities that either were commenced prior to Closing or that relate to any investigation of which Ashland had received notice from the appropriate Governmental Authority prior to Closing.

"Ashland Other Real Property Rights" shall have the meaning set forth in Section 3.1(h) of the Asset Transfer and Contribution Agreement.

"Ashland Other Sublease Agreements" shall mean the Ashland Sublease Agreements in substantially the forms attached as Exhibit M to the Asset Transfer and Contribution Agreement.

"Ashland Pension Plan" shall have the meaning set forth in Section 10.5(c)(i) of the Asset Transfer and Contribution Agreement.

"Ashland Permits" shall have the meaning set forth in Section 3.1(p) of the Asset Transfer and Contribution Agreement.

"Ashland Personal Property Leases" shall have the meaning set forth in Section 3.1(j) of the Asset Transfer and Contribution Agreement.

"Ashland Personal Property Owned" shall have the meaning set forth in Section 3.1(i) of the Asset Transfer and Contribution Agreement.

"Ashland Pipelines" shall have the meaning set forth in Section 3.1(c) of the Asset Transfer and Contribution Agreement.

"Ashland Proprietary Rights" shall have the meaning set forth in Section 6.10(a) of the Asset Transfer and Contribution Agreement.

"Ashland Quitclaim Deeds" shall mean the Quitclaim Deeds substantially in the forms attached as Exhibit H to the Asset Transfer and Contribution Agreement.

"Ashland Real Property Leased" shall have the meaning set forth in Section 3.1(f) of the Asset Transfer and Contribution Agreement.

"Ashland Real Property Leases" shall have the meaning set forth in Section 3.1(f) of the Asset Transfer and Contribution Agreement.

"Ashland Real Property Owned" shall have the meaning set forth in Section 3.1(e) of the Asset Transfer and Contribution Agreement.

"Ashland Records" shall have the meaning set forth in Section 3.1(s) of the Asset Transfer and Contribution Agreement.

"Ashland Refineries" shall have the meaning set forth in Section 3.1(a) of the Asset Transfer and Contribution Agreement.

"Ashland Restricted Asset" shall have the meaning set forth in Section 3.6(a) of the Asset Transfer and Contribution Agreement.

"Ashland Restricted Liability" shall have the meaning set forth in Section 3.6(a) of the Asset Transfer and Contribution Agreement.

"Ashland Restriction" shall have the meaning set forth in Section 3.6(a) of the Asset Transfer and Contribution Agreement.

"Ashland Retirement Plan" shall have the meaning set forth in Section 10.7(a) of the Asset Transfer and Contribution Agreement.

"Ashland Service Stations" shall have the meaning set forth in Section 3.1(d) of the Asset Transfer and Contribution Agreement.

"Ashland Shut-Down Refinery Assets" shall mean those portions of shut down refineries of Ashland that are operating as terminals and are being leased to the Company pursuant to the Ashland Lease Agreements.

"Ashland Sublease Agreements" shall mean the Ashland Designated Sublease Agreements and the Ashland Other Sublease Agreements.

"Ashland Subsidiaries" shall have the meaning set forth in Section 4.1 of the Master Formation Agreement.

"Ashland Subsidiaries Interests" shall have the meaning set forth in Section 4.10 of the Master Formation Agreement.

"Ashland Supplier Cooperation Agreement" shall mean the Ashland Supplier Cooperation Agreement substantially in the form of Exhibit S to the Asset Transfer and Contribution Agreement.

"Ashland Terminals" shall have the meaning set forth in Section 3.1(b) of the Asset Transfer and Contribution Agreement.

"Ashland Trademark License Agreement" shall mean the Ashland Trademark License Agreement in substantially the form attached as Exhibit J-2 to the Asset Transfer and Contribution Agreement.

"Ashland Transferred Assets" shall have the meaning set forth in Section 3.1 of the Asset Transfer and Contribution Agreement.

"Ashland Transferred Employees" shall have the meaning set forth in Section 10.1(c) of the Asset Transfer and Contribution Agreement.

"Ashland Transferring Affiliates" shall have the meaning set forth in Section 4.1 of the Master Formation Agreement.

"Ashland Transferring Affiliate Interests" shall have the meaning set forth in Section 4.11 of the Master Formation Agreement.

"Ashland Transferring Entities" shall have the meaning set forth in Section 4.1 of the Master Formation Agreement.

"Ashland VEBA" shall have the meaning set forth in Section 10.14 of the Asset Transfer and Contribution Agreement.

"Ashland Working Capital Shortfall" shall have the meaning set forth in Section 4.3(g) of the Asset Transfer and Contribution Agreement.

"Ashland's Adjusted Capital Expenditures" shall have the meaning set forth in Section 4.4(c) of the Asset Transfer and Contribution Agreement.

"Ashland's Business" shall mean that portion of Ashland's business, tangible assets, intangible assets, rights, contracts, permits, licenses and other rights which comprise Ashland's petroleum supply, refining, marketing and transportation business (excluding the Ashland Excluded Assets and Ashland Excluded Liabilities).

"Ashland's Target Capital Expenditures" shall have the meaning set forth in Section 4.4(a) of the Asset Transfer and Contribution Agreement.

"Asserted" shall mean with respect to an Environmental Loss, that the Indemnified Party has provided written notice to the Indemnifying Party either of (i) its receipt of written notice, including letters of inquiry, requests for information or other investigatory inquiries, from a Governmental Authority relating to such Environmental Loss or (ii) the existence of facts, conditions or circumstances from which the Indemnified Party has reasonably concluded, based on an opinion of

counsel delivered at any time after the Closing Date to such Indemnified Party, that an Environmental Loss may result.

"Asset Transfer and Contribution Agreement" shall mean the Asset Transfer and Contribution Agreement dated as of December 12, 1997, among Marathon, Ashland and the Company, including any appendices and exhibits to the Asset Transfer and Contribution Agreement and the Asset Transfer and Contribution Agreement Disclosure Letters.

"Asset Transfer and Contribution Agreement Disclosure Letters" shall mean the Marathon Asset Transfer and Contribution Agreement Disclosure Letter and the Ashland Asset Transfer and Contribution Agreement Disclosure Letter.

"Assumed Liabilities" shall mean, with respect to Marathon and Ashland, the Marathon Assumed Liabilities and the Ashland Assumed Liabilities, respectively.

"Bareboat Charter" shall have the meaning set forth in Section 9.3(k) of the Asset Transfer and Contribution Agreement.

"Board of Managers" shall have the meaning set forth in Section 8.02(a) of the LLC Agreement.

"Business" shall mean, with respect to Marathon and Ashland, Marathon's Business and Ashland's Business, respectively, and with respect to the Company, the Company's Business.

"Business Day" shall mean any day that is not a Saturday, Sunday or a holiday on which national banks in New York City, New York are closed for business.

"Capital Expenditure Accounting Firm" shall have the meaning set forth in Section 4.4(e) of the Asset Transfer and Contribution Agreement.

"Capital Expenditure Statement" shall have the meaning set forth in Section 4.4(c) of the Asset Transfer and Contribution Agreement.

"Capital Lease" shall mean any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as a capital lease on a consolidated balance sheet of the Company and its subsidiaries in accordance with GAAP.

"Casualty or Condemnation Loss" shall mean, with respect to Marathon's Business or Ashland's Business, as the case may be, (i) a Loss, whether or not insured, as a result of any fire, flood, accident, explosion, strike, labor disturbance, riot, act of God or public enemy or other calamity or casualty, unless either such Loss shall have been substantially cured, repaired or restored by such party prior to the Closing Date, or such party shall have otherwise substantially compensated the Company for such Loss, or (ii) that proceedings have been instituted or threatened seeking the condemnation or other taking of a portion of such business in the future.

"CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended.

"Claim" shall mean any existing or threatened future claim, demand, suit, action, investigation, proceeding, governmental action or cause of action of any kind or character (in each case, whether civil, criminal, investigative or administrative), known or unknown, under any theory, including those based on theories of contract, tort, statutory liability, strict liability, employer liability, premises liability, products liability, breach of warranty or malpractice.

"Claims Review Committee" shall mean a committee, consisting of no more than six and no fewer than four qualified representatives, with each of Marathon and Ashland choosing 50% of the representatives, duly formed and constituted as soon as practicable after the Closing Date to consider any matter referred to it pursuant to Section 9.8(c)(iii) of the Asset Transfer and Contribution Agreement.

"Closing" shall have the meaning set forth in Section 2.1 of the Master Formation Agreement.

"Closing Date" shall have the meaning set forth in Section 2.1 of the Master Formation Agreement.

"COBRA" shall mean the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, and Sections 601 through 608 of ERISA.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commercial Documents" shall mean the Shared Services Agreement, the Marathon Pipe Line Operating Agreement, the Crude Oil and NGL Supply Agreement, the Valvoline Lube Oil Supply Agreement, the Ashland Chemical Product Sale Agreement, the Ashland Joint Services Agreement, the Ashland Supplier Cooperation Agreement and the Revolving Credit Agreement.

"Commission" shall have the meaning set forth in Section 1.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Company" shall mean Marathon Ashland Petroleum LLC, a Delaware limited liability company.

"Company Indemnified Persons" shall mean the Company and its Affiliates and their respective employees, officers and directors.

"Company's Business" shall mean Marathon's Business and Ashland's Business to be conducted by the Company and its subsidiaries after the Closing.

"Confidentiality Agreement" shall mean the Confidentiality Agreement dated December 13, 1996 between Marathon and Ashland.

"Contracts" shall mean contracts, leases, licenses, indentures, agreements, purchase orders, commitments and all other legally binding arrangements, whether oral or written, express or implied.

"Control" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities or general partnership or managing member interests, by contract or otherwise. Without limiting the generality of the foregoing, a Person shall be deemed to control any other Person in which it owns, directly or indirectly, a majority of the ownership interests.

"Conveyance Documents" shall mean the Asset Transfer and Contribution Agreement, the Marathon Quitclaim Deeds, the Ashland Quitclaim Deeds, the Marathon General Assignment and Assumption Agreement, the Ashland General Assignment and Assumption Agreement, the Marathon Intellectual Property License Agreement, the Ashland Intellectual Property License Agreement, the Marathon Trademark License Agreement, the Ashland Trademark License Agreement, the Marathon Lease Agreements, the Ashland Lease Agreements, the Marathon Sublease Agreements and the Ashland Sublease Agreements and related conveyancing documents pursuant to which Transferred Assets are transferred to the Company and its subsidiaries.

"Crude Oil and NGL Supply Agreement" shall mean the Crude Oil and Natural Gas Liquids Supply Agreement in substantially the form attached as Exhibit R to the Asset Transfer and Contribution Agreement.

"Cumene Project" shall have the meaning set forth in Section 4.4(c) of the Asset Transfer and Contribution Agreement.

"Cumene Project 1997 Budget Amount" shall have the meaning set forth in Section 4.4(c) of the Asset Transfer and Contribution Agreement.

"Delaware Act" shall mean the Delaware Limited Liability Company Act, as in effect and amended from time to time, or any successor statute.

"Demand Registration" shall have the meaning set forth in Section 10.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Designated Persons" shall have the meaning set forth in the Confidentiality Agreement.

"Disclosure Letters" shall mean the Master Formation Agreement Disclosure Letters, the Parent Agreement Disclosure Letter, the Asset Transfer and Contribution Agreement Disclosure Letters and the Put/Call, Registration Rights and Standstill Agreement Disclosure Letter.

"Dispute" shall have the meaning set forth in Appendix B to the Asset Transfer and Contribution Agreement and Appendix B to the Master Formation Agreement.

"DOJ" shall mean the United States Department of Justice.

"Employee Benefit Plans" shall mean all pension, retirement, profit-sharing, medical, vacation, hospitalization, vision, dental, health, life, severance or termination of employment plans, including any "employee benefit plan" as defined in Section 3(3) of ERISA.

"Employer Company" shall have the meaning set forth in Section 10.1(b) of the Asset Transfer and Contribution Agreement.

"Employment Transfer Date" shall have the meaning set forth in Section 10.1(c) of the Asset Transfer and Contribution Agreement.

"Emro" shall mean Emro Marketing Company.

"Emro Savings Plan" shall have the meaning set forth in Section 10.11 of the Asset Transfer and Contribution Agreement.

"Environmental Contamination" shall mean (a) any release, discharge or disposal of any Hazardous Substance into or onto groundwater, surface water or soil at, from, to or under any of the Marathon Real Property Owned or Marathon Real Property Leased or any of the Ashland Real Property Owned or Ashland Real Property Leased or (b) any transportation, treatment, recycling, storage, discharge or disposal by, at or to any facility owned or operated by another party, including any facility leased by either Marathon or Ashland or any of their respective Affiliates or predecessors or the Company or any of its Affiliates of any Hazardous Substance that (i) was shipped from or disposed of on, at or under any of the properties or facilities that are or have been owned, operated or used by either Marathon or Ashland or any of their respective Affiliates or predecessors or the Company or its Affiliates or (ii) arose from the operations of either Marathon or Ashland or any of their respective Affiliates or predecessors or the Company or its Affiliates.

"Environmental Law" shall mean any Applicable Law relating to (a) the protection of (i) the environment or (ii) the public welfare from actual or potential exposure (or the effects of exposure) to any actual or potential release, discharge, disposal or emission (whether past or present) of any Hazardous Substance or (b) the manufacture, processing, distribution, use, treatment, labeling, storage, disposal, transport or handling of any Hazardous Substance.

"Environmental Loss" shall mean any Loss arising out of any Environmental Contamination or any Environmental Violation or a combination of both. Environmental Loss specifically includes all costs incurred to install new improvements or make repairs or alterations to prevent the continuation of any Environmental Contamination or to remedy noncompliance with any Environmental Law and, in the case of any Special Environmental Projects, shall include the reasonable hourly costs of Company facility personnel to the extent dedicated to Remediation Activities or other activity directly related to such Special Environmental Projects. Environmental Loss specifically does not include any Claim brought by a Person other than a Governmental Authority seeking damages, contribution, indemnification, cost recovery, penalties, compensation or injunctive relief resulting from the existence or release of, or exposure to, Hazardous Substances except where such Claim is brought as a citizen's suit in which no monetary damages are sought for the account of such Person

Notwithstanding the foregoing, any Loss under CERCLA or any comparable state Environmental Law that arises out of, is based on or is in connection with the disposal by Marathon or Ashland of Hazardous Substances at a location other than a property included in the Transferred Assets shall be treated as a Marathon Excluded Liability or an Ashland Excluded Liability, as the case may be. All Environmental Losses arising from the same event, condition or set of circumstances at a particular facility shall be considered as an individual Environmental Loss for purposes of determining the applicability of the Individual Threshold Amount.

"Environmental Requirement" shall mean any notice of violation, directive, instruction, judgment, order or similar mandate from any Governmental Authority directing, ordering or requiring a correction of any Environmental Contamination or Environmental Violation, or any related Remediation Activities.

"Environmental Violation" shall mean any violation of any Environmental Law, excluding, however, any such violation related to Environmental Contamination.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" shall mean with respect to any Person any trade or business, whether or not incorporated, which together with such Person would be deemed a "single employer" within the meaning of Section 414(b), (c) or (m) of the Code.

"Exchange Act" shall have the meaning set forth in Section 1.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Extraordinary Environmental Loss" shall mean (a) an Environmental Loss arising from an Environmental Violation or Environmental Contamination in which (i) the amount in controversy could reasonably be expected to exceed $15,000,000; (ii) the Company has Asserted a Claim for indemnity under either Section 9.1(c) or Section 9.2(c) of the Asset Transfer and Contribution Agreement; and (iii) the Indemnifying Party has a prior course of dealing with the Governmental Authority with jurisdiction over the matter or (b) a facility-wide application of the corrective action requirements of Sections 3004(u) and (v) of RCRA to a refinery included in the Transferred Assets.

"Fiscal Quarter" shall mean the three-month period ended March 31, June 30, September 30 and December 31 of each Fiscal Year.

"Fiscal Year" shall have the meaning set forth in Section 6.05 of the LLC Agreement.

"FTC" shall mean the United States Federal Trade Commission.

"Former Marathon Plan Participants" shall have the meaning set forth in Section 10.5(a) of the Asset Transfer and Contribution Agreement.

"Freedom Employees" shall have the meaning set forth in Section 10.7(a) of the Asset Transfer and Contribution Agreement.

"Freedom Pension Plan" shall have the meaning set forth in Section 10.7(a) of the Asset Transfer and Contribution Agreement.

"Fundamental Adverse Effect" shall mean (a) with respect to Marathon's Business, an effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of Marathon's Business which results in a Loss of $80,000,000 or more, or, if such Loss is not susceptible to being measured in monetary terms, is otherwise fundamentally adverse to Marathon's Business, and in any event includes a shutdown by a Governmental Authority of any Marathon Refinery or Major Unit thereof contained within the Marathon Transferred Assets, (b) with respect to Ashland's Business, an effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of Ashland's Business which results in a Loss of $50,000,000 or more, or, if such Loss is not susceptible to being measured in monetary terms, is otherwise fundamentally adverse to Ashland's Business, and in any event includes a shutdown by a Governmental Authority of any Ashland Refinery or Major Unit thereof contained within the Ashland Transferred Assets, and (c) with respect to the Company's Business, an effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of the Company's Business which results, individually or in the aggregate, in a Loss of $65,000,000 or more, or, if such Loss is not susceptible to being measured in monetary terms, is otherwise fundamentally adverse to the Company's Business, and in any event includes a shutdown by a Governmental Authority of any Marathon Refinery or Ashland Refinery or Major Unit thereof contained within either the Marathon Transferred Assets or the Ashland Transferred Assets; provided, however, that any such effect relating to or resulting from any change in the price of petroleum or petroleum byproducts, general economic conditions or local, regional, national or international industry conditions (including changes in financial or market conditions) shall be deemed not to constitute a Fundamental Adverse Effect.

"Fuelgas Interest" shall have the meaning set forth in Section 1.01 of the LLC Agreement.

"GAAP" shall mean United States generally accepted accounting principles applied on a consistent basis.

"Governmental Approval" shall mean any permit, license, franchise, approval, consent, waiver, certification, qualification or other authorization issued, granted, given or otherwise made available by or under the authority of any Governmental Authority or pursuant to any Applicable Law.

"Governmental Authority" shall mean any federal, state, local or foreign government or any provincial, departmental or other political subdivision thereof, or any entity, body or authority exercising executive, legislative, judicial, regulatory, administrative or other governmental functions or any court, department, commission, board, bureau, agency, instrumentality or administrative body of any of the foregoing.

"Guarantee" by any Person shall mean any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person or in any manner, providing for the payment of any Indebtedness or other obligation of any other Person or otherwise protecting the holder of such Indebtedness or other obligation against loss (whether arising by virtue of partnership arrangements, by obtaining letters of credit, by agreement to keep-well, to purchase assets, goods, securities or services, or to take-or-pay or otherwise), provided that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business.

"Hazardous Substances" shall mean, collectively, any substance which is identified and regulated (or the cleanup of which can be required) under any Environmental Law, and, in addition, any substance which requires special handling, storage or disposal procedures or whose use, handling, storage or disposal of which is in any way regulated, whether now or in the future, in any case under any Applicable Law for the protection of health, safety and the environment. Without limiting the generality of the foregoing, Hazardous Substances shall include (a) "hazardous wastes," "hazardous substances," "toxic substances," "pollutants," or "contaminants" or other similar identified designations in, or otherwise subject to regulation under, any Environmental Law; and (b) petroleum, refined petroleum products and fractions or by-products thereof, in each case whether in their virgin, used or waste state.

"HIPAA" shall mean the Health Insurance Portability and Accountability Act of 1996.

"HSR Act" shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

"Incidental Cash" shall mean (a) petty cash, (b) refining, retail outlets and transportation ("RMT") working funds, (c) depository account balances for the RMT business (automated clearinghouse transmissions submitted on the most recent banking day in the applicable jurisdiction immediately preceding the Closing Date or later will be for the account of the Company and its subsidiaries), (d) funds in transit relating to retail outlet deposits, and (e) uncollected funds in lockboxes and lockbox bank accounts for the RMT business (automated clearinghouse transmissions submitted on the most recent banking day in the applicable jurisdiction immediately preceding the Closing Date or later will be for the account of the Company and its subsidiaries).

"Indebtedness" of any person shall mean, without duplication, (a) all obligations of such person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such person upon which interest charges are customarily paid, (d) all obligations of such person under conditional sale or other title retention agreements relating to property or assets purchased by such person, (e) all obligations of such person issued or assumed as the deferred purchase price of property or services (excluding trade accounts payable, trade advertising and accrued obligations), (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such person, whether or not the obligations secured thereby have been assumed, (g) all Guarantees by such person of Indebtedness of others, (h) all Capital Lease obligations of such person, (i) all

obligations of such person in respect of interest rate protection agreements, foreign currency exchange agreements or other interest or exchange rate hedging arrangements and (j) all obligations of such person as an account party in respect of letters of credit and bankers' acceptances. The Indebtedness of any person shall include the Indebtedness of any partnership in which such person is a general partner, other than to the extent that the instrument or agreement evidencing such Indebtedness expressly limits the liability of such person in respect thereof.

"Indemnified Party" shall have the meaning set forth in Section 9.6(a) of the Asset Transfer and Contribution Agreement.

"Indemnifying Party" shall have the meaning set forth in Section 9.6(b) of the Asset Transfer and Contribution Agreement.

"Indemnity Agreement" shall mean the Insurance Indemnity Agreement in substantially the form attached as Exhibit T to the Asset Transfer and Contribution Agreement.

"Individual Threshold Amount" shall mean, with respect to (a) each Environmental Loss related to Environmental Contamination associated with a Marathon Refinery or an Ashland Refinery, $1,000,000, (b) all Environmental Losses related to Environmental Contamination associated with any individual retail gasoline service station included in the Transferred Assets, $100,000, (c) each Environmental Loss related to Environmental Contamination associated with a pipeline, pipeline station or pipeline-related facility (other than a pipeline terminal) included in the Transferred Assets, $100,000; provided, however, that such amount shall be reduced to zero for purposes of each of Section 9.1(c)(ii) and Section 9.2(c)(ii) of the Asset Transfer and Contribution Agreement once the aggregate amount of Environmental Losses borne by the Company under each such section with respect to Environmental Contamination associated with pipelines, pipeline stations or pipeline-related facilities (other than pipeline terminals) as a result of application of the Individual Threshold Amount equals $5,000,000, (d) each Environmental Loss related to Environmental Contamination associated with a particular terminal (including a pipeline terminal) included in the Transferred Assets, $100,000, (e) each Environmental Loss related to Environmental Contamination associated with any other property included in the Transferred Assets, $100,000 and (f) each Environmental Violation (including a series of Environmental Violations arising from the same event, condition or set of circumstances), $100,000.

"Initial Term" shall have the meaning set forth in Section 2.03 of the LLC Agreement.

"Intellectual Property" shall mean patents, patent applications (filed, unfiled or being prepared), records of invention, invention disclosures, trademarks (registered or unregistered), trademark applications (filed, unfiled or being prepared), trade names, copyrights (registered or unregistered), copyright applications (filed, unfiled or being prepared), service marks (registered or unregistered), service mark registrations, service mark applications (filed, unfiled or being prepared), all together with the goodwill associated with such marks or names, trade secrets, shop and royalty rights, technology, inventions, knowhow, processes and confidential and proprietary information, including any being developed (including but not limited to designs, manufacturing data, design data, test data,

operational data, and formulae), whether or not recorded in tangible form through drawings, software, reports, manuals or other tangible expressions, whether or not subject to statutory registration, whether foreign or domestic, and all rights to any of the foregoing.

"Joint Defense Agreement" shall mean the Joint Defense Agreement in substantially the form attached as Exhibit N to the Asset Transfer and Contribution Agreement.

"Knowledge" shall mean (a) with respect to an individual, the actual knowledge of a particular fact or (b) with respect to a Person other than an individual, actual knowledge of a particular fact by an executive officer, division manager, refinery manager or terminal manager or by any individual serving in a similar capacity of such Person or individuals directly reporting to such individuals.

"Liabilities" shall mean obligations, responsibilities and liabilities (whether based in common law or statute or arising under written contract or otherwise, known or unknown, fixed or contingent, real or potential, tangible or intangible, now existing or hereafter arising).

"Lien" shall mean, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, encumbrance, charge or security interest in or on such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

"LLC Agreement" shall mean the Limited Liability Company Agreement of the Company in substantially the form attached as Exhibit A to the Master Formation Agreement.

"Loaned Employees" shall have the meaning set forth in Section 10.1(a) of the Asset Transfer and Contribution Agreement.

"Loss" shall mean any loss, cost, Liability or expense, settlement, damage of any kind, judgment, obligation, charge, fee, fine, penalty, court cost and/or attorneys' and administrative fee or disbursement (at all levels, including appellate), but excluding a party's indirect corporate and administrative overhead costs.

"Lowest Remediation Cost" shall mean the lowest overall obtainable cost to effect Remediation Activities or a correction of an Environmental Violation, as the case may be, taking into consideration the applicable Environmental Requirements or standards under applicable Environmental Laws, the nature and quantity of any Hazardous Substances being remediated, the location of any Environmental Contamination, the potential effect of any Environmental Contamination on health and safety, the difficulty of effecting the Remediation Activities, the expected duration of the Remediation Activities, the enforcement policies of the Governmental Authorities responsible for enforcing the applicable Environmental Requirements and Environmental Laws (subject to Section 9.8(h) of the Asset Transfer and Contribution Agreement), the reputation of the contractors available to effect the Remediation Activities and any potentially adverse effect on the operation of the Company's Business as a result of the Remediation Activities.

"Major Unit" of a refinery shall mean a crude unit, a catalytic cracker, a reformer, a wastewater treatment plant and a desulfurization unit.

"Marathon" shall mean Marathon Oil Company, an Ohio corporation, or its successor.

"Marathon Asset Leases" shall have the meaning set forth in Section 2.1(g) of the Asset Transfer and Contribution Agreement.

"Marathon Asset Transfer and Contribution Agreement Disclosure Letter" shall mean the letter from Marathon to Ashland and the Company dated the date of and relating to the Asset Transfer and Contribution Agreement.

"Marathon Assumed Liabilities" shall have the meaning set forth in Section 2.3 of the Asset Transfer and Contribution Agreement.

"Marathon Audited Financial Statements" shall have the meaning set forth in Section 3.6 of the Master Formation Agreement.

"Marathon Benefit Plan" shall mean every Employee Benefit Plan sponsored, maintained, or contributed to, or required to be contributed to, by Marathon, or any ERISA Affiliate of Marathon, for the benefit of current or former employees of Marathon's Business in the United States.

"Marathon Commercial Affiliates" shall have the meaning set forth in Section 3.1 of the Master Formation Agreement.

"Marathon Consent Decrees" shall mean any consent decrees, consent orders, agreed orders, notices of violation, judgments, decrees or similar orders or obligations entered into prior to the Closing Date or relating to any investigations of which Marathon had received notice from the appropriate Governmental Authority prior to the Closing Date.

"Marathon Contracts" shall have the meaning set forth in Section 2.1(o) of the Asset Transfer and Contribution Agreement.

"Marathon Designated Sublease Agreements" shall mean the Marathon Sublease Agreements in substantially the forms attached as Exhibit E to the Asset Transfer and Contribution Agreement.

"Marathon Designated UST Environmental Contamination" shall mean any Environmental Contamination associated with, or discovered as part of, Marathon's 1998 underground storage tank upgrade program at the Marathon Service Stations set forth on Schedule 9.1(c) to the Marathon Asset Transfer and Contribution Agreement Disclosure Letter under the heading "Marathon Designated UST Environmental Contamination."

"Marathon Environmental Loss" shall mean any Environmental Loss to the extent arising out of, based on, or occurring in connection with Marathon's Business prior to Closing or related to the

ownership, use, operation or maintenance of, or related to the reporting practices associated with, the Marathon Transferred Assets prior to Closing, whether or not Asserted prior to Closing.

"Marathon Equity Crude Payables" shall mean the amount owed for receipts by Marathon's Business of (i) Marathon and its Affiliates' equity crude oil with payment on the 20th day of the month following receipt and (ii) Marathon and its Affiliates' equity natural gas liquids with payment on the 10th day following receipt.

"Marathon Excluded Assets" shall have the meaning set forth in Section 2.2 of the Asset Transfer and Contribution Agreement.

"Marathon Excluded Liabilities" shall have the meaning set forth in Section 2.4 of the Asset Transfer and Contribution Agreement.

"Marathon Excluded Taxes" shall have the meaning set forth in Section 2.3(i) of the Asset Transfer and Contribution Agreement.

"Marathon Financial Statements" shall have the meaning set forth in Section 3.6 of the Master Formation Agreement.

"Marathon General Assignment and Assumption Agreement" shall mean the General Assignment and Assumption Agreement in substantially the form attached as Exhibit B to the Asset Transfer and Contribution Agreement.

"Marathon Group" shall have the meaning set forth in the Restated Certificate of Incorporation of USX dated September 1, 1996.

"Marathon Group Stock" shall mean the USX-Marathon Group Common Stock, par value $1.00 per share, of USX.

"Marathon Indemnified Persons" shall mean Marathon and its Affiliates and their respective employees, officers and directors.

"Marathon Information Package" shall have the meaning set forth in Section 3.8 of the Master Formation Agreement.

"Marathon Intellectual Property License Agreement" shall mean the Intellectual Property License Agreement in substantially the form attached as Exhibit C-1 to the Asset Transfer and Contribution Agreement.

"Marathon Joint Contracts" shall have the meaning set forth in Section 2.6(b) of the Asset Transfer and Contribution Agreement.

"Marathon Joint Permits" shall have the meaning set forth in Section 2.6(c) of the Asset Transfer and Contribution Agreement.

"Marathon Lease Agreements" shall mean the Lease Agreements in substantially the forms attached as Exhibit D to the Asset Transfer and Contribution Agreement.

"Marathon Master Formation Agreement Disclosure Letter" shall mean the letter from Marathon to Ashland dated the date of and relating to the Master Formation Agreement.

"Marathon Material Contracts" shall have the meaning set forth in Section 5.9 of the Asset Transfer and Contribution Agreement.

"Marathon Material Permits" shall have the meaning set forth in Section 5.3 of the Asset Transfer and Contribution Agreement.

"Marathon Ongoing Remediation" shall mean, with respect to any Marathon Environmental Loss, Remediation Activities that either were commenced prior to Closing or relate to any investigation of which Marathon had received notice from the appropriate Governmental Authority prior to Closing.

"Marathon Other Sublease Agreement" shall mean the Marathon Sublease Agreement in substantially the form attached as Exhibit F to the Asset Transfer and Contribution Agreement.

"Marathon Other Real Property Rights" shall have the meaning set forth in Section 2.1(h) of the Asset Transfer and Contribution Agreement.

"Marathon Permits" shall have the meaning set forth in Section 2.1(p) of the Asset Transfer and Contribution Agreement.

"Marathon Pension Transfer Date" shall have the meaning set forth in Section 10.5(a) of the Asset Transfer and Contribution Agreement.

"Marathon Personal Property Leases" shall have the meaning set forth in Section 2.1(j) of the Asset Transfer and Contribution Agreement.

"Marathon Personal Property Owned" shall have the meaning set forth in Section 2.1(i) of the Asset Transfer and Contribution Agreement.

"Marathon Pipelines" shall have the meaning set forth in Section 2.1(c) of the Asset Transfer and Contribution Agreement.

"Marathon Pipe Line" shall mean Marathon Pipe Line Company.

"Marathon Pipe Line Operating Agreement" shall mean the Marathon Pipe Line Operating Agreement in substantially the form attached as Exhibit G to the Asset Transfer and Contribution Agreement.

"Marathon Proprietary Rights" shall have the meaning set forth in Section 5.10(a) of the Asset Transfer and Contribution Agreement.

"Marathon Quitclaim Deeds" shall mean the Quitclaim Deeds in substantially the forms attached as Exhibit A to the Asset Transfer and Contribution Agreement.

"Marathon Real Property Leases" shall have the meaning set forth in Section 2.1(f) of the Asset Transfer and Contribution Agreement.

"Marathon Real Property Leased" shall have the meaning set forth in Section 2.1(f) of the Asset Transfer and Contribution Agreement.

"Marathon Real Property Owned" shall have the meaning set forth in Section 2.1(e) of the Asset Transfer and Contribution Agreement.

"Marathon Records" shall have the meaning set forth in Section 2.1(s) of the Asset Transfer and Contribution Agreement.

"Marathon Refineries" shall have the meaning set forth in Section 2.1(a) of the Asset Transfer and Contribution Agreement.

"Marathon Restricted Asset" shall have the meaning set forth in Section 2.6(a) of the Asset Transfer and Contribution Agreement.

"Marathon Restricted Liability" shall have the meaning set forth in Section 2.6(a) of the Asset Transfer and Contribution Agreement.

"Marathon Restriction" shall have the meaning set forth in Section 2.6(a) of the Asset Transfer and Contribution Agreement.

"Marathon Retirement Plan" shall have the meaning set forth in Section 10.5 of the Asset Transfer and Contribution Agreement.

"Marathon September 30, 1997 Balance Sheet" shall mean the unaudited balance sheet of the Marathon Group appearing in the Marathon September 30, 1997 Financial Statements.

"Marathon September 30, 1997 Financial Statements" shall have the meaning set forth in Section 3.6 of the Master Formation Agreement.

"Marathon Service Stations" shall have the meaning set forth in Section 2.1(d) of the Asset Transfer and Contribution Agreement.

"Marathon Shut-Down Refinery Assets" shall mean those portions of shut down refineries of Marathon that are operating as terminals and are being leased to the Company pursuant to the Marathon Lease Agreements.

"Marathon Sublease Agreements" shall mean the Marathon Designated Sublease Agreements and the Marathon Other Sublease Agreement.

"Marathon Subsidiaries" shall have the meaning set forth in Section 3.1 of the Master Formation Agreement.

"Marathon Subsidiaries Interests" shall have the meaning set forth in Section 3.10 of the Master Formation Agreement.

"Marathon Terminals" shall have the meaning set forth in Section 2.1(b) of the Asset Transfer and Contribution Agreement.

"Marathon Thrift Plan" shall have the meaning set forth in Section 10.10 of the Asset Transfer and Contribution Agreement.

"Marathon Trademark License Agreement" shall mean the Marathon Trademark License Agreement in substantially the form attached as Exhibit C-2 to the Asset Transfer and Contribution Agreement.

"Marathon Transferred Assets" shall have the meaning set forth in Section 2.1 of the Asset Transfer and Contribution Agreement.

"Marathon Transferred Employees" shall have the meaning set forth in Section 10.1(c) of the Asset Transfer and Contribution Agreement.

"Marathon Transferred Real Property" shall mean, collectively, the Marathon Real Property Owned and the Marathon Real Property Leased.

"Marathon Transferring Affiliate Interests" shall have the meaning set forth in Section 3.11 of the Master Formation Agreement.

"Marathon Transferring Affiliates" shall have the meaning set forth in Section 3.1 of the Master Formation Agreement.

"Marathon Transferring Entities" shall have the meaning set forth in Section 3.1 of the Master Formation Agreement.

"Marathon Working Capital Shortfall" shall have the meaning set forth in Section 4.3(g) of the Asset Transfer and Contribution Agreement.

"Marathon's Business" shall mean that portion of Marathon's business, tangible assets, intangible assets, rights, contracts, permits, licenses and other rights which comprise Marathon's petroleum supply, refining, marketing and transportation business (excluding the Marathon Excluded Assets and the Marathon Excluded Liabilities).

"Marathon's Target Capital Expenditures" shall have the meaning set forth in Section 4.4(a) of the Asset Transfer and Contribution Agreement.

"Master Formation Agreement" shall mean the Master Formation Agreement, dated as of December 12, 1997, between Marathon and Ashland, including any appendices and exhibits to the Master Formation Agreement and the schedules to the Master Formation Agreement Disclosure Letters.

"Material Adverse Effect" shall mean an effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) or prospects of Marathon's Business, Ashland's Business or the Company's Business which results in a Loss of $2,000,000 or more, or, if such Loss is not susceptible to being measured in monetary terms, is otherwise materially adverse to Marathon's Business, Ashland's Business or the Company's Business, as the case may be; provided that any such effect relating to or resulting from any change in the price of petroleum or petroleum byproducts, general economic conditions or local, regional, national or international industry conditions (including changes in financial or market conditions) shall be deemed not to constitute a Material Adverse Effect.

"Members" shall mean Marathon and Ashland and any persons hereafter admitted as additional or substitute members of the Company pursuant to the LLC Agreement.

"Membership Interest" shall mean, with respect to any Member at any time, the limited liability company interest of such Member in the Company at such time, including the right of such Member to any and all benefits to which a Member may be entitled as provided in the LLC Agreement, together with the obligations of such Member to comply with all the terms and provisions of the LLC Agreement.

"Merrill Lynch Master Lease Program" shall mean The Bluegrass Funding, Inc. Master Lease Program and The Fayette Funding Limited Partnership Master Lease Program, collectively.

"Mutualized Formation Costs" shall have the meaning set forth in Section 9.2(c) of the Master Formation Agreement.

"New RCRA Environmental Loss" shall mean an Environmental Loss arising from any new application after the Closing of the corrective action requirements of Section 3004(u) and (v) of RCRA.

"Non-Retail DB Plan" shall have the meaning set forth in Section 10.5 of the Asset Transfer and Contribution Agreement.

"Northwestern Refinery Pension Plan" shall have the meaning set forth in Section 10.8 of the Asset Transfer and Contribution Agreement.

"Notice of Capital Expenditure Disagreement" shall have the meaning set forth in Section 4.4(d) of the Asset Transfer and Contribution Agreement.

"Notice of Working Capital Disagreement" shall have the meaning set forth in Section 4.3(d) of the Asset Transfer and Contribution Agreement.

"OCAW" shall mean Oil, Chemical & Atomic Workers International Union.

"Offering Memorandum" shall have the meaning set forth in Section 10.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Offer Notice" shall have the meaning set forth in Section 10.04(a) of the LLC Agreement.

"Opening Balance Sheet" shall have the meaning set forth in Section 4.3(b) of the Asset Transfer and Contribution Agreement.

"Parent Agreement" shall mean the Parent Agreement, dated as of December 12, 1997, among USX, Marathon and Ashland, including any exhibit to the Parent Agreement.

"Parent Agreement Disclosure Letter" shall mean the letter from USX to Ashland dated the date of and relating to the Parent Agreement.

"PBGC" shall mean the Pension Benefit Guaranty Corporation.

"PBO" shall have the meaning set forth in Section 10.5(a) of the Asset Transfer and Contribution Agreement.

"Pension Benefit Plan" shall mean every benefit plan subject to Title IV of ERISA or the minimum funding requirements of Section 302 of ERISA.

"Percentage Interest" shall have the meaning set forth in Section 3.01 of the LLC Agreement.

"Permian Plans" shall have the meaning set forth in Section 10.12 of the Asset Transfer and Contribution Agreement.

"Permits" shall mean licenses, permits, registrations, approvals and franchises issued by any Governmental Authority.

"Permitted Encumbrances" shall mean (a) Liens for current taxes, assessments, governmental charges or levies not yet due; (b) workers' or unemployment compensation Liens arising in the ordinary course of business; (c) mechanic's, materialman's, supplier's, vendor's, garnishment or similar Liens arising in the ordinary course of business for amounts not yet due; (d) security interests, pledges, Liens or other charges or encumbrances as may have arisen in the ordinary course of business, none of which individually or in the aggregate are material to the ownership, use or operation of the Marathon Transferred Assets or the Ashland Transferred Assets, as the case may be; (e) any state of facts which an accurate survey would show which does not materially detract from the value of or materially interfere with the use and operation of the Marathon Transferred Assets or the Ashland Transferred Assets, as the case may be; (f) any Liens, easements, rights-of-way, restrictions, rights, leases and other encumbrances affecting title thereto, whether or not of record, which do not materially detract from the value of or materially interfere with the use and operation of the Marathon Transferred Assets or the Ashland Transferred Assets, as the case may be; (g) legal highways, zoning and building laws, ordinances or regulations; (h) any liens for real estate Taxes which are not yet due and payable; and (i) except with respect to Permitted Encumbrances on the Marathon Refineries or the Ashland Refineries, Liens, if any, that do not have or would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Marathon's Business or Ashland's Business, as the case may be.

"Person" or "person" shall mean any natural person, trust, estate, unincorporated organization, firm, corporation, association, partnership, joint venture, joint stock company, limited liability company or Governmental Authority, whether acting in an individual, fiduciary or other capacity.

"Personal Property" shall mean machinery and equipment, including tanks, pumps and other containers; furniture and fixtures; tools; leasehold improvements; vessels, barges and other marine transportation equipment; railcars, trucks and automobiles; computing and telecommunications equipment; and other items of tangible personal property (and interests in any of the foregoing).

"PMRP" shall have the meaning set forth in Section 10.06(a) of the Asset Transfer and Contribution Agreement.

"Pre-Closing Tax Period" shall mean any Tax period (or portion thereof) ending on or before the close of business on the Closing Date.

"Prime Rate" shall mean the prime rate per annum established by Citibank, N.A. or if Citibank, N.A. no longer establishes a prime rate for any reason, the prime rate per annum established by the largest U.S. bank measured by deposits from time to time as its base rate on corporate loans, automatically fluctuating upward or downward with each announcement of such prime rate.

"Procedures for Dispute Resolution" shall mean the Procedures for Dispute Resolution in substantially the form attached as Appendix B to the Asset Transfer and Contribution Agreement, Appendix B to the Master Formation Agreement and Appendix B to the LLC Agreement.

"Put/Call, Registration Rights and Standstill Agreement" shall mean the Put/Call, Registration Rights and Standstill Agreement in substantially the form attached as Exhibit B to the Master Formation Agreement.

"Put/Call, Registration Rights and Standstill Agreement Disclosure Letters" shall mean the letters from USX, Marathon and Ashland, respectively, dated the date of and relating to the Put/Call, Registration Rights and Standstill Agreement.

"RCRA" shall mean the Resource Conservation and Recovery Act of 1976, as amended.

"Reasonable Requested Action" shall have the meaning set forth in Section 7.2(g) of the Asset Transfer and Contribution Agreement.

"Registration Statement" shall have the meaning set forth in Section 10.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Relevant Accounting Factors" shall mean (a) GAAP, (b) any pending Financial Accounting Standards Board exposure drafts or Emerging Issue Task Force minutes, (c) any relevant official pronouncement, release or staff accounting bulletin issued by the Commission, (d) any formal advice or statement by the Commission that it questions the ability of the parties to treat the transactions contemplated by this Agreement as a purchase by Marathon of Ashland's Business for accounting purposes or the ability of Marathon to consolidate the Company's Business in its financial statements or (e) if any other person has received formal advice, comment letter or a statement from the Commission that it questions the ability of such person to use purchase or consolidation accounting with respect to a similar transaction and such formal advice or statement leads Price Waterhouse to believe that the ability of Marathon and Ashland to treat the transactions contemplated by the Asset Transfer and Contribution Agreement as a purchase by Marathon of Ashland's Business for accounting purposes or the ability of Marathon to consolidate the Company's Business in its financial statements may be questioned or impaired.

"Remediation Activities" shall mean any testing, investigation, assessment, cleanup, removal, response, remediation or other similar activities undertaken in connection with any Environmental Loss.

"Representative" shall have the meaning set forth in Section 8.01 of the LLC Agreement.

"Requested Action" shall have the meaning set forth in Section 7.2(g) of the Asset Transfer and Contribution Agreement.

"Retirement Pension Transfer Date" shall have the meaning set forth in Section 10.7(a) of the Asset Transfer and Contribution Agreement.

"Revolving Credit Agreement" shall mean the Revolving Credit Agreement among Marathon, Ashland and the Company in substantially the form attached as Exhibit V to the Asset Transfer and Contribution Agreement.

"Securities Act" shall have the meaning set forth in Section 1.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Shared Services Agreement" shall mean the Shared Services Agreement in substantially the form attached as Exhibit U to the Asset Transfer and Contribution Agreement.

"Special Environmental Projects" shall mean the projects listed on Schedule 7.2(k) to the Ashland Asset Transfer and Contribution Agreement Disclosure Letter.

"Special Termination Price" shall have the meaning set forth in Section 2.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Special Termination Right" shall have the meaning set forth in Section 2.01 of the Put/Call, Registration Rights and Standstill Agreement.

"Sublease Agreements" shall mean the Marathon Sublease Agreements and the Ashland Sublease Agreements.

"subsidiary" shall mean, with respect to any person (herein referred to as the "parent"), any corporation, partnership, limited liability company, association or other business entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or more than 50% of the general partner interests are, at the time any determination is being made, owned, controlled or held, or (b) that is, at the time any determination is made, otherwise controlled, by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"SuperAmerica" shall mean the SuperAmerica division of Ashland.

"Tax" shall mean any and all national, federal, state, provincial or local income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, assets, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on, minimum, estimated or other tax of any kind whatsoever, including any interest, penalty or addition thereto, whether disputed or not.

"Tax Benefit" shall mean the amount of the reduction in an indemnified party's liability for Taxes (including reductions in Taxes attributable, in whole or in part, to positive basis adjustments) realized as a result of the payment or accrual of any loss, expense or Tax.

"Teamster Member Employees" shall have the meaning set forth in Section 10.9(a) of the Asset Transfer and Contribution Agreement.

"Teamsters Pension Fund" shall have the meaning set forth in Section 10.9(a) of the Asset Transfer and Contribution Agreement.

"Term of the Company" shall have the meaning set forth in Section 2.03 of the LLC Agreement.

"Termination Event" shall mean, with respect to any Environmental Requirement (or discrete portion thereof) relating to Environmental Contamination, the earlier to occur of (a) the receipt by the Company, Marathon or Ashland, as applicable, of a no further action letter, or the substantial equivalent thereof, from the appropriate Governmental Authority or (b) the fifth anniversary date of the completion of Remediation Activities (which, for purposes of this definition, shall not include groundwater monitoring) undertaken as a result of or in connection with such Environmental Requirement (or discrete portion thereof) if during such five-year period no new Environmental Requirement relating to such Environmental Contamination (or discrete portion thereof) has been issued by an appropriate Governmental Authority.

"Third Party Claim" shall mean a Claim that is not a Claim by Marathon, USX, Ashland, the Company or any of their Affiliates for its own Losses.

"Throughput and Deficiency Agreements" shall mean (i) the First Stage Throughput and Deficiency Agreement dated as of December 1, 1977, as amended by the First Amendment dated as of March 27, 1986, the Second Amendment dated as of January 1, 1989 and the Third Amendment dated as of September 11, 1991, among Ashland Inc. (formerly Ashland Oil, Inc.), Marathon Oil Company, Murphy Oil Corporation, Shell Oil Company, Texaco Inc. and LOOP LLC (formerly LOOP Inc.), (ii) the Initial Facility Throughput and Deficiency Agreement dated as of March 1, 1979, as amended by the First Amendment dated as of January 1, 1989, among Ashland Inc. (formerly Ashland Oil Inc.), Marathon Oil Company, Texaco Inc., Shell Oil Company and LOCAP Inc., and (iii) the Adjustment Agreement dated March 1, 1979, as amended by the First Amendment dated as of January 1, 1989, among Ashland Inc. (formerly Ashland Oil Inc.), Marathon Oil Company, Texaco Inc., Shell Oil Company and LOCAP Inc.

"Transaction" shall mean the collective transactions contemplated by the Transaction Documents.

"Transaction Documents" shall mean the Conveyance Documents, the Master Formation Agreement, the Parent Agreement, the Put/Call, Registration Rights and Standstill Agreement, the LLC Agreement, the Indemnity Agreement and the Joint Defense Agreement.

"Transfer" shall mean any sale, exchange, transfer, assignment, pledge, hypothecation or other disposition, whether by merger or otherwise. When used as a verb, the term "Transfer" shall have a correlative meaning.

"Transfer Taxes" shall have the meaning set forth in Section 7.4 of the Asset Transfer and Contribution Agreement.

"Transferred Assets" shall mean, with respect to Marathon and Ashland, the Marathon Transferred Assets and the Ashland Transferred Assets, respectively.

"True Insurance Policy" shall mean any insurance policy other than an insurance policy which is a captive insurance policy, a fronting insurance policy or an insurance policy for which the insured party is required to indemnify the insurer.

"USX" shall mean USX Corporation, a Delaware corporation, any successor ultimate parent corporation of Marathon or, in the event Marathon is not a subsidiary of any other person, Marathon.

"Valvoline Lube Oil Supply Agreement" shall mean the Valvoline Lube Oil Supply Agreement substantially in the form of Exhibit O to the Asset Transfer and Contribution Agreement.

"Wholly Owned Subsidiary" shall mean, with respect to any person (herein referred to as the "parent"), any corporation, partnership, limited liability company, association or other business entity (a) of which securities or other ownership interests representing 100% of the equity or 100% of the ordinary voting power or 100% of the general partner interests are, at the time any determination is being made, owned, controlled or held, or (b) that is, at the time any determination is made, otherwise controlled, entirely by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"Working Capital Accounting Firm" shall have the meaning set forth in Section 4.3(e) of the Asset Transfer and Contribution Agreement.

"Working Capital Deficiency Materiality Threshold" shall have the meaning set forth in Section 4.3(d) of the Asset Transfer and Contribution Agreement.

PUT/CALL AGREEMENT

Schedule 1.03(c)

USX Conflicts

For the purposes of the Closing Date for the formation of the joint venture:

None

PUT/CALL AGREEMENT

Schedule 1.03(c)

Conflicts

For the purposes of the Closing Date for the formation of the joint venture:

1. Those Governmental Approvals listed on Schedule 5.3 to the Asset Transfer and Contribution Agreement.
2. Those consents required for the contracts listed on Schedule 5.9 to the Asset Transfer and Contribution Agreement.

PUT/CALL, REGISTRATION RIGHTS AND STANDSTILL AGREEMENT

SCHEDULE 1.03(c)
NO CONFLICTS

See Schedule 4.3 to the Master Formation Agreement for a listing of governmental approvals and consents required.

PUT/CALL AGREEMENT

Schedule 1.03(d)

USX Consents

For the purposes of the Closing Date for the formation of the joint venture:

None

PUT/CALL AGREEMENT

Schedule 1.03(d)

Consents

For the purposes of the Closing Date for the formation of the joint venture:

1. Those Governmental Approvals listed on Schedule 5.3 to the Asset Transfer and Contribution Agreement.
2. Those consents required for the contracts listed on Schedule 5.9 to the Asset Transfer and Contribution Agreement.

PUT/CALL, REGISTRATION RIGHTS AND STANDSTILL AGREEMENT

SCHEDULE 1.03(d)
NO CONSENTS

See Schedule 4.4 to the Master Formation Agreement for a listing of governmental approvals and consents required.

PUT/CALL AGREEMENT

Schedule 14.01(a)

Business Activities of Marathon and USX that are not Subject to Article XIV

None of the following is a Competitive Business:

1. With respect to Marathon's equity interests in the following companies:

Arctic LNG Transportation Company
Badger Pipe Line Company
Colonial Pipeline Company
Eagle Sun Company Limited
Explorer Pipeline Company
Inventory Management and Distribution Company, L.L.
Kenai LNG Corporation
Polar LNG Shipping Corporation
The Pecos Carbon Dioxide Company
West Shore Pipe Line Company
Wolverine Pipe Line Company

the following activities:

acquisition of additional equity interests, the sale or exchange of any currently held or after-acquired equity interests, or participation in any merger, consolidation, combination, conversion, liquidation, transfer of assets or other reorganization involving any such equity interests;

exercise of voting rights, or participation in the management, via representation on the board of directors or comparable management body;

receipt of dividends or other participation in income or losses.

2. With respect to the following assets and companies:

Assets
East Cameron Block 338 to Block 321 8" Crude
East Cameron Block 321 to Vermilion Block 265
Eugene Island 8" Crude
Eugene Island Pipeline
South Pass West Delta 12" Crude
South Marsh Island #155 System
Vermilion 8" Crude

Companies
Manta Ray Offshore Gathering Company, L.L.C.
Nautilus Pipeline Company, L.L.C.
Neptune Pipeline Company, L.L.C.
Ocean Breeze Pipeline Company, L.L.C.
Odyssey Pipeline L.L.C.
Poseidon Oil Pipeline, L.L.C.

In the case of the above or any other offshore pipelines, any offshore pipeline activity whatsoever, including but not limited to the unrestricted right to participate in future projects.

3. With respect to the Yates gathering pipeline in West Texas the following activities:

the sale or exchange of the equity interest and/or the expansion of the pipelines necessary to serve Marathon's upstream business.

PUT/CALL, REGISTRATION RIGHTS AND STANDSTILL AGREEMENT

SCHEDULE 14.01(a)
COMPETITIVE BUSINESSES

1. The "Valvoline Business" as defined in Section 14.03(h) of the Put/Call, Registration Rights and Standstill Agreement.

2. Any activity whatsoever related to the parents, copyrights, know-how and related information set forth on Schedule 3.2(l) of the Asset Transfer and Contribution Agreement.

3. The marketing of petrochemicals by Ashland or an of its affiliates.

4. The ownership, operation and use of the service stations and bulk plants set forth on Schedule 3.2(a) of the Asset Transfer and Contribution Agreement.

3-YEAR REVOLVING CREDIT AGREEMENT
$250,000,000

DATED AS OF APRIL 2, 2004

AMONG

ASHLAND INC.
AS BORROWER,

THE BANK OF NOVA SCOTIA,
AS SOLE LEAD ARRANGER
AND
SOLE AND EXCLUSIVE BOOK MANAGER

SUNTRUST BANK
BANK ONE, N.A.,
AS CO-SYNDICATION AGENTS

THE ROYAL BANK OF SCOTLAND PLC,
AS DOCUMENTATION AGENT

THE BANK OF NOVA SCOTIA,
AS ADMINISTRATIVE AGENT,

AND

THE LENDERS SIGNATORY HERETO

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Schedule 7.03	Litigation
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This 3-YEAR REVOLVING CREDIT AGREEMENT, dated as of April 2, 2004, is among ASHLAND INC., a corporation formed under the laws of the Commonwealth of Kentucky (the "Borrower"); each of the lenders that is a signatory hereto or which becomes a signatory hereto as provided in Section 12.06 (individually, together with its successors and assigns, a "Lender" and, collectively, the "Lenders"); SUNTRUST BANK and BANK ONE, N.A., collectively, as co-syndication agents for the Lenders; THE ROYAL BANK OF SCOTLAND PLC, as documentation agent for the Lenders; and THE BANK OF NOVA SCOTIA (in its individual capacity, "Scotia Capital"), as the administrative agent (for the Lenders (in such capacity, together with its successors in such capacity, the "Administrative Agent") for the Lenders.

R E C I T A L S

A.....The Borrower has requested that the Lenders and the Issuers provide certain loans and issue certain letters of credit to the Borrower;

B.....The Lenders and the Issuers have agreed to make such loans and issue such letters of credit subject to the terms and conditions of this Agreement; and

C.....In consideration of the mutual covenants and agreements herein contained and of the loans and commitments hereinafter referred to, the parties hereto agree as follows:

ARTICLE I.....

DEFINITIONS AND ACCOUNTING MATTERS

Section 1.01.....Terms Defined Above. As used in this Agreement, the terms "Administrative Agent," "Borrower," "Lender," "Lenders," and "Scotia Capital" shall have the meanings indicated above.

Section 1.02.....Certain Defined Terms. As used herein, the following terms shall have the following meanings (all terms defined in this Article I or in other provisions of this Agreement in the singular to have the same meanings when used in the plural and vice versa):

"Additional Costs" shall have the meaning assigned such term in Section 5.01(a).

"Affected Loans" shall have the meaning assigned such term in Section 5.04.

"Affiliate" of any Person shall mean any Person directly or indirectly Owned by, Owning or under common Ownership with such first Person. For purposes of this definition, any Person which owns directly or indirectly 25% or more of the securities having ordinary voting power for the election of directors or other governing body of a corporation or 25% or more of the partnership or other ownership interests of any other Person (other than as a limited partner of such other Person) will be deemed to "Own" (including, with its correlative meanings, "Owned by" and "under common Ownership with") such corporation or other Person.

"Aggregate Commitments" at any time shall equal the sum of the Commitments of the Lenders ($250,000,000, as of the Effective Date), as the same may be reduced pursuant to Section 2.04(a).

"Agreement" shall mean this 3-Year Revolving Credit Agreement, as the same may from time to time be amended or supplemented.

"Alternate Base Rate" means, for any day, a rate per annum equal to the greater of (a) the Prime Rate in effect on such day, or (b) the Federal Funds Rate in effect on such day plus 1/2 of 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate or the Federal Funds Effective Rate shall be effective from and including the effective date of such change in the Prime Rate or the Federal Funds Effective Rate, respectively.

"Applicable Lending Office" shall mean, for each Lender and for each Type of Loan, the lending office of such Lender (or an Affiliate of such Lender) designated for such Type of Loan on the signature pages hereof or such other offices of such Lender (or of an Affiliate of such Lender) as such Lender may from time to time specify to the Administrative Agent and the Borrower as the office by which its Loans of such Type are to be made and maintained.

"Applicable Margin" shall mean, for any day, (a) zero percent (0%) per annum with respect to Base Rate Loans and (b) with respect to Eurodollar Loans, the applicable rate per annum set forth below, based upon (i) the ratings by Moody's and S&P, respectively, applicable on such day to the Index Debt and (ii) the percentage of the Aggregate Commitments drawn on such day (it being understood and agreed that the then current Applicable Margin, together with the then applicable Eurodollar Rate, shall accrue and be payable on and with respect to the total principal amount of all Eurodollar Loans then outstanding):

INDEX DEBT:	PERCENTAGE OF AGGREGATE COMMITMENTS DRAWN		
	<33%	>33% AND <67%	>67%
Category 1	0.500%	0.625%	0.750%
Category 2	0.625%	0.750%	0.875%
Category 3	0.750%	0.875%	1.000%
Category 4	1.000%	1.125%	1.250%
Category 5	1.500%	1.625%	1.750%

For purposes of the foregoing and for purposes of calculating the Standby Fee and the Letter of Credit Fee, (i) if either Moody's or S&P shall not have in effect a rating for the Index Debt (other than by reason of the circumstances referred to in the last sentence of this definition), then such rating agency shall be deemed to have established a rating in Category 5; (ii) if the ratings established or deemed to have been established by Moody's and S&P for the Index Debt shall fall within different Categories, the Applicable Margin shall be based on the higher of the two ratings; (iii) if more than one Category falls between the rating levels established or deemed to have been established by Moody's and S&P for the Index Debt, the Applicable Margin shall be based on the Category above the lowest rating; (iv) if the ratings established or deemed to have been established by Moody's and S&P for the Index Debt shall be changed (other than as a result of a change in the rating system of Moody's or S&P), such change shall be effective as of the earlier of the (1) date on which it is first announced by the applicable rating agency and (2) the date on which Borrower gives notice of such change to the Administrative Agent; and (iv) initially, the Applicable Margin shall be determined based upon a Category 3 Index Debt rating. For the purposes hereof, Borrower shall be required to notify the Administrative Agent of such change immediately upon gaining knowledge of such change. Each change in the Applicable Margin shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change. If the rating system of Moody's or S&P shall change, or if either such rating agency shall cease to be in the business of rating corporate debt obligations, the Borrower and the Lenders shall negotiate in good faith to amend this definition to reflect such changed rating system or the unavailability of ratings from such rating agency and, pending the effectiveness of any such amendment, the Applicable Margin shall be determined by reference to the rating most recently in effect prior to such change or cessation.

"Assignment" shall have the meaning assigned such term in Section 12.06(b).

"Authorized Officer" means, relative to the Borrower, those of its officers, general partners or managing members (as applicable) whose signatures and incumbency shall have been certified to the Administrative Agent, the Lenders and the Issuers pursuant to Section 6.01(ii), or otherwise designated as Authorized Officers for purposes of this Agreement in resolutions of the Borrower's board of directors.

"Availability Period" shall mean the period from and including the Effective Date to but excluding the Termination Date.

"Base Rate Loans" shall mean Loans that bear interest at rates based upon the Alternate Base Rate.

"Board" shall have the meaning assigned such term in Section 2.11.

"Business Day" shall mean any day other than a day on which commercial banks are authorized or required to close in New York City and, where such term is used in the definition of "Quarterly Date" or if such day relates to a borrowing or continuation of, a payment or prepayment of principal of or interest on, or a conversion of or into, or the Interest Period for, a Eurodollar Loan or a notice by the Borrower with respect to any such borrowing or continuation, payment, prepayment, conversion or Interest Period, any day which is also a day on which dealings in Dollar deposits are carried out in the London interbank market.

"Cash Collateralize" means, with respect to a Letter of Credit, the deposit of immediately available funds into a cash collateral account maintained with (or on behalf of) the Administrative Agent on terms satisfactory to the Administrative Agent in an amount equal to the Stated Amount of such Letter of Credit.

"Category 1" means A- or higher by S&P and A3 or higher by Moody's.

"Category 2" means BBB+ by S&P and Baa1 by Moody's.

"Category 3" means BBB by S&P and Baa2 by Moody's.

"Category 4" means BBB- by S&P and Baa3 by Moody's.

"Category 5" means lower than BBB- by S&P and lower than Baa3 by Moody's.

"Change in Control" shall have the meaning set forth in Section 2.11.

"Closing Date" shall mean April 2, 2004.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time and any successor statute.

"Commitment" shall mean, for any Lender, its obligation to make Committed Loans or participate in Letters of Credit up to the amount of the Commitment for such Lender on Annex 1 hereto, as modified from time to time to reflect any adjustments permitted or required hereby.

"Committed Loan" shall mean a Revolving Loan.

"Consolidated" refers to the consolidation in accordance with generally accepted accounting principles of the accounts of the Borrower and those of its Subsidiaries which are Consolidated in accordance with GAAP.

"Consolidated Subsidiaries" shall mean each Subsidiary of the Borrower (whether now existing or hereafter created or acquired) the financial statements of which shall be (or should have been) Consolidated with the financial statements of the Borrower in accordance with GAAP.

"Contingent Liability" means any agreement, undertaking or arrangement by which any Person guarantees, endorses or otherwise becomes or is contingently liable upon (by direct or indirect agreement, contingent or otherwise, to provide funds for payment, to supply funds to, or otherwise to invest in, a debtor, or otherwise to assure a creditor against loss) the Indebtedness of any other Person (other than by endorsements of instruments in the course of collection), or guarantees the payment of dividends or other distributions upon the capital securities of any other Person. The amount of any Person's obligation under any Contingent Liability shall (subject to any limitation set forth therein) be deemed to be the outstanding principal amount of the debt, obligation or other liability guaranteed thereby.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Debt" shall mean, for any Person the sum of the following (without duplication): (i) all obligations of such Person for borrowed money or evidenced by bonds, commercial paper, debentures, notes or other similar instruments; (ii) all obligations of such Person (whether contingent or otherwise) in respect of bankers' acceptances, reimbursement obligations for amounts paid under letters of credit, surety or other bonds and similar instruments; (iii) all obligations of such Person to pay the deferred purchase price of Property or services (other than for borrowed money); (iv) all obligations under leases which shall have been, or should have been, in accordance with GAAP, recorded as capital leases in respect of which such Person is liable (whether contingent or otherwise); (v) all Debt (as described in the other clauses of this definition) and other obligations of others secured by a Lien on any asset of such Person, whether or not such Debt is assumed by such Person; (vi) all Debt (as described in the other clauses of this definition) and other obligations of others guaranteed by such Person or in which such Person otherwise assures a creditor against loss of the debtor or obligations of others; (vii) all obligations or undertakings of such Person to maintain or cause to be maintained the financial position or covenants of others or to purchase the Debt or Property of others; (viii) obligations to pay for goods or services whether or not such goods or services are actually received or utilized by such Person such as "take or pay," "through-put" or "deficiency" agreements; (ix) any capital stock of such Person in which such Person has a mandatory obligation to redeem such stock; (x) any Debt of a Special Entity for which such Person is liable either by agreement or because of a Governmental Requirement. Notwithstanding the foregoing, Debt shall not include (1) trade payables incurred in the ordinary course of business or any obligation set forth in (v), (vi), (vii), (viii), (ix) or (x) above which would not be required to be disclosed in an audited Consolidated balance sheet of the Borrower and its Subsidiaries or in the notes thereto as being immaterial, and (2) accrued interest, fees and charges which are not past due.

"Default" shall mean an Event of Default or an event which with notice or lapse of time or both would, unless cured or waived, become an Event of Default.

"Disbursement" is defined in Section 2.03(c).

"Disbursement Date" is defined in Section 2.03(c).

"Documentary Letter of Credit" means a letter of credit issued to support the payment of goods and services used in the Borrower's business.

"Dollars" and "$" shall mean lawful money of the United States of America.

"Effective Date" shall have the meaning assigned such term in Section 12.16.

"Eligible Assignee" means (a) a commercial bank organized under the laws of the United States, or any state thereto, and having a combined capital and surplus of at least $100,000,000 at the time any assignment is made pursuant to Section 12.06; (b) a commercial bank organized under the laws of any other country which is a member of the Organization for Economic Cooperation and Development (the "OECD"), or a political subdivision of any such country, and having a combined capital and surplus of at least $100,000,000 at the time any assignment is made pursuant to Section 12.06 provided that such bank is acting through a branch or agency located in the country in which it is organized or another country which is also a member of the OECD; and (c) a Person that is primarily engaged in

the business of commercial lending and that is (i) a Subsidiary of a Bank, (ii) a Subsidiary of a Person of which a Bank is a Subsidiary, or (iii) a Person of which a Bank is a Subsidiary; provided that any Eligible Assignee must have a minimum senior unsecured credit rating of at least BBB by S&P and Baa2 by Moody's.

"Environmental Laws" shall mean any and all Governmental Requirements pertaining to health or the environment in effect in any and all jurisdictions in which the Borrower or any Subsidiary is conducting or at any time has conducted business, or where any Property of the Borrower or any Subsidiary is located, including without limitation, the Oil Pollution Act of 1990 ("OPA"), the Clean Air Act, as amended, the Comprehensive Environmental, Response, Compensation, and Liability Act of 1980 ("CERCLA"), as amended, the Federal Water Pollution Control Act, as amended, the Occupational Safety and Health Act of 1970, as amended, the Resource Conservation and Recovery Act of 1976 ("RCRA"), as amended, the Safe Drinking Water Act, as amended, the Toxic Substances Control Act, as amended, the Superfund Amendments and Reauthorization Act of 1986, as amended, the Hazardous Materials Transportation Act, as amended, and other environmental conservation or protection laws. The term "oil" shall have the meaning specified in OPA, the terms "hazardous substance" and "release" (or "threatened release") have the meanings specified in CERCLA, and the terms "solid waste" and "disposal" (or "disposed") have the meanings specified in RCRA; provided, however, that (i) in the event either OPA, CERCLA or RCRA is amended so as to broaden the meaning of any term defined thereby, such broader meaning shall apply subsequent to the effective date of such amendment and (ii) to the extent the applicable laws of the state in which any Property of the Borrower or any Subsidiary is located establish a meaning for "oil," "hazardous substance," "release," "solid waste" or "disposal" which is broader than that specified in either OPA, CERCLA or RCRA, such broader meaning shall apply.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time and any successor statute.

"ERISA Affiliate" shall mean each trade or business (whether or not incorporated) which together with the Borrower or any Subsidiary would be deemed to be a "single employer" within the meaning of section 4001(b)(1) of ERISA or subsections (b), (c), (m) or (o) of section 414 of the Code.

"ERISA Event" shall mean (i) a "Reportable Event" described in Section 4043 of ERISA and the regulations issued thereunder, (ii) the withdrawal of the Borrower, any Subsidiary or any ERISA Affiliate from a Plan during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA, (iii) the filing of a notice of intent to terminate a Plan or the treatment of a Plan amendment as a termination under Section 4041 of ERISA, (iv) the institution of proceedings to terminate a Plan by the PBGC or (v) any other event or condition which might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan.

"Eurodollar Loans" shall mean Loans the interest rates on which are determined on the basis of rates referred to in the definition of "Eurodollar Rate".

"Eurodollar Rate" shall mean, for any Eurodollar Loan for any Interest Period therefor, the rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) appearing on Telerate Page 3750 (or any successor page) as the London interbank offered rate for deposits in Dollars at approximately 11:00 a.m. (London time) two Business Days prior to the first day of such Interest Period for a term comparable to such Interest Period. If for any reason such rate is not available, the term "Eurodollar Rate" shall mean, for any Eurodollar Loan for any Interest Period therefor, the rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) appearing on Reuters Screen LIBO Page as the London interbank offered rate for deposits in Dollars at approximately 11:00 a.m. (London time) two Business Days prior to the first day of such Interest Period for a term comparable to such Interest Period; provided, however, if more than one rate is specified on Reuters Screen LIBO Page, the applicable rate shall be the arithmetic mean of all such rates.

"Event of Default" shall have the meaning assigned such term in Section 10.01.

"Excess Margin Stock" shall mean that amount by which the value of all Margin Stock owned by the Borrower and its Subsidiaries exceeds 25% of the value of all of the Property owned by the Borrower and its Subsidiaries subject to Section 9.01.

"Exchange Act" shall have the meaning assigned such term in Section 9.04.

"Existing Agreement" shall mean that certain $250 Million 5-Year Revolving Credit Agreement, dated as of June 2, 1999, among the Borrower and the Existing Lenders.

"Existing Lenders" shall mean the lenders under the Existing Agreement.

"Federal Funds Rate" shall mean, for any day, the rate set forth in the weekly statistical release designated as H.15(519), or any successor publication as published by the Federal Reserve Bank of New York on the preceding Business Day opposite the caption "Federal Funds (Effective)", provided that (i) if the date for which such rate is to be determined is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions published on the next preceding Business Day, and (ii)

if such rate is not so published for any day, the Federal Funds Rate for such day shall be the average rate charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent.

"Fee Letter" shall mean that certain letter agreement from the Administrative Agent to the Borrower dated as of February 19, 2004 concerning certain fees in connection with this Agreement and any agreements or instruments executed in connection therewith, as the same may be amended or replaced from time to time.

"Financial Officer" shall mean the chief financial officer, principal accounting officer, treasurer or controller of the Borrower. Unless otherwise specified, all references to a Financial Officer herein shall mean a Financial Officer of the Borrower.

"Financial Statements" shall mean the Consolidated financial statement or statements of the Borrower and its Subsidiaries described or referred to in Section 7.02, including the notes attached thereto.

"Fronting Fee" has the meaning specified in Section 2.05(b).

"Funded Debt" has the meaning specified in Section 9.02.

"GAAP" shall mean generally accepted accounting principles in the United States of America in effect from time to time.

"Governmental Authority" shall include the country, the state, county, city and political subdivisions in which any Person or such Person's Property is located or which exercises valid jurisdiction over any such Person or such Person's Property, and any court, agency, department, commission, board, bureau or instrumentality of any of them including monetary authorities which exercises valid jurisdiction over any such Person or such Person's Property. Unless otherwise specified, all references to Governmental Authority herein shall mean a Governmental Authority having jurisdiction over, where applicable, the Borrower, the Subsidiaries or any of their Property or the Administrative Agent, any Lender or any Applicable Lending Office.

"Governmental Requirement" shall mean any law, statute, code, ordinance, order, determination, rule, regulation, judgment, decree, injunction, franchise, permit, certificate, license, authorization or other directive or requirement (whether or not having the force of law), including, without limitation, Environmental Laws, energy regulations and occupational, safety and health standards or controls, of any Governmental Authority.

"Granting Lender" has the meaning specified in Section 12.06(g).

"Hedging Agreement" shall mean any commodity agreement or option with respect to any commodity agreement (other than sales contracts entered into in the normal course of business and not as a hedging vehicle) or interest rate or currency swap, cap, floor, collar, forward agreement or other exchange or protection agreements or any option with respect to such transactions.

"Highest Lawful Rate" shall mean, with respect to each Lender, the maximum nonusurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the Notes or on other Indebtedness under laws applicable to such Lender which are presently in effect or, to the extent allowed by law, under such applicable laws which may hereafter be in effect and which allow a higher maximum nonusurious interest rate than applicable laws now allow.

"Indebtedness" shall mean any and all amounts owing or to be owing by the Borrower to the Administrative Agent and the Lenders in connection with this Agreement, the Notes and any Letter of Credit Outstandings and all renewals, extensions and/or rearrangements of any of the above.

"Index Debt" means senior, unsecured, long-term indebtedness for borrowed money of the Borrower that is not guaranteed by any other Person or subject to any other credit enhancement.

"Initial Funding" shall mean the funding of the initial Loans pursuant to Section 6.01 hereof.

"Interest Period" shall mean, (i) with respect to any Eurodollar Loan, the period commencing on the date such Eurodollar Loan is made and ending on the numerically corresponding day in the first, second, third or sixth calendar month thereafter, as the Borrower may select as provided in Section 2.02 (or such longer period as may be requested by the Borrower and agreed to by all Lenders); and (ii) with respect to any Base Rate Loan, the period commencing on the date such Loan is made and ending 90 days thereafter, except that each Interest Period which commences on the last Business Day of a calendar month (or on any day for which there is no numerically corresponding day in the appropriate subsequent calendar month) shall end on the last Business Day of the appropriate subsequent calendar month.

Notwithstanding the foregoing: (i) no Interest Period may commence before and end after the Termination Date; (ii) each Interest Period which would otherwise end on a day which is not a Business Day shall end on the next succeeding Business Day (or, if such next succeeding Business Day falls in the next succeeding calendar month, on the next preceding Business Day); and (iii) no Interest Period shall have a duration of less than one month and, if the Interest Period for any Eurodollar Loans would otherwise be for a shorter period, such Loans shall not be available hereunder.

"Issuance Request" means a Letter of Credit request and certificate duly executed by an Authorized Officer of the Borrower, substantially in the form of Exhibit B-2 hereto.

"Issuer" means the Administrative Agent or any other Lender, subject to the approval of the Borrower.

"Lending Office" shall mean the lending office of the Administrative Agent, presently located at One Liberty Plaza, New York, New York 10006, or such other location as designated by the Administrative Agent from time to time.

"Letter of Credit" means collectively, Standby Letters of Credit and Documentary Letters of Credit.

"Letter of Credit Commitment" means an Issuer's obligation to issue Letters of Credit pursuant to Section 2.01(b).

"Letter of Credit Commitment Amount" means, on any date, a maximum amount of $250,000,000 as such amount may be permanently reduced from time to time pursuant to Section 2.03.

"Letter of Credit Fee" is defined in clause (c) of Section 2.05.

"Letter of Credit Outstandings" means, on any date, an amount equal to the sum of (i) the then aggregate amount which is undrawn and available under all issued and outstanding Letters of Credit, and (ii) the then aggregate amount of all unpaid and outstanding Reimbursement Obligations.

"Lien" shall mean any interest in Property securing an obligation owed to, or a claim by, a Person other than the owner of the Property, whether such interest is based on the common law, statute or contract, and whether such obligation or claim is fixed or contingent, and including but not limited to the lien or security interest arising from a mortgage, encumbrance, pledge, security agreement, conditional sale or trust receipt or a lease, consignment or bailment for security purposes.

"Loans" shall mean the loans as provided for by Sections 2.01(a). Loans may be Committed Loans which may be Base Rate Loans or Eurodollar Loans.

"Majority Lenders" shall mean, at any time while no Loans are outstanding, Lenders having in excess of fifty percent (50%) of the Aggregate Commitments and, at any time while Loans are outstanding, Lenders holding in excess of percent (50%) of the outstanding aggregate principal amount of the Loans (without regard to any sale by a Lender of a participation in any Loan under Section 12.06(c)).

"MAP" shall mean Marathon Ashland Petroleum L.L.C.

"Margin Stock" shall have the meaning set forth in Regulation U of the Board of Governors of the Federal Reserve System as the same may be amended or interpreted from time to time.

"Material Adverse Effect" shall mean a material adverse change in the financial position or results of operations of the Borrower and its Subsidiaries taken as a whole.

"Multiemployer Plan" shall mean a multiemployer plan as defined in section 3(37) or 4001 (a)(3) of ERISA which is, or within the six calendar years preceding this Agreement was, contributed to by the Borrower, a Subsidiary or an ERISA Affiliate.

"Notes" shall mean the Notes provided for by Section 2.07, together with any and all renewals, increases, rearrangements, substitutions or modifications thereof.

"Other Taxes" shall have the meaning assigned such term in Section 4.06(b).

"PBGC" shall mean the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions.

"Pension Plan" means a Plan subject to the provisions of Title IV of ERISA and Section 412 of the Code or Section 302 of ERISA.

"Percentage Share" shall mean the percentage of the Aggregate Commitments to be provided by a Lender under this Agreement as indicated on Annex 1 hereto, as modified from time to time to reflect any adjustments permitted or required hereby.

"Person" shall mean any individual, corporation, company, voluntary association, partnership, joint venture, trust, unincorporated organization or government or any agency, instrumentality or political subdivision thereof, or any other form of entity except as otherwise defined in Section 2.11 hereof.

"Plan" shall mean any employee pension benefit plan, as defined in Section 3(2) of ERISA, which (i) is currently or hereafter sponsored, maintained or contributed to by the Borrower, any Subsidiary or an ERISA Affiliate or (ii) was at any time during the preceding six calendar years sponsored, maintained or contributed to, by the Borrower, any Subsidiary or an ERISA Affiliate.

"Post-Default Rate" shall mean, in respect of any principal of any Loan or any other amount payable by the Borrower under this Agreement or

the Notes, a rate per annum during the period commencing on the date of occurrence of an Event of Default until such amount is paid in full or all Events of Default are cured or waived equal to 2% per annum above the rate of interest in effect from time to time including the Applicable Margin (if any), but in no event to exceed the Highest Lawful Rate; provided, however, for a Eurodollar Loan, the "Post-Default Rate" for such principal shall be, for the period commencing on the date of occurrence of an Event of Default and ending on the earlier to occur of the last day of the Interest Period therefor or the date all Events of Default are cured or waived, 2% per annum above the interest rate for such Loan as provided in Section 3.03(a)(ii), but in no event to exceed the Highest Lawful Rate.

"Prime Rate" shall mean at any time, the rate of interest then most recently established by the Administrative Agent in New York as its base rate for Dollars loaned in the United States. Such rate is set by the Administrative Agent as a general prime rate of interest, taking into account such factors as the Administrative Agent may deem appropriate, it being understood that many of the Administrative Agent's commercial or other loans are priced in relation to such rate, that it is not necessarily the lowest or best rate actually charged to any customer and that the Administrative Agent may make various commercial or other loans at rates of interest having no relationship to such rate.

"Property" shall mean any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

"Quarterly Dates" shall mean the last day of each March, June, September, and December, in each year, the first of which shall be June 30, 2004; provided, however, that if any such day is not a Business Day, such Quarterly Date shall be the next succeeding Business Day.

"Regulation D" shall mean Regulation D of the Board of Governors of the Federal Reserve System (or any successor), as the same may be amended or supplemented from time to time.

"Regulatory Change" shall mean, with respect to any Lender, any change after the Closing Date in any Governmental Requirement (including Regulation D) or the adoption or making after such date of any interpretations, directives or requests applying to a class of lenders (including such Lender or its Applicable Lending Office) of or under any Governmental Requirement (whether or not having the force of law) by any Governmental Authority charged with the interpretation or administration thereof.

"Reimbursement Obligation" is defined in Section 2.03(d).

"Required Payment" shall have the meaning assigned such term in Section 4.04.

"Revolving Loan" shall mean a Loan made pursuant to Section 2.01(a).

"SEC" shall mean the Securities and Exchange Commission or any successor Governmental Authority.

"SPC" has the meaning specified in Section 12.06(g).

"Special Entity" shall mean any joint venture, limited liability company or partnership, general or limited partnership or any other type of partnership or company, other than a corporation, in which the Borrower or one or more of its other Subsidiaries is a member, owner, partner or joint venturer and owns, directly or indirectly, at least a majority of the equity of such entity, but excluding any tax partnerships that are not classified as partnerships under state law.

"Standby Fee" shall mean, the applicable rate per annum set forth below based upon the ratings by Moody's and S&P, respectively, applicable on such date to the Index Debt:

INDEX DEBT	STANDBY FEE
Category 1	0.125%
Category 2	0.150%
Category 3	0.175%
Category 4	0.225%
Category 5	0.400%

"Standby Letter of Credit" means a letter of credit issued to support payment, when due or after default, of obligations based on money loaned or advanced, or upon the occurrence or non-occurrence of another contingency.

"Stated Amount" means, on any date and with respect to a particular Letter of Credit, the total amount then available to be drawn under such Letter of Credit.

"Stated Expiry Date" is defined in Section 2.03(a).

"Stockholder's Equity" shall mean the common stockholders' equity of Borrower and its Subsidiaries on a Consolidated basis (in the calculation of which the book value of any treasury shares carried as an asset shall be deducted).

"Subsidiary" means, with respect to any Person (the "parent") at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held, or (b) that is, as of such date, otherwise Controlled, by the parent or one or more Subsidiaries of the parent or by the parent and one or more Subsidiaries of the parent. Unless otherwise indicated herein, each reference to the term "Subsidiary" shall mean a Subsidiary of the Borrower. Notwithstanding the foregoing, MAP will not be considered a Subsidiary of the Borrower.

"Substantial Subsidiary" shall mean, at the time of any determination thereof, any Subsidiary which as of such time meets the definition of "significant subsidiary" contained in Regulation S-X of the SEC (as amended from time to time), so long as it is a Subsidiary, but whether or not it otherwise meets such definition, Ashland Paving and Construction, Inc.

"Taxes" shall have the meaning assigned such term in Section 4.06(a).

"Termination Date" shall mean March 11, 2007 unless the Aggregate Commitments are sooner terminated (or Cash Collaterized) pursuant to Section 2.04(a) or 10.2 hereof.

"Type" shall mean, with respect to any Loan, a Base Rate Loan or a Eurodollar Loan.

"Unfunded Pension Liability" means the excess of a Pension Plan's accumulated benefit obligations under Financial Accounting Standard 87, determined in accordance with the assumptions used by the Plan's actuary for funding the Pension Plan pursuant to Section 412 of the Code for the applicable plan year, over the current value of that Pension Plan's assets.

Section 1.03.....Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all determinations with respect to accounting matters hereunder shall be made, and all financial statements and certificates and reports as to financial matters required to be furnished to the Administrative Agent or the Lenders hereunder shall be prepared, in accordance with GAAP, applied on a basis consistent with the audited financial statements of the Borrower referred to in Section 7.02 (except for changes concurred with by the Borrower's independent public accountants).

ARTICLE II.....

COMMITMENTS

Section 2.01.....Loans.

(a) Revolving Loans. Each Lender severally agrees, on the terms of this Agreement, to make revolving loans (herein called "Revolving Loans") to the Borrower during the period from and including (i) the Effective Date or (ii) such later date that such Lender becomes a party to this Agreement, to but excluding, the Termination Date in an aggregate principal amount at any one time outstanding up to but not exceeding the amount of such Lender's Commitment as then in effect; provided, however, that the aggregate principal amount of all Loans and Letter of Credit Outstandings by all Lenders hereunder at any one time outstanding shall not exceed the Aggregate Commitments. Subject to the terms of this Agreement, during the period from the Effective Date to but excluding, the Termination Date, the Borrower may borrow, repay and reborrow the amount described in this Section 2.01(a).

(b) Letter of Credit Commitment. From time to time on any Business Day

occurring from the Effective Date but no later than three (3) days prior to the Termination Date, the relevant Issuer agrees that it will:

(i) issue one or more Standby Letters of Credit or Documentary Letters of Credit for the account of the Borrower in the Stated Amount requested by the Borrower on such day; or

(ii) extend the Stated Expiry Date of an existing Standby Letter of Credit previously issued hereunder.

No Issuer shall be permitted or required to issue any Letter of Credit if, after giving effect thereto, (i) the aggregate amount of all Letter of Credit Outstandings would exceed the Letter of Credit Commitment Amount or (ii) the sum of the aggregate amount of all Letter of Credit Outstandings plus the aggregate principal amount of all Loans then outstanding would exceed the Aggregate Commitments.

(c) Limitation on Types of Loans. Subject to the other terms and provisions of this Agreement, at the option of the Borrower, the Committed Loans may be Base Rate Loans or Eurodollar Loans; provided that, without the prior written consent of the Majority Lenders, with respect to Committed Loans, no more than five (5) Eurodollar Loans may be outstanding at any time to any Lender.

Section 2.02.....Borrowings, Continuations and Conversions.

(a) Borrowings. The Borrower shall give the Administrative Agent (which shall promptly notify the Lenders) advance notice as hereinafter provided of each borrowing of Committed Loans hereunder, which shall specify the aggregate amount of such borrowing, the Type and the date (which shall be a Business Day) of such Loans to be borrowed and (in the case of Eurodollar Loans) the duration of the Interest Period therefor.

(b) Minimum Amounts. If the initial borrowing consists in whole or in part of Eurodollar Loans, such Eurodollar Loans shall be in amounts of at least $5,000,000 or any whole multiple of $1,000,000 in excess thereof.

(c) Notices. All Committed Loan borrowings, continuations and conversions require advance written notice to the Administrative Agent (which shall promptly notify the Lenders) in the form of Exhibit B-1 (or telephonic notice promptly confirmed by such a written notice), which in each case shall be irrevocable, from the Borrower to be received by the Administrative Agent not later than 11:00 a.m. New York City time on the Business Day of each Base Rate Loan borrowing and three Business Days prior to the date of each Eurodollar Loan borrowing, continuation or conversion. Without in any way limiting the Borrower's obligation to confirm in writing any telephonic notice, the Administrative Agent may act without liability upon the basis of telephonic notice believed by the Administrative Agent in good faith to be from the Borrower prior to receipt of written confirmation. In each such case, the Borrower hereby waives the right to dispute the Administrative Agent's record of the terms of such telephonic notice except in the case of gross negligence or willful misconduct by the Administrative Agent.

(d) Continuation Options. Subject to the provisions made in this Section 2.02(d), the Borrower may elect to continue as a new Loan all or any part of any Committed Loan beyond the expiration of the then current Interest Period relating thereto by giving advance notice as provided in Section 2.02(c) to the Administrative Agent (which shall promptly notify the Lenders) of such election, specifying the amount of such Loan to be continued as a new Committed Loan, the type of Loan and the Interest Period therefor. In the absence of such a timely and proper election, the Borrower shall be deemed to have elected to continue any such Loan as a Base Rate Loan (if such Committed Loan is a Eurodollar Loan, pursuant to a conversion as set forth in Section 2.02(e)). All or any part of any Committed Loan may be continued as provided herein, provided that (i) with respect to a Eurodollar Loan continued as a new Eurodollar Loan, any continuation of any such Loan shall be (as to each Loan as continued for an applicable Interest Period) in amounts of at least $5,000,000 or any whole multiple of $1,000,000 in excess thereof and (ii) no Default shall have occurred and be continuing.

(e) Conversion Options. The Borrower may elect to convert all or any part of any Committed Loan which is a Eurodollar Loan on the last day of the then current Interest Period relating thereto to a Base Rate Loan by giving advance notice as provided in Section 2.02(c) to the Administrative Agent (which shall promptly notify the Lenders) of such election. Subject to the provisions made in this Section 2.02(e), the Borrower may elect to convert all or any part of any Committed Loan which is a Base Rate Loan at any time and from time to time to a Eurodollar Loan by giving advance notice as provided in Section 2.02(c) to the Administrative Agent (which shall promptly notify the Lenders) of such election. All or any part of any outstanding Committed Loan may be converted as provided herein, provided that (i) any conversion of any Base Rate Loan into a Eurodollar Loan shall be (as to each such Loan into which there is a conversion for an applicable Interest Period) in amounts of at least $5,000,000 or any whole multiple of $1,000,000 in excess thereof and (ii) no Default shall have occurred and be continuing. Each Committed Loan that is converted hereunder shall be a new Committed Loan, and the Interest Period applicable to such converted Committed Loan shall terminate as of the effective date of such conversion.

(f) Advances. Not later than 1:00 p.m. New York City time on the date specified for each borrowing hereunder, each Lender shall make available the amount of the Loan to be made by it on such date to the Administrative Agent, to an account which the Administrative Agent shall specify, in immediately available funds, for the account of the Borrower. The amounts so received by the Administrative Agent shall, subject to the terms and

conditions of this Agreement, promptly be made available to the Borrower by depositing the same, in immediately available funds, in an account of the Borrower, designated by the Borrower and maintained at the Lending Office.

Section 2.03.....Issuance Procedures, Participations, Disbursements and Reimbursement.

(a) By delivering to the Administrative Agent an Issuance Request in the form of Exhibit B-2 hereto, on or before 10:00 a.m. on a Business Day, the Borrower may from time to time irrevocably request on not less than three (3) nor more than ten (10) Business Days' notice, in the case of an initial issuance of a Letter of Credit and not less than three (3) Business Days' prior notice, in the case of a request for the extension of the Stated Expiry Date of a Standby Letter of Credit (in each case, unless a shorter notice period is agreed to by the Issuer, in its sole discretion), that an Issuer issue, or with respect to a Standby Letter of Credit, extend the Stated Expiry Date, a Letter of Credit in such form as may be requested by the Borrower and approved by such Issuer, solely for the purposes described in Section 7.07. Each Letter of Credit shall by its terms be stated to expire on a date (its "Stated Expiry Date") no later than the earlier to occur of (i) the Termination Date, (ii) in the case of a Standby Letter of Credit (unless otherwise agreed to by an Issuer, in its sole discretion), one (1) year from the date of its issuance or (iii) in the case of a Documentary Letter of Credit, six (6) months from the date of its issuance. Each Issuer will make available to the beneficiary thereof the original of the Letter of Credit which it issues.

(b) Upon the issuance of each Letter of Credit, and without further action, each Lender (other than the Issuer) shall be deemed to have irrevocably purchased, to the extent of its Percentage Share, a participation interest in such Letter of Credit (including the Contingent Liability and any Reimbursement Obligation with respect thereto), and such Lender shall, to the extent of its Percentage Share, be responsible for reimbursing within one (1) Business Day of receiving notice from the Issuer for Reimbursement Obligations which have not been reimbursed by the Borrower in accordance with Section 2.03(d) (with the terms of this Section surviving the termination of this Agreement). The issuing Lender shall, to the extent of its Percentage Share, be entitled to receive a ratable portion of the Letter of Credit fees payable pursuant to Section 2.05(c) with respect to each Letter of Credit. To the extent that any Lender has reimbursed any Issuer for a Disbursement, such Lender shall be entitled to receive its ratable portion of any amounts subsequently received (from the Borrower or otherwise) in respect of such Disbursement.

(c) An Issuer will notify the Borrower and the Administrative Agent promptly of the presentment for payment of any Letter of Credit issued by such Issuer, together with notice of the date (the "Disbursement Date") such payment shall be made (each such payment, a "Disbursement"). Subject to the terms and provisions of such Letter of Credit and this Agreement, the applicable Issuer shall make such payment to the beneficiary (or its designee) of such Letter of Credit. On or prior to 11:00 a.m. on the first Business Day following the Disbursement Date, the Borrower will reimburse the Administrative Agent, for the account of the applicable Issuer, for all amounts which such Issuer has disbursed under such Letter of Credit, together with interest thereon at a rate per annum equal to the rate per annum then in effect for Base Rate Loans (with the then Applicable Margin for Revolving Loans accruing on such amount) pursuant to Section 3.03 for the period from the Disbursement Date through the date of such reimbursement. Without limiting in any way the foregoing and notwithstanding anything to the contrary contained herein or in any separate application for any Letter of Credit, the Borrower hereby acknowledges and agrees that it shall be obligated to reimburse the applicable Issuer upon each Disbursement of a Letter of Credit, and it shall be deemed to be the obligor for purposes of each such Letter of Credit issued hereunder.

(d) The obligation (a "Reimbursement Obligation") of the Borrower under Section 2.03(c) to reimburse an Issuer with respect to each Disbursement (including interest thereon), and, upon the failure of the Borrower to reimburse an Issuer, each Lender's obligation under Section 2.03(b) to reimburse an Issuer, shall be absolute and unconditional under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment which the Borrower or such Lender, as the case may be, may have or have had against such Issuer or any Lender, including any defense based upon the failure of any Disbursement to conform to the terms of the applicable Letter of Credit (if, in such Issuer's good faith opinion, such Disbursement is determined to be appropriate) or any non-application or misapplication by the beneficiary of the proceeds of such Letter of Credit; provided that, after paying in full its Reimbursement Obligation hereunder, nothing herein shall adversely affect the right of the Borrower or such Lender, as the case may be, to commence any proceeding against an Issuer for any wrongful Disbursement made by such Issuer under a Letter of Credit as a result of acts or omissions constituting gross negligence or willful misconduct on the part of such Issuer.

(e) Upon the occurrence and during the continuation of any Default under Section 10.01 or upon notification by the Administrative Agent (acting at the direction of the Required Lenders) to the Borrower of its obligations under this Section, following the occurrence and during the continuation of any other Event of Default,

(i) the aggregate Stated Amount of all Letters of Credit shall, without demand upon or notice to the Borrower or any other Person, be deemed to have been paid or disbursed by the Issuers of such Letters of Credit (notwithstanding that such amount may not in fact have been paid or disbursed); and

(ii) the Borrower shall be immediately obligated to reimburse the Issuers for the amount deemed to have been so paid or disbursed by such Issuers.

Amounts payable by the Borrower pursuant to this Section shall be deposited in immediately available funds with the Administrative Agent and held as collateral security for the Reimbursement Obligations. When all Defaults giving rise to the deemed disbursements under this Section have been cured or waived the Administrative Agent shall return to the Borrower all amounts then on deposit with the Administrative Agent pursuant to this Section which have not been applied to the satisfaction of the Reimbursement Obligations.

(f) The Borrower, and to the extent set forth in Section 2.03(b), each Revolving Loan Lender shall assume all risks of the acts, omissions or misuse of any Letter of Credit by the beneficiary thereof. No Issuer (except to the extent of its own gross negligence or willful misconduct) shall be responsible for:

(i) the form, validity, sufficiency, accuracy, genuineness or legal effect of any Letter of Credit or any document submitted by any party in connection with the application for and issuance of a Letter of Credit, even if it should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged;

(ii) the form, validity, sufficiency, accuracy, genuineness or legal effect of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or the proceeds thereof in whole or in part, which may prove to be invalid or ineffective for any reason;

(iii) failure of the beneficiary to comply fully with conditions required in order to demand payment under a Letter of Credit;

(iv) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex or otherwise; or

(v) any loss or delay in the transmission or otherwise of any document or draft required in order to make a Disbursement under a Letter of Credit.

None of the foregoing shall affect, impair or prevent the vesting of any of the rights or powers granted to any Issuer or any Lender hereunder.

Section 2.04.....Changes of Commitments.

(a) The Borrower shall have the right to terminate or to reduce the amount of the Aggregate Commitments at any time or from time to time upon not less than three (3) Business Days' prior notice to the Administrative Agent (which shall promptly notify the Lenders) of each such termination or reduction, which notice shall specify the effective date thereof and the amount of any such reduction (which shall not be less than $10,000,000 or any whole multiple of $1,000,000 in excess thereof) and shall be irrevocable and effective only upon receipt by the Administrative Agent.

(b) The Aggregate Commitments once terminated or reduced may not be reinstated.

Section 2.05.....Fees.

(a) The Borrower shall pay to the Administrative Agent for the account of each Lender in accordance with its Percentage Share a fee equal to the Standby Fee multiplied by the average daily unused portion of the Aggregate Commitments for the period from and including the Closing Date up to but excluding either the earlier of the date the Aggregate Commitments are terminated or the Termination Date. The accrued Standby Fees shall be payable quarterly in arrears on each Quarterly Date, on the Termination Date, and thereafter on demand. The Standby Fee shall be calculated quarterly in arrears, and if there is any change in the Standby Fee during any quarter, the average daily unused portion shall be computed and multiplied by the Standby Fee separately for each period during such quarter that the Standby Fee was in effect. The Standby Fee shall accrue at all times, including at any time when one or more conditions in Article VI is not met.

(b) The Borrower shall pay to the Administrative Agent, for the pro rata account of the applicable Issuer, a Letter of Credit fronting fee (the "Fronting Fee"), in an amount to be agreed upon by such Issuer and the Borrower at the time of the issuance of each Letter of Credit, payable quarterly in arrears following the issuance of such Letter of Credit and (if earlier), on the date of any termination or expiration of such Letter of Credit. In addition, the Administrative Agent's customary administrative, issuance, amendment, payment and negotiation fees shall be payable to the Administrative Agent, for its own account, as Issuer of the Letters of Credit on the dates and in the amounts from time to time notified to the Borrower by the Administrative Agent.

(c) The Borrower agrees to pay to the Administrative Agent, for the pro rata account of each Lender (including the applicable Issuer, in its capacity as a Lender), a Letter of Credit fee (the "Letter of Credit Fee") in an amount equal to the then effective Applicable Margin for Eurodollar Loans, payable quarterly in arrears following the issuance of such Letter of Credit and (if earlier), on the date of any termination or expiration of such Letter of Credit.

(d) The Borrower shall pay to the Administrative Agent for its account such other fees as are set forth in the Fee Letter on the dates specified therein to the extent not paid prior to the Closing Date.

Section 2.06.....Several Obligations. The failure of any Lender to make any Loan to be made by it on the date specified therefor shall not relieve any other Lender of its obligation to make its Loan on such date, but no Lender shall be responsible for the failure of any other Lender to make a Loan to be made by such other Lender.

Section 2.07.....Notes. The Committed Loans made by each Lender shall be evidenced by a single promissory note of the Borrower in substantially the form of Exhibit A-1 hereto, dated (i) April 2, 2004, or (ii) the effective date of an Assignment pursuant to Section 12.06(b), payable to the order of such Lender in a principal amount equal to its Commitment as in effect and otherwise duly completed. The date, amount, Type, interest rate and Interest Period of each Loan made by each Lender, and all payments made on account of the principal thereof, shall be recorded by such Lender on its books for its Notes, and, prior to any transfer, may be endorsed by such Lender on a schedule attached to such Notes or any continuation thereof or on any separate record maintained by such Lender. Failure to make any such notation or to attach a schedule shall not affect any Lender's or the Borrower's rights or obligations in respect of such Loans or affect the validity of such transfer by any Lender of its Notes.

Section 2.08.....Prepayments.

(a) The Borrower may prepay the Base Rate Loans upon not less than one (1) Business Days' prior notice to the Administrative Agent (which shall promptly notify the Lenders), which notice shall specify the prepayment date (which shall be a Business Day) and the amount of the prepayment (which shall be at least $1,000,000 or the remaining aggregate principal balance outstanding on the Notes) and shall be irrevocable and effective only upon receipt by the Administrative Agent, provided that interest on the principal prepaid, accrued to the prepayment date, shall be paid on the prepayment date. The Borrower may prepay Committed Loans which are Eurodollar Loans upon not less than two (2) Business Days' prior notice to the Administrative Agent (which shall promptly notify the Lenders) and otherwise on the same condition as for Base Rate Loans and in addition such prepayments of Eurodollar Loans shall be subject to the terms of Section 5.05 and, for each Eurodollar Loan, shall be in an amount equal to all of such Eurodollar Loans for the Interest Period prepaid.

(b) If, after giving effect to any termination or reduction of the Aggregate Commitments pursuant to Section 2.04(b), the outstanding aggregate principal amount of (i) the Loans and (ii) the aggregate amount of all Letter of Credit Outstandings exceeds the Aggregate Commitments, the Borrower shall prepay the Loans on the date of such termination or reduction in an aggregate principal amount equal to the excess, together with interest on the principal amount paid accrued to the date of such prepayment.

(c) Prepayments permitted or required under this Section 2.08 shall be without premium or penalty, except as required under Section 5.05 for prepayment of Eurodollar Loans. Any prepayments on the Revolving Loans may be reborrowed subject to the then effective Aggregate Commitments and the other provisions of this Agreement.

Section 2.09.....Lending Offices. The Loans of each Type made by each Lender shall be made and maintained at such Lender's Applicable Lending Office for Loans of such Type.

Section 2.10.....[Reserved].

Section 2.11.....Change in Control. If a Change in Control shall occur then (a) the Borrower will, within five Business Days after the occurrence thereof, give each Lender notice thereof and shall describe in reasonable detail the facts and circumstances giving rise thereto and (b) each Lender may, by notice to the Borrower and the Administrative Agent given not later than 45 days after the occurrence of such Change in Control, terminate its Commitments, which shall be terminated upon the date specified in such notice, which date shall be no earlier than the fifteenth day after such notice; all principal, accrued and unpaid interest and all unpaid fees and other amounts owing hereunder and under the Notes of such Lender shall be due and payable on such date.

For purposes of this Section, a "Change in Control" shall be deemed to occur (1) upon approval of the shareholders of the Borrower (or if such approval is not required, upon the approval of the Borrower's Board of Directors (the "Board") of (A) any consolidation or merger of the Borrower, other than a consolidation or merger of the Borrower into or with a direct or indirect wholly-owned Subsidiary, in which the Borrower is not the continuing or surviving corporation or pursuant to which shares of common stock of the Borrower would be converted into cash, securities or other property other than a merger in which the holders of common stock of the Borrower immediately prior to the merger will have the same proportionate ownership of common stock of the surviving corporation immediately after the merger, (B) any sale, lease, exchange, or other transfer (in one transaction or a series of related transactions) of all or substantially all the assets of the Borrower, or (C) adoption of any plan or proposal for the liquidation or dissolution of the Borrower, (2) when any person (as defined in Section 3(a)(9) or 13(d) of the Exchange Act), other than the Borrower or any subsidiary or employee benefit plan or trust maintained by the Borrower, shall become the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of more than 15% of the Borrower's common stock outstanding at the time, without the approval of the Board, or (3) at any time during a period of two consecutive years, individuals who at the beginning of such period constituted the Board shall cease for any reason to constitute at least a majority thereof, unless the election or the nomination for election by the Borrower's shareholders of each new director during such two-year period

was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of such two-year period. Notwithstanding the foregoing, any transaction, or series of transactions, that shall result in the disposition of the Borrower's interest in MAP, including without limitation any transaction arising out of that certain Put/Call, Registration Rights and Standstill Agreement dated January 1, 1998 among Marathon Oil Company, USX Corporation, the Borrower and MAP, as amended from time to time, shall not be deemed to constitute a Change in Control.

ARTICLE III.....

PAYMENTS OF PRINCIPAL AND INTEREST

Section 3.01.....Repayment of Loans. The Borrower will pay to the Administrative Agent, for the account of each Lender, the principal payments required by this Article III. The aggregate principal amount of the Notes outstanding on the Termination Date shall be due and payable on such date.

Section 3.02.....Maturity of Loans. Each Loan borrowed hereunder shall mature, and the principal amount thereof shall be due and payable, on the last day of the Interest Period applicable to such Loan.

Section 3.03.....Interest.

(a) Interest Rates. The Borrower will pay to the Administrative Agent, for the account of each Lender, interest on the unpaid principal amount of each Loan made by such Lender for the period commencing on the date such Loan is made to but excluding the date such Loan shall be paid in full, at the following rates per annum:

(i) if such a Loan is a Base Rate Loan, the Alternate Base Rate (as in effect from time to time) plus the Applicable Margin, but in no event to exceed the Highest Lawful Rate; and

(ii) if such a Loan is a Eurodollar Loan that is a Committed Loan, for each Interest Period relating thereto, the Eurodollar Rate for such Loan plus the Applicable Margin, but in no event to exceed the Highest Lawful Rate.

(b) Post-Default Rate. Notwithstanding the foregoing, the Borrower will pay to the Administrative Agent, for the account of each Lender interest at the applicable Post-Default Rate on any principal of any Loan made by such Lender, and (to the fullest extent permitted by law) on any other amount payable by the Borrower, hereunder or under any Note held by such Lender to or for account of such Lender, for the period commencing on the date of an Event of Default until the same is paid in full or all Events of Default are cured or waived.

(c) Due Dates. Accrued interest on Base Rate Loans shall be payable on the last day of the Interest Period applicable thereto, and accrued interest on each Eurodollar Loan shall be payable on the last day of the Interest Period therefor and, if such Interest Period is longer than three months at three-month intervals following the first day of such Interest Period, except that interest payable at the Post-Default Rate shall be payable from time to time on demand and interest on any Eurodollar Loan that is converted into a Base Rate Loan (pursuant to Section 5.04) shall be payable on the date of conversion (but only to the extent so converted).

(d) Determination of Rates. Promptly after the determination of any interest rate provided for herein or any change therein, the Administrative Agent shall notify the Lenders to which such interest is payable and the Borrower thereof. Each determination by the Administrative Agent of an interest rate or fee hereunder shall, except in cases of manifest error, be final, conclusive and binding on the parties.

ARTICLE IV.....

PAYMENTS; PRO RATA TREATMENT; COMPUTATIONS; ETC.

Section 4.01.....Payments. Except to the extent otherwise provided herein, all payments of principal, interest and other amounts to be made by the Borrower hereunder shall be initiated in Dollars, in immediately available funds, to the Administrative Agent at such account as the Administrative Agent shall specify by notice to the Borrower from time to time, not later than 11:00 a.m. New York City time on the date on which such payments shall become due (each such payment made after such time on such due date to be deemed to have been made on the next succeeding Business Day). Such payments shall be made without (to the fullest extent permitted by applicable law) defense, set-off or counterclaim. Each payment received by the Administrative Agent under this Agreement on any Note for account of a Lender shall be paid promptly to such Lender pro rata in accordance with such Lender's Percentage Share in immediately available funds. Except as provided in clause (ii) of the second paragraph of the definition of "Interest Period," if the due date of any payment under this Agreement or any Note would otherwise fall on a day which is not a Business Day such date shall be extended to the next succeeding Business Day and interest shall be payable for any principal so extended for the period of such extension. At the time of each payment to the Administrative Agent of any principal of or interest on any borrowing, the Borrower shall notify the Administrative Agent of the Loans to which such payment shall apply. In the absence of such notice the Administrative Agent may specify the Loans to which such payment shall apply, but to the extent possible such payment or prepayment will be applied first to the Loans comprised of Base Rate Loans.

Section 4.02.....Pro Rata Treatment. Except to the extent otherwise provided herein each Lender agrees that: (a) each borrowing from the

Lenders under Section 2.01 and each continuation and conversion under Section 2.02 shall be made from the Lenders pro rata in accordance with their Percentage Share, each payment of the Standby Fee under Section 2.05(a) and amounts owing to the Lenders (including amounts paid in respect of Reimbursement Obligations, to the extent actually participated in by a Lender) shall be made for account of the Lenders pro rata in accordance with their Percentage Shares and each termination or reduction of the amount of the Aggregate Commitments under Section 2.04(a) shall be applied to the Commitment of each Lender, pro rata according to the amounts of its respective Percentage Share; (b) except during the continuance of an Event of Default, each payment of principal of Committed Loans, the aggregate Reimbursement Obligations then owing and the Cash Collaterization for contingent liabilities under Letter of Outstandings by the Borrower shall be made for account of the Lenders pro rata in accordance with the respective unpaid principal amount of the Type of Loans so paid as designated pursuant to Section 4.01; (c) except during the continuance of an Event of Default, each payment of interest on Committed Loans by the Borrower shall be made for account of the Lenders pro rata in accordance with the amounts of interest due and payable to the respective Lenders on the Type of Loans to which such interest payment is to be applied as designated pursuant to Section 4.01; and (d) during the continuance of an Event of Default each payment on the Loans shall be applied as provided in Section 10.02(c).

Section 4.03.....Computations. Interest on Eurodollar Loans and fees, including any Letter of Credit fees, shall be computed on the basis of a year of 360 days and actual days elapsed (including the first day but excluding the last day) occurring in the period for which such interest is payable, unless such calculation would exceed the Highest Lawful Rate, in which case interest shall be calculated on the per annum basis of a year of 365 or 366 days, as the case may be. Interest on Base Rate Loans shall be computed on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed (including the first day but excluding the last day) occurring in the period for which such interest is payable.

Section 4.04.....Non-receipt of Funds by the Administrative Agent. Unless the Administrative Agent shall have been notified by a Lender or the Borrower prior to the date on which such notifying party is scheduled to make payment to the Administrative Agent (in the case of a Lender) of the proceeds of a Loan or (in the case of the Borrower) a payment to the Administrative Agent for account of one or more of the Lenders hereunder (such payment being herein called the "Required Payment"), which notice shall be effective upon receipt, that it does not intend to make the Required Payment to the Administrative Agent, the Administrative Agent may assume that the Required Payment has been made and may, in reliance upon such assumption (but shall not be required to), make the amount thereof available to the intended recipient(s) on such date and, if such Lender or the Borrower (as the case may be) has not in fact made the Required Payment to the Administrative Agent, the recipient(s) of such payment shall, on demand, repay to the Administrative Agent the amount so made available together with interest thereon in respect of each day during the period commencing on the date such amount was so made available by the Administrative Agent until but excluding the date the Administrative Agent recovers such amount at a rate per annum which, for any Lender as recipient, will be equal to the Federal Funds Rate, and for the Borrower as recipient, will be equal to the Base Rate plus the Applicable Margin.

Section 4.05.....Set-off, Sharing of Payments, Etc.

(a) The Borrower agrees that, in addition to (and without limitation of) any right of set-off, bankers' lien or counterclaim a Lender may otherwise have, each Lender shall have the right and be entitled, at its option, to offset balances held by it or by any of its Affiliates for account of the Borrower or any Subsidiary at any of its offices, in Dollars or in any other currency, against any principal of or interest on any of such Lender's Loans, or any other amount payable to such Lender hereunder, which is not paid when due (regardless of whether such balances are then due to the Borrower), in which case it shall promptly notify the Borrower and the Administrative Agent thereof, provided that such Lender's failure to give such notice shall not affect the validity thereof.

(b) If any Lender shall obtain payment of any principal of or interest on any Loan made by it to the Borrower under this Agreement through the exercise of any right of set-off, banker's lien or counterclaim or similar right or otherwise, and, as a result of such payment, such Lender shall have received a greater percentage of the principal or interest (or reimbursement) then due hereunder by the Borrower to such Lender than the percentage received by any other Lenders, it shall promptly (i) notify the Administrative Agent and each other Lender thereof and (ii) purchase from such other Lenders participations in (or, if and to the extent specified by such Lender, direct interests in) the Loans made by such other Lenders (or in interest due thereon, as the case may be) in such amounts, and make such other adjustments from time to time as shall be equitable, to the end that all the Lenders shall share the benefit of such excess payment (net of any expenses which may be incurred by such Lender in obtaining or preserving such excess payment) pro rata in accordance with the unpaid principal and/or interest on the Loans held by each of the Lenders. To such end all the Lenders shall make appropriate adjustments among themselves (by the resale of participations sold or otherwise) if such payment is rescinded or must otherwise be restored. The Borrower agrees that any Lender so purchasing a participation (or direct interest) in the Loans made by other Lenders (or in interest due thereon, as the case may be) may exercise all rights of set-off, banker's lien, counterclaim or similar rights with respect to such participation as fully as if such Lender were a direct holder of Loans in the amount of such participation. Nothing contained herein shall require any Lender to exercise any such right or shall affect the right of any Lender to exercise, and retain the benefits of exercising,

any such right with respect to any other indebtedness or obligation of the Borrower. If under any applicable bankruptcy, insolvency or other similar law, any Lender receives a secured claim in lieu of a set-off to which this Section 4.05 applies, such Lender shall, to the extent practicable, exercise its rights in respect of such secured claim in a manner consistent with the rights of the Lenders entitled under this Section 4.05 to share the benefits of any recovery on such secured claim.

Section 4.06.....Taxes.

(a) Payments Free and Clear. Any and all payments by the Borrower hereunder shall be made, in accordance with Section 4.01, free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding, in the case of each Lender and the Administrative Agent, taxes imposed on their income and franchise or similar taxes imposed on them, by (i) any jurisdiction (or political subdivision thereof) of which the Administrative Agent or such Lender, as the case may be, is a citizen or resident or in which such Lender has an Applicable Lending Office, (ii) the jurisdiction (or any political subdivision thereof) in which the Administrative Agent or such Lender is organized, or (iii) any jurisdiction (or political subdivision thereof) in which such Lender, the Administrative Agent is presently doing business in which taxes are imposed solely as a result of doing business in such jurisdiction (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "Taxes"). If the Borrower shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder to the Lenders or the Administrative Agent, (A) the sum payable shall be increased by the amount necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 4.06) such Lender, the Administrative Agent (as the case may be) shall receive an amount equal to the sum it would have received had no such deductions been made, (B) the Borrower shall make such deductions and (C) the Borrower shall pay the full amount deducted to the relevant taxing authority or other Governmental Authority in accordance with applicable law.

(b) Other Taxes. In addition, to the fullest extent permitted by applicable law, the Borrower agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies that arise from any payment made hereunder or from the execution, delivery or registration of, or otherwise with respect to, this Agreement or any Assignment (hereinafter referred to as "Other Taxes").

(c) Indemnification. To the fullest extent permitted by applicable law, the Borrower will indemnify each Lender and the Administrative Agent for the full amount of Taxes and Other Taxes (including, but not limited to, any Taxes or Other Taxes imposed by any Governmental Authority on amounts payable under this Section 4.06) paid by such Lender or the Administrative Agent (on their behalf or on behalf of any Lender), as the case may be, and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted unless the payment of such Taxes was not correctly or legally asserted and such Lender's or Administrative Agent's payment of such Taxes or Other Taxes was the result of its gross negligence or willful misconduct. Any payment pursuant to such indemnification shall be made within thirty (30) days after the date any Lender, the Administrative Agent, as the case may be, makes written demand therefor. If any Lender or the Administrative Agent receives a refund or credit in respect of any Taxes or Other Taxes for which such Lender, the Administrative Agent has received payment from the Borrower it shall promptly notify the Borrower of such refund or credit and shall, if no Default has occurred and is continuing, within thirty (30) days after receipt of a request by the Borrower (or promptly upon receipt, if the Borrower has requested application for such refund or credit pursuant hereto), pay an amount equal to such refund or credit to the Borrower without interest (but with any interest so refunded or credited), provided that the Borrower, upon the request of such Lender, the Administrative Agent, agrees to return such refund or credit (plus penalties, interest or other charges) to such Lender or the Administrative Agent in the event such Lender or the Administrative Agent is required to repay such refund or credit. Nothing in this Section 4.06 (c) shall oblige any Lender to disclose to the Borrower or any other person any information regarding its tax affairs or tax computations or interfere with the right of any Lender to arrange its tax affairs in whatever manner it thinks fit.

(d) Lender Statements.

(i) Each Lender represents that it is either (1) a corporation or banking association organized under the laws of the United States of America or any state thereof or (2) it is entitled to complete exemption from United States withholding tax imposed on or with respect to any payments, including fees, to be made to it pursuant to this Agreement (A) under an applicable provision of a tax convention to which the United States of America is a party or (B) because it is acting through a branch, agency or office in the United States of America and any payment to be received by it hereunder is effectively connected with a trade or business in the United States of America. Each Lender that is not a corporation or banking association organized under the laws of the United States of America or any state thereof agrees to provide to the Borrower and the Administrative Agent on the Closing Date, or on the date of its delivery of the Assignment pursuant to which it becomes a Lender, and at such other times as required by United States law or as the Borrower or the Administrative Agent shall reasonably request, two accurate and complete original signed copies of either (A) Internal Revenue Service Form W-8ECI (or successor form) certifying that all payments to be made to it hereunder will be effectively connected to a United States trade or business (the "Form W-8ECI

Certification") or (B) Internal Revenue Service Form W-8BEN (or successor form) certifying that it is entitled to the benefit of a provision of a tax convention to which the United States of America is a party which completely exempts from United States withholding tax all payments to be made to it hereunder (the "Form W-8BEN Certification"). In addition, each Lender agrees that if it previously filed a Form W-8ECI Certification, it will deliver to the Borrower and the Administrative Agent a new Form W-8ECI Certification prior to the first payment date occurring in each of its subsequent taxable years; and if it previously filed a Form W-8BEN Certification, it will deliver to the Borrower and the Administrative Agent a new certification prior to the first payment date falling in the third year following the previous filing of such certification. Each Lender also agrees to deliver to the Borrower and the Administrative Agent such other or supplemental forms as may at any time be required as a result of changes in applicable law or regulation in order to confirm or maintain in effect its entitlement to exemption from United States withholding tax on any payments hereunder, provided that the circumstances of such Lender at the relevant time and applicable laws permit it to do so. If a Lender determines, as a result of any change in either (i) a Governmental Requirement or (ii) its circumstances, that it is unable to submit any form or certificate that it is obligated to submit pursuant to this Section 4.06, or that it is required to withdraw or cancel any such form or certificate previously submitted, it shall promptly notify the Borrower and the Administrative Agent of such fact; and, if as a result of such change the Borrower is required to pay or reimburse such Lender for any United States withholding tax with respect to any payments, including fees, made pursuant to this Agreement, the Borrower shall have the right with assistance of the Administrative Agent, to seek a mutually acceptable Lender or Lenders to purchase the Notes and assume the Commitments of such Lender. If a Lender is organized under the laws of a jurisdiction outside the United States of America, unless the Borrower and the Administrative Agent have received a Form W-8BEN Certification or Form W-8ECI Certification satisfactory to them indicating that all payments to be made to such Lender hereunder are not subject to United States withholding tax, the Borrower shall withhold taxes from such payments at the applicable statutory rate. Each Lender agrees to indemnify and hold harmless the Borrower or Administrative Agent, as applicable, from any United States taxes, penalties, interest and other expenses, costs and losses incurred or payable by (i) the Administrative Agent as a result of such Lender's failure to submit any form or certificate that it is required to provide pursuant to this Section 4.06 or (ii) the Borrower or the Administrative Agent as a result of their reliance on any such form or certificate which such Lender has provided to them pursuant to this Section 4.06.

(ii) For any period with respect to which a Lender has failed to provide the Borrower with the form required pursuant to this Section 4.06, if any, (other than if such failure is due to a change in a Governmental Requirement occurring subsequent to the date on which a form originally was required to be provided), such Lender shall not be entitled to indemnification under Section 4.06 with respect to taxes imposed by the United States which taxes would not have been imposed but for such failure to provide such forms; provided, however, that should a Lender, which is otherwise exempt from or subject to a reduced rate of withholding tax becomes subject to taxes because of its failure to deliver a form required hereunder, the Borrower shall take such steps as such Lender shall reasonably request to assist such Lender to recover such taxes.

(iii) Any Lender claiming any additional amounts payable pursuant to this Section 4.06 shall use reasonable efforts (consistent with legal and regulatory restrictions) to file any certificate or document requested by the Borrower or the Administrative Agent or to change the jurisdiction of its Applicable Lending Office or to contest any tax imposed if the making of such a filing or change or contesting such tax would avoid the need for or reduce the amount of any such additional amounts that may thereafter accrue and would not, in the sole determination of such Lender, be otherwise disadvantageous to such Lender.

(iv) Each of the Lenders represents that it in good faith is not relying upon any "margin stock" (as defined in Regulation U of the Board of Governors of the Federal Reserve System) as collateral in the extension or maintenance of the credit provided for in this Agreement.

(v) Each of the Lenders represents that it is its present intention to make its Loans and to acquire the Notes to its order for its own account as a result of making Loans in the ordinary course of its commercial banking business and not with a view to the public distribution or public sale thereof; subject, nonetheless, to any legal or administrative requirement that the disposition of such Lender's property at all times be within its control.

ARTICLE V.....

CAPITAL ADEQUACY

Section 5.01.....Additional Costs.

(a) Eurodollar Regulations, etc. The Borrower shall pay directly to each Lender from time to time such amounts as such Lender may determine to be necessary to compensate such Lender for any costs which it determines are attributable to its making or maintaining of any Eurodollar Loans or its obligation to make any such Loans or any reduction in any amount receivable by such Lender hereunder in respect of any of such Loans or such obligation (such increases in costs and reductions in amounts receivable being herein called "Additional Costs"), resulting from any Regulatory Change which: (i) changes the basis of taxation of any amounts payable to such Lender under this Agreement or any Note in respect of any of such Loans (other than taxes imposed on the overall net income of such Lender or of its Applicable

Lending Office for any of such Loans by the jurisdiction in which such Lender has its principal office or Applicable Lending Office; or (ii) imposes or modifies any reserve, special deposit, minimum capital, capital ratio or similar requirements relating to any extensions of credit or other assets of, or any deposits with or other liabilities of such Lender, or the Commitment or Loans of such Lender or the Eurodollar interbank market; or (iii) imposes any other condition affecting this Agreement or any Note (or any of such extensions of credit or liabilities) or such Lender's Commitment or Loans. Each Lender will notify the Administrative Agent and the Borrower of any event occurring after the Closing Date which will entitle such Lender to compensation pursuant to this Section 5.01 as promptly as practicable after it obtains knowledge thereof and determines to request such compensation, and will designate a different Applicable Lending Office for the Loans of such Lender affected by such event if such designation will avoid the need for, or reduce the amount of, such compensation and will not, in the sole opinion of such Lender, be disadvantageous to such Lender, provided that such Lender shall have no obligation to so designate an Applicable Lending Office located in the United States. If any Lender requests compensation from the Borrower under this Section 5.01(a), the Borrower may, by notice to such Lender, suspend the obligation of such Lender to make additional Loans of the Type with respect to which such compensation is requested until the Regulatory Change giving rise to such request ceases to be in effect (in which case the provisions of Section 5.04 shall be applicable).

(b) Regulatory Change. Without limiting the effect of the provisions of Section 5.01(a), in the event that, by reason of any Regulatory Change or any other circumstances arising after the Closing Date affecting such Lender, the Eurodollar interbank market or such Lender's position in such market, any Lender either (i) incurs Additional Costs based on or measured by the excess above a specified level of the amount of a category of deposits or other liabilities of such Lender which includes deposits by reference to which the interest rate on Eurodollar Loans is determined as provided in this Agreement or a category of extensions of credit or other assets of such Lender which includes Eurodollar Loans or (ii) becomes subject to restrictions on the amount of such a category of liabilities or assets which it may hold, then, if such Lender so elects by notice to the Borrower, the obligation of such Lender to make additional Eurodollar Loans shall be suspended until such Regulatory Change or other circumstances ceases to be in effect (in which case the provisions of Section 5.04 shall be applicable).

(c) Capital Adequacy. Without limiting the effect of the foregoing provisions of this Section 5.01 (but without duplication), the Borrower shall pay directly to any Lender from time to time on request such amounts as such Lender may reasonably determine to be necessary to compensate such Lender or its parent or holding company for any costs which it determines are attributable to the maintenance by such Lender or its parent or holding company (or any Applicable Lending Office), pursuant to any Governmental Requirement following any Regulatory Change, of capital in respect of its Commitment, its Notes, its Loans or its Letters of Credit participated in, such compensation to include, without limitation, an amount equal to any reduction of the rate of return on assets or equity of such Lender or its parent or holding company (or any Applicable Lending Office) to a level below that which such Lender or its parent or holding company (or any Applicable Lending Office) could have achieved but for such Governmental Requirement. Such Lender will notify the Borrower that it is entitled to compensation pursuant to this Section 5.01(c) as promptly as practicable after it determines to request such compensation.

(d) Compensation Procedure. Any Lender notifying the Borrower of the incurrence of Additional Costs under this Section 5.01 shall in such notice to the Borrower and the Administrative Agent set forth in reasonable detail the basis and amount of its request for compensation. Determinations and allocations by each Lender for purposes of this Section 5.01 of the effect of any Regulatory Change pursuant to Section 5.01(a) or (b), or of the effect of capital maintained pursuant to Section 5.01(c), on its costs or rate of return of maintaining Loans or its obligation to make Loans, or on amounts receivable by it in respect of Loans, and of the amounts required to compensate such Lender under this Section 5.01, shall, absent manifest error, be conclusive and binding for all purposes, provided that such determinations and allocations are made on a reasonable basis. Any request for additional compensation under this Section 5.01 shall be paid by the Borrower within thirty (30) days of the receipt by the Borrower of the notice described in this Section 5.01(d).

(e) Replacement of Bank. If any Lender has demanded compensation under Section 5.01(c), the Borrower shall have the right (so long as no Default or Event of Default shall be in existence) with the assistance of the Administrative Agent, to seek a Lender or Lenders mutually acceptable to the Borrower and the Administrative Agent to purchase the Notes and assume the Commitments of such Lender.

Section 5.02.....Limitation on Eurodollar Loans. Anything herein to the contrary notwithstanding, if, on or prior to the determination of any Eurodollar Rate for any Interest Period:

(a) the Administrative Agent determines (which determination shall be conclusive, absent manifest error) that quotations of interest rates for the relevant deposits referred to in the definition of "Eurodollar Rate," as the case may be, in Section 1.02 are not being provided in the relevant amounts or for the relevant maturities for purposes of determining rates of interest for Eurodollar Loans as provided herein; or

(b) the Administrative Agent determines (which determination shall be conclusive, absent manifest error) that the relevant rates of interest referred to in the definition of "Eurodollar Rate," as the case may be, in

Section 1.02 upon the basis of which the rate of interest for Eurodollar Loans for such Interest Period is to be determined are not sufficient to adequately cover the cost to the Lenders of making or maintaining Eurodollar Loans;

then the Administrative Agent shall give the Borrower prompt notice thereof, and so long as such condition remains in effect, the Lenders shall be under no obligation to make additional Eurodollar Loans.

Section 5.03.....Illegality. Notwithstanding any other provision of this Agreement, in the event that it becomes unlawful for any Lender or its Applicable Lending Office to honor its obligation to make or maintain Eurodollar Loans hereunder, then such Lender shall promptly notify the Borrower thereof and such Lender's obligation to make Eurodollar Loans shall be suspended until such time as such Lender may again make and maintain Eurodollar Loans (in which case the provisions of Section 5.04 shall be applicable).

Section 5.04.....Base Rate Loans. If the obligation of any Lender to make Eurodollar Loans shall be suspended pursuant to Sections 5.01, 5.02 or 5.03 ("Affected Loans"), all Affected Loans which would otherwise be made by such Lender shall be made instead as Base Rate Loans (and, if an event referred to in Section 5.01(b) or Section 5.03 has occurred and such Lender so requests by notice to the Borrower, all Affected Loans of such Lender then outstanding shall be automatically converted into Base Rate Loans on the date specified by such Lender in such notice) and, to the extent that Affected Loans are so made as (or converted into) Base Rate Loans, all payments of principal which would otherwise be applied to such Lender's Affected Loans shall be applied instead to its Base Rate Loans.

Section 5.05.....Compensation. The Borrower shall pay to each Lender within thirty (30) days of receipt of written request of such Lender (which request shall set forth, in reasonable detail, the basis for requesting such amounts and which shall be conclusive and binding, absent manifest error, for all purposes provided that such determinations are made on a reasonable basis), such amount or amounts as shall compensate it for any loss, cost, expense or liability which such Lender determines are attributable to:

(a) any payment, prepayment or conversion of a Eurodollar Loan properly made by such Lender or the Borrower for any reason (including, without limitation, the acceleration of the Loans pursuant to Section 10.02) on a date other than the last day of the Interest Period for such Loan; or

(b) any failure by the Borrower for any reason (including but not limited to, the failure of any of the conditions precedent specified in Article VI to be satisfied) to borrow, continue or convert a Eurodollar Loan from such Lender on the date for such borrowing, continuation or conversion specified in the relevant notice given pursuant to Section 2.02(c).

Without limiting the effect of the preceding sentence, such compensation shall include an amount equal to the excess, if any, of (i) the amount of interest which would have accrued on the principal amount so paid, prepaid or converted or not borrowed for the period from the date of such payment, prepayment or conversion or failure to borrow to the last day of the Interest Period for such Loan (or, in the case of a failure to borrow, the Interest Period for such Loan which would have commenced on the date specified for such borrowing) at the applicable rate of interest for such Loan provided for herein over (ii) the interest component of the amount such Lender would have bid in the London interbank market for Dollar deposits of leading banks in amounts comparable to such principal amount and with maturities comparable to such period (as reasonably determined by such Lender).

ARTICLE VI.....

CONDITIONS PRECEDENT

Section 6.01.....Closing and Initial Funding. The obligation of the Lenders to make the Initial Funding or issue any Letters of Credit on the Closing Date (if any) is subject to the following: (a) the receipt by the Administrative Agent and the Lenders of all fees payable pursuant to Section 2.05 and all fees payable pursuant to the Fee Letter; (b) that no material adverse change shall have occurred since September 30, 2003 in the financial position or the results of operation of the Borrower and its Subsidiaries taken as a whole or the facts and information regarding the Borrower and its Subsidiaries represented to the Lenders prior to the Closing Date and the satisfaction of the other conditions provided in this Section 6.01, (c) the termination on the Effective Date of the Existing Agreement and the repayment by the Borrower of all amounts due and owing to the Existing Lenders under the Existing Agreement, and (d) the receipt by the Administrative Agent of the following documents, each of which shall be reasonably satisfactory to the Administrative Agent in form and substance:

(i) Executed counterparts of this Agreement.

(ii) A certificate of the Secretary or an Assistant Secretary of the Borrower setting forth (A) resolutions of its board of directors with respect to the authorization of the Borrower to execute and deliver this Agreement and the Notes and to enter into the transactions contemplated in those documents, (B) the officers of the Borrower (I) who are authorized to sign this Agreement and the Notes and (II) who will, until replaced by another officer or officers duly authorized for that purpose, act as its representative for the purposes of signing documents and giving notices and other communications in connection with this Agreement and the transactions contemplated hereby, (C) specimen signatures of the Authorized Officers, and (D) the articles or certificate of incorporation and bylaws of the

Borrower, certified as being true and complete. The Administrative Agent and the Lenders may conclusively rely on such certificate until the Administrative Agent receives notice in writing from the Borrower to the contrary.

(iii) Certificates of the Secretary of State of the Commonwealth of Kentucky with respect to the existence, qualification and good standing of the Borrower.

(iv) A compliance certificate which shall be substantially in the form of Exhibit C, duly and properly executed by a Financial Officer and dated as of the Effective Date.

(v) Notes duly completed and executed.

(vi) An opinion of Borrower's senior in-house counsel, at or above the Senior Counsel level or other counsel for the Borrower reasonably satisfactory to the Administrative Agent, substantially in the form of Exhibit D hereto.

(vii) Such other documents as the Administrative Agent or any Lender or special counsel to the Administrative Agent may reasonably request.

Section 6.02.....Initial and Subsequent Loans and Letters of Credit. The obligation of the Lenders to make any Loans or issue any Letters of Credit to the Borrower upon the occasion of each borrowing hereunder (including the Initial Funding and any continuation and conversion under Section 2.02(d) or (e)) is subject to the further conditions precedent that, as of the date of such Loans and after giving effect thereto: (a) no Default shall have occurred and be continuing; (b) no Material Adverse Effect shall have occurred; and (c) the representations and warranties made by the Borrower in Article VII shall be true on and as of the date of the making of such Loans or the issuance of any Letter of Credit with the same force and effect as if made on and as of such date and following such new borrowing, except to (I) the extent such representations and warranties are expressly limited to an earlier date, (II) the Majority Lenders expressly consent in writing to the contrary and (III) provided, that with respect to a new Loan or Letter of Credit pursuant to a continuation or conversion under Section 2.02(d) or (e), it shall not be a condition precedent to such Loan that Section 7.02 or 7.03 be true and correct as of the date of such Loan or Letter of Credit. Each request for a borrowing and each Issuance Request by the Borrower hereunder shall constitute a certification by the Borrower to the effect set forth in the preceding sentence (both as of the date of such notice and, unless the Borrower otherwise notifies the Administrative Agent prior to the date of and immediately following such borrowing or issuance of Letter of Credit as of the date thereof).

ARTICLE VII.....

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Administrative Agent and the Lenders that (each representation and warranty herein is given as of the Closing Date and shall be deemed repeated and reaffirmed on the dates of each borrowing as provided in Section 6.02):

Section 7.01.....Existence. The Borrower: (a) is duly organized or formed, legally existing and in good standing, if applicable, under the laws of the jurisdiction of its formation; (b) has all requisite power, and has all material governmental licenses, authorizations, consents and approvals necessary to own its assets and carry on its business as now being or as proposed to be conducted; and (c) is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary and where failure so to qualify would have a Material Adverse Effect.

Section 7.02.....Financial Condition. The audited Consolidated balance sheet of the Borrower and its Subsidiaries as at September 30, 2003 and the related Consolidated statements of income, common stockholders' equity and cash flows of the Borrower and its Subsidiaries for the fiscal year ended on said date, with the opinion thereon of Ernst & Young LLP heretofore furnished to each of the Lenders on Form 10-K, and the unaudited Consolidated balance sheet of the Borrower and its Subsidiaries as at December 31, 2003 and the related Consolidated statements of income, common stockholders' equity and cash flows of the Borrower and its Subsidiaries for the three month period ended on such date heretofore furnished to the Administrative Agent on Form 10-Q, fairly present the Consolidated financial position of the Borrower and its Subsidiaries as at said dates and the Consolidated results of their operations for the fiscal year and the three month periods ended on said dates, all in accordance with GAAP. Since September 30, 2003, there has been no Material Adverse Effect.

Section 7.03.....Litigation. Except as disclosed to the Lenders in Schedule 7.03 hereto, there is no litigation, legal, administrative or arbitral proceeding, investigation or other action of any nature pending or, to the knowledge of the Borrower threatened against or affecting the Borrower or any Subsidiary the probable outcome of which would adversely affect the validity or enforceability of this Agreement or any of the Notes, or would have a Material Adverse Effect.

Section 7.04.....No Breach. Neither the execution and delivery of this Agreement and the Notes, nor compliance with the terms and provisions hereof will conflict with or result in a breach of, or require any consent which has not been obtained as of the Closing Date under, the respective Third Restated Articles of Incorporation or by-laws of the Borrower, as amended, or any Governmental Requirement or any indenture or loan or credit agreement or any other material agreement or instrument to which the

Borrower is a party or by which it is bound or to which it or its Properties are subject, or constitute a default under any such indenture, agreement or instrument which would materially adversely affect the ability of the Borrower to perform its obligations under this Agreement or result in the creation or imposition of any Lien upon any of the revenues or assets of the Borrower or any Subsidiary pursuant to the terms of any such agreement or instrument.

Section 7.05.....Authority. The Borrower has all necessary power and authority to execute, deliver and perform its obligations hereunder and under the Notes; and the execution, delivery and performance by the Borrower of this Agreement and the Notes, have been duly authorized by all necessary action on its part; and this Agreement and the Notes constitute the legal, valid and binding obligations of the Borrower, enforceable in accordance with their terms except as limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws of general application relating to or affecting creditor's rights and general principles of equity.

Section 7.06.....Approvals. Except as have been obtained, no authorizations, approvals or consents of, and no filings or registrations with, any Governmental Authority are necessary for the execution, delivery or performance by the Borrower of this Agreement or the Notes or for the validity or enforceability thereof.

Section 7.07.....Use of Loans and Letters of Credit. The proceeds of the Loans and the Letters of Credit shall be used for general working capital, capital expenditures and other general corporate purposes, including without limitation, to support insurance requirements. The Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying margin stock (within the meaning of Regulation G, U or X of the Board of Governors of the Federal Reserve System), as they may be amended or interpreted from time to time.

Section 7.08.....ERISA.

(a) The Borrower, each Subsidiary and each ERISA Affiliate have complied in all material respects with ERISA and, where applicable, the Code regarding each Plan.

(b) Each Plan is, and has been, maintained in substantial compliance with ERISA and, where applicable, the Code.

(c) No act, omission or transaction has occurred which could result in imposition on the Borrower, any Subsidiary or any ERISA Affiliate (whether directly or indirectly) of (i) either a civil penalty assessed pursuant to section 502(c), (i) or (l) of ERISA or a tax imposed pursuant to Chapter 43 of Subtitle D of the Code or (ii) breach of fiduciary duty liability damages under section 409 of ERISA, either of which would have a Material Adverse Effect.

(d) No liability to the PBGC (other than for the payment of current premiums which are not past due) by the Borrower, any Subsidiary or any ERISA Affiliate has been or is expected by the Borrower, any Subsidiary or any ERISA Affiliate to be incurred with respect to any Plan. No ERISA Event with respect to any Plan has occurred.

(e) Full payment when due has been made of all amounts which the Borrower, any Subsidiary or any ERISA Affiliate is required under the terms of each Plan or applicable law to have paid as contributions to such Plan, and no accumulated funding deficiency (as defined in section 302 of ERISA and section 412 of the Code), whether or not waived, exists with respect to any Plan.

(f) No Pension Plan has any Unfunded Pension Liability.

(g) None of the Borrower, any Subsidiary or any ERISA Affiliate sponsors, maintains, or contributes to an employee welfare benefit plan, as defined in section 3(1) of ERISA, including, without limitation, any such plan maintained to provide benefits to former employees of such entities, that may not be terminated by the Borrower, a Subsidiary or any ERISA Affiliate in its sole discretion at any time without any material liability.

(h) None of the Borrower, any Subsidiary or any ERISA Affiliate sponsors, maintains or contributes to, or has at any time in the six-year period preceding the date of this Agreement sponsored, maintained or contributed to, any Multiemployer Plan other than those listed on Schedule 7.08 attached hereto. Prior to the execution of this Agreement, the Borrower has furnished to the Majority Lenders with respect to each Multiemployer Plan listed on Schedule 7.08 hereto (i) a true and substantially complete listing of the contributions required to be made by the Borrower, the Subsidiaries and all ERISA Affiliates to such Multiemployer Plan for each of the five calendar years preceding the date of this Agreement, and (ii) true and complete copies of all information which has been provided to any of the Borrower, a Subsidiary or any ERISA Affiliate regarding assessed or potential withdrawal liability under any such Multiemployer Plan.

Section 7.09.....Taxes. Except as set out in Schedule 7.09, each of the Borrower and the Subsidiaries has filed all United States Federal income tax returns and all other tax returns which are required to be filed by them and, except for taxes which are being contested in good faith through appropriate proceedings, have paid all taxes due on such returns or pursuant to any assessment received by the Borrower or any Subsidiary. The charges, accruals and reserves on the books of the Borrower and the Subsidiaries in respect of taxes are, in the opinion of the Borrower, adequate. No tax lien has been filed and, to the knowledge of the Borrower,

no claim is being asserted with respect to any tax, fee or other charge, except for those for which adequate reserves have been provided.

Section 7.10.....No Material Misstatements. No written information, statement, exhibit, certificate, document or report furnished to the Administrative Agent and the Lenders (or any of them) by the Borrower in connection with the negotiation of this Agreement contained any material misstatement of fact or omitted to state a material fact or any fact necessary to make the statement contained therein not materially misleading in the light of the circumstances in which made and with respect to the Borrower and the Subsidiaries taken as a whole. There is no fact peculiar to the Borrower or any Substantial Subsidiary which has a Material Adverse Effect or in the future is reasonably likely to have (so far as the Borrower can now foresee) a Material Adverse Effect and which has not been set forth in this Agreement or the other documents, certificates and statements furnished to the Administrative Agent by or on behalf of the Borrower or any Subsidiary prior to, or on, the Closing Date in connection with the transactions contemplated hereby.

Section 7.11.....Investment Company Act. The Borrower is not an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

Section 7.12.....Public Utility Holding Company Act. The Borrower is not a "holding company," or a "subsidiary company" of a "holding company," or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company," or a "public utility" within the meaning of the Public Utility Holding Company Act of 1935, as amended.

Section 7.13.....Defaults. No Default hereunder has occurred and is continuing.

Section 7.14.....Environmental Matters. Except (a) as provided in Schedule 7.14 or (b) as would not have a Material Adverse Effect (or with respect to (iii), (iv) and (v) below, where the failure to take such actions would not have a Material Adverse Effect):

(i) Neither any Property of the Borrower or any Subsidiary nor the operations conducted thereon violate any order or requirement of any court or Governmental Authority or any Environmental Laws;

(ii) Without limitation of clause (a) above, no Property of the Borrower or any Subsidiary nor the operations currently conducted thereon or, to the best knowledge of the Borrower, by any prior owner or operator of such Property or operation, are in violation of or subject to any known existing, pending or threatened action, suit, investigation, inquiry or proceeding by or before any court or Governmental Authority or to any remedial obligations under Environmental Laws;

(iii) To the best knowledge of the Borrower, all notices, permits, licenses or similar authorizations, if any, required to be obtained or filed in connection with the operation or use of any and all Property of the Borrower and each Subsidiary, including without limitation past or present treatment, storage, disposal or release of a hazardous substance or solid waste into the environment, have been duly obtained or filed, and the Borrower and each Subsidiary are in compliance with the terms and conditions of all such notices, permits, licenses and similar authorizations;

(iv) All hazardous substances and solid waste, if any, generated at any and all Property of the Borrower or any Subsidiary have in the past been transported, treated and disposed of in accordance with the applicable Environmental Laws, and, to the best knowledge of the Borrower, all such transport carriers and treatment and disposal facilities have been and are operating in compliance with Environmental Laws and are not the subject of any known existing, pending or threatened action, investigation or inquiry by any Governmental Authority in connection with any Environmental Laws;

(v) To the extent applicable, all Property of the Borrower and each Subsidiary currently satisfies all applicable design, operation, and equipment requirements imposed by the OPA or scheduled as of the Closing Date to be imposed by OPA during the term of this Agreement, and the Borrower does not have any reason to believe that such Property, to the extent subject to OPA, will not be able to maintain compliance with the OPA requirements during the term of this Agreement; and

(vi) Neither the Borrower nor any Subsidiary has any known contingent liability in connection with any release of any oil, hazardous substance or solid waste into the environment. For purposes of this clause (vi), a liability shall be deemed contingent when it rises to a level where it should be reported in footnotes or otherwise in financials prepared in accordance with GAAP or in appropriate filings with the SEC.

Section 7.15.....Insurance. The Borrower and each Subsidiary maintains adequate insurance and/or self insurance coverage in at least such amounts and against at least such risks (but including in any event public liability) as are usually insured against by companies engaged in the same or a similar business, similarly situated, for the assets and operations of the Borrower and each Subsidiary including, without limitation, environmental risk insurance to the extent reasonably necessary.

Section 7.16.....Reportable Transaction. Neither the Borrower nor any of its Subsidiaries expects to identify one or more of the Loans under this Agreement as a "reportable transaction" on IRS Form 8886 filed with the U.S. tax returns for purposes of Section 6011, 6111 or 6112 of the Code or the Treasury Regulations promulgated thereunder.

ARTICLE VIII.....

AFFIRMATIVE COVENANTS

The Borrower covenants and agrees that, so long as any of the Commitments are in effect and until payment in full of all Indebtedness hereunder, all interest thereon and all other amounts payable by the Borrower hereunder:

Section 8.01.....Reporting Requirements. The Borrower shall deliver, or shall cause to be delivered, to the Administrative Agent, the Lenders and each Issuer:

(a) Annual Financial Statements. As soon as available and in any event within 120 days after the end of each fiscal year of the Borrower, financial statements prepared in accordance with GAAP. The annual statements shall be audited by independent auditors of recognized national standing acceptable to the Administrative Agent and shall include a report of the independent auditors stating that in their opinion such financial statements present fairly, in all material respects, the Consolidated financial position of the Borrower and its Consolidated subsidiaries and the Consolidated results of their operations and their Consolidated cash flows for the respective years, in conformity with accounting principles generally accepted in the United States. In addition, such opinion shall not contain a "going concern" or like qualification or exception.

(b) Quarterly Financial Statements. As soon as available and in any event within 60 days after the end of each of the first three fiscal quarterly periods of each fiscal year of the Borrower, Consolidated statements of income, common stockholders' equity and cash flows of the Borrower and its Consolidated Subsidiaries for the period from the beginning of the respective fiscal year to the end of such period, and the related Consolidated balance sheets as at the end of such period, and setting forth in each case in comparative form the corresponding figures for the corresponding period in the preceding fiscal year, accompanied by the certificate of a Financial Officer, which certificate shall state that said financial statements fairly present the Consolidated financial position and results of operations and cash flows of the Borrower and its Consolidated Subsidiaries in accordance with GAAP, as at the end of, and for, such period (subject to normal year-end audit adjustments).

(c) Notice of Default, Etc. Promptly after the Borrower knows that any Default or any Material Adverse Effect has occurred, a notice of such Default or Material Adverse Effect, describing the same in reasonable detail and the action the Borrower proposes to take with respect thereto.

(d) SEC Filings, Etc. Promptly upon its becoming available, (i) each Form 10K, Form 10Q and Form 8K, filed by the Borrower with any securities exchange or the SEC or any successor agency and (ii) notice to each Lender of the availability of each registration statement (other than registration statements on Form S-8 or Form S-3 relating to employee benefit or stock option plans) and promptly upon receiving a written request therefor, the Borrower will furnish copies of such registration statement to the Lender submitting the request.

(e) Environmental Matters. Notice of any threatened material action, investigation or inquiry by any Governmental Authority of which the Borrower has knowledge, in connection with any Environmental Laws, under circumstances where such threatened action, investigation or inquiry could result in a Material Adverse Effect.

(f) Other Matters. From time to time such other information regarding the business, affairs or financial condition of the Borrower or any Subsidiary (including, without limitation, any Plan or Multiemployer Plan and any reports or other information required to be filed under ERISA) as any Lender, any Issuer or the Administrative Agent may reasonably request.

The Borrower will furnish to the Administrative Agent, the Lenders and each Issuer, at the time it furnishes each set of financial statements pursuant to paragraph (a) or (b) above, a certificate substantially in the form of Exhibit C hereto executed by a Financial Officer certifying as to the matters set forth therein and stating that such financial statements have been prepared in accordance with GAAP and that he has no knowledge that a Default has occurred and is continuing (or, if any Default has occurred and is continuing, describing the same in reasonable detail and the action the Borrower proposes to take with respect thereto).

Section 8.02.....Litigation. The Borrower shall promptly, after the commencement thereof, give to the Administrative Agent, the Lenders and each Issuer notice of all litigation, legal, administrative or arbitral proceedings investigation or other action of any nature of this type described in Section 7.03 hereof. The Borrower will, and will cause each of the Subsidiaries to, promptly notify the Administrative Agent, each of the Lenders and each Issuer of any judgment affecting any Property of the Borrower or any Subsidiary if the value of the judgment affecting such Property shall exceed $50,000,000. Upon request of the Administrative Agent, any Lender or any Issuer the Borrower will furnish to the Agent and such Lender a list of any Liens on Property of the Borrower or any Subsidiary securing an obligation of in excess of $25,000,000.

Section 8.03.....Maintenance, Etc.

(a) The Borrower shall and shall use its best efforts to cause each Subsidiary to: preserve and maintain its existence and all of its material rights, privileges and franchises (provided, however, that nothing herein contained shall prevent any merger or consolidation permitted by Section 9.03) pay and discharge all taxes, assessments and governmental charges or

levies imposed on it or on its income or profits or on any of its Property prior to the date on which penalties attach thereto, except for any such tax, assessment, charge or levy the payment of which is being contested in good faith and by proper proceedings and against which adequate reserves are being maintained or which is not a material liability of the Borrower or any Substantial Subsidiary in relation to the Consolidated financial condition of the Borrower and Subsidiaries taken as a whole.

(b) The Borrower will and will cause each Subsidiary to operate its Properties or cause such Properties to be operated in a careful and efficient manner in accordance with the practices of the industry and in material respects in compliance with all material contracts and agreements and with all applicable Governmental Requirements except where the failure to do so would not reasonably be expected to result in a Material Adverse Effect.

(c) The Borrower will keep or cause to be kept all property of a character usually insured by Persons engaged in the same or a similar business, similarly situated against loss or damage of all kinds and in amounts customarily insured against by such Persons and carry such other insurance as is usually carried by such Persons including, without limitation, environmental risk insurance, through self insurance or with financially sound and reputable insurers.

Section 8.04.....Further Assurances. The Borrower will and will use its best efforts to cause each Subsidiary to cure promptly any defects in the creation and issuance of the Notes and the execution and delivery of this Agreement. The Borrower at its expense will and will use its best efforts to cause each Subsidiary to promptly execute and deliver to the Administrative Agent upon request all such other documents, agreements and instruments as may be reasonably requested to comply with or accomplish the covenants and agreements of the Borrower or any Subsidiary, as the case may be, in this Agreement, or to further evidence and more fully describe the collateral intended as security for the Notes, or to state more fully the security obligations set out herein, or to make any recordings, to file any notices or obtain any consents, all as may be necessary or appropriate in connection therewith.

Section 8.05.....Performance of Obligations. The Borrower will pay the Notes according to the reading, tenor and effect thereof; and the Borrower will and will use its best efforts to cause each Subsidiary to do and perform every act and discharge all of the obligations to be performed and discharged by them under this Agreement, at the time or times and in the manner specified.

Section 8.06.....ERISA Information and Compliance. The Borrower will promptly furnish and will cause the Subsidiaries and any ERISA Affiliate to promptly furnish to the Administrative Agent and the Lenders (a) immediately upon becoming aware of the occurrence of any ERISA Event or of any "prohibited transaction," as described in section 406 of ERISA or in section 4975 of the Code, in connection with any Plan or any trust created thereunder that results in a Material Adverse Effect, a written notice signed by a Financial Officer specifying the nature thereof, what action the Borrower, the Subsidiary or the ERISA Affiliate is taking or proposes to take with respect thereto, and, when known, any action taken or proposed by the Internal Revenue Service, the Department of Labor or the PBGC with respect thereto, (b) immediately upon receipt thereof, copies of any notice of the PBGC's intention to terminate or to have a trustee appointed to administer any Plan (c) immediately upon receipt of a notice from a Multiemployer Plan regarding the imposition of withdrawal liability in an amount that would constitute a Material Adverse Effect, a true and complete copy of such notice and (d) immediately upon becoming aware that a Multiemployer Plan has been terminated, that the administrator or plan sponsor of a Multiemployer Plan intends to terminate a Multiemployer Plan, or that the PBGC has instituted or intends to institute proceedings under section 4042 of ERISA to terminate a Multiemployer Plan, a written notice signed by a Financial Officer, specifying the nature of such occurrence and any other information relating thereto requested by the Majority Lenders. With respect to each Plan (other than a Multiemployer Plan), the Borrower will, and will cause each Subsidiary and ERISA Affiliate to, (i) satisfy in full and in a timely manner, without incurring any late payment or underpayment charge or penalty and without giving rise to any lien, all of the contribution and funding requirements of section 412 of the Code (determined without regard to subsections (d), (e), (f) and (k) thereof) and of section 302 of ERISA (determined without regard to sections 303, 304 and 306 of ERISA), and (ii) pay, or cause to be paid, to the PBGC in a timely manner, without incurring any late payment or underpayment charge or penalty, all premiums required pursuant to sections 4006 and 4007 of ERISA.

Section 8.07.....Compliance with Laws. The Borrower will, and will cause each of its Subsidiaries to, comply with the laws, rules, regulations and orders of any Governmental Authority applicable to it or its Properties (including, without limitation, Environmental Laws), except where the failure to do so would not reasonably be expected to result in a Material Adverse Effect.

Section 8.08.....Payment of Taxes. The Borrower will, and will cause each of its Subsidiaries to, pay its Taxes, that, if not paid, could result in a Material Adverse Effect before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) the Borrower or such Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (c) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect.

ARTICLE IX.....

NEGATIVE COVENANTS

The Borrower covenants and agrees that, so long as any of the Commitments are in effect and until payment in full of Loans hereunder, all interest thereon and all other amounts payable by the Borrower hereunder, without the prior written consent of the Majority Lenders:

Section 9.01......Liens. The Borrower will not, and will not permit any Subsidiary to, create, incur, assume or permit to exist any Lien on any Property now owned or hereafter owned by it, except:

(a) any Lien on any property or asset of the Borrower or any Subsidiary existing on the date hereof;

(b) easements, rights-of-way, minor defects or irregularities in title and other similar encumbrances having no material adverse effect on the use or value of property or on the conduct of the Borrower's business;

(c) unexercised liens for taxes not delinquent or being contested in good faith by appropriate proceedings and for which adequate reserves are being maintained;

(d) mechanics, suppliers, materialmen's and similar liens arising in the ordinary course of business which are being contested in good faith by appropriate action so long as the execution of such liens has been stayed;

(e) deposits to secure workers' compensation, unemployment insurance, environmental liabilities and other similar items to the extent required by applicable law and not securing indebtedness;

(f) Liens on equipment arising from capital leases;

(g) any Lien existing on any property or asset prior to the acquisition thereof by the Borrower or any Subsidiary or existing on any property or asset of any Person that becomes a Subsidiary after the date hereof prior to the time such Person becomes a Subsidiary; provided that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Subsidiary, as the case may be, (ii) such Lien shall not apply to any other property or assets of the Borrower or any Subsidiary and (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Subsidiary, as the case may be;

(h) Liens on fixed or capital assets acquired, constructed or improved by the Borrower or any Subsidiary; provided that (i) such security interests and the Debt secured thereby are incurred prior to or within 45 days after such acquisition or the completion of such construction or improvement and (ii) such security interests shall not apply to any other property or assets of the Borrower or any Subsidiary;

(i) Liens on office buildings and research facilities;

(j) Liens which secure Debt owing by a Subsidiary to the Borrower or another Subsidiary;

(k) any extension, renewal or replacement (or successive extensions, renewals or replacements), in whole or in part, of any Liens referred to in the foregoing clauses (a), (f), (g), (h), (i) and (j), provided that the principal amount of the Debt secured thereby shall not exceed the principal amount of the Debt so secured at the time of such extension, renewal or replacement, and that such extension, renewal or replacement Liens shall be limited to all or part of substantially the same property which secured the Liens extended, renewed or replaced (plus improvements on such property);

(l) Liens on Excess Margin Stock, if any, with Excess Margin Stock determined on the date a Lien on such Excess Margin Stock is affixed;

(m) the entry into indemnity agreements in connection with the issuance of surety bonds by one or more insurance companies at the request of Borrower or a Subsidiary; and

(n) in addition to the foregoing, any other Liens securing Debt which in the aggregate amount does not exceed an amount equal to 10% of Consolidated assets of the Borrower as at the end of the then most recently completed fiscal quarter as reflected on the financial statements delivered pursuant hereto.

Section 9.02......Sales and Leasebacks. The Borrower will not nor will it permit any Subsidiary to enter into any arrangement, directly or indirectly, with any Person whereby the Borrower or any Subsidiary shall sell or transfer any of its Property, whether now owned or hereafter acquired, and whereby the Borrower or any Subsidiary shall then or thereafter rent or lease for a period of more than three years as lessee such Property or any part thereof or other Property which the Borrower or any Subsidiary intends to use for substantially the same purpose or purposes as the Property sold or transferred unless either (i) the Borrower or such Subsidiary would be entitled, pursuant to the provisions of Section 9.01, to create Debt secured by a Lien on the Property to be leased, or (ii) the Borrower (and in any such case the Borrower covenants and agrees that it will do so), within four months after the effective date of such sale and lease-back transaction (whether made by the Borrower or a Subsidiary), applies to the retirement of Debt of the Borrower maturing by the terms thereof more than one year after the original creation thereof (hereinafter in this Section called "Funded Debt") an amount equal to the greater of (A) the net proceeds of the sale of the real property leased pursuant to such arrangement or (B) the fair value of the real property so

leased at the time of entering into such arrangement (as determined by the Borrower's Board of Directors); provided that the amount to be applied to the retirement of Funded Debt shall be reduced by an amount equal to the principal amount of other Funded Debt voluntarily retired by the Borrower within such four-month period, excluding retirements of Funded Debt pursuant to mandatory sinking fund or prepayment provisions or by payment at maturity.

Section 9.03.....Mergers, Etc. The Borrower shall not merge into or with or consolidate with any other Person, or sell, lease or otherwise dispose of all or substantially all of its Property or assets to any other Person unless:

(a) such Person assumes the obligations of the Borrower hereunder and under the Notes and the performance of the covenants of the Borrower under this Agreement in writing reasonably satisfactory in form and substance to the Majority Lenders; and

(b) immediately thereafter and after giving effect thereto, no Event of Default shall have occurred and be continuing;

provided, however, that, notwithstanding the foregoing, the Borrower shall be permitted to sell, transfer or otherwise dispose of its investment in MAP and such sale, transfer or other disposition will not be viewed as a sale of all or substantially all of the Borrower's assets.

Section 9.04.....Proceeds of Notes. The Borrower will not permit the proceeds of the Notes to be used for any purpose other than those permitted by Section 7.07. Neither the Borrower nor any Person acting on behalf of the Borrower has taken or will take any action which might cause this Agreement or the Notes to violate Regulation G, U or X or any other regulation of the Board of Governors of the Federal Reserve System or to violate Section 7 of the Securities Exchange Act of 1934 (as amended, the "Exchange Act") or any rule or regulation thereunder, in each case as now in effect or as the same may hereinafter be in effect.

Section 9.05.....ERISA Compliance. The Borrower will not at any time:

(a) Engage in, or permit any Subsidiary or ERISA Affiliate to engage in, any transaction in connection with which the Borrower, any Subsidiary or any ERISA Affiliate could be subjected to either a civil penalty assessed pursuant to section 502(c), (i) or (1) of ERISA or a tax imposed by Chapter 43 of Subtitle D of the Code, that would have a Material Adverse Effect;

(b) Terminate, or permit any Subsidiary or ERISA Affiliate to terminate, any Plan in a manner, or take any other action with respect to any Plan, which could result in any liability to the Borrower; any Subsidiary or any ERISA Affiliate to the PBGC, that would have a Material Adverse Effect;

(c) Fail to make, or permit any Subsidiary or ERISA Affiliate to fail to make, full payment when due of all amounts which, under the provisions of any Plan or applicable law, the Borrower, a Subsidiary or any ERISA Affiliate is required to pay as contributions thereto;

(d) Permit to exist, or allow any Subsidiary or ERISA Affiliate to permit to exist, any accumulated funding deficiency within the meaning of Section 302 of ERISA or section 412 of the Code, whether or not waived, with respect to any Plan;

(e) Permit any Pension Plan to have any Unfunded Pension Liability that would result in the violation of any funding requirements under Section 302 of ERISA or Section 412 of the Code;

(f) Acquire, or permit any Subsidiary or ERISA Affiliate to acquire, an interest in any Person that causes such Person to become an ERISA Affiliate with respect to the Borrower, any Subsidiary or any ERISA Affiliate if such Person at the time of such acquisition, maintains or contributes to (1) any Multiemployer Plan if the then existing potential withdrawal liability of such Person to such Multiemployer Plan, if imposed, would have a Material Adverse Effect or (2) any other Plan that is subject to Title IV of ERISA if immediately prior to such acquisition, the funded current liability percentage (as defined in section 302(d)(8) of ERISA) of such Plan is below 90% or the Plan otherwise fails to satisfy the requirements of section 302(d)(9)(B) of ERISA);

(g) Incur, or permit any Subsidiary or ERISA Affiliate to incur, a liability to or on account of a Plan under sections 515, 4062, 4063, 4064, 4201 or 4204 of ERISA;

(h) Amend or permit any Subsidiary or ERISA Affiliate to amend, a Plan resulting in an increase in current liability such that the Borrower, any Subsidiary or any ERISA Affiliate is required to provide security to such Plan under section 401(a)(29) of the Code.

Section 9.06.....Leverage Ratio. The Borrower shall not permit the ratio of Consolidated Debt to the sum of Consolidated Debt and Stockholders' Equity to exceed at any time 60%.

Section 9.07.....Transactions with Affiliates. Neither the Borrower nor any Subsidiary will enter into any transaction, including, without limitation, any purchase, sale, lease or exchange of Property or the rendering of any service, with any Affiliate unless such transactions are otherwise permitted under this Agreement, are in the ordinary course of its business and are upon fair and reasonable terms no less favorable to the Borrower or such Subsidiary than it would obtain in a comparable arm's length transaction with a Person not an Affiliate.

ARTICLE X.....

EVENTS OF DEFAULT; REMEDIES

Section 10.01.....Events of Default. One or more of the following events shall constitute an "Event of Default":

(a) the Borrower shall default in the payment or prepayment when due of (i) any principal of any Loan or any Reimbursement Obligation, or (ii) any interest on any Loan, fees or other amount payable by it hereunder which such default, other than a default in payment or prepayment of principal or any Reimbursement Obligation (which shall have no cure period), shall continue unremedied for a period of 10 Business Days; or

(b) at any time (i) a default, without cure, shall exist by the Borrower or any Substantial Subsidiary in payment when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), including any applicable grace period, of any principal or stated amount of or interest on any of its other Debt aggregating $25,000,000 or more, or any amount equal to or greater than an aggregate of $10,000,000 payable in respect of Hedging Agreements when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) including any applicable grace period, or (ii) any event specified in any note, agreement, indenture or other document evidencing or relating to any Debt having an outstanding principal balance or stated amount aggregating $50,000,000 or more, or any Hedging Agreement shall occur if the effect of any such event is to cause such Debt or sums aggregating $10,000,000 or more payable under one or more Hedging Agreements to actually become due prior to its or their stated maturity; or

(c) any representation, warranty or certification made or deemed made herein by the Borrower or any Subsidiary, or any certificate furnished to any Lender or the Administrative Agent pursuant to the provisions hereof, shall prove to have been false or misleading as of the time made or furnished in any material respect; or

(d) the Borrower shall default in the performance of any of its obligations under Section 9.03; or the Borrower shall default in the performance of any of its obligations under Article IX (other than Section 9.03) and such default shall continue unremedied for a period of five (5) Business Days; or the Borrower shall default in the performance of any of its obligations under Article VIII (other than the payment of amounts due which shall be governed by Section 10.01(a)) or any other Article of this Agreement other than under Article IX and such default shall continue unremedied for a period of thirty (30) days after the earlier to occur of (i) notice thereof to the Borrower by the Administrative Agent or any Lender (through the Administrative Agent), or (ii) the Borrower otherwise becoming aware of such default; or

(e) the Borrower, any Substantial Subsidiary or MAP shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or the Board of Directors of the Borrower or any Substantial Subsidiary or the Board of Managers of MAP shall take any action to authorize any of the foregoing;

(f) an involuntary case or other proceeding shall be commenced against the Borrower, any Substantial Subsidiary or MAP seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed or unstayed for a period of sixty (60) days or an order for relief shall be entered against the Borrower, any Substantial Subsidiary or MAP under the federal bankruptcy laws as now or hereafter in effect, or

(g) a judgment or judgments for the payment of money in excess of $25,000,000 in the aggregate shall be rendered by a court against the Borrower or any Substantial Subsidiary (i) and the same shall not be discharged (or, with respect to a judgment of a court other than a United States State or Federal court, adequate provision shall not be made for such discharge), or (ii) a stay of execution thereof shall not be procured, within thirty (30) days from the date of entry thereof or such longer period as the Borrower shall have to perfect an appeal and the Borrower or such Subsidiary shall not, within said period, or such longer period during which execution of the same shall have been stayed, appeal therefrom and cause the execution thereof to be stayed during such appeal.

Section 10.02.....Remedies.

(a) In the case of an Event of Default other than one referred to in clauses (e) or (f) of Section 10.01 the Administrative Agent, upon request of the Majority Lenders, shall, by notice to the Borrower, cancel the Commitments and/or declare the principal amount then outstanding of, and the accrued interest on, the Loans, any Letter of Credit Outstandings (including Reimbursement Obligations) and all other amounts payable by the Borrower hereunder and under the Notes or any Letter of Credit to be forthwith due and payable, whereupon such amounts shall be immediately due and payable without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other formalities of any kind, all of which are hereby expressly waived by the Borrower and the Borrower shall

automatically and immediately be obligated to Cash Collateralize all Letter of Credit Outstandings.

(b) In the case of the occurrence of an Event of Default referred to in clauses (e) or (f) of Section 10.01 the Commitments shall be automatically canceled and the principal amount then outstanding of, and the accrued interest on, the Loans, any Letter of Credit Outstandings (including Reimbursement Obligations) and all other amounts payable by the Borrower hereunder and under the Notes or any Letter of Credit shall become automatically immediately due and payable without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other formalities of any kind, all of which are hereby expressly waived by the Borrower and the Borrower shall automatically and immediately be obligated to Cash Collateralize all Letter of Credit Outstandings.

(c) All proceeds received after maturity of the Notes, whether by acceleration or otherwise shall be applied pro rata to the Lenders in accordance with their related Percentage Shares: first to reimbursement of expenses and indemnities provided for in this Agreement; second to accrued interest on the Notes; third to fees; fourth to principal outstanding on the Notes and other Indebtedness; and any excess shall be paid to the Borrower or as otherwise required by any Governmental Requirement.

(d) In connection with any legal action or proceeding with respect to this Agreement or the Notes, the Administrative Agent, the Lenders and the Borrower each agrees and each agrees on behalf of its Affiliates that in no event shall any of them be entitled to or claim any punitive, consequential, exemplary or special damages against any of the other parties hereto.

ARTICLE XI.....

THE ADMINISTRATIVE AGENT

Section 11.01.....Appointment, Powers and Immunities. Each Lender hereby irrevocably appoints and authorizes the Administrative Agent to act as its agent hereunder with such powers as are specifically delegated to the Administrative Agent by the terms of this Agreement, together with such other powers as are reasonably incidental thereto. The Administrative Agent (which term as used in this sentence and in Section 11.05 and the first sentence of Section 11.06 shall include reference to its Affiliates and its and its Affiliates' officers, directors, employees, attorneys, accountants, experts and agents, but only to the extent such Affiliate or Person is acting on behalf of the Administrative Agent): (a) shall have no duties or responsibilities except those expressly set forth herein or in the Notes, and shall not by reason hereof or by reason of the Notes be a trustee or fiduciary for any Lender; (b) makes no representation or warranty to any Lender and shall not be responsible to the Lenders for any recitals, statements, representations or warranties contained in this Agreement, or in any certificate or other document referred to or provided for in, or received by any of them under, this Agreement, or for the value, validity, effectiveness, genuineness, execution, effectiveness, legality, enforceability or sufficiency of this Agreement, any Note or any other document referred to or provided for herein or for any failure by the Borrower or any other Person (other than the Administrative Agent) to perform any of its obligations hereunder or thereunder or for the existence, value, perfection or priority of any collateral security or the financial or other condition of the Borrower, the Subsidiaries or any other obligor or guarantor; (c) except pursuant to Section 11.07 shall not be required to initiate or conduct any litigation or collection proceedings hereunder; and (d) shall not be responsible for any action taken or omitted to be taken by it hereunder or under any other document or instrument referred to or provided for herein or in connection herewith including its own ordinary negligence, except for its own gross negligence or willful misconduct. The Administrative Agent may employ agents, accountants, attorneys and experts and shall not be responsible for the negligence or misconduct of any such agents, accountants, attorneys or experts selected by it in good faith or any action taken or omitted to be taken in good faith by it in accordance with the advice of such agents, accountants, attorneys or experts. The Administrative Agent may deem and treat the payee of any Note as the holder thereof for all purposes hereof unless and until a written notice of the assignment or transfer thereof permitted hereunder shall have been filed with the Administrative Agent. The Administrative Agent is authorized to release any collateral that is permitted to be sold or released pursuant to the terms hereof or of the Notes.

Section 11.02.....Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon any certification, notice or other communication (including any thereof by telephone, telex, facsimile, telegram or cable) believed by it to be genuine and correct and to have been signed or sent by or on behalf of the proper Person or Persons, and upon advice and statements of legal counsel, independent accountants and other experts selected by the Administrative Agent.

Section 11.03.....Defaults. The Administrative Agent shall not be deemed to have knowledge of the occurrence of a Default (other than the non-payment of principal of or interest on Loans or of fees) unless the Administrative Agent has received notice from a Lender or the Borrower specifying such Default and stating that such notice is a "Notice of Default." In the event that the Administrative Agent receives such a notice of the occurrence of a Default, the Administrative Agent shall give prompt notice thereof to the Lenders. In the event of a payment Default, the Administrative Agent shall give each Lender prompt notice of each such payment Default.

Section 11.04.....Rights as a Lender. With respect to its Commitments and the Loans made by it, Scotia Capital (and any successor acting as the Administrative Agent) in its capacity as a Lender hereunder shall have the

same rights and powers hereunder as any other Lender and may exercise the same as though it were not acting as the Administrative Agent, and the term "Lender" or "Lenders" shall, unless the context otherwise indicates, include the Administrative Agent in its individual capacity. Scotia Capital (and any successor acting as the Administrative Agent) and its Affiliates may (without having to account therefor to any Lender) accept deposits from, lend money to and generally engage in any kind of banking, trust or other business with the Borrower (and any of its Affiliates) as if it were not acting as the Administrative Agent, and Scotia Capital and its Affiliates may accept fees and other consideration from the Borrower for services in connection with this Agreement or otherwise without having to account for the same to the Lenders.

Section 11.05.....Indemnification. The Lenders agree to indemnify the Administrative Agent ratably in accordance with their Percentage Shares for (i) the matters as described in section 12.03 to the extent not indemnified and reimbursed by the Borrower under section 12.03, but without limiting the obligations of the Borrower under said section 12.03, and (ii) for any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever which may be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of: (i) this Agreement or any other documents contemplated by or referred to herein or the transactions contemplated hereby, but excluding, unless a Default has occurred and is continuing, normal administrative costs and expenses incident to the performance of its agency duties hereunder or (ii) the enforcement of any of the terms of this Agreement; whether or not any of the foregoing specified in this Section 11.05 arises from the sole or concurrent negligence of the Administrative Agent, provided that no Lender shall be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the Administrative Agent.

Section 11.06.....Non-Reliance on Administrative Agent and other Lenders. Each Lender acknowledges and agrees that it has, independently and without reliance on the Administrative Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own credit analysis of the Borrower and its decision to enter into this Agreement, and that it will, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own analysis and decisions in taking or not taking action under this Agreement. The Administrative Agent shall not be required to keep itself informed as to the performance or observance by the Borrower hereof, of the Notes or any other document referred to or provided for herein or to inspect the properties or books of the Borrower. Except for notices, reports and other documents and information expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the affairs, financial condition or business of the Borrower (or any of its Affiliates) which may come into the possession of the Administrative Agent or any of its Affiliates. In this regard, each Lender acknowledges that Mayer, Brown, Rowe & Maw LLP is acting in this transaction as special counsel to the Administrative Agent only. Each Lender will consult with its own legal counsel to the extent that it deems necessary in connection herewith or with the Notes and the matters contemplated therein.

Section 11.07.....Action by Administrative Agent. Except for action or other matters expressly required of the Administrative Agent hereunder, the Administrative Agent shall in all cases be fully justified in failing or refusing to act hereunder unless it shall (a) receive written instructions from the Majority Lenders (or all of the Lenders as expressly required by Section 12.04) specifying the action to be taken and (b) be indemnified to its satisfaction by the Lenders against any and all liability and expenses which may be incurred by it by reason of taking or continuing to take any such action. The instructions of the Majority Lenders (or all of the Lenders as expressly required by Section 12.04) and any action taken or failure to act pursuant thereto by the Administrative Agent shall be binding on all of the Lenders. If a Default has occurred and is continuing, the Administrative Agent shall take such action with respect to such Default as shall be directed by the Majority Lenders (or all of the Lenders as required by Section 12.04) in the written instructions (with indemnities) described in this Section 11.07, provided that, unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default as it shall deem advisable in the best interests of the Lenders. In no event, however, shall the Administrative Agent be required to take any action which exposes the Administrative Agent to personal liability or which is contrary to this Agreement or applicable law.

Section 11.08.....Resignation of Administrative Agent. The Administrative Agent may resign at any time by giving notice thereof to the Lenders and the Borrower. Upon any such resignation, the Majority Lenders shall have the right to appoint a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Majority Lenders and shall have accepted such appointment within sixty (60) days after the retiring Administrative Agent's giving of notice of resignation, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent; provided that, if, such retiring Administrative Agent is unable to find a commercial banking institution which is willing to accept such appointment, the retiring Administrative Agent's resignation shall nevertheless thereupon become effective and the Borrower shall have the right to appoint a successor agent (including a financial institution not a Lender), unless the Majority Lenders appoint a successor as provided for above. Upon the acceptance of such appointment hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all

the rights, powers, privileges and duties of the retiring Administrative Agent. After any retiring Administrative Agent's resignation hereunder as the Administrative Agent, the provisions of this Article XI and Section 12.03 shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Administrative Agent.

ARTICLE XII.....

MISCELLANEOUS

Section 12.01.....Waiver. No failure on the part of the Administrative Agent or any Lender to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege hereunder or under the Notes shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder or under the Notes preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

Section 12.02.....Notices. All notices and other communications provided for herein and in the Notes (including, without limitation, any modifications of, or waivers or consents under, this Agreement or the Notes) shall be given or made by facsimile, courier or U.S. Mail or in writing and transmitted, mailed or delivered to the intended recipient as follows, (a) if to the Borrower or the Administrative Agent, at the "Address for Notices" specified below its name on the signature pages hereof or in the Notes; and (b) if to any Lender, to the address specified in the "Administrative Questionnaire" form supplied by the Administrative Agent; or, as to any party, at such other address as shall be designated by such party in a notice to each other party. Except as otherwise provided in this Agreement or in the Notes, all such communications shall be deemed to have been duly given when transmitted, if transmitted before 1:00 p.m. local time of the recipient on a Business Day (otherwise on the next succeeding Business Day) by facsimile and evidence or confirmation of receipt is obtained, or personally delivered or, in the case of a mailed notice, three (3) Business Days after the date deposited in the mails, postage prepaid, in each case given or addressed as aforesaid.

Section 12.03.....Expenses; Indemnity; Damage Waiver.

(a) The Borrower shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with this Agreement, the preparation and administration of this Agreement and the Notes or any amendments, modifications or waivers of the provisions hereof or thereto, as the case may be, (ii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent or any Lender, including the fees, charges and disbursements of any counsel for the Administrative Agent or any Lender, in connection with the enforcement or protection of its rights in connection with this Agreement, including its rights under this Section, or in connection with the Loans made hereunder, including in connection with any workout, restructuring or negotiations in respect thereof.

(b) The Borrower agrees to indemnify and hold harmless the Administrative Agent and each Lender, each Affiliate of such party, and all officers, directors, employees, agents and advisors of such party (each such Person being called an "Indemnitee") against any and all liabilities, losses, damages, costs and reasonable expenses of any kind which may be incurred by any Indemnitee in any way relating to, arising out of this Agreement or the Notes or any claim, litigation, investigation or proceeding relating to any of the foregoing ("Proceedings") including any of the foregoing arising from the negligence of the Indemnitee (whether or not any Indemnitee shall be designated a party thereto) and to reimburse such Indemnitee for any legal or other reasonable and documented out-of-pocket expenses as they are incurred in connection with investigating or defending the foregoing; provided that no Indemnitee shall have the right to be indemnified hereunder for its own gross negligence or willful misconduct or for its failure to perform its obligations hereunder or under the Notes.

(c) Promptly after receipt by an Indemnitee of notice of the commencement of any Proceedings, such Indemnitee will, if a claim in respect thereof is to be made against the Borrower, notify the Borrower in writing of the commencement thereof; provided that (i) the omission so to notify the Borrower will not relieve it from any liability which it may have hereunder except to the extent it has been materially prejudiced by such failure and (ii) the omission so to notify the Borrower will not relieve it from any liability which it may have to an Indemnitee otherwise than on account of this indemnity agreement. In case any such Proceedings are brought against any Indemnitee and it notifies the Borrower of the commencement thereof, the Borrower will be entitled to participate therein, and, may elect by written notice delivered to the Indemnitee to assume the defense thereof, with counsel reasonably satisfactory to such Indemnitee; provided further, that if the defendants in any such Proceedings include both the Indemnitee and the Borrower and the Indemnitee shall have been advised by counsel that its interest in the Proceeding are likely to conflict with those of the Borrower or that such litigation may result in a non-indemnified claim, the Indemnitee shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such proceedings on behalf of such Indemnitee. Upon receipt of notice from the Borrower to such Indemnitee of its election so to assume the defense of such Proceedings and approval by the Indemnitee of counsel, the Borrower will not be liable to such Indemnitee for expenses incurred by the Indemnitee in connection with the defense thereof (other than reasonable costs of investigation) unless (A) the Indemnitee shall have employed separate counsel in connection with a conflict of interest in accordance

with the proviso to the next preceding sentence (it being understood, however, that the Borrower shall not be liable for the expenses of more than one separate counsel, approved by the Administrative Agent, representing the Indemnitees who are parties to such proceedings), (B) the Borrower shall not have employed counsel reasonably satisfactory to the Indemnitee to represent the Indemnitee within a reasonable time after notice of commencement of the proceedings or (C) the Borrower has authorized in writing the employment of separate counsel for the Indemnitee; and except that, if clause (A) or (C) is applicable, such liability shall be only in respect of the counsel referred to in such clause (A) or (C). Notwithstanding any other provision of this Agreement, no settlement shall be entered into without the Borrower's prior written consent, the Borrower shall not be liable to pay any settlement agreed to without its prior written consent provided the Borrower, at the reasonable request of the Administrative Agent, puts up collateral with the Administrative Agent, to sufficiently pay any liability that may reasonably be incurred in connection with such Proceeding. In addition, no settlement involving any Indemnitee who is a party to such Proceeding may be entered into by the Borrower on behalf of such Indemnitee if such settlement contains any admission of liability or fault by the Indemnitee and unless a full release of the Indemnitee is entered into in connection therewith. At any time after the Borrower has assumed the defense of any Proceeding involving any Indemnitee, such Indemnitee may elect to withdraw its request for indemnity and thereafter the defense of such Proceeding on behalf of such Indemnitee shall be maintained by counsel of the Indemnitee's choosing and at the Indemnitee's expense.

(d) To the extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, any Loan or the use of the proceeds thereof.

Section 12.04.....Amendments, Etc. Except as otherwise set forth herein, any provision of this Agreement (other than a provision regarding a Letter of Credit which shall only be modified in accordance with the terms of the applicable Letter of Credit) may be amended, modified or waived with the prior written consent of the Borrower and the Majority Lenders; provided that (a) no amendment, modification or waiver which extends the Termination Date of the Loans, increases the Aggregate Commitments, forgives the principal amount of any Indebtedness outstanding under this Agreement, postpones any scheduled date for the payment of principal, interest or fees, reduces the interest rate applicable to the Loans or the fees payable to the Lenders generally, extends any Letters of Credit expiration date beyond the Termination Date, affects this Section 12.04 or Section 12.06(a) or modifies the definition of "Majority Lenders" shall be effective without consent of all Lenders, (b) no amendment, modification or waiver which increases the Commitment of any Lender shall be effective without the consent of such Lender, (c) no amendment, modification or waiver which increases the Stated Amount of any Letter of Credit unless consented to by the Issuer of such Letter of Credit, and (d) no amendment, modification or waiver which modifies the rights, duties or obligations of the Administrative Agent shall be effective without the consent of the Administrative Agent.

Section 12.05.....Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Section 12.06.....Assignments and Participations.

(a) The Borrower may not assign its rights or obligations hereunder or under the Notes without the prior consent of all of the Lenders and the Administrative Agent.

(b) Any Lender may, upon the prior written consent of the Administrative Agent and the Borrower (so long as no Default or Event of Default shall be in existence, in which case the consent of the Borrower shall not be required) (which consent will not be unreasonably withheld or delayed), assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement pursuant to an Assignment Agreement substantially in the form of Exhibit E (an "Assignment") provided, however, that (i) any such assignment shall be in the amount of at least $10,000,000 (or, if less, the then entire remaining amount of such Lender's Loans and Commitments) or such lesser amount to which the Borrower has consented, (ii) the assignee or assignor shall pay to the Administrative Agent a processing and recordation fee of $3,500.00 for each assignment, (iii) there shall be no assignment to an Eligible Assignee if such assignment would violate any applicable law, rule or regulation, and (iv) an assignment by a Lender under this Section 12.06(b) to such Lender's Affiliate which is an Eligible Assignee shall not require consent of the Administrative Agent or the Borrower. Any such assignment will become effective upon the execution and delivery to the Administrative Agent of the Assignment and the consent of the Administrative Agent. Promptly after receipt of an executed Assignment, the Administrative Agent shall send to the Borrower a copy of such executed Assignment. Upon receipt of such executed Assignment, the Borrower, will, at its own expense, execute and deliver new Notes to the assignor and/or assignee, as appropriate, in accordance with their respective interests as they appear. Upon the effectiveness of any assignment pursuant to this Section 12.06(b), the assignee will become a "Lender," if not already a "Lender," for all purposes of this Agreement. The assignor shall be relieved of its obligations hereunder to the extent of such assignment (and if the assigning Lender no longer holds any rights or obligations under this Agreement, such assigning Lender shall cease to be a "Lender" hereunder except that its rights under Sections 4.06, 5.01, 5.05 and 12.03 shall not

be affected). The Administrative Agent will prepare on the last Business Day of each month during which an assignment has become effective pursuant to this Section 12.06(b), a new Annex 1 giving effect to all such assignments effected during such month, and will promptly provide the same to the Borrower and each of the Lenders.

(c) Each Lender may transfer, grant or assign participations in all or any part of such Lender's interests hereunder pursuant to this Section 12.06(c) to any Person, provided that: (i) such Lender shall remain a "Lender" for all purposes of this Agreement and the transferee of such participation shall not constitute a "Lender" hereunder; and (ii) no participant under any such participation shall have rights to approve any amendment to or waiver of any of this Agreement or the Notes except to the extent such amendment or waiver would (y) forgive any principal owing on any Indebtedness or extend the final maturity of the Loans or (z) reduce the interest rate (other than as a result of waiving the applicability of any post-default increases in interest rates) or fees applicable to any of the commitments or Loans in which such participant is participating, or postpone the payment of any thereof. In the case of any such participation, the participant shall not have any rights under this Agreement (the participant's rights against the granting Lender in respect of such participation to be those set forth in the agreement with such Lender creating such participation), and all amounts payable by the Borrower hereunder shall be determined as if such Lender had not sold such participation, provided that such participant shall be entitled to receive additional amounts under Article V on the same basis as if it were a Lender and be indemnified under Section 12.03 as if it were a Lender. In addition, each agreement creating any participation must include an agreement by the participant to be bound by the provisions of Section 12.15.

(d) The Lenders may furnish any information concerning the Borrower in the possession of the Lenders from time to time to assignees and participants (including prospective assignees and participants); provided that, such Persons agree to be bound by the provisions of Section 12.15 hereof.

(e) Notwithstanding anything in this Section 12.06 to the contrary, any Lender may assign and pledge all or any of its Notes to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any operating circular issued by such Federal Reserve System and/or such Federal Reserve Bank. No such assignment and/or pledge shall release the assigning and/or pledging Lender from its obligations hereunder.

(f) Notwithstanding any other provisions of this Section 12.06, no transfer or assignment of the interests or obligations of any Lender or any grant of participations therein shall be permitted if such transfer, assignment or grant would require the Borrower to file a registration statement with the SEC or to qualify the Loans under the "Blue Sky" laws of any state.

(g) Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Lender") may grant to a special purpose funding vehicle (a "SPC"), identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Borrower, the option to provide to the Borrower all or any part of any Loan that such Granting Lender would otherwise be obligated to make to the Borrower pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to make any Loan, (ii) if an SPC elects not to exercise such option or otherwise fails to provide all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof, (iii) any such Loan made by such SPC shall be subject to all of the terms and provisions hereof, and (iv) such Granting Lender and SPC shall otherwise be treated and have the rights and obligations as if the SPC was a participant pursuant to Section 12.06(c) above. The making of a Loan by an SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. Each party hereto hereby agrees that no SPC shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the Granting Lender). In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPC, it will not institute against, or join any other person in instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States or any State thereof. In addition, notwithstanding anything to the contrary contained in this Section 12.06, any SPC may (A) with notice to, but without the prior written consent of, the Borrower and the Administrative Agent, assign all or a portion of its interest in any Loan to the Granting Lender or to any financial institutions (consented to by the Borrower and Administrative Agent) providing liquidity and/or credit support to or for the account of such SPC to support the funding or maintenance of Loans and (B) subject to Section 12.15 disclose on a confidential basis any non-public information relating to its Loans to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancement to such SPC. This section may not be amended without the written consent of the Granting Lender.

Section 12.07.....Invalidity. In the event that any one or more of the provisions contained herein or in the Notes shall, for any reason, be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of the Notes or this Agreement.

Section 12.08.....Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this

Agreement by signing any such counterpart.

Section 12.09.....References. The words "herein," "hereof," "hereunder" and other words of similar import when used in this Agreement refer to this Agreement as a whole, and not to any particular article, section or subsection. Any reference herein to a Section shall be deemed to refer to the applicable Section of this Agreement unless otherwise stated herein. Any reference herein to an exhibit or schedule shall be deemed to refer to the applicable exhibit or schedule attached hereto unless otherwise stated herein.

Section 12.10.....Survival. The obligations of the parties under Section 4.06, Article V, and Sections 11.05 and 12.03 shall survive the repayment of the Loans and the termination of the commitments. To the extent that any payments on the Indebtedness or proceeds of any collateral are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, debtor in possession, receiver or other Person under any bankruptcy law, common law or equitable cause, then to such extent, the Indebtedness so satisfied shall be revived and continue as if such payment or proceeds had not been received and the Administrative Agent's and the Lenders' Liens, security interests, rights, powers and remedies under this Agreement shall continue in full force and effect.

Section 12.11.....Captions. Captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

Section 12.12.....No Oral Agreements. This Agreement and the Notes embody the entire agreement and understanding between the parties and supersede all other agreements and understandings between such parties relating to the subject matter hereof and thereof. This Agreement and the Notes represent the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

Section 12.13.....Governing Law; Submission to Jurisdiction.

(a) This Agreement and the Notes (including, but not limited to, the validity and enforceability hereof and thereof) shall be governed by, and construed in accordance with, the laws of the State of New York, other than the conflict of laws rules thereof.

(b) Each Letter of Credit shall be governed by, and construed in accordance with, the laws or rules designated in such Letter of Credit, or if no laws or rules are designated, (i) in the case of a Standby Letter of Credit, the International Standby Practices (ISP98--International Chamber of Commerce Publication Number 590 (the "ISP Rules")), without regards to conflicts of law provisions and (ii) in the case of a Documentary Letter of Credit, the Uniform Customs and Practice for Documentary Credits, 1993 Revision, ICC Publication Number 500 (the "UCP Rules"), without regards to conflicts of law provisions and, as to matters not governed by the ISP Rules or the UCP Rules, the internal laws of the State of New York.

(c) Any legal action or proceeding with respect to this Agreement, any Letter of Credit or the Notes shall be brought in the courts of the State of New York or of the United States of America for the Southern District of New York, and, by execution and delivery of this Agreement, each of the Borrower, the Administrative Agent and each Lender hereby accepts for itself and (to the extent permitted by law) in respect of its Property, generally and unconditionally, the jurisdiction of the aforesaid courts provided, however, that this Section shall not limit the right to remove such suit, action or proceeding from a New York State court to a Federal court sitting in the City of New York. Each of the Borrower, the Administrative Agent, each Lender and each Issuer hereby irrevocably waives any objection, including, without limitation, any objection to the laying of venue or based on the grounds of forum non conveniens, which it may now or hereafter have to the bringing of any such action or proceeding in such respective jurisdictions. This submission to jurisdiction is non-exclusive and does not preclude the parties from obtaining jurisdiction over other parties in any court otherwise having jurisdiction.

(d) The Borrower hereby consents to process being served in any suit, action, or proceeding of the nature referred to in this Section 12.13 by the mailing of a copy thereof by registered or certified air mail, postage prepaid, return receipt requested, to its address specified in Section 12.02 and agrees that such service (i) shall be deemed in every respect effective service of process upon it in any such suit, action or proceeding and (ii) shall, to the fullest extent permitted by law, be taken and held to be valid personal service upon and personal delivery to it. This provision shall not be deemed to apply to any suit, action, or proceeding involving financing relationships which are in no way related to the financing relationship established and contemplated by this Agreement.

(e) Nothing herein shall affect the right of the Borrower, the Administrative Agent or any Lender or any holder of a Note to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against the Borrower in any other jurisdiction.

(f) Each of the Borrower and each Lender hereby (i) irrevocably and unconditionally waive, to the fullest extent permitted by law, trial by jury in any legal action or proceeding relating to this Agreement and for any counterclaim therein; (ii) irrevocably waive, to the maximum extent not prohibited by law, any right it may have to claim or recover in any such litigation any special, exemplary, punitive or consequential damages, or damages other than, or in addition to, actual damages; (iii) certify that no party hereto nor any representative or Administrative Agent of counsel

for any party hereto has represented, expressly or otherwise, or implied that such party would not, in the event of litigation, seek to enforce the foregoing waivers, and (iv) acknowledge that it has been induced to enter into this Agreement and the transactions contemplated hereby and thereby by, among other things, the mutual waivers and certifications contained in this Section 12.13.

Section 12.14.....Interest. It is the intention of the parties hereto that each Lender shall conform strictly to usury laws applicable to it. Accordingly, if the transactions contemplated hereby would be usurious as to any Lender under laws applicable to it (including the laws of the United States of America and the State of New York or any other jurisdiction whose laws may be mandatorily applicable to such Lender notwithstanding the other provisions of this Agreement), then, in that event, notwithstanding anything to the contrary herein or in the Notes or any agreement entered into in connection with or as security for the Notes, it is agreed as follows: (a) the aggregate of all consideration which constitutes interest under law applicable to any Lender that is contracted for, taken, reserved, charged or received by such Lender hereunder or under the Notes or any agreements in connection with the Notes shall under no circumstances exceed the maximum amount allowed by such applicable law, and any excess shall be canceled automatically and if theretofore paid shall be credited by such Lender on the principal amount of the Indebtedness (or, to the extent that the principal amount of the Indebtedness shall have been or would thereby be paid in full, refunded by such Lender to the Borrower); and (b) in the event that the maturity of the Notes is accelerated by reason of an election of the holder thereof resulting from any Event of Default under this Agreement or otherwise, or in the event of any required or permitted prepayment, then such consideration that constitutes interest under law applicable to any Lender may never include more than the maximum amount allowed by such applicable law, and excess interest, if any, provided for in this Agreement or otherwise shall be canceled automatically by such Lender as of the date of such acceleration or prepayment and, if theretofore paid, shall be credited by such Lender on the principal amount of the Indebtedness (or, to the extent that the principal amount of the Indebtedness shall have been or would thereby be paid in full, refunded by such Lender to the Borrower). All sums paid or agreed to be paid to any Lender for the use, forbearance or detention of sums due hereunder shall, to the extent permitted by law applicable to such Lender, be amortized, prorated, allocated and spread throughout the stated term of the Loans evidenced by the Notes until payment in full so that the rate or amount of interest on account of any Loans hereunder does not exceed the maximum amount allowed by such applicable law. If at any time and from time to time (i) the amount of interest payable to any Lender on any date shall be computed at the Highest Lawful Rate applicable to such Lender pursuant to this Section 12.14 and (ii) in respect of any subsequent interest computation period the amount of interest otherwise payable to such Lender would be less than the amount of interest payable to such Lender computed at the Highest Lawful Rate applicable to such Lender, then the amount of interest payable to such Lender in respect of such subsequent interest computation period shall continue to be computed at the Highest Lawful Rate applicable to such Lender until the total amount of interest payable to such Lender shall equal the total amount of interest which would have been payable to such Lender if the total amount of interest had been computed without giving effect to this Section 12.14.

Section 12.15.....Confidentiality. In the event that the Borrower provides to the Administrative Agent or the Lenders written or oral confidential information belonging to the Borrower, the Administrative Agent and the Lenders shall thereafter maintain such information in strict confidence and appropriately safeguard such material, at least in accordance with the standards of care and diligence that each utilizes in maintaining its own confidential information. This obligation of confidence shall not apply to such portions of the information which (a) are in the public domain (other than as a result of its disclosure by the Administrative Agent or the Lenders), (b) hereafter become part of the public domain without the Administrative Agent or the Lenders breaching their obligation of confidence to the Borrower, (c) are previously known by the Administrative Agent or the Lenders from some source other than Borrower, (d) are hereafter developed by the Administrative Agent or the Lenders without using the Borrower's information or otherwise violating any obligations of the Administrative Agent or Lenders to the Borrower, (e) are hereafter obtained by or available to the Administrative Agent or the Lenders from a source other than the Borrower, or its agents or representatives, provided that such information was not obtained from such source in a manner which would violate the terms hereof, (f) are disclosed with the Borrower's prior written consent, (g) must be disclosed either pursuant to any Governmental Requirement or to Persons regulating the activities of the Administrative Agent or the Lenders or by the Administrative Agent or any Lender in any suit, action or proceeding for the purpose of defending itself, materially reducing its liability or protecting or exercising any material claim, right, remedy or interest under or in connection with this Agreement or the Notes, or (h) as may be required by law or regulation or order of any Governmental Authority in any judicial arbitration or governmental proceeding (provided, however, that if the Administrative Agent or the Lenders are required to disclose the confidential information to any such outside party, it or they will, if legally permitted, notify the Borrower promptly so that the Borrower may seek any appropriate protective order and/or take other appropriate action). The Administrative Agent and the Lenders shall not be liable for such disclosure unless the disclosure to such tribunal or other person was caused by, or resulted from, a previous disclosure by the Administrative Agent or the Lenders not permitted hereunder. Further, the Administrative Agent or a Lender may disclose any such information to any Affiliate of such Lender, any other Lender, independent engineers or consultants, any independent certified public accountants, any legal counsel employed by such Person in connection with this Agreement, including without limitation, the enforcement or exercise

of all rights and remedies thereunder, or any assignee or participant (including prospective assignees and participants) in the Loans; provided, however, that the Administrative Agent or the Lenders shall receive a confidentiality agreement from the Person to whom such information is disclosed (unless such Person is already subject to an attorney-client privilege with respect to such confidential information or otherwise subject to a legal obligation to maintain such confidentiality) such that said Person shall have the same obligation to maintain the confidentiality of such information as is imposed upon the Administrative Agent or the Lenders hereunder. Notwithstanding anything to the contrary provided herein, this obligation of confidence shall cease three (3) years from the date the information was furnished, unless the Borrower requests in writing at least thirty (30) days prior to the expiration of such three year period, to maintain the confidentiality of such information for an additional three (3) year period. The Borrower waives any and all other rights it may have to confidentiality as against the Administrative Agent and the Lenders arising by contract, agreement, statute or law except as expressly stated in this Section 12.15.

Section 12.16.....Effectiveness. This Agreement shall not become effective or be binding on any party hereto until the later to occur of (a) the date on which all of the conditions set forth in Section 6.01 herein are satisfied and (b) April 2, 2004. The Administrative Agent shall promptly notify the Borrower and the Lenders of the date such conditions are satisfied (the "Effective Date"), and such notice shall be conclusive and binding on all parties hereto.

Section 12.17.....Termination of Existing Agreement. The Existing Agreement shall terminate on the Effective Date. Thereupon, the Borrower shall be released from all obligations arising under the Existing Agreement. Execution of this Agreement by the Existing Lenders shall constitute a waiver of the notice provisions in Section 2.04 and 12.02 of the Existing Agreement. Upon termination of the Existing Agreement, the Existing Lenders shall promptly return to the Borrower all Notes (as such term is defined in the Existing Agreement) issued by the Borrower to such Existing Lenders pursuant to the terms of the Existing Agreement. If any Existing Lender fails to return a Note issued pursuant to the Existing Agreement, then such Existing Lender shall indemnify Borrower against and hold and save Borrower harmless from any loss, damage, claim, action, cost, charge, and expense suffered by Borrower as a result of such non-returned Note, provided that if an Existing Lender subsequently returns a Note issued pursuant to the Existing Agreement, this Indemnity shall terminate with respect to such Existing Lender.

Section 12.18.....MAP Disposition. Upon the consummation of the sale or disposition of all of the Borrower's (and its Subsidiaries') interest in the equity of MAP to Marathon Oil Company (and/or its Affiliates), reference to MAP herein shall be deemed to be of no further effect.

Section 12.19.....USA Patriot Act. Each Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies the Borrower which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Act.

The parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

BORROWER: ASHLAND INC.

By:_____
Name: Daragh L. Porter
Title: Treasurer

Address for Notices:

If by hand (messenger or other courier) to:

500 Diederich Boulevard
Russell, Kentucky 41169
Attn: Treasurer
Facsimile No: 606-329-3883
Telephone No: 606-329-3825

and if by mail to:

Ashland Inc.
P.O. Box 391
Ashland, Kentucky 41105-0391
Attn: Treasurer

in each case with a copy to:

Ashland Inc.
50 E. RiverCenter Boulevard
P.O. Box 391
Covington, Kentucky 41012-0391
Attn: General Counsel
Facsimile No. 606-815-3823
Telephone No. 606-815-4711

and in the case of service of process only, to:

3475 Blazer Parkway
Lexington, KY 40509
Attn: Steven L. Spalding

with copy to:

Ashland Inc.
500 Diederich Boulevard
Russell, Kentucky 41169
Attn: Treasurer

Borrower's Website:

www.ashland.com

LENDER AND
AND ADMINISTRATIVE AGENT: THE BANK OF NOVA SCOTIA

By:_____
Name:
Title:

Administrative Agent's Office
(for payments and Borrowing Notices):

The Bank of Nova Scotia
One Liberty Plaza
New York, New York 10006
Attn: Judith Bookal
Telephone No: 212-225-5462
Facsimile No: 212-225-5145
E-Mail: judy_bookal@scotiacapital.com

Account No.: 2504-14
Ref: Ashland Inc.
ABA# 026 002532

Other Notices to Administrative Agent:

The Bank of Nova Scotia
One Liberty Plaza
New York, New York 10006
Attn: Todd Meller
Telephone No: 212-225-5096
Facsimile No: 212-225-5254
E-Mail: todd_meller@scotiacapital.com

The Bank of Nova Scotia Lending Office for Base Rate and Eurodollar Loans:

The Bank of Nova Scotia
One Liberty Plaza
New York, New York 10006
Attn: Judith Bookal
Telephone No: 212-225-5462
Facsimile No: 212-225-5145
E-Mail: judy_bookal@scotiacapital.com

Address for Notices to The Bank of Nova Scotia, as Lender:

The Bank of Nova Scotia
One Liberty Plaza
New York, New York 10006
Attn: Judith Bookal
Telephone No: 212-225-5462
Facsimile No: 212-225-5145
E-Mail: judy_bookal@scotiacapital.com

LENDER AND
CO-SYNDICATION AGENT: SUNTRUST BANK

By:_____
Name:
Title:

Address for Operations Contact:

SunTrust Bank
Corporate Loan Specialist
Mail Code: Ga-Atlanta-1941
P.O. Box 4418
Atlanta, GA 30302-4418
Attn: Bonnie Langley
Telephone No: 404-658-4624
Facsimile No: 404-230-1940
E-Mail: bonnie.langley@suntrust.com

Address for Credit Contact:

SunTrust Bank
Mail Code: TN: Nashville:1937
P.O. Box 305110
Nashville, TN 37230
Attn: Jim Sloan
Telephone No: 615-748-5745
Facsimile No: 615-748-5269
E-Mail: jim.sloan@suntrust.com

LENDER AND
CO-SYNDICATION AGENT: BANK ONE, N.A.

By:_____
Name:
Title:

Address for Operations Contact:

Bank One, N.A.
Client Service Associate
1 Bank One Plaza, Suite JL1-0010
Chicago, IL 60670
Attn: Deborah Turner
Telephone No: 312-385-7081
Facsimile No: 312-385-7097
E-Mail: deborah_turner@bankone.com

Address for Credit Contact:

Bank One, N.A.
910 Travis Street, TX2-4375
Houston, TX 77002
Attn: Jeanie Gonzalez
Telephone No: 713-751-6174
Facsimile No: 713-751-3982
E-Mail: jeanie_gonzalez@bankone.com

LENDER AND
DOCUMENTATION AGENT: THE ROYAL BANK OF SCOTLAND PLC

By:_____
Name:
Title:

The Royal Bank of Scotland plc Lending Office
for Base Rate and Eurodollar Loans:

The Royal Bank of Scotland
New York Branch
101 Park Avenue, 12th Floor
New York, NY 10178

Address for Credit Information:

The Royal Bank of Scotland
600 Travis Street, Suite 6070
Houston, TX 77002
Attn: David Slye, AVP
Telephone No: 713-221-2407
Facsimile No: 713-221-2430

LENDER: THE BANK OF TOKYO-MITSUBISHI, LTD.,
CHICAGO BRANCH

By:_____
Name:
Title:

Address for Operations Information:

The Bank of Tokyo-Mitsubishi, Ltd.
HFC-500 Plaza III
Jersey City, NJ 07311
Attn: Jimmy Yu
Telephone No: 201-413-8566
Facsimile No: 201-521-2335

Address for Credit Information:

The Bank of Tokyo-Mitsubishi, Ltd.
227 West Monroe Street, Suite 2300
Chicago, IL 60606
Attn: William J. Murray
Telephone No: 312-696-4653
Facsimile No: 312-696-4535

LENDER: CITICORP USA, INC.

By:_____
Name:
Title:

Address for Operations Information:

Citicorp USA, Inc.
Two Penn's Way
Suite 200
New Castle, DE 19720
Attn: Dennis Banfield
Telephone No: 302-894-6109
Facsimile No: 212-994-0847

Address for Credit Information:

Citicorp USA, Inc.
1200 Smith Street
Suite 2000
Houston, TX 77002
Attn: Amy Pincu
Telephone No: 713-654-2820
Facsimile No: 713-654-2849

LENDER: CREDIT SUISSE FIRST BOSTON, ACTING THROUGH
ITS CAYMAN ISLANDS BRANCH

By:_____
Name:
Title:

Address for Operations Information:

Credit Suisse First Boston
One Madison Avenue
New York, NY 10010
Attn: Ed Markowski
Telephone No: 212-538-3380
Facsimile No: 212-538-6851
E-Mail: edward.markowski@csfb.com

Address for Credit Information:

Credit Suisse First Boston
Eleven Madison Avenue
New York, NY 10010
Attn: Paul Colon
Telephone No: 212-325-5352
Facsimile No: 646-448-3397
E-Mail: paul.colon@csfb.com

LENDER: DEUTSCHE BANK AG NEW YORK BRANCH

By:_____
Name:
Title:

By:_____
Name:
Title:

Deutsche Bank AG New York Branch Lending Office
for Base Rate and Eurodollar Loans:

Deutsche Bank AG New York Branch
60 Wall Street
New York, NY 10005

Address for Credit Information:

Deutsche Bank AG New York Branch
60 Wall Street, 11th Floor
New York, NY 10019
Attn: Oliver Riedinger
Telephone No: 212-250-5210
Facsimile No: 212-797-4346
E-Mail: oliver.riedinger@db.com

LENDER: US BANK, N.A.

By:_____
Name:
Title:

US Bank, N.A. Lending Office for Base Rate
and Eurodollar Loans:

US Bank, N.A.
US Bank Tower
425 Walnut Street, 8th Floor
Cincinnati, OH 45202

Address for Credit Information:

US Bank, N.A.
US Bank Tower
425 Walnut Street, 8th Floor
Cincinnati, OH 45202
Attn: Richard Neltner
Telephone No: 513-632-4073
Facsimile No: 513-632-2068

LENDER: BANK OF AMERICA, N.A.

By:_____
Name:
Title:

Address for Operations Information:

Bank of America, N.A.
901 Main Street
Dallas, TX 75202
Attn: Ben Cosgrove
Telephone No: 214-209-9254
Facsimile No: 214-290-9439

Address for Credit Information:

Bank of America, N.A.
901 Main Street
Dallas, TX 75202
Attn: Kipling Davis
Telephone No: 214-209-0760
Facsimile No: 214-209-1286

LENDER: NATIONAL CITY BANK OF KENTUCKY

By:_____
Name:
Title:

Address for Operations Information:

National City Bank Of Kentucky
P.O. Box 36000
Louisville, KY 40233
Attn: Mary Vincent
Telephone No: 502-581-4376
Facsimile No: 502-581-6794

Address for Credit Information:

National City Bank Of Kentucky
P.O. Box 36000
Louisville, KY 40233
Attn: Judy Byron
Telephone No: 502-581-5612
Facsimile No: 502-581-4424

LENDER: PNC BANK, NATIONAL ASSOCIATION

By:_____
Name:
Title:

Address for Operations Information:

PNC Bank, National Association
500 First Avenue
Pittsburgh, PA 15219
Attn: Sherri Collins
Telephone No: 412-766-7653
Facsimile No: 412-768-4586

Address for Credit Information:

PNC Bank, National Association
201 E. Fifth Street
Cincinnati, OH 45202
Attn: Jeffrey L. Stein
Telephone No: 513-651-8692
Facsimile No: 513-651-8951

LENDER: WACHOVIA BANK, NATIONAL ASSOCIATION

By:_____
Name:
Title:

Address for Operations Information:

Wachovia Bank, National Association
201 S. College Street
Charlotte, NC 28266
Attn: Jeremy Collins
Telephone No: 704-715-7662
Facsimile No: 704-715-0095

Address for Credit Information:

Wachovia Bank, National Association
1339 Chestnut Street
Philadelphia, PA 19107
Attn: Denis Wahrich
Telephone No: 267-321-6713
Facsimile No: 267-321-6700

LENDER: FIFTH THIRD BANK (NORTHERN KENTUCKY)

By:_____
Name:
Title:

Address for Operations Information:

Fifth Third Bank (Northern Kentucky)
8100 Burlington Pk.
Florence, KY 41042
Attn: Steffany Cain
Telephone No: 859-283-8210
Facsimile No: 859-283-8524

Address for Credit Information:

Fifth Third Bank (Northern Kentucky)
8100 Burlington Pk.
Florence, KY 41042
Attn: John R. Love, Sr.
Telephone No: 859-283-6786
Facsimile No: 859-283-8524

LENDER: KBC BANK N.V.

By:_____
Name:
Title:

Address for Operations Information:

KBC Bank N.V.
New York Branch
125 West 55th Street
New York, NY 10019
Attn: Rose Pagen
Telephone No: 212-541-0657
Facsimile No: 212-956-5581

Address for Credit Information:

KBC Bank N.V.
Atlanta Representative Office
245 Peachtree Center Avenue, Suite 2550
Atlanta, GA
Attn: Jackie Brunetto
Telephone No: 404-584-5466
Facsimile No: 404-584-5465
E-Mail: jacqueline.brunetto@kbc.be

LENDER: MELLON BANK, N.A.

By:_____
Name:
Title:

Address for Operations Information:

Mellon Bank, N.A.
525 William Penn Place
Room 1203
Pittsburgh, PA 15259-0003
Attn: Daria Armen
Telephone No: 412-234-1870
Facsimile No: 412-209-6129

Address for Credit Information:

Mellon Bank, N.A.
One Mellon Center
Room 4530
Pittsburgh, PA 15258
Attn: Mark F. Johnston
Telephone No: 412-236-2293
Facsimile No: 412-236-1914

ANNEX 1
LIST OF COMMITMENTS

NAME OF LENDER	PERCENTAGE SHARE	COMMITMENT
The Bank of Nova Scotia	10.000000%	$25,000,000.00
Bank One, N.A.	8.571429%	$21,428,571.43
The Royal Bank of Scotland plc	8.571429%	$21,428,571.43
SunTrust Bank	8.571429%	$21,428,571.43
The Bank of Tokyo-Mitsubishi, Ltd.	6.000000%	$15,000,000.00
Citicorp USA, Inc.	6.000000%	$15,000,000.00
Credit Suisse First Boston	6.000000%	$15,000,000.00
Deutsche Bank AG New York Branch	6.000000%	$15,000,000.00
US Bank, N.A.	6.000000%	$15,000,000.00
Bank of America, N.A.	6.000000%	$15,000,000.00
National City Bank of Kentucky	5.142857%	$12,857,142.86
PNC Bank, National Association	5.142857%	$12,857,142.86
Wachovia Bank, National Association	5.142857%	$12,857,142.86
Fifth Third Bank (Northern Kentucky)	4.285714%	$10,714,285.71
KBC Bank N.V.	4.285714%	$10,714,285.71
Mellon Bank, N.A.	4.285714%	$10,714,285.71
TOTAL COMMITMENT	100.000000%	$250,000,000.00

EXHIBIT A-1

FORM OF NOTE
(3-Year REVOLVING CREDIT AGREEMENT NOTE)

$_____ April 2, 2004

FOR VALUE RECEIVED, ASHLAND INC., a Kentucky corporation (the "Borrower") hereby promises to pay to the order of _____ (the "Lender"), at the Lending Office of THE BANK OF NOVA SCOTIA (the "Administrative Agent"), at _____, the principal sum of _____ Dollars ($_____) (or such lesser amount as shall equal the aggregate unpaid principal amount of the Loans made by the Lender to the Borrower under the Credit Agreement, as hereinafter defined), in lawful money of the United States of America and in immediately available funds, on the dates and in the principal amounts provided in the Credit Agreement, and to pay interest on the unpaid principal amount of each such Loan, at such office, in like money and funds, for the period commencing on the date of such Loan until such Loan shall be paid in full, at the rates per annum and on the dates provided in the Credit Agreement.

The date, amount, Type, interest rate, Interest Period and maturity of each Loan made by the Lender to the Borrower, and each payment made on account of the principal thereof, shall be recorded by the Lender on its books and, prior to any transfer of this Note, may be endorsed by the Lender on the schedules attached hereto or any continuation thereof or on any separate record maintained by the Lender.

This Note is one of the Notes referred to in the 3-Year Revolving Credit Agreement, dated as of April 2, 2004 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement), among the Borrower, the lenders from time to time party thereto (including the Lender), and The Bank of Nova Scotia, as the Administrative Agent, and evidences Loans made by the Lender thereunder. Capitalized terms used in this Note have the respective meanings assigned to them in the Credit Agreement.

This Note is issued pursuant to the Credit Agreement and is entitled to the benefits provided for in the Credit Agreement. The Credit Agreement provides for the acceleration of the maturity of this Note upon the occurrence of certain events, for prepayments of Loans upon the terms and conditions specified therein and other provisions relevant to this Note.

THIS NOTE (INCLUDING, BUT NOT LIMITED TO, THE VALIDITY AND ENFORCEABILITY HEREOF) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, OTHER THAN THE CONFLICT OF LAWS RULES THEREOF.

ASHLAND INC.

By:_____
Name:
Title:

EXHIBIT A-2

[RESERVED]

EXHIBIT B-1

FORM OF BORROWING, CONTINUATION AND CONVERSION REQUEST
(3-YEAR REVOLVING CREDIT AGREEMENT)

_____ __, 200_

ASHLAND INC., a Kentucky corporation (the "Borrower"), pursuant to the 3-Year Revolving Credit Agreement, dated as of April 2, 2004 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement), among the Borrower, the lenders from time to time party thereto, and The Bank of Nova Scotia, as the Administrative Agent, hereby makes the requests indicated below (unless otherwise defined herein, capitalized terms are defined in the Credit Agreement):

1. Loans:
(a) Aggregate amount of new Loans to be $_____;
(b) Requested funding date is _____ __, 200_;
(c) $_____ of such borrowings are to be Eurodollar Loans; $_____ of such borrowings are to be Base Rate Loans; and
(d) Length of Interest Period for Eurodollar Loans is: _____.
2. Eurodollar Loan Continuation for Eurodollar Loans maturing on _____ __, 200_:
(a) Aggregate amount to be continued as Eurodollar Loans is $_____;
(b) Aggregate amount to be converted to Base Rate Loans is $_____;
(c) Length of Interest Period for continued Eurodollar Loans is _____.
(d) Length of Interest Period for continued Base Rate Loans is _____.
3. Base Rate Loan Continuation for Base Rate Loans maturing on _____ __, 200_:
(a) Aggregate amount to be continued as Eurodollar Loans is $_____;
(b) Aggregate amount to be converted to Base Rate Loans is $_____;
(c) Length of Interest Period for continued Eurodollar Loans is _____.
(d) Length of Interest Period for continued Base Rate Loans is _____.
4. Aggregate amount to be converted to Base Rate Loans is $_____;
(a) Aggregate amount to be converted to Eurodollar Loans is $_____;
(b) Length of Interest Period for converted Eurodollar Loans is _____.
5. Conversion of Outstanding Base Rate Loans to Eurodollar Loans: Convert $_____ of the outstanding Base Rate Loans to Eurodollar Loans on _____ __, 200_ with an Interest Period of _____.
6. Conversion of outstanding Eurodollar Loans to Base Rate Loans: Convert $_____ of the outstanding Eurodollar Loans with Interest Period maturing on _____ __, 200_, to Base Rate Loans.

The undersigned certifies that he is the _____ of the Borrower, and that as such he is authorized to execute this certificate on behalf of the Borrower. The undersigned further certifies, represents and warrants on behalf of the Borrower that the Borrower is entitled to receive the requested borrowing, continuation or conversion under the terms and conditions of the Credit Agreement.

ASHLAND INC.

By:_____
Name:
Title:

EXHIBIT B-2

FORM OF ISSUANCE REQUEST

The Bank of Nova Scotia,
as Administrative Agent
One Liberty Plaza
New York, New York 10006
Attention: _____

Re: 3-Year Revolving Credit Agreement, dated as of April 2, 2004 (together with all amendments, if any, thereafter from time to time made thereto, the "Credit Agreement"), among Ashland Inc. (the "Borrower"), the various financial institutions as are or may from time to time thereafter become parties thereto (the "Lenders") and The Bank of Nova Scotia (the "Administrative Agent").

Ladies and Gentlemen:

This Issuance Request is delivered to you pursuant to Section 2.03 of the Credit Agreement. Unless otherwise defined herein, terms used herein have the meanings assigned to them in the Credit Agreement.

The Borrower hereby requests that on _____, 20__ (the "Date of Issuance") _____ (the "Issuer") 1[issue a [Standby Letter of Credit] [Documentary Letter of Credit] in the initial Stated Amount of $_____ with a Stated Expiry Date (as defined therein) of _____, 20__] [extend the Stated Expiry Date of a Standby Letter of Credit (as defined under Irrevocable Standby Letter of Credit No.__, issued on _____, 20 __, in the initial Stated Amount of $_____) to a revised Stated Expiry Date (as defined therein) of _____, 20__].

The beneficiary of the requested 2[Standby Letter of Credit] [Documentary Letter of Credit] will be 3_____, and such [Standby Letter of Credit] [Documentary Letter of Credit] will be in support of 4_____.

The Borrower hereby acknowledges that, pursuant to Section 6.02 of the Credit Agreement, each of the delivery of this Issuance Request and the 5[[issuance][extension] of the Standby Letter of Credit] [issuance of the Documentary Letter of Credit] requested hereby constitutes a representation and warranty by the Borrower that, on such date of 6[issuance] [extension] all statements set forth in Section 6.02 are true and correct in all material respects.

The Borrower agrees that if, prior to the time of the 7[[issuance][extension] of the Standby Letter of Credit] [issuance of the Documentary Letter of Credit] requested hereby, any matter certified to herein by it will not be true and correct at such time as if then made, it will immediately so notify the Administrative Agent. Except to the extent, if any, that prior to the time of the issuance or extension requested hereby the Administrative Agent and the Issuer shall receive written notice to the contrary from the Borrower, each matter certified to herein shall be deemed to be certified at the date of such issuance or extension.

IN WITNESS WHEREOF, the Borrower has caused this request to be executed and delivered by its Authorized Officer this __ day of _____, 20__.

ASHLAND INC.

By:_____
Title:

EXHIBIT C

FORM OF COMPLIANCE CERTIFICATE
(3-YEAR REVOLVING CREDIT AGREEMENT)

The undersigned hereby certifies that he is the _____ of ASHLAND INC., a Kentucky corporation (the "Borrower") and that as such he is authorized to execute this certificate on behalf of the Borrower. With reference to the 3-Year Revolving Credit Agreement, dated as of April 2, 2004 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement), among the Borrower, the Lenders, and The Bank of Nova Scotia, as the Administrative Agent, the undersigned represents and warrants as follows (each capitalized term used herein having the same meaning given to it in the Credit Agreement unless otherwise specified):

(a) The representations and warranties of the Borrower contained in Article VII of the Credit Agreement and otherwise made in writing by or on behalf of the Borrower pursuant to the Credit Agreement were true and correct when made, and are repeated at and as of the time of delivery hereof and are true and correct at and as of the time of delivery hereof, except to the extent such representations and warranties are expressly limited to an earlier date or the Majority Lenders have expressly consented in writing to the contrary.

(b) The Borrower has performed and complied with all agreements and conditions contained in the Credit Agreement required to be performed or complied with by it prior to or at the time of delivery hereof.

(c) Since September 30, 2003 there has not occurred a material adverse change in the financial position or results of operation of the Borrower and its Subsidiaries taken as a whole.

(d) There exists as of the date hereof, or, after giving effect to the Loan or Loans (if any) with respect to which this certificate is being delivered, will exist, no Default under the Credit Agreement.

(e) All financial statements furnished herewith or heretofore pursuant to Sections 8.01(a) and (b) have been prepared in accordance with GAAP.

(f) [CERTIFICATION AND CALCULATION AS TO LEVERAGE RATIO]

EXECUTED AND DELIVERED this _____ day of _____, 200_.

ASHLAND INC.

By:_____
Name:
Title:

EXHIBIT D

FORM OF LEGAL OPINION

April 2, 2004

To the Lenders and the Administrative Agent
hereinafter referred to
c/o The Bank of Nova Scotia, as the
Administrative Agent
One Liberty Plaza
New York, New York 10006

Re: 3-Year Revolving Credit Agreement

Ladies and Gentlemen:

I am a Senior Counsel with Ashland Inc. (the "Company"), and have advised the Company in connection with the 3-Year Revolving Credit Agreement, dated as of April 2, 2004 (the "Credit Agreement"), among the Company, the Lenders listed on the signature pages thereof, and The Bank of Nova Scotia, as the Administrative Agent. This opinion is rendered pursuant to Section 6.01(vi) of the Credit Agreement. Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed to them in the Credit Agreement.

In connection with this opinion, I have examined or caused to be examined originals or copies, certified or otherwise identified to my satisfaction, of such documents, corporate records, certificates of public officials and other instruments and have conducted such other investigations of fact and law as I have deemed necessary or advisable in order to deliver this opinion. In said examination I have assumed the genuineness of all signatures (other than the signature of the person executing the Credit Agreement on behalf of the Company), the legal capacity of natural persons, the authenticity of all documents submitted to me as originals, the conformity to original documents of all documents submitted to me as certified or photostatic copies, and the authenticity of the originals of such copies. In giving this opinion I have relied as to matters of fact upon certificates of officers of the Company, certificates of public officials, the representations of the Company in Sections 7.07 and 7.08 of the Credit Agreement and the representations of the Lenders in Section 4.06(d) of the Credit Agreement.

Based upon and subject to the foregoing, and the limitations, qualifications and exceptions set forth below, I am of the opinion that:

1. The Company (i) is duly, organized or formed, legally existing and in good standing under the laws of the Commonwealth of Kentucky, (ii) has all requisite power, and has all material governmental licenses, authorizations, consents and approvals necessary to own its assets and carry on its business as now being or as proposed to be conducted; and (iii) is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary and where failure so to qualify would have a Material Adverse Effect.

2. Neither the execution and delivery of the Credit Agreement and the Notes by the Company, nor compliance with the terms and conditions thereof will conflict with or result in a breach of, or require any consent which has not been obtained with respect to the Third Restated Articles of Incorporation or By-laws of the Company, as amended, or any Governmental Requirement or any indenture or loan or credit agreement or any other material agreement or instrument to which the Company is a party or by which it is bound or to which it or its Properties are subject, or constitute a default under any such indenture, agreement or instrument, which would materially adversely affect the ability of the Borrower to perform its obligations under the Credit Agreement or result in the creation or imposition of any Lien upon any of the revenues or assets of the Company or any Subsidiary pursuant to the terms of any such agreement or instrument.

3. The Company has all necessary power and authority to execute, deliver and perform its obligations under the Credit Agreement and the Notes; and the execution, delivery and performance by the Company of the Credit Agreement and the Notes, have been duly authorized by all necessary action on its part; and the Company has duly executed and delivered the Credit Agreement and the Notes; and the Credit Agreement and the Notes constitute the legal, valid and binding obligations of the Company, enforceable in accordance with their terms.

4. Except as have been previously obtained, no authorizations, approvals or consents of, and no filings or registrations with, any Governmental Authority are necessary for the execution, delivery or performance by the Company of the Credit Agreement or the Notes or for the validity or enforceability thereof.

5. Except as otherwise disclosed, there is no litigation, legal, administrative or arbitral proceeding, investigation or other action of any nature pending or, to the knowledge of the Company, threatened against or affecting the Company or any Subsidiary the probable outcome of which would adversely affect the validity or enforceability of the Credit Agreement or

any of the Notes, or would have a Material Adverse Effect.

6. The Company is not an "investment company" nor is it a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940.

7. The Company is not a "holding company," or a "subsidiary company" of a "holding company," or an "affiliate" of a "holding company," or of a "subsidiary company" of a "holding company," or a "public utility" within the meaning of the Public Utility Holding Company Act of 1935, as amended.

This opinion is qualified to the extent that the binding effect and enforceability of the agreements and instruments referred to above are subject to applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws of general application in effect from time to time relating to or affecting the rights of creditors generally and that the enforceability thereof may be limited by the application of general principles of equity. Any declaration of default for events of dissolution, liquidation, bankruptcy, or reorganization of the Company and the exercise of remedies upon any such declaration, shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization.

In rendering the opinion given above my opinion has been limited to the laws of the Commonwealth of Kentucky, the State of New York, and the federal laws of the United States. I am a member of the Bar of the Commonwealth of Kentucky and of the State of Ohio and the State of Ohio and do not purport to be an expert on the law of other jurisdictions or federal laws and have not made any independent investigation of such other laws. With regard to the laws of the State of New York which may apply to the Credit Agreement and the Notes, I have assumed that the laws of the State of New York that customarily apply to such types of documents in transactions of this kind are not materially dissimilar to the laws of the Commonwealth of Kentucky; provided, however, that I express no opinion as to the applicability or enforceability of the laws of either state regarding commercial paper and negotiable instruments. With regard to federal laws which may apply to the Credit Agreement and the Notes, I have relied on other attorneys of the Company who are experts on such laws.

This opinion is rendered solely to you in connection with the above matter. This opinion may not be relied upon by you for any other purpose or relied upon by or furnished to any person other than Mayer, Brown, Rowe & Maw LLP without my prior written consent.

Very truly yours,

Jami K. Suver

EXHIBIT E

FORM OF ASSIGNMENT AGREEMENT
(3-Year REVOLVING CREDIT AGREEMENT)

THISASSIGNMENT AGREEMENT, dated as of _____ __, 200_ (this "Agreement"), is between: --------- _____ (the "Assignor") and _____ (the "Assignee"). -------- - --------

RECITALS

A. The Assignor is a party to the 3-Year Revolving Credit Agreement, dated as of April 2, 2004 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement), among Ashland Inc., a Kentucky corporation (the "Borrower"), the lenders from time to time party thereto, and The Bank of Nova Scotia, as the Administrative Agent.

B. The Assignor proposes to sell, assign and transfer to the Assignee, and the Assignee proposes to purchase and assume from the Assignor, [all][a portion] of the Assignor's Commitment, outstanding Loans, all on the terms and conditions of this Agreement.

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

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. All capitalized terms used but not defined herein have the respective meanings ---------- given to such terms in the Credit Agreement.

Section 1.02 Other Definitions. As used herein, the following terms have the following respective meanings: ----------

"Assigned Interest" shall mean all of Assignor's (in its capacity as a "Lender") rights and obligations under the Credit Agreement in respect of the Commitment of the Assignor in the principal amount equal to $_____, and to make Loans under the Commitment and any right to receive payments for the Loans outstanding under the Commitment assigned hereby of $_____ (the "Loan Balance"), plus the interest and fees which will accrue from and after the Assignment Date.

"Assignment Date" shall mean _____ __, 200_.

ARTICLE II

SALE AND ASSIGNMENT

Section 2.01 Sale and Assignment. On the terms and conditions set forth herein, effective on and as of the Assignment Date, the Assignor hereby sells, assigns and transfers to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, all of the right, title and interest of the Assignor in and to, and all of the obligations of the Assignor in respect of, the Assigned Interest. Such sale, assignment and transfer is without recourse and, except as expressly provided in this Agreement, without representation or warranty.

Section 2.02 Assumption of Obligations. The Assignee agrees with the Assignor (for the express benefit of the Assignor and the Borrower) that the Assignee will, from and after the Assignment Date, perform all of the obligations of the Assignor in respect of the Assigned Interest. From and after the Assignment Date: (a) the Assignor shall be released from the Assignor's obligations in respect of the Assigned Interest, and (b) the Assignee shall be entitled to all of the Assignor's rights, powers and privileges under the Credit Agreement in respect of the Assigned Interest.

Section 2.03 Consent by Administrative Agent. By executing this Agreement as provided below, in accordance with Section 12.06(b) of the Credit Agreement, the Administrative Agent hereby acknowledges notice of the transactions contemplated by this Agreement and consents to such transactions.

ARTICLE III

PAYMENTS

Section 3.01 Payments. As consideration for the sale, assignment and transfer contemplated by Section 2.01 hereof, the Assignee shall, on the Assignment Date, assume Assignor's obligations in respect of the Assigned Interest and pay to the Assignor amounts equal to the Loan Balance, if any. An amount equal to all accrued and unpaid interest and fees shall be paid to the Assignor as provided in Section 3.02 (iii) below. Except as otherwise provided in this Agreement, all payments hereunder shall be made in Dollars and in immediately available funds, without setoff, deduction or counterclaim.

Section 3.02 Allocation of Payments. The Assignor and the Assignee agree that (i) the Assignor shall be entitled to any payments of principal with

respect to the Assigned Interest made prior to the Assignment Date, together with any interest and fees with respect to the Assigned Interest accrued prior to the Assignment Date, (ii) the Assignee shall be entitled to any payments of principal with respect to the Assigned Interest made from and after the Assignment Date, together with any and all interest and fees with respect to the Assigned Interest accruing from and after the Assignment Date, and (iii) the Administrative Agent is authorized and instructed to allocate payments received by it for account of the Assignor and the Assignee as provided in the foregoing clauses. Each party hereto agrees that it will hold any interest, fees or other amounts that it may receive to which the other party hereto shall be entitled pursuant to the preceding sentence for account of such other party and pay, in like money and funds, any such amounts that it may receive to such other party promptly upon receipt.

Section 3.03 Delivery of Notes. Promptly following the receipt by the Assignor of the consideration required to be paid under Section 3.01 hereof, the Assignor shall, in the manner contemplated by Section 12.06(b) of the Credit Agreement, (i) deliver to the Administrative Agent (or its counsel) the Notes held by the Assignor and (ii) notify the Administrative Agent to request that the Borrower execute and deliver new Notes to the Assignor, if Assignor continues to be a Lender, and the Assignee, dated the Assignment Date in respective principal amounts equal to the respective Commitments of the Assignor (if appropriate) and the Assignee after giving effect to the sale, assignment and transfer contemplated hereby.

Section 3.04 Further Assurances. The Assignor and the Assignee hereby agree to execute and deliver such other instruments, and take such other actions, as either party may reasonably request in connection with the transactions contemplated by this Agreement.

ARTICLE IV

CONDITIONS PRECEDENT

Section 4.01 Conditions Precedent. The effectiveness of the sale, assignment and transfer contemplated hereby is subject to the satisfaction of each of the following conditions precedent:

(a) the execution and delivery of this Agreement by the Assignor and the Assignee;

(b) the receipt by the Assignor of the payment required to be made by the Assignee under Section 3.01 hereof; and

(c) the acknowledgment and consent by the Administrative Agent contemplated by Section 2.04 hereof.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

Section 5.01 Representations and Warranties of the Assignor.6 The Assignor represents and warrants to the Assignee as follows:

(a) it has all requisite power and authority, and has taken all action necessary to execute and deliver this Agreement and to fulfill its obligations under, and consummate the transactions contemplated by, this Agreement;

(b) the execution, delivery and compliance with the terms hereof by Assignor and the delivery of all instruments required to be delivered by it hereunder do not and will not violate any Governmental Requirement applicable to it;

(c) this Agreement has been duly executed and delivered by it and constitutes the legal, valid and binding obligation of the Assignor, enforceable against it in accordance with its terms;

(d) all approvals and authorizations of, all filings with and all actions by any Governmental Authority necessary for the validity or enforceability of its obligations under this Agreement have been obtained;

(e) the Assignor has good title to, and is the sole legal and beneficial owner of, the Assigned Interest, free and clear of all Liens, claims, participations or other charges of any nature whatsoever; and

(f) the transactions contemplated by this Agreement are commercial banking transactions entered into in the ordinary course of the banking business of the Assignor.

Section 5.02 Disclaimer. Except as expressly provided in Section 5.01 hereof, the Assignor does not make any representation or warranty, nor shall it have any responsibility to the Assignee, with respect to the accuracy of any recitals, statements, representations or warranties contained in the Credit Agreement or in any certificate or other document referred to or provided for in, or received by any Lender under, the Credit Agreement, or for the value, validity, effectiveness, genuineness, execution, effectiveness, legality, enforceability or sufficiency of the Credit Agreement, the Notes or any other document referred to or provided for therein or for any failure by the Borrower or any other Person (other than Assignor) to perform any of its obligations thereunder or for the existence, value, perfection or priority of any collateral security or the financial or other condition of the Borrower or the Subsidiaries or any other obligor or guarantor, or any other matter relating to the Credit Agreement or any extension of credit thereunder.

Section 5.03 Representations and Warranties of the Assignee. The Assignee represents and warrants to the Assignor as follows:

(a) it has all requisite power and authority, and has taken all action necessary to execute and deliver this Agreement and to fulfill its obligations under, and consummate the transactions contemplated by, this Agreement;

(b) the execution, delivery and compliance with the terms hereof by Assignee and the delivery of all instruments required to be delivered by it hereunder do not and will not violate any Governmental Requirement applicable to it;

(c) this Agreement has been duly executed and delivered by it and constitutes the legal, valid and binding obligation of the Assignee, enforceable against it in accordance with its terms;

(d) all approvals and authorizations of, all filings with and all actions by any Governmental Authority necessary for the validity or enforceability of its obligations under this Agreement have been obtained;

(e) the Assignee has fully reviewed the terms of the Credit Agreement and has independently and without reliance upon the Assignor, and based on such information as the Assignee has deemed appropriate, made its own credit analysis and decision to enter into this Agreement;

(f) the Assignee hereby affirms that the representations contained in Section 4.06(d)(i)(1) of the Credit Agreement are true and accurate as to Assignee. If Section 4.06(d)(i)(2) is applicable to the Assignee, Assignee shall promptly deliver to the Administrative Agent and the Borrower such certifications as are required thereby to avoid the withholding taxes referred to in Section 4.06; and

(g) the transactions contemplated by this Agreement are commercial banking transactions entered into in the ordinary course of the banking business of the Assignee.

ARTICLE VI

MISCELLANEOUS

Section 6.01 Notices. All notices and other communications provided for herein (including, without limitation, any modifications of, or waivers, requests or consents under, this Agreement) shall be given or made in writing (including, without limitation, by telex or facsimile) to the intended recipient at its "Address for Notices" specified below its name on the signature pages hereof or, as to either party, at such other address as shall be designated by such party in a notice to the other party.

Section 6.02 Amendment, Modification or Waiver. No provision of this Agreement may be amended, modified or waived except by an instrument in writing signed by the Assignor and the Assignee, and consented to by the Administrative Agent.

Section 6.03 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. The representations and warranties made herein by the Assignee are also made for the benefit of the Administrative Agent and the Borrower, and the Assignee agrees that the Administrative Agent and the Borrower are entitled to rely upon such representations and warranties.

Section 6.04 Assignments. Neither party hereto may assign any of its rights or obligations hereunder except in accordance with the terms of the Credit Agreement.

Section 6.05 Captions. The captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

Section 6.06 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be identical and all of which, taken together, shall constitute one and the same instrument, and each of the parties hereto may execute this Agreement by signing any such counterpart.

Section 6.07 Governing Law. This Agreement shall be governed by, and construed in accordance with, the law of the State of _____.

Section 6.08 Expenses. To the extent not paid by the Borrower pursuant to the terms of the Credit Agreement, each party hereto shall bear its own expenses in connection with the execution, delivery and performance of this Agreement.

Section 6.09 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment Agreement to be executed and delivered as of the date first above written.

[NAME OF ASSIGNOR]

By:_____
Name:
Title:

Address for Notices:

Facsimile No:

Telephone No:

Attention:

[NAME OF ASSIGNEE]

By:_____
Name:
Title:

Address for Notices:

Facsimile No:

Telephone No:

Attention:

ACKNOWLEDGED AND CONSENTED TO:

THE BANK OF NOVA SCOTIA,
as the Administrative Agent

By:_____
Name:
Title:

[ASHLAND INC.

By:_____
Name:
Title:]

EXHIBIT F-1

[RESERVED]

EXHIBIT F-2

[RESERVED]

EXHIBIT G

[RESERVED]

EXHIBIT H

[RESERVED]

SCHEDULE 7.03

LITIGATION

Please refer to the Borrower's public filings with the SEC for a disclosure of litigation matters.

SCHEDULE 7.08

MULTIEMPLOYER PLANS

Multiemployer Pension Plan Names	Contributions on a Calendar Year Basis for the Prior 5 Calendar Years				
	2003	2002	2001	2000	1999
WESTERN CONFERENCE OF TEAMSTERS FAIRFIELD CA	$175,161.45	$187,129.98	$81,547.46	$169,835.06	$166,708.42
CENTRAL STATES LOCAL #618 ST. LOUIS	$110,360.00	$93,578.00	$75,090.00	$77,200.96	$57,632.00
CENTRAL PA TEAMSTER PENSION FUND	$90,118.00	$159,160.00	$192,452.00	$224,081.10	$251,842.30
CENTRAL STATES LOCAL #89 LOUISVILLE	$43,180.00	$42,755.00	$44,200.00	$45,050.00	$44,200.00
CENTRAL STATES LOCAL #364 SOUTH BEND	$0.00	$0.00	$12,700.00	$24,365.00	$24,348.00
CENTRAL STATES LOCAL #236 KUTTAWA, KY	$0.00	$0.00	$0.00	$0.00	$0.00
CENTRAL STATES LOCAL #781 CHICAGO	$160,456.00	$140,290.00	$130,290.00	$142,859.25	$121,153.00
INTERNATIONAL BROTHERHOOD OF TEAMSTERS LOCAL #705 CHICAGO	$186,809.00	$185,951.00	$171,542.00	$165,681.00	$160,519.00
CENTRAL STATES LOCAL #114 CINCINNATI, OH	$0.00	$0.00	$0.00	$0.00	$0.00
CENTRAL STATES LOCAL #135 RICHMOND, IN	$0.00	$0.00	$0.00	$0.00	$0.00
Teamster Central States Local 516 Health, Welfare And Pension Fund	$57,180.00	$152,099.00	$343,607.55	$69,390.00	$167,232.00
Teamsters Fringe Benefit Program 3100 Broadway, Suite 300 Kansas City, MO 64111	170,911.10	173,434.25	160,190.28	145,750.43	154,970.23
Carpenters Fringe Benefit Program 3100 Broadway, Suite 609 Kansas City, MO 64111	156,278.92	181,194.47	101,372	117,040.44	141,541.95
Masonry Industry Fringe Benefits 10100 Santa Fe Drive Overland Park, KS 66212	41,596.00	45,996.00	37,046.25	22,696.25	40,505.00
Operating Engineers Local 101 301 East Armour Rd, Suite 203 Kansas City, MO 64111	0.00	$335,184.11	$409,007.85	$167,176.82	$4,643.53
MoKan Ironworkers Fringe 9233 Ward Parkway, Suite 364 Kansas City, MO 64111	130,714.02	189,992.86	106,567.61	81,581.22	75,545.57
Const. Ind. Laborers Welfare 116 Commerce Dr. Jefferson City, MO 65101	324,402.47	$431,557.29	$466,551.59	$649,380.97	$713,045.42
Kansas Building Trades PO Box 5049 Topeka, KS 66605	0.00	7,608.56	31,845.74	78,687.60	83,766.37
Oklahoma Operating Engineers 6363 E. 31st Street Tulsa, OK 74135	57,043.30	56,048.20	78,513.97	67,262	51,412.95

Operating Engineers Local 101 301 East Armour Rd, Suite 203 Kansas City, MO 64111	687,740.65	735,132.97	568,301.86	481,121.62	387,944.80
Const. Ind. Laborers Welfare 116 Commerce Dr. Jefferson City, MO 65101	0.00	331,041.98	211,724.21	166,422.28	225,545.25
Teamsters Fringe Benefit Program 3100 Broadway, Suite 300 Kansas City, MO 64111	0.00	$31,273.78	$44,613.91	$63,670.49	$57,230.36
Teamsters Fringe Benefits			$22,611.49	$28,745.97	$30,244.35
Central Pension Fund Dept. 76 Washington, DC 20055		$281,512.75	$298,756.28	$198,454.53	$198,828.95
Construction Industry Laborers			$142,741.16	$144,522.05	$148,385.81
Cement Masons Health & Welfare					$10,127.95
IUOE Local 627 Fringe Benefits Fund				$23,556.89	$14,774.40
I.U.O.E. Local 513 3449 Hollenberg Drive #150 Bridgeton, MO. 63044-2496		$536,087.79	$17,806.62	$0.00	$80,225.00

Note: Arkhola also paid the remaining $91,529.66 in 2002 of the assessed withdrawal liability relating to Teamsters Local 373 that we reported in a prior year.

SCHEDULE 7.09

TAXES

None.

SCHEDULE 7.14

ENVIRONMENTAL MATTERS

None.

364-DAY REVOLVING CREDIT AGREEMENT
$100,000,000

DATED AS OF APRIL 2, 2004

AMONG

ASHLAND INC.
AS BORROWER,

THE BANK OF NOVA SCOTIA,
AS SOLE LEAD ARRANGER
AND
SOLE AND EXCLUSIVE BOOK MANAGER

SUNTRUST BANK
BANK ONE, N.A.,
AS CO-SYNDICATION AGENTS

THE ROYAL BANK OF SCOTLAND PLC,
AS DOCUMENTATION AGENT

THE BANK OF NOVA SCOTIA,
AS ADMINISTRATIVE AGENT,

AND

THE LENDERS SIGNATORY HERETO

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Schedule 7.08	Multiemployer Plans
Schedule 7.09	Taxes
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This 364-DAY REVOLVING CREDIT AGREEMENT, dated as of April 2, 2004, is among ASHLAND INC., a corporation formed under the laws of the Commonwealth of Kentucky (the "Borrower"); each of the lenders that is a signatory hereto or which becomes a signatory hereto as provided in Section 12.06 (individually, together with its successors and assigns, a "Lender" and, collectively, the "Lenders"); SUNTRUST BANK and BANK ONE, N.A., collectively, as co-syndication agents for the Lenders; THE ROYAL BANK OF SCOTLAND PLC, as documentation agent for the Lenders; and THE BANK OF NOVA SCOTIA (in its individual capacity, "Scotia Capital"), as the administrative agent (for the Lenders (in such capacity, together with its successors in such capacity, the "Administrative Agent") for the Lenders.

R E C I T A L S

A.....The Borrower has requested that the Lenders provide certain loans to the Borrower;

B.....The Lenders have agreed to make such loans subject to the terms and conditions of this Agreement; and

C.....In consideration of the mutual covenants and agreements herein contained and of the loans and commitments hereinafter referred to, the parties hereto agree as follows:

ARTICLE I.....

DEFINITIONS AND ACCOUNTING MATTERS

Section 1.01.....Terms Defined Above. As used in this Agreement, the terms "Administrative Agent," "Borrower," "Lender," "Lenders," and "Scotia Capital" shall have the meanings indicated above.

Section 1.02.....Certain Defined Terms. As used herein, the following terms shall have the following meanings (all terms defined in this Article I or in other provisions of this Agreement in the singular to have the same meanings when used in the plural and vice versa):

"Additional Costs" shall have the meaning assigned such term in Section 5.01(a).

"Affected Loans" shall have the meaning assigned such term in Section 5.04.

"Affiliate" of any Person shall mean any Person directly or indirectly Owned by, Owning or under common Ownership with such first Person. For purposes of this definition, any Person which owns directly or indirectly 25% or more of the securities having ordinary voting power for the election of directors or other governing body of a corporation or 25% or more of the partnership or other ownership interests of any other Person (other than as a limited partner of such other Person) will be deemed to "Own" (including, with its correlative meanings, "Owned by" and "under common Ownership with") such corporation or other Person.

"Aggregate Commitments" at any time shall equal the sum of the Commitments of the Lenders ($100,000,000, as of the Effective Date), as the same may be reduced pursuant to Section 2.03(a).

"Agreement" shall mean this 364-Day Revolving Credit Agreement, as the same may from time to time be amended or supplemented.

"Alternate Base Rate" means, for any day, a rate per annum equal to the greater of (a) the Prime Rate in effect on such day, or (b) the Federal Funds Rate in effect on such day plus 1/2 of 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate or the Federal Funds Effective Rate shall be effective from and including the effective date of such change in the Prime Rate or the Federal Funds Effective Rate, respectively.

"Applicable Lending Office" shall mean, for each Lender and for each Type of Loan, the lending office of such Lender (or an Affiliate of such Lender) designated for such Type of Loan on the signature pages hereof or such other offices of such Lender (or of an Affiliate of such Lender) as such Lender may from time to time specify to the Administrative Agent and the Borrower as the office by which its Loans of such Type are to be made and maintained.

"Applicable Margin" shall mean, for any day, (a) zero percent (0%) per annum with respect to Base Rate Loans and (b) with respect to Eurodollar Loans, the applicable rate per annum set forth below, based upon (i) the ratings by Moody's and S&P, respectively, applicable on such day to the Index Debt and (ii) the percentage of the Aggregate Commitments drawn on such day (it being understood and agreed that the then current Applicable Margin, together with the then applicable Eurodollar Rate, shall accrue and be payable on and with respect to the total principal amount of all Eurodollar Loans then outstanding); provided, however, that in the event the Borrower elects to convert the outstanding Revolving Loans to non-revolving Term Loans pursuant to Section 2.03(d), from and after such conversion the Applicable Margin shall be increased by 0.25%:

INDEX DEBT:	PERCENTAGE OF AGGREGATE COMMITMENTS DRAWN		
	<33%	>33% AND <67%	>67%
Category 1	0.500%	0.625%	0.750%
Category 2	0.625%	0.750%	0.875%
Category 3	0.750%	0.875%	1.000%
Category 4	1.000%	1.125%	1.250%
Category 5	1.500%	1.625%	1.750%

For purposes of the foregoing and for purposes of calculating the Standby Fee, (i) if either Moody's or S&P shall not have in effect a rating for the Index Debt (other than by reason of the circumstances referred to in the last sentence of this definition), then such rating agency shall be deemed to have established a rating in Category 5; (ii) if the ratings established or deemed to have been established by Moody's and S&P for the Index Debt shall fall within different Categories, the Applicable Margin shall be based on the higher of the two ratings; (iii) if more than one Category falls between the rating levels established or deemed to have been established by Moody's and S&P for the Index Debt, the Applicable Margin shall be based on the Category above the lowest rating; (iv) if the ratings established or deemed to have been established by Moody's and S&P for the Index Debt shall be changed (other than as a result of a change in the rating system of Moody's or S&P), such change shall be effective as of the earlier of the (1) date on which it is first announced by the applicable rating agency and (2) the date on which Borrower gives notice of such change to the Administrative Agent; and (iv) initially, the Applicable Margin shall be determined based upon a Category 3 Index Debt rating. For the purposes hereof, Borrower shall be required to notify the Administrative Agent of such change immediately upon gaining knowledge of such change. Each change in the Applicable Margin shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change. If the rating system of Moody's or S&P shall change, or if either such rating agency shall cease to be in the business of rating corporate debt obligations, the Borrower and the Lenders shall negotiate in good faith to amend this definition to reflect such changed rating system or the unavailability of ratings from such rating agency and, pending the effectiveness of any such amendment, the Applicable Margin shall be determined by reference to the rating most recently in effect prior to such change or cessation.

"Assignment" shall have the meaning assigned such term in Section 12.06(b).

"Authorized Officer" means, relative to the Borrower, those of its officers, general partners or managing members (as applicable) whose signatures and incumbency shall have been certified to the Administrative Agent and the Lenders pursuant to Section 6.01(ii), or otherwise designated as Authorized Officers for purposes of this Agreement in resolutions of the Borrower's board of directors.

"Availability Period" shall mean the period from and including the Effective Date to but excluding the Termination Date.

"Base Rate Loans" shall mean Loans that bear interest at rates based upon the Alternate Base Rate.

"Board" shall have the meaning assigned such term in Section 2.10.

"Business Day" shall mean any day other than a day on which commercial banks are authorized or required to close in New York City and, where such term is used in the definition of "Quarterly Date" or if such day relates to a borrowing or continuation of, a payment or prepayment of principal of or interest on, or a conversion of or into, or the Interest Period for, a Eurodollar Loan or a notice by the Borrower with respect to any such borrowing or continuation, payment, prepayment, conversion or Interest Period, any day which is also a day on which dealings in Dollar deposits are carried out in the London interbank market.

"Category 1" means A- or higher by S&P and A3 or higher by Moody's.

"Category 2" means BBB+ by S&P and Baa1 by Moody's.

"Category 3" means BBB by S&P and Baa2 by Moody's.

"Category 4" means BBB- by S&P and Baa3 by Moody's.

"Category 5" means lower than BBB- by S&P and lower than Baa3 by Moody's.

"Change in Control" shall have the meaning set forth in Section 2.10.

"Closing Date" shall mean April 2, 2004.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time and any successor statute.

"Commitment" shall mean, for any Lender, its obligation to make Committed Loans up to the amount of the Commitment for such Lender on Annex 1 hereto, as modified from time to time to reflect any adjustments permitted or required hereby.

"Committed Loan" shall mean a Revolving Loan or a Term Loan.

"Consolidated" refers to the consolidation in accordance with generally accepted accounting principles of the accounts of the Borrower and those of its Subsidiaries which are Consolidated in accordance with GAAP.

"Consolidated Subsidiaries" shall mean each Subsidiary of the Borrower (whether now existing or hereafter created or acquired) the financial statements of which shall be (or should have been) Consolidated with the financial statements of the Borrower in accordance with GAAP.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Debt" shall mean, for any Person the sum of the following (without duplication): (i) all obligations of such Person for borrowed money or evidenced by bonds, commercial paper, debentures, notes or other similar instruments; (ii) all obligations of such Person (whether contingent or otherwise) in respect of bankers' acceptances, reimbursement obligations for amounts paid under letters of credit, surety or other bonds and similar instruments; (iii) all obligations of such Person to pay the deferred purchase price of Property or services (other than for borrowed money); (iv) all obligations under leases which shall have been, or should have been, in accordance with GAAP, recorded as capital leases in respect of which such Person is liable (whether contingent or otherwise); (v) all Debt (as described in the other clauses of this definition) and other obligations of others secured by a Lien on any asset of such Person, whether or not such Debt is assumed by such Person; (vi) all Debt (as described in the other clauses of this definition) and other obligations of others guaranteed by such Person or in which such Person otherwise assures a creditor against loss of the debtor or obligations of others; (vii) all obligations or undertakings of such Person to maintain or cause to be maintained the financial position or covenants of others or to purchase the Debt or Property of others; (viii) obligations to pay for goods or services whether or not such goods or services are actually received or utilized by such Person such as "take or pay," "through-put" or "deficiency" agreements; (ix) any capital stock of such Person in which such Person has a mandatory obligation to redeem such stock; (x) any Debt of a Special Entity for which such Person is liable either by agreement or because of a Governmental Requirement. Notwithstanding the foregoing, Debt shall not include (1) trade payables incurred in the ordinary course of business or any obligation set forth in (v), (vi), (vii), (viii), (ix) or (x) above which would not be required to be disclosed in an audited Consolidated balance sheet of the Borrower and its Subsidiaries or in the notes thereto as being immaterial, and (2) accrued interest, fees and charges which are not past due.

"Default" shall mean an Event of Default or an event which with notice or lapse of time or both would, unless cured or waived, become an Event of Default.

"Dollars" and "$" shall mean lawful money of the United States of America.

"Effective Date" shall have the meaning assigned such term in Section 12.16.

"Eligible Assignee" means (a) a commercial bank organized under the laws of the United States, or any state thereto, and having a combined capital and surplus of at least $100,000,000 at the time any assignment is made pursuant to Section 12.06; (b) a commercial bank organized under the laws of any other country which is a member of the Organization for Economic Cooperation and Development (the "OECD"), or a political subdivision of any such country, and having a combined capital and surplus of at least $100,000,000 at the time any assignment is made pursuant to Section 12.06 provided that such bank is acting through a branch or agency located in the country in which it is organized or another country which is also a member of the OECD; and (c) a Person that is primarily engaged in the business of commercial lending and that is (i) a Subsidiary of a Bank, (ii) a Subsidiary of a Person of which a Bank is a Subsidiary, or (iii) a Person of which a Bank is a Subsidiary.

"Environmental Laws" shall mean any and all Governmental Requirements pertaining to health or the environment in effect in any and all jurisdictions in which the Borrower or any Subsidiary is conducting or at any time has conducted business, or where any Property of the Borrower or any Subsidiary is located, including without limitation, the Oil Pollution Act of 1990 ("OPA"), the Clean Air Act, as amended, the Comprehensive Environmental, Response, Compensation, and Liability Act of 1980 ("CERCLA"), as amended, the Federal Water Pollution Control Act, as amended, the Occupational Safety and Health Act of 1970, as amended, the Resource Conservation and Recovery Act of 1976 ("RCRA"), as amended, the Safe Drinking Water Act, as amended, the Toxic Substances Control Act, as amended, the Superfund Amendments and Reauthorization Act of 1986, as amended, the Hazardous Materials Transportation Act, as amended, and other environmental conservation or protection laws. The term "oil" shall have the meaning specified in OPA, the terms "hazardous substance" and "release" (or "threatened release") have the meanings specified in CERCLA, and the terms "solid waste" and "disposal" (or "disposed") have the meanings specified in RCRA; provided, however, that (i) in the event either OPA, CERCLA or RCRA is amended so as to broaden the meaning of any term defined thereby, such broader meaning shall apply subsequent to the effective date of such amendment and (ii) to the extent the applicable laws of the state in which any Property of the Borrower or any Subsidiary is located establish a meaning for "oil," "hazardous substance," "release," "solid

waste" or "disposal" which is broader than that specified in either OPA, CERCLA or RCRA, such broader meaning shall apply.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time and any successor statute.

"ERISA Affiliate" shall mean each trade or business (whether or not incorporated) which together with the Borrower or any Subsidiary would be deemed to be a "single employer" within the meaning of section 4001(b)(1) of ERISA or subsections (b), (c), (m) or (o) of section 414 of the Code.

"ERISA Event" shall mean (i) a "Reportable Event" described in Section 4043 of ERISA and the regulations issued thereunder, (ii) the withdrawal of the Borrower, any Subsidiary or any ERISA Affiliate from a Plan during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA, (iii) the filing of a notice of intent to terminate a Plan or the treatment of a Plan amendment as a termination under Section 4041 of ERISA, (iv) the institution of proceedings to terminate a Plan by the PBGC or (v) any other event or condition which might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan.

"Eurodollar Loans" shall mean Loans the interest rates on which are determined on the basis of rates referred to in the definition of "Eurodollar Rate".

"Eurodollar Rate" shall mean, for any Eurodollar Loan for any Interest Period therefor, the rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) appearing on Telerate Page 3750 (or any successor page) as the London interbank offered rate for deposits in Dollars at approximately 11:00 a.m. (London time) two Business Days prior to the first day of such Interest Period for a term comparable to such Interest Period. If for any reason such rate is not available, the term "Eurodollar Rate" shall mean, for any Eurodollar Loan for any Interest Period therefor, the rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) appearing on Reuters Screen LIBO Page as the London interbank offered rate for deposits in Dollars at approximately 11:00 a.m. (London time) two Business Days prior to the first day of such Interest Period for a term comparable to such Interest Period; provided, however, if more than one rate is specified on Reuters Screen LIBO Page, the applicable rate shall be the arithmetic mean of all such rates.

"Event of Default" shall have the meaning assigned such term in Section 10.01.

"Excess Margin Stock" shall mean that amount by which the value of all Margin Stock owned by the Borrower and its Subsidiaries exceeds 25% of the value of all of the Property owned by the Borrower and its Subsidiaries subject to Section 9.01.

"Exchange Act" shall have the meaning assigned such term in Section 9.04.

"Existing Agreement" shall mean that certain $100 Million 364-Day Revolving Credit Agreement, dated as of June 6, 2003, among the Borrower and the Existing Lenders.

"Existing Lenders" shall mean the lenders under the Existing Agreement.

"Federal Funds Rate" shall mean, for any day, the rate set forth in the weekly statistical release designated as H.15(519), or any successor publication as published by the Federal Reserve Bank of New York on the preceding Business Day opposite the caption "Federal Funds (Effective)", provided that (i) if the date for which such rate is to be determined is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions published on the next preceding Business Day, and (ii) if such rate is not so published for any day, the Federal Funds Rate for such day shall be the average rate charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent.

"Fee Letter" shall mean that certain letter agreement from the Administrative Agent to the Borrower dated as of February 19, 2004 concerning certain fees in connection with this Agreement and any agreements or instruments executed in connection therewith, as the same may be amended or replaced from time to time.

"Final Maturity Date" shall mean the date one year after the Termination Date.

"Financial Officer" shall mean the chief financial officer, principal accounting officer, treasurer or controller of the Borrower. Unless otherwise specified, all references to a Financial Officer herein shall mean a Financial Officer of the Borrower.

"Financial Statements" shall mean the Consolidated financial statement or statements of the Borrower and its Subsidiaries described or referred to in Section 7.02, including the notes attached thereto.

"Funded Debt" has the meaning specified in Section 9.02.

"GAAP" shall mean generally accepted accounting principles in the United States of America in effect from time to time.

"Governmental Authority" shall include the country, the state, county, city and political subdivisions in which any Person or such Person's Property is located or which exercises valid jurisdiction over any

such Person or such Person's Property, and any court, agency, department, commission, board, bureau or instrumentality of any of them including monetary authorities which exercises valid jurisdiction over any such Person or such Person's Property. Unless otherwise specified, all references to Governmental Authority herein shall mean a Governmental Authority having jurisdiction over, where applicable, the Borrower, the Subsidiaries or any of their Property or the Administrative Agent, any Lender or any Applicable Lending Office.

"Governmental Requirement" shall mean any law, statute, code, ordinance, order, determination, rule, regulation, judgment, decree, injunction, franchise, permit, certificate, license, authorization or other directive or requirement (whether or not having the force of law), including, without limitation, Environmental Laws, energy regulations and occupational, safety and health standards or controls, of any Governmental Authority.

"Granting Lender" has the meaning specified in Section 12.06(g).

"Hedging Agreement" shall mean any commodity agreement or option with respect to any commodity agreement (other than sales contracts entered into in the normal course of business and not as a hedging vehicle) or interest rate or currency swap, cap, floor, collar, forward agreement or other exchange or protection agreements or any option with respect to such transactions.

"Highest Lawful Rate" shall mean, with respect to each Lender, the maximum nonusurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the Notes or on other Indebtedness under laws applicable to such Lender which are presently in effect or, to the extent allowed by law, under such applicable laws which may hereafter be in effect and which allow a higher maximum nonusurious interest rate than applicable laws now allow.

"Indebtedness" shall mean any and all amounts owing or to be owing by the Borrower to the Administrative Agent and the Lenders in connection with this Agreement and the Notes and all renewals, extensions and/or rearrangements of any of the above.

"Index Debt" means senior, unsecured, long-term indebtedness for borrowed money of the Borrower that is not guaranteed by any other Person or subject to any other credit enhancement.

"Initial Funding" shall mean the funding of the initial Loans pursuant to Section 6.01 hereof.

"Interest Period" shall mean, (i) with respect to any Eurodollar Loan, the period commencing on the date such Eurodollar Loan is made and ending on the numerically corresponding day in the first, second, third or sixth calendar month thereafter, as the Borrower may select as provided in Section 2.02 (or such longer period as may be requested by the Borrower and agreed to by all Lenders); and (ii) with respect to any Base Rate Loan, the period commencing on the date such Loan is made and ending 90 days thereafter, except that each Interest Period which commences on the last Business Day of a calendar month (or on any day for which there is no numerically corresponding day in the appropriate subsequent calendar month) shall end on the last Business Day of the appropriate subsequent calendar month.

Notwithstanding the foregoing: (i) no Interest Period may commence before and end after the Termination Date or the Final Maturity Date, whichever is applicable; (ii) each Interest Period which would otherwise end on a day which is not a Business Day shall end on the next succeeding Business Day (or, if such next succeeding Business Day falls in the next succeeding calendar month, on the next preceding Business Day); and (iii) no Interest Period shall have a duration of less than one month and, if the Interest Period for any Eurodollar Loans would otherwise be for a shorter period, such Loans shall not be available hereunder.

"Lending Office" shall mean the lending office of the Administrative Agent, presently located at One Liberty Plaza, New York, New York 10006, or such other location as designated by the Administrative Agent from time to time.

"Lien" shall mean any interest in Property securing an obligation owed to, or a claim by, a Person other than the owner of the Property, whether such interest is based on the common law, statute or contract, and whether such obligation or claim is fixed or contingent, and including but not limited to the lien or security interest arising from a mortgage, encumbrance, pledge, security agreement, conditional sale or trust receipt or a lease, consignment or bailment for security purposes.

"Loans" shall mean the loans as provided for by Sections 2.01(a). Loans may be Committed Loans which may be Base Rate Loans or Eurodollar Loans. After the continuation of Revolving Loans to Term Loans pursuant to Section 2.03(d), "Loans" shall mean Term Loans.

"Majority Lenders" shall mean, at any time while no Loans are outstanding, Lenders having in excess of fifty percent (50%) of the Aggregate Commitments and, at any time while Loans are outstanding, Lenders holding in excess of percent (50%) of the outstanding aggregate principal amount of the Loans (without regard to any sale by a Lender of a participation in any Loan under Section 12.06(c)).

"MAP" shall mean Marathon Ashland Petroleum L.L.C.

"Margin Stock" shall have the meaning set forth in Regulation U of

the Board of Governors of the Federal Reserve System as the same may be amended or interpreted from time to time.

"Material Adverse Effect" shall mean a material adverse change in the financial position or results of operations of the Borrower and its Subsidiaries taken as a whole.

"Multiemployer Plan" shall mean a multiemployer plan as defined in section 3(37) or 4001 (a)(3) of ERISA which is, or within the six calendar years preceding this Agreement was, contributed to by the Borrower, a Subsidiary or an ERISA Affiliate.

"Notes" shall mean the Notes provided for by Section 2.06, together with any and all renewals, extensions for any period, increases, rearrangements, substitutions or modifications thereof.

"Other Taxes" shall have the meaning assigned such term in Section 4.06(b).

"PBGC" shall mean the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions.

"Pension Plan" means a Plan subject to the provisions of Title IV of ERISA and Section 412 of the Code or Section 302 of ERISA.

"Percentage Share" shall mean the percentage of the Aggregate Commitments to be provided by a Lender under this Agreement as indicated on Annex 1 hereto, as modified from time to time to reflect any adjustments permitted or required hereby.

"Person" shall mean any individual, corporation, company, voluntary association, partnership, joint venture, trust, unincorporated organization or government or any agency, instrumentality or political subdivision thereof, or any other form of entity except as otherwise defined in Section 2.10 hereof.

"Plan" shall mean any employee pension benefit plan, as defined in Section 3(2) of ERISA, which (i) is currently or hereafter sponsored, maintained or contributed to by the Borrower, any Subsidiary or an ERISA Affiliate or (ii) was at any time during the preceding six calendar years sponsored, maintained or contributed to, by the Borrower, any Subsidiary or an ERISA Affiliate.

"Post-Default Rate" shall mean, in respect of any principal of any Loan or any other amount payable by the Borrower under this Agreement or the Notes, a rate per annum during the period commencing on the date of occurrence of an Event of Default until such amount is paid in full or all Events of Default are cured or waived equal to 2% per annum above the rate of interest in effect from time to time including the Applicable Margin (if any), but in no event to exceed the Highest Lawful Rate; provided, however, for a Eurodollar Loan, the "Post-Default Rate" for such principal shall be, for the period commencing on the date of occurrence of an Event of Default and ending on the earlier to occur of the last day of the Interest Period therefor or the date all Events of Default are cured or waived, 2% per annum above the interest rate for such Loan as provided in Section 3.03(a)(ii), but in no event to exceed the Highest Lawful Rate.

"Prime Rate" shall mean at any time, the rate of interest then most recently established by the Administrative Agent in New York as its base rate for Dollars loaned in the United States. Such rate is set by the Administrative Agent as a general prime rate of interest, taking into account such factors as the Administrative Agent may deem appropriate, it being understood that many of the Administrative Agent's commercial or other loans are priced in relation to such rate, that it is not necessarily the lowest or best rate actually charged to any customer and that the Administrative Agent may make various commercial or other loans at rates of interest having no relationship to such rate.

"Property" shall mean any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

"Quarterly Dates" shall mean the last day of each March, June, September, and December, in each year, the first of which shall be June 30, 2004; provided, however, that if any such day is not a Business Day, such Quarterly Date shall be the next succeeding Business Day.

"Regulation D" shall mean Regulation D of the Board of Governors of the Federal Reserve System (or any successor), as the same may be amended or supplemented from time to time.

"Regulatory Change" shall mean, with respect to any Lender, any change after the Closing Date in any Governmental Requirement (including Regulation D) or the adoption or making after such date of any interpretations, directives or requests applying to a class of lenders (including such Lender or its Applicable Lending Office) of or under any Governmental Requirement (whether or not having the force of law) by any Governmental Authority charged with the interpretation or administration thereof.

"Replacement Lender" shall have the meaning assigned such term in Section 2.03(c).

"Required Payment" shall have the meaning assigned such term in Section 4.04.

"Revolving Loan" shall mean a Loan made pursuant to Section 2.01(a).

"SEC" shall mean the Securities and Exchange Commission or any successor Governmental Authority.

"SPC" has the meaning specified in Section 12.06(g).

"Special Entity" shall mean any joint venture, limited liability company or partnership, general or limited partnership or any other type of partnership or company, other than a corporation, in which the Borrower or one or more of its other Subsidiaries is a member, owner, partner or joint venturer and owns, directly or indirectly, at least a majority of the equity of such entity, but excluding any tax partnerships that are not classified as partnerships under state law.

"Standby Fee" shall mean, the applicable rate per annum set forth below based upon the ratings by Moody's and S&P, respectively, applicable on such date to the Index Debt:

INDEX DEBT	STANDBY FEE
Category 1	0.100%
Category 2	0.125%
Category 3	0.150%
Category 4	0.200%
Category 5	0.375%

"Stockholder's Equity" shall mean the common stockholders' equity of Borrower and its Subsidiaries on a Consolidated basis (in the calculation of which the book value of any treasury shares carried as an asset shall be deducted).

"Subsidiary" means, with respect to any Person (the "parent") at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held, or (b) that is, as of such date, otherwise Controlled, by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent. Unless otherwise indicated herein, each reference to the term "Subsidiary" shall mean a Subsidiary of the Borrower. Notwithstanding the foregoing, MAP will not be considered a Subsidiary of the Borrower.

"Substantial Subsidiary" shall mean, at the time of any determination thereof, any Subsidiary which as of such time meets the definition of "significant subsidiary" contained in Regulation S-X of the SEC (as amended from time to time), so long as it is a Subsidiary, but whether or not it otherwise meets such definition, Ashland Paving and Construction, Inc.. Unless otherwise indicated herein, each reference to the term "Subsidiary" shall mean a Subsidiary of the Borrower.

"Taxes" shall have the meaning assigned such term in Section 4.06(a).

"Term Loan" shall mean the term loan made pursuant to Section 2.03(d).

"Termination Date" shall mean March 11, 2005 unless the Aggregate Commitments are sooner terminated pursuant to Sections 2.03(a) or 10.02 hereof, or as extended pursuant to Section 2.03(c).

"Type" shall mean, with respect to any Loan, a Base Rate Loan or a Eurodollar Loan.

"Unfunded Pension Liability" means the excess of a Pension Plan's accumulated benefit obligations under Financial Accounting Standard 87, determined in accordance with the assumptions used by the Plan's actuary for funding the Pension Plan pursuant to Section 412 of the Code for the applicable plan year, over the current value of that Pension Plan's assets.

Section 1.03......Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all determinations with respect to accounting matters hereunder shall be made, and all financial statements and certificates and reports as to financial matters required to be furnished to the Administrative Agent or the Lenders hereunder shall be prepared, in accordance with GAAP, applied on a basis consistent with the audited financial statements of the Borrower referred to in Section 7.02 (except for changes concurred with by the Borrower's independent public accountants).

ARTICLE II.....

COMMITMENTS

Section 2.01......Loans.

(a) Revolving Loans. Each Lender severally agrees, on the terms of this Agreement, to make revolving loans (herein called "Revolving Loans") to the Borrower during the period from and including (i) the Effective Date or (ii) such later date that such Lender becomes a party to this Agreement, to but excluding, the Termination Date in an aggregate principal amount at any one time outstanding up to but not exceeding the amount of such Lender's Commitment as then in effect; provided, however, that the aggregate principal amount of all Loans by all Lenders hereunder at any one time outstanding shall not exceed the Aggregate Commitments. Subject to the terms of this Agreement, during the period from the Effective Date to but excluding, the Termination Date, the Borrower may borrow, repay and reborrow the amount described in this Section 2.01(a).

(b) Limitation on Types of Loans. Subject to the other terms and provisions of this Agreement, at the option of the Borrower, the Committed Loans may be Base Rate Loans or Eurodollar Loans; provided that, without the prior written consent of the Majority Lenders, with respect to Committed Loans, no more than five (5) Eurodollar Loans may be outstanding at any time to any Lender.

Section 2.02.....Borrowings, Continuations and Conversions.

(a) Borrowings. The Borrower shall give the Administrative Agent (which shall promptly notify the Lenders) advance notice as hereinafter provided of each borrowing of Committed Loans hereunder, which shall specify the aggregate amount of such borrowing, the Type and the date (which shall be a Business Day) of such Loans to be borrowed and (in the case of Eurodollar Loans) the duration of the Interest Period therefor.

(b) Minimum Amounts. If the initial borrowing consists in whole or in part of Eurodollar Loans, such Eurodollar Loans shall be in amounts of at least $5,000,000 or any whole multiple of $1,000,000 in excess thereof.

(c) Notices. All Committed Loan borrowings, continuations and conversions shall require advance written notice to the Administrative Agent (which shall promptly notify the Lenders) in the form of Exhibit B hereto (or telephonic notice promptly confirmed by such a written notice), which in each case shall be irrevocable, from the Borrower to be received by the Administrative Agent not later than 11:00 a.m. New York City time on the Business Day of each Base Rate Loan borrowing and three Business Days prior to the date of each Eurodollar Loan borrowing, continuation or conversion. Without in any way limiting the Borrower's obligation to confirm in writing any telephonic notice, the Administrative Agent may act without liability upon the basis of telephonic notice believed by the Administrative Agent in good faith to be from the Borrower prior to receipt of written confirmation. In each such case, the Borrower hereby waives the right to dispute the Administrative Agent's record of the terms of such telephonic notice except in the case of gross negligence or willful misconduct by the Administrative Agent.

(d) Continuation Options. Subject to the provisions made in this Section 2.02(d), the Borrower may elect to continue as a new Loan all or any part of any Committed Loan beyond the expiration of the then current Interest Period relating thereto by giving advance notice as provided in Section 2.02(c) to the Administrative Agent (which shall promptly notify the Lenders) of such election, specifying the amount of such Loan to be continued as a new Committed Loan, the type of Loan and the Interest Period therefor. In the absence of such a timely and proper election, the Borrower shall be deemed to have elected to continue any such Loan as a Base Rate Loan (if such Committed Loan is a Eurodollar Loan, pursuant to a conversion as set forth in Section 2.02(e)). All or any part of any Committed Loan may be continued as provided herein, provided that (i) with respect to a Eurodollar Loan continued as a new Eurodollar Loan, any continuation of any such Loan shall be (as to each Loan as continued for an applicable Interest Period) in amounts of at least $5,000,000 or any whole multiple of $1,000,000 in excess thereof and (ii) no Default shall have occurred and be continuing.

(e) Conversion Options. The Borrower may elect to convert all or any part of any Committed Loan which is a Eurodollar Loan on the last day of the then current Interest Period relating thereto to a Base Rate Loan by giving advance notice as provided in Section 2.02(c) to the Administrative Agent (which shall promptly notify the Lenders) of such election. Subject to the provisions made in this Section 2.02(e), the Borrower may elect to convert all or any part of any Committed Loan which is a Base Rate Loan at any time and from time to time to a Eurodollar Loan by giving advance notice as provided in Section 2.02(c) to the Administrative Agent (which shall promptly notify the Lenders) of such election. All or any part of any outstanding Committed Loan may be converted as provided herein, provided that (i) any conversion of any Base Rate Loan into a Eurodollar Loan shall be (as to each such Loan into which there is a conversion for an applicable Interest Period) in amounts of at least $5,000,000 or any whole multiple of $1,000,000 in excess thereof and (ii) no Default shall have occurred and be continuing. Each Committed Loan that is converted hereunder shall be a new Committed Loan, and the Interest Period applicable to such converted Committed Loan shall terminate as of the effective date of such conversion.

(f) Advances. Not later than 1:00 p.m. New York City time on the date specified for each borrowing hereunder, each Lender shall make available the amount of the Loan to be made by it on such date to the Administrative Agent, to an account which the Administrative Agent shall specify, in immediately available funds, for the account of the Borrower. The amounts so received by the Administrative Agent shall, subject to the terms and conditions of this Agreement, promptly be made available to the Borrower by depositing the same, in immediately available funds, in an account of the Borrower, designated by the Borrower and maintained at the Lending Office.

Section 2.03.....Extensions and Changes of Commitments.

(a) The Borrower shall have the right to terminate or to reduce the amount of the Aggregate Commitments at any time or from time to time upon not less than three (3) Business Days' prior notice to the Administrative Agent (which shall promptly notify the Lenders) of each such termination or reduction, which notice shall specify the effective date thereof and the amount of any such reduction (which shall not be less than $10,000,000 or any whole multiple of $1,000,000 in excess thereof) and shall be irrevocable and effective only upon receipt by the Administrative Agent.

(b) The Aggregate Commitments once terminated or reduced may not be reinstated.

(c) Provided no Default has occurred and is continuing, the Borrower may annually request that the Termination Date be extended upon prior written notice delivered to the Administrative Agent not more than 60 days nor less than 30 days prior to the then-current Termination Date. Upon delivery of such written notice, each Lender in its sole discretion may (but shall not be obligated to) agree not more than 30 days prior to the then-current

Termination Date to extend the then-effective Termination Date for a period of 364 days from and including the existing Termination Date. The Administrative Agent shall promptly notify each Lender of the Borrower's request for extension. Any Lender's failure to respond or failure to provide an affirmative response at least 25 days prior to the existing Termination Date shall be deemed to be a response by such Lender in the negative to such request. The Administrative Agent shall promptly notify the Borrower of the status of consent or non-consent of the Lenders. Within 10 days of the Termination Date, the Borrower will provide the Administrative Agent with written notice of any Person who has agreed to become a replacement lender ("Replacement Lender") for one or more non-consenting Lenders and the amount of such Replacement Lender's Commitment. If any such Replacement Lender is not an existing Lender hereunder, such new Replacement Lender shall be subject to the approval of the Administrative Agent, which approval shall not be unreasonably withheld. Notwithstanding Article III hereof, all outstanding principal, accrued interest and all unpaid fees and other amounts owing hereunder and under a non-consenting Lender's Note shall become immediately due and payable upon the Termination Date without regard to such extension and such non-consenting Lender's Commitment shall be reduced to zero on such date. The extension shall become effective on the current Termination Date. On or prior to the effective date of such extension, each Replacement Lender, if any, shall execute a new signature page to this Agreement in the form of Exhibit H hereto and the Borrower shall execute and deliver new Notes to such Replacement Lenders in the amount of their respective resulting Commitments. The Administrative Agent shall attach a revised Annex 1 hereto reflecting the revised Commitments and Percentage Shares and deliver a copy thereof to the Borrower and to each Lender. Upon the effective date of the extension, each Lender, including each Replacement Lender, if any, shall advance its Percentage Share of any Loan being made on said date as provided in Section 2.02 hereof.

(d) Provided no Default has occurred and is continuing, in the event the Borrower does not elect (or has no further right) to extend the Termination Date pursuant to Section 2.03(c) above, the Borrower may upon 60 days' prior written notice to the Administrative Agent elect to have the principal balance of the Revolving Loans outstanding on the Termination Date continued to the Final Maturity Date as non-revolving Term Loans. During the period of such Term Loans, the Borrower may repay but not reborrow the outstanding Term Loans as provided in Section 2.07 hereof, except as may be required from time to time to continue the outstanding principal balance of maturing Committed Loans pursuant to Section 2.02(d) and (e).

Section 2.04......Fees.

(a) The Borrower shall pay to the Administrative Agent for the account of each Lender in accordance with its Percentage Share a fee equal to the Standby Fee multiplied by the average daily unused portion of the Aggregate Commitments for the period from and including the Closing Date up to but excluding either the earlier of the date the Aggregate Commitments are terminated or the Termination Date. The accrued Standby Fees shall be payable quarterly in arrears on each Quarterly Date, on the Termination Date, and thereafter on demand. The Standby Fee shall be calculated quarterly in arrears, and if there is any change in the Standby Fee during any quarter, the average daily unused portion shall be computed and multiplied by the Standby Fee separately for each period during such quarter that the Standby Fee was in effect. The Standby Fee shall accrue at all times, including at any time when one or more conditions in Article VI is not met.

(b) The Borrower shall pay to the Administrative Agent for its account such other fees as are set forth in the Fee Letter on the dates specified therein to the extent not paid prior to the Closing Date.

Section 2.05......Several Obligations. The failure of any Lender to make any Loan to be made by it on the date specified therefor shall not relieve any other Lender of its obligation to make its Loan on such date, but no Lender shall be responsible for the failure of any other Lender to make a Loan to be made by such other Lender.

Section 2.06......Notes. The Committed Loans made by each Lender shall be evidenced by a single promissory note of the Borrower in substantially the form of Exhibit A-1 hereto, dated (i) April 2, 2004, (ii) the effective date of an Assignment pursuant to Section 12.06(b) or (iii) for a Replacement Lender, the effective date of the Termination Date extension pursuant to Section 2.03(c), payable to the order of such Lender in a principal amount equal to its Commitment as in effect and otherwise duly completed. The date, amount, Type, interest rate and Interest Period of each Loan made by each Lender, and all payments made on account of the principal thereof, shall be recorded by such Lender on its books for its Notes, and, prior to any transfer, may be endorsed by such Lender on a schedule attached to such Notes or any continuation thereof or on any separate record maintained by such Lender. Failure to make any such notation or to attach a schedule shall not affect any Lender's or the Borrower's rights or obligations in respect of such Loans or affect the validity of such transfer by any Lender of its Notes.

Section 2.07......Prepayments.

(a) The Borrower may prepay the Base Rate Loans upon not less than one (1) Business Days' prior notice to the Administrative Agent (which shall promptly notify the Lenders), which notice shall specify the prepayment date (which shall be a Business Day) and the amount of the prepayment (which shall be at least $1,000,000 or the remaining aggregate principal balance outstanding on the Notes) and shall be irrevocable and effective only upon receipt by the Administrative Agent, provided that interest on

the principal prepaid, accrued to the prepayment date, shall be paid on the prepayment date. The Borrower may prepay Committed Loans which are Eurodollar Loans upon not less than two (2) Business Days' prior notice to the Administrative Agent (which shall promptly notify the Lenders) and otherwise on the same condition as for Base Rate Loans and in addition such prepayments of Eurodollar Loans shall be subject to the terms of Section 5.05 and, for each Eurodollar Loan, shall be in an amount equal to all of such Eurodollar Loans for the Interest Period prepaid.

(b) If, after giving effect to any termination or reduction of the Aggregate Commitments pursuant to Section 2.03(b), the outstanding aggregate principal amount of the Loans exceeds the Aggregate Commitments, the Borrower shall prepay the Loans on the date of such termination or reduction in an aggregate principal amount equal to the excess, together with interest on the principal amount paid accrued to the date of such prepayment.

(c) Prepayments permitted or required under this Section 2.07 shall be without premium or penalty, except as required under Section 5.05 for prepayment of Eurodollar Loans. Any prepayments on the Revolving Loans may be reborrowed subject to the then effective Aggregate Commitments and the other provisions of this Agreement.

Section 2.08.....Lending Offices. The Loans of each Type made by each Lender shall be made and maintained at such Lender's Applicable Lending Office for Loans of such Type.

Section 2.09.....[Reserved].

Section 2.10.....Change in Control. If a Change in Control shall occur then (a) the Borrower will, within five Business Days after the occurrence thereof, give each Lender notice thereof and shall describe in reasonable detail the facts and circumstances giving rise thereto and (b) each Lender may, by notice to the Borrower and the Administrative Agent given not later than 45 days after the occurrence of such Change in Control, terminate its Commitments, which shall be terminated upon the date specified in such notice, which date shall be no earlier than the fifteenth day after such notice; all principal, accrued and unpaid interest and all unpaid fees and other amounts owing hereunder and under the Notes of such Lender shall be due and payable on such date.

For purposes of this Section, a "Change in Control" shall be deemed to occur (1) upon approval of the shareholders of the Borrower (or if such approval is not required, upon the approval of the Borrower's Board of Directors (the "Board")) of (A) any consolidation or merger of the Borrower, other than a consolidation or merger of the Borrower into or with a direct or indirect wholly-owned Subsidiary, in which the Borrower is not the continuing or surviving corporation or pursuant to which shares of common stock of the Borrower would be converted into cash, securities or other property other than a merger in which the holders of common stock of the Borrower immediately prior to the merger will have the same proportionate ownership of common stock of the surviving corporation immediately after the merger, (B) any sale, lease, exchange, or other transfer (in one transaction or a series of related transactions) of all or substantially all the assets of the Borrower, or (C) adoption of any plan or proposal for the liquidation or dissolution of the Borrower, (2) when any person (as defined in Section 3(a)(9) or 13(d) of the Exchange Act), other than the Borrower or any subsidiary or employee benefit plan or trust maintained by the Borrower, shall become the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of more than 15% of the Borrower's common stock outstanding at the time, without the approval of the Board, or (3) at any time during a period of two consecutive years, individuals who at the beginning of such period constituted the Board shall cease for any reason to constitute at least a majority thereof, unless the election or the nomination for election by the Borrower's shareholders of each new director during such two-year period was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of such two-year period. Notwithstanding the foregoing, any transaction, or series of transactions, that shall result in the disposition of the Borrower's interest in MAP, including without limitation any transaction arising out of that certain Put/Call, Registration Rights and Standstill Agreement dated January 1, 1998 among Marathon Oil Company, USX Corporation, the Borrower and MAP, as amended from time to time, shall not be deemed to constitute a Change in Control.

ARTICLE III.....

PAYMENTS OF PRINCIPAL AND INTEREST

Section 3.01.....Repayment of Loans. The Borrower will pay to the Administrative Agent, for the account of each Lender, the principal payments required by this Article III. The aggregate principal amount of the Notes outstanding on the Termination Date shall be due and payable on such date unless the principal balance of the Revolving Loans outstanding on the Termination Date are converted to Term Loans pursuant to Section 2.03(d). If the Revolving Loans are converted to Term Loans, the aggregate principal amount of the Notes outstanding on the Final Maturity Date shall be due and payable on such date.

Section 3.02.....Maturity of Loans. Each Loan borrowed hereunder shall mature, and the principal amount thereof shall be due and payable, on the last day of the Interest Period applicable to such Loan.

Section 3.03.....Interest.

(a) Interest Rates. The Borrower will pay to the Administrative Agent, for

the account of each Lender, interest on the unpaid principal amount of each Loan made by such Lender for the period commencing on the date such Loan is made to but excluding the date such Loan shall be paid in full, at the following rates per annum:

(i) if such a Loan is a Base Rate Loan, the Alternate Base Rate (as in effect from time to time) plus the Applicable Margin, but in no event to exceed the Highest Lawful Rate; and

(ii) if such a Loan is a Eurodollar Loan that is a Committed Loan, for each Interest Period relating thereto, the Eurodollar Rate for such Loan plus the Applicable Margin, but in no event to exceed the Highest Lawful Rate.

(b) Post-Default Rate. Notwithstanding the foregoing, the Borrower will pay to the Administrative Agent, for the account of each Lender interest at the applicable Post-Default Rate on any principal of any Loan made by such Lender, and (to the fullest extent permitted by law) on any other amount payable by the Borrower, hereunder or under any Note held by such Lender to or for account of such Lender, for the period commencing on the date of an Event of Default until the same is paid in full or all Events of Default are cured or waived.

(c) Due Dates. Accrued interest on Base Rate Loans shall be payable on the last day of the Interest Period applicable thereto, and accrued interest on each Eurodollar Loan shall be payable on the last day of the Interest Period therefor and, if such Interest Period is longer than three months at three-month intervals following the first day of such Interest Period, except that interest payable at the Post-Default Rate shall be payable from time to time on demand and interest on any Eurodollar Loan that is converted into a Base Rate Loan (pursuant to Section 5.04) shall be payable on the date of conversion (but only to the extent so converted).

(d) Determination of Rates. Promptly after the determination of any interest rate provided for herein or any change therein, the Administrative Agent shall notify the Lenders to which such interest is payable and the Borrower thereof. Each determination by the Administrative Agent of an interest rate or fee hereunder shall, except in cases of manifest error, be final, conclusive and binding on the parties.

ARTICLE IV.....

PAYMENTS; PRO RATA TREATMENT; COMPUTATIONS; ETC.

Section 4.01.....Payments. Except to the extent otherwise provided herein, all payments of principal, interest and other amounts to be made by the Borrower hereunder shall be initiated in Dollars, in immediately available funds, to the Administrative Agent at such account as the Administrative Agent shall specify by notice to the Borrower from time to time, not later than 11:00 a.m. New York City time on the date on which such payments shall become due (each such payment made after such time on such due date to be deemed to have been made on the next succeeding Business Day). Such payments shall be made without (to the fullest extent permitted by applicable law) defense, set-off or counterclaim. Each payment received by the Administrative Agent under this Agreement on any Note for account of a Lender shall be paid promptly to such Lender (pro rata in accordance with such Lender's Percentage Share) in immediately available funds. Except as provided in clause (ii) of the second paragraph of the definition of "Interest Period," if the due date of any payment under this Agreement or any Note would otherwise fall on a day which is not a Business Day such date shall be extended to the next succeeding Business Day and interest shall be payable for any principal so extended for the period of such extension. At the time of each payment to the Administrative Agent of any principal of or interest on any borrowing, the Borrower shall notify the Administrative Agent of the Loans to which such payment shall apply. In the absence of such notice the Administrative Agent may specify the Loans to which such payment shall apply, but to the extent possible such payment or prepayment will be applied first to the Loans comprised of Base Rate Loans.

Section 4.02.....Pro Rata Treatment. Except to the extent otherwise provided herein each Lender agrees that: (a) each borrowing from the Lenders under Section 2.01 and each continuation and conversion under Section 2.02 shall be made from the Lenders pro rata in accordance with their Percentage Share, each payment of the Standby Fee under Section 2.04(a) shall be made for account of the Lenders pro rata in accordance with their Percentage Shares and each termination or reduction of the amount of the Aggregate Commitments under Section 2.03(a) shall be applied to the Commitment of each Lender, pro rata according to the amounts of its respective Percentage Share; (b) except during the continuance of an Event of Default, each payment of principal of Committed Loans by the Borrower shall be made for account of the Lenders pro rata in accordance with the respective unpaid principal amount of the Type of Loans so paid as designated pursuant to Section 4.01; (c) except during the continuance of an Event of Default, each payment of interest on Committed Loans by the Borrower shall be made for account of the Lenders pro rata in accordance with the amounts of interest due and payable to the respective Lenders on the Type of Loans to which such interest payment is to be applied as designated pursuant to Section 4.01; and (d) during the continuance of an Event of Default each payment on the Loans shall be applied as provided in Section 10.02(c).

Section 4.03.....Computations. Interest on Eurodollar Loans and fees shall be computed on the basis of a year of 360 days and actual days elapsed (including the first day but excluding the last day) occurring in the period for which such interest is payable, unless such calculation would exceed the Highest Lawful Rate, in which case interest shall be calculated on the per annum basis of a year of 365 or 366 days, as the case may be. Interest on Base Rate Loans shall be computed on the basis of a year of 365

or 366 days, as the case may be, and actual days elapsed (including the first day but excluding the last day) occurring in the period for which such interest is payable.

Section 4.04.....Non-receipt of Funds by the Administrative Agent. Unless the Administrative Agent shall have been notified by a Lender or the Borrower prior to the date on which such notifying party is scheduled to make payment to the Administrative Agent (in the case of a Lender) of the proceeds of a Loan or (in the case of the Borrower) a payment to the Administrative Agent for account of one or more of the Lenders hereunder (such payment being herein called the "Required Payment"), which notice shall be effective upon receipt, that it does not intend to make the Required Payment to the Administrative Agent, the Administrative Agent may assume that the Required Payment has been made and may, in reliance upon such assumption (but shall not be required to), make the amount thereof available to the intended recipient(s) on such date and, if such Lender or the Borrower (as the case may be) has not in fact made the Required Payment to the Administrative Agent, the recipient(s) of such payment shall, on demand, repay to the Administrative Agent the amount so made available together with interest thereon in respect of each day during the period commencing on the date such amount was so made available by the Administrative Agent until but excluding the date the Administrative Agent recovers such amount at a rate per annum which, for any Lender as recipient, will be equal to the Federal Funds Rate, and for the Borrower as recipient, will be equal to the Base Rate plus the Applicable Margin.

Section 4.05.....Set-off, Sharing of Payments, Etc.

(a) The Borrower agrees that, in addition to (and without limitation of) any right of set-off, bankers' lien or counterclaim a Lender may otherwise have, each Lender shall have the right and be entitled, at its option, to offset balances held by it or by any of its Affiliates for account of the Borrower or any Subsidiary at any of its offices, in Dollars or in any other currency, against any principal of or interest on any of such Lender's Loans, or any other amount payable to such Lender hereunder, which is not paid when due (regardless of whether such balances are then due to the Borrower), in which case it shall promptly notify the Borrower and the Administrative Agent thereof, provided that such Lender's failure to give such notice shall not affect the validity thereof.

(b) If any Lender shall obtain payment of any principal of or interest on any Loan made by it to the Borrower under this Agreement through the exercise of any right of set-off, banker's lien or counterclaim or similar right or otherwise, and, as a result of such payment, such Lender shall have received a greater percentage of the principal or interest (or reimbursement) then due hereunder by the Borrower to such Lender than the percentage received by any other Lenders, it shall promptly (i) notify the Administrative Agent and each other Lender thereof and (ii) purchase from such other Lenders participations in (or, if and to the extent specified by such Lender, direct interests in) the Loans made by such other Lenders (or in interest due thereon, as the case may be) in such amounts, and make such other adjustments from time to time as shall be equitable, to the end that all the Lenders shall share the benefit of such excess payment (net of any expenses which may be incurred by such Lender in obtaining or preserving such excess payment) pro rata in accordance with the unpaid principal and/or interest on the Loans held by each of the Lenders. To such end all the Lenders shall make appropriate adjustments among themselves (by the resale of participations sold or otherwise) if such payment is rescinded or must otherwise be restored. The Borrower agrees that any Lender so purchasing a participation (or direct interest) in the Loans made by other Lenders (or in interest due thereon, as the case may be) may exercise all rights of set-off, banker's lien, counterclaim or similar rights with respect to such participation as fully as if such Lender were a direct holder of Loans in the amount of such participation. Nothing contained herein shall require any Lender to exercise any such right or shall affect the right of any Lender to exercise, and retain the benefits of exercising, any such right with respect to any other indebtedness or obligation of the Borrower. If under any applicable bankruptcy, insolvency or other similar law, any Lender receives a secured claim in lieu of a set-off to which this Section 4.05 applies, such Lender shall, to the extent practicable, exercise its rights in respect of such secured claim in a manner consistent with the rights of the Lenders entitled under this Section 4.05 to share the benefits of any recovery on such secured claim.

Section 4.06.....Taxes.

(a) Payments Free and Clear. Any and all payments by the Borrower hereunder shall be made, in accordance with Section 4.01, free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding, in the case of each Lender and the Administrative Agent, taxes imposed on their income and franchise or similar taxes imposed on them, by (i) any jurisdiction (or political subdivision thereof) of which the Administrative Agent or such Lender, as the case may be, is a citizen or resident or in which such Lender has an Applicable Lending Office, (ii) the jurisdiction (or any political subdivision thereof) in which the Administrative Agent or such Lender is organized, or (iii) any jurisdiction (or political subdivision thereof) in which such Lender, the Administrative Agent is presently doing business in which taxes are imposed solely as a result of doing business in such jurisdiction (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "Taxes"). If the Borrower shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder to the Lenders or the Administrative Agent, (A) the sum payable shall be increased by the amount necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 4.06) such Lender, the Administrative Agent (as

the case may be) shall receive an amount equal to the sum it would have received had no such deductions been made, (B) the Borrower shall make such deductions and (C) the Borrower shall pay the full amount deducted to the relevant taxing authority or other Governmental Authority in accordance with applicable law.

(b) Other Taxes. In addition, to the fullest extent permitted by applicable law, the Borrower agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies that arise from any payment made hereunder or from the execution, delivery or registration of, or otherwise with respect to, this Agreement or any Assignment (hereinafter referred to as "Other Taxes").

(c) Indemnification. To the fullest extent permitted by applicable law, the Borrower will indemnify each Lender and the Administrative Agent for the full amount of Taxes and Other Taxes (including, but not limited to, any Taxes or Other Taxes imposed by any Governmental Authority on amounts payable under this Section 4.06) paid by such Lender or the Administrative Agent (on their behalf or on behalf of any Lender), as the case may be, and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted unless the payment of such Taxes was not correctly or legally asserted and such Lender's or Administrative Agent's payment of such Taxes or Other Taxes was the result of its gross negligence or willful misconduct. Any payment pursuant to such indemnification shall be made within thirty (30) days after the date any Lender, the Administrative Agent, as the case may be, makes written demand therefor. If any Lender or the Administrative Agent receives a refund or credit in respect of any Taxes or Other Taxes for which such Lender, the Administrative Agent has received payment from the Borrower it shall promptly notify the Borrower of such refund or credit and shall, if no Default has occurred and is continuing, within thirty (30) days after receipt of a request by the Borrower (or promptly upon receipt, if the Borrower has requested application for such refund or credit pursuant hereto), pay an amount equal to such refund or credit to the Borrower without interest (but with any interest so refunded or credited), provided that the Borrower, upon the request of such Lender, the Administrative Agent, agrees to return such refund or credit (plus penalties, interest or other charges) to such Lender or the Administrative Agent in the event such Lender or the Administrative Agent is required to repay such refund or credit. Nothing in this Section 4.06 (c) shall oblige any Lender to disclose to the Borrower or any other person any information regarding its tax affairs or tax computations or interfere with the right of any Lender to arrange its tax affairs in whatever manner it thinks fit.

(d) Lender Statements.

(i) Each Lender represents that it is either (1) a corporation or banking association organized under the laws of the United States of America or any state thereof or (2) it is entitled to complete exemption from United States withholding tax imposed on or with respect to any payments, including fees, to be made to it pursuant to this Agreement (A) under an applicable provision of a tax convention to which the United States of America is a party or (B) because it is acting through a branch, agency or office in the United States of America and any payment to be received by it hereunder is effectively connected with a trade or business in the United States of America. Each Lender that is not a corporation or banking association organized under the laws of the United States of America or any state thereof agrees to provide to the Borrower and the Administrative Agent on the Closing Date, or on the date of its delivery of the Assignment pursuant to which it becomes a Lender, and at such other times as required by United States law or as the Borrower or the Administrative Agent shall reasonably request, two accurate and complete original signed copies of either (A) Internal Revenue Service Form W-8ECI (or successor form) certifying that all payments to be made to it hereunder will be effectively connected to a United States trade or business (the "Form W-8ECI Certification") or (B) Internal Revenue Service Form W-8BEN (or successor form) certifying that it is entitled to the benefit of a provision of a tax convention to which the United States of America is a party which completely exempts from United States withholding tax all payments to be made to it hereunder (the "Form W-8BEN Certification"). In addition, each Lender agrees that if it previously filed a Form W-8ECI Certification, it will deliver to the Borrower and the Administrative Agent a new Form W-8ECI Certification prior to the first payment date occurring in each of its subsequent taxable years; and if it previously filed a Form W-8BEN Certification, it will deliver to the Borrower and the Administrative Agent a new certification prior to the first payment date falling in the third year following the previous filing of such certification. Each Lender also agrees to deliver to the Borrower and the Administrative Agent such other or supplemental forms as may at any time be required as a result of changes in applicable law or regulation in order to confirm or maintain in effect its entitlement to exemption from United States withholding tax on any payments hereunder, provided that the circumstances of such Lender at the relevant time and applicable laws permit it to do so. If a Lender determines, as a result of any change in either (i) a Governmental Requirement or (ii) its circumstances, that it is unable to submit any form or certificate that it is obligated to submit pursuant to this Section 4.06, or that it is required to withdraw or cancel any such form or certificate previously submitted, it shall promptly notify the Borrower and the Administrative Agent of such fact; and, if as a result of such change the Borrower is required to pay or reimburse such Lender for any United States withholding tax with respect to any payments, including fees, made pursuant to this Agreement, the Borrower shall have the right with assistance of the Administrative Agent, to seek a mutually acceptable Lender or Lenders to purchase the Notes and assume the Commitments of such Lender. If a Lender is organized under the laws of a jurisdiction outside the United States of America, unless the Borrower and the Administrative

Agent have received a Form W-8BEN Certification or Form W-8ECI Certification satisfactory to them indicating that all payments to be made to such Lender hereunder are not subject to United States withholding tax, the Borrower shall withhold taxes from such payments at the applicable statutory rate. Each Lender agrees to indemnify and hold harmless the Borrower or Administrative Agent, as applicable, from any United States taxes, penalties, interest and other expenses, costs and losses incurred or payable by (i) the Administrative Agent as a result of such Lender's failure to submit any form or certificate that it is required to provide pursuant to this Section 4.06 or (ii) the Borrower or the Administrative Agent as a result of their reliance on any such form or certificate which such Lender has provided to them pursuant to this Section 4.06.

(ii) For any period with respect to which a Lender has failed to provide the Borrower with the form required pursuant to this Section 4.06, if any, (other than if such failure is due to a change in a Governmental Requirement occurring subsequent to the date on which a form originally was required to be provided), such Lender shall not be entitled to indemnification under Section 4.06 with respect to taxes imposed by the United States which taxes would not have been imposed but for such failure to provide such forms; provided, however, that should a Lender, which is otherwise exempt from or subject to a reduced rate of withholding tax becomes subject to taxes because of its failure to deliver a form required hereunder, the Borrower shall take such steps as such Lender shall reasonably request to assist such Lender to recover such taxes.

(iii) Any Lender claiming any additional amounts payable pursuant to this Section 4.06 shall use reasonable efforts (consistent with legal and regulatory restrictions) to file any certificate or document requested by the Borrower or the Administrative Agent or to change the jurisdiction of its Applicable Lending Office or to contest any tax imposed if the making of such a filing or change or contesting such tax would avoid the need for or reduce the amount of any such additional amounts that may thereafter accrue and would not, in the sole determination of such Lender, be otherwise disadvantageous to such Lender.

(iv) Each of the Lenders represents that it in good faith is not relying upon any "margin stock" (as defined in Regulation U of the Board of Governors of the Federal Reserve System) as collateral in the extension or maintenance of the credit provided for in this Agreement.

(v) Each of the Lenders represents that it is its present intention to make its Loans and to acquire the Notes to its order for its own account as a result of making Loans in the ordinary course of its commercial banking business and not with a view to the public distribution or public sale thereof; subject, nonetheless, to any legal or administrative requirement that the disposition of such Lender's property at all times be within its control.

ARTICLE V.....

CAPITAL ADEQUACY

Section 5.01.....Additional Costs.

(a) Eurodollar Regulations, etc. The Borrower shall pay directly to each Lender from time to time such amounts as such Lender may determine to be necessary to compensate such Lender for any costs which it determines are attributable to its making or maintaining of any Eurodollar Loans or its obligation to make any such Loans or any reduction in any amount receivable by such Lender hereunder in respect of any of such Loans or such obligation (such increases in costs and reductions in amounts receivable being herein called "Additional Costs"), resulting from any Regulatory Change which: (i) changes the basis of taxation of any amounts payable to such Lender under this Agreement or any Note in respect of any of such Loans (other than taxes imposed on the overall net income of such Lender or of its Applicable Lending Office for any of such Loans by the jurisdiction in which such Lender has its principal office or Applicable Lending Office; or (ii) imposes or modifies any reserve, special deposit, minimum capital, capital ratio or similar requirements relating to any extensions of credit or other assets of, or any deposits with or other liabilities of such Lender, or the Commitment or Loans of such Lender or the Eurodollar interbank market; or (iii) imposes any other condition affecting this Agreement or any Note (or any of such extensions of credit or liabilities) or such Lender's Commitment or Loans. Each Lender will notify the Administrative Agent and the Borrower of any event occurring after the Closing Date which will entitle such Lender to compensation pursuant to this Section 5.01 as promptly as practicable after it obtains knowledge thereof and determines to request such compensation, and will designate a different Applicable Lending Office for the Loans of such Lender affected by such event if such designation will avoid the need for, or reduce the amount of, such compensation and will not, in the sole opinion of such Lender, be disadvantageous to such Lender, provided that such Lender shall have no obligation to so designate an Applicable Lending Office located in the United States. If any Lender requests compensation from the Borrower under this Section 5.01(a), the Borrower may, by notice to such Lender, suspend the obligation of such Lender to make additional Loans of the Type with respect to which such compensation is requested until the Regulatory Change giving rise to such request ceases to be in effect (in which case the provisions of Section 5.04 shall be applicable).

(b) Regulatory Change. Without limiting the effect of the provisions of Section 5.01(a), in the event that, by reason of any Regulatory Change or any other circumstances arising after the Closing Date affecting such Lender, the Eurodollar interbank market or such Lender's position in such market, any Lender either (i) incurs Additional Costs based on or measured by the excess above a specified level of the amount of a category of

deposits or other liabilities of such Lender which includes deposits by reference to which the interest rate on Eurodollar Loans is determined as provided in this Agreement or a category of extensions of credit or other assets of such Lender which includes Eurodollar Loans or (ii) becomes subject to restrictions on the amount of such a category of liabilities or assets which it may hold, then, if such Lender so elects by notice to the Borrower, the obligation of such Lender to make additional Eurodollar Loans shall be suspended until such Regulatory Change or other circumstances ceases to be in effect (in which case the provisions of Section 5.04 shall be applicable).

(c) Capital Adequacy. Without limiting the effect of the foregoing provisions of this Section 5.01 (but without duplication), the Borrower shall pay directly to any Lender from time to time on request such amounts as such Lender may reasonably determine to be necessary to compensate such Lender or its parent or holding company for any costs which it determines are attributable to the maintenance by such Lender or its parent or holding company (or any Applicable Lending Office), pursuant to any Governmental Requirement following any Regulatory Change, of capital in respect of its Commitment, its Notes or its Loans, such compensation to include, without limitation, an amount equal to any reduction of the rate of return on assets or equity of such Lender or its parent or holding company (or any Applicable Lending Office) to a level below that which such Lender or its parent or holding company (or any Applicable Lending Office) could have achieved but for such Governmental Requirement. Such Lender will notify the Borrower that it is entitled to compensation pursuant to this Section 5.01(c) as promptly as practicable after it determines to request such compensation.

(d) Compensation Procedure. Any Lender notifying the Borrower of the incurrence of Additional Costs under this Section 5.01 shall in such notice to the Borrower and the Administrative Agent set forth in reasonable detail the basis and amount of its request for compensation. Determinations and allocations by each Lender for purposes of this Section 5.01 of the effect of any Regulatory Change pursuant to Section 5.01(a) or (b), or of the effect of capital maintained pursuant to Section 5.01(c), on its costs or rate of return of maintaining Loans or its obligation to make Loans, or on amounts receivable by it in respect of Loans, and of the amounts required to compensate such Lender under this Section 5.01, shall, absent manifest error, be conclusive and binding for all purposes, provided that such determinations and allocations are made on a reasonable basis. Any request for additional compensation under this Section 5.01 shall be paid by the Borrower within thirty (30) days of the receipt by the Borrower of the notice described in this Section 5.01(d).

(e) Replacement of Bank. If any Lender has demanded compensation under Section 5.01(c), the Borrower shall have the right (so long as no Default or Event of Default shall be in existence) with the assistance of the Administrative Agent, to seek a Lender or Lenders mutually acceptable to the Borrower and the Administrative Agent to purchase the Notes and assume the Commitments of such Lender.

Section 5.02.....Limitation on Eurodollar Loans. Anything herein to the contrary notwithstanding, if, on or prior to the determination of any Eurodollar Rate for any Interest Period:

(a) the Administrative Agent determines (which determination shall be conclusive, absent manifest error) that quotations of interest rates for the relevant deposits referred to in the definition of "Eurodollar Rate," as the case may be, in Section 1.02 are not being provided in the relevant amounts or for the relevant maturities for purposes of determining rates of interest for Eurodollar Loans as provided herein; or

(b) the Administrative Agent determines (which determination shall be conclusive, absent manifest error) that the relevant rates of interest referred to in the definition of "Eurodollar Rate," as the case may be, in Section 1.02 upon the basis of which the rate of interest for Eurodollar Loans for such Interest Period is to be determined are not sufficient to adequately cover the cost to the Lenders of making or maintaining Eurodollar Loans;

then the Administrative Agent shall give the Borrower prompt notice thereof, and so long as such condition remains in effect, the Lenders shall be under no obligation to make additional Eurodollar Loans.

Section 5.03.....Illegality. Notwithstanding any other provision of this Agreement, in the event that it becomes unlawful for any Lender or its Applicable Lending Office to honor its obligation to make or maintain Eurodollar Loans hereunder, then such Lender shall promptly notify the Borrower thereof and such Lender's obligation to make Eurodollar Loans shall be suspended until such time as such Lender may again make and maintain Eurodollar Loans (in which case the provisions of Section 5.04 shall be applicable).

Section 5.04.....Base Rate Loans. If the obligation of any Lender to make Eurodollar Loans shall be suspended pursuant to Sections 5.01, 5.02 or 5.03 ("Affected Loans"), all Affected Loans which would otherwise be made by such Lender shall be made instead as Base Rate Loans (and, if an event referred to in Section 5.01(b) or Section 5.03 has occurred and such Lender so requests by notice to the Borrower, all Affected Loans of such Lender then outstanding shall be automatically converted into Base Rate Loans on the date specified by such Lender in such notice) and, to the extent that Affected Loans are so made as (or converted into) Base Rate Loans, all payments of principal which would otherwise be applied to such Lender's Affected Loans shall be applied instead to its Base Rate Loans.

Section 5.05.....Compensation. The Borrower shall pay to each Lender

within thirty (30) days of receipt of written request of such Lender (which request shall set forth, in reasonable detail, the basis for requesting such amounts and which shall be conclusive and binding, absent manifest error, for all purposes provided that such determinations are made on a reasonable basis), such amount or amounts as shall compensate it for any loss, cost, expense or liability which such Lender determines are attributable to:

(a) any payment, prepayment or conversion of a Eurodollar Loan properly made by such Lender or the Borrower for any reason (including, without limitation, the acceleration of the Loans pursuant to Section 10.02) on a date other than the last day of the Interest Period for such Loan; or

(b) any failure by the Borrower for any reason (including but not limited to, the failure of any of the conditions precedent specified in Article VI to be satisfied) to borrow, continue or convert a Eurodollar Loan from such Lender on the date for such borrowing, continuation or conversion specified in the relevant notice given pursuant to Section 2.02(c).

Without limiting the effect of the preceding sentence, such compensation shall include an amount equal to the excess, if any, of (i) the amount of interest which would have accrued on the principal amount so paid, prepaid or converted or not borrowed for the period from the date of such payment, prepayment or conversion or failure to borrow to the last day of the Interest Period for such Loan (or, in the case of a failure to borrow, the Interest Period for such Loan which would have commenced on the date specified for such borrowing) at the applicable rate of interest for such Loan provided for herein over (ii) the interest component of the amount such Lender would have bid in the London interbank market for Dollar deposits of leading banks in amounts comparable to such principal amount and with maturities comparable to such period (as reasonably determined by such Lender).

ARTICLE VI.....

CONDITIONS PRECEDENT

Section 6.01.....Closing and Initial Funding. The obligation of the Lenders to make the Initial Funding is subject to the following: (a) the receipt by the Administrative Agent and the Lenders of all fees payable pursuant to Section 2.04 and all fees payable pursuant to the Fee Letter; (b) that no material adverse change shall have occurred since September 30, 2003 in the financial position or the results of operation of the Borrower and its Subsidiaries taken as a whole or the facts and information regarding the Borrower and its Subsidiaries represented to the Lenders prior to the Closing Date and the satisfaction of the other conditions provided in this Section 6.01, (c) the termination on the Effective Date of the Existing Agreement and the repayment by the Borrower of all amounts due and owing to the Existing Lenders under the Existing Agreement, and (d) the receipt by the Administrative Agent of the following documents, each of which shall be reasonably satisfactory to the Administrative Agent in form and substance:

(i) Executed counterparts of this Agreement.

(ii) A certificate of the Secretary or an Assistant Secretary of the Borrower setting forth (A) resolutions of its board of directors with respect to the authorization of the Borrower to execute and deliver this Agreement and the Notes and to enter into the transactions contemplated in those documents, (B) the officers of the Borrower (I) who are authorized to sign this Agreement and the Notes and (II) who will, until replaced by another officer or officers duly authorized for that purpose, act as its representative for the purposes of signing documents and giving notices and other communications in connection with this Agreement and the transactions contemplated hereby, (C) specimen signatures of the Authorized Officers, and (D) the articles or certificate of incorporation and bylaws of the Borrower, certified as being true and complete. The Administrative Agent and the Lenders may conclusively rely on such certificate until the Administrative Agent receives notice in writing from the Borrower to the contrary.

(iii) Certificates of the Secretary of State of the Commonwealth of Kentucky with respect to the existence, qualification and good standing of the Borrower.

(iv) A compliance certificate which shall be substantially in the form of Exhibit C, duly and properly executed by a Financial Officer and dated as of the Effective Date.

(v) Notes duly completed and executed.

(vi) An opinion of Borrower's senior in-house counsel, at or above the Senior Counsel level or other counsel for the Borrower reasonably satisfactory to the Administrative Agent, substantially in the form of Exhibit D hereto.

(vii) Such other documents as the Administrative Agent or any Lender or special counsel to the Administrative Agent may reasonably request.

Section 6.02.....Initial and Subsequent Loans. The obligation of the Lenders to make any Loans to the Borrower upon the occasion of each borrowing hereunder (including the Initial Funding and any continuation and conversion under Section 2.02(d) or (e)) is subject to the further conditions precedent that, as of the date of such Loans and after giving effect thereto: (a) no Default shall have occurred and be continuing; (b) no Material Adverse Effect shall have occurred; and (c) the representations and warranties made by the Borrower in Article VII shall be true on and as

of the date of the making of such Loans with the same force and effect as if made on and as of such date and following such new borrowing, except to (I) the extent such representations and warranties are expressly limited to an earlier date, (II) the Majority Lenders expressly consent in writing to the contrary and (III) provided, that with respect to a new Loan pursuant to a continuation or conversion under Section 2.02(d) or (e), it shall not be a condition precedent to such Loan that Section 7.02 or 7.03 be true and correct as of the date of such Loan. Each request for a borrowing by the Borrower hereunder shall constitute a certification by the Borrower to the effect set forth in the preceding sentence (both as of the date of such notice and, unless the Borrower otherwise notifies the Administrative Agent prior to the date of and immediately following such borrowing as of the date thereof).

ARTICLE VII.....

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Administrative Agent and the Lenders that (each representation and warranty herein is given as of the Closing Date and shall be deemed repeated and reaffirmed on the dates of each borrowing as provided in Section 6.02):

Section 7.01.....Existence. The Borrower: (a) is duly organized or formed, legally existing and in good standing, if applicable, under the laws of the jurisdiction of its formation; (b) has all requisite power, and has all material governmental licenses, authorizations, consents and approvals necessary to own its assets and carry on its business as now being or as proposed to be conducted; and (c) is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary and where failure so to qualify would have a Material Adverse Effect.

Section 7.02.....Financial Condition. The audited Consolidated balance sheet of the Borrower and its Subsidiaries as at September 30, 2003 and the related Consolidated statements of income, common stockholders' equity and cash flows of the Borrower and its Subsidiaries for the fiscal year ended on said date, with the opinion thereon of Ernst & Young LLP heretofore furnished to each of the Lenders on Form 10-K, and the unaudited Consolidated balance sheet of the Borrower and its Subsidiaries as at December 31, 2003 and the related Consolidated statements of income, common stockholders' equity and cash flows of the Borrower and its Subsidiaries for the three month period ended on such date heretofore furnished to the Administrative Agent on Form 10-Q, fairly present the Consolidated financial position of the Borrower and its Subsidiaries as at said dates and the Consolidated results of their operations for the fiscal year and the three month periods ended on said dates, all in accordance with GAAP. Since September 30, 2003, there has been no Material Adverse Effect.

Section 7.03.....Litigation. Except as disclosed to the Lenders in Schedule 7.03 hereto, there is no litigation, legal, administrative or arbitral proceeding, investigation or other action of any nature pending or, to the knowledge of the Borrower threatened against or affecting the Borrower or any Subsidiary the probable outcome of which would adversely affect the validity or enforceability of this Agreement or any of the Notes, or would have a Material Adverse Effect.

Section 7.04.....No Breach. Neither the execution and delivery of this Agreement and the Notes, nor compliance with the terms and provisions hereof will conflict with or result in a breach of, or require any consent which has not been obtained as of the Closing Date under, the respective Third Restated Articles of Incorporation or by-laws of the Borrower, as amended, or any Governmental Requirement or any indenture or loan or credit agreement or any other material agreement or instrument to which the Borrower is a party or by which it is bound or to which it or its Properties are subject, or constitute a default under any such indenture, agreement or instrument which would materially adversely affect the ability of the Borrower to perform its obligations under this Agreement or result in the creation or imposition of any Lien upon any of the revenues or assets of the Borrower or any Subsidiary pursuant to the terms of any such agreement or instrument.

Section 7.05.....Authority. The Borrower has all necessary power and authority to execute, deliver and perform its obligations hereunder and under the Notes; and the execution, delivery and performance by the Borrower of this Agreement and the Notes, have been duly authorized by all necessary action on its part; and this Agreement and the Notes constitute the legal, valid and binding obligations of the Borrower, enforceable in accordance with their terms except as limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws of general application relating to or affecting creditor's rights and general principles of equity.

Section 7.06.....Approvals. Except as have been obtained, no authorizations, approvals or consents of, and no filings or registrations with, any Governmental Authority are necessary for the execution, delivery or performance by the Borrower of this Agreement or the Notes or for the validity or enforceability thereof.

Section 7.07.....Use of Loans. The proceeds of the Loans shall be used for general working capital, capital expenditures and other general corporate purposes, including without limitation, to support insurance requirements. The Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying margin stock (within the meaning of Regulation G, U or X of the Board of Governors of the Federal Reserve System), as they may be amended or interpreted from

time to time.

Section 7.08.....ERISA.

(a) The Borrower, each Subsidiary and each ERISA Affiliate have complied in all material respects with ERISA and, where applicable, the Code regarding each Plan.

(b) Each Plan is, and has been, maintained in substantial compliance with ERISA and, where applicable, the Code.

(c) No act, omission or transaction has occurred which could result in imposition on the Borrower, any Subsidiary or any ERISA Affiliate (whether directly or indirectly) of (i) either a civil penalty assessed pursuant to section 502(c), (i) or (l) of ERISA or a tax imposed pursuant to Chapter 43 of Subtitle D of the Code or (ii) breach of fiduciary duty liability damages under section 409 of ERISA, either of which would have a Material Adverse Effect.

(d) No liability to the PBGC (other than for the payment of current premiums which are not past due) by the Borrower, any Subsidiary or any ERISA Affiliate has been or is expected by the Borrower, any Subsidiary or any ERISA Affiliate to be incurred with respect to any Plan. No ERISA Event with respect to any Plan has occurred.

(e) Full payment when due has been made of all amounts which the Borrower, any Subsidiary or any ERISA Affiliate is required under the terms of each Plan or applicable law to have paid as contributions to such Plan, and no accumulated funding deficiency (as defined in section 302 of ERISA and section 412 of the Code), whether or not waived, exists with respect to any Plan.

(f) No Pension Plan has any Unfunded Pension Liability.

(g) None of the Borrower, any Subsidiary or any ERISA Affiliate sponsors, maintains, or contributes to an employee welfare benefit plan, as defined in section 3(1) of ERISA, including, without limitation, any such plan maintained to provide benefits to former employees of such entities, that may not be terminated by the Borrower, a Subsidiary or any ERISA Affiliate in its sole discretion at any time without any material liability.

(h) None of the Borrower, any Subsidiary or any ERISA Affiliate sponsors, maintains or contributes to, or has at any time in the six-year period preceding the date of this Agreement sponsored, maintained or contributed to, any Multiemployer Plan other than those listed on Schedule 7.08 attached hereto. Prior to the execution of this Agreement, the Borrower has furnished to the Majority Lenders with respect to each Multiemployer Plan listed on Schedule 7.08 hereto (i) a true and substantially complete listing of the contributions required to be made by the Borrower, the Subsidiaries and all ERISA Affiliates to such Multiemployer Plan for each of the five calendar years preceding the date of this Agreement, and (ii) true and complete copies of all information which has been provided to any of the Borrower, a Subsidiary or any ERISA Affiliate regarding assessed or potential withdrawal liability under any such Multiemployer Plan.

Section 7.09.....Taxes. Except as set out in Schedule 7.09, each of the Borrower and the Subsidiaries has filed all United States Federal income tax returns and all other tax returns which are required to be filed by them and, except for taxes which are being contested in good faith through appropriate proceedings, have paid all taxes due on such returns or pursuant to any assessment received by the Borrower or any Subsidiary. The charges, accruals and reserves on the books of the Borrower and the Subsidiaries in respect of taxes are, in the opinion of the Borrower, adequate. No tax lien has been filed and, to the knowledge of the Borrower, no claim is being asserted with respect to any tax, fee or other charge, except for those for which adequate reserves have been provided.

Section 7.10.....No Material Misstatements. No written information, statement, exhibit, certificate, document or report furnished to the Administrative Agent and the Lenders (or any of them) by the Borrower in connection with the negotiation of this Agreement contained any material misstatement of fact or omitted to state a material fact or any fact necessary to make the statement contained therein not materially misleading in the light of the circumstances in which made and with respect to the Borrower and the Subsidiaries taken as a whole. There is no fact peculiar to the Borrower or any Substantial Subsidiary which has a Material Adverse Effect or in the future is reasonably likely to have (so far as the Borrower can now foresee) a Material Adverse Effect and which has not been set forth in this Agreement or the other documents, certificates and statements furnished to the Administrative Agent by or on behalf of the Borrower or any Subsidiary prior to, or on, the Closing Date in connection with the transactions contemplated hereby.

Section 7.11.....Investment Company Act. The Borrower is not an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

Section 7.12.....Public Utility Holding Company Act. The Borrower is not a "holding company," or a "subsidiary company" of a "holding company," or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company," or a "public utility" within the meaning of the Public Utility Holding Company Act of 1935, as amended.

Section 7.13.....Defaults. No Default hereunder has occurred and is continuing.

Section 7.14.....Environmental Matters. Except (a) as provided in Schedule

7.14 or (b) as would not have a Material Adverse Effect (or with respect to (iii), (iv) and (v) below, where the failure to take such actions would not have a Material Adverse Effect):

(i) Neither any Property of the Borrower or any Subsidiary nor the operations conducted thereon violate any order or requirement of any court or Governmental Authority or any Environmental Laws;

(ii) Without limitation of clause (a) above, no Property of the Borrower or any Subsidiary nor the operations currently conducted thereon or, to the best knowledge of the Borrower, by any prior owner or operator of such Property or operation, are in violation of or subject to any known existing, pending or threatened action, suit, investigation, inquiry or proceeding by or before any court or Governmental Authority or to any remedial obligations under Environmental Laws;

(iii) To the best knowledge of the Borrower, all notices, permits, licenses or similar authorizations, if any, required to be obtained or filed in connection with the operation or use of any and all Property of the Borrower and each Subsidiary, including without limitation past or present treatment, storage, disposal or release of a hazardous substance or solid waste into the environment, have been duly obtained or filed, and the Borrower and each Subsidiary are in compliance with the terms and conditions of all such notices, permits, licenses and similar authorizations;

(iv) All hazardous substances and solid waste, if any, generated at any and all Property of the Borrower or any Subsidiary have in the past been transported, treated and disposed of in accordance with the applicable Environmental Laws, and, to the best knowledge of the Borrower, all such transport carriers and treatment and disposal facilities have been and are operating in compliance with Environmental Laws and are not the subject of any known existing, pending or threatened action, investigation or inquiry by any Governmental Authority in connection with any Environmental Laws;

(v) To the extent applicable, all Property of the Borrower and each Subsidiary currently satisfies all applicable design, operation, and equipment requirements imposed by the OPA or scheduled as of the Closing Date to be imposed by OPA during the term of this Agreement, and the Borrower does not have any reason to believe that such Property, to the extent subject to OPA, will not be able to maintain compliance with the OPA requirements during the term of this Agreement; and

(vi) Neither the Borrower nor any Subsidiary has any known contingent liability in connection with any release of any oil, hazardous substance or solid waste into the environment. For purposes of this clause (vi), a liability shall be deemed contingent when it rises to a level where it should be reported in footnotes or otherwise in financials prepared in accordance with GAAP or in appropriate filings with the SEC.

Section 7.15.....Insurance. The Borrower and each Subsidiary maintains adequate insurance and/or self insurance coverage in at least such amounts and against at least such risks (but including in any event public liability) as are usually insured against by companies engaged in the same or a similar business, similarly situated, for the assets and operations of the Borrower and each Subsidiary including, without limitation, environmental risk insurance to the extent reasonably necessary.

Section 7.16.....Reportable Transaction. Neither the Borrower nor any of its Subsidiaries expects to identify one or more of the Loans under this Agreement as a "reportable transaction" on IRS Form 8886 filed with the U.S. tax returns for purposes of Section 6011, 6111 or 6112 of the Code or the Treasury Regulations promulgated thereunder.

ARTICLE VIII.....

AFFIRMATIVE COVENANTS

The Borrower covenants and agrees that, so long as any of the Commitments are in effect and until payment in full of all Indebtedness hereunder, all interest thereon and all other amounts payable by the Borrower hereunder:

Section 8.01.....Reporting Requirements. The Borrower shall deliver, or shall cause to be delivered, to the Administrative Agent and to the Lenders:

(a) Annual Financial Statements. As soon as available and in any event within 120 days after the end of each fiscal year of the Borrower, financial statements prepared in accordance with GAAP. The annual statements shall be audited by independent auditors of recognized national standing acceptable to the Administrative Agent and shall include a report of the independent auditors stating that in their opinion such financial statements present fairly, in all material respects, the Consolidated financial position of the Borrower and its Consolidated subsidiaries and the Consolidated results of their operations and their Consolidated cash flows for the respective years, in conformity with accounting principles generally accepted in the United States. In addition, such opinion shall not contain a "going concern" or like qualification or exception.

(b) Quarterly Financial Statements. As soon as available and in any event within 60 days after the end of each of the first three fiscal quarterly periods of each fiscal year of the Borrower, Consolidated statements of income, common stockholders' equity and cash flows of the Borrower and its Consolidated Subsidiaries for the period from the beginning of the respective fiscal year to the end of such period, and the related Consolidated balance sheets as at the end of such period, and setting forth in each case in comparative form the corresponding figures for the

corresponding period in the preceding fiscal year, accompanied by the certificate of a Financial Officer, which certificate shall state that said financial statements fairly present the Consolidated financial position and results of operations and cash flows of the Borrower and its Consolidated Subsidiaries in accordance with GAAP, as at the end of, and for, such period (subject to normal year-end audit adjustments).

(c) Notice of Default, Etc. Promptly after the Borrower knows that any Default or any Material Adverse Effect has occurred, a notice of such Default or Material Adverse Effect, describing the same in reasonable detail and the action the Borrower proposes to take with respect thereto.

(d) SEC Filings, Etc. Promptly upon its becoming available, (i) each Form 10K, Form 10Q and Form 8K, filed by the Borrower with any securities exchange or the SEC or any successor agency and (ii) notice to each Lender of the availability of each registration statement (other than registration statements on Form S-8 or Form S-3 relating to employee benefit or stock option plans) and promptly upon receiving a written request therefor, the Borrower will furnish copies of such registration statement to the Lender submitting the request.

(e) Environmental Matters. Notice of any threatened material action, investigation or inquiry by any Governmental Authority of which the Borrower has knowledge, in connection with any Environmental Laws, under circumstances where such threatened action, investigation or inquiry could result in a Material Adverse Effect.

(f) Other Matters. From time to time such other information regarding the business, affairs or financial condition of the Borrower or any Subsidiary (including, without limitation, any Plan or Multiemployer Plan and any reports or other information required to be filed under ERISA) as any Lender or the Administrative Agent may reasonably request.

The Borrower will furnish to the Administrative Agent and the Lenders, at the time it furnishes each set of financial statements pursuant to paragraph (a) or (b) above, a certificate substantially in the form of Exhibit C hereto executed by a Financial Officer certifying as to the matters set forth therein and stating that such financial statements have been prepared in accordance with GAAP and that he has no knowledge that a Default has occurred and is continuing (or, if any Default has occurred and is continuing, describing the same in reasonable detail and the action the Borrower proposes to take with respect thereto).

Section 8.02.....Litigation. The Borrower shall promptly, after the commencement thereof, give to the Administrative Agent and the Lenders notice of all litigation, legal, administrative or arbitral proceedings investigation or other action of any nature of this type described in Section 7.03 hereof. The Borrower will, and will cause each of the Subsidiaries to, promptly notify the Administrative Agent and each of the Lenders of any judgment affecting any Property of the Borrower or any Subsidiary if the value of the judgment affecting such Property shall exceed $50,000,000. Upon request of the Administrative Agent or any Lender the Borrower will furnish to the Agent and such Lender a list of any Liens on Property of the Borrower or any Subsidiary securing an obligation of in excess of $25,000,000.

Section 8.03.....Maintenance, Etc.

(a) The Borrower shall and shall use its best efforts to cause each Subsidiary to: preserve and maintain its existence and all of its material rights, privileges and franchises (provided, however, that nothing herein contained shall prevent any merger or consolidation permitted by Section 9.03) pay and discharge all taxes, assessments and governmental charges or levies imposed on it or on its income or profits or on any of its Property prior to the date on which penalties attach thereto, except for any such tax, assessment, charge or levy the payment of which is being contested in good faith and by proper proceedings and against which adequate reserves are being maintained or which is not a material liability of the Borrower or any Substantial Subsidiary in relation to the Consolidated financial condition of the Borrower and Subsidiaries taken as a whole.

(b) The Borrower will and will cause each Subsidiary to operate its Properties or cause such Properties to be operated in a careful and efficient manner in accordance with the practices of the industry and in material respects in compliance with all material contracts and agreements and with all applicable Governmental Requirements except where the failure to do so would not reasonably be expected to result in a Material Adverse Effect.

(c) The Borrower will keep or cause to be kept all property of a character usually insured by Persons engaged in the same or a similar business, similarly situated against loss or damage of all kinds and in amounts customarily insured against by such Persons and carry such other insurance as is usually carried by such Persons including, without limitation, environmental risk insurance, through self insurance or with financially sound and reputable insurers.

Section 8.04.....Further Assurances. The Borrower will and will use its best efforts to cause each Subsidiary to cure promptly any defects in the creation and issuance of the Notes and the execution and delivery of this Agreement. The Borrower at its expense will and will use its best efforts to cause each Subsidiary to promptly execute and deliver to the Administrative Agent upon request all such other documents, agreements and instruments as may be reasonably requested to comply with or accomplish the covenants and agreements of the Borrower or any Subsidiary, as the case may be, in this Agreement, or to further evidence and more fully describe the collateral intended as security for the Notes, or to state more fully the

security obligations set out herein, or to make any recordings, to file any notices or obtain any consents, all as may be necessary or appropriate in connection therewith.

Section 8.05.....Performance of Obligations. The Borrower will pay the Notes according to the reading, tenor and effect thereof; and the Borrower will and will use its best efforts to cause each Subsidiary to do and perform every act and discharge all of the obligations to be performed and discharged by them under this Agreement, at the time or times and in the manner specified.

Section 8.06.....ERISA Information and Compliance. The Borrower will promptly furnish and will cause the Subsidiaries and any ERISA Affiliate to promptly furnish to the Administrative Agent and the Lenders (a) immediately upon becoming aware of the occurrence of any ERISA Event or of any "prohibited transaction," as described in section 406 of ERISA or in section 4975 of the Code, in connection with any Plan or any trust created thereunder that results in a Material Adverse Effect, a written notice signed by a Financial Officer specifying the nature thereof, what action the Borrower, the Subsidiary or the ERISA Affiliate is taking or proposes to take with respect thereto, and, when known, any action taken or proposed by the Internal Revenue Service, the Department of Labor or the PBGC with respect thereto, (b) immediately upon receipt thereof, copies of any notice of the PBGC's intention to terminate or to have a trustee appointed to administer any Plan (c) immediately upon receipt of a notice from a Multiemployer Plan regarding the imposition of withdrawal liability in an amount that would constitute a Material Adverse Effect, a true and complete copy of such notice and (d) immediately upon becoming aware that a Multiemployer Plan has been terminated, that the administrator or plan sponsor of a Multiemployer Plan intends to terminate a Multiemployer Plan, or that the PBGC has instituted or intends to institute proceedings under section 4042 of ERISA to terminate a Multiemployer Plan, a written notice signed by a Financial Officer, specifying the nature of such occurrence and any other information relating thereto requested by the Majority Lenders. With respect to each Plan (other than a Multiemployer Plan), the Borrower will, and will cause each Subsidiary and ERISA Affiliate to, (i) satisfy in full and in a timely manner, without incurring any late payment or underpayment charge or penalty and without giving rise to any lien, all of the contribution and funding requirements of section 412 of the Code (determined without regard to subsections (d), (e), (f) and (k) thereof) and of section 302 of ERISA (determined without regard to sections 303, 304 and 306 of ERISA), and (ii) pay, or cause to be paid, to the PBGC in a timely manner, without incurring any late payment or underpayment charge or penalty, all premiums required pursuant to sections 4006 and 4007 of ERISA.

Section 8.07.....Compliance with Laws. The Borrower will, and will cause each of its Subsidiaries to, comply with the laws, rules, regulations and orders of any Governmental Authority applicable to it or its Properties (including, without limitation, Environmental Laws), except where the failure to do so would not reasonably be expected to result in a Material Adverse Effect.

Section 8.08.....Payment of Taxes. The Borrower will, and will cause each of its Subsidiaries to, pay its Taxes, that, if not paid, could result in a Material Adverse Effect before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) the Borrower or such Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (c) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect.

ARTICLE IX.....

NEGATIVE COVENANTS

The Borrower covenants and agrees that, so long as any of the Commitments are in effect and until payment in full of Loans hereunder, all interest thereon and all other amounts payable by the Borrower hereunder, without the prior written consent of the Majority Lenders:

Section 9.01.....Liens. The Borrower will not, and will not permit any Subsidiary to, create, incur, assume or permit to exist any Lien on any Property now owned or hereafter owned by it, except:

(a) any Lien on any property or asset of the Borrower or any Subsidiary existing on the date hereof;

(b) easements, rights-of-way, minor defects or irregularities in title and other similar encumbrances having no material adverse effect on the use or value of property or on the conduct of the Borrower's business;

(c) unexercised liens for taxes not delinquent or being contested in good faith by appropriate proceedings and for which adequate reserves are being maintained;

(d) mechanics, suppliers, materialmen's and similar liens arising in the ordinary course of business which are being contested in good faith by appropriate action so long as the execution of such liens has been stayed;

(e) deposits to secure workers' compensation, unemployment insurance, environmental liabilities and other similar items to the extent required by applicable law and not securing indebtedness;

(f) Liens on equipment arising from capital leases;

(g) any Lien existing on any property or asset prior to the acquisition

thereof by the Borrower or any Subsidiary or existing on any property or asset of any Person that becomes a Subsidiary after the date hereof prior to the time such Person becomes a Subsidiary; provided that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Subsidiary, as the case may be, (ii) such Lien shall not apply to any other property or assets of the Borrower or any Subsidiary and (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Subsidiary, as the case may be;

(h) Liens on fixed or capital assets acquired, constructed or improved by the Borrower or any Subsidiary; provided that (i) such security interests and the Debt secured thereby are incurred prior to or within 45 days after such acquisition or the completion of such construction or improvement and (ii) such security interests shall not apply to any other property or assets of the Borrower or any Subsidiary;

(i) Liens on office buildings and research facilities;

(j) Liens which secure Debt owing by a Subsidiary to the Borrower or another Subsidiary;

(k) any extension, renewal or replacement (or successive extensions, renewals or replacements), in whole or in part, of any Liens referred to in the foregoing clauses (a), (f), (g), (h), (i) and (j), provided that the principal amount of the Debt secured thereby shall not exceed the principal amount of the Debt so secured at the time of such extension, renewal or replacement, and that such extension, renewal or replacement Liens shall be limited to all or part of substantially the same property which secured the Liens extended, renewed or replaced (plus improvements on such property);

(l) Liens on Excess Margin Stock, if any, with Excess Margin Stock determined on the date a Lien on such Excess Margin Stock is affixed;

(m) the entry into indemnity agreements in connection with the issuance of surety bonds by one or more insurance companies at the request of Borrower or a Subsidiary; and

(n) in addition to the foregoing, any other Liens securing Debt which in the aggregate amount does not exceed an amount equal to 10% of Consolidated assets of the Borrower as at the end of the then most recently completed fiscal quarter as reflected on the financial statements delivered pursuant hereto.

Section 9.02.....Sales and Leasebacks. The Borrower will not nor will it permit any Subsidiary to enter into any arrangement, directly or indirectly, with any Person whereby the Borrower or any Subsidiary shall sell or transfer any of its Property, whether now owned or hereafter acquired, and whereby the Borrower or any Subsidiary shall then or thereafter rent or lease for a period of more than three years as lessee such Property or any part thereof or other Property which the Borrower or any Subsidiary intends to use for substantially the same purpose or purposes as the Property sold or transferred unless either (i) the Borrower or such Subsidiary would be entitled, pursuant to the provisions of Section 9.01, to create Debt secured by a Lien on the Property to be leased, or (ii) the Borrower (and in any such case the Borrower covenants and agrees that it will do so), within four months after the effective date of such sale and lease-back transaction (whether made by the Borrower or a Subsidiary), applies to the retirement of Debt of the Borrower maturing by the terms thereof more than one year after the original creation thereof (hereinafter in this Section called "Funded Debt") an amount equal to the greater of (A) the net proceeds of the sale of the real property leased pursuant to such arrangement or (B) the fair value of the real property so leased at the time of entering into such arrangement (as determined by the Borrower's Board of Directors); provided that the amount to be applied to the retirement of Funded Debt shall be reduced by an amount equal to the principal amount of other Funded Debt voluntarily retired by the Borrower within such four-month period, excluding retirements of Funded Debt pursuant to mandatory sinking fund or prepayment provisions or by payment at maturity.

Section 9.03.....Mergers, Etc. The Borrower shall not merge into or with or consolidate with any other Person, or sell, lease or otherwise dispose of all or substantially all of its Property or assets to any other Person unless:

(a) such Person assumes the obligations of the Borrower hereunder and under the Notes and the performance of the covenants of the Borrower under this Agreement in writing reasonably satisfactory in form and substance to the Majority Lenders; and

(b) immediately thereafter and after giving effect thereto, no Event of Default shall have occurred and be continuing;

provided, however, that, notwithstanding the foregoing, the Borrower shall be permitted to sell, transfer or otherwise dispose of its investment in MAP and such sale, transfer or other disposition will not be viewed as a sale of all or substantially all the Borrower's assets.

Section 9.04.....Proceeds of Notes. The Borrower will not permit the proceeds of the Notes to be used for any purpose other than those permitted by Section 7.07. Neither the Borrower nor any Person acting on behalf of the Borrower has taken or will take any action which might cause this Agreement or the Notes to violate Regulation G, U or X or any other regulation of the Board of Governors of the Federal Reserve System or to violate Section 7 of the Securities Exchange Act of 1934 (as amended, the "Exchange Act") or any rule or regulation thereunder, in each case as now

in effect or as the same may hereinafter be in effect.

Section 9.05.....ERISA Compliance. The Borrower will not at any time:

(a) Engage in, or permit any Subsidiary or ERISA Affiliate to engage in, any transaction in connection with which the Borrower, any Subsidiary or any ERISA Affiliate could be subjected to either a civil penalty assessed pursuant to section 502(c), (i) or (1) of ERISA or a tax imposed by Chapter 43 of Subtitle D of the Code, that would have a Material Adverse Effect;

(b) Terminate, or permit any Subsidiary or ERISA Affiliate to terminate, any Plan in a manner, or take any other action with respect to any Plan, which could result in any liability to the Borrower; any Subsidiary or any ERISA Affiliate to the PBGC, that would have a Material Adverse Effect;

(c) Fail to make, or permit any Subsidiary or ERISA Affiliate to fail to make, full payment when due of all amounts which, under the provisions of any Plan or applicable law, the Borrower, a Subsidiary or any ERISA Affiliate is required to pay as contributions thereto;

(d) Permit to exist, or allow any Subsidiary or ERISA Affiliate to permit to exist, any accumulated funding deficiency within the meaning of Section 302 of ERISA or section 412 of the Code, whether or not waived, with respect to any Plan;

(e) Permit any Pension Plan to have any Unfunded Pension Liability that would result in the violation of any funding requirements under Section 302 of ERISA or Section 412 of the Code;

(f) Acquire, or permit any Subsidiary or ERISA Affiliate to acquire, an interest in any Person that causes such Person to become an ERISA Affiliate with respect to the Borrower, any Subsidiary or any ERISA Affiliate if such Person at the time of such acquisition, maintains or contributes to (1) any Multiemployer Plan if the then existing potential withdrawal liability of such Person to such Multiemployer Plan, if imposed, would have a Material Adverse Effect or (2) any other Plan that is subject to Title IV of ERISA if immediately prior to such acquisition, the funded current liability percentage (as defined in section 302(d)(8) of ERISA) of such Plan is below 90% or the Plan otherwise fails to satisfy the requirements of section 302(d)(9)(B) of ERISA);

(g) Incur, or permit any Subsidiary or ERISA Affiliate to incur, a liability to or on account of a Plan under sections 515, 4062, 4063, 4064, 4201 or 4204 of ERISA;

(h) Amend or permit any Subsidiary or ERISA Affiliate to amend, a Plan resulting in an increase in current liability such that the Borrower, any Subsidiary or any ERISA Affiliate is required to provide security to such Plan under section 401(a)(29) of the Code.

Section 9.06.....Leverage Ratio. The Borrower shall not permit the ratio of Consolidated Debt to the sum of Consolidated Debt and Stockholders' Equity to exceed at any time 60%.

Section 9.07.....Transactions with Affiliates. Neither the Borrower nor any Subsidiary will enter into any transaction, including, without limitation, any purchase, sale, lease or exchange of Property or the rendering of any service, with any Affiliate unless such transactions are otherwise permitted under this Agreement, are in the ordinary course of its business and are upon fair and reasonable terms no less favorable to the Borrower or such Subsidiary than it would obtain in a comparable arm's length transaction with a Person not an Affiliate.

ARTICLE X.....

EVENTS OF DEFAULT; REMEDIES

Section 10.01.....Events of Default. One or more of the following events shall constitute an "Event of Default":

(a) the Borrower shall default in the payment or prepayment when due of any principal of any Loan, or any interest on any Loan, fees or other amount payable by it hereunder which such default, other than a default in payment or prepayment of principal (which shall have no cure period), shall continue unremedied for a period of 10 Business Days; or

(b) at any time (i) a default, without cure, shall exist by the Borrower or any Substantial Subsidiary in payment when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), including any applicable grace period, of any principal or stated amount of or interest on any of its other Debt aggregating $25,000,000 or more, or any amount equal to or greater than an aggregate of $10,000,000 payable in respect of Hedging Agreements when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) including any applicable grace period, or (ii) any event specified in any note, agreement, indenture or other document evidencing or relating to any Debt having an outstanding principal balance or stated amount aggregating $50,000,000 or more, or any Hedging Agreement shall occur if the effect of any such event is to cause such Debt or sums aggregating $10,000,000 or more payable under one or more Hedging Agreements to actually become due prior to its or their stated maturity; or

(c) any representation, warranty or certification made or deemed made herein by the Borrower or any Subsidiary, or any certificate furnished to any Lender or the Administrative Agent pursuant to the provisions hereof, shall prove to have been false or misleading as of the time made or furnished in any material respect; or

(d) the Borrower shall default in the performance of any of its obligations under Section 9.03; or the Borrower shall default in the performance of any of its obligations under Article IX (other than Section 9.03) and such default shall continue unremedied for a period of five (5) Business Days; or the Borrower shall default in the performance of any of its obligations under Article VIII (other than the payment of amounts due which shall be governed by Section 10.01(a)) or any other Article of this Agreement other than under Article IX and such default shall continue unremedied for a period of thirty (30) days after the earlier to occur of (i) notice thereof to the Borrower by the Administrative Agent or any Lender (through the Administrative Agent), or (ii) the Borrower otherwise becoming aware of such default; or

(e) the Borrower, any Substantial Subsidiary or MAP shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or the Board of Directors of the Borrower or any Substantial Subsidiary or the Board of Managers of MAP shall take any action to authorize any of the foregoing;

(f) an involuntary case or other proceeding shall be commenced against the Borrower, any Substantial Subsidiary or MAP seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed or unstayed for a period of sixty (60) days or an order for relief shall be entered against the Borrower, any Substantial Subsidiary or MAP under the federal bankruptcy laws as now or hereafter in effect, or

(g) a judgment or judgments for the payment of money in excess of $25,000,000 in the aggregate shall be rendered by a court against the Borrower or any Substantial Subsidiary (i) and the same shall not be discharged (or, with respect to a judgment of a court other than a United States State or Federal court, adequate provision shall not be made for such discharge), or (ii) a stay of execution thereof shall not be procured, within thirty (30) days from the date of entry thereof or such longer period as the Borrower shall have to perfect an appeal and the Borrower or such Subsidiary shall not, within said period, or such longer period during which execution of the same shall have been stayed, appeal therefrom and cause the execution thereof to be stayed during such appeal.

Section 10.02.....Remedies.

(a) In the case of an Event of Default other than one referred to in clauses (e) or (f) of Section 10.01 the Administrative Agent, upon request of the Majority Lenders, shall, by notice to the Borrower, cancel the Commitments and/or declare the principal amount then outstanding of, and the accrued interest on, the Loans and all other amounts payable by the Borrower hereunder and under the Notes to be forthwith due and payable, whereupon such amounts shall be immediately due and payable without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other formalities of any kind, all of which are hereby expressly waived by the Borrower.

(b) In the case of the occurrence of an Event of Default referred to in clauses (e) or (f) of Section 10.01 the Commitments shall be automatically canceled and the principal amount then outstanding of, and the accrued interest on, the Loans and all other amounts payable by the Borrower hereunder and under the Notes shall become automatically immediately due and payable without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other formalities of any kind, all of which are hereby expressly waived by the Borrower.

(c) All proceeds received after maturity of the Notes, whether by acceleration or otherwise shall be applied pro-rata to the Lenders in accordance with their related Percentage Shares: first to reimbursement of expenses and indemnities provided for in this Agreement; second to accrued interest on the Notes; third to fees; fourth to principal outstanding on the Notes and other Indebtedness; and any excess shall be paid to the Borrower or as otherwise required by any Governmental Requirement.

(d) In connection with any legal action or proceeding with respect to this Agreement or the Notes, the Administrative Agent, the Lenders and the Borrower each agrees and each agrees on behalf of its Affiliates that in no event shall any of them be entitled to or claim any punitive, consequential, exemplary or special damages against any of the other parties hereto.

ARTICLE XI.....

THE ADMINISTRATIVE AGENT

Section 11.01.....Appointment, Powers and Immunities. Each Lender hereby irrevocably appoints and authorizes the Administrative Agent to act as its agent hereunder with such powers as are specifically delegated to the Administrative Agent by the terms of this Agreement, together with such other powers as are reasonably incidental thereto. The Administrative Agent (which term as used in this sentence and in Section 11.05 and the first

sentence of Section 11.06 shall include reference to its Affiliates and its and its Affiliates' officers, directors, employees, attorneys, accountants, experts and agents, but only to the extent such Affiliate or Person is acting on behalf of the Administrative Agent): (a) shall have no duties or responsibilities except those expressly set forth herein or in the Notes, and shall not by reason hereof or by reason of the Notes be a trustee or fiduciary for any Lender; (b) makes no representation or warranty to any Lender and shall not be responsible to the Lenders for any recitals, statements, representations or warranties contained in this Agreement, or in any certificate or other document referred to or provided for in, or received by any of them under, this Agreement, or for the value, validity, effectiveness, genuineness, execution, effectiveness, legality, enforceability or sufficiency of this Agreement, any Note or any other document referred to or provided for herein or for any failure by the Borrower or any other Person (other than the Administrative Agent) to perform any of its obligations hereunder or thereunder or for the existence, value, perfection or priority of any collateral security or the financial or other condition of the Borrower, the Subsidiaries or any other obligor or guarantor; (c) except pursuant to Section 11.07 shall not be required to initiate or conduct any litigation or collection proceedings hereunder; and (d) shall not be responsible for any action taken or omitted to be taken by it hereunder or under any other document or instrument referred to or provided for herein or in connection herewith including its own ordinary negligence, except for its own gross negligence or willful misconduct. The Administrative Agent may employ agents, accountants, attorneys and experts and shall not be responsible for the negligence or misconduct of any such agents, accountants, attorneys or experts selected by it in good faith or any action taken or omitted to be taken in good faith by it in accordance with the advice of such agents, accountants, attorneys or experts. The Administrative Agent may deem and treat the payee of any Note as the holder thereof for all purposes hereof unless and until a written notice of the assignment or transfer thereof permitted hereunder shall have been filed with the Administrative Agent. The Administrative Agent is authorized to release any collateral that is permitted to be sold or released pursuant to the terms hereof or of the Notes.

Section 11.02.....Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon any certification, notice or other communication (including any thereof by telephone, telex, facsimile, telegram or cable) believed by it to be genuine and correct and to have been signed or sent by or on behalf of the proper Person or Persons, and upon advice and statements of legal counsel, independent accountants and other experts selected by the Administrative Agent.

Section 11.03.....Defaults. The Administrative Agent shall not be deemed to have knowledge of the occurrence of a Default (other than the non-payment of principal of or interest on Loans or of fees) unless the Administrative Agent has received notice from a Lender or the Borrower specifying such Default and stating that such notice is a "Notice of Default." In the event that the Administrative Agent receives such a notice of the occurrence of a Default, the Administrative Agent shall give prompt notice thereof to the Lenders. In the event of a payment Default, the Administrative Agent shall give each Lender prompt notice of each such payment Default.

Section 11.04.....Rights as a Lender. With respect to its Commitments and the Loans made by it, Scotia Capital (and any successor acting as the Administrative Agent) in its capacity as a Lender hereunder shall have the same rights and powers hereunder as any other Lender and may exercise the same as though it were not acting as the Administrative Agent, and the term "Lender" or "Lenders" shall, unless the context otherwise indicates, include the Administrative Agent in its individual capacity. Scotia Capital (and any successor acting as the Administrative Agent) and its Affiliates may (without having to account therefor to any Lender) accept deposits from, lend money to and generally engage in any kind of banking, trust or other business with the Borrower (and any of its Affiliates) as if it were not acting as the Administrative Agent, and Scotia Capital and its Affiliates may accept fees and other consideration from the Borrower for services in connection with this Agreement or otherwise without having to account for the same to the Lenders.

Section 11.05.....Indemnification. The Lenders agree to indemnify the Administrative Agent ratably in accordance with their Percentage Shares for (i) the matters as described in section 12.03 to the extent not indemnified and reimbursed by the Borrower under section 12.03, but without limiting the obligations of the Borrower under said section 12.03, and (ii) for any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever which may be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of: (i) this Agreement or any other documents contemplated by or referred to herein or the transactions contemplated hereby, but excluding, unless a Default has occurred and is continuing, normal administrative costs and expenses incident to the performance of its agency duties hereunder or (ii) the enforcement of any of the terms of this Agreement; whether or not any of the foregoing specified in this Section 11.05 arises from the sole or concurrent negligence of the Administrative Agent, provided that no Lender shall be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the Administrative Agent.

Section 11.06.....Non-Reliance on Administrative Agent and other Lenders. Each Lender acknowledges and agrees that it has, independently and without reliance on the Administrative Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own credit analysis of the Borrower and its decision to enter into this Agreement, and that it will, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own analysis

and decisions in taking or not taking action under this Agreement. The Administrative Agent shall not be required to keep itself informed as to the performance or observance by the Borrower hereof, of the Notes or any other document referred to or provided for herein or to inspect the properties or books of the Borrower. Except for notices, reports and other documents and information expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the affairs, financial condition or business of the Borrower (or any of its Affiliates) which may come into the possession of the Administrative Agent or any of its Affiliates. In this regard, each Lender acknowledges that Mayer, Brown, Rowe & Maw LLP is acting in this transaction as special counsel to the Administrative Agent only. Each Lender will consult with its own legal counsel to the extent that it deems necessary in connection herewith or with the Notes and the matters contemplated therein.

Section 11.07.....Action by Administrative Agent. Except for action or other matters expressly required of the Administrative Agent hereunder, the Administrative Agent shall in all cases be fully justified in failing or refusing to act hereunder unless it shall (a) receive written instructions from the Majority Lenders (or all of the Lenders as expressly required by Section 12.04) specifying the action to be taken and (b) be indemnified to its satisfaction by the Lenders against any and all liability and expenses which may be incurred by it by reason of taking or continuing to take any such action. The instructions of the Majority Lenders (or all of the Lenders as expressly required by Section 12.04) and any action taken or failure to act pursuant thereto by the Administrative Agent shall be binding on all of the Lenders. If a Default has occurred and is continuing, the Administrative Agent shall take such action with respect to such Default as shall be directed by the Majority Lenders (or all of the Lenders as required by Section 12.04) in the written instructions (with indemnities) described in this Section 11.07, provided that, unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default as it shall deem advisable in the best interests of the Lenders. In no event, however, shall the Administrative Agent be required to take any action which exposes the Administrative Agent to personal liability or which is contrary to this Agreement or applicable law.

Section 11.08.....Resignation of Administrative Agent. The Administrative Agent may resign at any time by giving notice thereof to the Lenders and the Borrower. Upon any such resignation, the Majority Lenders shall have the right to appoint a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Majority Lenders and shall have accepted such appointment within sixty (60) days after the retiring Administrative Agent's giving of notice of resignation, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent; provided that, if, such retiring Administrative Agent is unable to find a commercial banking institution which is willing to accept such appointment, the retiring Administrative Agent's resignation shall nevertheless thereupon become effective and the Borrower shall have the right to appoint a successor agent (including a financial institution not a Lender), unless the Majority Lenders appoint a successor as provided for above. Upon the acceptance of such appointment hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent. After any retiring Administrative Agent's resignation hereunder as the Administrative Agent, the provisions of this Article XI and Section 12.03 shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Administrative Agent.

ARTICLE XII.....

MISCELLANEOUS

Section 12.01.....Waiver. No failure on the part of the Administrative Agent or any Lender to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege hereunder or under the Notes shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder or under the Notes preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

Section 12.02.....Notices. All notices and other communications provided for herein and in the Notes (including, without limitation, any modifications of, or waivers or consents under, this Agreement or the Notes) shall be given or made by facsimile, courier or U.S. Mail or in writing and transmitted, mailed or delivered to the intended recipient as follows, (a) if to the Borrower or the Administrative Agent, at the "Address for Notices" specified below its name on the signature pages hereof or in the Notes; and (b) if to any Lender, to the address specified in the "Administrative Questionnaire" form supplied by the Administrative Agent; or, as to any party, at such other address as shall be designated by such party in a notice to each other party. Except as otherwise provided in this Agreement or in the Notes, all such communications shall be deemed to have been duly given when transmitted, if transmitted before 1:00 p.m. local time of the recipient on a Business Day (otherwise on the next succeeding Business Day) by facsimile and evidence or confirmation of receipt is obtained, or personally delivered or, in the case of a mailed notice, three (3) Business Days after the date deposited in the mails, postage prepaid, in each case given or addressed as aforesaid.

Section 12.03.....Expenses; Indemnity; Damage Waiver.

(a) The Borrower shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with this Agreement, the preparation and administration of this Agreement and the Notes or any amendments, modifications or waivers of the provisions hereof or thereto, as the case may be, (ii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent or any Lender, including the fees, charges and disbursements of any counsel for the Administrative Agent or any Lender, in connection with the enforcement or protection of its rights in connection with this Agreement, including its rights under this Section, or in connection with the Loans made hereunder, including in connection with any workout, restructuring or negotiations in respect thereof.

(b) The Borrower agrees to indemnify and hold harmless the Administrative Agent and each Lender, each Affiliate of such party, and all officers, directors, employees, agents and advisors of such party (each such Person being called an "Indemnitee") against any and all liabilities, losses, damages, costs and reasonable expenses of any kind which may be incurred by any Indemnitee in any way relating to, arising out of this Agreement or the Notes or any claim, litigation, investigation or proceeding relating to any of the foregoing ("Proceedings") including any of the foregoing arising from the negligence of the Indemnitee (whether or not any Indemnitee shall be designated a party thereto) and to reimburse such Indemnitee for any legal or other reasonable and documented out-of-pocket expenses as they are incurred in connection with investigating or defending the foregoing; provided that no Indemnitee shall have the right to be indemnified hereunder for its own gross negligence or willful misconduct or for its failure to perform its obligations hereunder or under the Notes.

(c) Promptly after receipt by an Indemnitee of notice of the commencement of any Proceedings, such Indemnitee will, if a claim in respect thereof is to be made against the Borrower, notify the Borrower in writing of the commencement thereof; provided that (i) the omission so to notify the Borrower will not relieve it from any liability which it may have hereunder except to the extent it has been materially prejudiced by such failure and (ii) the omission so to notify the Borrower will not relieve it from any liability which it may have to an Indemnitee otherwise than on account of this indemnity agreement. In case any such Proceedings are brought against any Indemnitee and it notifies the Borrower of the commencement thereof, the Borrower will be entitled to participate therein, and, may elect by written notice delivered to the Indemnitee to assume the defense thereof, with counsel reasonably satisfactory to such Indemnitee; provided further, that if the defendants in any such Proceedings include both the Indemnitee and the Borrower and the Indemnitee shall have been advised by counsel that its interest in the Proceeding are likely to conflict with those of the Borrower or that such litigation may result in a non-indemnified claim, the Indemnitee shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such proceedings on behalf of such Indemnitee. Upon receipt of notice from the Borrower to such Indemnitee of its election so to assume the defense of such Proceedings and approval by the Indemnitee of counsel, the Borrower will not be liable to such Indemnitee for expenses incurred by the Indemnitee in connection with the defense thereof (other than reasonable costs of investigation) unless (A) the Indemnitee shall have employed separate counsel in connection with a conflict of interest in accordance with the proviso to the next preceding sentence (it being understood, however, that the Borrower shall not be liable for the expenses of more than one separate counsel, approved by the Administrative Agent, representing the Indemnitees who are parties to such proceedings), (B) the Borrower shall not have employed counsel reasonably satisfactory to the Indemnitee to represent the Indemnitee within a reasonable time after notice of commencement of the proceedings or (C) the Borrower has authorized in writing the employment of separate counsel for the Indemnitee; and except that, if clause (A) or (C) is applicable, such liability shall be only in respect of the counsel referred to in such clause (A) or (C). Notwithstanding any other provision of this Agreement, no settlement shall be entered into without the Borrower's prior written consent, the Borrower shall not be liable to pay any settlement agreed to without its prior written consent provided the Borrower, at the reasonable request of the Administrative Agent, puts up collateral with the Administrative Agent, to sufficiently pay any liability that may reasonably be incurred in connection with such Proceeding. In addition, no settlement involving any Indemnitee who is a party to such Proceeding may be entered into by the Borrower on behalf of such Indemnitee if such settlement contains any admission of liability or fault by the Indemnitee and unless a full release of the Indemnitee is entered into in connection therewith. At any time after the Borrower has assumed the defense of any Proceeding involving any Indemnitee, such Indemnitee may elect to withdraw its request for indemnity and thereafter the defense of such Proceeding on behalf of such Indemnitee shall be maintained by counsel of the Indemnitee's choosing and at the Indemnitee's expense.

(d) To the extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, any Loan or the use of the proceeds thereof.

Section 12.04.....Amendments, Etc. Except as otherwise set forth herein, any provision of this Agreement may be amended, modified or waived with the prior written consent of the Borrower and the Majority Lenders; provided that (a) no amendment, modification or waiver which extends the Termination Date of the Loans, increases the Aggregate Commitments, forgives the

principal amount of any Indebtedness outstanding under this Agreement, postpones any scheduled date for the payment of principal, interest or fees, reduces the interest rate applicable to the Loans or the fees payable to the Lenders generally, affects this Section 12.04 or Section 12.06(a) or modifies the definition of "Majority Lenders" shall be effective without consent of all Lenders, (b) no amendment, modification or waiver which increases the Commitment of any Lender shall be effective without the consent of such Lender, and (c) no amendment, modification or waiver which modifies the rights, duties or obligations of the Administrative Agent shall be effective without the consent of the Administrative Agent.

Section 12.05.....Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Section 12.06.....Assignments and Participations.

(a) The Borrower may not assign its rights or obligations hereunder or under the Notes without the prior consent of all of the Lenders and the Administrative Agent.

(b) Any Lender may, upon the written consent of the Administrative Agent and the Borrower (so long as no Default or Event of Default shall be in existence, in which case the consent of the Borrower shall not be required) (which consent will not be unreasonably withheld or delayed), assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement pursuant to an Assignment Agreement substantially in the form of Exhibit E (an "Assignment") provided, however, that (i) any such assignment shall be in the amount of at least $10,000,000 (or, if less, the then entire remaining amount of such Lender's Loans and Commitments) or such lesser amount to which the Borrower has consented, (ii) the assignee or assignor shall pay to the Administrative Agent a processing and recordation fee of $3,500.00 for each assignment, (iii) there shall be no assignment to an Eligible Assignee if such assignment would violate any applicable law, rule or regulation, and (iv) an assignment by a Lender under this Section 12.06(b) to such Lender's Affiliate which is an Eligible Assignee shall not require consent of the Administrative Agent or the Borrower. Any such assignment will become effective upon the execution and delivery to the Administrative Agent of the Assignment and the consent of the Administrative Agent. Promptly after receipt of an executed Assignment, the Administrative Agent shall send to the Borrower a copy of such executed Assignment. Upon receipt of such executed Assignment, the Borrower, will, at its own expense, execute and deliver new Notes to the assignor and/or assignee, as appropriate, in accordance with their respective interests as they appear. Upon the effectiveness of any assignment pursuant to this Section 12.06(b), the assignee will become a "Lender," if not already a "Lender," for all purposes of this Agreement. The assignor shall be relieved of its obligations hereunder to the extent of such assignment (and if the assigning Lender no longer holds any rights or obligations under this Agreement, such assigning Lender shall cease to be a "Lender" hereunder except that its rights under Sections 4.06, 5.01, 5.05 and 12.03 shall not be affected). The Administrative Agent will prepare on the last Business Day of each month during which an assignment has become effective pursuant to this Section 12.06(b), a new Annex 1 giving effect to all such assignments effected during such month, and will promptly provide the same to the Borrower and each of the Lenders.

(c) Each Lender may transfer, grant or assign participations in all or any part of such Lender's interests hereunder pursuant to this Section 12.06(c) to any Person, provided that: (i) such Lender shall remain a "Lender" for all purposes of this Agreement and the transferee of such participation shall not constitute a "Lender" hereunder; and (ii) no participant under any such participation shall have rights to approve any amendment to or waiver of any of this Agreement or the Notes except to the extent such amendment or waiver would (y) forgive any principal owing on any Indebtedness or extend the final maturity of the Loans or (z) reduce the interest rate (other than as a result of waiving the applicability of any post-default increases in interest rates) or fees applicable to any of the commitments or Loans in which such participant is participating, or postpone the payment of any thereof. In the case of any such participation, the participant shall not have any rights under this Agreement (the participant's rights against the granting Lender in respect of such participation to be those set forth in the agreement with such Lender creating such participation), and all amounts payable by the Borrower hereunder shall be determined as if such Lender had not sold such participation, provided that such participant shall be entitled to receive additional amounts under Article V on the same basis as if it were a Lender and be indemnified under Section 12.03 as if it were a Lender. In addition, each agreement creating any participation must include an agreement by the participant to be bound by the provisions of Section 12.15.

(d) The Lenders may furnish any information concerning the Borrower in the possession of the Lenders from time to time to assignees and participants (including prospective assignees and participants); provided that, such Persons agree to be bound by the provisions of Section 12.15 hereof.

(e) Notwithstanding anything in this Section 12.06 to the contrary, any Lender may assign and pledge all or any of its Notes to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any operating circular issued by such Federal Reserve System and/or such Federal Reserve Bank. No such assignment and/or pledge shall release the assigning and/or pledging Lender from its obligations hereunder.

(f) Notwithstanding any other provisions of this Section 12.06, no transfer or assignment of the interests or obligations of any Lender or any grant of

participations therein shall be permitted if such transfer, assignment or grant would require the Borrower to file a registration statement with the SEC or to qualify the Loans under the "Blue Sky" laws of any state.

(g) Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Lender") may grant to a special purpose funding vehicle (a "SPC"), identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Borrower, the option to provide to the Borrower all or any part of any Loan that such Granting Lender would otherwise be obligated to make to the Borrower pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to make any Loan, (ii) if an SPC elects not to exercise such option or otherwise fails to provide all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof, (iii) any such Loan made by such SPC shall be subject to all of the terms and provisions hereof, and (iv) such Granting Lender and SPC shall otherwise be treated and have the rights and obligations as if the SPC was a participant pursuant to Section 12.06(c) above. The making of a Loan by an SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. Each party hereto hereby agrees that no SPC shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the Granting Lender). In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPC, it will not institute against, or join any other person in instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States or any State thereof. In addition, notwithstanding anything to the contrary contained in this Section 12.06, any SPC may (A) with notice to, but without the prior written consent of, the Borrower and the Administrative Agent, assign all or a portion of its interest in any Loan to the Granting Lender or to any financial institutions (consented to by the Borrower and Administrative Agent) providing liquidity and/or credit support to or for the account of such SPC to support the funding or maintenance of Loans and (B) subject to Section 12.15 disclose on a confidential basis any non-public information relating to its Loans to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancement to such SPC. This section may not be amended without the written consent of the Granting Lender.

Section 12.07.....Invalidity. In the event that any one or more of the provisions contained herein or in the Notes shall, for any reason, be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of the Notes or this Agreement.

Section 12.08.....Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

Section 12.09.....References. The words "herein," "hereof," "hereunder" and other words of similar import when used in this Agreement refer to this Agreement as a whole, and not to any particular article, section or subsection. Any reference herein to a Section shall be deemed to refer to the applicable Section of this Agreement unless otherwise stated herein. Any reference herein to an exhibit or schedule shall be deemed to refer to the applicable exhibit or schedule attached hereto unless otherwise stated herein.

Section 12.10.....Survival. The obligations of the parties under Section 4.06, Article V, and Sections 11.05 and 12.03 shall survive the repayment of the Loans and the termination of the commitments. To the extent that any payments on the Indebtedness or proceeds of any collateral are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, debtor in possession, receiver or other Person under any bankruptcy law, common law or equitable cause, then to such extent, the Indebtedness so satisfied shall be revived and continue as if such payment or proceeds had not been received and the Administrative Agent's and the Lenders' Liens, security interests, rights, powers and remedies under this Agreement shall continue in full force and effect.

Section 12.11.....Captions. Captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

Section 12.12.....No Oral Agreements. This Agreement and the Notes embody the entire agreement and understanding between the parties and supersede all other agreements and understandings between such parties relating to the subject matter hereof and thereof. This Agreement and the Notes represent the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

Section 12.13.....Governing Law; Submission to Jurisdiction.

(a) This Agreement and the Notes (including, but not limited to, the validity and enforceability hereof and thereof) shall be governed by, and construed in accordance with, the laws of the State of New York, other than the conflict of laws rules thereof.

(b) Any legal action or proceeding with respect to this Agreement or the Notes shall be brought in the courts of the State of New York or of the

United States of America for the Southern District of New York, and, by execution and delivery of this Agreement, each of the Borrower, the Administrative Agent and each Lender hereby accepts for itself and (to the extent permitted by law) in respect of its Property, generally and unconditionally, the jurisdiction of the aforesaid courts provided, however, that this Section shall not limit the right to remove such suit, action or proceeding from a New York State court to a Federal court sitting in the City of New York. Each of the Borrower, the Administrative Agent and each Lender hereby irrevocably waives any objection, including, without limitation, any objection to the laying of venue or based on the grounds of forum non conveniens, which it may now or hereafter have to the bringing of any such action or proceeding in such respective jurisdictions. This submission to jurisdiction is non-exclusive and does not preclude the parties from obtaining jurisdiction over other parties in any court otherwise having jurisdiction.

(c) The Borrower hereby consents to process being served in any suit, action, or proceeding of the nature referred to in this Section 12.13 by the mailing of a copy thereof by registered or certified air mail, postage prepaid, return receipt requested, to its address specified in Section 12.02 and agrees that such service (i) shall be deemed in every respect effective service of process upon it in any such suit, action or proceeding and (ii) shall, to the fullest extent permitted by law, be taken and held to be valid personal service upon and personal delivery to it. This provision shall not be deemed to apply to any suit, action, or proceeding involving financing relationships which are in no way related to the financing relationship established and contemplated by this Agreement.

(d) Nothing herein shall affect the right of the Borrower, the Administrative Agent or any Lender or any holder of a Note to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against the Borrower in any other jurisdiction.

(e) Each of the Borrower and each Lender hereby (i) irrevocably and unconditionally waive, to the fullest extent permitted by law, trial by jury in any legal action or proceeding relating to this Agreement and for any counterclaim therein; (ii) irrevocably waive, to the maximum extent not prohibited by law, any right it may have to claim or recover in any such litigation any special, exemplary, punitive or consequential damages, or damages other than, or in addition to, actual damages; (iii) certify that no party hereto nor any representative or Administrative Agent of counsel for any party hereto has represented, expressly or otherwise, or implied that such party would not, in the event of litigation, seek to enforce the foregoing waivers, and (iv) acknowledge that it has been induced to enter into this Agreement and the transactions contemplated hereby and thereby by, among other things, the mutual waivers and certifications contained in this Section 12.13.

Section 12.14.....Interest. It is the intention of the parties hereto that each Lender shall conform strictly to usury laws applicable to it. Accordingly, if the transactions contemplated hereby would be usurious as to any Lender under laws applicable to it (including the laws of the United States of America and the State of New York or any other jurisdiction whose laws may be mandatorily applicable to such Lender notwithstanding the other provisions of this Agreement), then, in that event, notwithstanding anything to the contrary herein or in the Notes or any agreement entered into in connection with or as security for the Notes, it is agreed as follows: (a) the aggregate of all consideration which constitutes interest under law applicable to any Lender that is contracted for, taken, reserved, charged or received by such Lender hereunder or under the Notes or any agreements in connection with the Notes shall under no circumstances exceed the maximum amount allowed by such applicable law, and any excess shall be canceled automatically and if theretofore paid shall be credited by such Lender on the principal amount of the Indebtedness (or, to the extent that the principal amount of the Indebtedness shall have been or would thereby be paid in full, refunded by such Lender to the Borrower); and (b) in the event that the maturity of the Notes is accelerated by reason of an election of the holder thereof resulting from any Event of Default under this Agreement or otherwise, or in the event of any required or permitted prepayment, then such consideration that constitutes interest under law applicable to any Lender may never include more than the maximum amount allowed by such applicable law, and excess interest, if any, provided for in this Agreement or otherwise shall be canceled automatically by such Lender as of the date of such acceleration or prepayment and, if theretofore paid, shall be credited by such Lender on the principal amount of the Indebtedness (or, to the extent that the principal amount of the Indebtedness shall have been or would thereby be paid in full, refunded by such Lender to the Borrower). All sums paid or agreed to be paid to any Lender for the use, forbearance or detention of sums due hereunder shall, to the extent permitted by law applicable to such Lender, be amortized, prorated, allocated and spread throughout the stated term of the Loans evidenced by the Notes until payment in full so that the rate or amount of interest on account of any Loans hereunder does not exceed the maximum amount allowed by such applicable law. If at any time and from time to time (i) the amount of interest payable to any Lender on any date shall be computed at the Highest Lawful Rate applicable to such Lender pursuant to this Section 12.14 and (ii) in respect of any subsequent interest computation period the amount of interest otherwise payable to such Lender would be less than the amount of interest payable to such Lender computed at the Highest Lawful Rate applicable to such Lender, then the amount of interest payable to such Lender in respect of such subsequent interest computation period shall continue to be computed at the Highest Lawful Rate applicable to such Lender until the total amount of interest payable to such Lender shall equal the total amount of interest which would have been payable to such Lender if the total amount of interest had been computed without giving effect to this Section 12.14.

Section 12.15.....Confidentiality. In the event that the Borrower provides to the Administrative Agent or the Lenders written or oral confidential information belonging to the Borrower, the Administrative Agent and the Lenders shall thereafter maintain such information in strict confidence and appropriately safeguard such material, at least in accordance with the standards of care and diligence that each utilizes in maintaining its own confidential information. This obligation of confidence shall not apply to such portions of the information which (a) are in the public domain (other than as a result of its disclosure by the Administrative Agent or the Lenders), (b) hereafter become part of the public domain without the Administrative Agent or the Lenders breaching their obligation of confidence to the Borrower, (c) are previously known by the Administrative Agent or the Lenders from some source other than Borrower, (d) are hereafter developed by the Administrative Agent or the Lenders without using the Borrower's information or otherwise violating any obligations of the Administrative Agent or Lenders to the Borrower, (e) are hereafter obtained by or available to the Administrative Agent or the Lenders from a source other than the Borrower, or its agents or representatives, provided that such information was not obtained from such source in a manner which would violate the terms hereof, (f) are disclosed with the Borrower's prior written consent, (g) must be disclosed either pursuant to any Governmental Requirement or to Persons regulating the activities of the Administrative Agent or the Lenders or by the Administrative Agent or any Lender in any suit, action or proceeding for the purpose of defending itself, materially reducing its liability or protecting or exercising any material claim, right, remedy or interest under or in connection with this Agreement or the Notes, or (h) as may be required by law or regulation or order of any Governmental Authority in any judicial arbitration or governmental proceeding (provided, however, that if the Administrative Agent or the Lenders are required to disclose the confidential information to any such outside party, it or they will, if legally permitted, notify the Borrower promptly so that the Borrower may seek any appropriate protective order and/or take other appropriate action). The Administrative Agent and the Lenders shall not be liable for such disclosure unless the disclosure to such tribunal or other person was caused by, or resulted from, a previous disclosure by the Administrative Agent or the Lenders not permitted hereunder. Further, the Administrative Agent or a Lender may disclose any such information to any Affiliate of such Lender, any other Lender, independent engineers or consultants, any independent certified public accountants, any legal counsel employed by such Person in connection with this Agreement, including without limitation, the enforcement or exercise of all rights and remedies thereunder, or any assignee or participant (including prospective assignees and participants) in the Loans; provided, however, that the Administrative Agent or the Lenders shall receive a confidentiality agreement from the Person to whom such information is disclosed (unless such Person is already subject to an attorney-client privilege with respect to such confidential information or otherwise subject to a legal obligation to maintain such confidentiality) such that said Person shall have the same obligation to maintain the confidentiality of such information as is imposed upon the Administrative Agent or the Lenders hereunder. Notwithstanding anything to the contrary provided herein, this obligation of confidence shall cease three (3) years from the date the information was furnished, unless the Borrower requests in writing at least thirty (30) days prior to the expiration of such three year period, to maintain the confidentiality of such information for an additional three (3) year period. The Borrower waives any and all other rights it may have to confidentiality as against the Administrative Agent and the Lenders arising by contract, agreement, statute or law except as expressly stated in this Section 12.15.

Section 12.16.....Effectiveness. This Agreement shall not become effective or be binding on any party hereto until the later to occur of (a) the date on which all of the conditions set forth in Section 6.01 herein are satisfied and (b) April 2, 2004. The Administrative Agent shall promptly notify the Borrower and the Lenders of the date such conditions are satisfied (the "Effective Date"), and such notice shall be conclusive and binding on all parties hereto.

Section 12.17.....Termination of Existing Agreement. The Existing Agreement shall terminate on the Effective Date. Thereupon, the Borrower shall be released from all obligations arising under the Existing Agreement. Execution of this Agreement by the Existing Lenders shall constitute a waiver of the notice provisions in Section 2.03 and 12.02 of the Existing Agreement. Upon termination of the Existing Agreement, the Existing Lenders shall promptly return to the Borrower all Notes (as such term is defined in the Existing Agreement) issued by the Borrower to such Existing Lenders pursuant to the terms of the Existing Agreement. If any Existing Lender fails to return a Note issued pursuant to the Existing Agreement, then such Existing Lender shall indemnify Borrower against and hold and save Borrower harmless from any loss, damage, claim, action, cost, charge, and expense suffered by Borrower as a result of such non-returned Note, provided that if an Existing Lender subsequently returns a Note issued pursuant to the Existing Agreement, this Indemnity shall terminate with respect to such Existing Lender.

Section 12.18.....MAP Disposition. Upon the consummation of the sale or disposition of all of the Borrower's (and its Subsidiaries') interest in the equity of MAP to Marathon Oil Company (and/or its Affiliates), references to MAP herein shall be deemed to be of no further effect.

Section 12.19.....USA Patriot Act. Each Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies the Borrower which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Act.

The parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

BORROWER:

ASHLAND INC.

By:_____
Name: Daragh L. Porter
Title: Treasurer

Address for Notices:

If by hand (messenger or other courier) to:

500 Diederich Boulevard
Russell, Kentucky 41169
Attn: Treasurer
Facsimile No: 606-329-3883
Telephone No: 606-329-3825

and if by mail to:

Ashland Inc.
P.O. Box 391
Ashland, Kentucky 41105-0391
Attn: Treasurer

in each case with a copy to:

Ashland Inc.
50 E. RiverCenter Boulevard
P.O. Box 391
Covington, Kentucky 41012-0391
Attn: General Counsel
Facsimile No. 606-815-3823
Telephone No. 606-815-4711

and in the case of service of process only, to:

3475 Blazer Parkway
Lexington, KY 40509
Attn: Steven L. Spalding

with copy to:

Ashland Inc.
500 Diederich Boulevard
Russell, Kentucky 41169
Attn: Treasurer

Borrower's Website:

www.ashland.com

LENDER AND
AND ADMINISTRATIVE AGENT: THE BANK OF NOVA SCOTIA

By:_____
Name:
Title:

Administrative Agent's Office
(for payments and Borrowing Notices):

The Bank of Nova Scotia
One Liberty Plaza
New York, New York 10006
Attn: Judith Bookal
Telephone No: 212-225-5462
Facsimile No: 212-225-5145
E-Mail: judy_bookal@scotiacapital.com

Account No.: 2504-14
Ref: Ashland Inc.
ABA# 026 002532

Other Notices to Administrative Agent:

The Bank of Nova Scotia
One Liberty Plaza
New York, New York 10006
Attn: Todd Meller
Telephone No: 212-225-5096
Facsimile No: 212-225-5254
E-Mail: todd_meller@scotiacapital.com

The Bank of Nova Scotia Lending Office for Base Rate and
Eurodollar Loans:

The Bank of Nova Scotia
One Liberty Plaza
New York, New York 10006
Attn: Judith Bookal
Telephone No: 212-225-5462
Facsimile No: 212-225-5145
E-Mail: judy_bookal@scotiacapital.com

Address for Notices to The Bank of Nova Scotia, as Lender:

The Bank of Nova Scotia
One Liberty Plaza
New York, New York 10006
Attn: Judith Bookal
Telephone No: 212-225-5462
Facsimile No: 212-225-5145
E-Mail: judy_bookal@scotiacapital.com

LENDER AND
CO-SYNDICATION AGENT:

SUNTRUST BANK

By:_____
Name:
Title:

Address for Operations Contact:

SunTrust Bank
Corporate Loan Specialist
Mail Code: Ga-Atlanta-1941
P.O. Box 4418
Atlanta, GA 30302-4418
Attn: Bonnie Langley
Telephone No: 404-658-4624
Facsimile No: 404-230-1940
E-Mail: bonnie.langley@suntrust.com

Address for Credit Contact:

SunTrust Bank
Mail Code: TN: Nashville:1937
P.O. Box 305110
Nashville, TN 37230
Attn: Jim Sloan
Telephone No: 615-748-5745
Facsimile No: 615-748-5269
E-Mail: jim.sloan@suntrust.com

LENDER AND
CO-SYNDICATION AGENT:

BANK ONE, N.A.

By:_____
Name:
Title:

Address for Operations Contact:

Bank One, N.A.
Client Service Associate
1 Bank One Plaza, Suite JL1-0010
Chicago, IL 60670
Attn: Deborah Turner
Telephone No: 312-385-7081
Facsimile No: 312-385-7097
E-Mail: deborah_turner@bankone.com

Address for Credit Contact:

Bank One, N.A.
910 Travis Street, TX2-4375
Houston, TX 77002
Attn: Jeanie Gonzalez
Telephone No: 713-751-6174
Facsimile No: 713-751-3982
E-Mail: jeanie_gonzalez@bankone.com

LENDER AND
DOCUMENTATION AGENT:

THE ROYAL BANK OF SCOTLAND PLC

By:_____
Name:
Title:

The Royal Bank of Scotland plc Lending Office for Base Rate and Eurodollar Loans:

The Royal Bank of Scotland
New York Branch
101 Park Avenue, 12th Floor
New York, NY 10178

Address for Credit Information:

The Royal Bank of Scotland
600 Travis Street, Suite 6070
Houston, TX 77002
Attn: David Slye, AVP
Telephone No: 713-221-2407
Facsimile No: 713-221-2430

LENDER: THE BANK OF TOKYO-MITSUBISHI, LTD., CHICAGO BRANCH

By:_____
Name:
Title:

Address for Operations Information:

The Bank of Tokyo-Mitsubishi, Ltd.
HFC-500 Plaza III
Jersey City, NJ 07311
Attn: Jimmy Yu
Telephone No: 201-413-8566
Facsimile No: 201-521-2335

Address for Credit Information:

The Bank of Tokyo-Mitsubishi, Ltd.
227 West Monroe Street, Suite 2300
Chicago, IL 60606
Attn: William J. Murray
Telephone No: 312-696-4653
Facsimile No: 312-696-4535

LENDER:

CITICORP USA, INC.

By:_____
Name:
Title:

Address for Operations Information:

Citicorp USA, Inc.
Two Penn's Way
Suite 200
New Castle, DE 19720
Attn: Dennis Banfield
Telephone No: 302-894-6109
Facsimile No: 212-994-0847

Address for Credit Information:

Citicorp USA, Inc.
1200 Smith Street
Suite 2000
Houston, TX 77002
Attn: Amy Pincu
Telephone No: 713-654-2820
Facsimile No: 713-654-2849

LENDER:

CREDIT SUISSE FIRST BOSTON, ACTING THROUGH ITS CAYMAN ISLANDS BRANCH

By:_____
Name:
Title:

Address for Operations Information:

Credit Suisse First Boston
One Madison Avenue
New York, NY 10010
Attn: Ed Markowski
Telephone No: 212-538-3380
Facsimile No: 212-538-6851
E-Mail: edward.markowski@csfb.com

Address for Credit Information:

Credit Suisse First Boston
Eleven Madison Avenue
New York, NY 10010
Attn: Paul Colon
Telephone No: 212-325-5352
Facsimile No: 646-448-3397
E-Mail: paul.colon@csfb.com

LENDER: DEUTSCHE BANK AG NEW YORK BRANCH

By:_____
Name:
Title:

By:_____
Name:
Title:

Deutsche Bank AG New York Branch Lending Office for Base Rate and Eurodollar Loans:

Deutsche Bank AG New York Branch
60 Wall Street
New York, NY 10005

Address for Credit Information:

Deutsche Bank AG New York Branch
60 Wall Street, 11th Floor
New York, NY 10019
Attn: Oliver Riedinger
Telephone No: 212-250-5210
Facsimile No: 212-797-4346
E-Mail: oliver.riedinger@db.com

LENDER:

US BANK, N.A.

By:_____
Name:
Title:

US Bank, N.A. Lending Office for Base Rate and Eurodollar Loans:

US Bank, N.A.
US Bank Tower
425 Walnut Street, 8th Floor
Cincinnati, OH 45202

Address for Credit Information:

US Bank, N.A.
US Bank Tower
425 Walnut Street, 8th Floor
Cincinnati, OH 45202
Attn: Richard Neltner
Telephone No: 513-632-4073
Facsimile No: 513-632-2068

LENDER:

BANK OF AMERICA, N.A.

By:_____
Name:
Title:

Address for Operations Information:

Bank of America, N.A.
901 Main Street
Dallas, TX 75202
Attn: Ben Cosgrove
Telephone No: 214-209-9254
Facsimile No: 214-290-9439

Address for Credit Information:

Bank of America, N.A.
901 Main Street
Dallas, TX 75202
Attn: Kipling Davis
Telephone No: 214-209-0760
Facsimile No: 214-209-1286

LENDER: NATIONAL CITY BANK OF KENTUCKY

By:_____
Name:
Title:

Address for Operations Information:

National City Bank Of Kentucky
P.O. Box 36000
Louisville, KY 40233
Attn: Mary Vincent
Telephone No: 502-581-4376
Facsimile No: 502-581-6794

Address for Credit Information:

National City Bank Of Kentucky
P.O. Box 36000
Louisville, KY 40233
Attn: Judy Byron
Telephone No: 502-581-5612
Facsimile No: 502-581-4424

LENDER: PNC BANK, NATIONAL ASSOCIATION

By:_____
Name:
Title:

Address for Operations Information:

PNC Bank, National Association
500 First Avenue
Pittsburgh, PA 15219
Attn: Sherri Collins
Telephone No: 412-766-7653
Facsimile No: 412-768-4586

Address for Credit Information:

PNC Bank, National Association
201 E. Fifth Street
Cincinnati, OH 45202
Attn: Jeffrey L. Stein
Telephone No: 513-651-8692
Facsimile No: 513-651-8951

LENDER: WACHOVIA BANK, NATIONAL ASSOCIATION

By:_____
Name:
Title:

Address for Operations Information:

Wachovia Bank, National Association
201 S. College Street
Charlotte, NC 28266
Attn: Jeremy Collins
Telephone No: 704-715-7662
Facsimile No: 704-715-0095

Address for Credit Information:

Wachovia Bank, National Association
1339 Chestnut Street
Philadelphia, PA 19107
Attn: Denis Wahrich
Telephone No: 267-321-6713
Facsimile No: 267-321-6700

LENDER: FIFTH THIRD BANK (NORTHERN KENTUCKY)

By:_____
Name:
Title:

Address for Operations Information:

Fifth Third Bank (Northern Kentucky)
8100 Burlington Pk.
Florence, KY 41042
Attn: Steffany Cain
Telephone No: 859-283-8210
Facsimile No: 859-283-8524

Address for Credit Information:

Fifth Third Bank (Northern Kentucky)
8100 Burlington Pk.
Florence, KY 41042
Attn: John R. Love, Sr.
Telephone No: 859-283-6786
Facsimile No: 859-283-8524

LENDER:

KBC BANK N.V.

By:_____
Name:
Title:

Address for Operations Information:

KBC Bank N.V.
New York Branch
125 West 55th Street
New York, NY 10019
Attn: Rose Pagen
Telephone No: 212-541-0657
Facsimile No: 212-956-5581

Address for Credit Information:

KBC Bank N.V.
Atlanta Representative Office
245 Peachtree Center Avenue, Suite 2550
Atlanta, GA
Attn: Jackie Brunetto
Telephone No: 404-584-5466
Facsimile No: 404-584-5465
E-Mail: jacqueline.brunetto@kbc.be

LENDER:

MELLON BANK, N.A.

By:_____
Name:
Title:

Address for Operations Information:

Mellon Bank, N.A.
525 William Penn Place
Room 1203
Pittsburgh, PA 15259-0003
Attn: Daria Armen
Telephone No: 412-234-1870
Facsimile No: 412-209-6129

Address for Credit Information:

Mellon Bank, N.A.
One Mellon Center
Room 4530
Pittsburgh, PA 15258
Attn: Mark F. Johnston
Telephone No: 412-236-2293
Facsimile No: 412-236-1914

ANNEX 1
LIST OF COMMITMENTS

NAME OF LENDER	PERCENTAGE SHARE	COMMITMENT
The Bank of Nova Scotia	10.000000%	$10,000,000.00
Bank One, N.A.	8.571429%	$8,571,428.57
The Royal Bank of Scotland plc	8.571429%	$8,571,428.57
SunTrust Bank	8.571429%	$8,571,428.57
The Bank of Tokyo-Mitsubishi, Ltd.	6.000000%	$6,000,000.00
Citicorp USA, Inc.	6.000000%	$6,000,000.00
Credit Suisse First Boston	6.000000%	$6,000,000.00
Deutsche Bank AG New York Branch	6.000000%	$6,000,000.00
US Bank, N.A.	6.000000%	$6,000,000.00
Bank of America, N.A.	6.000000%	$6,000,000.00
National City Bank of Kentucky	5.142857%	$5,142,857.14
PNC Bank, National Association	5.142857%	$5,142,857.14
Wachovia Bank, National Association	5.142857%	$5,142,857.14
Fifth Third Bank (Northern Kentucky)	4.285714%	$4,285,714.29
KBC Bank N.V.	4.285714%	$4,285,714.29
Mellon Bank, N.A.	4.285714%	$4,285,714.29
TOTAL COMMITMENT	100.000000%	$100,000,000

EXHIBIT A-1

FORM OF NOTE
(364-DAY REVOLVING CREDIT AGREEMENT NOTE)

$_____ April 2, 2004

FOR VALUE RECEIVED, ASHLAND INC., a Kentucky corporation (the "Borrower") hereby promises to pay to the order of _____ (the "Lender"), at the Lending Office of THE BANK OF NOVA SCOTIA (the "Administrative Agent"), at _____, the principal sum of _____ Dollars ($_____) (or such lesser amount as shall equal the aggregate unpaid principal amount of the Loans made by the Lender to the Borrower under the Credit Agreement, as hereinafter defined), in lawful money of the United States of America and in immediately available funds, on the dates and in the principal amounts provided in the Credit Agreement, and to pay interest on the unpaid principal amount of each such Loan, at such office, in like money and funds, for the period commencing on the date of such Loan until such Loan shall be paid in full, at the rates per annum and on the dates provided in the Credit Agreement.

The date, amount, Type, interest rate, Interest Period and maturity of each Loan made by the Lender to the Borrower, and each payment made on account of the principal thereof, shall be recorded by the Lender on its books and, prior to any transfer of this Note, may be endorsed by the Lender on the schedules attached hereto or any continuation thereof or on any separate record maintained by the Lender.

This Note is one of the Notes referred to in the 364-Day Revolving Credit Agreement, dated as of April 2, 2004 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement), among the Borrower, the lenders from time to time party thereto (including the Lender), and The Bank of Nova Scotia, as the Administrative Agent, and evidences Loans made by the Lender thereunder. Capitalized terms used in this Note have the respective meanings assigned to them in the Credit Agreement.

This Note is issued pursuant to the Credit Agreement and is entitled to the benefits provided for in the Credit Agreement. The Credit Agreement provides for the acceleration of the maturity of this Note upon the occurrence of certain events, for prepayments of Loans upon the terms and conditions specified therein and other provisions relevant to this Note.

THIS NOTE (INCLUDING, BUT NOT LIMITED TO, THE VALIDITY AND ENFORCEABILITY HEREOF) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, OTHER THAN THE CONFLICT OF LAWS RULES THEREOF.

ASHLAND INC.

By:_____
Name:
Title:

EXHIBIT A-2

[RESERVED]

EXHIBIT B

FORM OF BORROWING, CONTINUATION AND CONVERSION REQUEST
(364-DAY REVOLVING CREDIT AGREEMENT)

_____ __, 200_

ASHLAND INC., a Kentucky corporation (the "Borrower"), pursuant to the 364-Day Revolving Credit Agreement, dated as of April 2, 2004 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement), among the Borrower, the lenders from time to time party thereto, and The Bank of Nova Scotia, as the Administrative Agent, hereby makes the requests indicated below (unless otherwise defined herein, capitalized terms are defined in the Credit Agreement):

1. Loans:
(a) Aggregate amount of new Loans to be $_____; (b) Requested funding date is _____ __, 200_; (c) $_____ of such borrowings are to be Eurodollar Loans;

$_____ of such borrowings are to be Base Rate Loans; and
(d) Length of Interest Period for Eurodollar Loans is: _____.
2. Eurodollar Loan Continuation for Eurodollar Loans maturing on _____ __, 200_:
(a) Aggregate amount to be continued as Eurodollar Loans is $_____;
(b) Aggregate amount to be converted to Base Rate Loans is $_____;
(c) Length of Interest Period for continued Eurodollar Loans is _____.
(d) Length of Interest Period for continued Base Rate Loans is _____.
3. Base Rate Loan Continuation for Base Rate Loans maturing on _____ __, 200_:
(a) Aggregate amount to be continued as Eurodollar Loans is $_____;
(b) Aggregate amount to be converted to Base Rate Loans is $_____;
(c) Length of Interest Period for continued Eurodollar Loans is _____.
(d) Length of Interest Period for continued Base Rate Loans is _____.
4. Aggregate amount to be converted to Base Rate Loans is $_____;
(a) Aggregate amount to be converted to Eurodollar Loans is $_____;
(b) Length of Interest Period for converted Eurodollar Loans is _____.
5. Conversion of Outstanding Base Rate Loans to Eurodollar Loans:
Convert $_____ of the outstanding Base Rate Loans to Eurodollar Loans on _____ __, 200_ with an Interest Period of _____.
6. Conversion of outstanding Eurodollar Loans to Base Rate Loans:
Convert $_____ of the outstanding Eurodollar Loans with Interest Period maturing on _____ __, 200_, to Base Rate Loans.

The undersigned certifies that he is the _____ of the Borrower, and that as such he is authorized to execute this certificate on behalf of the Borrower. The undersigned further certifies, represents and warrants on behalf of the Borrower that the Borrower is entitled to receive the requested borrowing, continuation or conversion under the terms and conditions of the Credit Agreement.

ASHLAND INC.

By:_____
Name:
Title:

EXHIBIT C

FORM OF COMPLIANCE CERTIFICATE
(364-DAY REVOLVING CREDIT AGREEMENT)

The undersigned hereby certifies that he is the _____ of ASHLAND INC., a Kentucky corporation (the "Borrower") and that as such he is authorized to execute this certificate on behalf of the Borrower. With reference to the 364-Day Revolving Credit Agreement, dated as of April 2, 2004 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement), among the Borrower, the Lenders, and The Bank of Nova Scotia, as the Administrative Agent, the undersigned represents and warrants as follows (each capitalized term used herein having the same meaning given to it in the Credit Agreement unless otherwise specified):

(a) The representations and warranties of the Borrower contained in Article VII of the Credit Agreement and otherwise made in writing by or on behalf of the Borrower pursuant to the Credit Agreement were true and correct when made, and are repeated at and as of the time of delivery hereof and are true and correct at and as of the time of delivery hereof, except to the extent such representations and warranties are expressly limited to an earlier date or the Majority Lenders have expressly consented in writing to the contrary.

(b) The Borrower has performed and complied with all agreements and conditions contained in the Credit Agreement required to be performed or complied with by it prior to or at the time of delivery hereof.

(c) Since September 30, 2003 there has not occurred a material adverse change in the financial position or results of operation of the Borrower and its Subsidiaries taken as a whole.

(d) There exists as of the date hereof, or, after giving effect to the Loan or Loans (if any) with respect to which this certificate is being delivered, will exist, no Default under the Credit Agreement.

(e) All financial statements furnished herewith or heretofore pursuant to Sections 8.01(a) and (b) have been prepared in accordance with GAAP.

(f) [CERTIFICATION AND CALCULATION AS TO LEVERAGE RATIO]

EXECUTED AND DELIVERED this _____ day of _____, 200_.

ASHLAND INC.

By:_____
Name:
Title:

EXHIBIT D

FORM OF LEGAL OPINION

April 2, 2004

To the Lenders and the Administrative Agent
hereinafter referred to
c/o The Bank of Nova Scotia, as the
Administrative Agent
One Liberty Plaza
New York, New York 10006

Re: 364-Day Revolving Credit Agreement

Ladies and Gentlemen:

I am a Senior Counsel with Ashland Inc. (the "Company"), and have advised the Company in connection with the 364-Day Revolving Credit Agreement, dated as of April 2, 2004 (the "Credit Agreement"), among the Company, the Lenders listed on the signature pages thereof, and The Bank of Nova Scotia, as the Administrative Agent. This opinion is rendered pursuant to Section 6.01(vi) of the Credit Agreement. Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed to them in the Credit Agreement.

In connection with this opinion, I have examined or caused to be examined originals or copies, certified or otherwise identified to my satisfaction, of such documents, corporate records, certificates of public officials and other instruments and have conducted such other investigations of fact and law as I have deemed necessary or advisable in order to deliver this opinion. In said examination I have assumed the genuineness of all signatures (other than the signature of the person executing the Credit Agreement on behalf of the Company), the legal capacity of natural persons, the authenticity of all documents submitted to me as originals, the conformity to original documents of all documents submitted to me as certified or photostatic copies, and the authenticity of the originals of such copies. In giving this opinion I have relied as to matters of fact upon certificates of officers of the Company, certificates of public officials, the representations of the Company in Sections 7.07 and 7.08 of the Credit Agreement and the representations of the Lenders in Section 4.06(d) of the Credit Agreement.

Based upon and subject to the foregoing, and the limitations, qualifications and exceptions set forth below, I am of the opinion that:

1. The Company (i) is duly, organized or formed, legally existing and in good standing under the laws of the Commonwealth of Kentucky, (ii) has all requisite power, and has all material governmental licenses, authorizations, consents and approvals necessary to own its assets and carry on its business as now being or as proposed to be conducted; and (iii) is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary and where failure so to qualify would have a Material Adverse Effect.

2. Neither the execution and delivery of the Credit Agreement and the Notes by the Company, nor compliance with the terms and conditions thereof will conflict with or result in a breach of, or require any consent which has not been obtained with respect to the Third Restated Articles of Incorporation or By-laws of the Company, as amended, or any Governmental Requirement or any indenture or loan or credit agreement or any other material agreement or instrument to which the Company is a party or by which it is bound or to which it or its Properties are subject, or constitute a default under any such indenture, agreement or instrument, which would materially adversely affect the ability of the Borrower to perform its obligations under the Credit Agreement or result in the creation or imposition of any Lien upon any of the revenues or assets of the Company or any Subsidiary pursuant to the terms of any such agreement or instrument.

3. The Company has all necessary power and authority to execute, deliver and perform its obligations under the Credit Agreement and the Notes; and the execution, delivery and performance by the Company of the Credit Agreement and the Notes, have been duly authorized by all necessary action on its part; and the Company has duly executed and delivered the Credit Agreement and the Notes; and the Credit Agreement and the Notes constitute the legal, valid and binding obligations of the Company, enforceable in accordance with their terms.

4. Except as have been previously obtained, no authorizations, approvals or consents of, and no filings or registrations with, any Governmental Authority are necessary for the execution, delivery or performance by the Company of the Credit Agreement or the Notes or for the validity or enforceability thereof.

5. Except as otherwise disclosed, there is no litigation, legal, administrative or arbitral proceeding, investigation or other action of any nature pending or, to the knowledge of the Company, threatened against or affecting the Company or any Subsidiary the probable outcome of which would adversely affect the validity or enforceability of the Credit Agreement or

any of the Notes, or would have a Material Adverse Effect.

6. The Company is not an "investment company" nor is it a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940.

7. The Company is not a "holding company," or a "subsidiary company" of a "holding company," or an "affiliate" of a "holding company," or of a "subsidiary company" of a "holding company," or a "public utility" within the meaning of the Public Utility Holding Company Act of 1935, as amended.

This opinion is qualified to the extent that the binding effect and enforceability of the agreements and instruments referred to above are subject to applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws of general application in effect from time to time relating to or affecting the rights of creditors generally and that the enforceability thereof may be limited by the application of general principles of equity. Any declaration of default for events of dissolution, liquidation, bankruptcy, or reorganization of the Company and the exercise of remedies upon any such declaration, shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization.

In rendering the opinion given above my opinion has been limited to the laws of the Commonwealth of Kentucky, the State of New York, and the federal laws of the United States. I am a member of the Bar of the Commonwealth of Kentucky and of the State of Ohio and do not purport to be an expert on the law of other jurisdictions or federal laws and have not made any independent investigation of such other laws. With regard to the laws of the State of New York which may apply to the Credit Agreement and the Notes, I have assumed that the laws of the State of New York that customarily apply to such types of documents in transactions of this kind are not materially dissimilar to the laws of the Commonwealth of Kentucky; provided, however, that I express no opinion as to the applicability or enforceability of the laws of either state regarding commercial paper and negotiable instruments. With regard to federal laws which may apply to the Credit Agreement and the Notes, I have relied on other attorneys of the Company who are experts on such laws.

This opinion is rendered solely to you in connection with the above matter. This opinion may not be relied upon by you for any other purpose or relied upon by or furnished to any person other than Mayer, Brown, Rowe & Maw LLP without my prior written consent.

Very truly yours,

Jami K. Suver

Exhibit E

EXHIBIT E

FORM OF ASSIGNMENT AGREEMENT
(364-DAY REVOLVING CREDIT AGREEMENT)

THIS ASSIGNMENT AGREEMENT, dated as of _____ __, 200_ (this "Agreement"), is between: _____ (the "Assignor") and _____ (the "Assignee").

RECITALS

A. The Assignor is a party to the 364-Day Revolving Credit Agreement, dated as of April 2, 2004 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement), among Ashland Inc., a Kentucky corporation (the "Borrower"), the lenders from time to time party thereto, and The Bank of Nova Scotia, as the Administrative Agent.

B. The Assignor proposes to sell, assign and transfer to the Assignee, and the Assignee proposes to purchase and assume from the Assignor, [all][a portion] of the Assignor's Commitment, outstanding Loans, all on the terms and conditions of this Agreement.

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

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. All capitalized terms used but not defined herein have the respective meanings given to such terms in the Credit Agreement.

Section 1.02 Other Definitions. As used herein, the following terms have the following respective meanings:

"Assigned Interest" shall mean all of Assignor's (in its capacity as a "Lender") rights and obligations under the Credit Agreement in respect of the Commitment of the Assignor in the principal amount equal to $_____, and to make Loans under the Commitment and any right to receive payments for the Loans outstanding under the Commitment assigned hereby of $_____ (the "Loan Balance"), plus the interest and fees which will accrue from and after the Assignment Date.

"Assignment Date" shall mean _____ __, 200_.

ARTICLE II

SALE AND ASSIGNMENT

Section 2.01 Sale and Assignment. On the terms and conditions set forth herein, effective on and as of the Assignment Date, the Assignor hereby sells, assigns and transfers to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, all of the right, title and interest of the Assignor in and to, and all of the obligations of the Assignor in respect of, the Assigned Interest. Such sale, assignment and transfer is without recourse and, except as expressly provided in this Agreement, without representation or warranty.

Section 2.02 Assumption of Obligations. The Assignee agrees with the Assignor (for the express benefit of the Assignor and the Borrower) that the Assignee will, from and after the Assignment Date, perform all of the obligations of the Assignor in respect of the Assigned Interest. From and after the Assignment Date: (a) the Assignor shall be released from the Assignor's obligations in respect of the Assigned Interest, and (b) the Assignee shall be entitled to all of the Assignor's rights, powers and privileges under the Credit Agreement in respect of the Assigned Interest.

Section 2.03 Consent by Administrative Agent. By executing this Agreement as provided below, in accordance with Section 12.06(b) of the Credit Agreement, the Administrative Agent hereby acknowledges notice of the transactions contemplated by this Agreement and consents to such transactions.

ARTICLE III

PAYMENTS

Section 3.01 Payments. As consideration for the sale, assignment and transfer contemplated by Section 2.01 hereof, the Assignee shall, on the Assignment Date, assume Assignor's obligations in respect of the Assigned Interest and pay to the Assignor amounts equal to the Loan Balance, if any. An amount equal to all accrued and unpaid interest and fees shall be paid to the Assignor as provided in Section 3.02 (iii) below. Except as otherwise provided in this Agreement, all payments hereunder shall be made in Dollars and in immediately available funds, without setoff, deduction or counterclaim.

Section 3.02 Allocation of Payments. The Assignor and the Assignee agree

that (i) the Assignor shall be entitled to any payments of principal with respect to the Assigned Interest made prior to the Assignment Date, together with any interest and fees with respect to the Assigned Interest accrued prior to the Assignment Date, (ii) the Assignee shall be entitled to any payments of principal with respect to the Assigned Interest made from and after the Assignment Date, together with any and all interest and fees with respect to the Assigned Interest accruing from and after the Assignment Date, and (iii) the Administrative Agent is authorized and instructed to allocate payments received by it for account of the Assignor and the Assignee as provided in the foregoing clauses. Each party hereto agrees that it will hold any interest, fees or other amounts that it may receive to which the other party hereto shall be entitled pursuant to the preceding sentence for account of such other party and pay, in like money and funds, any such amounts that it may receive to such other party promptly upon receipt.

Section 3.03 Delivery of Notes. Promptly following the receipt by the Assignor of the consideration required to be paid under Section 3.01 hereof, the Assignor shall, in the manner contemplated by Section 12.06(b) of the Credit Agreement, (i) deliver to the Administrative Agent (or its counsel) the Notes held by the Assignor and (ii) notify the Administrative Agent to request that the Borrower execute and deliver new Notes to the Assignor, if Assignor continues to be a Lender, and the Assignee, dated the Assignment Date in respective principal amounts equal to the respective Commitments of the Assignor (if appropriate) and the Assignee after giving effect to the sale, assignment and transfer contemplated hereby.

Section 3.04 Further Assurances. The Assignor and the Assignee hereby agree to execute and deliver such other instruments, and take such other actions, as either party may reasonably request in connection with the transactions contemplated by this Agreement.

ARTICLE IV

CONDITIONS PRECEDENT

Section 4.01 Conditions Precedent. The effectiveness of the sale, assignment and transfer contemplated hereby is subject to the satisfaction of each of the following conditions precedent:

(a) the execution and delivery of this Agreement by the Assignor and the Assignee;

(b) the receipt by the Assignor of the payment required to be made by the Assignee under Section 3.01 hereof; and

(c) the acknowledgment and consent by the Administrative Agent contemplated by Section 2.03 hereof.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

Section 5.01 Representations and Warranties of the Assignor. [6] The Assignor represents and warrants to the Assignee as follows:

(a) it has all requisite power and authority, and has taken all action necessary to execute and deliver this Agreement and to fulfill its obligations under, and consummate the transactions contemplated by, this Agreement;

(b) the execution, delivery and compliance with the terms hereof by Assignor and the delivery of all instruments required to be delivered by it hereunder do not and will not violate any Governmental Requirement applicable to it;

(c) this Agreement has been duly executed and delivered by it and constitutes the legal, valid and binding obligation of the Assignor, enforceable against it in accordance with its terms;

(d) all approvals and authorizations of, all filings with and all actions by any Governmental Authority necessary for the validity or enforceability of its obligations under this Agreement have been obtained;

(e) the Assignor has good title to, and is the sole legal and beneficial owner of, the Assigned Interest, free and clear of all Liens, claims, participations or other charges of any nature whatsoever; and

(f) the transactions contemplated by this Agreement are commercial banking transactions entered into in the ordinary course of the banking business of the Assignor.

Section 5.02 Disclaimer. Except as expressly provided in Section 5.01 hereof, the Assignor does not make any representation or warranty, nor shall it have any responsibility to the Assignee, with respect to the accuracy of any recitals, statements, representations or warranties contained in the Credit Agreement or in any certificate or other document referred to or provided for in, or received by any Lender under, the Credit Agreement, or for the value, validity, effectiveness, genuineness, execution, effectiveness, legality, enforceability or sufficiency of the Credit Agreement, the Notes or any other document referred to or provided for therein or for any failure by the Borrower or any other Person (other than Assignor) to perform any of its obligations thereunder or for the existence, value, perfection or priority of any collateral security or the financial or other condition of the Borrower or the Subsidiaries or any other obligor or guarantor, or any other matter relating to the Credit Agreement or any extension of credit thereunder.

Section 5.03 Representations and Warranties of the Assignee. The Assignee represents and warrants to the Assignor as follows:

(a) it has all requisite power and authority, and has taken all action necessary to execute and deliver this Agreement and to fulfill its obligations under, and consummate the transactions contemplated by, this Agreement;

(b) the execution, delivery and compliance with the terms hereof by Assignee and the delivery of all instruments required to be delivered by it hereunder do not and will not violate any Governmental Requirement applicable to it;

(c) this Agreement has been duly executed and delivered by it and constitutes the legal, valid and binding obligation of the Assignee, enforceable against it in accordance with its terms;

(d) all approvals and authorizations of, all filings with and all actions by any Governmental Authority necessary for the validity or enforceability of its obligations under this Agreement have been obtained;

(e) the Assignee has fully reviewed the terms of the Credit Agreement and has independently and without reliance upon the Assignor, and based on such information as the Assignee has deemed appropriate, made its own credit analysis and decision to enter into this Agreement;

(f) the Assignee hereby affirms that the representations contained in Section 4.06(d)(i)(1) of the Credit Agreement are true and accurate as to Assignee. If Section 4.06(d)(i)(2) is applicable to the Assignee, Assignee shall promptly deliver to the Administrative Agent and the Borrower such certifications as are required thereby to avoid the withholding taxes referred to in Section 4.06; and

(g) the transactions contemplated by this Agreement are commercial banking transactions entered into in the ordinary course of the banking business of the Assignee.

ARTICLE VI

MISCELLANEOUS

Section 6.01 Notices. All notices and other communications provided for herein (including, without limitation, any modifications of, or waivers, requests or consents under, this Agreement) shall be given or made in writing (including, without limitation, by telex or facsimile) to the intended recipient at its "Address for Notices" specified below its name on the signature pages hereof or, as to either party, at such other address as shall be designated by such party in a notice to the other party.

Section 6.02 Amendment, Modification or Waiver. No provision of this Agreement may be amended, modified or waived except by an instrument in writing signed by the Assignor and the Assignee, and consented to by the Administrative Agent.

Section 6.03 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. The representations and warranties made herein by the Assignee are also made for the benefit of the Administrative Agent and the Borrower, and the Assignee agrees that the Administrative Agent and the Borrower are entitled to rely upon such representations and warranties.

Section 6.04 Assignments. Neither party hereto may assign any of its rights or obligations hereunder except in accordance with the terms of the Credit Agreement.

Section 6.05 Captions. The captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

Section 6.06 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be identical and all of which, taken together, shall constitute one and the same instrument, and each of the parties hereto may execute this Agreement by signing any such counterpart.

Section 6.07 Governing Law. This Agreement shall be governed by, and construed in accordance with, the law of the State of _____.

Section 6.08 Expenses. To the extent not paid by the Borrower pursuant to the terms of the Credit Agreement, each party hereto shall bear its own expenses in connection with the execution, delivery and performance of this Agreement.

Section 6.09 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment Agreement to be executed and delivered as of the date first above written.

[NAME OF ASSIGNOR]

By:_____
Name:
Title:

Address for Notices:

Facsimile No:

Telephone No:

Attention:

[NAME OF ASSIGNEE]

By:_____
Name:
Title:

Address for Notices:

Facsimile No:

Telephone No:

Attention:

ACKNOWLEDGED AND CONSENTED TO:

THE BANK OF NOVA SCOTIA,
as the Administrative Agent

By:_____
Name:
Title:

[ASHLAND INC.

By:_____
Name:
Title:

6 To be conformed to any revised representations and warranties in the Credit Agreement.

EXHIBIT F-1

[RESERVED]

EXHIBIT F-2

[RESERVED]

EXHIBIT G

[RESERVED]

EXHIBIT H

SIGNATURE PAGE FOR A REPLACEMENT LENDER

The undersigned being a "Replacement Lender" pursuant to Section 2.03(c) of that certain 364-Day Revolving Credit Agreement, dated as of April 2, 2004 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement), among Ashland Inc., a Kentucky corporation, as the Borrower, the lenders from time to time party thereto, and The Bank of Nova Scotia, as the Administrative Agent, executes below to evidence its agreement that as of the effective date stated below it is and shall be for all intents and purposes a "Lender" as defined in the Credit Agreement subject to all the terms and provisions thereof (including, without limitation, Section 11.06 thereof) with a Percentage Share of _____% as of said effective date and Commitment of $_____, as stated in Annex 1 to the Credit Agreement.

Executed effective as of _____ __, 200_.

[NAME OF REPLACEMENT LENDER]

By:_____
Name:
Title:

Lending Office for Base Rate Loans:

Lending Office for Eurodollar Loans:

Address for Notices:

Facsimile No: ----------
Telephone No: ----------
Attention ----------

SCHEDULE 7.03

LITIGATION

Please refer to the Borrower's public filings with the SEC for a disclosure of litigation matters.

SCHEDULE 7.08

MULTIEMPLOYER PLANS

Multiemployer Pension Plan Names	Contributions on a Calendar Year Basis for the Prior 5 Calendar Years				
	2003	2002	2001	2000	1999
WESTERN CONFERENCE OF TEAMSTERS FAIRFIELD CA	$175,161.45	$187,129.98	$81,547.46	$169,835.06	$166,708.42
CENTRAL STATES LOCAL #618 ST. LOUIS	$110,360.00	$93,578.00	$75,090.00	$77,200.96	$57,632.00
CENTRAL PA TEAMSTER PENSION FUND	$90,118.00	$159,160.00	$192,452.00	$224,081.10	$251,842.30
CENTRAL STATES LOCAL #89 LOUISVILLE	$43,180.00	$42,755.00	$44,200.00	$45,050.00	$44,200.00
CENTRAL STATES LOCAL #364 SOUTH BEND	$0.00	$0.00	$12,700.00	$24,365.00	$24,348.00
CENTRAL STATES LOCAL #236 KUTTAWA, KY	$0.00	$0.00	$0.00	$0.00	$0.00
CENTRAL STATES LOCAL #781 CHICAGO	$160,456.00	$140,290.00	$130,290.00	$142,859.25	$121,153.00
INTERNATIONAL BROTHERHOOD OF TEAMSTERS LOCAL #705 CHICAGO	$186,809.00	$185,951.00	$171,542.00	$165,681.00	$160,519.00
CENTRAL STATES LOCAL #114 CINCINNATI, OH	$0.00	$0.00	$0.00	$0.00	$0.00
CENTRAL STATES LOCAL #135 RICHMOND, IN	$0.00	$0.00	$0.00	$0.00	$0.00
Teamster Central States Local 516 Health, Welfare And Pension Fund	$57,180.00	$152,099.00	$343,607.55	$69,390.00	$167,232.00
Teamsters Fringe Benefit Program 3100 Broadway, Suite 300 Kansas City, MO 64111	170,911.10	173,434.25	160,190.28	145,750.43	154,970.23
Carpenters Fringe Benefit Program 3100 Broadway, Suite 609 Kansas City, MO 64111	156,278.92	181,194.47	101,372	117,040.44	141,541.95
Masonry Industry Fringe Benefits 10100 Santa Fe Drive Overland Park, KS 66212	41,596.00	45,996.00	37,046.25	22,696.25	40,505.00
Operating Engineers Local 101 301 East Armour Rd, Suite 203 Kansas City, MO 64111	0.00	$335,184.11	$409,007.85	$167,176.82	$4,643.53
MoKan Ironworkers Fringe 9233 Ward Parkway, Suite 364 Kansas City, MO 64111	130,714.02	189,992.86	106,567.61	81,581.22	75,545.57
Const. Ind. Laborers Welfare 116 Commerce Dr. Jefferson City, MO 65101	324,402.47	$431,557.29	$466,551.59	$649,380.97	$713,045.42
Kansas Building Trades PO Box 5049 Topeka, KS 66605	0.00	7,608.56	31,845.74	78,687.60	83,766.37
Oklahoma Operating Engineers 6363 E. 31st Street Tulsa, OK 74135	57,043.30	56,048.20	78,513.97	67,262	51,412.95
Operating Engineers	687,740.65	735,132.97	568,301.86	481,121.62	387,944.80

Local 101 301 East Armour Rd, Suite 203 Kansas City, MO 64111					
Const. Ind. Laborers Welfare 116 Commerce Dr. Jefferson City, MO 65101	0.00	331,041.98	211,724.21	166,422.28	225,545.25
Teamsters Fringe Benefit Program 3100 Broadway, Suite 300 Kansas City, MO 64111	0.00	$31,273.78	$44,613.91	$63,670.49	$57,230.36
Teamsters Fringe Benefits			$22,611.49	$28,745.97	$30,244.35
Central Pension Fund Dept. 76 Washington, DC 20055		$281,512.75	$298,756.28	$198,454.53	$198,828.95
Construction Industry Laborers			$142,741.16	$144,522.05	$148,385.81
Cement Masons Health & Welfare					$10,127.95
IUOE Local 627 Fringe Benefits Fund				$23,556.89	$14,774.40
I.U.O.E. Local 513 3449 Hollenberg Drive #150 Bridgeton, MO. 63044-2496		$536,087.79	$17,806.62	$0.00	$80,225.00

Note: Arkhola also paid the remaining $91,529.66 in 2002 of the assessed withdrawal liability relating to Teamsters Local 373 that we reported in a prior year.

SCHEDULE 7.09

TAXES

None.

SCHEDULE 7.14

ENVIRONMENTAL MATTERS

None.

EXHIBIT 12

ASHLAND INC.
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(In millions)

	Years ended September 30				
	2000	2001	2002	2003	2004
EARNINGS					
Income from continuing operations	$ 272	$ 390	$ 115	$ 94	$ 398
Income taxes	179	266	68	44	150
Interest expense	189	160	133	121	112
Interest portion of rental expense	39	40	35	33	35
Amortization of deferred debt expense	2	2	2	2	2
Distributions in excess of (less than) earnings of unconsolidated affiliates	(113)	(91)	20	(98)	(263)
	$ 568	$ 767	$ 373	$ 196	$ 434
FIXED CHARGES					
Interest expense	$ 189	$ 160	$ 133	$ 121	$ 112
Interest portion of rental expense	39	40	35	33	35
Amortization of deferred debt expense	2	2	2	2	2
	$ 230	$ 202	$ 170	$ 156	$ 149
RATIO OF EARNINGS TO FIXED CHARGES	2.47	3.80	2.19	1.26	2.91

EXHIBIT 21

LIST OF SUBSIDIARIES

Subsidiaries of Ashland Inc. ("AI") at September 30, 2004, included the companies listed below. Ashland has numerous unconsolidated affiliates, which are primarily accounted for on the equity method, and majority-owned consolidated subsidiaries in addition to the companies listed below. Such affiliates and subsidiaries are not listed below since they would not constitute a significant subsidiary considered in the aggregate as a single entity.

Company	Jurisdiction of Incorporation	Immediate Parent*
APAC-Arkansas, Inc.	Delaware	APAC
APAC-Atlantic, Inc.	Delaware	APAC
APAC-Kansas, Inc.	Delaware	APAC
APAC-Mississippi, Inc.	Delaware	APAC
APAC-Missouri, Inc.	Delaware	APAC
APAC-Oklahoma, Inc.	Delaware	APAC
APAC-Southeast, Inc.	Georgia	APAC
APAC-Tennessee, Inc.	Delaware	APAC
APAC-Texas, Inc.	Delaware	APAC
ASH GP LLC ("ASH GP")	Delaware	AIHI
ASH LP LLC ("ASH LP")	Delaware	AIHI
Ashland Canada Corp.	Nova Scotia, Canada	ACHBV
Ashland Canada Holdings B.V. ("ACHBV")	Netherlands	AHBV
Ashland Chemical Hispania, S.L.	Spain	AIHI
Ashland France SAS	France	AHBV
Ashland Holdings B.V. ("AHBV")	Netherlands	ATCV
Ashland International Holdings, Inc. ("AIHI")	Delaware	AI
Ashland Italia S.p.A.	Italy	ATCV 95% - AOCV 5%
Ashland Nederland B.V.	Netherlands	AHBV
Ashland Paving And Construction, Inc. ("APAC")	Delaware	AI
Ashland Services B.V. ("ASBV")	Netherlands	AHBV
Ashland UK Limited	United Kingdom	AHBV
Ashmont Insurance Company, Inc.	Vermont	AI
AshOne C.V. ("AOCV")	Netherlands	ASH LP 1% - AIHI 98% - ASH GP 1%
AshTwo C.V. ("ATCV")	Netherlands	AIHI 10% - AOCV 89% - ASH GP 1%
Marathon Ashland Petroleum LLC	Delaware	AI 38%
Valvoline (Australia) Pty. Limited	Australia	AHBV

*100% of the voting securities are owned by the immediate parent except as otherwise indicated.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 33-52125) pertaining to the Ashland Inc. Deferred Compensation and Stock Incentive Plan for Non-Employee Directors, in the Registration Statement (Form S-8 No. 333-54766) pertaining to the Amended and Restated Ashland Inc. Incentive Plan, in the Registration Statement (Form S-8 No. 33-32612) pertaining to the Ashland Inc. Employee Savings Plan, in the Registration Statement (Form S-8 No. 33-55922) pertaining to the Ashland Inc. 1993 Stock Incentive Plan, in the Registration Statement (Form S-8 No. 33-49907) pertaining to the Ashland Inc. Leveraged Employee Stock Ownership Plan, in the Registration Statement (Form S-8 No. 33-62901) pertaining to the Ashland Inc. Deferred Compensation Plan, in the Registration Statement (Form S-8 No. 333-33617) pertaining to the Ashland Inc. 1997 Stock Incentive Plan, in the Registration Statement (Form S-3 No. 333-78675) pertaining to the registration of 68,925 shares of Ashland Inc. Common Stock, in the Registration Statement (Form S-3 No. 333-36842) pertaining to the registration of 96,600 shares of Ashland Inc. Common Stock, in the Registration Statement (Form S-3 No. 333-54762) pertaining to the registration of 149,300 shares of Ashland Inc. Common Stock, in the Registration Statement (Form S-3 No. 333-82830) pertaining to the registration of 265,100 shares of Ashland Inc. Common Stock, in the Registration Statement (Form S-3 No. 333-105396) pertaining to the registration of 296,385 shares of Ashland Inc. Common Stock, and in the Registration Statement (Form S-3 No. 333-69138) pertaining to the offering of $600,000,000 of Debt Securities, Preferred Stock, Depository Shares, Common Stock and/or Warrants of Ashland Inc., of our report dated November 3, 2004, with respect to the consolidated financial statements and schedule of Ashland Inc. and consolidated subsidiaries included in this Annual Report (Form 10-K) for the year ended September 30, 2004.

/s/ Ernst & Young
- ----------

Cincinnati, Ohio
December 10, 2004

EXHIBIT 31.1

CERTIFICATION

Statement Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 by Chief Executive Officer Regarding Facts and Circumstances Relating to Exchange Act Filings.

I, James J. O'Brien, Chief Executive Officer of Ashland Inc., certify that:

1. I have reviewed this annual report on Form 10-K of Ashland 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 officers 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) 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) 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
   c) 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 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 officers 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 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: December 14, 2004

/s/ James J. O'Brien

Chief Executive Officer

EXHIBIT 24

Annual Report on Form 10-K

RESOLVED, that the Corporation's Annual Report to the Securities and Exchange Commission (the "SEC") on Form 10-K (the "Form 10-K") in the form previously circulated to the Board in preparation for this meeting be, and it hereby is, approved with such changes as the Chief Executive Officer, any Vice President, the Secretary or the Corporation's counsel ("Authorized Persons") shall approve, the execution and filing of the Form 10-K with the SEC to be conclusive evidence of such approval; provided, however, that without derogating from the binding effect of the above, it is understood that an Authorized Person shall cause the distribution prior to the filing with the SEC, of a copy of such Form 10-K to the directors in substantially that form which is to be filed with the SEC and that each director shall have the opportunity to review with and comment to an Authorized Person prior to such filing;

FURTHER RESOLVED, that the Authorized Persons be, and each of them hereby is, authorized to file with the SEC the Form 10-K and any amendments thereto on Form 10-K/A and/or any other applicable form; and

FURTHER RESOLVED, that the Authorized Persons be, and each of them hereby is, authorized to take all such further actions as in their judgment may be necessary or advisable to accomplish the purposes of the foregoing resolutions.

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned Directors and Officers of ASHLAND INC., a Kentucky corporation, which is about to file an Annual Report on Form 10-K with the Securities and Exchange Commission under the provisions of the Securities Exchange Act of 1934, as amended, hereby constitutes and appoints JAMES J. O'BRIEN, DAVID L. HAUSRATH and LINDA L. FOSS, and each of them, his or her true and lawful attorneys-in-fact and agents, with full power to act without the others to sign and file such Annual Report and the exhibits thereto and any and all other documents in connection therewith, and any such amendments thereto, with the Securities and Exchange Commission, and to do and perform any and all acts and things requisite and necessary to be done in connection with the foregoing as fully as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, may lawfully do or cause to be done by virtue hereof.

Dated: December 14, 2004

/s/ James J. O'Brien
James J. O'Brien, Chairman of the Board and Chief Executive Officer

/s/ Kathleen A. Ligocki
Kathleen A. Ligocki, Director

/s/ J. Marvin Quin
J. Marvin Quin, Senior Vice President and Chief Financial Officer

/s/ Patrick F. Noonan
Patrick F. Noonan, Director

/s/ Lamar M. Chambers
Lamar M. Chambers, Vice President and Controller

/s/ Jane C. Pfeiffer
Jane C. Pfeiffer, Director

/s/ Ernest H. Drew
Ernest H. Drew, Director

/s/ William L. Rouse, Jr.
William L. Rouse, Jr., Director

/s/ Roger W. Hale
Roger W. Hale, Director

/s/ George A. Schaefer, Jr.
George A. Schaefer, Jr., Director

/s/ Bernadine P. Healy
Bernadine P. Healy, Director

/s/ Theodore M. Solso
Theodore M. Solso, Director

/s/ Mannie L. Jackson
Mannie L. Jackson, Director

Michael J. Ward
Michael J. Ward, Director

EXHIBIT 31.2

CERTIFICATION

Statement Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 by Chief Financial Officer Regarding Facts and Circumstances Relating to Exchange Act Filings.

I, J. Marvin Quin, Chief Financial Officer of Ashland Inc., certify that:

1. I have reviewed this annual report on Form 10-K of Ashland 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 officers 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) 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) 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
   c) 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 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 officers 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 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: December 14, 2004

/s/ J. Marvin Quin

Chief Financial Officer

EXHIBIT 32

ASHLAND INC.

CERTIFICATION 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 Annual Report of Ashland Inc. (the "Company") on Form 10-K for the period ended September 30, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned, James J. O'Brien, Chief Executive Officer of the Company, and J. Marvin Quin, 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, to the best of his knowledge, that:

(1) The Report fully complies, in all material respects, with the requirements of section 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 as of and for the periods presented in the report.

The foregoing certification is provided solely for purposes of complying with the provisions of Section 906 of the Sarbanes-Oxley Act of 2002 and is not intended to be used or relied upon for any other purpose.

/s/ James J. O'Brien
- ----------
James J. O'Brien
Chief Executive Officer
December 14, 2004

/s/ J. Marvin Quin
- ----------
J. Marvin Quin
Chief Financial Officer
December 14, 2004

A signed original of this written statement required by Section 906 has been provided to Ashland Inc. and will be retained by Ashland Inc. and furnished to the Securities and Exchange Commission or staff upon request.

EXHIBIT 99.1

CONSENT OF TILLINGHAST-TOWERS PERRIN

We hereby consent to being named in Ashland Inc.'s Annual Report on Form 10-K for the year ended September 30, 2004 in the form and context in which we are named. We do not authorize or cause the filing of such Annual Report and do not make or purport to make any statement other than as reflected in the Annual Report.

/s/ John W. Brumback
- ------------------------------------
Tillinghast-Towers Perrin
December 1, 2004

EXHIBIT 99.2

CONSENT OF HAMILTON, RABINOVITZ & ALSCHULER, INC.

We hereby consent to being named in Ashland Inc.'s Annual Report on Form 10-K for the year ended September 30, 2004 in the form and context in which we are named. We do not authorize or cause the filing of such Annual Report and do not make or purport to make any statement other than as reflected in the Annual Report.

/s/ Dr. Francine F. Rabinovitz
- --
Hamilton, Rabinovitz & Alschuler, Inc.
December 1, 2004