

**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) March 25, 2022

ATLANTIC AMERICAN CORPORATION

(Exact name of registrant as specified in its charter)

Georgia (State or other jurisdiction of incorporation)	0-3722 (Commission File Number)	58-1027114 (IRS Employer Identification No.)
4370 Peachtree Road, N.E., Atlanta, Georgia (Address of principal executive offices)		30319 (Zip Code)
Registrant's telephone number, including area code <u>(404) 266-5500</u>		
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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
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 March 25, 2022, Atlantic American Corporation (the “Registrant”) reported its results of operations for its fourth quarter and year ended December 31, 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>
99.1	Press release dated March 25, 2022
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: March 25, 2022

**ATLANTIC AMERICAN CORPORATION REPORTS
FOURTH QUARTER AND YEAR END RESULTS FOR 2021;
DECLARES ANNUAL DIVIDEND**

ATLANTA, Georgia, March 25, 2022 - Atlantic American Corporation (Nasdaq- AAME) today reported net income for the three month period ended December 31, 2021 of \$2.7 million, or \$0.12 per diluted share, as compared to net income of \$11.8 million, or \$0.54 per diluted share, for the comparable period in 2020. For the year ended December 31, 2021, the Company reported net income of \$4.3 million, or \$0.19 per diluted share, as compared to net income of \$12.2 million, or \$0.56 per diluted share for the comparable period in 2020. The decrease in net income during the fourth quarter of 2021 was primarily due to an \$8.0 million decrease in unrealized gains in equity securities as a result of fluctuation in market values of the Company's equity investments still held. The decrease in net income for the year ended December 31, 2021 was primarily due to an \$11.8 million increase in insurance benefits and losses incurred. The increase in insurance benefits and losses incurred was primarily the result of loss experience within the Company's life and health operations, returning to historical averages relative to the exceptionally low utilization experienced in 2020 after the onset of the COVID-19 pandemic when many policyholders were sheltered in place.

Operating income (as defined below) decreased to \$2.6 million in the three month period ended December 31, 2021 as compared to \$3.6 million for the three month period ended December 31, 2020. For the year ended December 31, 2021, the Company reported operating loss of \$1.5 million compared to operating income of \$11.5 million for the comparable period in 2020. The decrease in operating income for the three and twelve month periods was primarily due to an increase in loss experience in the Company's life and health operations, as mentioned above, predominantly within the Medicare supplement line of business.

Commenting on the results, Hilton H. Howell, Jr., Chairman, President and Chief Executive Officer, stated, "Our property and casualty operations had an exceptional year and I'm pleased to report the renewal of a significant multi-year state contract, which also included a rate increase. With respect to our life and health operations, the voluntary benefits division had a banner year for new sales and kicked off January of 2022 with a record for issued business. We continue to invest in various initiatives that we believe will position the company for a successful 2022 and beyond. In our continued commitment to deliver value to our shareholders, the Board of Directors recently approved the Company's annual dividend of \$0.02 per share, which is payable on April 27, 2022 to shareholders of record on April 13, 2022."

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). [We define operating income (loss) as net income excluding: (i) income tax expense; (ii) realized investment gains, net; and (iii) unrealized losses (gains) on equity securities, net.] 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, including those detailed in statements and reports that Atlantic American Corporation files from time to time with the Securities and Exchange Commission.

For further information contact:
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404-266-5580

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 December 31,		Twelve Months Ended December 31,	
	2021	2020	2021	2020
Insurance premiums				
Life and health	\$ 29,216	\$ 29,656	\$ 116,234	\$ 121,167
Property and casualty	17,685	16,856	67,982	62,372
Insurance premiums, net	<u>46,901</u>	<u>46,512</u>	<u>184,216</u>	<u>183,539</u>
Net investment income	2,012	2,027	8,528	7,744
Realized investment gains, net	4,383	6,988	4,903	7,420
Unrealized gains (losses) on equity securities, net	(3,564)	4,400	1,894	(3,431)
Other income	-	5	13	76
	<u>-</u>	<u>5</u>	<u>13</u>	<u>76</u>
Total revenue	<u>49,732</u>	<u>59,932</u>	<u>199,554</u>	<u>195,348</u>
Insurance benefits and losses incurred				
Life and health	20,798	19,345	87,261	80,537
Property and casualty	10,876	10,653	44,433	39,339
Commissions and underwriting expenses	10,826	12,129	47,496	46,811
Interest expense	347	357	1,387	1,610
Other expense	3,497	2,432	13,675	11,548
	<u>3,497</u>	<u>2,432</u>	<u>13,675</u>	<u>11,548</u>
Total benefits and expenses	<u>46,344</u>	<u>44,916</u>	<u>194,252</u>	<u>179,845</u>
Income before income taxes	3,388	15,016	5,302	15,503
Income tax expense	723	3,168	1,021	3,334
	<u>723</u>	<u>3,168</u>	<u>1,021</u>	<u>3,334</u>
Net income	<u>\$ 2,665</u>	<u>\$ 11,848</u>	<u>\$ 4,281</u>	<u>\$ 12,169</u>
Earnings per common share (basic)	<u>\$ 0.13</u>	<u>\$ 0.58</u>	<u>\$ 0.19</u>	<u>\$ 0.58</u>
Earnings per common share (diluted)	<u>\$ 0.12</u>	<u>\$ 0.54</u>	<u>\$ 0.19</u>	<u>\$ 0.56</u>
Reconciliation of Non-GAAP Financial Measure				
Net income	\$ 2,665	\$ 11,848	\$ 4,281	\$ 12,169
Income tax expense	723	3,168	1,021	3,334
Realized investment gains, net	(4,383)	(6,988)	(4,903)	(7,420)
Unrealized (gains) losses on equity securities, net	3,564	(4,400)	(1,894)	3,431
	<u>3,564</u>	<u>(4,400)</u>	<u>(1,894)</u>	<u>3,431</u>
Non-GAAP Operating income (loss)	<u>\$ 2,569</u>	<u>\$ 3,628</u>	<u>\$ (1,495)</u>	<u>\$ 11,514</u>

Selected Balance Sheet Data	December 31, 2021	December 31, 2020
Total cash and investments	\$ 308,195	\$ 298,630
Insurance subsidiaries	302,302	292,478
Parent and other	5,893	6,152
Total assets	402,286	405,187
Insurance reserves and policyholder funds	201,797	198,676
Debt	33,738	33,738
Total shareholders' equity	141,286	145,060
Book value per common share	6.66	6.84
Statutory capital and surplus		
Life and health	38,625	42,326
Property and casualty	52,724	50,194