

AMERICAN FINANCIAL GROUP INC  
 Form 4  
 November 30, 2006

**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)  
**11/29/2006**

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)
			Code	V Amount (A) or (D) Price			
Common Stock					0	D	
Common Stock	11/20/2006		G	V 9,553 D \$ 0	1,791,732 <sup>(1)</sup>	I	#1 <sup>(2)</sup>
Common Stock	11/29/2006		M	50,000 A \$ 37.88	1,841,732	I	#1 <sup>(2)</sup>
Common Stock	11/29/2006		M	40,000 A \$ 42.06	1,881,732	I	#1 <sup>(2)</sup>
Common Stock	11/29/2006		M	22,579 A \$ 35.69	1,904,311	I	#1 <sup>(2)</sup>

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Common Stock	11/29/2006	F	83,870	D	\$ 52.25	1,820,441	I	#1 <sup>(2)</sup>
Common Stock						21,117	I	#2 <sup>(3)</sup>
Common Stock						14,878.2	I	#4 <sup>(4)</sup>
Common Stock						509,873	I	#5 <sup>(5)</sup>
Common Stock						81,219	I	#6 <sup>(6)</sup>
Common Stock						22,468	I	#10 <sup>(7)</sup>
Common Stock						979,000	I	#12 <sup>(8)</sup>
Common Stock						1,584	I	#14 <sup>(9)</sup>
Common Stock						22,478	I	#15 <sup>(10)</sup>
Common Stock						2,351,835 <sup>(1)</sup>	I	#18 <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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option	\$ 37.88	11/29/2006		M	50,000	<sup>(12)</sup>	03/14/2007	Common Stock	50,000
Employee Stock Option	\$ 42.06	11/29/2006		M	40,000	<sup>(12)</sup>	03/20/2009	Common Stock	40,000

Stock								Stock	
Option									
Employee									
Stock	\$ 35.69	11/29/2006		M	22,579	(12)	02/26/2009	Common Stock	22,579
Option									

## 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,  
Attorney-in-Fact

11/30/2006

\*\*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) On October 5, 2006, Indirect #18 transferred to Indirect #1 155,993 shares of the Issuer's Common Stock.
- (2) Indirect #1 By Carl H. Lindner III, For the Second Amended & Restated Carl H. Lindner III Family Trust Dated 3/11/94.
- (3) Indirect #2 By Marth S. Lindner (Spouse), Trustee for the Second Amended and Restated Marth A. Lindner Family Trust dated 3/11/94.
- (4) Indirect #4 The Company Retirement and Savings Account. the number of shares of common Stock which would be represented by the value fo the Reporting Person's Company Securities funds account in the Issuer's Retirement and Savings Plan is based on a statement dated as of 12/31/2005
- (5) Indirect #5: By Keith E. Lindner, Trustee under an Irrevocable Trust Indenture with Carl H. Lindner III dated 11/1/82.
- (6) Indirect #6: By Keith E. Lindner, Trustee under an Irrevocable Trust Indenture with Carl H. Lindner III dated 7/1/83.
- (7) Indirect #10: By Keith E. Lindner, Trustee under an irrevocable Trust indenture with Carl H. Lindner III and Martha S. Lindner dated 9/26/89.
- (8) Indirect #12: CHL Investments, LLC, a limited liability company directly or indirectly wholly-owned by the Reporting Person.
- (9) Indirect #14: Carl H. Lindner III, Custodian of a minor.
- (10) Indirect #15: Son of a Reporting Person
- (11) Indirect #18: CHL III, TTEE of the CHL III 2005-1 Qualified Annuity Trust dated 10/26/2005.
- (12) 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.
- (13) The Reporting Person exercised this stock option using previously held shares of the Issuer.

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.