

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

December 8, 2004

-----  
Date of Report (Date of earliest event reported)

CNF Inc.

-----  
(Exact name of registrant as specified in its charter)

Delaware	1-5046	94-1444798
----- (State or other jurisdiction of incorporation)	----- (Commission File Number)	----- (IRS Employer Identification No.)

3240 Hillview Avenue, Palo Alto, California 94304

-----  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code:  
(650) 494-2900

-----  
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

On December 6, 2004, Gerald L. Detter, who recently retired as President and

Chief Executive Officer of Con-Way Transportation Services, Inc., entered into an Employment Agreement with CNF, pursuant to which Mr. Detter has agreed to serve as an advisor to CNF until January 31, 2006. As compensation for his services, Mr. Detter will receive an annual base salary of \$540,696 and certain other benefits, as described in the Employment Agreement. A copy of the Employment Agreement is filed with this report as Exhibit 99.1 and is incorporated herein by reference. The foregoing description of the Employment Agreement is qualified in its entirety by reference to such exhibit.

On December 6, 2004, CNF adopted three new benefit plans, effective January 1, 2005: the 2005 Deferred Compensation Plan for Non-Employee Directors, the 2005 Deferred Compensation Plan for Executives and the 2005 Supplemental Excess Retirement Plan. These plans were adopted to allow CNF's directors and executives to defer compensation, and to allow the Company to provide supplemental excess retirement benefits to executives, in compliance with Section 409A of the Internal Revenue Code, which was enacted as part of the American Jobs Creation Act of 2004. CNF's existing deferred compensation plans for executives and for directors will continue in effect and will govern deferrals made prior to January 1, 2005, although no new deferrals will be permitted under those plans. In addition, CNF's existing supplemental excess retirement plan for executives will continue in effect and will govern supplemental excess retirement benefits accrued prior to January 1, 2005, although no new benefits will accrue under that plan. Copies of the three new plans are filed with this report as Exhibits 99.2, 99.3 and 99.4 and are incorporated herein by reference. The foregoing description of the plans is qualified in its entirety by reference to such exhibits.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

On December 3, 2004, CNF Inc. issued a press release announcing that Douglas Stotlar has been named President and Chief Executive Officer of Con-Way Transportation Services, Inc., succeeding Gerald L. Detter, who is retiring. Mr. Detter has agreed to serve as an advisor to CNF until January 31, 2006. A copy of the press release is filed with this report as Exhibit 99.5 and is incorporated herein by reference. The foregoing description of the press release is qualified in its entirety by reference to such exhibit.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

December 8, 2004.

CNF Inc.  
(Registrant)

/s/ Chutta Ratnathicam  
-----  
Chutta Ratnathicam  
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
Exhibit 99.1	Employment agreement dated December 6, 2004 between Gerald L. Detter and CNF Inc.
Exhibit 99.2	2005 Deferred Compensation Plan for Non-Employee Directors of CNF Inc. adopted December 6, 2004 and effective January 1, 2005.
Exhibit 99.3	2005 Deferred Compensation Plan for Executives of CNF Inc. adopted December 6, 2004 and effective January 1, 2005.
Exhibit 99.4	2005 Supplemental Excess Retirement Plan adopted December 6, 2004 and effective January 1, 2005.
Exhibit 99.5	Press release dated December 3, 2004 announcing that Douglas Stotlar has been named President and Chief Executive Officer of Con-Way Transportation Services, Inc., succeeding Gerald L. Detter.

EMPLOYMENT AGREEMENT

Gerald L. Detter ("Executive") and CNF Inc. ("Company"), for and in consideration of the mutual promises and covenants hereinafter set forth, do hereby enter into this Employment Agreement ("Agreement") as of December 6, 2004.

1. Employment, Duties, and Responsibilities

1.1\_ Employment

Company hereby employs Executive, and Executive accepts employment and agrees to serve as Executive Advisor to the Chairman of the Board of Company ("Chairman").

1.2 Duties and Responsibilities

Executive shall report directly to the Chairman and shall have such duties and responsibilities as may be assigned to him from time to time by the Chairman.

1.3 Term

This Agreement shall be effective from December 6, 2004 through January 31, 2006.

1.4 Location of Employment

Company shall provide Executive with use of an office at Company's headquarters when Executive's duties require travel to Company's headquarters. At other times, Company agrees that Executive may discharge his duties in a location of his choice.

1.5 Travel and Expense Reports

Executive shall be eligible to engage in business travel, as requested by the Chairman, in accordance with Company's established travel policies applicable to executive officers of Company, and shall submit expense reports for approval by the Chairman.

1

2. Compensation and Benefits

2.1 Base Salary

Executive's annual base salary shall be Five Hundred Forty Thousand Six Hundred Ninety Six dollars, payable weekly through Company's payroll system, less withholdings required by law or otherwise authorized by Executive.

2.2 Incentive Compensation

For the period commencing on January 1, 2005 and ending on December 31, 2005, Executive shall be entitled to participate in Company's standard annual Incentive Compensation Plan with a participation factor of 75% of his

annual base salary.

### 2.3 Benefits

Executive shall remain eligible to participate in each of Company's qualified and non-qualified benefit plans in which he was an eligible participant immediately preceding the effective date of this Agreement, including Company's health plan, retirement plans, supplemental excess retirement plans, life insurance plans, long term care insurance plan, and deferred compensation plans; provided, however, that nothing in this Agreement shall be construed to limit Company's right to modify, amend or terminate any such plans according to their terms.

### 2.4 Other Benefit Provisions

The parties agree that, except as expressly provided herein, nothing in this Agreement shall be construed to limit, diminish, enlarge, or otherwise modify any vested or accrued rights Executive has, as of the date immediately preceding the effective date of this Agreement, under Company's vacation and/or PTO policies as well as Company's retirement plans, supplemental excess retirement plans, health plan, life insurance plans, long term care insurance plan (or discontinued plans in which Executive was a participant, but as to which Executive retains rights), including Company's: annual Incentive Compensation Plan and Operating Ratio Bonus Plan in which Executive was a participant for the calendar year ending on December 31, 2004; Value Management Plan for the three-year cycles ending December 31, 2004, December 31, 2005, and December 31, 2006; Deferred Compensation Plan for the years 1993 through 2004, inclusive; Stock Appreciation Rights Plan; Long Term Incentive Plan of 1988; and 1997 Equity and Incentive Plan, and equity grants thereunder.

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### 2.5 Company Automobile

During the Term of this Agreement, Executive shall continue to have the use of the Company-provided automobile available to him for his use immediately preceding the effective date of this Agreement, or a comparable replacement vehicle, and, upon expiration of the term of this Agreement, Company shall transfer title to such automobile to Executive; provided, however, that Executive shall be responsible for all licensing, registration and other such fees and costs associated with such transfer, as well as any income tax attributable to Executive as a result of the transfer of such title to him.

## 3. Covenants and Commitments by Executive

### 3.1 Resignations and Retirement

Executive agrees that he shall, as of the effective date of this Agreement, resign as an officer and/or director of CNF Inc. and each and every CNF Inc. subsidiary and affiliate as to which he was an officer and/or director as of the date immediately preceding the effective date of this Agreement. Company understands and accepts that Executive has made an irrevocable decision to retire, pursuant to the terms of Company's qualified retirement plan, as of January 31, 2006.

### 3.2 Non-Disparagement

Executive agrees that he shall not make, participate in the making of, or encourage any other person to make, any statements, written or oral,

which criticize or disparage the goodwill or reputation of Company, any of its affiliates or any of their respective past or present directors, officers, executives or employees.

### 3.3 Public Statements

Executive agrees that during the term of this Agreement, he shall, only when and as requested in writing by the Chairman, make such public statements or comments about Company, its performance, or its business operations as may be requested by the Chairman, including but not limited to written or oral communications with any of Company's current or potential investors or any analysts of Company's publicly traded securities.

### 3.4 Trade Associations

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Executive agrees that during the term of this Agreement, he shall, only when and as requested in writing by the Chairman, attend or participate in meetings, seminars, symposia or other functions sponsored by business or trade associations.

### 3.5 Sales Events

Executive agrees that during the term of this Agreement, he shall, only when and as requested in writing by the Chairman, attend or participate in sales events sponsored by Company or any of its subsidiaries.

### 3.6 Cooperation

Executive agrees that during the term of this Agreement, he will comply fully with each and every reasonable request or instruction by the Chairman pertaining directly or indirectly to Executive's assigned duties.

### 3.7 Protection of Confidential Information

Executive agrees that he will not at any time, without the prior written consent of Company, either directly or indirectly use, divulge or communicate to any person or entity, in any manner, any privileged, confidential, or proprietary information of any kind concerning any matters affecting or relating to Company's or its subsidiaries' or affiliates' business, except if the disclosure (i) is required by law or (ii) disclosure involves information which had been lawfully revealed to Executive by a third party having no attorney-client or other confidentiality obligation to Company. This prohibition against disclosure includes, but is not limited to, Company's, and its affiliates' legal matters, technical data, systems and programs, financial and planning data, business development or strategic plans or data, marketing strategies, software development, product development, pricing, customer information, trade secrets, personnel information, and other privileged or confidential business information. Executive agrees to take every reasonable step to protect such privileged, confidential, or proprietary information from being disclosed to third parties. If Executive is required, or believes he may be required to disclose such privileged, confidential, or proprietary information pursuant to subpoena or other legal process, he will give Company prompt notice so that Company may object or take steps to prevent such disclosure; and

### 3.8 Cooperation Following Termination

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Executive agrees that he will, during the term of this Agreement and for so long thereafter as Company may require, fully cooperate with Company in handling its legal and other matters in which he was involved or about which he has knowledge, such as answering inquiries from Company or its counsel, testifying in depositions and trials, and engaging in other efforts on behalf of Company and its subsidiaries and affiliated companies. Executive agrees that following the term of this Agreement, he will make himself available upon reasonable notice at reasonable times and places in order to prepare for giving testimony, and to testify at deposition, trial or other legal proceedings, without Company having to serve him with a subpoena. Executive further expressly agrees that following the term of this Agreement, he will not be entitled to compensation, of any type or in any amount, for any of his time expended in such proceedings; provided, however, that Company agrees to reimburse Executive for reasonable out-of-pocket costs and expenses he incurs as a result of his obligation to cooperate with Company as provided herein.

#### 4. Termination

##### 4.1 Termination By Executive

###### 4.1.1 For Good Reason

Company agrees that any failure by Company to comply with its obligations as specified in Section 2, above shall constitute good reason for Executive to terminate this Agreement. The parties further agree that termination for good reason by Executive shall entitle Executive to a lump sum payment in an amount equal to the sum of any and all amounts to which he would otherwise be entitled if this Agreement continued in full force and effect through its term, including without limitation the value of any stock options or restricted stock grants that otherwise would vest.

###### 4.1.2 Without Good Reason

Executive agrees that should he retire or otherwise terminate this Agreement prior to the end of its term for any reason other than good reason, as specified above, Company shall have no obligation whatsoever to pay him any further amount under this Agreement and further agrees that any stock options or restricted stock grants that are not vested shall lapse according to the terms of any such grants.

##### 4.2 Termination By Company

###### 4.2.1 For Cause

Executive agrees that any failure by him to comply with his obligations as specified in Section 3, above, shall constitute cause for Company to terminate this Agreement and shall relieve Company of each and every of Company's obligations hereunder.

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###### 4.2.2 Without Cause

Company agrees that in the event Company terminates this Agreement other than for cause, as specified above, Executive shall be entitled to the same payments and benefits as specified in Section 4.1.1, above.

##### 4.3 Severance

Executive agrees that this Agreement shall supersede and extinguish any current or prior agreements with Company and/or its affiliates for compensation or benefits that might otherwise be payable to Executive in the event of a change of control, including his Severance Agreement with Company and his Severance Agreement with Con-Way Transportation Services, Inc. Executive expressly waives any rights under such agreements.

1. General Release

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In consideration of the foregoing benefits, and for other valuable consideration, Executive and his representatives, heirs, successors, and assigns do hereby completely release and forever discharge Company and any present or past subsidiaries and affiliates, and its and their present and former shareholders, officers, directors, agents, employees, attorneys, insurers, successors, and assigns (collectively, "Released Parties") from all claims, rights, demands, actions, obligations, liabilities, and causes of action of every kind and character, known or unknown, mature or unmatured, which Executive may now have or has ever had, whether based on tort, contract (express or implied), or any federal, state, or local law, statute, public policy, or regulation (collectively, "Released Claims"). By way of example and not in limitation of the foregoing, Released Claims shall include any claims arising under Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act and any and all other federal, state and local equal employment opportunity laws; any claims for benefits or payments under his executive Severance Agreements with CNF Inc. and Con-Way Transportation Services, Inc., or any prior such agreements; any statutory or common law claims asserting breach of contract, breach of the covenant of good faith and fair dealing, infliction of emotional distress, misrepresentation, interference with contract or prospective economic advantage, defamation, invasion of privacy, claims of retaliation, wrongful discharge, or wrongful termination; and any claims for benefits arising under welfare plans sponsored or adopted by Company and/or any affiliate. Executive likewise releases the Released Parties from any and all obligations for attorneys' fees incurred in regard to the above claims, or otherwise. Notwithstanding the foregoing, Released Claims shall not include (i) any claims based on obligations created by or reaffirmed in this Agreement; (ii) any obligation Company may have for any compensation earned by and due Executive for work performed on or prior to the effective date of this Agreement; and (iii) any claims for indemnification under Company's and/or its affiliates' By-laws or insurance contracts attributable to Executive's service as a director, officer or employee of Company and/or its affiliates (including indemnification for attorney's fees); (iv) claims arising out of acts or omissions on or after the date of Executive's execution of this Agreement; and (v) claims for industrial injury or illness arising under any workers' compensation law.

5 Waiver of Unknown Claims

The parties understand and agree that Released Claims include not only claims presently known to Executive, but also include all unknown or unanticipated claims, rights, demands, actions, obligations, liabilities, and causes of action of every kind and character that would otherwise come within the scope of Released Claims as described in Section 3, above. Executive understands that he may hereafter discover facts different from what he now believes to be true, which if known, could have materially affected this Agreement, but he nevertheless waives any claims or rights based on different or additional facts. Therefore, Executive waives any and all rights or benefits which he may now have, or in the future may have, under the terms of Section 1542 of the California Civil Code (or any similar provision under the



law of any other state) which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

2. Covenant Not to Sue

Executive shall not sue or initiate against any Released Party any compliance review, action, or proceeding, or participate in the same, individually or as a member of a class, under any contract (express or implied), or any federal, state, or local law, statute, or regulation pertaining in any manner to Released Claims.

3. Nonadmission

The parties understand that this is a compromise settlement of disputed claims and that the furnishing of the consideration for this Agreement shall not be deemed or construed at any time or for any purpose as an admission of liability by Company. The liability for any and all claims is expressly denied by Company.

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4. Integration

This Agreement is final, complete, exclusive, unambiguous, and fully integrated with respect to its subject matter, such that no parol or other evidence shall be admissible to contradict, explain, or supplement this Agreement. All prior employment agreements, settlement agreements, negotiations, drafts, representations, stipulations, summaries, notices, and proposals by either party with respect to the subject matter of this Agreement are merged herein, extinguished, and superceded, except to the extent that the same have been expressly referred to in this Agreement as having continued effect.

The parties understand and agree that this Agreement recites the sole consideration to be provided by Company to Executive and Executive's commitments and obligations to Company. Executive stipulates and agrees that no representation or promise has been made to Executive by Company, any person or entity, except as recited expressly in this Agreement. All agreements and understandings between the parties concerning compensation, fees and benefits to be provided to Executive are embodied and expressed in this Agreement.

5. Assignment, Successors and Assigns

Executive agrees that he will not assign, sell, transfer, delegate, or otherwise dispose of, whether voluntarily or involuntarily, or by operation of law, any rights or obligations under this Agreement. Any such purported assignment, transfer, or delegation shall be null and void. Executive represents that he has not previously assigned or transferred any rights or obligations under this Agreement. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties and their respective heirs, successors, attorneys, and permitted assigns. This Agreement shall not benefit any other person or entity except as specifically enumerated in this Agreement.

6. Severability

If any provision of this Agreement, or its application to any person, place, or circumstance, is held by an arbitrator or a court of competent jurisdiction to be invalid, unenforceable, or void, such provision shall be enforced to the greatest extent permitted by law, and the remainder of this Agreement and such provision as applied to other persons, places, and circumstances shall remain in full force and effect.

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7. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

8. Interpretation

This Agreement shall be construed as a whole, according to its fair meaning, and not in favor of or against any party. By way of example and not in limitation, this Agreement shall not be construed in favor of the party receiving a benefit nor against the party responsible for any particular language in this Agreement. Captions are used for reference purposes only and should be ignored in the interpretation of the Agreement.

9. Attorneys Fees and Costs

The parties agree that in the event of a breach of this Agreement or any provision thereof, the party who is found not to be in breach shall be entitled to recover costs and reasonable attorneys fees.

10. Arbitration of Disputes/Venue

In the event of any controversy arising from or concerning the interpretation or application of this Agreement, including the arbitrability of such controversy, whether such controversy is grounded in common or statutory law, the parties agree that such controversy shall be resolved exclusively through binding arbitration in Santa Clara County, California before a single neutral arbitrator selected jointly by the parties. The parties agree that this Section 15 is not an adhesive or unconscionable contract. The parties to the arbitration shall have all rights, remedies, and defenses available to them in a civil action for the issues in controversy. The Company shall be unconditionally responsible for the fees and expenses of the arbitrator. If, for any legal reason, a controversy subject to this Section 15 cannot be arbitrated as provided above, the parties agree that any civil action shall be brought in the United States District Court for the Northern District of California, San Jose Division, or, only if there is no basis for federal jurisdiction, in the Superior Court of the State of California in and for the County of Santa Clara. The parties further agree that any such civil action shall be tried to the court, sitting without a jury. The parties knowingly and voluntarily waive trial by jury.

11. Representation by Counsel

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The parties acknowledge that (i) they have had the opportunity to consult counsel in regard to this Agreement, (ii) they have read and understand the Agreement and they are fully aware of its legal effect; and (iii) they are entering into this Agreement freely and voluntarily, and based on each party's own judgment and not on any representations or promises made by the other party, other than those contained in this Agreement.

The parties have duly executed this Agreement as of the dates set forth below.

/s/Gerald L. Detter

\_\_\_\_\_  
Gerald L. Detter

Dated: December 6, 2004

CNF Inc.

/s/ W. Keith Kennedy Jr.

By: \_\_\_\_\_  
W Keith Kennedy, Jr.  
Chairman of the Board

Dated: December 6, 2004

CNF INC.

2005 DEFERRED COMPENSATION PLAN FOR NON-EMPLOYEE DIRECTORS

Effective January 1, 2005

CNF INC.

2005 DEFERRED COMPENSATION PLAN FOR NON-EMPLOYEE DIRECTORS  
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CNF INC.  
2005 DEFERRED COMPENSATION PLAN FOR NON-EMPLOYEE DIRECTORS

Preamble

The purpose of this Plan is to enhance the motivational value of the fees paid to non-employee directors, who contribute materially to the continued growth, development and future business success of the Company and its subsidiaries, by providing them the opportunity to defer cash compensation. The Plan is intended to aid the Company and its subsidiaries in attracting and retaining directors and give them an incentive to increase the profitability of the Company and its subsidiaries.

The Company maintains this Plan pursuant to Election Forms completed by Directors in advance of each Plan Year. In order to provide more complete documentation for the Plan, the Company adopts this Plan effective January 1, 2005.

ARTICLE 1  
Definitions

For purposes hereof, unless otherwise clearly apparent from the context, the following phrases or terms shall have the following indicated meanings:

- 1.1 "Account Balance" means the sum of (i) the total of a Participant's Annual Deferral Amounts, plus (ii) the return credited in accordance with the Plan, reduced (iii) by all distributions made in accordance with the terms and conditions of this Plan. This account shall be a bookkeeping entry only and shall be utilized solely as a device for the measurement and determination of the amounts to be paid to a Participant pursuant to this Plan.
- 1.2 "Annual Deferral Amount" means that portion of a Participant's annual retainer fee, meeting fees, and chair fees, if applicable, that a Participant elects to have and is deferred, in accordance with Article 3, for any one Plan Year. In the event of death or Termination of Service prior to the end of a Plan Year, such year's Annual Deferral Amount shall be the actual amount withheld prior to such event.
- 1.3 "Beneficiary" means one or more persons, trusts, estates or other entities, designated in accordance with Article 5, that are entitled to receive benefits under this Plan upon the death of a Participant.
- 1.4 "Beneficiary Designation Form" means the form established from time to time by the Committee that a Participant completes, signs and returns to the Committee to designate one or more Beneficiaries.
- 1.5 "Board" means the Board of Directors of the Company.
- 1.6 "Change in Control" means the occurrence of an event described in Code Section 409A(a) (2) (v).
- 1.7 "Claimant" means any Participant or Beneficiary of a deceased Participant who makes a claim for determination under Section 8.1.

- 1.8 "Code" means the Internal Revenue Code of 1986, as amended.
- 1.9 "Committee" means the Director Affairs Committee of the Board or its delegates.
- 1.10 "Company" means CNF Inc., a Delaware corporation.
- 1.11 "Director" means a non-employee member of the Board.
- 1.12 "Election Form" means the form established from time to time by the Committee that a Participant completes, signs and returns to the Committee to make an election under the Plan.
- 1.13 "Fixed Date Distribution" means a distribution of an Annual Deferral Amount, plus returns credited in accordance with Section 3.4, on a future January specified by the Participant in accordance with Section 4.1.
- 1.14 "Participant" for any Plan Year means any Director who commences participation in accordance with Article 2.
- 1.15 "Plan" means the Company's 2005 Deferred Compensation Plan for Non-Employee Directors, evidenced by this instrument, as amended from time to time.
- 1.16 "Plan Entry Date" means January 1 of each Plan Year.
- 1.17 "Plan Year" means the period beginning on January 1 of each year and continuing through December 31 of that year.
- 1.18 "Spouse" has the meaning set forth in the Defense of Marriage Act of 1996 (P.L. 104-199), as amended. (As of January 1, 2005, this definition is a legal union between one man and one woman as husband and wife.)
- 1.19 "Termination Benefit" means the benefit set forth in Section 4.3.
- 1.20 "Termination of Service" means separation from service, as that term is used in Code Section 409A(a)(2)(A)(i).
- 1.21 "Unforeseeable Emergency" means a severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant's Spouse, or a dependent (as defined in Code Section 152(a)) of the Participant, loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant.

ARTICLE 2  
Eligibility, Enrollment

- 2.1 Eligibility. Participation in the Plan shall be limited to Directors who are not employed by the Company or any member of the Company's controlled group of corporations.
- 2.2 Enrollment Requirement. The Committee shall establish from time to time such enrollment requirements as it determines in its sole discretion are necessary.
- 2.3 Commencement of Participation. Provided a Director has met all enrollment requirements set forth by the Committee, the Director may commence participation in the Plan on the Plan Entry Date that immediately follows the Director's election to participate in the Plan.

ARTICLE 3

## Deferral Commitments/Returns

- 3.1 Permissible Deferrals. A Participant may elect to defer for each Plan Year either of the following:
- (a) Minimum. The annual retainer portion of the Participant's Director fees payable in the Plan Year.
  - (b) Maximum. The annual retainer and all meeting fees, plus all chair fees, if applicable, payable in the Plan Year.
- 3.2 Election to Defer. The Participant shall make a deferral election by delivering to the Committee a completed and signed Election Form prior to the intended Plan Entry Date. For each succeeding Plan Year, a new Election Form must be delivered to the Committee, in accordance with the rules set forth above. If the Election Form is not delivered prior to the Plan Entry Date for a Plan Year, no Annual Deferral Amount shall be deferred for that Plan Year.
- 3.3 Withholding of Deferral Amounts. For each Plan Year, the Annual Deferral Amount shall be withheld at the time or times the Participant's Director fees otherwise would be paid to the Participant.
- 3.4 Returns Prior to Distribution. Prior to any distribution of benefits under Articles 4 or 5, returns shall be credited to a Participant's Account Balance and compounded quarterly commencing as of the time withheld according to Section 3.3. The rate of return on the Account Balance shall be the published prime rate of the Bank of America N.T. & S.A. as of the last day of each calendar quarter. In the event of death or a Termination of Service prior to the end of a calendar quarter, that calendar quarter's return will be calculated using a fraction of a full calendar quarter's return, based on the number of days the Participant was a Director during the calendar quarter prior to the occurrence of such event.
- 3.5 Date on Which Crediting Occurs. Account Balances will be credited with returns in accordance with Section 3.4 up to the date of distribution for a lump sum payment and up to the first date of distribution for installment payments. For purposes of crediting subsequent returns in the event that installment payments are made, the Account Balance shall be reduced as of the day on which the distribution is made.
- 3.6 Returns and Installment Distributions. In the event a benefit is paid in installments, a Participant's unpaid Account Balance shall be credited as follows:
- (a) Crediting. As of the last day of each calendar quarter, the undistributed Account Balance shall be credited with a return equal to the published prime rate of the Bank of America N.T. & S. A. as of the last day of such calendar quarter. Returns shall start to accrue under this Section 3.6 as of the date that returns cease to accrue under Section 3.4 above.
  - (b) Installments. The installment payments shall be determined by dividing the Participant's Account Balance at the time of the commencement of the installment payments by the number of payments over the installment period. Each payment determined above will be considered the principal portion of the installment payment. In addition, each installment payment will include a return calculated for the preceding year using the rate determined in Section 3.6(a) above. Installment payments shall commence in the January following such Participant's Termination of Service. All additional installment payments shall be paid in January of succeeding years.
- 3.7 Statement of Accounts. The Committee shall send to each Participant,



within 120 days after the close of each Plan Year, a statement in such form as the Committee deems desirable setting forth the amount of the Participant's Account Balance.

ARTICLE 4  
Distribution to Participant

4.1 Fixed Date Distribution.

- (a) In connection with each election to defer an Annual Deferral Amount, a Participant may, subject to (b), elect to receive a distribution from the Plan with respect to that Annual Deferral Amount in a January one or more years after the Plan Year of deferral and prior to Termination of Service. This Fixed Date Distribution shall be an amount that is equal to the sum of the Annual Deferral Amount and returns credited in accordance with Section 3.4 above. The year in which the Fixed Date Distribution is made or commences shall be elected at the time of the election to defer the Annual Deferral Amount and shall not be changed. The Fixed Date Distribution shall be paid in a lump sum or annual installments over a period of up to five years, as determined in accordance with the rules in Section 4.4.
- (b) If a Participant who has elected one or more Fixed Date Distributions has a Termination of Service before the start of the Plan Year preceding the January chosen by the Participant for such Fixed Date Distribution to be made or commence, the Participant's Account Balance shall be paid at the time and in the form elected by the Participant in accordance with Section 4.4 and not as the Fixed Date Distribution.

4.2 Withdrawal Payout/Suspensions for Unforeseeable Emergencies. If the Participant experiences an Unforeseeable Emergency, the Participant may petition the Committee to (i) suspend any deferrals required to be made by a Participant and/or (ii) receive a partial or full payout from the Plan. The Committee may, in its sole discretion, accept or deny such petition. Any suspension or payout shall not exceed the lesser of the Participant's Account Balance, calculated as if such Participant were receiving a Termination Benefit, or the amount necessary to satisfy such Unforeseeable Emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship). If the petition for a suspension and/or payout is approved, suspension shall take effect upon the date of approval and any payout shall be made within 60 days of the date of approval.

4.3 Termination Benefit. Upon a Participant's Termination of Service, the Participant shall receive a Termination Benefit which shall be equal to the Participant's Account Balance determined as of the date of the Termination of Service.

4.4 Payment of Termination Benefit. A Participant may elect on the Election Form prior to the beginning of each Plan Year to receive the Termination Benefit for such Plan Year in a lump sum or in annual installments over a period of up to five years. The lump sum payment or the first installment shall be made in January of the year following the Plan Year in which the Termination of Service occurs. For purposes of payment, the Participant's Account Balance shall be divided into subaccounts, one for each year elected by the Participant. Notwithstanding the foregoing

- (a) Payment shall be made in a lump sum as follows in lieu of any

different form provided on the Election Form then in effect:

- (i) If the Participant incurs a Termination of Service within one year after a Change in Control, the Termination Benefit shall be paid in a lump sum within 20 days of the Termination of Service.
  - (ii) If the Participant's Termination Benefit is under \$25,000 on the date of Termination of Service, such portion shall be paid in a lump sum to the Participant in the January following the Plan Year of Termination of Service.
- (b) If the Participant is a specified employee, the lump sum may not be paid, and installments may not commence before the date which is 6 months after the date of Termination of Service (or, if earlier, the date of death of the Participant). For purposes of the preceding sentence, a specified employee is a key employee as defined in Code Section 416(i) of a corporation any stock in which is publicly traded on an established securities market or otherwise.

#### ARTICLE 5 Distribution to Beneficiary

- 5.1 Payment. If a Participant dies with an Account Balance, the total Account Balance shall be paid to the Participant's Beneficiary within 90 days after the date of death.
- 5.2 Beneficiary Designation. A Participant shall designate a Beneficiary by completing and signing the Beneficiary Designation Form, and submitting it to the Committee. Subject to Section 5.3, a Participant shall have the right to change a Beneficiary at any time without the consent of the Beneficiary, by completing, signing and otherwise complying with the terms of the Beneficiary Designation Form and the Committee's rules and procedures, as in effect from time to time. Upon the receipt by the Committee of a new Beneficiary Designation Form, all Beneficiary designations previously filed shall be canceled. The Committee shall be entitled to rely on the last Beneficiary Designation Form filed by the Participant with the Committee prior to death.
- 5.3 Spousal Consent. If a Participant has a Spouse, the Participant's designation of someone other than the Spouse as primary beneficiary shall not be effective unless the Spouse executes a consent in writing that acknowledges the effect of the designation and is witnessed by a notary public. No consent is required if it is established to the satisfaction of the Committee that consent cannot be obtained because the Spouse cannot be located.
- 5.4 No Beneficiary Designation. If a Participant fails to designate a Beneficiary as provided above, the Participant's designated Beneficiary shall be deemed to be the surviving Spouse. If the Participant has no surviving Spouse, the benefits otherwise payable to a Beneficiary shall be paid to the Participant's estate.
- 5.5 Doubt as to Beneficiaries. If the Committee has any doubt as to the proper Beneficiary to receive payments pursuant to this Plan, the Committee shall have the right, exercisable in its discretion, to withhold such payments until the matter is resolved to the Committee's satisfaction, and/or to require indemnification.
- 5.6 Discharge of Obligations. The payment of benefits under the Plan to a Participant or Participant's Beneficiary shall fully and completely discharge the Company from all obligations under this Plan with respect to the deceased Participant, Beneficiaries, and any others that may be entitled to such benefits.

ARTICLE 6  
Termination, Amendment or Modification

- 6.1 Termination. The Company reserves the right to terminate the Plan at any time.
- 6.2 Amendment. The Board may, at any time, amend or modify the Plan in whole or in part, provided, however, that no amendment or modification shall decrease or restrict a Participant's Account Balance at the time the amendment or modification is made, calculated as if the Participant had experienced a Termination of Service as of the effective date of the amendment or modification. The amendment or modification of the Plan shall not affect the payment of benefits to any Participant or Beneficiary who has become entitled to the payment of benefits under the Plan as of the date of the amendment or modification. Notwithstanding the foregoing, the Board may amend the Plan retroactively to the extent required to qualify the Plan under Code Section 409A, provided that no such amendment may reduce any Participant's Account Balance.
- 6.3 Effect of Payment. The full payment of the applicable benefit under Articles 4 or 5 of the Plan shall completely discharge all obligations to a Participant under this Plan.

ARTICLE 7  
Administration

- 7.1 Committee Duties. This Plan shall be administered by the Committee or its delegates. The Committee shall also have the discretion and authority to make, amend, interpret, and enforce all appropriate rules and regulations for the administration of this Plan and decide or resolve any and all questions including interpretations of this Plan, as may arise in connection with the Plan. The Company intends the Plan to meet the requirements of Code Section 409A and the regulations thereunder. The Committee shall interpret the Plan in such a way as to meet such requirements. Committee action may be (i) by the vote of a majority of the members present at a meeting at which a quorum is present in person or by telephone or (ii) by unanimous written consent. A majority of the Committee shall constitute a quorum.
- 7.2 Agents. In the administration of this Plan, the Committee may, from time to time, delegate to such persons as it deems appropriate such administrative duties as it sees fit and may from time to time consult with counsel who may be counsel to the Company or a subsidiary.
- 7.3 Binding Effect of Decisions. The decision or action of the Committee with respect to any question arising out of or in connection with the administration, interpretation and application of the Plan and the rules and regulations promulgated hereunder shall be final and conclusive and binding upon all persons having any interest in the Plan.
- 7.4 Indemnification. The Company shall indemnify and hold harmless the named fiduciaries and any officers or employees of the Company and its subsidiaries to which fiduciary responsibilities have been delegated from and against any and all liabilities, claims, demands, costs and expenses including attorneys fees, arising out of an alleged breach in the performance of their fiduciary duties under the Plan and ERISA, other than such liabilities, claims, demands, costs and expenses as may result from the gross negligence or willful misconduct of such person. The Company shall have the right, but not the obligation, to conduct the defense of such person in any proceeding to which this paragraph applies.

ARTICLE 8  
Claims Procedures

- 8.1 Presentation of Claim. Any Participant or Beneficiary of a deceased Participant may deliver to the Committee a written claim for a determination with respect to the amounts distributable to such Claimant from the Plan. If such a claim relates to the contents of a notice received by the Claimant, the claim must be made within 60 days after such notice was received by the Claimant. All other claims must be made within 180 days of the date on which the event that caused the claim to arise occurred. The claim must state with particularity the determination desired by the Claimant.
- 8.2 Notification of Decision. The Committee shall consider a Claimant's claim within a reasonable time, and shall notify the Claimant in writing:
- (a) that the Claimant's requested determination has been made, and that the claim has been allowed in full; or
  - (b) that the Committee has reached a conclusion contrary, in whole or in part, to the Claimant's requested determination, and such notice must set forth in a manner calculated to be understood by the Claimant:
    - (i) the specific reason(s) for the denial of the claim, or any part of it;
    - (ii) specific reference(s) to pertinent provisions of the Plan upon which such denial was based;
    - (iii) a description of any additional material or information necessary for the Claimant to clarify or perfect the claim, and an explanation of why such material or information is necessary; and
    - (iv) an explanation of the claim review procedure set forth in Section 8.3 below.
- 8.3 Review of a Denied Claim. Within 60 days after receiving a notice from the Committee that a claim has been denied, in whole or in part, a Claimant (or the Claimant's duly authorized representative) may file with the Committee a written request for a review of the denial of the claim. Thereafter, but not later than 30 days after the review procedure began, the Claimant (or the Claimant's duly authorized representative):
- (a) may review pertinent documents;
  - (b) may submit written comments or other documents; and/or
  - (c) may request a hearing, which the Committee, in its sole discretion, may grant.
- 8.4 Decision on Review. The Committee shall render its decision on review promptly, and not later than 60 days after the filing of a written request for review of the denial, unless a hearing is held or other special circumstances require additional time, in which case the Committee's decision must be rendered within 120 days after such date. Such decision must be written in a manner calculated to be understood by the Claimant and it must contain:
- (a) specific reasons for the decision;
  - (b) specific reference(s) to the pertinent Plan provisions upon which the decision was based; and

(c) such other matters as the Committee deems relevant.

8.5 Legal Action. A Claimant's compliance with the foregoing provisions of this Article 13 is a mandatory prerequisite to a Participant's right to commence any legal action with respect to any claim for benefits under this Plan.

ARTICLE 9  
Miscellaneous

9.1 Unsecured General Creditor. Participants and their Beneficiaries, heirs, successors and assigns shall have no legal or equitable rights, interest or claims in any property or assets of the Company. Any and all of the Company's assets shall be, and remain, its general, unpledged and unrestricted assets. The Company's obligation under the Plan shall be merely that of an unfunded and unsecured promise to pay money in the future.

9.2 Company's Liability. Amounts payable to a Participant or Beneficiary under this Plan shall be paid from the general assets of the Company (including without limitation assets of any trust established to fund payment of obligations hereunder) exclusively.

9.3 Nonassignability. Neither a Participant nor any other person shall have the right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate or convey in advance of actual receipt the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are expressly declared to be unassignable and non-transferable, except that the foregoing shall not apply to any family support obligations set forth in a court order. No part of the amounts payable shall, prior to actual payment, be subject to seizure or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person, nor be transferable by operation of law in the event of a Participant's or any other person's bankruptcy or insolvency. Notwithstanding the preceding provisions of this section, the Committee will recognize the provisions of a qualified domestic relations order as defined in Section 206(d) of the Employee Retirement Income Security Act of 1974 that does not change the timing of the Participant's benefit payments.

9.4 Furnishing Information. A Participant will cooperate with the Committee by furnishing any and all information requested by the Committee and take such or actions as may be requested in order to facilitate the administration of the Plan and the payments of benefits hereunder.

9.5 Captions. The captions of the articles, sections and paragraphs of this Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.

9.6 Governing Use. The provisions of this Plan shall be construed and interpreted according to the laws of the State of California.

9.7 Notice. Any notice or filing required or permitted to be given to the Committee under this Plan shall be sufficient if in writing and hand-delivered, or sent by registered or certified mail, return receipt requested, to:

CNF Inc.  
Director Affairs Committee  
2005 Deferred Compensation Plan for Non-Employee Directors  
3240 Hillview Avenue  
Palo Alto, California 94304

Such notice shall be deemed given as of the date of delivery or, if

delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

Any notice or filing required or permitted to be given to a Participant under this Plan shall be sufficient if in writing and hand-delivered, or sent by mail, to the last known address of the Participant.

- 9.8 Successors. The provisions of this Plan shall be binding upon and inure to the benefit of the Company and its successors and assigns and the Participant, the Participant's Beneficiaries, and their permitted successors and assigns.
- 9.9 Spouse's Interest. The interest in the benefits hereunder of a Spouse of a Participant who has predeceased the Participant shall automatically pass to the Participant and shall not be transferable by such Spouse in any manner, including but not limited to such Spouse's will, nor shall such interest pass under the laws of intestate succession.
- 9.10 Incompetent. If the Committee determines in its discretion that a benefit under this Plan is to be paid to a minor, a person declared incompetent or to a person incapable of handling the disposition of that person's property, the Committee may direct payment of such benefit to the guardian, legal representative or person having the care and custody of such minor, incompetent or incapable person. The Committee may require proof of minority, incompetency, incapacity or guardianship, as it may deem appropriate and/or such indemnification of the Committee and the Company and security, as it deems appropriate, in its sole discretion, prior to distribution of the benefit. Any payment of a benefit shall be a payment for the account of the Participant and the Participant's Beneficiary, as the case may be, and shall be a complete discharge of any liability under the Plan for such payment amount.
- 9.11 Saving Clause. The Company intends the Plan to meet the requirements of Code Section 409A, the regulations thereunder, and any additional guidance provided by the Treasury Department. Any Plan provision that does not meet such requirements shall be void.
- 9.12 Legal Fees To Enforce Rights. If the Company has failed to comply with any of its obligations under the Plan or any agreement thereunder or, if the Company or any other person takes any action to declare the Plan void or unenforceable or institutes any litigation or other legal action designed to deny, diminish or to recover from any Participant the benefits intended to be provided, then the Company irrevocably authorizes such Participant to retain counsel chosen by the Participant and agrees to pay reasonable legal fees and expenses of the Participant incurred in connection with the initiation or defense of any litigation or other legal action, whether by or against the Company, or any director, officer, shareholder or other person affiliated with the Company, or any successor thereto in any jurisdiction, provided that such Participant prevails in such action.

9.13 Payment of Withholding. As a condition of receiving benefits under the Plan, the Participant shall pay the Company not less than the amount of all applicable federal, state, local and foreign taxes required by law to be paid or withheld relating to the receipt or entitlement to benefits hereunder. The Company may withhold taxes from any benefits paid and/or from Directors fees, in its sole discretion.

9.14 Coordination with Other Benefits. The benefits provided for a Participant and Participant's Beneficiary under the Plan are in addition to any other benefits available to such Participant under any other plan or program for Directors. The Plan shall supplement and shall not supersede, modify or amend any other such plan or program except as may otherwise be expressly provided. In no event shall distributions under the Plan prior to Termination of Service have the effect of increasing payments otherwise due under the various retirement plans of the Company and its subsidiaries.

CNF INC.

2005 DEFERRED COMPENSATION PLAN FOR EXECUTIVES

EFFECTIVE JANUARY 1, 2005

CNF INC.

2005 DEFERRED COMPENSATION PLAN FOR EXECUTIVES

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CNF INC.

2005 DEFERRED COMPENSATION PLAN FOR EXECUTIVES

Effective January 1, 2005

Preamble

The purpose of this Plan is to enhance the motivational value of the salaries and incentive compensation of a select group of management or highly compensated employees who contribute materially to the continued growth, development and future business success of the Company and its subsidiaries by providing them the opportunity to defer cash compensation. The Plan is intended to aid the Company and its subsidiaries in attracting and retaining key employees and give them an incentive to increase the profitability of the Company and its subsidiaries. In the future, the Company, in its discretion, may amend the Plan to include a Company contribution.

ARTICLE 1

Definitions

For purposes hereof, unless otherwise clearly apparent from the context, the following phrases or terms shall have the following indicated meanings:

- 1.1 "Account Balance" means the sum of (i) amounts credited to a Participant's Dollar-Denominated Account, plus (ii) Phantom Stock Units credited to a Participant's Phantom Stock Account, reduced by (iii) all distributions made pursuant to the terms and conditions of this Plan. Amounts credited to a Participant's Dollar-Denominated Account shall derive from Base Annual Salary Deferral Amounts, Annual Bonus Deferral Amounts, and Value Management Deferral Amounts.
- 1.2 "Annual Bonus" means any bonus or incentive compensation, other than a Value Management Award, earned by a Participant in a Plan Year under any annual incentive compensation plan or program of the Company or any subsidiary that involves performance-based compensation based on services performed over a period of at least 12 months, within the meaning of Code Section 409A(a)(4)(B)(iii).
- 1.3 "Annual Bonus Deferral Amount" means that portion of a Participant's Annual Bonus that a Participant elects to have and is deferred, in accordance with Article 3, for any one Plan Year.
- 1.4 "Base Annual Salary" means a Participant's base annual salary that is to be paid to a Participant for each Plan Year, determined as of the first day of that year, excluding bonuses, commissions, overtime, incentive payments, non-monetary awards, and other fees, before reduction for compensation deferred pursuant to all qualified, nonqualified and Internal Revenue Code Section 125 plans and all qualified transportation fringe benefits of the Company or any subsidiary.
- 1.5 "Base Annual Salary Deferral Amount" means that portion of a Participant's Base Annual Salary that a Participant elects to have and is deferred, in accordance with Article 3, for any one Plan Year. In the event of Retirement, Disability, death or a Termination of Employment prior to the end of a Plan Year, such year's Base Annual Salary Deferral Amount shall be the actual amount withheld prior to such

event. In the event a Participant has no paycheck with respect to a payroll period, no amount shall be deferred with respect to that payroll period for that Participant, either before, during or after the payroll period.

- 1.6 "Beneficiary" means one or more persons, trusts, estates or other entities, designated in accordance with Article 9, that are entitled to receive benefits under this Plan upon the death of a Participant.
- 1.7 "Beneficiary Designation Form" means the form established from time to time by the Committee that a Participant completes, signs and returns to the Committee to designate one or more Beneficiaries.
- 1.8 "Board" means the Board of Directors of the Company.
- 1.9 "Change in Control" means the occurrence of an event described in Code Section 409A(a)(2)(v) with respect to the Company or the Participant's Employer.
- 1.10 "Claimant" means any Participant or Beneficiary of a deceased Participant who makes a claim for determination under Section 13.1.
- 1.11 "Code" means the Internal Revenue Code of 1986, as amended.
- 1.12 "Committee" means the Compensation Committee of the Board or its delegates.
- 1.13 "Common Stock" means the common stock, par value \$0.625 per share, of the Company.
- 1.14 "Company" means CNF Inc., a Delaware corporation.
- 1.15 "Disability" means the Participant has become "disabled," as that term is used in Code Section 409A(a)(2)(C).
- 1.16 "Dividend Equivalent" means an amount representing the dividend paid on that number of shares of Common Stock equal to the number of Phantom Stock Units credited to a Participant's Phantom Stock Account as of the record date for such dividend.
- 1.17 "Dollar-Denominated Account" shall mean that portion of a Participant's Account Balance that is not credited to such Participant's Phantom Stock Account.
- 1.18 "Election Form" means the form established from time to time by the Committee that a Participant completes, signs and returns to the Committee to make an election under the Plan.
- 1.19 "Employer" means the Company or any of its subsidiaries that employs a Participant.
- 1.20 "Fair Market Value" of a share of Common Stock as of a particular date shall mean the closing price per share of Common Stock on the New York Stock Exchange on the last trading day immediately preceding such date; provided, however, that, with respect to calculations made pursuant to Section 3.7(b), relating to the crediting of an Investment Change, the Fair Market Value of a share of Common Stock shall mean the closing price per share of Common Stock on the New York Stock Exchange on February 1 of the relevant year (or, if February 1 falls on a non-trading day, the immediately preceding trading day).
- 1.21 "Investment Change" has the meaning specified in Section 3.4.

- 1.22 "Participant" for any Plan Year means any employee of an Employer who is selected to participate in the Plan for such Plan Year by the Committee and commences participation in accordance with Article 2.
- 1.23 "Phantom Stock Account" shall mean that portion of a Participant's Account Balance which is credited with Phantom Stock Units as set forth in Section 3.7(b).
- 1.24 "Phantom Stock Unit" shall mean a unit which shall at all times be equal in value to one whole share of Common Stock.
- 1.25 "Plan" means the Company's 2005 Deferred Compensation Plan for Executives, evidenced by this instrument, as amended from time to time.
- 1.26 "Plan Entry Date" means the date on which an employee selected by the Committee to participate in the Plan commences participation in the Plan in accordance with Article 2. The Plan Entry Date shall be January 1 of the Plan Year following selection by the Committee. If an employee is first selected for participation in the Plan subsequent to January 1 of a Plan Year, but prior to July 1, such July 1 shall be an additional Plan Entry Date. The Committee may in its discretion add other Plan Entry Dates for the Plan Year in which an employee is first selected for participation in the Plan. July 1 shall also be a Plan Entry Date for purposes of Annual Bonus Deferral Amount elections.
- 1.27 "Plan Year" means the period beginning on January 1 of each year (or, in certain limited cases, July 1 or other Plan Entry Date) and continuing through December 31 of that year.
- 1.28 "Pre-Retirement Distribution" means the payout set forth in Section 4.1 below.
- 1.29 "Pre-Retirement Survivor Benefit" means the benefit set forth in Article 6 below.
- 1.30 "Prime Rate," means the published Bank of America prime rate. For each calendar quarter, the rate shall be the published rate as of ten days prior to the end of the quarter; provided that, if publication is delayed, the rate shall be the published rate as of the latest date available when calculations are made.
- 1.31 "Retirement", "Retires" or "Retired" means (i) early retirement as defined in the CNF Inc. Retirement Plan, if the Participant elects within 60 days from the last day of regular employment to receive monthly pension benefits under such Retirement Plan starting on the first day of the month following the last day of employment, or (ii) normal or deferred retirement under such Retirement Plan.
- 1.32 "Retirement Benefit" means the benefit set forth in Article 5.
- 1.33 "Spouse" has the meaning set forth in the Defense of Marriage Act of 1996 (P.L. 104-199), as amended. (As of January 1, 2005, this definition is a legal union between one man and one woman as husband and wife.)
- 1.34 "Termination Benefit" means the benefit set forth in Article 7.
- 1.35 "Termination of Employment" means the earlier of
- (a) a separation from service, as that term is used in Code Section 409A(a)(2)(A)(i) from the Company and its subsidiaries voluntarily or involuntarily, for any reason other than Retirement, Disability or death, or

(b) the ceasing of employment with the Company and its subsidiaries at the time of or following a Change in Control voluntarily or involuntarily, for any reason other than Retirement, Disability or death,

1.36 "Unforeseeable Emergency" means a severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant's spouse, or a dependent (as defined in Code Section 152(a)) of the Participant, loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant.

1.37 "Value Management Award" means the Participant's Award for an award cycle under the CNF Inc. Value Management Plan, as amended from time to time, or any successor plan or program.

1.38 "Value Management Deferral Amount" means that portion of a Participant's Value Management Award that a Participant elects to have and is deferred, in accordance with Article 3, for any one award cycle.

## ARTICLE 2

### Selection, Enrollment, Eligibility

2.1 Selection by Committee. Participation in the Plan shall be limited to a select group of management or highly compensated employees of the Company and its subsidiaries. The Committee shall select for each Plan Year, in its sole discretion, those employees eligible to participate in the Plan for that Plan Year.

2.2 Enrollment Requirement. The Committee shall establish from time to time such enrollment requirements as it determines in its sole discretion are necessary or appropriate.

2.3 Commencement of Participation. Provided an employee selected to participate in the Plan has met all enrollment requirements set forth by the Committee, that employee shall commence participation in the Plan on the Plan Entry Date that immediately follows the employee's election to participate in the Plan.

## ARTICLE 3

### Deferral Commitments/Returns

3.1 Minimum Deferral.

(a) Minimum. A Participant may not elect to defer less than \$2,000 of Base Annual Salary for any Plan Year, less than \$2,000 of Annual Bonus for any Plan Year, or less than \$2,000 of any Value Management Award for any award cycle.

(b) Short Participation Year. If a Participant's Plan Entry Date is July 1 of any Plan Year, he must defer a minimum of \$1,000 of Base Annual Salary or a minimum of \$1,000 of Annual Bonus for such Plan Year. The Committee may set other minimums for other Plan Entry Dates.

3.2 Maximum Deferral.

(a) Base Annual Salary. For each Plan Year, a Participant may defer up to 90% of Base Annual Salary stated as a dollar amount.

- (b) Annual Bonus. For each Plan Year, a Participant may defer up to 90% of Annual Bonus stated as a dollar or percentage amount.
- (c) Value Management Award. For each award cycle under the CNF Inc. Value Management Plan (as amended from time to time), a Participant who participates in that plan may defer up to 90% of the Participant's Value Management Award for that award cycle stated as a dollar or percentage amount.
- (d) Reductions of Deferrals. The amount of Base Annual Salary, Annual Bonus, and/or Value Management Award that a Participant elects to defer shall be reduced, without the consent of the affected Participant, to the extent necessary to provide for (i) other deferrals of Base Annual Salary, Annual Bonus and/or Value Management Award, as the case may be, by such Participant under all qualified and nonqualified plans of the Company or any subsidiary and Code Section 125 plans of the Company or any subsidiary, (ii) any taxes that are required to be withheld with respect to deferrals under the Plan, and (iii) any other amounts deducted from Base Annual Salary, Annual Bonus and/or Value Management Award pursuant to applicable law or authorization by Participant..

### 3.3 Election to Defer.

- (a) Base Annual Salary Deferrals. The Participant may make a Base Annual Salary deferral election by delivering to the Committee a completed and signed Election Form prior to the Plan Entry Date applicable to that Participant. For each succeeding Plan Year, a new Election Form must be delivered to the Committee, in accordance with the rules set forth above. If the Election Form is not delivered prior to the Participant's Plan Entry Date for a Plan Year, no Base Annual Salary Deferral Amount shall be deferred for that Plan Year.
- (b) Annual Bonus Deferrals. The Participant may make an Annual Bonus deferral election prior to the January 1 Plan Entry Date that coincides with the first day of the performance period and may make or change the election prior to the July 1 Plan Entry Date that is 6 months before the end of the performance period. If an Election Form is not delivered prior to the July 1 Plan Entry Date, no Annual Bonus Deferral Amount shall be deferred for that Plan Year.
- (c) Value Management Award Deferrals. The Participant may make a Value Management Award deferral election with respect to an award cycle by delivering to the Committee a completed and signed Election Form prior to the Plan Entry Date coinciding with the beginning of the award cycle and may make or change the election prior to the July 1 Plan Entry Date that is 6 months before the end of the award cycle.. For each succeeding award cycle, a new Election Form may be delivered to the Committee. If an Election Form is not delivered prior to the July 1 Plan Entry Date that is 6 months before the end of an award cycle, no Value Management Deferral Amount shall be deferred for the award cycle .

### 3.4 Annual Election of Phantom Stock Units. During January of each Plan Year prior to the commencement of installment payments, each Participant who is currently eligible to make deferrals shall have the opportunity to elect (an "Investment Change") to transfer all or a portion of such Participant's Dollar-Denominated Account to such Participant's Phantom Stock Account; provided, however, that an Investment Change may not be elected with respect to any portion of a Participant's Dollar-Denominated Account that has been designated for a Pre-Retirement Distribution, as defined in Section 4.1 (the "Excluded Portion"). The amount to be subject to an Investment Change may be

determined as a dollar amount or a percentage of the Participant's Dollar-Denominated Account (excluding the Excluded Portion); provided, however, that no less than five thousand dollars (\$5,000) may be made subject to an Investment Change. The amount subject to an Investment Change shall be transferred, first, from such Participant's earliest deferral under the Plan, and thereafter from subsequent deferrals under the Plan in the order in which they were elected until the entire amount subject to the Investment Change shall have been transferred. Each Investment Change made pursuant to this Section 3.4 shall be irrevocable. An Investment Change shall be effective as of February 1 of the Plan Year in which the election is made. The number of Phantom Stock Units to be credited to a Participant's Phantom Stock Account pursuant to an Investment Change shall be determined in accordance with Section 3.7(b).

3.5 Withholding of Deferral Amounts. For each Plan Year, the Base Annual Salary portion of the Annual Deferral Amount shall be withheld each payroll period in equal amounts from the Participant's Base Annual Salary. The Annual Bonus portion of the Annual Deferral Amount shall be withheld at the time or times the Annual Bonus is or otherwise would be paid to the Participant. The deferred portion of a Value Management Award shall be withheld at the time the Value Management Award otherwise would be paid to the Participant.

3.6 FICA Tax. Any applicable FICA and other payroll taxes on amounts deferred under this Article, including Base Annual Salary, Annual Bonus and Value Management Award, may be withheld from that portion of the Participant's Base Salary, Annual Bonus and/or Value Management Award that is not being deferred. If necessary, the Committee may reduce the amount of Base Annual Salary, Annual Bonus and/or Value Management Award deferred, in order to enable the Company to withhold all applicable FICA and other payroll taxes on amounts deferred under this Article.

3.7 Returns and Crediting of Phantom Stock Units and Dividend Equivalents During Deferral Period. Prior to any distribution of benefits under Articles 4, 5, 6 or 7, returns in respect of a Participant's Dollar-Denominated Account and Phantom Stock Units in respect of a Participant's Phantom Stock Account shall be credited as follows:

(a) Dollar-Denominated Account.

(i) With respect to the portion of a Base Annual Salary Deferral Amount for a Plan Year which a Participant has elected to have credited to his or her Dollar-Denominated Account, returns shall be credited to such Participant's Dollar-Denominated Account as though the portion of such Base Annual Salary Deferral Amount withheld during any calendar quarter was withheld on the first day of such calendar quarter.

(ii) With respect to the portion of an Annual Bonus Deferral Amount which a Participant has elected to have credited to his or her Dollar-Denominated Account, returns shall be credited to such Participant's Dollar-Denominated Account as though the deferral amount was withheld on the day immediately following the last day of the applicable award cycle or, if withheld earlier, as of the day withheld.

(iii) With respect to the portion of a deferred Value Management Award which a Participant has elected to have credited to his or her Dollar-Denominated Account, returns shall be credited to such Participant's Dollar-Denominated Account as though the deferral amount was withheld on the day immediately following the last day of the applicable award cycle.



(iv) The balance in each Participant's Dollar-Denominated Account shall be compounded quarterly, using the Prime Rate, or such other rate as the Committee may determine in its sole discretion prior to the beginning of a Plan Year. For this purpose, (i) amounts that are transferred to a Participant's Phantom Stock Account in a Plan Year pursuant to an Investment Change shall be credited with a return in respect of such Plan Year equal to one-twelfth (1/12) of the return for the full Plan Year and (ii) in the event of Retirement, death or a Termination of Employment prior to the end of a Plan Year, that Plan Year's return will be calculated using a fraction of a full Plan Year's return, based on the number of days the Participant was employed with the Employer during the Plan Year prior to the occurrence of such event.

(b) Phantom Stock Account. A Participant's Phantom Stock Account shall consist of that number of Phantom Stock Units credited with respect to (i) amounts transferred pursuant to an Investment Change in accordance with Section 3.4 and (ii) Dividend Equivalents credited in respect of Phantom Stock Units previously credited to the Participant's Phantom Stock Account, in each case as set forth below:

(i) The number of Phantom Stock Units to be credited to a Participant's Phantom Stock Account pursuant to an Investment Change shall be determined by dividing (A) the dollar amount subject to the Investment Change by (B) the Fair Market Value per share of Common Stock as of February 1 of the Plan Year to which the Investment Change relates; and

(ii) The number of Phantom Stock Units to be credited to a Participant's Phantom Stock Account in respect of Dividend Equivalents shall be equal to (A) the per share dividend paid on a share of Common Stock, multiplied by (B) the number of Phantom Stock Units credited to the Participant's Phantom Stock Account as of the record date for such dividend, divided by (C) the Fair Market Value per share of Common Stock as of the payment date for such dividend, such crediting to be made as of such payment date.

3.8 Date on Which Crediting Occurs. A Participant's Dollar-Denominated Account will be credited with returns in accordance with Section 3.7 up to the date of distribution for a lump sum payment and up to the first date of distribution for installment payments. For purposes of crediting subsequent returns in the event that installment payments are made, a Participant's Dollar-Denominated Account shall be reduced as of the day on which each distribution is made.

3.9 Dollar-Denominated Account Returns and Installment Distributions. In the event a benefit is paid in installments, a Participant's unpaid Dollar-Denominated Account shall be credited as follows:

(a) Crediting. For each Plan Year, the undistributed Dollar-Denominated Account shall be credited with a return equal to the Prime Rate or such other rate as the Committee may determine in its sole discretion prior to the beginning of a Plan Year. Returns shall start to accrue under this Section 3.9 as of the date that returns cease to accrue under Section 3.8 above.

(b) Installments. The installment payments shall be determined by dividing the Participant's Dollar-Denominated Account at the time of the commencement of the installment payments by the number of payments over the installment period. Each payment determined above will be considered the principal portion of the installment payment. In addition, each installment payment will include a return

calculated for the preceding quarter using the rate determined in Section 3.9(a) above. Installment payments shall commence on the first day of the quarter following the first full quarter following such Participant's date of Retirement, Termination of Employment or death, but not before the time permitted by Section 5.2(b) or 7.2(c). All additional installment payments shall be paid on the first day of the remaining calendar quarters of the payment period.

3.10 Phantom Stock Account Distributions. Unless the Committee, in its sole discretion, elects to make all or part of a distribution in cash, distributions from a Participant's Phantom Stock Account shall be made in the form of (i) one share of Common Stock for each whole Phantom Stock Unit, plus (ii) cash in lieu of any fractional Phantom Stock Unit, determined based on the Fair Market Value of a share of Common Stock as of the date of the distribution. If a Participant's Phantom Stock Account balance is to be distributed in installments, (a) the number of shares of Common Stock to be delivered in a particular installment shall be determined by dividing the number of Phantom Stock Units credited to the Participant's Phantom Stock Account immediately prior to such installment by the remaining number of installments (with any fractional Phantom Stock Units paid in cash, in accordance with clause (i) above) and (b) Dividend Equivalents shall continue to accrue and be credited to such Participant's Phantom Stock Account in accordance with Section 3.7(b)(ii) during the installment period with respect to Phantom Stock Units that remain credited to such Phantom Stock Account.

3.11 Statement of Accounts. The Committee shall send to each Participant, within 120 days after the close of each Plan Year, a statement in such form as the Committee deems desirable setting forth the amount of the Participant's Account Balance.

#### ARTICLE 4

##### Pre-Retirement Distribution/ Unforeseeable Financial Emergencies

4.1 Pre-Retirement Distributions.

(a) In the event that a Participant elects to defer a Base Annual Salary Deferral Amount, an Annual Bonus Deferral Amount and/or a Value Management Deferral Amount in a Plan Year, such Participant may, subject to subsection (b), elect to receive all, but not less than all, of the amounts so deferred as a lump sum distribution (a "Pre-Retirement Distribution") on a specified date prior to such Participant's Retirement. The Pre-Retirement Distribution shall be in an amount equal to the amounts so deferred, plus returns credited in accordance with Section 3.7, and shall be paid within 60 days following the first day of the Plan Year chosen by the Participant on the Election Form for such distribution. The earliest date that a Participant may receive a Pre-Retirement Distribution is 5 years after the first day of the Plan Year in which such deferral occurs (i.e., the Plan Entry Date for Base Annual Salary deferrals, the first day of the performance period for Annual Bonus deferrals, and the first day of the award cycle for Value Management Award deferrals).

(b) If a Participant who has elected one or more Pre-Retirement Distributions has a Retirement or Termination of Employment before the start of the Plan Year chosen by the Participant for such Pre-Retirement Distribution, the Participant's Account Balance shall be paid at the time and in the form elected by the Participant in accordance with 5.2 and not as the elected Pre-Retirement Distribution.

- 4.2 Withdrawal Payout/Suspensions for Unforeseeable Emergencies. If the Participant experiences an Unforeseeable Emergency, the Participant may petition the Committee to (i) suspend any deferrals required to be made by a Participant and/or (ii) receive a partial or full payout from the Plan. The Committee may, in its sole discretion, accept or deny such petition. Any suspension or payout shall not exceed the lesser of the Participant's Account Balance, calculated as if such Participant were receiving a Termination Benefit, or the amount necessary to satisfy such Unforeseeable Emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship). If the petition for a suspension and/or payout is approved, suspension shall take effect upon the date of approval and any payout shall be made within 60 days of the date of approval. In the event of a suspension or payout, the Participant may not make up the lost deferral opportunity.

#### ARTICLE 5

##### Retirement Benefit

- 5.1 Retirement Benefit. A Participant who Retires shall receive, as a Retirement Benefit, the Participant's Account Balance.
- 5.2 Payment of Retirement Benefit. A Participant may elect on the Election Form prior to the beginning of each Plan Year to receive the Retirement Benefit in a lump sum or in quarterly payments over a period of 5 or 10 years. The lump sum payment shall be made within 60 days of the Participant's Retirement. For purposes of payment, the Participant's Account Balance shall be divided into subaccounts, one for each year elected by the Participant. Any installment payment shall be made in accordance with Section 3.9 and 3.10 above. Notwithstanding the foregoing -
- (a) If the balance in a Participant's Dollar-Denominated Account plus the Fair Market Value of the shares of Common Stock underlying the Phantom Stock Units credited to such Participant's Phantom Stock Account is less than \$25,000 on the date of Retirement, such Account Balance shall be paid to the Participant in a lump sum as soon as practicable following the date of such Retirement (subject to Section 5.2(b)).
- (b) If the Participant is a specified employee, the lump sum may not be paid, and installments may not commence before the date which is 6 months after the date of separation from service (or, if earlier, the date of death of the Participant). For purposes of the preceding sentence, a specified employee is a key employee as defined in Code Section 416(i) of a corporation any stock in which is publicly traded on an established securities market or otherwise.
- 5.3 Death Prior to Completion of Retirement Benefit. If a Participant dies after Retirement but before the Retirement Benefit is paid in full, the Participant's unpaid Retirement Benefit payments shall continue and shall be paid to the Participant's Beneficiary over the remaining number of calendar quarters and in the same amounts as that benefit would have been paid to the Participant had the Participant survived.

#### ARTICLE 6

##### Pre-Retirement Survivor Benefit

- 6.1 Pre-Retirement Survivor Benefit. If a Participant dies before he Retires, experiences a Termination of Employment or suffers a Disability, the Participant's Beneficiary shall receive a Pre-Retirement Survivor Benefit equal to the Participant's Account Balance as of the date of death.
- 6.2 Payment of Pre-Retirement Survivor Benefit. The Pre-Retirement Survivor Benefit shall be paid to the Participant's Beneficiary in a lump sum within 60 days of the Committee's receiving proof of the Participant's death.

#### ARTICLE 7

##### Termination Benefit

- 7.1 Termination Benefit. If a Participant experiences a Termination of Employment prior to Retirement, death or Disability, the Participant shall receive a Termination Benefit which shall be equal to the Participant's Account Balance determined as of the date of the Termination of Employment.
- 7.2 Payment of Termination Benefit. The Termination Benefit shall be the then current Account Balance as of the date of Termination of Employment, paid in a lump sum within 60 days after the Termination of Employment or in installments as the Participant elected on the Election Form in effect at the time of the Termination of Employment under the rules in 5.2. For purposes of payment, the Participant's Account Balance shall be divided into subaccounts, one for each form elected by the Participant. Notwithstanding the foregoing -
- (a) If the balance in a Participant's Dollar-Denominated Account plus the Fair Market Value of the shares of Common Stock underlying the Phantom Stock Units credited to such Participant's Phantom Stock Account is less than \$25,000 on the date of such Participant's Termination of Employment, such Account Balance shall be paid to the Participant in a lump sum as soon as practicable following the date of such Termination of Employment (subject to Section 7.2(c)).
  - (b) If the Participant incurs a Termination of Employment within one year after a Change in Control, the Termination Benefit shall be paid in a lump sum within 20 days of the Termination of Employment (subject to Section 7.2(c)).
  - (c) If the Participant is a specified employee, the lump sum may not be paid, and installments may not commence before the date which is 6 months after the date of separation from service (or, if earlier, the date of death of the Participant). For purposes of the preceding sentence, a specified employee is a key employee as defined in Code Section 416(i) of a corporation any stock in which is publicly traded on an established securities market or otherwise.

#### ARTICLE 8

##### Disability Waiver and Benefit

- 8.1 Disability Waiver. A Participant who is determined by the Committee to be suffering from a Disability shall be excused from fulfilling that portion of the Base Annual Salary Deferral Amount or Annual Bonus Deferral Amount commitment that would otherwise have been withheld from a Participant's Base Annual Salary or Annual Bonus for the Plan Year or portion thereof during which the Participant has a Disability, with no make-up for the period of Disability.

- 8.2 Disability Benefit. A Participant suffering a Disability shall for benefit purposes under this Plan, continue to be considered an employee and shall be eligible for the benefits provided for in Articles 4, 5, 6 or 7 in accordance with the provisions of those Articles.

#### ARTICLE 9

##### Beneficiary Designation

- 9.1 Beneficiary. Each Participant shall designate a Beneficiary to receive any benefits payable under the Plan upon the Participant's death.
- 9.2 Beneficiary Designation. A Participant shall designate a Beneficiary by completing and signing the Beneficiary Designation Form, and submitting it to the Committee or its delegate. A Participant shall have the right to change a Beneficiary at any time without the consent of the Beneficiary, by completing, signing and otherwise complying with the terms of the Beneficiary Designation Form and the Committee's rules and procedures, as in effect from time to time. Upon the receipt by the Committee of a new Beneficiary Designation Form, all Beneficiary designations previously filed shall be canceled. The Committee shall be entitled to rely on the last Beneficiary Designation Form filed by the Participant with the Committee prior to death.
- 9.3 Spousal Consent. A married Participant's designation of someone other than the Participant's Spouse as primary beneficiary shall not be effective unless the Spouse executes a consent in writing that acknowledges the effect of the designation and is witnessed by a notary public. No consent is required if it is established to the satisfaction of the Committee that consent cannot be obtained because the Spouse cannot be located.
- 9.4 No Beneficiary Designation. If a Participant fails to designate a Beneficiary as provided above, the Participant's designated Beneficiary shall be deemed to be the surviving Spouse. If the Participant has no surviving Spouse, the benefits otherwise payable to a Beneficiary shall be paid to the Participant's estate.
- 9.5 Doubt as to Beneficiaries. If the Committee has any doubt as to the proper Beneficiary to receive payments pursuant to this Plan, the Committee shall have the right, exercisable in its discretion, to withhold such payments until the matter is resolved to the Committee's satisfaction, and/or to require indemnification.
- 9.6 Discharge of Obligations. The payment of benefits under the Plan to a Participant or Participant's Beneficiary shall fully and completely discharge the Company and the Participant's Employer from all obligations under this Plan with respect to the deceased Participant, Beneficiaries, and any others that may be entitled to such benefits.

#### ARTICLE 10

##### Leave of Absence

- 10.1 Paid Leave of Absence. If a Participant is authorized by the Company to take a paid leave of absence, the Participant shall continue to be considered employed by the Employer and the Base Annual Salary and Annual Bonus deferred by the Participant shall continue to be withheld during such paid leave of absence in accordance with Section 3.4.
- 10.2 Unpaid Leave of Absence. If a Participant is authorized by the Company to take an unpaid leave of absence, the Participant shall continue to be

considered employed by the Employer and the Participant shall be excused from making deferrals until the earlier of the date the leave of absence expires or the Participant returns to a paid employment status. Upon such expiration or return, deferrals shall resume for the remaining portion of the Plan Year in which the expiration or return occurs, based on the deferral election, if any, made for that Plan Year, with no make-up for the period of the leave of absence.

#### ARTICLE 11

##### Termination, Amendment or Modification

- 11.1 Termination. The Company reserves the right to terminate the Plan at any time.
- 11.2 Amendment. The Board may, at any time, amend or modify the Plan in whole or in part, provided, however, that no amendment or modification shall decrease or restrict a Participant's Account Balance at the time the amendment or modification is made, calculated as if the Participant had experienced a Termination of Employment as of the effective date of the amendment or modification, or, if the amendment or modification occurs after the date upon which the Participant was eligible to Retire, the Participant had Retired as of the effective date of the amendment or modification. The amendment or modification of the Plan shall not affect the payment of benefits to any Participant or Beneficiary who has become entitled to the payment of benefits under the Plan as of the date of the amendment or modification. Notwithstanding the foregoing, the Board may amend the Plan retroactively to the extent required to qualify the Plan under Code Section 409A, provided that no such amendment may reduce any Participant's Account Balance.
- 11.3 Effect of Payment. The full payment of the applicable benefit under Articles 4, 5, 6 or 7 of the Plan shall completely discharge all obligations to a Participant under this Plan.

#### ARTICLE 12

##### Administration

- 12.1 Committee Duties. This Plan shall be administered by the Committee or its delegates. The Committee shall also have the discretion and authority to make, amend, interpret, and enforce all appropriate rules and regulations for the administration of this Plan and decide or resolve any and all questions including interpretations of this Plan, as may arise in connection with the Plan. The Company intends the Plan to meet the requirements of Code Section 409A, the regulations thereunder, and any additional guidance provided by the Treasury Department. The Committee shall interpret the Plan in such a way as to meet such requirements. Committee action may be (i) by the vote of a majority of the members present at a meeting at which a quorum is present in person or by telephone or (ii) by unanimous written consent. A majority of the Committee shall constitute a quorum.
- 12.2 Agents. In the administration of this Plan, the Committee may, from time to time, delegate to such persons as it deems appropriate such administrative duties as it sees fit and may from time to time consult with counsel who may be counsel to the Company or a subsidiary.
- 12.3 Binding Effect of Decisions. The decision or action of the Committee with respect to any question arising out of or in connection with the administration, interpretation and application of the Plan and the rules and regulations promulgated hereunder shall be final and conclusive and binding upon all persons having any interest in the Plan.

- 12.4 Indemnification. The Company shall indemnify and hold harmless the named fiduciaries and any officers or employees of the Company and its subsidiaries to which fiduciary responsibilities have been delegated from and against any and all liabilities, claims, demands, costs and expenses including attorneys fees, arising out of an alleged breach in the performance of their fiduciary duties under the Plan and ERISA, other than such liabilities, claims, demands, costs and expenses as may result from the gross negligence or willful misconduct of such person. The Company shall have the right, but not the obligation, to conduct the defense of such person in any proceeding to which this paragraph applies.
- 12.5 Stock Subject to the Plan. Unless otherwise determined by the Board, shares of Common Stock utilized for purposes of distributions pursuant to Section 3.10 shall consist of shares held in the Company's treasury.
- 12.6 Equitable Adjustment. In the event that the Committee shall determine that any dividend or other distribution (whether in the form of cash or Common Stock or other property), or recapitalization, Common Stock split, reverse split, reorganization, merger, consolidation, spin-off, combination, repurchase, or share exchange, or other similar corporate transaction or event affects the Common Stock such that an adjustment is appropriate in order to prevent dilution or enlargement of the rights of Participants under the Plan, then the Committee shall make such equitable changes or adjustments as it deems necessary to any or all of the number of Phantom Stock Units credited to Participants' Phantom Stock Accounts and/or the number and kind of shares of stock to which such Phantom Stock Units relate or that may be thereafter be distributed in respect of amounts credited to a Participant's Phantom Stock Account.

#### ARTICLE 13

##### Claims Procedures

- 13.1 Presentation of Claim. Any Participant or Beneficiary of a deceased Participant may deliver to the Committee a written claim for a determination with respect to the amounts distributable to such Claimant from the Plan. If such a claim relates to the contents of a notice received by the Claimant, the claim must be made within 60 days after such notice was received by the Claimant. All other claims must be made within 180 days of the date on which the event that caused the claim to arise occurred. The claim must state with particularity the determination desired by the Claimant.
- 13.2 Notification of Decision. The Committee shall consider a Claimant's claim within a reasonable time, and shall notify the Claimant in writing:
- (a) that the Claimant's requested determination has been made, and that the claim has been allowed in full; or
  - (b) that the Committee has reached a conclusion contrary, in whole or in part, to the Claimant's requested determination, and such notice must set forth in a manner calculated to be understood by the Claimant:
    - (i) the specific reason(s) for the denial of the claim, or any part of it;
    - (ii) specific reference(s) to pertinent provisions of the Plan upon which such denial was based;
    - (iii) a description of any additional material or information

necessary for the Claimant to clarify or perfect the claim, and an explanation of why such material or information is necessary; and

(iv) an explanation of the claim review procedure set forth in Section 13.3 below.

13.3 Review of a Denied Claim. Within 60 days after receiving a notice from the Committee that a claim has been denied, in whole or in part, a Claimant (or the Claimant's duly authorized representative) may file with the Committee a written request for a review of the denial of the claim. Thereafter, but not later than 30 days after the review procedure began, the Claimant (or the Claimant's duly authorized representative):

(a) may review pertinent documents;

(b) may submit written comments or other documents; and/or

(c) may request a hearing, which the Committee, in its sole discretion, may grant.

13.4 Decision on Review. The Committee shall render its decision on review promptly, and not later than 60 days after the filing of a written request for review of the denial, unless a hearing is held or other special circumstances require additional time, in which case the Committee's decision must be rendered within 120 days after such date. Such decision must be written in a manner calculated to be understood by the Claimant and it must contain:

(a) specific reasons for the decision;

(b) specific reference(s) to the pertinent Plan provisions upon which the decision was based; and

(c) such other matters as the Committee deems relevant.

13.5 Legal Action. A Claimant's compliance with the foregoing provisions of this Article 13 is a mandatory prerequisite to a Participant's right to commence any legal action with respect to any claim for benefits under this Plan.

## ARTICLE 14

### Miscellaneous

14.1 Unsecured General Creditor. Participants and their Beneficiaries, heirs, successors and assigns shall have no legal or equitable rights, interest or claims in any property or assets of the Company or an Employer. Any and all of the Company's assets shall be, and remain, its general, unpledged and unrestricted assets. The Company's obligation under the Plan shall be merely that of an unfunded and unsecured promise to pay money in the future.

14.2 Employer's Liability. An Employer other than the Company shall have no liability to a Participant or a Participant's Beneficiary for payment of any benefits under the Plan.

14.3 Company's Liability. Amounts payable to a Participant or Beneficiary under this Plan shall be paid from the general assets of the Company (including without limitation the assets of any trust established to fund payment of obligations hereunder) exclusively.



- 14.4 Nonassignability. Neither a Participant nor any other person shall have the right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate or convey in advance of actual receipt the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are expressly declared to be unassignable and non-transferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person, nor be transferable by operation of law in the event of a Participant's or any other person's bankruptcy or insolvency. Notwithstanding the preceding provisions of this section, the Committee will recognize the provisions of a qualified domestic relations order as defined in Section 206(d) of the Employee Retirement Income Security Act of 1974 that does not change the timing of the Participant's benefit payments.
- 14.5 Not a Contract of Employment. The adoption and maintenance of the Plan shall not confer on any Participant any right to continue in the employ of an Employer, and shall not interfere with the right of an Employer to discharge any person without regard to the effect that such discharge might have on the person as a Participant. This Plan shall only create a contractual obligation on the part of the Company, and shall not be construed as creating a trust or any fiduciary relationship.
- 14.6 Furnishing Information. A Participant will cooperate with the Committee by furnishing any and all information requested by the Committee and take such other actions as may be requested in order to facilitate the administration of the Plan and the payments of benefits hereunder.
- 14.7 Captions. The captions of the articles, sections and paragraphs of this Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.
- 14.8 Governing Use. The provisions of this Plan shall be construed and interpreted according to the laws of the State of California.
- 14.9 Notice. Any notice or filing required or permitted to be given to the Committee under this Plan shall be sufficient if in writing and hand-delivered, or sent by registered or certified mail, return receipt requested, to:

CNF Inc.  
Compensation Committee  
Deferred Compensation Plan for Executives  
3240 Hillview Avenue  
Palo Alto, California 94304

Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

Any notice or filing required or permitted to be given to a Participant under this Plan shall be sufficient if in writing and hand-delivered, or sent by mail, to the last known address of the Participant.

- 14.10 Successors. The provisions of this Plan shall be binding upon and inure to the benefit of the Company and its successors and assigns and the Participant, the Participant's Beneficiaries, and their permitted successors and assigns.
- 14.11 Spouse's Interest. The interest in the benefits hereunder of a Spouse of a Participant who has predeceased the Participant shall automatically pass to the Participant and shall not be transferable by such Spouse in

any manner, including but not limited to such Spouse's will, nor shall such interest pass under the laws of intestate succession.

14.12 Incompetent. If the Committee determines in its discretion that a benefit under this Plan is to be paid to a minor, a person declared incompetent or to a person incapable of handling the disposition of that person's property, the Committee may direct payment of such benefit to the guardian, legal representative or person having the care and custody of such minor, incompetent or incapable person. The Committee may require proof of minority, incompetency, incapacity or guardianship, as it may deem appropriate and/or such indemnification of the Committee, the Company and the Participant's Employer and security, as it deems appropriate, in its sole discretion, prior to distribution of the benefit. Any payment of a benefit shall be a payment for the account of the Participant and the Participant's Beneficiary, as the case may be, and shall be a complete discharge of any liability under the Plan for such payment amount.

14.13 Saving Clause. The Company intends the Plan to meet the requirements of Code Section 409A, the regulations thereunder, and any additional guidance provided by the Treasury Department. Any Plan provision that does not meet such requirements shall be void.

14.14 Legal Fees To Enforce Rights. If the Company has failed to comply with any of its obligations under the Plan or any agreement thereunder or, if the Company, the Participant's Employer or any other person takes any action to declare the Plan void or unenforceable or institutes any litigation or other legal action designed to deny, diminish or to recover from any Participant the benefits intended to be provided, then the Company irrevocably authorizes such Participant to retain counsel chosen by the Participant and agrees to pay the reasonable legal fees and expenses of the Participant incurred in connection with the initiation or defense of any litigation or other legal action, whether by or against the Company, or any director, officer, shareholder or other person affiliated with the Company, or any successor thereto in any jurisdiction, provided that such Participant prevails in such action.

-1-

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14.15 Payment of Withholding. As a condition of receiving benefits under the Plan, the Participant shall pay the Company and/or the applicable Employer not less than the amount of all applicable federal, state, local and foreign taxes required by law to be paid or withheld relating to the receipt or entitlement to benefits hereunder. The Company may withhold taxes from any benefits paid and/or from Base Annual Salary, Annual Bonus, or Value Management Award, in its sole discretion.

14.16 Coordination with Other Benefits. The benefits provided for a Participant and Participant's Beneficiary under the Plan are in addition to any other benefits available to such Participant under any other plan or program for employees of the Company and its subsidiaries. In no event shall distributions under the Plan prior to Retirement have the

effect of increasing payments otherwise due under the various retirement plans of the Company and its subsidiaries.

14.17 Value Management Deferral Amounts Previously Deferred. Code Section 409 appears to apply to the 2005 and 2006 portions of the Value Management Deferral Amounts that were subject to deferral elections made in December of 2002 and December of 2003 under the Deferred Compensation Plan for Executives for cycles that end on December 31, 2005 and December 31, 2006. To the extent required by Code Section 409A, the regulations thereunder, and any additional guidance provided by the Treasury Department, such portions shall be governed by this Plan instead of by the Deferred Compensation Plan for Executives, with payout conditions roughly similar to the payouts elected under the Deferred Compensation Plan for Executives.

Exhibit 99.4

CNF INC.  
2005 SUPPLEMENTAL EXCESS RETIREMENT PLAN

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CNF INC.  
2005 SUPPLEMENTAL EXCESS RETIREMENT PLAN

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CNF Inc. (the "Company") maintains a Supplemental Excess Retirement Plan (the "Prior Plan") for the purpose of providing key executives of the Company with retirement benefits in excess of those benefits provided under the CNF Inc. Retirement Plan (the "Retirement Plan") and the EWA Pilots' Retirement Plan. The Company has amended the Prior Plan to limit it to pre-2005 accruals. As a consequence, the Prior Plan need not meet the requirements of Section 409A of the Internal Revenue Code (the "Code"). The Company hereby adopts this 2005 Supplemental Excess Retirement Plan (the "Plan") to provide for post-2004 accruals in such a way as to meet the requirements of Section 409A.

## ARTICLE 1

### Effective Date; Tax and ERISA Status

#### 1.1 Effective Date; Plan Year

1.1-1 The Plan shall be effective January 1, 2005.

1.1-2 The "Plan Year" of the Plan shall be the calendar year, the same as for the Retirement Plan.

#### 1.2 Tax and ERISA Status

1.2-1 The Plan is not intended to qualify under Section 401(a) of the Code.

1.2-2 The Plan is intended to constitute a plan of deferred compensation for a select group of management or highly compensated employees.

## ARTICLE 2

### Application to the Company and Affiliates

#### 2.1 Affiliates

2.1-1 The Company sponsors the Plan for its employees and for the employees of any Affiliate that is an Employer under the Plan.

2.1-2 "Affiliate" means a corporation, person or other entity that is one of the following:

(a) A member, with an Employer, of a controlled group under Section 414(b) of the Code.

(b) A member, with an Employer, of a group of trades or businesses under common control under Section 414(c) of the Code.

(c) A member, with an Employer, of an affiliated service group under Section 414(m) of the Code.

(d) A member, with an Employer, of a group of employers required to be aggregated under Section 414(o) of the Code.

#### 2.1-3 Employer

"Employer" means the Company and any Affiliate that is an Employer under the Retirement Plan. A list of Employers is attached to the Retirement Plan.

## ARTICLE 3

## Participation and Benefits

### 3.1 Participation

3.1-1 Any employee of Employer who participates in the Retirement Plan shall be eligible for this Plan if the employee has either of the following:

(a) Compensation deferred under an elective nonqualified deferred compensation plan of Employer.

(b) Compensation, as defined in a Retirement Plan, in excess of the limit imposed by Section 401(a)(17) of the Code.

3.1-2 "Participant" means any employee of Employer who satisfies the conditions of 3.01-1.

### 3.2 Amount of Benefit

3.2-1 Subject to the limitations of Section 3.02-4, a Participant shall have a retirement benefit under the Plan equal to the excess of (a) over (b) based on the Retirement Plan covering the Participant:

(a) The "Basic Benefit," as defined in the Retirement Plan, the Participant would have had if Supplemental Basic Compensation were used in place of "Basic Compensation" as defined in the Retirement Plan.

(b) The Participant's actual Basic Benefit under the Retirement Plan.

3.2-2 "Supplemental Basic Compensation" means a Participant's Basic Compensation increased to include:

(a) Any compensation deferred by the Participant pursuant to a nonqualified deferral arrangement that, but for such arrangement, would have been included in Basic Compensation; and

(b) Any compensation that would have been included in Basic Compensation but for the limitations imposed by Section 401(a)(17) of the Code.

An amount described in (a) shall be counted as Supplemental Basic Compensation in the year in which it would have been paid but for such deferral. An amount described in (b) shall be counted as Supplemental Basic Compensation in the year paid.

3.2-3 If the surviving Spouse of a Participant is entitled to a pre-retirement survivor annuity under a Retirement Plan, the Spouse shall have a benefit under this Plan calculated by applying the provisions of the Retirement Plan for the amount of pre-retirement survivor annuity to an accrued benefit of the Participant on the date of death equal to the excess benefit described in 3.02-1. For purposes of the Plan, the term "Spouse" has the meaning set forth in the Defense of Marriage Act of 1996 (P.L. 104-199), as amended. (As of January 1, 2005, this definition is a legal union between one man and one woman as husband and wife.)

3.2-4 The retirement benefit described in 3.02-1 shall be the sum of the retirement benefit provided by the Plan and the retirement benefit provided by the Prior Plan. The Prior Plan applies to benefits accrued as of December 31, 2004. The Plan applies to benefits accrued after December 31, 2004. The Committee shall determine accrued benefits as of December 31, 2004 in a manner consistent with Section 409A of the Code, the regulations

thereunder, and any additional guidance provided by the Treasury Department.

### 3.3 Vesting

A Participant's retirement benefit under this Plan shall become vested at the same time as the Participant's retirement benefit under the Retirement Plan becomes vested. If the Participant forfeits retirement benefits due to having five consecutive "Break in Service Years" as defined in the Retirement Plan, the Participant's benefits under this Plan also shall be forfeited.

### 3.4 Time and Form of Benefits

3.4-1A retirement benefit or preretirement survivor annuity under this Plan shall be paid at the same time and in the same form as the corresponding benefit is paid under the Retirement Plan; provided, however that, if such payment would cause the Plan to fail to meet the requirements of Section 409A of the Code, the retirement benefit or preretirement survivor annuity under this Plan shall be paid at the time and in the form the corresponding benefit would have been paid under the Retirement Plan if -

(a) The Participant had elected to commence benefits under the Retirement Plan at the earliest time permitted but not before the time the Participant had incurred a separation from service, as that term is used in Section 409A(a)(2)(A)(i) of the Code.

(b) If the Participant has no Spouse when benefits would have commenced, benefits were paid in the form of the "Basic Benefit" as defined in the Retirement Plan.

(c) If the Participant has a Spouse when benefits would have commenced, benefits were paid in the form of a life annuity with half payments continued to the Spouse.

(d) The Participant did not waive the pre-retirement survivor annuity.

3.4-2 If a Participant dies after benefits under this Plan commence, survivor benefits, if any, shall be paid in accordance with the form of benefit being paid to the Participant.

3.4-3 If the Actuarial Equivalent lump sum value of a benefit payable to a Participant or surviving Spouse is less than \$10,000 at the time payment is to commence, payment shall be made at that time in a lump sum and not in the form provided in 3.04-1 or 3.04-2.

## ARTICLE 4

### Administration

#### 4.1 Administrative Committee

4.1-1 "Committee" means the Administrative Committee or any other committee with responsibility for administering the CNF Inc. Retirement Plan.

4.1-2 Documents may be signed for the Committee by the chair, the secretary or other persons designated by the Committee.

#### 4.2 Committee Powers and Duties; Administrator

4.2-1 The Committee shall interpret the Plan, shall decide any questions about the rights of Participants and surviving Spouses and in general shall administer the Plan. The Company intends the Plan to meet the



requirements of Section 409A of the Code, the regulations thereunder and any additional guidance provided by the Treasury Department. The Committee shall interpret the Plan in such a way as to meet such requirements. Any decision by the Committee within its authority shall be final and bind all parties. The Committee shall have absolute discretion to carry out its responsibilities.

4.2-2The Committee shall be the plan administrator under federal laws and regulations applicable to plan administration and shall comply with such laws and regulations. The general counsel for the Company shall be the agent for service of process on the Plan at the Company's address.

4.2-3The Committee may delegate all or part of its administrative duties to one or more agents and may retain advisors to assist it. The Committee may consult with and rely upon the advice of counsel who may be counsel for the Company. The Committee shall retain an enrolled actuary, who shall be the same as the enrolled actuary for the Retirement Plan.

4.2-4"Administrator" means the Committee or another fiduciary for the Plan to whom the Committee has delegated duty and authority for the discretionary Plan functions in question. The Administrator shall keep records of all relevant data about the rights of all persons under the Plan. The Administrator shall determine the time, manner, amount and recipient of payment of benefits and the service of any employee and instruct the Trustee on distributions.

#### 4.3Claims Procedure

4.3-1Any person claiming a benefit, requesting an interpretation or ruling under the Plan or requesting information under the Plan shall present the request in writing to the Administrator, who shall respond in writing as soon as practicable.

4.3-2If the claim or request is denied, the written notice of denial shall state:

(a)The reasons for denial, with specific reference to the plan provisions on which the denial is based.

(b)A description of any additional material or information required and an explanation of why it is necessary.

(c)An explanation of the Plan's claim review procedure.

4.3-3The notice of denial normally will be given within 90 days after the claim or request is received by the Administrator. If special circumstances require an extension of time for processing the claim or request, the Administrator may extend the time up to an additional 90 days and shall give notice of the extension to the claimant.

4.3-4Any person whose claim or request is denied or who has not received a response within the time provided in 4.03-3 may request review by notice given in writing to the Administrator. A request for review is required to be submitted within 60 days after the date the notice of denial is given unless the Committee waives such requirement. The claim or request shall be reviewed by the Administrator, who may, but shall not be required to, have the claimant appear in person. On review, the claimant may have representation, examine pertinent documents and submit issues and comments in writing.

4.3-5The decision on review shall normally be made within 60 days. If an extension is required for a hearing or other special circumstances, the claimant shall be so notified and the time limit shall be 120 days. The

decision shall be in writing and shall state the reasons and the relevant plan provisions. All decisions on review shall be final and bind all parties concerned.

#### 4.4 Authority to Act for the Company or Employer

4.4-1 Except as provided in 4.04-2, all authority of the Company or any Employer under this Plan shall be exercised by the chief executive officer of the corporation, who may delegate all or any part of such authority.

4.4-2 The power to amend or terminate the Plan may be exercised only by the Board of Directors of the Company, except as provided in 4.04-3.

4.4-3 Any officer of the Company may amend the Plan to make technical, administrative or editorial changes on advice of counsel to comply with applicable law or to simplify or clarify the Plan.

4.4-4 The Board of Directors of the Company or of an Employer shall have no administrative or investment authority or function. Membership on the Board shall not make a person a plan fiduciary.

#### 4.5 Expenses; Indemnification

4.5-1 The Administrator shall not be compensated for services. The Administrator shall be reimbursed for all expenses.

4.5-2 The Company shall indemnify and defend any Plan fiduciary who is an officer, director or employee of an Employer from any claim, loss, liability, or expense, including attorneys' fees, arising from any action or inaction in connection with the Plan, subject to the following:

(a) Coverage shall be limited to actions taken in good faith that the fiduciary reasonably believed were not opposed to the best interests of the Plan.

(b) Coverage shall be reduced to the extent of any insurance proceeds.

#### 4.6 Trust

The Employer may, in its discretion, make contributions to a trust established by the Company, to be invested and utilized to pay benefits under the Plan. The assets of any such trust shall be subject to the claims of creditors of the Employer and shall be maintained pursuant to a separate trust document.

## ARTICLE 5

### Amendment and Termination

#### 5.1 Amendment

The Company may amend this Plan at any time, except that no amendment shall adversely affect the benefits under this Plan of a Participant accrued on the basis of service and compensation up to the date on which the amendment has been adopted and communicated to affected Participants. Notwithstanding the foregoing, the Company may amend the Plan retroactively to the extent required to qualify the Plan under Section 409A of the Code, provided that no such amendment may reduce the value of any Participant's accrued benefits.

#### 5.2 Termination

5.2-1The Company may terminate the Plan at any time. Upon termination, the benefit rights of each Participant shall be limited to those accrued on the basis of service and compensation up to the date on which action to terminate the Plan has taken and communicated to Participants.

5.2-2Upon termination, the Company may satisfy the benefit rights of Participants and surviving Spouses by any of the following:

(a)Continuing the Plan to pay benefits in accordance with the payment forms determined under 3.04, including benefits commencing after the termination date.

(b)Paying to each Participant, and to each surviving Spouse then in pay status, a lump sum equal to the Actuarial Equivalent present value of the benefit accrued as of the termination date.

(c)Purchasing and distributing to each Participant, and to each surviving Spouse then in pay status, an insurance company annuity contract providing the benefit accrued as of the termination date.

## ARTICLE 6

### General Provisions

#### 6.1Information for Administrator

6.1-1The Administrator may accept as correct and rely on any information furnished by the Company or an Employer. The Administrator may not demand an audit, investigation or disclosure of the records of the Company or any Employer.

6.1-2The Administrator may require satisfactory proof of data from a Participant, surviving Spouse, joint or contingent annuitant or beneficiary. The Administrator may adjust any retirement benefit if an error in relevant data is discovered.

#### 6.2Applicable Law

This Plan shall be construed according to the laws of California except as preempted by federal law.

#### 6.3Plan Binding on All Parties

This Plan shall be binding upon the heirs, personal representatives, successors and assigns of all present and future parties.

#### 6.4Not Contract of Employment

This Plan shall not be a contract of employment between any Employer and any employee, and no employee may object to amendment or termination of the Plan. The Plan shall not prevent an Employer from discharging any employee at any time.

#### 6.5 Notices

Except as otherwise required or permitted under other provisions of this Plan or under applicable law, any notice under this Plan shall be in writing and shall be effective when actually delivered or, if mailed, when deposited postpaid as first-class mail. Notices to the Company, Employer, or the Administrator shall be directed to:

Corporate Benefits Office  
CNF Inc.  
1717 NW 21st  
Portland, OR 97209  
PO Box 3680  
Portland, OR 97208

#### 6.6 Benefits Not Assignable

6.6-1 This Plan is for the personal protection of the Participants. No vested or unvested interest of any Participant or beneficiary may be assigned, seized by legal process, transferred or subjected to the claims of creditors in any way, except as provided in 10.06-2.

#### 6.7 Actuarial Equivalency

"Actuarial Equivalent" means an amount equivalent in value as determined by the enrolled actuary retained for the Plan. The factors for determining equivalent value shall be the same as those used under the Retirement Plan.

#### 6.8 Saving Clause

The Company intends the Plan to meet the requirements of Section 409A of the Code, the regulations thereunder, and any additional guidance provided by the Treasury Department. Any Plan provision that does not meet such requirements shall be void.

Exhibit 99.5

CNF  
3240 HILLVIEW AVENUE, PALO ALTO, CA 94304-1297 (650) 494-2900 NEWS RELEASE

Contacts:

Investors - Patrick Fossenier  
(650) 813-5353

Media -- Nancy Colvert  
(650) 813-5336

DOUGLAS STOTLAR SUCCEEDS GERALD L. DETTER AS CEO OF CON-WAY

PALO ALTO, Calif. - Dec. 3, 2004 - CNF Inc. (NYSE:CNF) announced today that Douglas Stotlar, executive vice president and chief operating officer of Con-Way Transportation Services Inc., has been named president and chief executive officer of Con-Way and a senior vice president of CNF.

Stotlar succeeds Gerald L. Detter, who is retiring from his executive positions at Con-Way and CNF. Detter has agreed to serve as an advisor to the company until Jan. 31, 2006.

"Doug Stotlar is an experienced manager with strong leadership skills and we are delighted that he will be expanding his responsibilities at Con-Way," said W. Keith Kennedy, Chairman of the Board of CNF. "Having served with Con-Way since 1985, he is exceptionally well-suited to lead the carrier to a new phase in its growth.

"Jerry Detter has been instrumental in building Con-Way into the premier LTL carrier in North America," said Kennedy. "Jerry has also been a leader for the entire industry, having served for many years on the executive committee of the American Trucking Associations. We wish him well."

Detter, 60, who since 1997 has been chief executive of Con-Way, the company's \$2.6 billion regional less-than-truckload motor carrier, is retiring after 40 years in the trucking business, all of which was spent with Con-Way, CNF and its predecessor, Consolidated Freightways.

Stotlar, 44, has been Con-Way executive vice president since 1999. He was named chief operating officer in 2002. Prior to that, Stotlar headed

Con-Way NOW, the company's successful time-definite freight services carrier. He first joined Con-Way as a freight supervisor for Con-Way Central Express and has successfully worked in a variety of positions of increasing responsibility at the regional carrier.

Stotlar, who will continue to be based at Con-Way's headquarters in Ann Arbor, Mich., is a graduate of Ohio State University.

CNF Inc. is a \$5.1 billion management company of global supply chain services with businesses in regional trucking, air freight, ocean freight, customs brokerage, global logistics management and trailer manufacturing.

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