Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2010

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2010 or fiscal plan year beginning 10/01/2010 and ending 09/30/2011

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
PENSION PLAN FOR HOURLY EMPLOYEES OF ASHLAND CHEMICAL

1b Three-digit plan number (PN) ▶ 007

1c Effective date of plan 10/01/1955

2a Plan sponsor's name and address (employer, if for a single-employer plan)
(Address should include room or suite no.)
ASHLAND INC

P O BOX 14000
LEXINGTON, KY 40512

3499 BLAZER PARKWAY
LEXINGTON, KY 40509

2b Employer Identification Number (EIN)
20-0865835

2c Sponsor's telephone number
859-357-7777

2d Business code (see instructions)
325100

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	07/16/2012	JOSEPH LAKE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
ASHLAND INC

P O BOX 14000
LEXINGTON, KY 40512

3b Administrator's EIN
20-0865835

3c Administrator's telephone number
859-357-7777

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	487
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	86
b	Retired or separated participants receiving benefits	**6b**	165
c	Other retired or separated participants entitled to future benefits	**6c**	175
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	426
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	50
f	Total. Add lines **6d** and **6e**	**6f**	476
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1D 1G 3D 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	X	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		**A** (Insurance Information)
(4)	X	**C** (Service Provider Information)
(5)	X	**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2010

This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 10/01/2010 and ending 09/30/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
PENSION PLAN FOR HOURLY EMPLOYEES OF ASHLAND CHEMICAL

B Three-digit plan number (PN) ▶ 007

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
ASHLAND INC

D Employer Identification Number (EIN)
20-0865835

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [X] 101-500 [ ] More than 500

Part I Basic Information

1 Enter the valuation date: Month 10 Day 01 Year 2010

2	Assets:			
a	Market value	**2a**		17267836
b	Actuarial value	**2b**		17134058
3	Funding target/participant count breakdown		**(1)** Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	213	8435284
b	For terminated vested participants	**3b**	138	2984026
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		666216
	(2) Vested benefits	**3c(2)**		8605460
	(3) Total active	**3c(3)**	136	9271676
d	Total	**3d**	487	20690986
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
a	Funding target disregarding prescribed at-risk assumptions	**4a**		
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	**4b**		
5	Effective interest rate	**5**		6.46 %
6	Target normal cost	**6**		381292

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Signature of actuary	07/11/2012 Date
GARY DICKSON Type or print name of actuary	11-03764 Most recent enrollment number
MERCER Firm name	513-632-2600 Telephone number (including area code)
525 VINE STREET SUITE 1600 CINCINNATI, OH 45202-3124 Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	984207	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	984207	0
9	Amount remaining (Item 7 minus item 8)	0	0
10	Interest on item 9 using prior year's actual return of 10.66 %		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		2153996
	b Interest on (a) using prior year's effective rate of 6.85 %		185047
	c Total available at beginning of current plan year to add to prefunding balance		2339043
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	82.80 %
15	Adjusted funding target attainment percentage	15	82.80 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	82.00 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/30/2010	550000				
01/14/2011	253622				
10/14/2011	271016				
11/15/2011	550000				
			Totals ► 18(b)	1624638	18(c)

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contribution from prior years	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	1557342

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.16 %	6.52 %	6.68 %	☐ N/A, full yield curve used

b Applicable month (enter code) **21b** 4

22 Weighted average retirement age **22** 61

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ..... ☒ Yes ☐ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... ☐ Yes ☒ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment ..... ☒ Yes ☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment **27**

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years **28** 0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a) **29** 0

30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29) **30** 0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions) **31** 381292

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	2729289	663384
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33**

34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33) **34** 1044676

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement			

36 Additional cash requirement (item 34 minus item 35) **36** 1044676

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c) **37** 1557342

38 Interest-adjusted excess contributions for current year (see instructions) **38** 512666

39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37) **39** 0

40 Unpaid minimum required contribution for all years **40** 0

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2010** **This Form is Open to Public Inspection.**

For calendar plan year 2010 or fiscal plan year beginning 10/01/2010 and ending 09/30/2011

A Name of plan
PENSION PLAN FOR HOURLY EMPLOYEES OF ASHLAND CHEMICAL

B Three-digit plan number (PN) ▶ 007

C Plan sponsor's name as shown on line 2a of Form 5500
ASHLAND INC

D Employer Identification Number (EIN)
20-0865835

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

AURELIUS CAPITAL MANAGEMENT LP
535 MADISON AVENUE
22ND FLOOR
NEW YORK, NY 10022

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

BASSO CAPITAL MANAGEMENT LP

20-0406508

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

BREVAN HOWARD CAPITAL MGMT LLP
4TH FLOOR ONE ESPLANDE ST HELIER
JERSEY, CHANNEL ISLANDS JE23QA UK

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

BLUECREST CAPITAL MANAGEMENT LLP

98-0607511

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

BRIDGEWATER ASSOCIATES LP

ONE GLENDINNING PLACE
WESTPORT, CT 06880

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

BROOKSIDE CAPITAL LLC

111 HUNTINGTON AVENUE
BOSTON, MA 02199

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

BNY MELLON

25-6078093

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

DAVIDSON KEMPNER ADVISORS INC.

13-3594751

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

DAVIDSON KEMPNER CAPITAL MANAGEMENT

13-4021240

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

DEUTSCHE ASSET MGMT UK LIMITED

ONE APPOLD STREET
LONDON EC2A2UU UK

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

ETON PARK ASSOCIATES LP

04-3796209

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

ETON PARK CAPITAL MANAGEMENT LP

11-3719116

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

FIR TREE INC.

13-3745261

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

FIR TREE LLC

20-2556936

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

GRAMERCY LLC

20 DAYTON AVENUE
GREENWICH, CT 06830

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

HEALTHCOR MANAGEMENT LP

CARNEGIE HALL TOWER
152 WEST 57TH STREET
NEW YORK, NY 10019

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

HIGHBRIDGE CAPITAL MANAGEMENT LLC

20-1901985

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

INDUS CAPITAL PARTNERS LLC

152 W 57TH STREET
28TH FLOOR
NEW YORK, NY 10019

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

IVORY INVESTMENTS MANAGEMENT LP

51-0446153

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

LUXOR

98-0640174

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

MARSHALL WACE NORTH AMERICA LP

47-0943020

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

MASON CAPITAL MANAGEMENT

110 EAST 59TH STREET
30TH FLOOR
NEW YORK, NY 10022

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

OCH ZIFF CAPITAL MANAGEMENT GROUP

9 WEST 57TH STREET
39TH FLOOR
NEW YORK, NY 10019

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

OMEGA ADVISORS INC.

13-3628307

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

OWL CREEK ASSET MANAGEMENT LP

13-4177075

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

PARTNER FUND MANAGEMENT LP

ONE MARKET STREET
SUITE 2200 STEUART TOWER
SAN FRANCISCO, CA 94105

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

REGIMENT CAPITAL MANAGEMENT LLC

222 BERKELEY ST
FLOOR 12
BOSTON, MA 02116

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

SAMLYN CAPITAL LLC

20-5854094

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

SELIGMAN INVESTMENTS

100 PARK AVENUE
7TH FLOOR
NEW YORK, NY 10017

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

SILVER CREEK LOW VOL STRATEGIES

98-0476270

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

STEADFAST FINANCIAL

03-0481537

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

TACONIC CAPITAL ADVISORS LP

20-5826144

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

UBS O'CONNOR LLC

06-1569842

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

WOODBINE CAPITAL ADVISORS LP

499 PARK AVENUE
NEW YORK, NY 10022

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

WOODBINE CAPITAL LLC

499 PARK AVENUE
NEW YORK, NY 10022

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

PACIFIC INVESTMENT MANAGEMENT

33-0629048

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	INVESTMENT MANAGEMENT	1699095	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

(a) Enter name and EIN or address (see instructions)

WESTERN ASSET MANAGEMENT

95-2705767

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	INVESTMENT MANAGEMENT	752830	Yes [ ] No [X]	Yes [ ] No [X]	0	Yes [ ] No [X]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN;
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN;
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2010

This Form is Open to Public Inspection.

For calendar plan year 2010 or fiscal plan year beginning 10/01/2010 and ending 09/30/2011

A Name of plan
PENSION PLAN FOR HOURLY EMPLOYEES OF ASHLAND CHEMICAL

B Three-digit plan number (PN) ▶ 007

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
ASHLAND INC

D Employer Identification Number (EIN)
20-0865835

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: ASHLAND INC. MASTER PENSION TRUST

b Name of sponsor of entity listed in (a): ASHLAND INC.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
20-0865835-103	M	18014189

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

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b Name of plan sponsor	**c** EIN-PN

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b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2010

This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 10/01/2010 and ending 09/30/2011

A Name of plan
PENSION PLAN FOR HOURLY EMPLOYEES OF ASHLAND CHEMICAL

B Three-digit plan number (PN) ▶ 007

C Plan sponsor's name as shown on line 2a of Form 5500
ASHLAND INC

D Employer Identification Number (EIN)
20-0865835

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		821016
(2) Participant contributions	1b(2)	170696	
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	14783903	18014189
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	14954599	18835205
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k		
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	14954599	18835205

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	3977763	
	(B) Participants	2a(1)(B)		
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		3977763
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		816990
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		4794753
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	872429	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		872429
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	41718	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		41718
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		914147
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		3880606
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified (2) [ ] Qualified (3) [X] Disclaimer (4) [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: BLUE & CO., LLC (2) EIN: 35-1178661

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		15000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i		X	
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2010

This Form is Open to Public Inspection.

For calendar plan year 2010 or fiscal plan year beginning 10/01/2010 and ending 09/30/2011

A Name of plan
PENSION PLAN FOR HOURLY EMPLOYEES OF ASHLAND CHEMICAL

B Three-digit plan number (PN) ▶ 007

C Plan sponsor's name as shown on line 2a of Form 5500
ASHLAND INC

D Employer Identification Number (EIN)
20-0865835

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): _____ _____

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3** 0

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☒ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

CPAS/ADVISORS

blue

Blue & Co., LLC / 301 East Main Street, Suite 1100 / Lexington, KY 40507
main 859 253 1100 *fax* 859 253 1384 *email* blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS

Plan Administrator
Pension Plan for Hourly Employees of Ashland Chemical Company

We were engaged to audit the accompanying financial statements of the Pension Plan for Hourly Employees of Ashland Chemical Company (the Plan) as of September 30, 2011 and 2010, and for the years ended September 30, 2011 and 2010 as listed in the accompanying table of contents. These financial statements are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by The Bank of New York Mellon, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended September 30, 2011 and 2010, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements taken as a whole. The form and content of the information included in the financial statements other than that derived from the investment information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Blue & Co., LLC

July 12, 2012

Schedule SB, Line 26 — Schedule of Active Participant Data

Attained Age	Years of credited service									
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Up
Under 25										
25-29										
30-34		1		1						
35-39		1		4	2					
40-44		1	2	4	1	1				
45-49		6	5	10	9	5	5			
50-54				4	3	5	5	1		
55-59		2		3	3	5	3	5	8	
60-64		3		1	10	2	6	1	3	
65-69			1		1		3			
70 & Up										

In each cell, the number is the count of active participants for each age/service combination.

Schedule SB, Line 32 — Schedule of Amortization Bases

The total shortfall amortization charge is the sum of the individual shortfall amortization installment for each plan year covered under PPA. Although an individual shortfall amortization can be negative, the combined shortfall amortization charge cannot be less than $0.

	Amortization period		Balances		Beginning of year
Charge	Date created	Years left	Initial	Outstanding	payment
Shortfall Loss	10/01/2008	5	$ 6,391,473	$ 4,934,868	$ 1,069,021
Total				**$ 4,934,868**	**$ 1,069,021**

	Amortization period		Balances		Beginning of year
Credit	Date created	Years left	Initial	Outstanding	payment
Shortfall Gain	10/01/2009	6	$ (2,127,767)	$ (1,877,327)	$ (351,201)
Shortfall Gain	10/01/2010	7	$ (328,252)	$ (328,252)	$ (54,436)
Total				**$ (2,205,579)**	**$ (405,637)**

Schedule SB, Line 24 — Change in Actuarial Assumptions

- The sponsor changed their interest rate election from full yield curve with a 4 month look-back to segment rates with a 4 month look-back.
- Mortality table was updated from 2009 PPA separate static annuitant/nonannuitant tables to the 2010 PPA tables.

SCHEDULE SB (Form 5500)	Single-Employer Defined Benefit Plan Actuarial Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	2010 This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 10/01/2010 and ending 09/30/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan: Pension Plan for Hourly Employees of Ashland Chemical Company

B Three-digit plan number (PN) ▶ 007

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF: Ashland Inc.

D Employer Identification Number (EIN): 20-0865835

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [X] 101-500 [ ] More than 500

Part I Basic Information

1 Enter the valuation date: Month 10 Day 1 Year 2010

2	Assets:			
	a Market value	2a		17,267,836
	b Actuarial value	2b		17,134,058
3	Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	213	8,435,284
	b For terminated vested participants	3b	138	2,984,026
	c For active participants:			
	(1) Non-vested benefits	3c(1)		666,216
	(2) Vested benefits	3c(2)		8,605,460
	(3) Total active	3c(3)	136	9,271,676
	d Total	3d	487	20,690,986
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5		6.46 %
6	Target normal cost	6		381,292

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE Gary D. Dickson FSA — Signature of actuary

7-11-12 — Date

Gary Dickson — Type or print name of actuary

11-03764 — Most recent enrollment number

Mercer — Firm name

(513) 632-2600 — Telephone number (including area code)

525 Vine Street
Suite 1600
Cincinnati OH 45202-3124 — Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Schedule SB, Line 22 — Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 61.

Retirement Rates for Calumet City, Drew Kearney, Los Angeles				
(1)	(2)	(3)	(4)	(5)
Age	Number of Lives	Probability of Retirement	Expected Number of Retirees	= (1) x (3)
55	1,000,000	10%	100,000	5,500,000
56	900,000	10%	90,000	5,040,000
57	810,000	10%	81,000	4,617,000
58	729,000	10%	72,900	4,228,200
59	656,100	10%	65,610	3,870,990
60	590,490	10%	59,049	3,542,940
61	531,441	10%	53,144	3,241,784
62	478,297	50%	239,149	14,827,238
63	239,148	30%	71,744	4,519,872
64	167,404	30%	50,221	3,214,144
65	117,183	100%	117,183	7,616,895
			1,000,000	60,219,063
Wtd. Avg. Retirement Age = sum of column (5) ÷ sum of column (4) =				60.22

Retirement Rates for Cleveland East and West				
(1)	(2)	(3)	(4)	(5)
Age	Number of Lives	Probability of Retirement	Expected Number of Retirees	= (1) x (3)
55	1,000,000	5%	50,000	2,750,000
56	950,000	6%	57,000	3,192,000
57	893,000	7%	62,510	3,563,070
58	830,490	8%	66,439	3,853,462
59	764,051	9%	68,765	4,057,135
60	695,286	10%	69,529	4,171,740
61	625,757	10%	62,576	3,817,136
62	563,181	50%	281,591	17,458,642
63	281,590	30%	84,477	5,322,051
64	197,113	30%	59,134	3,784,576
65	137,979	100%	137,979	8,968,635
			1,000,000	60,938,447
Wtd. Avg. Retirement Age = sum of column (5) ÷ sum of column (4) =				60.94

Schedule SB, Line 22 — Description of Weighted Average Retirement Age

Retirement Rates for Savannah, Bartow, Colton				
(1)	(2)	(3)	(4)	(5)
Age	Number of Lives	Probability of Retirement	Expected Number of Retirees	= (1) x (3)
55	1,000,000	3%	30,000	1,650,000
56	970,000	3%	29,100	1,629,600
57	940,900	3%	28,227	1,608,939
58	912,673	3%	27,380	1,588,040
59	885,293	3%	26,559	1,566,981
60	858,734	3%	25,762	1,545,720
61	832,972	3%	24,989	1,524,329
62	807,983	30%	242,395	15,028,490
63	565,588	20%	113,118	7,126,434
64	452,470	20%	90,494	5,791,616
65	361,976	100%	361,976	23,528,440
			1,000,000	62,588,589
Wtd. Avg. Retirement Age = sum of column (5) ÷ sum of column (4) =				62.59

Overall Weighted Average Retirement Age for Entire Plan = 61

Schedule SB, Part V — Summary of Plan Provisions

Plan provisions

Benefits included or excluded

Unless noted below, all benefits provided by the plan, as restated and amended through Amendment #13, are included in this valuation.

- Most recent plan amendments included: Amendment #13 is included because it was adopted by the valuation date and is effective by the end of the plan year.
- **Plan amendments excluded:** None
- **IRC Section 436 benefit restrictions:**
  - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
  - *Plan amendments:* See above.
  - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
  - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Scheduled benefit increases:** Scheduled benefit increases effective after the end of the current plan year are excluded from minimum funding requirements.
- **Late retirement increases:**
  - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½. This valuation assumes that actuarial increases for current participants over age 70 are immaterial and are not valued.
  - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.
- **IRC Section 415(b) benefit limitations:** The limitations of Internal Revenue Code Section 415(b) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy accruals.

Schedule SB, Part V — Summary of Plan Provisions

Summary of major plan provisions

Effective date and plan year	Original plan: October1, 1955 Restated plan: October 1, 1997 Plan year: October 1 to September 30
Most recent amendment	September 26, 2008 (Amendment No. 13)
Significant events since prior valuation	None.
Definitions	
▪ Participation	First of the month following employment (not prior to July 29, 1979 for Ashtabula).
▪ Employee contributions	None
▪ Employer contributions	Entire cost of the Plan
Normal retirement	
▪ Eligibility	Age 65

Schedule SB, Part V — Summary of Plan Provisions

▪ Benefit	Cleveland-West: $38.00 per month effective 3/1/2004 $39.00 per month effective 3/1/2005 $40.00 per month effective 3/1/2006 $42.00 per month effective 3/1/2007 $43.00 per month effective 3/1/2008 $44.00 per month effective 3/1/2009 Los Angeles: $42.00 per month effective 10/1/2004 $44.00 per month effective 10/1/2005 $45.00 per month effective 10/1/2006 $47.00 per month effective 10/1/2007 $49.00 per month effective 10/1/2008 $51.00 per month effective 10/1/2009 Cleveland-East: $38.00 per month effective 5/4/2003 $41.00 per month effective 5/2/2004 $45.00 per month effective 5/1/2005 $46.00 per month effective 5/1/2006 $47.00 per month effective 5/1/2007 $48.00 per month effective 5/1/2008 Calumet City: $42.00 per month effective 7/1/2004 $43.00 per month effective 7/1/2005 $44.00 per month effective 7/1/2006 $45.00 per month effective 7/1/2007 $46.00 per month effective 7/1/2008 $47.00 per month effective 7/1/2009 $48.00 per month effective 7/1/2010

Schedule SB, Part V — Summary of Plan Provisions

▪ Benefit	Savannah, Georgia: $11.00 per month effective 10/1/1985 Neal, West Virginia: $36.00 per month effective 10/1/2002 $38.00 per month effective 10/1/2003 $40.00 per month effective 10/1/2004 $43.00 per month effective 10/1/2005 Ashtabula, Ohio: $24.00 per month effective 2/1/2000 Drew Kearny: $36.00 per month effective 12/15/2004 $37.00 per month effective 12/15/2006 $38.00 per month effective 12/15/2007 $41.00 per month effective 12/15/2008 Bartow: $33.00 per month effective 7/1/2004 $35.00 per month effective 7/1/2005 $37.00 per month effective 7/1/2006 $40.00 per month effective 7/1/2007 $42.00 per month effective 7/1/2008 $43.00 per month effective 7/1/2009 Colton: $22.00 per month effective 7/1/1995
Early retirement	
▪ Eligibility	Age 55 for all divisions except: Ashtabula: Age 60 and 10 or more years of Credited Service.

Schedule SB, Part V — Summary of Plan Provisions

- Benefit

Savannah, Bartow, and Colton:

Accrued Retirement Benefit reduced 5% for each year retirement precedes age 65.

Ashtabula:

Accrued Retirement Benefit reduced by 1/2% for each month by which commencement of benefit precedes age 62.

Neal, Los Angeles, Calumet City and Drew Kearny:
Accrued Retirement Benefit reduced in accordance with the following table:

Age	Early Retirement Factor
55	75%
56	80
57	84
58	88
59	91
60	94
61	97
62-64	100

Cleveland West and Cleveland East:

Accrued Retirement Benefit reduced in accordance with the following table:

Age	Early Retirement Factor
55	50%
56	55
57	60
58	65
59	70
60	75
61	80
62-64	100

Schedule SB, Part V — Summary of Plan Provisions

Late retirement	
▪ Eligibility	Age past normal retirement eligibility.
▪ Benefit	Benefit as of Normal Retirement Date based upon service accrued and benefit level as of actual date of retirement.
Deferred vested	
▪ Eligibility	5 years of vesting service.
▪ Benefit	Accrued benefit at termination date payable on or after normal retirement date or an actuarially reduced benefit if participant elects to commence early.
Disability	
▪ Eligibility	Subject to the provisions of the applicable Appendix, total and permanent disability after 15 years of Service (5 years of service for Ashtabula).
▪ Benefit	Benefit payable based on disability benefit multiplier as in effect for applicable location.
Pre-retirement death	
▪ Eligibility	5 years vesting service.
▪ Benefit prior to early retirement	His spouse will receive a survivor annuity equal to 50% of the pension the Member would have received had he retired under the qualified Joint and Survivor option on his date of death. The benefit shall be actuarially reduced to reflect this coverage. There is no reduction for Ashtabula.
▪ Benefit after early but before normal retirement	In accordance with annuity form elected by Member.
▪ Benefit after normal retirement	In accordance with annuity form elected by Member.
Form of benefits	
▪ Automatic form for unmarried participants	Life annuity.
▪ Automatic form for married participants	Joint and 75% Survivor annuity in amount actuarially equivalent, using 6% interest rate and GAM71 male mortality table, to single life annuity.
Miscellaneous	
▪ Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2010, the limit is $195,000.

Schedule SB, Part V — Summary of Plan Provisions

▪ Benefits not included in valuation	None.
▪ Changes since prior valuation	None.