

TRANSWAY

August 8, 1977

TO the Board of Directors
of TRANSWAY INTERNATIONAL CORPORATION

Gentlemen:

Herewith Notice of Meeting of the Board of Directors
of Transway International Corporation to be held Thursday,
August 25, 1977.

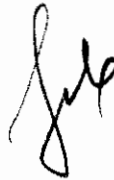
Please note that this meeting will commence at 9:30 A.M.
to provide us with sufficient time to take care of the
business of the meeting and to transport those at the meeting
to the SEA WAY which will be docked at the Municipal Yacht
Basin, Foot of 23rd Street, East River. Luncheon will be
served aboard and we will return to the dock no later than
4:00 P.M.

Sincerely yours,



Lawrence Berman

LB/r
Enc.

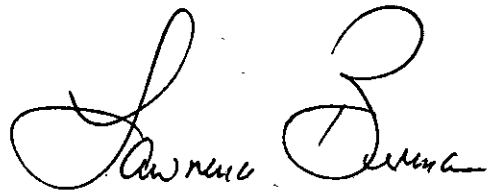


August 10, 1977

To the Directors of
TRANSWAY INTERNATIONAL CORPORATION

Please take notice that a regular meeting of the Board of Directors of Transway International Corporation will be held at the office of the Corporation, 747 Third Avenue, New York, N. Y., on Thursday, August 25, 1977 at 9:30 o'clock A.M., Eastern Daylight Saving Time, for the following purposes:

1. Approving the semi-annual report of the Company for the period January 1, 1977 to June 30, 1977.
2. Considering dividend action.
3. Transacting such other business as may properly come before the meeting.

A handwritten signature in cursive script, appearing to read "Lawrence J. ...", is written above a horizontal line.

Secretary

TRANSWAY

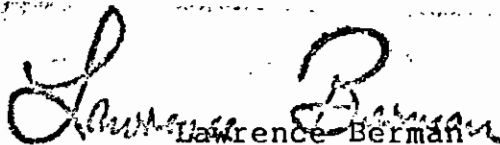
August 25, 1977

*file -
no change*

TO THE BOARD OF DIRECTORS
OF TRANSWAY INTERNATIONAL CORPORATION

Herewith draft of Minutes of Board meeting held
August 25, 1977.

Please let me know if you have any corrections,
deletions or additions.


Lawrence Berman

LS/r
Enc.

MINUTES OF REGULAR MEETING OF THE
BOARD OF DIRECTORS OF TRANSWAY
INTERNATIONAL CORPORATION HELD
AT THE OFFICE OF THE CORPORATION,
747 THIRD AVENUE, NEW YORK, N.Y.,
AUGUST 25, 1977 AT 9:30 O'CLOCK
A.M., EASTERN DAYLIGHT SAVING TIME.

Present:

D. J. Martin - Director Emeritus
C. A. Waltz - Director Emeritus
I. R. Berman
G. J. Coffey
M. D. Dingman
S. A. Furbacher
C. F. Hammond, Jr.
C. A. Jacobson
J. F. Kelly
G. R. Moir
G. Morrow
E. R. Zumwalt, Jr.

Absent:

A. A. Smith

Also present, by invitation of the Board, were Messrs.
L. Berman, Vice President-Law and Secretary, D. C. Bevan, Jr.,
Vice President-Finance, R. Lehmann, Vice President-Transportation
and J. M. Forehand, Treasurer of the Corporation. Mr. C.S. Walsh,
Chairman of the Board, Waterman Steamship Corp. was also present
for part of the meeting.

The Secretary stated that the meeting was called upon
due notice to each Director and a copy of the notice was ordered
prefixed to the record of the minutes of the meeting.

Approval of Minutes

The Chairman stated that the minutes of the regular
meeting of the Board held May 26, 1977 had been sent by mail to
each Director. Upon motion, duly made, seconded and carried, the
reading of the minutes was dispensed with and the minutes were
approved.

Tribute to J. J. Oberdorf

Mr. Giles Morrow read the following Tribute to
J. J. OBERDORF:

"With sadness we pay tribute today to our absent colleague, friend and fellow Director, John J. Oberdorf. After a valiant and protracted struggle with a tragic ailment, Jack passed away on May 28, 1977, at the age of 63.

"In his long and noteworthy career, Jack never missed many roll calls. As our Chairman told us at our May meeting, he had fervently hoped and expected to be with us. Calling upon his great strength and greater will, he had returned to his office for a brief time shortly before that meeting, and with characteristic enthusiasm that never gave ground to the malady with which he was doing heroic battle, went about laying plans for the future. The future was not to be. The time came when all of Jack's courage and all of the earnest wishes of his friends and family could no longer delay the final call.

"Next to his cherished and wonderful family, Jack's work was his life. He had a distinguished career in transportation, serving in top executive posts with several major companies before joining Transway International Corporation (then United States Freight Company) in 1966 as a Vice President of its largest freight forwarder subsidiary. He was named Vice President-Operations of Transway in 1967, elected to the Transway Board in 1970, and elevated to Executive Vice President of the corporation in 1971.

A transportation man in the fullest sense, Jack's ability, knowledge and expertise in the field of freight forwarding were without parallel. He devoted 45 years of his life to the freight forwarding industry. In that time, he earned the respect and high regard of leaders in all branches of transportation everywhere. All freight forwarders --indeed the transportation industry--no less than Transway, will feel keenly the loss of Jack Oberdorf.

"Just as Jack's great ability was in transportation, so his greatest wealth was in his large and devoted family. All those who were privileged to see the two sides of Jack Oberdorf were fortunate indeed. When this man, who was all steel and flint in business, was surrounded by his loving wife, his stalwart sons, his lovely daughters, and his flock of grandchildren, he became the embodiment of those two institutions which are the cornerstones of civilization--home and family.

"Many things could be said about Jack Oberdorf, not the least being that he did not fit into any mold: he made his own pattern; he was independent of thought and action; he got things done; he always spoke his mind; he was ever his own man; and, above all, he never sold the day to serve the hour. This Company is fortunate to have had such a man as an Officer and Director for so many years and all who knew him, mourn his loss. Now, therefore, it is

"RESOLVED that the members of the Board of Directors of Transway International Corporation, in meeting assembled this 25th day of August, 1977, hereby adopt this formal tribute to their former member, friend and colleague, John J. Oberdorf, and direct that a copy of this memorial and resolution be made a part of the minutes of this meeting and that the Secretary transmit a copy thereof to his widow, Frances, affectionately known to all as "Fran"."

Upon motion, duly made, seconded and carried, the foregoing resolution was adopted.

Election of J. F. Burditt as a Director

The Chairman stated that a vacancy existed on the Board of Directors and that he, after consultation with the Executive Committee, recommends the election of Mr. J. F. Burditt to fill said vacancy.

The Chairman, after commenting that each of the Directors had received Mr. Burditt's biographical sketch by mail previous to the meeting, reviewed Mr. Burditt's business background stating that Mr. Burditt is Chairman of the Board of ACF Industries, Incorporated, having joined that company in 1948 and having been elected to his present position in 1967. Mr. Burditt is a Director of The Polymer Corporation, Reading, Pa., Amstar Corporation, General Public Utilities Corporation and Seaboard Surety Company, New York City, and ACFA, S.A., Mexico City, and a member of the Midtown Advisory Committee of The Chase Manhattan Bank. He is also a vice chairman and trustee of Clarkson College of Technology, Potsdam, N.Y., and a director of the American Enterprise Institute for Public Policy Research, Washington, D. C. He is also a regular member of The Conference Board.

The Chairman stated further that in the opinion of the Executive Committee and himself, Mr. Burditt would make a valuable contribution to the corporate affairs of Transway, if elected to the Board, whereupon, after discussion, on motion duly made, seconded and carried, Mr. J. F. Burditt was elected a Director of the Corporation, effective immediately.

Report of Operations

The Chairman requested Mr. Forehand, the Treasurer of the Company, to review for the Board the financial highlights of the Company and consolidated subsidiaries for the second quarter and six months ended June 30, 1977.

Mr. Forehand summarized the statistical data stating that earnings per share in the second quarter 1977 increased to 82 cents from 67 cents in 1976, an increase of 22 percent. For the six months 1977, earnings per share increased to \$1.65 from \$1.26 for 1976, an increase of 31 percent.

The Chairman referred to the statement of income and retained earnings of the Company and consolidated subsidiaries which was included in the docket of the meeting. He related to the Board a breakdown of certain items on the statement, whereupon, after discussion and on motion duly made, seconded and carried, the following resolution was adopted:

RESOLVED that the consolidated financial statements for the second quarter and six months of the year 1977 as presented, be and they are hereby approved, ratified and confirmed.

At the request of the Chairman, the following persons commented on the second quarter and first-half of 1977 results and on the prospects for the balance of the year with respect to the operations as indicated after their names:

C. S. Walsh - Waterman Steamship Corp. and left the meeting after the report.
R. Lehmann - Freight Forwarder Operations
C. A. Jacobson - Tropigas International Corp.
G. R. Moir and
L. Berman - Coordinated Caribbean Transport, Inc.
C. F. Hammond - Great Dane Trailers, Inc.

Quarterly Dividend

The Chairman stated that it was in order to consider the declaration of a quarterly dividend. It was pointed out that the Company had total cash and marketable securities as of June 30, 1977 in the amount of \$13,085,000 as compared with \$16,587,000 on the same date in 1976. Consolidated retained earnings as of June 30, 1977 amounted to \$96,572,000 compared to \$83,107,000 on the same date in 1976. At June 30, 1977, under a covenant in the Company's senior note agreement, \$33,659,000 of consolidated retained earnings was available for payment of dividends. It was further stated that it would appear desirable to declare a regular quarterly dividend of 40 cents per share, whereupon, after discussion, on motion duly made, seconded and carried, it was

RESOLVED that a regular quarterly dividend of 40 cents per share be and it is hereby declared on the outstanding capital stock of the Company, payable September 20, 1977 to stockholders of record as of the close of business September 6, 1977; and

FURTHER RESOLVED that The Chase Manhattan Bank be and hereby is appointed the disbursing agent of the said dividend.

1977 Mid-Year Outlook

The Chairman referred to the review of the Corporation's budget presented at the February 24, 1977 meeting of the Board of Directors and advised that with the completion of the second quarter report, the Budget has been reviewed and the 1977 Mid-Year Outlook has been completed.

The Chairman presented the 1977 Mid-Year Outlook and requested Mr. D. C. Bevan, Jr. to review the Outlook for the Board of Directors.

Mr. Bevan, referring to the Mid-Year Outlook distributed to the Board of Directors, stated that it indicates earnings less than the Budget figures presented earlier but above 1976 results. He outlined some of the major reasons for these lower expectations.

Transway Pension Plan

The Chairman referred to action taken by the Board of Directors at meeting February 24, 1977 wherein the Board approved recommended substantive changes in the Pension Plan as presented to the Board at said meeting, which included amendments required by ERISA.

The Chairman reminded the Board that the final draft of restatement of the Plan had not been completed at that time. He advised that the restated Plan has now been completed, a copy of which was mailed to each of the members of the Board of Directors prior to the meeting and which restatement was again furnished to each Director at this meeting and recommended that the Board of Directors adopt an appropriate resolution adopting said restated Transway International Corporation Pension Plan, whereupon, after

discussion, upon motion duly made, seconded and carried, the following resolution was adopted:

RESOLVED that the Board of Directors of Transway International Corporation does hereby adopt as the pension plan of the corporation, the restated "Transway International Corporation Pension Plan" as presented at this meeting, said restated Plan to be effective retroactively to January 1, 1976.

Extension of Employment--G. Morrow and G. R. Moir

The Chairman stated that Mr. Morrow has continued his employment beyond his normal retirement date, said continuation having been approved by the Board of Directors at meeting of August 26, 1976, for employment through 1976.

The Chairman recommended that the Board of Directors authorize the continuation of employment of Mr. Morrow for 1977, whereupon, after discussion, on motion duly made, seconded and carried, such recommendation was approved.

The Chairman reminded the Board that on June 30, 1977 he reached the normal retirement date. He indicated that the Executive Committee has requested his continuation as Chairman of the Board and President. It was suggested that an appropriate contract of employment be negotiated with Mr. Moir covering such employment, whereupon, after discussion and on motion duly made, seconded and carried, the Board of Directors authorized the continuation of Mr. Moir as Chairman of the Board and President of the Corporation and further delegated to the Executive Committee the responsibility and authority to negotiate the terms and conditions of an employment contract.