



333 S. Wabash Ave. Chicago IL 60604

September 29, 2011

**Lawrence Boysen**

Senior Vice President and  
Corporate Controller

Telephone 312-822-5653

Facsimile 312-822-2004

Internet: Lawrence.Boysen@cna.com

Office of the Secretary  
PCAOB  
1666 K Street, N.W.  
Washington, D.C. 20006-2803

Re: PCAOB Rulemaking Docket Matter No. 34

Dear Members of the Board,

CNA Financial Corporation (CNA) appreciates the opportunity to comment on the PCAOB's proposed changes to the auditor's reporting model. CNA is the seventh largest commercial insurance writer and the thirteenth largest property & casualty writer in the United States. CNA has insurance operations in both North America and Europe. Loews Corporation (Loews) owns approximately 90% of CNA's outstanding common stock.

The Board's concept release proposes four alternatives to the current auditor's reporting model. The four proposed changes, Auditor's Discussion and Analysis (AD&A), required and expanded use of emphasis paragraphs, reporting on information outside the financial statements, and clarification of certain language in the auditor's report, vary in the degree to which they would impact and change the current reporting process. While we understand the Board's goal of improving the transparency and relevance of an auditor's report to investors, both the AD&A and emphasis of matter paragraphs will result in the auditor, not management, being a source of financial information. In our view, this would undermine management's responsibility of its financial statements and disclosures. With the exception of clarification of certain language in the auditor's report, all the other proposals constitute a significant audit scope change. We believe the increased time and cost incurred to provide the proposed disclosures will far outweigh the benefit and usefulness of the additional information to the investor.

Management, as the owner of the financial statements and the financial reporting process, is in the best position to disclose the company's financial position and comment on its operations. Auditors are not the owners of the financials and are not decision makers within the company, thus making supplementary disclosure on their part less effective than similar disclosure made by management. However, auditors, as an independent third party, are in an appropriate position to express an opinion on the fair representation of the financial statements. Additionally, with management as the sole provider of financial information, a certain level of trust is established with investors and competing disclosures could serve to undermine this trust. The current auditor's reporting model provides the investor with the required level of assurance while not compromising management's message and trust with investors. Any effort to improve the transparency and usefulness of financial statements and related disclosures to investors should be more appropriately addressed by the FASB.

Furthermore, the proposed auditor disclosure, specifically in the AD&A and the emphasis paragraphs, would inevitably become boilerplate in nature due to auditor's liability concerns which would significantly limit the disclosure's usefulness to investors. We are concerned that subjective disclosure from the auditor would not be beneficial to investors that lack an understanding of audit methodology to appropriately comprehend the proposed auditor's disclosure. As a result, we believe that the inclusion of such information could be confusing to certain investors and in some cases be perceived as conflicting with management's disclosure. The unintended consequence of which would be diminished investor confidence in management and reduced reliance on the financial statements.

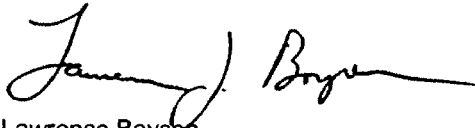
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The clarification of certain language in the auditor's report is the only proposal presented in which we believe the perceived benefit justifies the cost of implementation. While the clarification is somewhat redundant as sophisticated investors are well versed in the terms and phrases to be clarified, improved understanding on the part of less informed readers warrants the clarification. The cost of implementing such disclosure would be minimal.

In summary, we do not support the proposed changes presented within the concept release, except for the clarification of certain language discussed above. The other proposed changes would come at a significant cost to the company, but would fall short of the intended benefit of improving transparency into the financial performance of the company, the underlying key judgments, and the related risks and uncertainties.

If you have any questions, please feel free to call me at 312-822-5653.

Sincerely,

A handwritten signature in black ink, appearing to read "Lawrence J. Boysen". The signature is fluid and cursive, with a long horizontal stroke at the end.

Lawrence Boysen  
*Senior Vice President and Corporate Controller*  
*CNA Financial Corporation*