

The Depository Trust Company

IMPORTANT

B#: 2403

DATE: August 31, 2001

TO: All Participants

CATEGORY: Dividends

FROM: Nilesh Desai, Supervisor, Dividend Department

ATTENTION: Dividend Managers, Cashiers & Reorganization Managers

SUBJECT: Rights: CNA Financial Corporation
Common CUSIP#: 126117100 Rights CUSIP#: 126117118
R/D: 8/23/01 Expires: 9/14/01 (5:00 p.m. N.Y.C. time)
Rate: 0.22 rights for each share of common stock held

*****WARNING TIME CRITICAL*****

CNA Financial Corporation ("CNA") is issuing transferable subscription rights ("Rights") to holders of record of shares of common stock ("Common Shares") as of August 23, 2001 (the "Record Date"). Each holders is entitled 0.22 rights for each share of common stock held.

The Depository Trust Company ("DTC") is carrying interim on this issue in accordance with the **8/29/01 ex-date**. DTC is picking up delivery orders (receives and deliveries) up to and including the **8/31/01 settlement date**. DTC anticipates crediting Rights to participants' accounts on **9/04/01**.

No fractional Rights, or cash in lieu thereof, will be issued or paid. The number of rights distributed to each shareholder (including beneficial owners) will be rounded up to the next whole Right (all fractions are being rounded up).

Participants may instruct DTC as to the aggregate number of additional round up Rights they require on behalf of their beneficial holders. Participants must provide written representation on their firm's letterhead, have authorized by appropriate personnel, and indicate a contact name and telephone number who can be reached if necessary. Participants must include their participant number.

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The round up instructions must be received by DTC no later than 12:00 Noon New York City time on 9/11/01.

Participants must "Fax" the round up instruction (via telephone facsimile) to the attention of Mr. Ray Lew of DTC's Stock Dividend section at (212) 855-4545 and call (212) 855-4523 for confirmation of receipt of the round up instruction.

All round up requests received by DTC will be summarized and forwarded to the Subscription Agent, EquiServe Trust Company, N.A..

THE DIVIDEND POSITION AND ALLOCATION HISTORY (DPAL) OPTION, ACCESSED VIA THE PTS DIVIDEND ANNOUNCEMENTS INQUIRY (DIVA) FUNCTION, SHOULD BE USED TO CONFIRM YOUR RECORD DATE POSITION HISTORY AND PAYMENT INFORMATION.

IT IS IMPORTANT THAT PARTICIPANTS REFER TO THE DTC REORGANIZATION INQUIRY FOR PARTICIPANTS (RIPS CODE 59) FOR INFORMATION REGARDING THE SUBSCRIPTION PRIVILEGE AND THE SALE OF RIGHTS WHICH WILL BE AVAILABLE SHORTLY.

If participants have any questions concerning this Important Notice, please contact Mr. Ray Lew or Mr. John McCarthy of DTC's Stock Dividend Department at (212) 855-4523/4521.

If participants have any questions regarding the offering, they may contact the Information Agent, Georgeson Shareholders Communications, at (212) 440-9800.