

**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) November 10, 2021

**ATLANTIC AMERICAN CORPORATION**

(Exact name of registrant as specified in its charter)

<u>Georgia</u> (State or other jurisdiction of incorporation)	<u>0-3722</u> (Commission File Number)	<u>58-1027114</u> (IRS Employer Identification No.)
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<u>4370 Peachtree Road, N.E., Atlanta, Georgia</u> (Address of principal executive offices)	<u>30319</u> (Zip Code)
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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:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
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 November 10, 2021, Atlantic American Corporation (the “Registrant”) reported its results of operations for its third quarter ended September 30, 2021. 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

<u>Exhibit No.</u>	<u>Exhibit Description</u>
<a href="#">99.1</a>	Press release dated November 10, 2021
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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 in 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.

**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: November 10, 2021

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## ATLANTIC AMERICAN REPORTS THIRD QUARTER RESULTS FOR 2021

ATLANTA, Georgia, November 10, 2021 - Atlantic American Corporation (Nasdaq- AAME) today reported net loss for the three month period ended September 30, 2021 of \$0.9 million, or \$0.05 per diluted share, as compared to net income of \$1.9 million, or \$0.09 per diluted share, for the comparable period in 2020. For the nine month period ended September 30, 2021, the Company reported net income of \$1.6 million, or \$0.06 per diluted share, as compared to net income of \$0.3 million, or nil per diluted share, for the comparable period in 2020. The decrease in net income during the third quarter of 2021 was primarily due to a \$5.8 million increase in insurance benefits and losses incurred, somewhat offset by an increase in unrealized gains on equity securities of \$1.4 million for the third quarter of 2021 as compared to the third quarter of 2020. The increase in net income for the nine month period ended September 30, 2021 was primarily due to an increase of \$13.3 million in net unrealized gains on equity securities largely offset by an increase in insurance benefits and losses incurred of \$10.1 million during the nine month period ended September 30, 2021 as compared to the third quarter of 2020. 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, the Company reported operating loss (as defined below) of \$2.4 million for the three month period ended September 30, 2021 as compared to \$3.0 million operating income for the three month period ended September 30, 2020. For the nine month period ended September 30, 2021, the Company reported operating loss of \$4.1 million as compared to operating income of \$7.9 million in the comparable period in 2020. The decrease in operating income for the three and nine month periods was primarily due to an increase in insurance benefits and losses in the Company's life and health operations, predominantly as a result of claims within the Medicare supplement line of business. During 2021, utilization of Medicare supplement insurance benefits has increased, returning to historical averages relative to the exceptionally low utilization experienced after the onset of the COVID-19 pandemic when many policyholders were sheltered in place.

Commenting on the results, Hilton H. Howell, Jr., Chairman, President and Chief Executive Officer, stated, "We are pleased to report the premium growth in our property and casualty operation has continued, with a historic high reached for the third quarter. As a result of their selective underwriting, our property and casualty operation continues to perform quite well. While our life and health operation faced a challenging quarter due to increasing demand for health care services, a series of strategic pricing adjustments in our Medicare supplement product is expected to improve profit margins on that business."

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

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

<i>(Unaudited; In thousands, except per share data)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Insurance premiums				
Life and health	\$ 28,772	\$ 30,208	\$ 87,018	\$ 91,511
Property and casualty	17,320	14,770	50,297	45,516
Insurance premiums, net	<u>46,092</u>	<u>44,978</u>	<u>137,315</u>	<u>137,027</u>
Net investment income	2,137	1,828	6,516	5,717
Realized investment gains, net	349	183	520	432
Unrealized gains (losses) on equity securities, net	711	(731)	5,458	(7,831)
Other income	<u>1</u>	<u>11</u>	<u>13</u>	<u>71</u>
<b>Total revenue</b>	<b><u>49,290</u></b>	<b><u>46,269</u></b>	<b><u>149,822</u></b>	<b><u>135,416</u></b>
Insurance benefits and losses incurred				
Life and health	23,394	20,088	66,463	61,192
Property and casualty	11,651	9,131	33,557	28,686
Commissions and underwriting expenses	11,927	11,202	36,670	34,682
Interest expense	347	363	1,040	1,253
Other expense	<u>3,264</u>	<u>3,052</u>	<u>10,178</u>	<u>9,116</u>
Total benefits and expenses	<u>50,583</u>	<u>43,836</u>	<u>147,908</u>	<u>134,929</u>
Income (loss) before income taxes	(1,293)	2,433	1,914	487
Income tax expense (benefit)	<u>(378)</u>	<u>557</u>	<u>298</u>	<u>166</u>
<b>Net income (loss)</b>	<b><u>\$ (915)</u></b>	<b><u>\$ 1,876</u></b>	<b><u>\$ 1,616</u></b>	<b><u>\$ 321</u></b>
<b>Earnings (loss) per common share (basic and diluted)</b>	<b><u>\$ (0.05)</u></b>	<b><u>\$ 0.09</u></b>	<b><u>\$ 0.06</u></b>	<b><u>\$ -</u></b>
<b>Reconciliation of Non-GAAP Financial Measure</b>				
Net income (loss)	\$ (915)	\$ 1,876	\$ 1,616	\$ 321
Income tax expense (benefit)	(378)	557	298	166
Realized investment gains, net	(349)	(183)	(520)	(432)
Unrealized (gains) losses on equity securities, net	<u>(711)</u>	<u>731</u>	<u>(5,458)</u>	<u>7,831</u>
<b>Non-GAAP Operating income (loss)</b>	<b><u>\$ (2,353)</u></b>	<b><u>\$ 2,981</u></b>	<b><u>\$ (4,064)</u></b>	<b><u>\$ 7,886</u></b>

<b>Selected Balance Sheet Data</b>	September 30, 2021	December 31, 2020
Total cash and investments	\$ 300,297	\$ 298,630
Insurance subsidiaries	295,191	292,478
Parent and other	5,106	6,152
Total assets	404,077	405,187
Insurance reserves and policyholder funds	205,757	198,676
Debt	33,738	33,738
Total shareholders' equity	139,995	145,060
Book value per common share	6.60	6.84
Statutory capital and surplus		
Life and health	38,503	42,326
Property and casualty	50,394	50,194