

CNF INCORPORATED
ANNUAL MEETING OF SHAREHOLDERS

Hotel du Pont
Knowles Room
Wilmington, Delaware

Tuesday, April 19, 2005

9:00 a.m.

BEFORE:

W. KEITH KENNEDY, JR.

JENNIFER W. PILEGGI

MR. KENNEDY: I have it as nine o'clock eastern daylight. So as we said in our proxy, I'll call the meeting to order. I am Keith Kennedy. The Chairman of the Board and Interim Chief Executive Officer and I will be chairing the meeting.

In order to insure that business of the meeting proceeds in an orderly fashion and that shareholders who wish to speak may have a fair opportunity to do so, there will be a designated question and comment period that will take place.

That period will be after all of the agenda items have been presented, and before the polls are open for voting. The meeting will be conducted in accordance with the rules of conduct that each of you received. Sitting at the table to my right is Jennifer Pileggi, Senior Vice President, General Counsel and Corporate Secretary.

Also we have attending this meeting electronically Doug Stotlar who is a Senior Vice President and President of Conway Transportation Services, and several directors. I will ask Jennifer to read the names of those directors in attendance electronically.

MS. PILEGGI: The ones that are on so far are Jack Anton, Jack Pope, Hank Mauz, Chip White, Bob Wayman, Mike Murray, Peter Stott, Bob Rogers and Bill Corbin and Bill Schroeder.

MR. KENNEDY: At this point I would like to turn the meeting over to Ms. Pileggi who will report on some of the formalities for the meeting.

MS. PILEGGI: I would like to introduce Steven Myers of the Bank of New York, who has been appointed by the board of directors as inspector of election for this meeting.

We have received affidavits that proper notice of the meeting was mailed commencing March 21, 2005, to every stockholder who was a holder of record at the close of business on March 1st.

MR. KENNEDY: Based upon the proxies received today, the quorum is present and the meeting will proceed. The items on the agenda are number (1) the election of four class-two directors. And number (2) the ratification of the appointment of auditors.

The question and comment period will follow the presentation of these agenda items. And following the question and comment period there will be voting on both agenda items.

Mr. Tim McCann of KPMG is present at the meeting today. Tim would you just stand so people know who you are? And he is available to respond to appropriate questions from shareowners after the meeting. I would like to say that Tim is rotating off of this account and I feel that he and his people did an excellent job in a very busy year when we had to separate discontinued ops and have Sarbanes-Oxley. So thank you, Tim.

We will now proceed with the formal business of the meeting. I, again, remind you to hold any questions or comments until the agenda items have been presented. First item of business on the agenda -

MS. PILEGGI: Did someone just join?

MR. JAUNICH: Bob Jaunich.

MS. PILEGGI: Good morning, Bob.

MR. KENNEDY: First item of business on the agenda is the election of four class-two directors for a three year term to serve until the 2008 annual meeting, and until their successors are elected and qualify.

The secretary has advised that under the company's bylaws the only persons who have been properly nominated are those nominees listed in the company's proxy statement - Murray, Rogers, Schroeder and White. I, therefore, declare that nominations for directors are closed.

The second item of business on the agenda is ratification of the appointment of independent auditors to examine and report on the financial statements of the company for the year 2005. The audit committee of the board of directors has reappointed KPMG, LLP. And it is the board's unanimous recommendation that the reappointment be ratified.

We will now proceed to the question and answer period. I would like to ask any shareowner who has a question to indicate so. I have one who has already indicated an intent to address the meeting. In order to insure fair treatment to all stockholders our meeting rules provide the questions or comments will be limited to two minutes for each speaker.

When you are recognized to speak please step to the microphone. We ask that until you are recognized you remain seated. Before you ask your question or make your remarks, please state your name and whether you are stockholder or a proxy for a stockholder.

The floor is now open for your questions and comments. Mr. Diehl.

MR. DIEHL: Thank you, Dr. Kennedy. My name is Jim Diehl and I'm a stockholder. And this question involves the SEC filing that was submitted in December -

MR. KENNEDY: Could you step just slightly closer to the microphone.

MR. DIEHL: That was a severance agreement that you signed with Eb Schmoller. The payment of \$850,000 in addition to his regular salary seems a bit over the top giving the consideration he was under contract and just entered that contract and he subsequently stayed almost to the end of his normal contract anyway.

So can you explain the thought process of that \$850,000 payment to him? It seems like it's truly a severance payment rather than stay on type thing.

MR. KENNEDY: Mr. Schmoller had planned to retire early in the year 2005. Because of our interest in divesting the forwarding part of the company and because he had been involved in that for quite a period of time, I requested that he remain with us until that transaction closed. And we negotiated what would be stay pay for that which is what the amount that you mentioned in your question.

MR. DIEHL: Did you mean stay until 2004?

MR. KENNEDY: I'm sorry. He wanted to leave early in 2004. And I requested him to stay and the financial agreement was stay pay to stay through 2004.

MR. DIEHL: Even though he is under contract to stay anyway?

MR. KENNEDY: Yes. He met our rule of 85 meaning he could retire at any time with full benefits.

MR. DIEHL: Okay. I have just one question.

MR. KENNEDY: Yes.

MR. DIEHL: Greg Quesnel was paid \$1 million for a consulting agreement that I believe is still running now. He was to work up to 150 hours to a quarter. Can you tell me how

many hours, if any, he has worked under that consulting agreement?

MR. KENNEDY: It was a blanket fee, as you probably know that he was paid; that will finish at the end of the second quarter. This year the quarter we're in. I could not tell you how many hours he has consulted with us. But I have talked to him numerous times and, once again, because of his experience with the Menlo Forwarding, there was a fair amount of work that he and I talked about during the second half of '04.

MR. DIEHL: Thank you.

MR. KENNEDY: Thank you. Are there any other questions? Okay. Seeing none we will proceed to the voting of the agenda items. The polls are now open.

Is there anyone present who would like to vote by ballot, and if so please raise your hand? I see none. So we call the polls closed for each of the matters voted. Ms. Pileggi will now report on the results of the voting on the two agenda items.

MS. PILEGGI: Based on the current tally, the company shareholders have voted to elect the four nominated directors and to ratify the appointment of KPMG as the company's auditor.

MR. KENNEDY: All right. This concludes the meeting. And I now declare the meeting adjourned. Thank you all for being here today.

(Meeting concluded at 9:10 a.m.)