Section 1: DEF 14A (DEFINITIVE PROXY STATEMENT)

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No. __)

Filed by the Registrant ☐ Filed by a Party other than the Registrant ☐

Check the appropriate box:

☐ Preliminary Proxy Statement
☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
☒ Definitive Proxy Statement
☐ Definitive Additional Materials
☐ Soliciting Material Pursuant to §240.14a-12

CNA FINANCIAL CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☒ No fee required.
☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which the transaction applies:

(2) Aggregate number of securities to which the transaction applies:

(3) Per unit price or other underlying value of the transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of the transaction:

(5) Total fee paid:

☐ Fee paid previously with preliminary materials.

☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

CNA FINANCIAL CORPORATION

Notice of Annual Meeting April 27, 2011

To the stockholders of
CNA FINANCIAL CORPORATION:

The Annual Meeting of Stockholders of CNA Financial Corporation, a Delaware corporation, will be held at 333 South Wabash, Room 208N, Chicago, Illinois, on Wednesday, April 27, 2011, at 8:00 a.m., Chicago time, to consider the following proposals:

(1) Election to the Board of the eight nominees named in this proxy statement;

(2) An advisory (non-binding) vote to approve executive compensation;

(3) An advisory (non-binding) vote to determine whether a stockholder vote on executive compensation should be held every (a) year, (b) two years or (c) three years;

(4) Ratification of the appointment of Deloitte & Touche LLP as independent registered public accountants for the Company for 2011; and

(5) Transaction of such other business as may properly come before the meeting.

Only stockholders of record at the close of business on March 7, 2011 are entitled to notice of and to vote at this meeting.

We urge you to complete, date and sign the enclosed proxy and mail it promptly in the accompanying envelope, which requires no postage if mailed in the United States. You may revoke the proxy at any time before the authority granted therein is exercised.

By order of the Board of Directors,

JONATHAN D. KANTOR
Executive Vice President,
General Counsel and Secretary

Chicago, Illinois
March 24, 2011

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on April 27, 2011. This proxy statement and the 2010 Annual Report to Stockholders are posted on the Company's website at *www.cna.com*.

CNA FINANCIAL CORPORATION
333 SOUTH WABASH AVENUE, CHICAGO, ILLINOIS 60604

Proxy Statement
Annual Meeting, April 27, 2011

The Board of Directors of CNA Financial Corporation ("CNA" or the "Company") submits this proxy statement in connection with the solicitation of proxies from the stockholders in the form enclosed.

The persons named in this proxy statement as nominees for election as directors have been designated by the Board.

Any stockholder giving a proxy has the power to revoke it at any time before it is exercised. A subsequently dated proxy, duly received, will revoke an earlier dated proxy. A stockholder may also revoke his or her proxy and vote in person at the Annual Meeting. Proxies will be voted in accordance with the stockholder's specifications and, if no specifications are made, proxies will be voted in accordance with the Board of Directors' recommendations. The approximate date of the mailing of this proxy statement is March 24, 2011.

Whether or not you plan to attend the meeting, you are encouraged to submit a proxy to vote your shares by the Internet, telephone or mail, all as more fully described below.

- To vote through the Internet, stockholders should visit www.eproxy.com/cna (the 11 digit number included on the proxy card is required).
- To vote by telephone, stockholders should dial 1-800-560-1965 and follow the instructions. If stockholders' shares are held in "street name" (*i.e.*, in an account with a bank, broker or other holder of record), stockholders should dial the phone number listed on their voter instruction form.
- To vote by mail, stockholders should sign, date and complete the enclosed proxy card and return it in the self-addressed envelope provided.

On March 7, 2011, we had outstanding 269,309,618 shares of common stock. Holders of Common Stock have one vote for each share of stock held. Stockholders of record at the close of business on March 7, 2011 will be entitled to notice of, and to vote at, this meeting. The holders of a majority of shares of Common Stock issued and outstanding and entitled to vote when present in person or represented by proxy constitute a quorum at all meetings of stockholders, including the Annual Meeting.

In accordance with the Company's By-Laws and applicable law, the election of Directors will be determined by a plurality of the votes cast by the holders of shares present in person or by proxy and entitled to vote. Consequently, the eight nominees who receive the greatest number of votes cast for election as Directors will be elected as Directors of the Company. Shares present which are properly withheld as to voting with respect to any one or more nominees, and shares present with respect to which a broker indicates that it does not have authority to vote ("broker non-votes"), will be counted for determining the presence of a quorum, but will not have any effect on the outcome of the election. With the exception of the proposal with respect to the frequency of submission to stockholders of an advisory vote on executive compensation, the affirmative vote of shares representing a majority of the shares present and entitled to vote is required to approve the other matters to be voted on at the Annual Meeting. Shares which are voted to abstain will be considered present at the meeting, but since they are not affirmative votes for the matter they will have the same effect as votes against the matter.

Principal Stockholders

The following table contains certain information as to all entities which, to the knowledge of the Company, were the beneficial owners of 5% or more of the outstanding shares of Common Stock as of February 28, 2011 (unless otherwise noted) based on filings with the Securities and Exchange Commission ("SEC"). Each such entity has sole voting and investment power with respect to the shares set forth:

Name and Address of Beneficial Owner	Amount Beneficially Owned	Percent of Class
Loews Corporation ("Loews") 667 Madison Avenue New York, New York 10065-8087	242,382,673	90%

Because Loews holds a majority of our outstanding Common Stock, Loews has the power to approve matters submitted for consideration at the Annual Meeting without regard to the votes of the other stockholders. Loews has advised the Company's Board of Directors that it intends to vote FOR the election of the Board's nominees for Director, FOR the advisory vote approving executive compensation, for the advisory vote on executive compensation to be submitted EVERY year, and FOR the ratification of the appointment of Deloitte & Touche LLP as the Company's independent registered public accountants for 2011. There are no

agreements between CNA and Loews with respect to the election of CNA Directors or Officers or with respect to the other matters to come before the meeting.

Director and Officer Holdings

The following table sets forth certain information as to the shares of our Common Stock, as well as shares of common stock of Loews, our principal stockholder, beneficially owned by each Director and nominee, and each Named Executive Officer included in the Summary Compensation Table below (individually, an "NEO" and collectively, the "NEOs"), and by all Executive Officers and Directors of the Company as a group as of February 28, 2011, based on data furnished by them. The number of shares included with respect to stock appreciation rights ("SARs") awards granted under the CNA Financial Corporation Incentive Compensation Plan (the "Incentive Compensation Plan") is the number of shares of our Common Stock each person would have received assuming a one-for-one exchange at time of exercise:

Name:	Shares of the Company's Common Stock Beneficially Owned	Shares of Loews Corporation Common Stock Beneficially Owned
Jonathan D. Kantor	235,000(1)	0
Paul J. Liska	0	0
D. Craig Mense	154,554(2)	0
Jose O. Montemayor	0	0
Thomas F. Motamed	155,170(3)	0
Thomas Pontarelli	67,900(4)	0
Don M. Randel	0	0
Joseph Rosenberg	15,000	202,496(5)
Andrew H. Tisch	106,100	14,443,737(6)
James S. Tisch	106,100	15,111,734(7)
Peter W. Wilson	95,000(8)	0
Marvin Zonis	683	0
All Executive Officers and Directors as a Group (16 persons)	989,579(9)	29,825,473(10)

1. Represents 130,000 shares issuable upon the exercise of options and 105,000 SARs granted under the Incentive Compensation Plan which are exercisable currently or within 60 days of February 28, 2011.
2. Includes 50,000 shares issuable upon the exercise of options and 87,500 SARs granted under the Incentive Compensation Plan which are exercisable currently or within 60 days of February 28, 2011.
3. Includes 60,000 SARs granted under the Incentive Compensation Plan which are exercisable currently or within 60 days of February 28, 2011.
4. Includes 18,750 shares issuable upon the exercise of options and 48,750 SARs granted under the Incentive Compensation Plan which are exercisable currently or within 60 days of February 28, 2011.
5. Represents shares of Loews Common Stock issuable upon the exercise of awards granted under the Loews Corporation 2000 Stock Option Plan ("Loews Stock Option Plan") which are exercisable currently or within 60 days of February 28, 2011.
6. Includes 450,000 shares of Loews Common Stock issuable upon the exercise of awards granted under the Loews Stock Option Plan which are exercisable currently or within 60 days of February 28, 2011. Also includes 12,022,510 shares held by trusts of which Mr. A.H. Tisch is the managing trustee (inclusive of 5,389,587 shares held in trust for his benefit), and 70,000 shares held by a charitable foundation as to which Mr. A.H. Tisch has shared voting and investment power. Loews Common Stock shares held by Mr. A.H. Tisch represent 3.4% of the outstanding shares of Loews Common Stock.
7. Includes 450,000 shares of Loews Common Stock issuable upon the exercise of awards granted under the Loews Stock Option Plan which are exercisable currently or within 60 days of February 28, 2011. Also includes 12,810,197 shares held by trusts of which Mr. J.S. Tisch is the managing trustee (inclusive of 5,054,879 shares held in trust for his benefit), and 270,000 shares held by a charitable foundation as to which Mr. J.S. Tisch has shared voting and investment power. Loews Common Stock shares held by Mr. J.S. Tisch represent 3.5% of the outstanding shares of Loews Common Stock.
8. Represents 30,000 shares issuable upon the exercise of options and 65,000 SARs granted under the Incentive Compensation Plan which are exercisable currently or within 60 days of February 28, 2011.
9. Includes 228,750 shares issuable upon the exercise of options and 411,250 SARs granted under the Incentive Compensation Plan which are exercisable currently or within 60 days of February 28, 2011.
10. Includes 1,102,496 shares of Loews Common Stock issuable upon the exercise of awards granted under the Loews Stock Option Plan which are exercisable currently or within 60 days of February 28, 2011.

Each holding represents less than 1% of the outstanding shares of Common Stock. For information with respect to the stock holdings of Loews, please see the "Principal Stockholders" section above.

ELECTION OF DIRECTORS
(Proposal No. 1)

Pursuant to the By-Laws of the Company, the number of Directors constituting the full Board of Directors has been fixed by the Board at eight. Each Director shall be elected at the Annual Meeting and each Director elected shall hold office until the next Annual Meeting and until his or her successor is elected and qualified. Directors need not be stockholders of the Company. Unless authority to do so is withheld, shares represented by valid proxies will be voted for the eight nominees identified below.

Should any nominee or nominees become unavailable, the proxy holders will vote for the nominee or nominees designated by the Board of Directors. The Board has no reason to believe that any of the nominees will become unavailable.

Set forth below is the name, principal occupation and business experience for at least the past five years, as well as certain other information for each nominee. Also included below is information regarding the qualifications, attributes and skills that led to the conclusion that each of these individuals should be nominated to serve as a Director.

Paul J. Liska, private investor. From March 2008 until January 2009, Executive Vice President and Chief Financial Officer of Motorola, Inc. From 2006 until joining Motorola, Mr. Liska served as an industrial partner for various private equity firms including MidOcean Partners, CVC Capital Holdings and Ripplewood Holdings LLC. From 2004 to 2006, Mr. Liska served as Executive Chairman of USF Corporation until its acquisition by Yellow Roadway Corporation and in various capacities with WRC Media, Inc., including Executive Chairman. From 2001 to 2004, Mr. Liska held several positions with Sears, Roebuck and Co., including President of Credit and Financial Products and Executive Vice President and Chief Financial Officer. Prior to that time, Mr. Liska served as Executive Vice President and Chief Financial Officer of The St. Paul Companies from 1997 to 2001. He has a Master of Management degree from the Kellogg School of Management at Northwestern University and is a certified public accountant. His financial knowledge and management experience are key attributes which Mr. Liska brings to our Board. Mr. Liska has been a Director since February 2004, serves on the Compensation, Executive and Finance Committees and is the Chairman of the Audit Committee. Age 55.

Jose O. Montemayor, Principal of Black Diamond Capital Partners I, LP since 2005. From 1999 to 2005, he was Insurance Commissioner for the State of Texas. He is a certified public accountant and a member of the Society of Financial Examiners, the Texas Society of Certified Public Accountants and the American Institute of Certified Public Accountants. His extensive knowledge and experience of the insurance industry, including 12 years as a senior insurance regulator, is valuable to our Board. He has been a Director since February 2007 and serves on the Audit, Compensation, Executive and Finance Committees. Age 60.

Thomas F. Motamed, Chairman of the Board and Chief Executive Officer of the Company since January 1, 2009. From December 2002 to June 2008, he served as Vice Chairman and Chief Operating Officer of The Chubb Corporation and President and Chief Operating Officer of Chubb & Son. Mr. Motamed began his career with Chubb in 1977 and held various management positions, including managing attorney in-house counsel, litigation manager and national claim audit manager. He also served in Chubb's field organization and held positions including marketing manager, branch manager and Western Zone officer. His extensive experience has provided him with a deep knowledge of the insurance industry. Mr. Motamed is a member of the Executive and Finance Committees. He has been a Director since January 1, 2009. Age 62.

Don M. Randel, President of the Andrew W. Mellon Foundation since July 2006. Prior to that, President of the University of Chicago since July 2000. Mr. Randel's experience as a senior leader of a large institution is of great value to our Board. He is a member of the Audit, Compensation, Executive and Finance Committees. Mr. Randel has been a Director since May 2002. Age 70.

Joseph Rosenberg, Chief Investment Strategist of Loews since 1995. Prior to that time, he served as Chief Investment Officer of Loews for 22 years. Mr. Rosenberg's extensive investment experience provides particular insight and guidance as to many of the investment matters that come before the Board. He serves on the Executive and Finance Committees. He has been a Director since August 1995. Age 77.

Andrew H. Tisch, Co-Chairman of the Board of Loews since 2006. Also, Chairman of the Executive Committee and a member of the Office of the President of Loews. He is a Director of the general partner of Boardwalk Pipeline Partners LP. ("Boardwalk"), a 66% owned subsidiary of Loews. He is Chairman of the Board of K12, Inc., a technology based education company. Mr. Tisch's positions with Loews, the majority stockholder of the Company, allow him to provide valuable perspective and advice to our Board. He is Chairman of the Executive Committee and serves on the Finance Committee. Mr. Tisch has served as a Director since February 2006. He is the brother of James S. Tisch. Age 61.

James S. Tisch, President and Chief Executive Officer and a member of the Office of the President of Loews. He is a Director of Loews and Chairman of the Board of Diamond Offshore Drilling, Inc. ("Diamond"), a 51% owned subsidiary of Loews. Mr. Tisch served as Chief Executive Officer of Diamond until May, 2008. He serves on the Board of Directors of General Electric Company. Mr. Tisch's positions with Loews, as the majority stockholder of the Company, allow him to provide valuable perspective and advice

to our Board. He is Chairman of the Finance Committee and serves on the Executive Committee. Mr. Tisch has served as a Director since 1985. He is the brother of Andrew H. Tisch. Age 58.

Marvin Zonis, Professor Emeritus of International Political Economy, Leadership and E-Commerce at the Booth School of Business of the University of Chicago since 1989. He has been a principal of Marvin Zonis & Associates, Inc., an international consulting firm, since its incorporation in 1978. Mr. Zonis provides advice to various businesses and professional asset management firms all over the world, helping them to identify, assess and manage their risks in the changing global political environment. He has written extensively on globalization, digital technologies and emerging markets. Mr. Zonis brings to our Board broad experience in international economic and monetary affairs. He has been a Director since 1993, is the Chairman of the Compensation Committee and serves on the Audit, Executive and Finance Committees. Age 74.

Director Independence

Under the rules of the New York Stock Exchange (the "NYSE"), listed companies like CNA that have a controlling stockholder are not required to have a majority of independent directors. Because Loews holds more than 50% of the voting power of CNA, we are a controlled company within the meaning of the rules of the NYSE. Accordingly, our Board of Directors is not composed of a majority of Directors who are independent. Nevertheless, our Board of Directors has determined that the following Directors are independent under the listing standards of the NYSE (each, an "Independent Director" and collectively, the "Independent Directors"): Paul J. Liska; Jose O. Montemayor; Don M. Randel; and Marvin Zonis. In assessing independence, an affirmative determination is made as to whether or not each Director or nominee has any material relationship with the Company. In assessing the materiality of any relationship, our Board considers all relevant facts and circumstances, not merely from the standpoint of the Director or nominee, but from that of any person or organization with which the Director or nominee has an affiliation. Our Board considers the frequency and regularity of any services provided by or to, or other transactions between, our Company and the Director or nominee or affiliated organization, whether they are being carried out at arms' length in the ordinary course of business and whether they are being provided or conducted substantially on the same terms as those prevailing at the time with unrelated parties for comparable transactions. Material relationships can include commercial banking, industrial, legal, accounting, charitable and familial relationships.

Our Board has established guidelines to assist it in determining Director independence under these listing standards. Under our Board's guidelines, a Director would not be considered independent if any of the following relationships exists: (i) during the past three years the Director has been an employee, or an immediate family member has been an executive officer, of the Company; (ii) the Director or an immediate family member received, during any twelve month period within the past three years, more than $120,000 in direct compensation from the Company, excluding Director and committee fees, pension payments and certain forms of deferred compensation; (iii) the Director is a current partner or employee, or an immediate family member is a current partner of a firm that is the Company's internal or external auditor, or an immediate family member is a current employee of such a firm and personally works on the Company's audit, or, within the last three years, the Director or an immediate family member was a partner or employee of such a firm and personally worked on the Company's audit within that time; (iv) the Director or an immediate family member has at any time during the past three years been employed as an executive officer of another company where any of the Company's present executive officers at the same time serves or served on that company's compensation committee; or (v) the Director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three years, exceeds the greater of $1 million, or 2% of the other company's consolidated gross revenues.

Leadership Structure

Since 2004, the roles of Chairman of the Board and Chief Executive Officer have been combined. The Board continues to believe that this combined structure promotes unified leadership and direction for the Company. The Board meets regularly in executive session with the Chairman, without the presence of any other management personnel of the Company. In addition, the Board has complete and direct access to the Company's entire management team.

Our Independent Directors meet regularly in executive session without management participation. We have a position of presiding director ("Presiding Director") whose primary responsibility is to preside over the executive sessions of the Independent Directors. The Chairmen of our Audit and Compensation Committees alternate annually as the Presiding Director. Mr. Zonis, as Chairman of our Compensation Committee, serves as Presiding Director until the Annual Meeting.

Board Oversight of Risk Management

Our Board recognizes the importance of understanding, evaluating and overseeing the management of enterprise risk in the insurance business. While the Audit Committee of the Board retains sole oversight responsibility for the integrity of the financial statements, compliance, legal risk and overall policies and procedures relating to risk management, the entire Board oversees the

management and implementation of policies and procedures with respect to material risk on an enterprise-wide basis, including market risk, liquidity risk and reputational risk.

As part of its oversight responsibility, the Company's management provides periodic reports to our Board which, among other things, seek to systematically identify the principal risks facing the Company, identify and evaluate policies and practices which promote a culture that actively balances risk and reward, and evaluate risk management practices. These reports enable the full Board to conduct meaningful and substantive discussions and deliberations with senior management on these issues.

Committees and Meetings

Our Board of Directors has the following standing committees: Audit, Compensation, Executive and Finance. We do not have a Nominating Committee. Under the rules of the NYSE, listed companies like CNA that have a controlling stockholder are not required to have a Nominating Committee. Our Board of Directors as a whole performs the functions of a Nominating Committee. We do not have a specific policy regarding stockholder nominations of director candidates other than through the process described below in the "Stockholder Proposals for the 2012 Annual Meeting." Nominations for director positions are considered and determined by the Board through consultation with senior Company personnel. Possible nominees to our Board of Directors may be suggested by any Director to our Chairman of the Board or by any stockholder in the manner set forth under "Stockholder Proposals for the 2012 Annual Meeting." Although our Board of Directors does not have a formal policy on Director diversity, our Board recognizes its importance and does take it into account in identifying Director nominees. The Board does not currently have a retirement policy with respect to the Independent Directors or otherwise.

Audit Committee

The primary function of our Audit Committee is to assist our Board of Directors in fulfilling its responsibility to oversee management's conduct of our Company's financial reporting process, including review of the financial reports and other financial information of our Company, our Company's systems of internal control over financial reporting, our Company's disclosure controls and procedures, and the annual independent audit of our Company's financial statements. Our Audit Committee has sole authority to directly appoint, retain, compensate, evaluate and terminate our Company's independent registered public accounting firm and to approve all engagement fees and terms, including mandatory pre-approval of all engagements of the independent registered public accounting firm in accordance with policies and procedures adopted by our Audit Committee from time to time or as otherwise required. Our management is responsible for the Company's financial statements and reporting process, including its system of internal control over financial reporting. Our independent registered public accounting firm is responsible for expressing an opinion on the conformity of our audited financial statements with accounting principles generally accepted in the United States.

The Charter of our Audit Committee is posted on the Company's website at *www.cna.com* and is also available in print free of charge to any stockholder who requests it. The current members of our Audit Committee are Paul J. Liska (Chairman), Jose O. Montemayor, Don M. Randel and Marvin Zonis, each of whom is an Independent Director and also meets the additional independence requirements of applicable listing standards of the NYSE and SEC regulations. Each of the current members is financially literate, as determined by our Board. Our Board has determined that each of Messrs. Montemayor and Liska are "audit committee financial experts" under NYSE and SEC standards.

Our Directors are asked annually to report to our Company the number of audit committees of public companies on which such Director serves. During 2010, no Director reported serving on more than three audit committees of public companies.

Compensation Committee

The primary function of the Compensation Committee is to determine, based on, and after consideration of, recommendations of Company management, all elements of compensation for the senior executive officers of the Company who are deemed executive officers as that term is defined in the Securities Act, including the NEOs . The Compensation Committee also reviews and approves the terms and conditions of any employment arrangements between the NEOs and the Company or its subsidiaries.

Under the rules of the NYSE, listed companies like CNA that have a controlling stockholder are not required to have a Compensation Committee. Nonetheless, the Company's Board does maintain a Compensation Committee that administers the Incentive Compensation Plan. The Charter of our Compensation Committee is posted on the Company's website at *www.cna.com* and is also available in print free of charge to any stockholder who requests it. The current members of our Compensation Committee are Paul J. Liska, Jose O. Montemayor, Don M. Randel and Marvin Zonis (Chairman), each of whom is an Independent Director.

Code of Business Conduct and Ethics

We have a Code of Business Conduct and Ethics (the "Code") which applies to all of our Directors, officers and employees, including our principal financial officer and principal accounting officer. The Code, as well as the Corporate Governance Guidelines, are posted on the Company's website at *www.cna.com* and are also available in print free of charge to any stockholder who requests them. We intend to post on our website any changes to or waivers of this Code for our principal executive officer, principal financial officer and principal accounting officer.

Meetings

During 2010 there were 5 meetings of our Board of Directors, 4 meetings of our Finance Committee, 5 meetings of our Audit Committee, and 5 meetings of our Compensation Committee. Each individual who served as a Director of the Company in 2010 attended not less than 75% of the total number of meetings of our Board of Directors and Committees of our Board on which that Director served during 2010. Our Board recommends, but does not require, that all Directors attend our stockholders' meetings. All individuals who served as Directors in 2010 attended our 2010 Annual Meeting.

Audit Committee Report

The role of our Audit Committee is to assist our Board of Directors with the responsibility of administering corporate policy in matters of accounting and control in its oversight of our financial reporting process. As set forth in the Charter of our Audit Committee, management of our Company is responsible for the preparation, presentation and integrity of the Company's financial statements. Our Company's accounting and financial reporting principles and internal control over financial reporting and our disclosure controls and procedures are designed to assure compliance with accounting standards and applicable laws and regulations. Our Audit Committee functions as the liaison with our Company's internal audit area and our independent registered public accounting firm. The independent registered public accounting firm is responsible for auditing our Company's financial statements and expressing an opinion as to their conformity with accounting principles generally accepted in the United States of America.

In the performance of its oversight function, the Audit Committee has considered and discussed the audited financial statements with management and the independent registered public accounting firm. Our Audit Committee has also discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61, "Communication with Audit Committees," as amended. In addition, the Audit Committee has discussed with the accounting firm their independence in relation to the Company and its management, including the matters in the written disclosures and annual letter provided to the Audit Committee by the independent registered public accounting firm as required by the applicable requirements of the Public Company Accounting Oversight Board ("PCAOB") regarding the independent registered public accounting firm's communications with the Audit Committee concerning independence, and has determined that the provision of non-audit services provided by the auditors is compatible with maintaining the auditors' independence.

The members of the Audit Committee rely, without independent verification, on the information provided to them by management and the independent registered public accounting firm and on management's representation that our financial statements have been prepared with integrity and objectivity. They do not provide any expert or special assurance as to our financial statements or any professional certification as to the independent registered public accounting firm's work. Accordingly, our Audit Committee's oversight does not provide an independent basis to determine that management has applied appropriate accounting and financial reporting principles or internal control over financial reporting and our disclosure controls and procedures, that the audit of our financial statements has been carried out in accordance with the standards of the PCAOB, that our financial statements are presented in accordance with accounting principles generally accepted in the United States, or that our independent registered public accounting firm is in fact "independent."

Based upon the reports and discussions described in this report, and subject to the limitations on the role and responsibilities of our Audit Committee referred to above and in the Audit Committee's Charter, our Audit Committee has recommended to our Board that the audited financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2010 filed with the Securities and Exchange Commission and determined that the provision of non-audit services by Deloitte & Touche LLP to the Company in 2010 was compatible with maintaining the independence of Deloitte & Touche LLP in its audit of the Company.

SUBMITTED BY THE AUDIT COMMITTEE

Paul J. Liska (Chairman)
Jose O. Montemayor
Don M. Randel
Marvin Zonis

Director Compensation

Our Directors who are not employees of CNA or any of its subsidiaries (*i.e.*, all of our Directors except our Chairman of the Board) received an annual retainer in 2010 of $50,000. In addition, members of our committees received the following annual retainers: Finance $4,000; Executive $4,000; Compensation $10,000 (Chairman received $15,000); and Audit $40,000 (Chairman received $60,000). In addition, a meeting fee of $600 per meeting was paid to the Chairmen of the Audit and Compensation Committees for each meeting with management, the independent registered public accountants, advisors and other appropriate persons held to carry out their respective duties between regularly scheduled quarterly meetings of the Committees. In addition, certain additional retainers were paid to members of ad hoc committees of the Board authorized and directed to consider matters during 2010.

The following table shows, for each non-employee Director, the amount of cash compensation paid for his service during 2010:

Director Compensation

Name	Fees Earned or Paid in Cash ($)	&nb