

State Auto Financial CORP
 Form 4
 February 26, 2008

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 *
STATE AUTOMOBILE MUTUAL INSURANCE CO

(Last) (First) (Middle)

518 E. BROAD STREET

(Street)

COLUMBUS, OH 43215

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

State Auto Financial CORP [STFC]

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

09/10/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X___ 10% Owner
 ___ Officer (give title below) ___ Other (specify below)

6. Individual or Joint/Group Filing (Check Applicable Line)

___X___ 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 Shares without par value | 09/10/2007 | | S | | 69,000 | D | \$ 29.4737 26,590,568 (1) D |
| Common Shares without par value | 10/24/2007 | | S | | 12,397 | D | \$ 27.6198 26,578,171 (1) D |
| Common Shares without par value | 10/25/2007 | | S | | 36,397 | D | \$ 27.6705 26,541,774 (1) D |

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| | | | | | | | |
|---------------------------------|------------|---|--------|---|------------|--------------------------|---|
| Common Shares without par value | 10/26/2007 | S | 34,169 | D | \$ 27.8227 | <u>26,507,605</u> (1) | D |
| Common Shares without par value | 10/30/2007 | S | 34,169 | D | \$ 27.6596 | <u>26,473,436</u> (1) | D |
| Common Shares without par value | 10/31/2007 | S | 41,086 | D | \$ 27.3075 | <u>26,432,350</u> (1) | D |
| Common Shares without par value | 11/02/2007 | S | 37,511 | D | \$ 26.0533 | <u>26,394,839</u> (1) | D |
| Common Shares without par value | 11/05/2007 | S | 9,601 | D | \$ 25.6936 | <u>26,385,238</u> (1) | D |
| Common Shares without par value | 11/06/2007 | S | 48,765 | D | \$ 25.8459 | <u>26,336,473</u> (1) | D |
| Common Shares without par value | 11/07/2007 | S | 48,765 | D | \$ 25.8044 | <u>26,287,708</u> (1) | D |
| Common Shares without par value | 11/09/2007 | S | 28,338 | D | \$ 26.7576 | <u>26,259,370</u> (1) | D |
| Common Shares without par value | 11/19/2007 | S | 19,591 | D | \$ 27.274 | <u>26,239,779</u> (1) | D |
| Common Shares without par value | 11/29/2007 | S | 44,057 | D | \$ 27.1855 | <u>26,195,722</u> (1) | D |
| Common Shares without par value | 11/30/2007 | S | 10,791 | D | \$ 27.3 | <u>26,184,931</u> (1) | D |
| | 12/03/2007 | S | 557 | D | \$ 27.12 | | D |

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| | | | | | | | |
|---------------------------------|------------|--|---|--------|---|------------|------------|
| Common Shares without par value | | | | | | 26,184,374 | |
| | | | | | | <u>(1)</u> | |
| Common Shares without par value | 12/04/2007 | | S | 6,082 | D | \$ 27.3 | 26,178,292 |
| | | | | | | | <u>(1)</u> |
| Common Shares without par value | 12/05/2007 | | S | 47,493 | D | \$ 27.2422 | 26,130,799 |
| | | | | | | | <u>(1)</u> |

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

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 control number.

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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) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned Following Transaction (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| | | | | | Code | V | (A) | (D) | |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

STATE AUTOMOBILE MUTUAL INSURANCE CO
518 E. BROAD STREET
COLUMBUS, OH 43215

X

Signatures

State Automobile Mutual Insurance Company by James A. Yano,
Secretary

02/26/2008

__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 August 17, 2007, State Auto Financial Corporation announced a Stock Repurchase Program pursuant to which State Auto Financial Corporation is authorized the repurchase, from time to time, of up to 4.0 million of its common shares over a period extending until December 31, 2009. Under this Stock Repurchase Program, State Auto Financial Corporation will repurchase shares from State Automobile Mutual Insurance Company in amounts that are proportional to the respective current ownership percentages of State Automobile Mutual Insurance Company, which is approximately 64%, and other shareholders. All of the common shares being reported as sold under this Form 4 were sold by State Automobile Mutual Insurance Company to State Auto Financial Corporation pursuant to this Stock Repurchase Program.

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

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