

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

SCHEDULE 13D  
(Rule 13d-101)

Under the Securities Exchange Act of 1934

Melamine Chemicals, Inc.  
(Name of issuer)

Common Stock  
(Title of class of securities)

585332 10 9  
(CUSIP number)

Thomas L. Feazell  
1000 Ashland Drive  
Russell, KY 41169  
(606) 329-3403  
(Name, address and telephone number of person  
authorized to receive notices and communications)

June 27, 1997  
(Date of event which requires filing of this statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box. X

CUSIP No. 585332 10 9 13D

- 1 NAME OF REPORTING PERSONS Ashland Inc.  
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS 61-0122250
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  
Not Applicable (b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS  
WC
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO  
ITEM 2(d) or 2(e)  
Not Applicable
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION  
Kentucky
- |              |    |                          |
|--------------|----|--------------------------|
| NUMBER OF    | 7  | SOLE VOTING POWER        |
| SHARES       |    | 1,275,000 shares         |
| BENEFICIALLY | 8  | SHARED VOTING POWER      |
| OWNED BY     |    | 0                        |
| EACH         | 9  | SOLE DISPOSITIVE POWER   |
| REPORTING    |    | 1,275,000 shares         |
| PERSON WITH  | 10 | SHARED DISPOSITIVE POWER |
|              |    | 0                        |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
1,275,000 shares
- 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES  
Not Applicable
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
23.4%



Securities and Exchange Commission  
Washington, D.C. 20549  
Schedule 13D

Item 1. Security and Issuer:

Ashland Inc. ("Ashland") currently owns 1,275,000 shares of Common Stock (the "Stock"), par value \$.01 per share, of Melamine Chemicals, Inc. ("MCI"). MCI's address of its principal executive offices is P.O. Box 748, Donaldsonville, Louisiana 70346.

Item 2. Identity and Background:

(a), (b) and (c) Ashland is a Kentucky corporation with its principal executive offices located at 1000 Ashland Drive, Russell, KY 41169. Ashland's businesses are grouped into six industry segments: Ashland Petroleum, SuperAmerica Group, Valvoline, Chemical, Engineering and Construction, and Exploration. In addition, Ashland is involved in the coal industry through its 50% ownership in Arch Mineral Corporation ("Arch") and its 46% ownership of Ashland Coal, Inc. ("Ashland Coal").

Ashland Petroleum is one of the nation's largest independent petroleum refiners and a leading supplier of petroleum products to the transportation and commercial fleet industries, other industrial customers and independent marketers. Ashland Petroleum also gathers and transports crude oil and petroleum products. The SuperAmerica Group operates combination gasoline and merchandise stores under the SuperAmerica(R) brand name and also sells gasoline under various brand names through other company or dealer-operated outlets. On May 15, 1997, Ashland and USX Corporation announced the signing of a Letter of Intent between Ashland and USX's Marathon group to pursue a combination of the major elements of Marathon's and Ashland's refining, marketing and transportation operations. Under the terms of the Letter of Intent, Marathon will have a 62 percent ownership interest, and Ashland will have a 38 percent ownership interest, in the new limited liability joint venture company. Ashland's exploration, production and chemical businesses are not to be a part of the new company's assets. Also excluded from the transaction is Ashland's Valvoline division. Certain equity investments of both companies are also excluded. Ashland's refinery-produced petrochemicals will be a part of the new company. It is anticipated that the new company will not assume debt of either Marathon or Ashland. The transaction is subject to the negotiation and execution of definitive documents and a closing of the transaction is targeted for calendar year-end. The anticipated combination requires the approval of the Boards of Directors of Ashland, Marathon and USX and of certain governmental agencies, as well as the satisfactory conclusion of due diligence by the parties.

Ashland's Valvoline division is one of the nation's leading marketers of branded, packaged motor oil and markets automotive chemicals, filters, rust preventives and coolants. In addition, Valvoline is engaged in the "quick-lube" business through outlets operating under the Valvoline Rapid Oil Change(R) and Valvoline Instant Oil Change(R) names.

Chemical distributes industrial chemicals, solvents and plastics, and manufactures a wide variety of specialty chemicals and certain commodity chemicals. Engineering provides architectural, design engineering and project management services worldwide, designs and manufactures steam-generating and fuel-burning equipment, and fabricates heavy metal products. Construction produces asphaltic and ready-mixed concrete, aggregate, concrete blocks and certain specialized construction materials, and performs contract construction work including highway paving and repair, excavation and grading, and bridge and sewer construction in the southern United States.

Exploration produces crude oil and natural gas principally in the eastern United States and Gulf Coast and crude oil in Nigeria. On May 21, 1997, Ashland and the Norwegian energy company, Statoil, announced the signing of a definitive agreement for the sale of substantially all of Ashland's domestic (but not international) oil and gas properties. The cash transaction is valued at \$566 million. Closing of the transaction is anticipated on July 1, 1997.

Arch produces metallurgical and steam coal from surface and deep mines in Illinois, Kentucky, West Virginia and Wyoming for sale to utility and steel companies. Ashland Coal produces low-sulfur steam coal from surface mines in central Appalachia for sale to domestic and foreign electric utility and industrial markets. Arch and Ashland Coal each markets coal mined by independent producers. On April 4, 1997, Ashland Coal, Inc. and Arch jointly announced the execution of a definitive agreement to merge their companies into a publicly traded company to be known as Arch Coal, Inc. Ashland will own about 54% of Arch Coal. Completion of the transaction is expected to occur on July 1, 1997.

The executive officers and directors of Ashland and their principal occupations are shown on the attached Schedule I. The business address of each executive officer is shown on Schedule I. Each director's business address is Ashland Inc., c/o Office of the Secretary, 1000 Ashland Drive, Russell, KY 41169.

(d-e) During the last five years, neither Ashland nor any of the persons listed in Schedule 1 hereto, has been (i) convicted in a criminal proceeding (excluding traffic violations and similar misdemeanors) or (ii) a party to a civil proceeding for a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, Federal or state securities laws or finding any violation with respect to such laws.

(f) Each executive officer and director of Ashland is a U.S. citizen.

Item 3. Source and Amount of Funds or Other Consideration:

MCI was formed in 1968 by Ashland and First Mississippi Corporation, with each company owning 50% of the Stock. Prior to the initial public offering of the Stock in August, 1987, Ashland owned 2,000,000 shares of Stock. After the initial public offering, Ashland owned 1,275,000 shares of Stock. On August 28, 1989, Ashland contributed, as a capital contribution, its 1,275,000 shares of Stock to its wholly-owned subsidiary, Ashland Chemical, Inc. ("ACI"). ACI was merged into Ashland, effective close of business on September 30, 1993 and, accordingly, ownership of the 1,275,000 shares of Stock was transferred from ACI to Ashland.

The purchase of any additional shares of Stock would be financed through internally generated funds of Ashland.

Item 4. Purpose of Transaction:

On June 27, 1997, Paul W. Chellgren, Chairman of the Board and Chief Executive Officer of Ashland, sent a letter to James W. Crook, Chairman of the Board of MCI, which included an offer to purchase all the issued and outstanding shares of Stock that Ashland does not already own at a price of \$12.50 per share in cash at closing in a friendly, negotiated transaction. The offer is subject to a due diligence review, Ashland Board review, negotiation of a definitive agreement and assurances of an acceptable long-term raw material supply arrangement. A copy of the letter is attached as an exhibit hereto.

Item 5. Interest in Securities of the Issuer:

I. Ashland

(a) Share Ownership

(i) Aggregate number beneficially owned:

1,275,000

(ii) Percentage of class of securities owned:

23.4%

(b) Number of shares which such person has:

(i) sole power to vote or to direct the vote - 1,275,000

(ii) shared power to vote or to direct the vote - 0

(iii) sole or shared power to dispose or to direct the disposition of - 1,275,000

(c) Not Applicable

(d) Not Applicable

(e) Not Applicable

## II. Executive Officers and Directors of Ashland

The beneficial ownership of the Stock of certain executive officers and directors of Ashland is listed on Schedule II. If not listed on Schedule II, the executive officer or director does not beneficially own any Stock.

### Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer:

MCI, Ashland and First Mississippi Corporation ("First Mississippi") entered into an agreement (the "Registration Rights Agreement") granting to Ashland and First Mississippi certain rights to have their Stock registered for public sale. On August 31, 1989, Ashland assigned all of its rights, privileges, duties and obligations under the Registration Rights Agreement to ACI. On September 30, 1993, ACI was merged into Ashland and, accordingly, Ashland succeeded to all of ACI's rights, privileges, duties and obligations under the Registration Rights Agreement. Under the Registration Rights Agreement, upon the request of either Ashland or First Mississippi, MCI is required to file a registration statement with respect to the sale of Stock owned by such party. The non-requesting party has the right to include its shares in such registration, but may not for 12 months thereafter require MCI to register its shares. Following such 12-month period, the non-requesting party may request registration, and the first requesting party may include in such registration any shares not sold pursuant to the first registration. Each party has the right to demand one such registration. In addition, if MCI proposes to register any of its Stock in an offering to the public for its own account or the account of any of its securities holders, MCI is required to notify Ashland and First Mississippi, as the case may be, and to include their shares in such registration if so requested. Each of Ashland and First Mississippi have the right to include shares in two such registrations. The underwriters of any such offering have the right to limit the number of shares sold by Ashland or First Mississippi pursuant to any such registration rights to such quantity as will not, in their opinion, jeopardize the underwriting or adversely affect the price of the shares to be sold. MCI has the additional right to delay the registration if a registration at such time would be unreasonably expensive or burdensome.

### Item 7. Material to be Filed as Exhibits:

#### (1) The Borrowing of Funds to Finance the Acquisition:

Not Applicable

#### (2) The Acquisition of Issue Control, Liquidation, Sale of Assets, Merger, or Change in Business or Corporate Structure:

Exhibit 99.1 - Letter dated June 27, 1997 from Paul W. Chellgren to James W. Cook

#### (3) The Transfer or Voting of the Securities:

Exhibit 99.2 - Registration Rights Agreement

Exhibit 99.3 - Agreement of Assignment and Assumption

### SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

June 30, 1997

/s/ THOMAS L. FEAZELL

-----  
Thomas L. Fezell  
Senior Vice President, General  
Counsel and Secretary



SCHEDULE I  
DIRECTORS AND OFFICERS  
OF  
ASHLAND INC.  
OFFICE ADDRESSES

DIRECTORS	OFFICE ADDRESSES
Jack S. Blanton	Republic Bank Center 700 Louisiana Suite 3920 Houston, TX 77002
Thomas E. Bolger	4301 Gulf Shore Blvd., North Apt. 703 Naples, FL 33940  and  P.O. Box 9211 4605 Indian Springs Drive Jackson, WY 83001
Samuel C. Butler	Cravath, Swaine & Moore Worldwide Plaza 825 Eighth Avenue New York, NY 10019
Frank C. Carlucci	The Carlyle Group 1001 Pennsylvania Ave., N.W. Washington, DC 20004-2505
Paul W. Chellgren	P.O. Box 391 Ashland, KY 41114
James B. Farley	Villa D'Este 2665 North Ocean Blvd. Delray Beach, FL 33483  and  51 Taylor Road Short Hills, NJ 07078
Ralph E. Gomory	Alfred P. Sloan Foundation 630 Fifth Ave., Suite 2550 New York, NY 10111-0242
Mannie L. Jackson	Harlem Globetrotters International, Inc. One Arizona Center 400 East Van Buren St., Suite 300 Phoenix, AZ 85004
Patrick F. Noonan	The Conservation Fund 1800 North Kent St. Suite 1120 Arlington, VA 22209
Jane C. Pfeiffer	90 Field Point Circle Greenwich, CT 06830
Michael D. Rose	The Promus Companies Incorporated 755 Crossover Lane Memphis, TN 38117
William L. Rouse, Jr.	2201 Regency Road Suite 602 Lexington, KY 40503
Dr. Robert B. Stobaugh	Harvard Business School 103 Cotting House Soldiers' Field Road Boston, MA 02163  MAILING ADDRESS: 243 Marsh Street Belmont, MA 02178

EXECUTIVE OFFICERS -----	OFFICE ADDRESS -----	TITLES -----
Paul W. Chellgren	P. O. Box 391 Ashland, KY 41114	Chairman of the Board and Chief Executive Officer
John A. Brothers	P. O. Box 391 Ashland, KY 41114	Executive Vice President and Group Operating Officer
James R. Boyd	P. O. Box 391 Ashland, KY 41114	Senior Vice President and Group Operating Officer
J. Marvin Quin	P. O. Box 391 Ashland, KY 41114	Senior Vice President and Chief Financial Officer
Thomas L. Feazell	P. O. Box 391 Ashland, KY 41114	Senior Vice President, General Counsel and Secretary
Robert E. Yancey, Jr.	P. O. Box 391 Ashland, KY 41114	Senior Vice President and Group Operating Officer; President, Ashland Petroleum Company
Harry M. Zachem	P. O. Box 391 Ashland, KY 41114	Senior Vice President, External Affairs
David J. D'Antoni	P. O. Box 2219 Columbus, OH 43216	Senior Vice President; President, Ashland Chemical Company
John F. Pettus	P. O. Box 14000 Lexington, KY 40512	Senior Vice President; President, SuperAmerica Group
Charles F. Potts	900 Ashwood Parkway Suite 700 Atlanta, GA 30338-4780	Senior Vice President; President, APAC, Inc.
James J. O'Brien	P. O. Box 14000 Lexington, KY 40512	Senior Vice President; President, The Valvoline Company
John W. Dansby	P. O. Box 391 Ashland, KY 41114	Administrative Vice President; Treasurer
Kenneth L. Aulen	P. O. Box 391 Ashland, KY 41114	Administrative Vice President; Controller
Philip W. Block	P. O. Box 391 Ashland, KY 41114	Administrative Vice President
Fred E. Lutzeier	P. O. Box 391 Ashland, KY 41114	Auditor
William R. Sawran	P.O. Box 14000 Lexington, KY 40512	Vice President; Chief Information Officer; President, Ashland Services Company

OTHER OFFICERS -----	OFFICE ADDRESSES -----	TITLES -----
Sean T. Crimmins	P. O. Box 391 Ashland, KY 41114	Vice President
William G. Haddeland	601 Pennsylvania Avenue, N.W. North Building, Suite 540 Washington, DC 20004	Vice President
William P. Harti	P.O. Box 391	Vice President



	Ashland, KY 41114	
James D. Lacy	P. O. Box 391 Ashland, KY 41114	Vice President
Andrew C. Meko	P. O. Box 391 Ashland, KY 41114	Vice President
Carl A. Pecko	P. O. Box 391 Ashland, KY 41114	Vice President
James G. Stephenson	P. O. Box 391 Ashland, KY 41114	Vice President
Timothy J. Berry	P. O. Box 14000 Lexington, KY 40512	Assistant Secretary
Thomas F. Davis	P. O. Box 2219 Columbus, OH 43216	Assistant Secretary
Michael F. Jordan	P. O. Box 391 Ashland, KY 41114	Assistant Secretary
Richard P. Thomas	P. O. Box 391 Ashland, KY 41114	Assistant Secretary
T. Cody Wales	P. O. Box 391 Ashland, KY 41114	Assistant Secretary
J. Michael Wilder	P. O. Box 14000 Lexington, KY 40512	Assistant Secretary
Charles M. Hedrick	P. O. Box 391 Ashland, KY 41114	Assistant Treasurer
Daniel B. Huffman	P. O. Box 391 Ashland, KY 41114	Assistant Treasurer
Charles H. Seal	P. O. Box 391 Ashland, KY 41114	Assistant Treasurer

SCHEDULE II

EXECUTIVE OFFICER

SHARES

- - - - -

- - - - -

James R. Boyd

200 Shares

David J. D'Antoni

970 Shares - Custodian for Andrew  
D'Antoni

500 Shares - Held in IRA Account

705 Shares - Indirect - Held in  
Wife's IRA Account

9,195 Shares - Indirect - Held by  
Wife

J. Marvin Quin

2,000 Shares - Indirect - Held by  
Wife

EXHIBIT INDEX

Exhibit No. -----	Description -----
99.1	Letter dated June 27, 1997 from Paul W. Chellgren to James W. Cook
99.2	Registration Rights Agreement
99.3	Agreement of Assignment and Assumption

[Ashland Logo]

ASHLAND INC. P.O. BOX 391 ASHLAND, KENTUCKY 41114 PHONE (606) 329-3333

PAUL W. CHELLGREN  
Chairman of the Board and  
Chief Executive Officer  
(606) 329-3024  
(606) 329-3559 (FAX)

June 27, 1997

Mr. James W. Crook  
Chairman of the Board  
Melamine Chemicals, Inc.  
P. O. Box 748  
River Road, Highway 18  
Donaldsonville, LA 70346

Dear Jimmy:

Through a briefing from Messrs. D'Antoni and Patrick, Ashland is pleased to learn of the recent efforts regarding the possible sale of the Company. As an original and long-term shareholder of Melamine Chemicals, Inc., Ashland would be supportive of a sale of the company at a fair price.

Ashland would be interested in acquiring all the issued and outstanding shares of Melamine that we do not currently own. Accordingly, we stand ready to purchase all the issued and outstanding shares of the Company that we do not already own at a price of \$12.50 per share in cash at closing, subject to a due diligence review, Ashland Inc. Board approval, negotiation of a definitive agreement, and assurances of an acceptable long-term raw material supply arrangement.

Under applicable Federal securities laws, we are required to promptly publicly disclose the contents of this letter. This disclosure is not meant to preempt or preclude negotiations. We are proposing a negotiated, friendly transaction. I believe that we could complete any necessary due diligence and agree and sign a definitive agreement very quickly and, subject to customary conditions, complete this transaction soon thereafter.

I look forward to your prompt and favorable reply at your earliest convenience but in any event no later than the close of business on July 17, 1997.

Sincerely yours,

/s/ Paul Chellgren

Paul W. Chellgren  
Chairman of the Board  
and Chief Executive Officer

## REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement ("this Agreement"), is entered into as of this day of August, 1987, by and among Melamine Chemicals, Inc., a Delaware corporation (the "Company"), Ashland Oil, Inc., a Kentucky corporation ("Ashland") and First Mississippi Corporation, a Mississippi corporation ("First Mississippi").

WHEREAS, the Company has filed a registration statement on Form S-1 under the Securities Act of 1933 as amended (the "Act"), with the Securities and Exchange Commission (the "Commission") with respect to an offering by the Company of 1,400,000 shares of its common stock, \$.01 par value per share, and an offering by Ashland and First Mississippi (collectively, the "Selling Stockholders"), each of which is offering 700,000 shares of common stock; and

WHEREAS, each of the Selling Stockholders will each own 1,300,000 shares of common stock (the "Common Stock") after the Company's initial public offering; and

WHEREAS, each of the Selling Stockholders may desire to register the Common Stock for public sale at some time in the future; and

WHEREAS, the Company now desires to afford the Selling Stockholders certain rights to register the sale of all or a portion of the shares of Common Stock retained by them.

NOW, THEREFORE, in consideration of the premises and of the covenants and agreements herein contained and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

## SECTION I

SELLING STOCKHOLDER REQUEST  
FOR REGISTRATION

Section 1.01 Request for Registration. Either of the Selling Stockholders may make a written demand (stating that it is made pursuant to this Section 1.01) to the Company of their intention to effect the sale, transfer or other disposition of all or a portion of their Common Stock and to request that the Company register such Common Stock under the Act (the "Demand Registration"). The demand shall specify the manner in which such shares are to be sold, transferred or otherwise disposed of. The Company will, as soon as is reasonably practicable but in no event later than ten days after its receipt of such a request from either Ashland or First Mississippi (the "Requesting Party"), notify the other party (the "Non-requesting Party") of its receipt of a request to register shares of Common Stock

pursuant to this Agreement. The Non-requesting Party shall have ten business days from its receipt of the notice to make written demand (specifying that it is made pursuant to this Section 1.01) to the Company to request that the Company Register all or a portion of its Common Stock. The demand shall specify the manner in which such shares are to be sold, transferred or otherwise disposed of. (All such shares of Common Stock that the Company is requested to register are collectively referred to as the "Registrable Securities"). Thereafter, the Company shall use reasonable efforts to cause all Registrable Securities to be registered under the Act pursuant to Section III hereof.

Section 1.02 Request by Non-Requesting Party. For a period of 12 months after a demand pursuant to Section 1.01 from the Requesting Party, the Non-requesting Party may not make a written demand that the Company register its shares under the Act pursuant to Section 1.01.

Section 1.03 Number of Demand Registrations. The Company shall be obligated to effect one Demand Registration pursuant to Section 1.01 for each of the Selling Stockholders on the terms and conditions of this Agreement; provided, however, if the Company has filed a registration statement pursuant to Section 1.01 and the registration fails to be declared effective through no fault of the Company, such filing shall fulfill the Company's obligations to register the Requesting Party's Common Stock pursuant to Section 1.01.

Section 1.04 Delay of Demand Registration. Notwithstanding the foregoing, if the Company shall furnish to the Selling Stockholders a

certificate signed by the Chairman of the Board, the President or any authorized Vice President of the Company stating that in the good faith judgment of the Board of Directors upon consultation with an independent investment banking firm active in underwriting of public offerings it would be seriously detrimental to the Company or its stockholders for a registration statement to be filed in the near future, then the Company's obligation to use its reasonable efforts to file a registration statement pursuant to this Section I shall be deferred until such time as in the good faith judgment of such persons it would not be seriously detrimental to the Company and its stockholders.

## SECTION II

### COMPANY REGISTRATIONS

Section 2.01 Piggy-back Registration. In addition to any rights granted under Section I and subject to the requirements of Section 2.02, if the Company proposes to register under the Act a public offering of its Common Stock, the Company shall give notice as promptly as possible of such proposed registration to the Selling Stockholders. Within fifteen business days after receipt of such notice, each Selling Stockholder shall notify the Company in writing of the number of shares of Common Stock, if any, that such Selling Stockholder wishes to have included in

such registration and, if either or both of the Selling Stockholders elect to so include any shares of Common Stock in the registration, the Company will use all reasonable efforts to cause the offering of the number of shares that the Selling Stockholders shall have requested to be included in such registration, upon the same terms (including the method of distribution) as such offering; provided, however, that: (i) the Company shall not be required to give notice of, or include such shares in, any such registration if the proposed registration is a registration of (A) an employee ownership, option, purchase or other employee incentive or benefit plan or arrangement, (B) securities proposed to be issued in exchange for securities or assets of, or in connection with a merger or consolidation with, another entity or corporation, (C) securities proposed to be offered to any class or series of its then existing security holders, (D) securities issuable upon the conversion of securities which are the subject of an underwritten redemption or (E) a combination of any of the transactions referred to in (A) through (D); (ii) the Company shall not be required to include any or all such shares of Common Stock in any such registration if, in the reasonable opinion of the Company's investment banking firm, the basis for which is given in writing by such firm to the Selling Stockholders, the inclusion of any or all such shares of Common Stock would have a material adverse affect on such proposed offering or the Selling Stockholder desiring to sell shares has not agreed to refrain from selling any additional shares of Common Stock for such reasonable period not to exceed the number of days following the effective date of the offering as such investment banker may reasonably request; provided, however, that the securities of all other persons with similar rights must also be excluded; (iii) if the amount of the securities to be offered by the Company through such registration is reduced, the number of shares of Common Stock to be offered by each of the Selling Stockholders may be reduced proportionately; and (iv) the Company may, without the consent of either of the Selling Stockholders, withdraw any registration statement and abandon the proposed offering in which the Selling Stockholders had requested to participate.

Section 2.02 Distribution of Shares. Each of the Selling Stockholders desiring to sell shares of Common Stock in the offering agree to sell their shares on the same terms as the securities proposed to be registered by the Company.

Section 2.03 Number of Piggy-back Registrations. Each of the Selling Stockholders shall have the right to have shares of Common Stock included in two registrations pursuant to this Section II.

### SECTION III

#### COMPANY OBLIGATIONS

Whenever required under Sections 1.01 or 2.01 to use reasonable efforts to effect the registration of any Registrable

Securities, the Company shall, as expeditiously as reasonably possible:

(a) Prepare and file with the Commission a registration statement with respect to such Registrable Securities and use all reasonable efforts to cause such registration statement to become and remain effective; provided, however, that in connection with any proposed registration intended to permit an offering of any securities from time to time (i.e., a so-called "shelf registration"), the Company shall in no event be obligated to cause any such registration to remain effective for more than 90 days.

(b) Prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Act with respect to the disposition of all securities covered by such registration statement.

(c) Furnish to the Selling Stockholders such numbers of copies of a prospectus, including a preliminary prospectus, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them.

(d) Use all reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably appropriate for the distribution of the securities covered by the registration statement, provided that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, and further provided that (notwithstanding anything in this Agreement to the contrary with respect to the bearing of expenses) if any jurisdiction in which the securities shall be qualified shall require that expenses incurred in connection with the qualification of such securities in that jurisdiction be borne by the selling shareholders, then such expenses shall be payable by the selling shareholders pro rata, to the extent required by such jurisdiction.

#### SECTION IV

##### CONDITION PRECEDENT

It shall be a condition precedent to the obligations of the Company to take any action pursuant to Section III hereof that the Selling Stockholders shall furnish to the Company such information regarding them, the Registrable Securities held by them, the intended method of disposition of such securities and such other information as, in the reasonable opinion of counsel for the Company, is necessary to enable the Company to cause such registration statement to be properly prepared and filed in



accordance with applicable laws and regulations and to obtain acceleration of the effective date thereof.

## SECTION V

### EXPENSES OF REGISTRATION

Section 5.01 Demand Registration Expenses. The Selling Stockholders shall bear all expenses incurred in connection with a registration pursuant to Section 1.01 including without limitation, all underwriters' discounts, commission and fees, all registration and qualification fees, printing, legal and accounting fees and fees and disbursements of counsel for the Company. Each of the Selling Stockholders shall bear such fees and expenses pro rata in the same proportion as the number of shares registered on its behalf bears to the total number of shares registered. The Company shall bear its internal costs associated with the Demand Registration. If either of the Selling Stockholders' request under Section 1.01 is made at a time not within 45 days after the end of the Company's fiscal year, such Selling Stockholder shall bear the additional costs and fees of the Company's auditors resulting from the Company's inability to use year-end financial statements in the registration statement initially filed pursuant to their request; and provided, further, that the Selling Stockholders may withdraw a request made within 45 days of the end of the fiscal year if the audited financial statements of the Company of such year and at such year-end materially and adversely differ from the information previously delivered to the Selling Stockholders at the time of their request pursuant to the reporting requirements of this Agreement, in which event the Selling Stockholders shall not be required to pay any of the expenses and shall retain the right to require the Company to register their Registrable Securities pursuant to Section 1.01.

Section 5.02 Piggy-back Registration Expenses. In the case of any registration effected pursuant to Section 2.01, the Selling Stockholders shall bear any additional registration and qualification fees and expenses (including underwriters' discounts and commissions), and any additional costs and disbursements of counsel for the Company that result from the inclusion of securities held by the Selling Stockholders in such registration, with such additional expenses of the registration being borne by both Selling Stockholders pro rata on the basis of the amount of securities so registered; provided, however, that if any such costs or expenses is attributable solely to one Selling Stockholder and does not constitute a normal costs or expense of such a registration, such cost or expense shall be allocated to that Selling Stockholder. In addition, each Selling Stockholder shall bear the fees and costs of its own counsel.

SECTION VI  
INDEMNIFICATION

Section 6.01 Indemnification of Selling Stockholders. Each of the Selling Stockholders agree to hold harmless the Company, each of its directors, each of its officers who signs any registration statement and each person, if any, who controls the Company within the meaning of the Act from and against any and all losses, claims, damages, expenses or liabilities, joint or several, to which they or any of them may become subject under the Act or under any other statute or at common law or otherwise, and, except and hereinafter provided, will reimburse the Company, each of its directors, each such officer and each such controlling person, if any, for legal or other expenses reasonably incurred by them or any of them in connection with investigating or defending any actions, whether or not resulting in any liability, insofar as such losses, claims, damages, expenses, liabilities, or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in such registration statement, any prospectus contained therein or any amendments or supplements thereto (hereinafter referred to as the "Registration Statement"), or any state securities laws applications (hereinafter referred to as the "State Securities Laws Applications"), or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein not misleading, to the extent such untrue statement or omission was made in such Registration Statement or State Securities Laws Applications in reliance upon and in conformity with written information furnished to the Company by such Selling Stockholder (including, without limitation, information incorporated by reference by such Selling Stockholder in such Registration Statement or State Securities Laws Applications) specifically for use therein.

Section 6.02 Indemnification by the Company. The Company will indemnify and hold harmless the Selling Stockholders, each of their directors, each of its officers who signs any registration statement and each person, if any, who controls a Selling Stockholder within the meaning of the Act, from and against any and all losses, claims, damages, expenses or liabilities, joint or several, to which the Selling Stockholder or any such person may become subject under the Act or under any other statute or at common law or otherwise, and, except as hereinafter provided, will reimburse the Selling Stockholder and each such controlling person, if any, for legal and other expenses reasonably incurred by such Selling Stockholder or any such controlling person in connection with investigating or defending any actions, whether or not resulting in any liability, insofar as such losses, claims, damages, expenses, liabilities or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or the State Securities Laws Applications, or arise out of or are based upon the omission or alleged

omission to state therein a material fact required to be stated therein or necessary in order to make the statement therein not misleading, to the extent such untrue statement or omission was made in the Registration Statement or the State Securities Laws Applications in reliance upon and in conformity with information furnished by the Company (including, without limitation, information incorporated by reference by the Company in such Registration Statement or State Securities Laws Applications) in connection therewith for use therein.

6.03 Defense of Claims. If any action or claim shall be brought or asserted against an indemnified party or parties (the "Indemnified Party") under this Section VI in respect of which indemnity may be sought from an indemnifying party or parties (the "Indemnifying Party") under this Section VI (a "Claim"), the Indemnified Party shall immediately give prompt written notice of the Claim to the Indemnifying Party, who shall assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all expenses; except that any delay or failure to so notify the Indemnifying Party shall only relieve the Indemnifying Party of their obligations hereunder to the extent, if at all, that they are prejudiced by reason of such delay or failure. The Indemnified Party shall have the right to employ separate counsel and participate in the defense of the Claim, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party. In the event that the Indemnifying Party, within a reasonable time after notice of the Claim, fails to assume the defense thereof, the Indemnified Party shall have the right to undertake the defense, compromise or settlement of the Claim for the account of the Indemnifying Party at the expense of the Indemnifying Party; subject, however, to the right of the Indemnifying Party to assume the defense of the Claim with counsel reasonably satisfactory to the Indemnified Party at any time prior to the settlement, compromise or final determination thereof. Anything in this Section 6 to the contrary notwithstanding, the Indemnifying Party shall not, without the Indemnified Party's prior written consent, settle or compromise any Claim or consent to the entry of any judgment with respect to any Claim for anything other than money damages paid by the indemnifying Party that would have any adverse affect on the Indemnified Party.

#### SECTION VII MISCELLANEOUS

7.01 Any notice, communication, request, reply or advice (hereinafter called a "notice") in this Agreement provided or permitted to be given or made by any party to another must be in writing and may be given or served by depositing the same in the mail postage prepaid and registered or certified with return receipt requested, or by delivering the same in person to the person or entity to be notified. Notice deposited in the mail in the manner hereinabove described shall be effective 48 hours

after such deposit, and notice delivered in person shall be effective at the time of delivery. For purposes of notice, the addresses of the parties shall, until changed as hereinafter provided, be as follows:

(a) If to the Company:

Melamine Chemicals, Inc.  
Highway 18 West  
Donaldsonville, Louisiana 70346

With a copy to:

L. R. McMillan, II  
Jones, Walker, Waechter, Poitevent,  
Carrere & Denegre  
201 St. Charles Avenue, 51st Floor  
New Orleans, Louisiana 70170

or at such other address as the Company may have advised each of the Selling Stockholders in writing; and

(b) If to Ashland

Ashland Oil, Inc.  
P.O. Box 391  
Ashland, Kentucky 41114  
Attn: General Counsel

With a copy to:

Scotty B. Patrick  
Ashland Chemical Company  
5200 Blazer Pkwy.  
Dublin, Ohio 43017

or at such other address as Ashland may have advised the Company in writing.

(c) If to First Mississippi

First Mississippi Corporation  
700 North Street  
Jackson, Mississippi 39215-1249

With a copy to:

Alfred L. Price  
First Mississippi Corporation  
700 North Street  
Jackson, Mississippi 39215-1249

or at such other address as First Mississippi may have advised the Company in writing.

7.02 It is the intention of the parties hereto that the internal laws of Louisiana applicable to contracts made and to be performed wholly within such state shall govern the validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties.

7.03 Section and other headings contained in this Agreement are for reference only and shall not affect in any way the meaning or interpretation of this Agreement.

7.04 The failure by the Company, Ashland or First Mississippi to enforce any of their respective rights hereunder shall not be deemed a waiver of such rights, unless such waiver is an express written waiver which has been signed by the waiving party. Waiver of any one breach shall not be deemed to be a waiver of any other breach of the same or any other provision hereof.

7.05 This Agreement shall not be assignable by any of the parties hereto, except to an affiliated party, without the prior written consent of the other party, and any attempted assignment without such consent shall be null and void AB INITIO. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

7.06 This Agreement constitutes the entire understanding and agreement among the parties hereto with respect to the subject matter hereof, and there are no agreements, understandings, restrictions, representations or warranties among the parties other than those set forth herein or herein provided for, all prior agreements and understandings being superseded hereby.

7.07 This Agreement may be executed in one or more counterparts with the same effect as if all parties hereto had signed the same document. All counterparts so executed and delivered shall be deemed to be an original, shall be construed together and shall constitute one agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

MELAMINE CHEMICALS, INC.

By: /s/ Roger E. Thomas  
-----  
Roger E. Thomas,  
President

ASHLAND OIL, INC.

By: /s/ Marvin Quin  
-----  
Marvin Quin, its Treasurer

FIRST MISSISSIPPI CORPORATION

By: -----  
-----, its  
-----

ASHLAND OIL, INC.

By: -----  
Marvin Quin, its Treasurer

FIRST MISSISSIPPI CORPORATION

By: /s/ R. M. Summerford  
-----  
R. M. Summerford, its  
Vice President

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement made and entered into this 30th day of August 1989, by and between Ashland Oil, Inc., a Kentucky corporation, 1000 Ashland Drive, Russell, Kentucky ("Ashland") and Ashland Chemical, Inc., an Ohio corporation, 5200 Blazer Parkway, Dublin, Ohio ("ACI").

WITNESSETH:

WHEREAS, in connection with a public offering of stock of Melamine Chemicals, Inc. ("Melamine"), First Mississippi Corporation ("FMC"), Ashland and Melamine entered into a Registration Rights Agreement dated August 7, 1987 (the "Rights Agreement") concerning any future public offerings of Melamine's stock held by Ashland or FMC:

WHEREAS, Ashland and some of its subsidiaries are currently engaged in a restructuring program which is intended, INTER ALIA, to group these subsidiaries by lines of business;

WHEREAS, as part of that restructuring, Ashland has decided to transfer its ownership in Melamine to ACI; and

WHEREAS, Ashland has transferred its 1,275,000 shares in Melamine to ACI and in connection therewith desires to transfer its rights, privileges, duties and obligations under the Rights Agreement to ACI;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Ashland and ACI agree as follows:

1. Ashland hereby assigns and transfers to ACI, its successors and assigns, and ACI hereby accepts, any and all of Ashland's rights, privileges and interest in and to the Rights Agreement.

2. Ashland hereby delegates to ACI and ACI hereby assumes, any and all duties, obligations and liabilities of Ashland under the Rights Agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands on the day and year first above written.

ATTEST: ASHLAND OIL, INC.

/s/ T. Cody Wales  
-----  
T. Cody Wales  
Assistant Secretary

/s/ Thomas L. Feazell  
-----  
Thomas L. Feazell  
Administrative Vice President

ATTEST: ASHLAND CHEMICAL, INC.

/s/ R. G. O'Brien  
-----  
R. G. O'Brien  
Assistant Secretary

/s/ Thomas L. Feazell  
-----  
Thomas L. Feazell  
Administrative Vice President