

CNA SURETY CORP
Form SC 14D9/A
May 16, 2011

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

SCHEDULE 14D-9
Solicitation/Recommendation Statement
Under Section 14(d)(4) of the Securities Exchange Act of 1934
(Amendment No. 1)

CNA SURETY CORPORATION
(Name of Subject Company)
CNA SURETY CORPORATION
(Name of Person Filing Statement)

Common Stock, par value \$0.01 per share
(Title of Class of Securities)

12612L1008
(CUSIP Number of Class of Securities)

Rosemary Quinn
CNA Surety Corporation
333 S. Wabash Avenue, 41st Floor
Chicago, Illinois 60604
(312) 822-5000

(Name, address and telephone number of person authorized to receive notices and communications on behalf of the persons filing statement)

With copies to:

Mark D. Gerstein
Timothy P. FitzSimons
Latham & Watkins LLP
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Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

This Amendment No.1 to the Solicitation/Recommendation Statement (this **Amendment No. 1**) on Schedule 14D-9 (the **Schedule 14D-9**) amends and supplements the Schedule 14D-9, originally filed by CNA Surety Corporation, a Delaware corporation (the **Company**), with the Securities and Exchange Commission (the **SEC**) on May 11, 2011, relating to the tender offer commenced by Surety Acquisition Corporation (**Purchaser**), a Delaware corporation and an indirect wholly-owned subsidiary of CNA Financial Corporation (**CNA Financial**), pursuant to which Purchaser has offered to purchase all the outstanding Common Stock, par value \$0.01 per share (the **Shares**) of the Company not owned by CNA Financial and its subsidiaries (other than the Company and its subsidiaries) at a cash purchase price of \$26.55 per share (such price, or any higher price offered and paid by Purchaser in its sole discretion in the Offer, the **Offer Price**) without interest thereon and less any applicable withholding of taxes, upon the terms and subject to the conditions set forth in the Offer to Purchase dated May 11, 2011 (the **Offer to Purchase**) and the related Letter of Transmittal (which, together with any amendments or supplements, collectively constitute the **Offer**). The Offer is described in a Tender Offer Statement and in a Schedule 13E-3 Transaction Statement, both of which were filed with the SEC on May 11, 2011.

Except as otherwise set forth below, the information set forth in the Schedule 14D-9 remains unchanged and is incorporated by reference as relevant to the items in this Amendment No. 1.

Item 9. Exhibits.

Item 9 of the Schedule 14D-9 is hereby amended and supplemented by adding the following thereto:

Exhibit	Description
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(a)(5)(iv)	Employee Stock Purchase Plan (ESPP) Q&A released to the Company's employees on May 16, 2011
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SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

CNA SURETY CORPORATION

By: /s/ JOHN F. CORCORAN

Name: John F. Corcoran

Title: Senior Vice President and Chief Financial Officer

Dated: May 16, 2011