

LINDNER CARL H III  
 Form 4  
 May 24, 2011

**FORM 4**

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 LINDNER CARL H III

2. Issuer Name and Ticker or Trading Symbol  
 AMERICAN FINANCIAL GROUP INC [AFG]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 ONE EAST FOURTH STREET  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 05/20/2011

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 Co-CEO & Co-President

CINCINNATI, OH 45202  
 (City) (State) (Zip)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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)
				(A) or (D) Code V Amount (D) Price			
Common Stock	02/04/2011		G	V 15,972 D \$ 0	2,714,850	I	#1 <sup>(1)</sup>
Common Stock	05/20/2011		M	40,883 A \$ 20.0067	2,789,266 <sup>(2)</sup>	I	#1 <sup>(1)</sup>
Common Stock	05/20/2011		S	40,883 D \$ 35.3916 <sup>(3)</sup>	2,748,383	I	#1 <sup>(1)</sup>
Common Stock					35,859	I	#2 <sup>(4)</sup>
Common Stock					1,468,500	I	#12 <sup>(5)</sup>

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Common Stock	176,166	I	#21 <sup>(6)</sup>
Common Stock	113,091	I	#22 <sup>(7)</sup>
Common Stock	146,659 <sup>(8)</sup>	I	#25 <sup>(9)</sup>
Common Stock	1,850,924 <sup>(2)</sup>	I	#26 <sup>(10)</sup>
Common Stock	77,671 <sup>(8)</sup>	I	#27 <sup>(11)</sup>

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

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(9-02)

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

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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Employee Stock Option Exercise	\$ 20.0067	05/20/2011		M	40,883	<sup>(12)</sup> 02/27/2014	Common Stock	40,883	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LINDNER CARL H III ONE EAST FOURTH STREET CINCINNATI, OH 45202	X		Co-CEO & Co-President	

## Signatures

Carl H. Lindner III By: Karl J. Grafe, as  
Attorney-in-Fact

05/24/2011

\_\_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).
- (1) Indirect #1: CHL III, TTEE (or his Successors) of the Carl H. Lindner III Family Trust DTD 8/29/02 as Amended. (c3)
- (2) On March 31, 2011, Indirect #26 transferred 33,533 shares of AFG common stock to Indirect #1.  
The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$35.34 to \$35.44, inclusive. The reporting person undertakes to provide to American Financial Group, Inc., ("AFG"), any security holder of AFG, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in footnote (3) to this Form 4.
- (3) Indirect #2: Martha S. Lindner, (or her Successor) o the Martha S. Lindner Family Trust DTD 8/30/02 as amended. (c3)
- (5) Indirect #12: CHL Investments, LLC (c3)
- (6) Indirect #21: Doug Marcian, TTEE MBL Trust Dtd 10/26/05. (c3)
- (7) Indirect #22: Doug Marcian, TTEE GD Trust Dtd 10/26/05. (c3)
- (8) On March 10, 2011, Indirect #25 transferred 75,000 shares of AFG common stock to Indirect #27.
- (9) Indirect #25: Lou Ann Flint TTEE MBL 2009 Consolidation Trust DTD 12/22/09.
- (10) Indirect #26: CHL III 2010-1 Qualified Annuity Trust DTD 4/9/10.
- (11) Indirect #27: Lou Ann Flint TTEE MBL 2009 Trust DTD 4/13/2009.  
These Employee Stock Options ("Options") become exercisable as to 20% of the shares initially granted on the first anniversary of the date of grant, with an additional 20% becoming exercisable on each subsequent anniversary. The Options were granted under the Issuer's Stock Option Plan pursuant to Rule 16b-3.
- (12)

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.