

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

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported)

August 11, 2020

**ATLANTIC AMERICAN CORPORATION**

(Exact name of registrant as specified in its charter)

Georgia

0-3722

58-1027114

(State or other jurisdiction of incorporation)

(Commission File Number)

(IRS Employer Identification No.)

4370 Peachtree Road, N.E., Atlanta, Georgia

30319

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code

(404) 266-5500

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| <b>Title of each class</b>               | <b>Trading<br/>Symbol(s)</b> | <b>Name of each exchange on which registered</b> |
|--|------------------------------|--|
| Common Stock, par value \$1.00 per share | AAME                         | NASDAQ Global Market                             |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02. Results of Operations and Financial Condition**

On August 11, 2020, Atlantic American Corporation (the “Registrant”) reported its results of operations for its second quarter ended June 30, 2020. A copy of the press release issued by the Registrant concerning the foregoing results is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits

[99.1](#) Press release dated August 11, 2020

The information contained herein and in the accompanying exhibit shall not be incorporated by reference into any filing of the Registrant, whether made before or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference to such filing. The information in this report, including the exhibit hereto, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933.

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

ATLANTIC AMERICAN CORPORATION

By: /s/ J. Ross Franklin

J. Ross Franklin

Vice President, Chief Financial Officer and Secretary

Date: August 11, 2020

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**ATLANTIC AMERICAN CORPORATION REPORTS  
SECOND QUARTER RESULTS FOR 2020**

ATLANTA, Georgia, August 11, 2020 - Atlantic American Corporation (Nasdaq- AAME) today reported net income for the three month period ended June 30, 2020 of \$6.5 million, or \$0.30 per diluted share, as compared to net loss of \$4.4 million, or \$0.22 per diluted share, for the comparable period in 2019. For the six month period ended June 30, 2020, the Company reported net loss of \$1.6 million, or \$0.09 per diluted share, as compared to net loss of \$0.3 million, or \$0.02 per diluted share, for the comparable period in 2019. The increase in net income during the second quarter of 2020 was primarily due to a \$7.3 million decrease in total benefits and expenses coupled with an increase in unrealized gains on equity securities of \$6.7 million for the second quarter of 2020 as compared to the second quarter of 2019. The net loss for the six month period ended June 30, 2020 was primarily due to \$7.1 million of net unrealized losses on equity securities during the six month period ended June 30, 2020 as compared to \$1.2 million of unrealized gains on equity securities during the comparable period in 2019. Changes in unrealized gains and losses on equity securities for the applicable periods are primarily the result of fluctuations in the market values of the Company's equity investments.

Excluding the effects of realized or unrealized gains or losses and taxes, operating income (as defined below) increased \$7.8 million in the three month period ended June 30, 2020 from the three month period ended June 30, 2019. For the six month period ended June 30, 2020, operating income increased \$8.4 million over the comparable period in 2019. The increase in operating income was primarily due to favorable loss experience in the Company's life and health operations, resulting from a significant decrease in the number of incurred claims within the Medicare supplement line of business. This decrease in the number of incurred claims was primarily attributable to the Company's individual policy holders being subject to varying degrees of shelter in place orders instituted throughout the United States during the second quarter of 2020 as a result of COVID-19.

Commenting on the results, Hilton H. Howell, Jr., chairman, president and chief executive officer, stated, "I am delighted with the performance of each of our operating segments and proud to report the return to operating income for the year. Our BankersWorksite® division is on track for a record year of new sales which will further promote our diversification efforts. Additionally, our property and casualty operations continue to perform well and had one of the best quarters on record. Our Company remains strong and firmly committed to delivering our superior service to policyholders, employers, and agents in these unprecedented times."

*Atlantic American Corporation is an insurance holding company involved through its subsidiary companies in specialty markets of the life, health, and property and casualty insurance industries. Its principal insurance subsidiaries are American Southern Insurance Company, American Safety Insurance Company, Bankers Fidelity Life Insurance Company and Bankers Fidelity Assurance Company.*

*Note regarding non-GAAP financial measure: Atlantic American Corporation presents its consolidated financial statements in accordance with U.S. generally accepted accounting principles (GAAP). However, from time to time, the Company may present, in its public statements, press releases and filings with the Securities and Exchange Commission, non-GAAP financial measures such as operating income (loss). Management believes operating income (loss) is a useful metric for investors, potential investors, securities analysts and others because it isolates the "core" operating results of the Company before considering certain items that are either beyond the control of management (such as income tax expense, which is subject to timing, regulatory and rate changes depending on the timing of the associated revenues and expenses) or are not expected to regularly impact the Company's operating results (such as any realized and unrealized investment gains (losses), which are not a part of the Company's primary operations and are, to a limited extent, subject to discretion in terms of timing of realization). The financial data attached includes a reconciliation of operating income (loss) to net income (loss), the most comparable GAAP financial measure. The Company's definition of operating income (loss) may differ from similarly titled financial measures used by others. This non-GAAP financial measure should be considered supplemental to, and not a substitute for, financial information prepared in accordance with GAAP.*

*Note regarding Private Securities Litigation Reform Act: Except for historical information contained herein, this press release contains forward-looking statements that involve a number of risks and uncertainties. Actual results could differ materially from those indicated by such forward-looking statements due to a number of factors and risks detailed from time to time in statements and reports that Atlantic American Corporation files with the Securities and Exchange Commission.*

For further information contact:  
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Atlantic American Corporation  
404-266-5580

Hilton H. Howell, Jr.  
Chairman, President & CEO  
Atlantic American Corporation  
404-266-5505

**Atlantic American Corporation**  
**Financial Data**

|   | Three Months Ended |                   | Six Months Ended  |                  |
|---|--------------------|-------------------|-------------------|------------------|
|   | June 30,           |                   | June 30,          |                  |
| <i>(Unaudited; In thousands, except per share data)</i> | 2020               | 2019              | 2020              | 2019             |
| Insurance premiums                                      |                    |                   |                   |                  |
| Life and health   | \$ 30,675          | \$ 30,715         | \$ 61,303         | \$ 61,691        |
| Property and casualty                                   | 15,824             | 14,754            | 30,746            | 28,560           |
| Insurance premiums, net                                 | 46,499             | 45,469            | 92,049            | 90,251           |
| Net investment income                                   | 1,850              | 2,313             | 3,889             | 4,647            |
| Realized investment gains, net                          | -                  | 610               | 249               | 1,995            |
| Unrealized gains (losses) on equity securities, net     | 1,355              | (5,337)           | (7,100)           | 1,152            |
| Other income  | 33                 | 72                | 60                | 100              |
| <b>Total revenue</b>                                    | <b>49,737</b>      | <b>43,127</b>     | <b>89,147</b>     | <b>98,145</b>    |
| Insurance benefits and losses incurred                  |                    |                   |                   |                  |
| Life and health   | 17,055             | 24,288            | 41,104            | 50,552           |
| Property and casualty                                   | 10,021             | 9,863             | 19,555            | 18,906           |
| Commissions and underwriting expenses                   | 10,854             | 11,509            | 23,480            | 22,524           |
| Interest expense  | 414                | 545               | 890               | 1,091            |
| Other expense   | 3,112              | 2,511             | 6,064             | 5,376            |
| <b>Total benefits and expenses</b>                      | <b>41,456</b>      | <b>48,716</b>     | <b>91,093</b>     | <b>98,449</b>    |
| Income (loss) before income taxes                       | 8,281              | (5,589)           | (1,946)           | (304)            |
| Income tax expense (benefit)                            | 1,749              | (1,163)           | (391)             | (40)             |
| <b>Net income (loss)</b>                                | <b>\$ 6,532</b>    | <b>\$ (4,426)</b> | <b>\$ (1,555)</b> | <b>\$ (264)</b>  |
| <b>Earnings (loss) per common share (basic)</b>         | <b>\$ 0.31</b>     | <b>\$ (0.22)</b>  | <b>\$ (0.09)</b>  | <b>\$ (0.02)</b> |
| <b>Earnings (loss) per common share (diluted)</b>       | <b>\$ 0.30</b>     | <b>\$ (0.22)</b>  | <b>\$ (0.09)</b>  | <b>\$ (0.02)</b> |

**Reconciliation of Non-GAAP Financial Measure**

|   |                 |                 |                 |                   |
|---|-----------------|-----------------|-----------------|-------------------|
| Net income (loss)                                   | \$ 6,532        | \$ (4,426)      | \$ (1,555)      | \$ (264)          |
| Income tax expense (benefit)                        | 1,749           | (1,163)         | (391)           | (40)              |
| Realized investment gains, net                      | -               | (610)           | (249)           | (1,995)           |
| Unrealized (gains) losses on equity securities, net | (1,355)         | 5,337           | 7,100           | (1,152)           |
| <b>Non-GAAP Operating income (loss)</b>             | <b>\$ 6,926</b> | <b>\$ (862)</b> | <b>\$ 4,905</b> | <b>\$ (3,451)</b> |

**Selected Balance Sheet Data**

|   | June 30,<br>2020 | December 31,<br>2019 |
|---|------------------|----------------------|
| Total cash and investments                | \$ 283,254       | \$ 281,530           |
| Insurance subsidiaries                    | 276,585          | 274,730              |
| Parent and other                          | 6,669            | 6,800                |
| Total assets                              | 385,737          | 377,626              |
| Insurance reserves and policyholder funds | 204,711          | 201,906              |
| Debt                                      | 33,738           | 33,738               |
| Total shareholders' equity                | 123,894          | 118,394              |
| Book value per common share               | 5.79             | 5.51                 |
| Statutory capital and surplus             |                  |                      |
| Life and health                           | 34,735           | 35,546               |
| Property and casualty                     | 45,927           | 45,827               |