

VALDES MAX O  
Form 4  
May 17, 2011

**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 \*  
VALDES MAX O

(Last) (First) (Middle)

1 FIRST AMERICAN WAY

(Street)

SANTA ANA, CA 92707

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

First American Financial Corp [FAF]

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

05/13/2011

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
EVP & Chief Financial Officer

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 Ownership (Instr. 4)
Common Stock	05/13/2011		S	609	D \$ 15.87	81,371	D (1) (2) (3) (4) (5) (6)

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

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

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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	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. Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 20.4					12/08/2006 <sup>(7)</sup> 12/08/2015	Common Stock	46,581

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
VALDES MAX O 1 FIRST AMERICAN WAY SANTA ANA, CA 92707			EVP & Chief Financial Officer	

## Signatures

/s/ Greg L. Smith, Attorney-in-Fact for Max O. Valdes 05/17/2011

\*\*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) Includes 4,017 unvested restricted stock units ("RSUs") acquired in a pro rata distribution by The First American Corporation ("FAC") on account of an original grant of 7,657 FAC RSUs, of which 3,360 were unvested at the time of the distribution and shares acquired through automatic dividend reinvestment. The vesting schedule of the FAC RSUs, vesting in five equal annual increments commencing 03/05/08, the first anniversary of the grant, has been carried over to the issuer RSUs.

(2) Includes 8,223 unvested RSUs acquired in a pro rata distribution by FAC on account of an original grant of 8,030 FAC RSUs, of which 5,184 were unvested at the time of the distribution and shares acquired through automatic dividend reinvestment. The vesting schedule of the FAC RSUs, vesting in five equal annual increments commencing 03/04/09, the first anniversary of the grant, has been carried over to the issuer RSUs.

(3) Includes 15,418 unvested RSUs acquired in a pro rata distribution by FAC on account of an original grant of 9,372 FAC RSUs on 03/04/09 and a grant of 1,084 FAC RSUs on 06/22/09, of which 8,672 were unvested at the time of the distribution and shares acquired through automatic dividend reinvestment. The vesting schedule of each of the FAC RSUs, vesting in five equal annual increments commencing 03/04/10, the first anniversary of the grant, has been carried over to the issuer RSUs.

(4) Includes 22,961 unvested RSUs acquired in a pro rata distribution by FAC on account of an original grant of 12,051 FAC RSUs, of which 12,123 were unvested at the time of the distribution and shares acquired through automatic dividend reinvestment. The vesting schedule

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of the FAC RSUs, vesting in five equal annual increments commencing 03/03/11, the first anniversary of the grant, has been carried over to the issuer RSUs.

- (5) Includes 20,107 shares acquired pursuant to a grant of RSUs and shares acquired through automatic dividend reinvestment, vesting in four equal increments commencing 3/3/12, the first anniversary of the grant.
- (6) Includes 10,645 shares acquired pursuant to a grant of RSUs and shares acquired through automatic dividend reinvestment, vesting in four equal increments commencing 3/31/12, the first anniversary of the grant.
- (7) The vesting schedule of the FAC option, vesting in five equal annual increments commencing 12/08/06, the first anniversary of the grant, has been carried over to the issuer options.

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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