

NATIONAL INTERSTATE CORP
Filed by
AMERICAN FINANCIAL GROUP INC

FORM SC 13D/A
(Amended Statement of Beneficial Ownership)

Filed 11/15/16

| | |
|-------------|--|
| Address | 3250 INTERSTATE DRIVE RICHFIELD, OH 44286 |
| Telephone | (330) 659-8900 |
| CIK | 0001301106 |
| SIC Code | 6331 - Fire, Marine, and Casualty Insurance |
| Industry | Property & Casualty Insurance |
| Sector | Financials |
| Fiscal Year | 12/31 |

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D
(Rule 13d-101)

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
RULE 13d-2(a)**

Amendment No. 10

National Interstate Corporation
(Name of Issuer)

Common Shares, Par Value \$0.01 Per Common Share
(Title of Class of Securities)

63654U 100
(CUSIP Number)

Vito C. Peraino
Senior Vice President and General Counsel
American Financial Group, Inc.
301 East Fourth Street
Cincinnati, Ohio 45202
(513) 369-5611
(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

November 10, 2016
(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), Rule 13d-1(f) or Rule 13d-1(g), check the following box []

CUSIP No. 63654U 100

| | | |
|---|---|--|
| 1 | NAME OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY) American Financial Group, Inc. | |
| 2 | CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/> | |
| 3 | SEC USE ONLY | |
| 4 | SOURCE OF FUNDS WC | |
| 5 | CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) <input type="checkbox"/> | |
| 6 | CITIZENSHIP OR PLACE OF ORGANIZATION Ohio | |
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 8 9 10 | SOLE VOTING POWER 19,991,694 SHARED VOTING POWER 0 SOLE DISPOSITIVE POWER 19,991,694 SHARED DISPOSITIVE POWER 0 |
| 11 | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 19,991,694 | |
| 12 | CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/> | |
| 13 | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 100.0% | |
| 14 | TYPE OF REPORTING PERSON HC | |

| | | | | | | | | | | | | | | | | | | |
|----------------------|--|--|---|-------------------|--|------------|---|---------------------|--|---|---|------------------------|--|------------|----|--------------------------|--|---|
| CUSIP No. 63654U 100 | | | | | | | | | | | | | | | | | | |
| 1 | NAME OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY) Great American Insurance Company | | | | | | | | | | | | | | | | | |
| 2 | CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | |
| 3 | SEC USE ONLY | | | | | | | | | | | | | | | | | |
| 4 | SOURCE OF FUNDS WC | | | | | | | | | | | | | | | | | |
| 5 | CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) <input type="checkbox"/> | | | | | | | | | | | | | | | | | |
| 6 | CITIZENSHIP OR PLACE OF ORGANIZATION Ohio | | | | | | | | | | | | | | | | | |
| | NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | <table border="1"> <tr> <td>7</td> <td>SOLE VOTING POWER</td> </tr> <tr> <td></td> <td>19,991,694</td> </tr> <tr> <td>8</td> <td>SHARED VOTING POWER</td> </tr> <tr> <td></td> <td>0</td> </tr> <tr> <td>9</td> <td>SOLE DISPOSITIVE POWER</td> </tr> <tr> <td></td> <td>19,991,694</td> </tr> <tr> <td>10</td> <td>SHARED DISPOSITIVE POWER</td> </tr> <tr> <td></td> <td>0</td> </tr> </table> | 7 | SOLE VOTING POWER | | 19,991,694 | 8 | SHARED VOTING POWER | | 0 | 9 | SOLE DISPOSITIVE POWER | | 19,991,694 | 10 | SHARED DISPOSITIVE POWER | | 0 |
| 7 | SOLE VOTING POWER | | | | | | | | | | | | | | | | | |
| | 19,991,694 | | | | | | | | | | | | | | | | | |
| 8 | SHARED VOTING POWER | | | | | | | | | | | | | | | | | |
| | 0 | | | | | | | | | | | | | | | | | |
| 9 | SOLE DISPOSITIVE POWER | | | | | | | | | | | | | | | | | |
| | 19,991,694 | | | | | | | | | | | | | | | | | |
| 10 | SHARED DISPOSITIVE POWER | | | | | | | | | | | | | | | | | |
| | 0 | | | | | | | | | | | | | | | | | |
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| 13 | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 100.0% | | | | | | | | | | | | | | | | | |
| 14 | TYPE OF REPORTING PERSON IC | | | | | | | | | | | | | | | | | |

Explanatory Note

This Amendment No. 10 to Schedule 13D (this “Amendment”) amends Amendment No. 9 to Schedule 13D (“Amendment No. 9”) which was filed with the United States Securities and Exchange Commission (the “SEC”) on August 1, 2016. Amendment No. 9 amended Amendment No. 8 to Schedule 13D (“Amendment No. 8”) which was filed with the SEC on July 6, 2016. Amendment No. 8 amended Amendment No. 7 to Schedule 13D (“Amendment No. 7”) which was filed with the SEC on June 27, 2016. Amendment No. 7 amended Amendment No. 6 to Schedule 13D (“Amendment No. 6”) which was filed with the SEC on March 7, 2016. Amendment No. 6 amended Amendment No. 5 to Schedule 13D (“Amendment No. 5”) which was filed with the SEC on December 23, 2015 which Amendment No. 5 amended and restated in its entirety the Schedule 13D originally filed by American Financial Group, Inc., an Ohio corporation (the “Registrant”), with the SEC on February 5, 2014 with respect to the common shares, par value \$0.01 per share (the “Common Shares”), of National Interstate Corporation, an Ohio corporation (the “Issuer”). The Common Shares beneficially owned by the Registrant are owned of record by Great American Insurance Company (“Great American”), an Ohio corporation and wholly-owned subsidiary of the Registrant. The Registrant and Great American are collectively referred to in this Amendment as the “Reporting Persons.”

Except as set forth below, all previous Items are unchanged.

Item 3. Source and Amount of Funds or Other Consideration

Item 3 of Schedule 13D is amended by adding the following:

Item 4 of this Amendment is incorporated herein by reference.

Item 4. Purpose of Transaction

Item 4 of Schedule 13D is amended by adding the following:

On November 10, 2016, the Issuer completed the previously announced merger (the “Merger”) of GAIC Alloy, Inc. (“Merger Sub”), an Ohio corporation, with and into the Issuer, whereby the separate corporate existence of Merger Sub ceased and the Issuer became a wholly-owned subsidiary of Great American. The Merger was effected pursuant to an Agreement and Plan of Merger, dated as of July 25, 2016, by and among Great American, Merger Sub and the Issuer, as amended by Amendment No. 1, dated as of August 15, 2016 (the “Merger Agreement”). The Merger Agreement was adopted by the shareholders of the Issuer (the “Shareholders”) at a special meeting of the Shareholders held on November 10, 2016 (the “Special Meeting”). The Merger became effective on November 10, 2016 (the “Effective Time”) pursuant to the Certificate of Merger that was filed with the Secretary of State of the State of Ohio on such date following the Special Meeting.

At the Effective Time, each outstanding Common Share of the Issuer (other than Common Shares owned by the Issuer, any wholly-owned subsidiary of the Issuer, Great

American and Merger Sub) was converted into the right to receive \$32.00 per Common Share in cash, without interest and less any required withholding taxes (the “Merger Consideration”). In addition, the Issuer declared a special cash dividend of \$0.50 per Common Share payable to Shareholders of record immediately prior to the Effective Time (the “Special Dividend”). The Special Dividend was funded by the Issuer with the Issuer’s dividend paying agent and will be paid promptly following completion of the Merger.

At the Effective Time, each outstanding option to purchase Common Shares granted under the Issuer’s Long Term Incentive Plan (the “Company Options”), whether or not vested, was cancelled in exchange for the right to receive a lump sum cash payment equal to the product of (a) the excess, if any, of (i) the sum of the Merger Consideration and \$0.50 over (ii) the per share exercise price for such Company Option and (b) the total number of Common Shares underlying such Company Option, less applicable taxes required to be withheld. In addition, at the Effective Time, each outstanding award of restricted Common Shares granted under the Issuer’s Long Term Incentive Plan (the “Company Restricted Share Awards”) was cancelled in exchange for the right to receive a lump sum cash payment equal to the product of (i) the Merger Consideration and (ii) the number of Common Shares subject to such Company Restricted Share Award, less applicable taxes required to be withheld. In addition, each Company Restricted Share Award entitles the holder of the shares thereunder to the Special Dividend.

Pursuant to the Merger Agreement, at the Effective Time, all members of the Company’s Board of Directors (Joseph E. Consolino, Ronald J. Brichler, I. John Cholnoky, Patrick J. Denzer, Gary J. Gruber, Donald D. Larson, Tony J. Mercurio, David W. Michelson, Norman L. Rosenthal, Donald W. Schwegman and Alan R. Spachman) resigned from the Company’s Board of Directors as of the Effective Time. Additionally, the directors of Merger Sub immediately prior to the Effective Time (Ronald J. Brichler, Joseph E. Consolino, Gary J. Gruber and Donald D. Larson) became the directors of the surviving corporation immediately after the Effective Time, and the officers of the Company immediately prior to the Effective Time became the officers of the surviving corporation immediately after the Effective Time.

Pursuant to the Merger Agreement, at the Effective Time, the fourth amended and restated articles of incorporation of the Company were amended to read the same as the articles of incorporation of Merger Sub in effect immediately prior to the Effective Time and as so amended will be the articles of incorporation of the surviving corporation.

Pursuant to the Merger Agreement, at the Effective Time, the amended and restated code of regulations of the Company was amended to read the same as the code of regulations of Merger Sub in effect immediately prior to the Effective Time and as so amended will be the code of regulations of the surviving corporation.

On November 10, 2016, in connection with the completion of the Merger, the Issuer notified The NASDAQ Stock Market LLC (“NASDAQ”) of the completion of the Merger and requested that trading in the Common Shares be suspended and that the Common Shares be withdrawn from listing on the NASDAQ Global Select Market. On November 10, 2016, NASDAQ filed a notification of removal from listing on Form 25 with the SEC with respect to the Common Shares to report the delisting of the Common Shares from the NASDAQ Global Select Market and suspend trading of the Common Shares on the NASDAQ Global Select Market as of the close of trading on November 10, 2016.

The Issuer intends to file with the SEC a certificate and notice of termination on Form 15 with respect to the Common Shares, requesting that the Common Shares be deregistered under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and that the reporting obligations of the Issuer with respect to the Common Shares under Sections 13 and 15(d) of the Exchange Act be suspended.

Item 5. Interest in Securities of the Issuer.

Item 5 is hereby amended and restated in its entirety as follows:

- (a) See Items 11 and 13 on pages 2 and 3 of this Schedule 13D.
 - (b) See Items 7, 9 and 11 on pages 2 and 3 of this Schedule 13D.
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- (c) Not Applicable, other than as disclosed in this Item 4.
- (d) Not Applicable.
- (e) Not Applicable.

Item 7. Material to be Filed as Exhibits.

99.1 Press Release dated November 10, 2016

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: November 14, 2016

AMERICAN FINANCIAL GROUP, INC.

By: /s/ Mark A. Weiss
Mark A. Weiss
Vice President

GREAT AMERICAN INSURANCE COMPANY

By: /s/ Sue A. Erhart
Sue A. Erhart
Senior Vice President and General Counsel

FOR IMMEDIATE RELEASE



Press Release

American Financial Group, Inc. and National Interstate Corporation Announce Closing of Merger Agreement

CINCINNATI – November 10, 2016 – American Financial Group, Inc. (NYSE: AFG) and National Interstate Corporation (Nasdaq: NATL) today announced the closing of the previously announced merger whereby AFG acquired all shares of National Interstate not previously owned by AFG's wholly-owned subsidiary, Great American Insurance Company (GAIC). Shareholders of NATL, other than Great American, received \$32.00 per share in cash in the transaction, without interest and less any required withholding taxes. In addition, National Interstate declared and paid a one-time special dividend to its shareholders immediately prior to the closing of \$0.50 per NATL share in cash. In connection with the completion of the transaction, NATL's shares will cease to trade on NASDAQ and will be delisted.

The purchase price to acquire the National Interstate shares not currently owned by Great American, including the \$0.50 special dividend, was approximately \$320 million. Because NATL was a consolidated subsidiary of AFG prior to the merger, the acquisition will be accounted for as an equity transaction, with the excess of the consideration paid over the carrying value of the noncontrolling interest acquired recorded as a direct reduction in AFG's Capital Surplus (approximately \$140 million based on balances as of September 30, 2016). In addition, the merger allows NATL and its subsidiaries to become members of the AFG consolidated tax group, which will result in a non-core tax benefit of approximately \$66 million to AFG during the fourth quarter of 2016.

About National Interstate

National Interstate Insurance Company, a wholly owned subsidiary of National Interstate Corporation, is a specialty property and casualty insurance company with a niche orientation and focus on the transportation industry. National Interstate differentiates itself by offering insurance products and services designed to meet the unique needs of targeted insurance buyers. Products include insurance for passenger, moving and storage, and truck transportation companies, alternative risk transfer, or captive, insurance programs for commercial risks, specialty personal lines consisting of insurance products focused primarily on recreational vehicle owners, and transportation and general commercial insurance in Hawaii and Alaska. National Interstate and its insurance subsidiaries, which include Vanliner Insurance Company and Triumpher Casualty Company, are rated "A" (Excellent) by A.M. Best Company. Founded in 1989, National Interstate is headquartered in Richfield, Ohio with operations in Kapolei, Hawaii, and Fenton, Missouri.

About American Financial Group, Inc.

American Financial Group is an insurance holding company, based in Cincinnati, Ohio with assets over \$50 billion. Through the operations of Great American Insurance Group, AFG is engaged primarily in property and casualty insurance, focusing on specialized commercial products for businesses, and in the

sale of fixed and fixed-indexed annuities in the retail, financial institutions and education markets. Great American Insurance Group's roots go back to 1872 with the founding of its flagship company, Great American Insurance Company.

Forward Looking Statements

This press release contains certain statements that may be deemed to be "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements in this press release not dealing with historical results are forward-looking and are based on estimates, assumptions and projections. Examples of such forward-looking statements include statements relating to: the Company's expectations concerning market and other conditions and their effect on future premiums, revenues, earnings, investment activities and the amount and timing of share repurchases; recoverability of asset values; expected losses and the adequacy of reserves for asbestos, environmental pollution and mass tort claims; rate changes; and improved loss experience.

Actual results and/or financial condition could differ materially from those contained in or implied by such forward-looking statements for a variety of reasons including but not limited to: changes in financial, political and economic conditions, including changes in interest and inflation rates, currency fluctuations and extended economic recessions or expansions in the U.S. and/or abroad; performance of securities markets; new legislation or declines in credit quality or credit ratings that could have a material impact on the valuation of securities in AFG's investment portfolio; the availability of capital; regulatory actions (including changes in statutory accounting rules); changes in the legal environment affecting AFG or its customers; tax law and accounting changes; levels of natural catastrophes and severe weather, terrorist activities (including any nuclear, biological, chemical or radiological events), incidents of war or losses resulting from civil unrest and other major losses; development of insurance loss reserves and establishment of other reserves, particularly with respect to amounts associated with asbestos and environmental claims; availability of reinsurance and ability of reinsurers to pay their obligations; trends in persistency and mortality; competitive pressures; the ability to obtain adequate rates and policy terms; changes in AFG's credit ratings or the financial strength ratings assigned by major ratings agencies to AFG's operating subsidiaries; the impact of the conditions in the international financial markets and the global economy (including those associated with the United Kingdom's expected withdrawal from the European Union, or "Brexit") relating to AFG's international operations; and other factors identified in AFG's or NATL's filings with the Securities and Exchange Commission.

The forward-looking statements herein are made only as of the date of this press release. The Company assumes no obligation to publicly update any forward-looking statements.

Contact:

Diane P. Weidner
Asst. Vice President – Investor Relations
(513) 369-5713

Websites:

www.AFGinc.com
www.GreatAmericanInsuranceGroup.com