

CODE OF CONDUCT AND ETHICS

CENTRAL FREIGHT LINES, INC.



August 2005

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President and CEO's Message

Message to All Officers, Employees, and Directors of Central Freight Lines, Inc.

Our corporate reputation is a significant asset. The decisions we make and the actions we take with each other and with those with whom we do business are vitally important in maintaining our reputation. We are committed to conducting business in an honest, ethical, and lawful manner, and we expect all of our officers, employees, and directors to share in this commitment.

To emphasize our commitment to integrity and honesty, we require faithful compliance with this Code of Conduct and Ethics. Although no document can be expected to cover all of the situations that you may face, we intend for this Code to serve as a framework within which decisions confronting our officers, employees, and directors may be made. We expect our officers, employees, and directors to abide not only by the "letter," but also the "spirit" of this Code. Consequently, if you become aware of conduct that raises ethical concerns, whether or not such conduct is specifically prohibited or addressed by this Code, you are encouraged to report it to the Compliance Officer or your supervisor.

This Code applies to everyone at Central – officers, directors, and drivers and other employees. It is important to remember that good intentions, a desire to help the Company, or simply not knowing the guidelines embodied in this Code, will not excuse unethical or illegal conduct. Violations of the standards contained in this Code will result in disciplinary action, up through and including termination.

Once you have read this Code, you should sign and date the back page certification and return it to the Compliance Officer.

Operating our business in compliance with applicable laws and in accordance with high ethical standards is not only the right thing to do; it is also the smart thing to do. The Company's continued success is largely dependent upon our reputation...our reputation with current and potential customers, our reputation with investors and the financial community, our reputation with regulators, and our reputation with present and prospective employees and owner-operators. Each of us is responsible for doing our part to protect that reputation.

Sincerely,

Robert V. Fasso
President and Chief Executive Officer

Introduction

Central Freight Lines has always and continues to be committed to the highest degree of integrity and honesty in the conduct of its business affairs. The Company's Board of Directors has reaffirmed this policy by adopting this Code of Conduct and Ethics (the "Code") which applies to all Company officers, employees, and directors. The Code identifies and explains the Company's expectations of legal and ethical conduct on the part of its employees, officers, and directors. This policy of Central Freight Lines to conduct its business activities and transactions with honesty and integrity is in accordance with moral, ethical, and legal standards of the areas we serve. If you do not understand any portion of the Code, or if you believe that you or someone else may be in violation of the Code, you should contact the Compliance Officer who is Steve Owen, our Vice President – Finance.

The following summarizes Central's expectations for its employees, officers, and directors:

- **We obey the law.** Central Freight Lines respects and obeys all laws and regulations applicable to its operations.
- **We are loyal to Central Freight Lines stockholders and customers.** Neither Central Freight Lines nor its individual employees, officers, or directors behave in a way that is contrary to the best interests of Central Freight Lines stockholders or customers. This includes avoiding actual or apparent conflicts of interest, refraining from insider trading, and refusing to offer or accept bribes, kickbacks, or gifts of substantial value. It also includes treating Central Freight Lines customers with courtesy and respect.
- **We are fair, honest and ethical in our dealings with each other.** Central Freight Lines promotes equal employment opportunity and a safe working environment, and prohibits harassment, threats, dishonesty, and other inappropriate behavior in the workplace. *Central Freight Lines also strictly prohibits retaliation against anyone who makes a good faith complaint under the Code.*
- **We compete fairly, honestly, and ethically.** Central Freight Lines does not engage in unfair and/or illegal methods of competition.
- **We care about our reputation with the public.** Central Freight Lines employees, officers, and directors are expected to conduct themselves at all times in a manner that reflects well on Central Freight Lines.

It is important that each Central Freight Lines employee, officer, and director fully understands and complies with the Code. The Code cannot anticipate every possible situation or cover every topic in detail. Some of the topics covered in the Code are explained in greater detail in Company policies, handbooks, or manuals. It is your responsibility to comply with the Code and behave in an ethical manner. Every employee, officer, and director will provide a written certification that they have read and understand the Code.

Your commitment to ethical behavior and the Code is essential in order for Central Freight Lines to maintain the highest degree of honesty and integrity in its business activities.

The Code does not create an express or implied employment contract and is not intended to be interpreted as a contract. To the contrary, it presents guidelines and constitutes a statement of principles to which all of us are held accountable.

Where to Get More Information; Who Handles Complaints

The Compliance Team consists of Jeff Hale, our Senior Vice President and Chief Financial Officer, Steve Owen, our Director of Financial Reporting, and Walt Ainsworth, our Executive Vice President – Operations. Compliance Team vacancies will be filled by the Chief Executive Officer. The Compliance Team is responsible for communicating the Code to employees and other interested parties, and answering questions and addressing complaints that arise under the Code. Outside legal counsel also may be requested by Central Freight Lines to provide assistance as needed from time to time.

The Compliance Officer is Steve Owen, our Director of Financial Reporting, or his successor appointed by the Chief Executive Officer. If you have any issue relating to the Code, you should first contact the Compliance Officer, at 1-800-233-9226, extension 5305, or 254-741-5305, unless the Code specifically permits or requires you to contact another person regarding the issue. This includes the following circumstances:

- When you have a question about the Code or any specific provision in it;
- When you have a question as to whether you are in compliance with the Code;
- When you need to report a transaction, activity, relationship, or arrangement that could arguably violate the Code;
- When you are trying to decide on a course of action and it appears that one or more alternatives may implicate the Code; or
- When you believe that someone else may be in violation of the Code.

If you are uncomfortable talking with the Compliance Officer or you wish to remain anonymous, you may call the ethics hotline at 1-866-384-4277 or access our online ethics reporting service by: 1) Visiting our website <http://www.centralfreight.com> , 2) Click on “Contact Us”, 3) Scroll to the bottom of the page and click on the “Ethics Point” link (the "Ethics Hotline"). You will be able to provide your question and/or information and receive a response by calling back with a password. The Ethics Hotline is available 24 four hours a day, is toll-free and is operated by an entity not associated with Central Freight Lines. You also may submit questions or report potential violations anonymously by writing to:

Central Freight Lines, Inc.
5601 West Waco Drive
Waco, TX 76710
Attn: Steve Owen – Compliance Officer

What will happen when you raise an issue pertaining to the Code? The Compliance Officer will take appropriate action under the circumstances.

What if I disagree with the manner in which the Compliance Officer proposes to deal with the matter? If you do not agree with the manner in which the Compliance Officer proposes to deal with the matter, you can request that the Compliance Team review the matter. Any other employee who is seriously affected by the Compliance Officer's decision may also request a review. In considering your request, the Compliance Team may decide to review or reinvestigate the matter, or they may let the existing decision or recommendation and process stand. If the Compliance Team does not review the matter, the decisions or recommendations of the Compliance Officer will be implemented. If the Compliance Team does perform a review, its decisions are final and not subject to further appeal, unless a member of the Compliance Team is involved in the matter, in which case the matter may be referred to the Audit Committee.

No Retaliation. *No action will be taken against you for asking in good faith about the Code, about activities that you are considering engaging in, or for reporting in good faith a perceived violation of the Code – even if it turns out that there was in fact no violation.* The Compliance Officer is responsible for enforcing the non-retaliation provisions of the Code.

Employees are required to comply with the directives of the Compliance Officer (or if review is sought, the Compliance Team) once given. Failure to follow such directives may result in disciplinary action, up through and including termination of employment with the Company and possible criminal prosecution under the law.

Central Freight Lines also reserves the right to take action against anyone who reports alleged violations of the Code where there is reason to believe that the complaint was made maliciously or not in good faith - for example, where a reporting employee knew that the complaint was false. Such actions may include disciplinary action, up through and including discharge.

Anyone who is found to have violated the Code will be subject to disciplinary action, up through and including discharge, depending on the circumstances. Members of management, officers, and directors will be held to the highest standard of ethics, honesty, and fairness, and thus may be subject to more stringent sanctions for violations.

We Obey the Law

Central Freight Lines respects and obeys all laws, rules, and regulations applicable to its operations.

Employees, officers, and directors are expected to obey all laws applicable to their business dealings, including but not limited to the following:

- Transportation laws and regulations, including Department of Transportation safety and fitness rules relating to, among other things, hours-of-service and drug and alcohol testing;
- Environmental laws and regulations;
- Employment and labor laws and regulations, including anti-discrimination and harassment;
- Federal and state securities laws and regulations;

- Laws and regulations governing trade practices;
- Antitrust laws; and
- Criminal laws.

If you have a question as to whether your conduct complies with applicable law, please contact the Compliance Officer or call the Ethics Hotline.

We Compete Fairly, Honestly, and Ethically

Central Freight Lines does not engage in unfair or illegal methods of competition.

The following are examples of activities that Central Freight Lines considers unfair, dishonest, or unethical in violation of the Code:

- Discussing prices, terms and conditions, costs, marketing plans, customers, or any other confidential or proprietary information with a competitor of Central Freight Lines or others, unless they have a need to know that would further Central Freight Lines' business interests and such discussion would not violate antitrust or similar laws. Contacts with competitors should be kept to a minimum and when necessary or appropriate, they must be handled carefully. Membership in trade groups is permissible but it is the most likely opportunity for contact with competitors. Employees must, therefore, be especially careful not to disclose information regarding customer lists, pricing, market surveys, and the like. If a competitor in conversation raises any of these issues, you should inform the competitor that you will not discuss these issues and then excuse yourself from the conversation;
- Making claims that are inflated, exaggerated, reckless, or careless to customers or prospects about Central Freight Lines' services or prices;
- Making disparaging comments to customers or prospects about a competitor's services or prices that you know to be false, or without being careful as to whether the comments are true or false;
- Offering or giving a bribe, gift, entertainment, or other gratuity to anyone in an effort to establish or expand a customer relationship with Central Freight Lines. If approved by your supervisor, the offer or giving of gifts or entertainments *of nominal value* that are not connected with a specific transaction or series of transactions does not violate this policy unless you are aware that the acceptance of such nominal gifts violates a policy of the customer, supplier, or other entity or organization. ***Under no circumstances should you offer or give a gift of cash;***
- Learning about a competitor's services, customers, or prices through illegal "spying" or other industrial espionage;
- Misappropriation of a competitor's trade secrets or other confidential or proprietary information;

- Misappropriation of software without proper purchase or licensing;
- Illegal copying in any form of copyrighted documents, including magazines, trade publications, and newspapers;
- Refusing to deal with or purchase goods and services from others simply because they are competitors in other respects;
- Initiating or encouraging boycotts of specific products or services or arbitrarily refusing to deal with designated customers or suppliers; and
- Requiring others to buy from us before we will deal with them.

We Are Loyal to Central Freight Lines Stockholders and Customers

Neither Central Freight Lines nor its employees, officers, or directors behave in a way that is contrary to the best interests of Central Freight Lines stockholders or customers. This includes avoiding actual or apparent conflicts of interest, refraining from insider trading and soliciting or accepting bribes, kickbacks, or gifts of substantial value. It also includes treating customers with courtesy and respect.

Violations of this policy include the following:

- Violation of the Conflict of Interest Policy (see "Conflict of Interest Policy" beginning on page 8 below);
- Soliciting or accepting money, gifts, entertainment, or other value from anyone who is seeking to establish or expand a vendor relationship with Central Freight Lines. Accepting gifts of nominal value, that are unsolicited or that are not given in connection with a specific transaction or series of transactions, unless you are aware that the acceptance violates the policy of the entity on whose behalf the value is being given, does not violate this policy. Participation as a guest in business/entertainment activities by suppliers or vendors should be pre-approved by your supervisor. ***Under no circumstances should you accept a gift of cash;***
- Generating, creating, or contributing to internal reports (including but not limited to financial reports) that contain false or misleading information;
- Misappropriating corporate assets for personal use;
- Rudeness or disrespect to a customer; and
- Using inside information to gain an advantage in securities trading, or inappropriately disclosing inside information to others (see "Insider Trading" below).

Insider Trading. Federal law prohibits insider trading. Insider trading generally refers to the buying or selling of a security by a person who is aware of material, non-public information relating to the security. In addition, insider trading prohibitions apply to any business entity about which confidential information is acquired through employment with our Company.

Insider trading violations also include providing such information to others ("tipping"). The Company maintains an Insider Trading Policy, a copy of which has been provided to all employees and is available on our website located at www.centralfreight.com under "Investor Relations – Corporate Governance," which prohibits insider trading and imposes certain other trading restrictions on directors and certain identified officers and other employees.

We Are Fair, Honest, and Ethical in Our Dealings with Each Other

Central Freight Lines promotes equal employment opportunity and a safe working environment, and prohibits harassment, threats, dishonesty, and other inappropriate behavior in the workplace. Central Freight Lines also strictly prohibits retaliation against any employee who makes a good faith complaint under the Code.

The following is a summary of the Central Freight Lines policies that apply to relations between employees.

Electronic Use. All computers, communication systems, telephones, facsimile machines and related services (such as access to the Internet and voice mail) are provided as tools to allow each Central Freight Lines employee, officer and director to better perform required tasks and to support Central Freight Lines' business goals and objectives. All systems and equipment are and remain the sole property of Central Freight Lines. During normal business hours, these systems and equipment should be used for the proper business activities of Central Freight Lines. Outside of normal business hours, employees may use the systems and equipment in a reasonable manner for personal use.

Equal Employment Opportunity. Central Freight Lines provides equal employment opportunity in all aspects of employment, including hiring, promotions, and terms and conditions of employment. Central Freight Lines prohibits retaliation against employees who complain of discrimination.

Harassment. Central Freight Lines prohibits harassment based on race, sex, national origin, age, religion, color, disability, sexual orientation, or any legally protected characteristic. Harassment by electronic means (for example, inappropriate e-mail) will also violate the Electronic Use policy summarized above. Central Freight Lines prohibits retaliation against employees who complain of harassment.

Health, Safety, and Environmental Protection. Central Freight Lines Employees are responsible for conducting our business in a way that protects the health and safety of Central Freight Lines employees, other people, and the environment. Employees should act in a manner that ensures compliance with all applicable governmental and private health, safety, and environmental requirements, including contributing to an alcohol- and drug-free workplace.

Honesty. Central Freight Lines prohibits theft; embezzlement; misappropriation of funds; destruction of Company property through negligence, recklessness, or intentional conduct; falsification of records; and similar offenses. Employees who become aware of such conduct must report it immediately to the Compliance Officer. (See "Company Records and Records Management" on page 11 below.)

Record Keeping. Integrity of internal records must be maintained at all times. Employees may not use "off-the-books" recordkeeping, secret accounts, unrecorded bank accounts, "slush" funds, falsified books, or any similar devices. Employees who become aware of the existence of any such devices must report their knowledge immediately to the Compliance Officer. The Code's non-retaliation provisions will apply in such instances.

Threatening Behavior and Violence. Central Freight Lines strictly prohibits any violent or threatening behavior on Central Freight Lines premises or (regardless of where it occurs) directed toward any employee, officer, director, customer, vendor, or any other individual with a business relationship with Central Freight Lines. Verified allegations of such behavior will result in immediate termination.

We Care About Our Reputation with the Public

Central Freight Lines employees, officers, and directors are expected to conduct themselves at all times in a manner that reflects well on Central Freight Lines.

This applies to on premises and off-premises conduct, and during working and non-working time. Central Freight Lines reserves the right to take appropriate action against any employee whose personal conduct could damage Central Freight Lines' reputation with the public.

We Care About the Environment and the Safety and Health of Our Employees

Central Freight Lines is committed to protecting the environment, to providing safe working conditions for its employees, and to insisting on safe work practices from its employees. In this regard, Central Freight Lines will comply with all federal, state and local laws pertaining to the environment, the safety and health of its employees, and the safety of our trucking operations. It is the firm and continuing policy of Central Freight Lines to maintain aggressive promotion of safe practices that help to prevent accidents and injuries.

Conflict of Interest Policy

Central Freight Lines employees, officers, and directors generally should seek to avoid situations in which their personal interests could actually or apparently conflict with those of Central Freight Lines and its stockholders.

What is a "conflict of interest"?

A conflict of interest arises when your personal interests or activities influence your ability to act in the best interests of Central Freight Lines. As an employee, officer, or director, your primary professional obligation is to the Company, its stockholders, and its customers. Conflicts of interest exist when your activities or personal interests:

- Adversely affect the independence and objectivity of your judgment;
- Interfere with timely and effective performance of your duties; and

- Discredit, embarrass, conflict with, or appear to conflict with, Central Freight Lines' best interests.

Can you give me some examples of activities that might create a conflict of interest?

Examples of conflicts of interests could include, but are not limited to, the following if done by you or a member of your family:

- Owning a significant interest in, working for, or serving on the board of directors of a business entity that competes with, or is a vendor or customer to, Central Freight Lines;
- Other "self-dealing" transactions, such as accepting "kickbacks" or other "under the table" payments or gifts from a vendor or customer;
- Taking for yourself opportunities that are discovered through the use of corporate property, information or position such as knowingly acquiring or owning any real estate or other business interest that Central Freight Lines is interested in acquiring;
- Engaging in outside employment or establishing and/or maintaining your own business to the extent that doing so hinders performance of your duties with Central Freight Lines;
- Performing work for a person or entity that has a business relationship with Central Freight Lines (without prior approval of Central Freight Lines management) or for a person or entity that competes with Central Freight Lines;
- Unauthorized use of Central Freight Lines' name, time, influence, assets, funds, materials, facilities, or employees for any outside person or entity;
- Reporting to or supervising a Central Freight Lines employee with whom you have a close personal relationship (including but not limited to parent-child, spouses, siblings, and dating and cohabiting relationships). If a close personal relationship develops between two people who were previously in a reporting relationship, the individuals should promptly disclose the close relationship to the Compliance Officer. In virtually all such circumstances, one of the parties to the relationship will be required to transfer (if other work is available) or resign (if other work is not available). In most such circumstances, the parties to the relationship may decide who will remain in the position and who will transfer or resign; and
- Using material, nonpublic information about Central Freight Lines in connection with the purchase or sale of any securities, or improperly disclosing any such information to another person. This applies not only to Central Freight Lines securities, but also to securities of companies with whom Central Freight Lines has a business relationship, either actual or prospective. (For example, it would also violate this policy for you to buy stock in a business entity that Central Freight Lines was considering acquiring.).

What is Central Freight Lines' policy with regard to conflicts of interest?

Central Freight Lines prohibits its employees, officers, and directors from engaging in transactions or other arrangements or activities that involve actual or apparent conflicts of interest unless the transaction, arrangement, or activity has been properly approved (i.e. by the Audit Committee in the case of an executive officer or a director, or by the Compliance Officer (or the Compliance Team if an appeal has been taken) in the case of other employees) following a determination that the transaction, arrangement, or activity is consistent with the best interests of Central Freight Lines. Some transactions, activities, and arrangements, such as accepting "kickbacks" or "under the table" payments or gifts from customers or vendors, unauthorized use of Company property, and insider trading, will never be consistent with the best interests of Central Freight Lines. In other situations, a transaction or arrangement involving an apparent conflict of interest may be consistent with the best interests of Central Freight Lines, such as where a vendor affiliated with an officer, employee, or director provides goods or services on terms equal or superior to those that could be obtained from an unaffiliated third party.

What should I do if I currently am involved in a situation that could represent a conflict of interest, or if I am considering engaging in or entering into a transaction, activity, or arrangement that could represent a conflict of interest?

The procedures you must follow in connection with actual or potential conflicts of interest will depend on your position with Central Freight Lines. Regardless of your position, you should err on the side of caution in determining whether to report possible conflicts of interest involving yourself or members of your family to appropriate company officials. *Anyone who fails to disclose an actual or potential conflict of interest in accordance with the following procedures will be subject to disciplinary action up through and including discharge.*

Employees. Employees (other than executive officers) who are involved in a situation that could represent a conflict of interest, or who are considering engaging in or entering into a transaction, activity, arrangement that could represent a conflict of interest, should promptly notify the Compliance Officer. Any such employee must provide full disclosure of the circumstances concerning the actual or potential conflict, as well as any additional information requested by the Compliance Officer.

If the Compliance Officer (or the Compliance Team if appealed) determines there is not a conflict of interest or, notwithstanding an apparent conflict, approves the transaction, activity, or arrangement in question as being consistent with the best interests of Central Freight Lines, then you may rely on that advice and go on with the actual or proposed transaction, activity, or arrangement.

However, if the Compliance Officer (or the Compliance Team if an appeal has been taken) determines there is a conflict of interest and does not explicitly approve the transaction, activity, or arrangement in question, generally you may either (i) discontinue the transaction, activity, or arrangement or your pursuit thereof and remain in your position with Central Freight Lines or (ii) resign from your position with Central Freight Lines and continue to engage in or pursue the transaction, activity, or arrangement.

Any employee who is found to have ignored the advice of the Compliance Officer (or the Compliance Team if an appeal has been taken) will be subject to disciplinary action up through and including discharge.

Executive Officers and Directors. Executive officers or directors who are involved in a situation that could represent a conflict of interest, or who are considering engaging in or entering into a transaction, activity, or arrangement that could represent a conflict of interest, should promptly notify the Chairman of the Audit Committee. Any such executive officer or director must provide full disclosure of the circumstances concerning the actual or potential conflict, as well as any additional information requested by the Audit Committee Chairman. Unless the actual or proposed transaction, activity, or arrangement is approved by the Audit Committee, then you must discontinue the transaction, activity, or arrangement or your pursuit thereof.

Any executive officer who engages in any transaction, activity, or arrangement involving an actual or apparent conflict of interest without Audit Committee approval will be, at the discretion of the Company's Board of Directors, subject to disciplinary action up through and including discharge.

What should I do if I suspect that someone else at Central Freight Lines is in violation of this Conflict of Interest Policy?

You should report any suspected violations of this Conflict of Interest Policy involving others to the Compliance Officer. If the suspected violation involves an executive officer or director, you may also report it to the Chairman of the Audit Committee. *Central Freight Lines strictly prohibits retaliation against anyone for reporting a suspected conflict of interest violation in good faith.*

Can the activity of a member of my family create an actual or potential conflict of interest under this policy?

Yes, particularly if your family member receives or uses inside information in making transactions in securities, or holds an interest in a business that competes with, or is a vendor or customer of Central Freight Lines.

Are any of the "conflict of interest" activities also illegal?

Yes, particularly the ones relating to insider trading.

Company Records and Records Management

All employees record or report important information in the course of their work. Examples include driver logs, expense reports, time sheets, medical claim forms, reports to regulatory agencies, reports of customer contacts, and personnel reviews.

Employees are required to document and report all business and financial transactions in accordance with the Company's internal control policies and procedures. Creating misleading records, falsifying, or improperly destroying Company documents or records is prohibited.

Company Records. You must record and report information honestly, completely and accurately. The integrity of our Company financial and other reporting processes is essential: stockholders, regulators, lending institutions and others depend on the accuracy of our Company information.

Records Management. A key feature of our records management program involves the retention and protection of confidential and vital information so that we will have the ability to respond to internal and external inquiries in a timely manner. Effective records management also means retaining only information that is required and properly disposing of records and copies that no longer meet any compliance or business requirements.

Confidential Information

Our information and business data – and the security of that information and data – is crucial to our success. We must safeguard confidential information against improper disclosure, both inside and outside the Company. Company information (or information that the Company maintains on behalf of its customers, suppliers, agents or other representatives) *that has not been publicly disclosed* should be treated as confidential. Such information, whether verbal, written or stored on electronic media, includes *non-public* information on services, methods, systems, internal reports, analyses, financial data, business plans, and marketing methods.

Your obligation to protect confidential information is in effect while you are employed by the Company and after your employment ends. In addition, if you received confidential information or trade secrets from a previous employer, you have an obligation to avoid disclosing it to Central Freight Lines or Central Freight Lines personnel. By using or revealing such information, you place the Company and yourself at legal risk. You do have a right to use *general skills and knowledge* acquired with previous employers in your job at Central Freight Lines and to take general skills and knowledge with you when your employment with the Company ends.

Customer Information. We must take great care in handling information that has been entrusted to us by our customers. You are not to divulge, use or make information about the Company's customers available to anyone outside the Company unless the customer requests it, the customer's duly authorized representative requests it, or it is provided according to clear regulatory or legal requirements. If you have any doubts about whether you can release customer information, contact your supervisor or the Compliance Officer before releasing the information.

Competitive Intelligence. It is a legitimate business goal for Central Freight Lines to be a leading competitor in its marketplace. All information pertinent to competition will be obtained lawfully and we will not seek or accept any confidential or competitive information through misrepresentation, coercion, illegal, or improper means.

Protection and Use of Company Assets

Central Freight Lines assets, such as tractors, trailers, information, materials, supplies, time, intellectual property, software, hardware, and facilities, among other property, are valuable resources owned, licensed, or otherwise belonging to Central Freight Lines. Safeguarding Company assets is the responsibility of all directors, officers, and employees. All Central Freight Lines assets should be used for legitimate business purposes. The personal use of Central Freight Lines assets without permission is prohibited.

Computer Software

Central Freight Lines regularly licenses computer software from a variety of outside companies. Central Freight Lines does not own this software or its related documentation, and we do not have the right to reproduce it unless authorized by the owner of the software. Your responsibilities in this area are to:

- use licensed software, including "off-the-shelf " software, strictly in accordance with the terms of the underlying license agreement;
- not copy the software or documentation for personal or home use or on more than one PC or local area network unless expressly authorized by the terms of the underlying license agreement and by your supervisor; and
- review with your supervisor or the Compliance Officer the rights available under the license agreement and how to obtain authorization to make multiple copies of software for business use.

Special Provisions Relating to the Company's Principal Executive Officer and Senior Financial Officers

The Sarbanes-Oxley Act of 2002 and/or the rules and regulations of the Securities and Exchange Commission issued pursuant thereto require the Company to disclose in its annual report whether it has adopted a code of ethics for its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions (the "Designated Officers"). For purposes of this requirement, the code of ethics means a codification of standards that is reasonably designed to deter wrongdoing and to promote:

- (a) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission and in other public communications made by the Company;
- (c) compliance with applicable governmental laws, rules, and regulations;
- (d) the prompt internal reporting to an appropriate person or persons identified in the Code of violations of the Code; and
- (e) accountability for adherence to the Code.

All provisions of the Code, including, but not limited to, those provisions relating to honest and ethical conduct, conflicts of interest, maintenance of the Company's books and records, compliance with applicable governmental laws, rules and regulations, and obligations to report suspected violations, apply to the Designated Officers. In addition, each Designated Officer shall be responsible for the full, fair, accurate, timely, and understandable disclosure in reports and documents that a Company files with, or submits to, the Securities and Exchange Commission and in other public communications made by the Company.

Any Designated Officer who is found to have violated any provision of the Code, including any of the special provisions set forth in this Section, will be, at the discretion of the Company's Board of Directors, subject to disciplinary action, up through and including discharge.

Public Availability; Waivers for Executive Officers and Directors

This Code will be made publicly available in accordance with the applicable requirements of the Securities and Exchange Commission and National Association of Securities Dealers, Inc.

Waivers of any provision of the Code for Designated Officers, executive officers, or directors, as well as any changes to the Code, will be approved by the Company's Board of Directors and reported or disclosed in accordance with the applicable requirements of the Securities and Exchange Commission and National Association of Securities Dealers, Inc.

Duty to Comply and Report; Consequences

Every Central Freight Lines director, officer, and employee has a duty to adhere to this Code of Business Conduct and Ethics and all other existing Central Freight Lines policies and to promptly report any suspected violations in accordance with applicable procedures. All suspected violations of the Code must be promptly reported to the Compliance Officer or Ethics Hotline. Central Freight Lines employees shall report suspected violations of other Central Freight Lines policies by following the reporting procedures for the specific policy. Central Freight Lines will investigate any matter so reported and may take appropriate disciplinary and corrective action, up through and including termination. Central Freight Lines forbids retaliation against any employees who report suspected violations of this Code in good faith.

Certification – Central Freight Lines, Inc. Code of Conduct and Ethics

I have received and read the Central Freight Lines, Inc. Code of Conduct and Ethics, and understand my responsibilities under it. I agree to comply with the Code and to abide by its terms and conditions.

Signature

Date

Print Name

Position with the Company

Please complete, sign, date, and return this page to Compliance Officer through interoffice mail or through regular mail addressed to:

Central Freight Lines, Inc.
5601 West Waco Drive
Waco, TX 76710
Attn: Steve Owen – Compliance Officer