



**AMERICAN FINANCIAL GROUP, INC.
STOCK OWNERSHIP GUIDELINES
EFFECTIVE MAY 18, 2006**

Purpose

The Board of Directors of American Financial Group, Inc. (“AFG” or the “Company”) believes that it is in the best interest of AFG and its shareholders to align the financial interests of the Executive and certain other officers of the Company and its principal subsidiaries with those of AFG’s shareholders. In addition, the Board believes that the investment community values stock ownership by such officers and that share ownership demonstrates a commitment to and belief in the long-term profitability of AFG.

Ownership Guidelines

Accordingly, the Board has established the following Stock Ownership Guidelines for the amount of stock that the following officers (as a multiple of annual base salary) should beneficially own:

AFG

Chief Executive Officer	5 times base salary
Senior Vice Presidents & Vice Presidents	1 times base salary

GAI

Executive Vice Presidents & Senior Vice Presidents	1 times base salary
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GAFRI

Chief Operating Officer, Executive Vice Presidents & Senior Vice Presidents	1 times base salary
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AMMC

Executive Vice Presidents & Senior Vice Presidents	1 times base salary
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The CEOs, upon notice to the Board, may designate other officers and employees to be subject to the provisions of these Stock Ownership Guidelines and remove individuals or classes of officers.

Timeframe

Individuals who are subject to these Stock Ownership Guidelines at the time of their adoption are required to achieve the applicable ownership guideline by January 1, 2011. Individuals who thereafter become subject to the Guidelines are required to achieve the applicable ownership level within five years. If an individual becomes subject to a greater ownership amount, due to promotion or an increase in base salary, the individual is expected to meet the higher ownership

amount within the later of the original period or three years from the effective date of the promotion or salary change.

Definition of Ownership

Stock Ownership will include the following:

1. Shares owned directly, either in certificated form or through a brokerage account, including restricted shares and shares deliverable in settlement of restricted or unrestricted stock units, excluding restricted shares/restricted stock units that remain subject to achievement of performance goals.

2. Shares owned indirectly, if the individual has an economic interest in the shares. For this purpose, indirect ownership includes shares held by immediate family members that would be beneficially owned and reported for purposes of the stock ownership table in the Company's proxy statement (excluding shares subject to a right to acquire) and shares beneficially owned and reportable on Table 1 of Forms 3, 4 or 5 or shares in which an individual has a right to vote.

3. Shares attributable to a participant's vested account balance in the any savings or retirement plans, deferred compensation plans and shares acquired through employee stock purchase plans.

4. Executives of AFG may meet the Stock Ownership Guidelines through ownership of AFG common stock, common stock issued by majority-owned subsidiaries or a combination of them. Executives of Great American Financial Resources, Inc. ("GAFRI") may meet the Stock Ownership Guidelines through ownership of GAFRI common stock, AFG common stock or a combination of the two.

Stock Ownership Calculation

Share prices of all companies are volatile. It would be unfair to require an executive to buy more shares simply because AFG's share price drops temporarily. Consequently, when calculating the number of shares that an executive should hold under these Guidelines, the executive's salary will be divided by the highest share price for AFG shares over the prior 24 month period. Compliance will be evaluated on a twice-per-year basis, as of June 30 and December 31 of each year, and not on a running basis.

Equity Compensation Retention Guideline

In order to assist executives in complying with the Guidelines, if a covered executive exercises a stock option or stock appreciation right, vests in restricted stock, stock bonus or phantom stock, or otherwise receives shares of Company Common Stock as compensation from the Company, and at the time of such exercise, vesting or receipt has not attained the applicable stock ownership level described in these Guidelines, such individual should retain in such transaction the lesser of the following:

1. A number of shares equal to twenty-five percent (25%) of the net shares acquired as a result of exercise or vesting (after deducting the exercise price, if any, and taxes at an assumed tax rate of forty percent (40%); or
2. A number of shares necessary to reach the applicable stock ownership guideline amount for such individual.

Administration

The Compensation Committee of the Board shall be responsible for monitoring the application of these Stock Ownership Guidelines with respect to the Company's CEOs. The Compensation Committee shall prepare a progress report on the application of the Stock Ownership Guidelines, at least once a year, and deliver the report to the Board.

The CEOs of the Company shall be responsible for monitoring the application of these Stock Ownership Guidelines with respect to all other officers of the Company and subsidiaries. The CEOs may delegate to one or more officers and employees (collectively, "Administrators") certain administrative and record-keeping responsibilities relating to the implementation of these Guidelines. The Administrators shall have the authority to interpret, construe and implement the provisions of the Guidelines in accordance with the express intent of the Guidelines set forth herein.