

Arlington Asset Investment Corp.  
 Form 4  
 February 23, 2011

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

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 \*  
**BILLINGS ERIC F**

2. Issuer Name and Ticker or Trading Symbol  
**Arlington Asset Investment Corp.  
 [AI]**

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
**1001 19TH STREET NORTH**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**02/20/2011**

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**Chairman and CEO**

**ARLINGTON, VA 22209**

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

(City) (State) (Zip)

**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 (\$)	
Class A Common Stock	02/20/2011		F		22,955 (1)	28.28 (2)	D
Class A Common Stock						150,000	I By BCM Weston, LP (3)
Class A Common Stock						10,999	I By EFB Capital Corporation (4)
						0 (5)	I By Daughter

Class A  
Common  
Stock

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)

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. 6)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BILLINGS ERIC F 1001 19TH STREET NORTH ARLINGTON, VA 22209	X		Chairman and CEO	

## Signatures

/s/ Eric F.  
Billings 02/23/2011

\*\*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) Represents shares surrendered to the issuer to satisfy a tax withholding obligation in connection with the vesting on February 20, 2011 of a previously-granted restricted stock award.
- (2)

## Edgar Filing: Arlington Asset Investment Corp. - Form 4

Based on the closing price of the issuer's Class A common stock as reported on the New York Stock Exchange on the last trading date preceding forfeiture.

- (3) The reporting person controls the general partner of BCM Weston, LP ("BCM Weston") and is a limited partner of BCM Weston. The reporting person disclaims beneficial ownership of the shares of the issuer's Class A common stock owned by BCM Weston except to the extent of his pecuniary interest in such shares.

- (4) EFB Capital Corporation is owned and controlled by the reporting person's wife. The reporting person disclaims beneficial ownership of the shares of the issuer's Class A common stock owned by EFB Capital Corporation except to the extent of his pecuniary interest in such shares.

- (5) The reporting person no longer has a reportable beneficial interest in 5 shares of the issuer's Class A common stock owned by his daughter and included in the reporting person's prior ownership reports.

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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