

DOUGHERTY MICHAEL A
Form 4
June 14, 2011

FORM 4

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

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
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(Print or Type Responses)

1. Name and Address of Reporting Person *
DOUGHERTY MICHAEL A

(Last) (First) (Middle)

1213 NOTRE DAME DRIVE

(Street)

LEMONT, IL 60439

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
CNA SURETY CORP [SUR]

3. Date of Earliest Transaction
(Month/Day/Year)
06/10/2011

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
__X__ Officer (give title ____ Other (specify
below) below)

SVP & CIO

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	06/10/2011		D		8,744	D	<u>11</u> 0

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of
information contained in this form are not
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SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. De Se (In
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
CNA Surety Common Stock Option	\$ 9.35	06/10/2011		D	1,950	<u>(2)</u>	11/19/2012	Common Stock	1,950	\$
CNA Surety Common Stock Option	\$ 9.42	06/10/2011		D	3,850	<u>(2)</u>	11/11/2013	Common Stock	3,850	\$
CNA Surety Common Stock Option	\$ 12.06	06/10/2011		D	4,650	<u>(2)</u>	11/09/2014	Common Stock	4,650	\$
CNA Surety Common Stock Option	\$ 13.07	06/10/2011		D	5,500	<u>(2)</u>	10/25/2015	Common Stock	5,500	\$
CNA Surety Common Stock Option	\$ 20.7	06/10/2011		D	3,600	<u>(2)</u>	02/13/2017	Common Stock	3,600	\$
CNA Surety Common Stock Option	\$ 16.35	06/10/2011		D	4,900	<u>(2)</u>	02/08/2018	Common Stock	4,900	\$
CNA Surety Common Stock Option	\$ 18.85	06/10/2011		D	4,000	<u>(2)</u>	02/06/2019	Common Stock	4,000	\$

CNA

Surety

Common	\$ 14.32	06/10/2011	D	5,200	(2)	02/05/2020	Common Stock	5,200	\$
Stock									
Option									

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DOUGHERTY MICHAEL A 1213 NOTRE DAME DRIVE LEMONT, IL 60439			SVP & CIO	

Signatures

/s/ Rosemary Quinn, Attorney-in-fact	06/14/2011
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**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Represents (1) 1,844 shares of restricted stock, which are vested in four equal installments on each of the first four anniversaries of the grant date, and (2) 6,900 shares of common stock, all of which were canceled in the merger in exchange for a cash payment equal to \$26.55, multiplied by the number of shares of common or restricted.

The options, which are vested and exercisable in four equal installments on each of the first four anniversaries of the grant date, were canceled in the merger in exchange for a cash payment equal to the difference between \$26.55 and the exercise price of such options, multiplied by the number of shares subject to the options.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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