

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person * <u>LINDNER CARL H III</u>  (Last) (First) (Middle) <u>ONE EAST FOURTH STREET</u>  (Street) <u>CINCINNATI OH 45202</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>AMERICAN FINANCIAL GROUP INC [ AFG ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Co-CEO &amp; Co-President</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>09/02/2010</u>	
		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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	06/16/2010		G		5,060	D	\$0.00	2,767,124 <sup>(1)</sup>	I	#1 <sup>(2)</sup>
Common Stock	06/21/2010		G		1,732	D	\$0.00	2,765,392	I	#1 <sup>(2)</sup>
Common Stock	09/02/2010		M		48,400	A	\$12.3	2,813,792	I	#1 <sup>(2)</sup>
Common Stock	09/02/2010		S		48,400	D	\$29.245 <sup>(3)</sup>	2,765,392	I	#1 <sup>(2)</sup>
Common Stock	09/03/2010		M		34,100	A	\$12.3	2,799,492	I	#1 <sup>(2)</sup>
Common Stock	09/03/2010		S		34,100	D	\$29.5246 <sup>(4)</sup>	2,765,392	I	#1 <sup>(2)</sup>
Common Stock								35,859	I	#2 <sup>(5)</sup>
Common Stock								0	I	#4 <sup>(6)</sup>
Common Stock								0	I	#8 <sup>(7)</sup>
Common Stock								1,468,500	I	#12 <sup>(8)</sup>
Common Stock								0	I	#15 <sup>(9)</sup>
Common Stock								176,166	I	#21 <sup>(10)</sup>
Common Stock								113,019	I	#22 <sup>(11)</sup>
Common Stock								2,671	I	#24 <sup>(12)</sup>
Common Stock								221,659	I	#25 <sup>(13)</sup>
Common Stock								1,960,242 <sup>(1)</sup>	I	#26 <sup>(14)</sup>

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Employee Stock Option Exercise	\$12.3	09/02/2010		M			48,400	(15)	02/23/2013	Common Stock	48,400	\$0.00	34,100	D	
Employee Stock Option Exercise	\$12.3	09/03/2010		M			34,100	(15)	02/23/2013	Common Stock	34,100	\$0.00	0	D	

**Explanation of Responses:**

- On 6/30/2010 Indirect #12 transferred 39,758 shares of Company Common stock to Direct #1.
- Indirect #1: CHL III, TTEE (or his Successors) of the Carl H. Lindner III Family Trust DTD 8/29/02 as Amended. (c3)
- The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$29.15 to \$29.58, 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 (4) to this Form 4.

4. The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$29.44 to \$29.62, inclusive.

5. Indirect #2: Martha S. Lindner, (or her Successor) o the Martha S. Lindner Family Trust DTD 8/30/02 as amended. (c3)

6. Indirect #4: The Company's Retirement and Savings Plans. The number of shares of Common Stock which would be represented by the value of the Reporting Person's Company Securities Funds account in the Issuer's Retirement and Savings Plan is based on a statement dated as of 12/31/09.

7. Indirect #8: Keith E. Lindner TTEE, MBL Trust C/U Irrevocable Trust Agreement DTD 11/1/82. (c3)

8. Indirect #12: CHL Investments, LLC (c3)

9. Indirect #15: KEL TTEE, MBL Trust C/U Irrevocable Trust Agreement DTD 7/1/83. (c3)

10. Indirect #21: Doug Marcian, TTEE MBL Trust Dtd 10/26/05. (c3)

11. Indirect #22: Doug Marcian, TTEE GD Trust Dtd 10/26/05. (c3)

12. Indirect #24: KEL, TTEE Under Irrevocable Trust Agreement with CHL III and MSL, Grantors dated 9/26/1989. (c3)

13. Indirect #25: Lou Ann Flint TTEE MBL 2009 Consolidation Trust DTD 12/22/09.

14. Indirect #26: CHL III 2010-1 Qualified Annuity Trust DTD 4/9/10.

15. 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.

**Remarks:**

Carl H. Lindner III By: Karl J. Grafe, as Attorney-in-Fact      09/07/2010

\*\* Signature of Reporting Person      Date

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

\* 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).

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**