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

FORM 10-Q

☑ QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2015

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 0-3722

ATLANTIC AMERICAN CORPORATION

(Exact name of registrant as specified in its charter)

Georgia	**58-1027114**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
4370 Peachtree Road, N.E., Atlanta, Georgia	**30319**
(Address of principal executive offices)	*(Zip Code)*

(404) 266-5500
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☑

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

The total number of shares of the registrant's Common Stock, $1 par value, outstanding on August 6, 2015 was 20,592,690.

ATLANTIC AMERICAN CORPORATION

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

ATLANTIC AMERICAN CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands, except per share data)

ASSETS

	Unaudited June 30, 2015	December 31, 2014
Cash and cash equivalents	$ 32,927	$ 16,375
Investments:		
Fixed maturities (cost: $197,833 and $207,568)	198,220	214,888
Common and non-redeemable preferred stocks (cost: $11,969 and $11,969)	22,713	18,924
Other invested assets (cost: $2,382 and $2,995)	2,382	2,995
Policy loans	2,161	2,202
Real estate	38	38
Investment in unconsolidated trusts	1,238	1,238
Total investments	226,752	240,285
Receivables:		
Reinsurance	13,752	14,348
Insurance premiums and other (net of allowance for doubtful accounts: $443 and $439)	18,195	10,728
Deferred acquisition costs	27,447	26,981
Other assets	5,608	5,747
Intangibles	2,544	2,544
Total assets	$ 327,225	$ 317,008

LIABILITIES AND SHAREHOLDERS' EQUITY

Insurance reserves and policyholder funds:		
Future policy benefits	$ 71,108	$ 70,845
Unearned premiums	32,276	24,544
Losses and claims	64,812	66,625
Other policy liabilities	1,379	2,080
Total insurance reserves and policyholder funds	169,575	164,094
Accounts payable and accrued expenses	18,032	13,586
Deferred income taxes, net	338	1,395
Junior subordinated debenture obligations, net	33,738	33,738
Total liabilities	221,683	212,813
Commitments and contingencies (Note 7)		
Shareholders' equity:		
Preferred stock, $1 par, 4,000,000 shares authorized; Series D preferred, 55,000 shares issued and outstanding; $5,500 redemption value	55	55
Common stock, $1 par, 50,000,000 shares authorized; shares issued: 22,400,894; shares outstanding: 20,609,013 and 20,600,039	22,401	22,401
Additional paid-in capital	56,613	56,491
Retained earnings	25,291	21,866
Accumulated other comprehensive income	7,235	9,279
Unearned stock grant compensation	(514)	(460)
Treasury stock, at cost: 1,791,881 and 1,800,855 shares	(5,539)	(5,437)
Total shareholders' equity	105,542	104,195
Total liabilities and shareholders' equity	$ 327,225	$ 317,008

The accompanying notes are an integral part of these consolidated financial statements.

ATLANTIC AMERICAN CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited; Dollars in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Revenue:				
Insurance premiums	$ 38,104	$ 38,456	$ 75,490	$ 76,874
Investment income	2,494	2,599	5,091	5,197
Realized investment gains, net	4,148	485	5,099	593
Other income	26	46	41	82
Total revenue	44,772	41,586	85,721	82,746
Benefits and expenses:				
Insurance benefits and losses incurred	26,383	27,069	51,624	53,897
Commissions and underwriting expenses	10,487	10,074	21,208	19,981
Interest expense	354	434	703	863
Other expense	3,359	3,023	6,987	6,026
Total benefits and expenses	40,583	40,600	80,522	80,767
Income before income taxes	4,189	986	5,199	1,979
Income tax expense	844	109	1,163	282
Net income	3,345	877	4,036	1,697
Preferred stock dividends	(100)	(118)	(199)	(236)
Net income applicable to common shareholders	$ 3,245	$ 759	$ 3,837	$ 1,461
Earnings per common share (basic)	$ .16	$ .04	$ .19	$ .07
Earnings per common share (diluted)	$ .15	$ .04	$ .18	$ .07

The accompanying notes are an integral part of these consolidated financial statements.

ATLANTIC AMERICAN CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited; Dollars in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Net income	$ 3,345	$ 877	$ 4,036	$ 1,697
Other comprehensive income (loss):				
Available-for-sale securities:				
Gross unrealized holding gain (loss) arising in the period	(3,766)	8,290	1,955	9,730
Related income tax effect	1,318	(2,902)	(685)	(3,406)
Less: reclassification adjustment for net realized gains included in net income (1)	(4,148)	(485)	(5,099)	(593)
Related income tax effect (2)	1,452	170	1,785	208
Net effect on other comprehensive income (loss)	(5,144)	5,073	(2,044)	5,939
Total comprehensive income (loss)	$ (1,799)	$ 5,950	$ 1,992	$ 7,636

(1) Realized gains on available-for-sale securities recognized in realized investment gains, net on the accompanying condensed consolidated statements of operations.

(2) Income tax effect on reclassification adjustment for net realized gains included in income tax expense on the accompanying condensed consolidated statements of operations.

The accompanying notes are an integral part of these consolidated financial statements.

ATLANTIC AMERICAN CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Unaudited; Dollars in thousands)

Six Months Ended June 30, 2015	Preferred Stock	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income	Unearned Stock Grant Compensation	Treasury Stock	Total
Balance, December 31, 2014	$ 55	$ 22,401	$ 56,491	$ 21,866	$ 9,279	$ (460)	$ (5,437)	$ 104,195
Net income	-	-	-	4,036	-	-	-	4,036
Other comprehensive loss, net of tax	-	-	-	-	(2,044)	-	-	(2,044)
Dividends on common stock	-	-	-	(412)	-	-	-	(412)
Dividends accrued on preferred stock	-	-	-	(199)	-	-	-	(199)
Restricted stock grants	-	-	106	-	-	(184)	78	-
Amortization of unearned compensation	-	-	-	-	-	130	-	130
Purchase of shares for treasury	-	-	-	-	-	-	(191)	(191)
Issuance of shares under stock plans	-	-	16	-	-	-	11	27
Balance, June 30, 2015	$ 55	$ 22,401	$ 56,613	$ 25,291	$ 7,235	$ (514)	$ (5,539)	$ 105,542
Six Months Ended June 30, 2014								
Balance, December 31, 2013	$ 65	$ 22,401	$ 57,103	$ 18,738	$ 6,204	$ (485)	$ (3,099)	$ 100,927
Net income	-	-	-	1,697	-	-	-	1,697
Other comprehensive income, net of tax	-	-	-	-	5,939	-	-	5,939
Dividends on common stock	-	-	-	(422)	-	-	-	(422)
Dividends accrued on preferred stock	-	-	-	(236)	-	-	-	(236)
Restricted stock grants	-	-	101	-	-	(177)	76	-
Amortization of unearned compensation	-	-	-	-	-	186	-	186
Purchase of shares for treasury	-	-	-	-	-	-	(1,513)	(1,513)
Issuance of shares under stock plans	-	-	35	-	-	-	24	59
Balance, June 30, 2014	$ 65	$ 22,401	$ 57,239	$ 19,777	$ 12,143	$ (476)	$ (4,512)	$ 106,637

The accompanying notes are an integral part of these consolidated financial statements.

ATLANTIC AMERICAN CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; Dollars in thousands)

	Six Months Ended June 30,	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 4,036	$ 1,697
Adjustments to reconcile net income to net cash used in operating activities:		
Amortization of deferred acquisition costs	5,352	5,484
Acquisition costs deferred	(5,818)	(5,159)
Realized investment gains, net	(5,099)	(593)
Increase in insurance reserves	5,481	9,424
Compensation expense related to share awards	130	186
Depreciation and amortization	567	424
Deferred income tax expense	44	153
Increase in receivables, net	(6,871)	(8,940)
Increase (decrease) in other liabilities	290	(3,080)
Other, net	(31)	(132)
Net cash used in operating activities	(1,919)	(536)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from investments sold, called or matured	73,596	27,200
Investments purchased	(54,374)	(27,379)
Additions to property and equipment	(175)	(2,752)
Net cash provided by (used in) investing activities	19,047	(2,931)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of dividends on common stock	(412)	(422)
Proceeds from shares issued under stock plans	27	59
Purchase of shares for treasury	(191)	(1,513)
Net cash used in financing activities	(576)	(1,876)
Net increase (decrease) in cash and cash equivalents	16,552	(5,343)
Cash and cash equivalents at beginning of period	16,375	33,102
Cash and cash equivalents at end of period	$ 32,927	$ 27,759
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	$ 703	$ 866
Cash paid for income taxes	$ 465	$ 442

The accompanying notes are an integral part of these consolidated financial statements.

ATLANTIC AMERICAN CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited; Dollars in thousands, except per share amounts)

Note 1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of Atlantic American Corporation (the "Parent") and its subsidiaries (collectively with the Parent, the "Company"). All significant intercompany accounts and transactions have been eliminated in consolidation. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X. Accordingly, they do not include all of the information and notes required by GAAP for audited annual financial statements. In the opinion of management, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation have been included. The unaudited condensed consolidated financial statements included herein and these related notes should be read in conjunction with the Company's consolidated financial statements, and the notes thereto, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2014 (the "2014 Annual Report"). The Company's financial condition and results of operations as of and for the three month and six month periods ended June 30, 2015 are not necessarily indicative of the financial condition or results of operations that may be expected for the year ending December 31, 2015 or for any other future period.

The Company's significant accounting policies have not changed materially from those set out in the Company's 2014 Annual Report.

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates.

Note 2. Recently Issued Accounting Standards

In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2015-09, *Disclosures about Short-Duration Contracts* ("ASU 2015-09"). The main objective of ASU 2015-09 is to enhance disclosures about the liability for unpaid claims and claim adjustment expenses, specifically the development of claims, the frequency and severity of claims, and expanded disclosures about reserves that are discounted. ASU 2015-09 will also require insurance entities to disclose information about significant changes in methodologies and assumptions used to calculate the liability for unpaid claims and claim adjustment expenses, including reasons for the change and effects on the financial statements. The amendments in ASU 2015-09 are effective for annual periods beginning after December 15, 2015, and interim periods within annual periods beginning after December 15, 2016. Since ASU 2015-09 is a disclosure only update, the Company does not expect its adoption to have a material impact on the Company's financial condition or results of operations.

Note 3. Segment Information

The Company's primary operating subsidiaries, American Southern Insurance Company and American Safety Insurance Company (together known as "American Southern") and Bankers Fidelity Life Insurance Company and Bankers Fidelity Assurance Company (together known as "Bankers Fidelity") operate in two principal business units, each focusing on specific products. American Southern operates in the property and casualty insurance market, while Bankers Fidelity operates in the life and health insurance market. Each business unit is managed independently and is evaluated on its individual performance. The following sets forth the revenue and income before income taxes for each business unit for the three month and six month periods ended June 30, 2015 and 2014.

Revenues	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
American Southern	$ 15,664	$ 14,147	$ 30,436	$ 28,348
Bankers Fidelity	28,820	27,293	54,890	54,131
Corporate and Other	288	146	395	267
Total revenue	$ 44,772	$ 41,586	$ 85,721	$ 82,746

Income Before Income Taxes	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
American Southern	$ 1,824	$ 1,138	$ 3,673	$ 2,195
Bankers Fidelity	3,900	1,134	5,090	2,782
Corporate and Other	(1,535)	(1,286)	(3,564)	(2,998)
Income before income taxes	$ 4,189	$ 986	$ 5,199	$ 1,979

Note 4. Junior Subordinated Debentures

The Company has two unconsolidated Connecticut statutory business trusts, which exist for the exclusive purposes of: (i) issuing trust preferred securities ("Trust Preferred Securities") representing undivided beneficial interests in the assets of the trusts; (ii) investing the gross proceeds of the Trust Preferred Securities in junior subordinated deferrable interest debentures ("Junior Subordinated Debentures") of Atlantic American; and (iii) engaging in those activities necessary or incidental thereto.

The financial structure of each of Atlantic American Statutory Trust I and II as of June 30, 2015 was as follows:

	Atlantic American Statutory Trust I	Atlantic American Statutory Trust II
JUNIOR SUBORDINATED DEBENTURES (1) (2)		
Principal amount owed	$ 18,042	$ 23,196
Balance June 30, 2015	$ 18,042	$ 23,196
Less: Treasury debt (3)	-	(7,500)
Net balance June 30, 2015	$ 18,042	$ 15,696
Net balance December 31, 2014	$ 18,042	$ 15,696
Coupon rate	LIBOR + 4.00%	LIBOR + 4.10%
Interest payable	Quarterly	Quarterly
Maturity date	December 4, 2032	May 15, 2033
Redeemable by issuer	Yes	Yes
TRUST PREFERRED SECURITIES		
Issuance date	December 4, 2002	May 15, 2003
Securities issued	17,500	22,500
Liquidation preference per security	$ 1	$ 1
Liquidation value	17,500	22,500
Coupon rate	LIBOR + 4.00%	LIBOR + 4.10%
Distribution payable	Quarterly	Quarterly
Distribution guaranteed by (4)	Atlantic American Corporation	Atlantic American Corporation

(1) For each of the respective debentures, the Company has the right at any time, and from time to time, to defer payments of interest on the Junior Subordinated Debentures for a period not exceeding 20 consecutive quarters up to the debentures' respective maturity dates. During any such period, interest will continue to accrue and the Company may not declare or pay any cash dividends or distributions on, or purchase, the Company's common stock nor make any principal, interest or premium payments on or repurchase any debt securities that rank equally with or junior to the Junior Subordinated Debentures. The Company has the right at any time to dissolve each of the trusts and cause the Junior Subordinated Debentures to be distributed to the holders of the Trust Preferred Securities.

(2) The Junior Subordinated Debentures are unsecured and rank junior and subordinate in right of payment to all senior debt of the Parent and are effectively subordinated to all existing and future liabilities of its subsidiaries.

(3) On August 4, 2014, the Company acquired $7,500 of the Junior Subordinated Debentures.

(4) The Parent has guaranteed, on a subordinated basis, all of the obligations under the Trust Preferred Securities, including payment of the redemption price and any accumulated and unpaid distributions to the extent of available funds and upon dissolution, winding up or liquidation.

Note 5. Earnings Per Common Share

A reconciliation of the numerator and denominator used in the earnings per common share calculations is as follows:

	Three Months Ended June 30, 2015		
	Income	Shares (In thousands)	Per Share Amount
Basic Earnings Per Common Share:			
Net income	$ 3,345	20,573	
Less preferred stock dividends	(100)	-	
Net income applicable to common shareholders	3,245	20,573	$ .16
Diluted Earnings Per Common Share:			
Effect of Series D preferred stock	100	1,378	
Net income applicable to common shareholders	$ 3,345	21,951	$ .15

	Three Months Ended June 30, 2014		
	Income	Shares (In thousands)	Per Share Amount
Basic and Diluted Earnings Per Common Share:			
Net income	$ 877	20,816	
Less preferred stock dividends	(118)	-	
Net income applicable to common shareholders	$ 759	20,816	$ .04

	Six Months Ended June 30, 2015		
	Income	Shares (In thousands)	Per Share Amount
Basic Earnings Per Common Share:			
Net income	$ 4,036	20,582	
Less preferred stock dividends	(199)	-	
Net income applicable to common shareholders	3,837	20,582	$ .19
Diluted Earnings Per Common Share:			
Effect of Series D preferred stock	199	1,378	
Net income applicable to common shareholders	$ 4,036	21,960	$ .18

	Six Months Ended June 30, 2014		
	Income	Shares (In thousands)	Per Share Amount
Basic and Diluted Earnings Per Common Share:			
Net income	$ 1,697	20,944	
Less preferred stock dividends	(236)	-	
Net income applicable to common shareholders	$ 1,461	20,944	$ .07

The assumed conversion of the Company’s Series D preferred stock was excluded from the earnings per common share calculation for the three month and six month periods ended June 30, 2014 since its impact would have been antidilutive.

Note 6. Income Taxes

A reconciliation of the differences between income taxes computed at the federal statutory income tax rate and income tax expense is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Federal income tax provision at statutory rate of 35%	$ 1,466	$ 345	$ 1,820	$ 693
Dividends-received deduction	(27)	(30)	(54)	(61)
Small life insurance company deduction	(605)	(45)	(623)	(161)
Other permanent differences	10	9	20	19
Change in asset valuation allowance due to change in judgment relating to realizability of deferred tax assets	-	(170)	-	(208)
Income tax expense	$ 844	$ 109	$ 1,163	$ 282

The components of income tax expense were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Current - Federal	$ 1,108	$ 66	$ 1,119	$ 129
Deferred - Federal	(264)	213	44	361
Change in deferred tax asset valuation allowance	-	(170)	-	(208)
Total	$ 844	$ 109	$ 1,163	$ 282

The primary differences between the effective tax rate and the federal statutory income tax rate for the three month and six month periods ended June 30, 2015 resulted from the dividends-received deduction (“DRD”) and the small life insurance company deduction (“SLD”). The current estimated DRD is adjusted as underlying factors change and can vary from estimates based on, but not limited to, actual distributions from investments as well as the amount of the Company’s taxable income. The SLD varies in amount and is determined at a rate of 60 percent of the tentative life insurance company taxable income (“LICTI”). The SLD for any taxable year is reduced (but not below zero) by 15 percent of the tentative LICTI for such taxable year as it exceeds $3,000 and is ultimately phased out at $15,000.

The primary differences between the effective tax rate and the federal statutory income tax rate for the three month and six month periods ended June 30, 2014 resulted from the DRD, the SLD and the change in deferred tax asset valuation allowance. The change in deferred tax asset valuation allowance was due to the utilization of certain capital loss carryforward benefits that had been previously reduced to zero through an existing valuation allowance reserve. All unused capital loss carryforwards expired at the end of 2014.

Note 7. Commitments and Contingencies

From time to time, the Company is, and expects to continue to be, involved in various claims and lawsuits incidental to and in the ordinary course of its businesses. In the opinion of management, any such known claims are not expected to have a material effect on the financial condition or results of operations of the Company.

Note 8. Investments

The following tables set forth the carrying value, gross unrealized gains, gross unrealized losses and amortized cost of the Company's investments, aggregated by type and industry, as of June 30, 2015 and December 31, 2014.

Investments were comprised of the following:

	June 30, 2015			
	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Amortized Cost
Fixed maturities:				
Bonds:				
U.S. Treasury securities and obligations of U.S. Government agencies and authorities	$ 26,506	$ 334	$ 538	$ 26,710
Obligations of states and political subdivisions	24,642	544	848	24,946
Corporate securities:				
Utilities and telecom	17,655	1,575	317	16,397
Financial services	48,434	1,995	930	47,369
Other business – diversified	59,255	917	1,728	60,066
Other consumer – diversified	21,282	160	780	21,902
Total corporate securities	146,626	4,647	3,755	145,734
Redeemable preferred stocks:				
Financial services	253	3	-	250
Other consumer – diversified	193	-	-	193
Total redeemable preferred stocks	446	3	-	443
Total fixed maturities	198,220	5,528	5,141	197,833
Equity securities:				
Common and non-redeemable preferred stocks:				
Utilities and telecom	1,398	434	-	964
Financial services	6,020	692	16	5,344
Other business – diversified	205	158	-	47
Other consumer – diversified	15,090	9,476	-	5,614
Total equity securities	22,713	10,760	16	11,969
Other invested assets	2,382	-	-	2,382
Policy loans	2,161	-	-	2,161
Real estate	38	-	-	38
Investments in unconsolidated trusts	1,238	-	-	1,238
Total investments	$ 226,752	$ 16,288	$ 5,157	$ 215,621

	December 31, 2014			
	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Amortized Cost
Fixed maturities:				
Bonds:				
U.S. Treasury securities and obligations of U.S. Government agencies and authorities	$ 33,898	$ 1,459	$ 30	$ 32,469
Obligations of states and political subdivisions	11,459	681	-	10,778
Corporate securities:				
Utilities and telecom	13,980	2,355	-	11,625
Financial services	59,224	3,404	588	56,408
Other business – diversified	70,139	2,076	1,830	69,893
Other consumer – diversified	25,388	332	547	25,603
Total corporate securities	168,731	8,167	2,965	163,529
Redeemable preferred stocks:				
Financial services	608	8	-	600
Other consumer – diversified	192	-	-	192
Total redeemable preferred stocks	800	8	-	792
Total fixed maturities	214,888	10,315	2,995	207,568
Equity securities:				
Common and non-redeemable preferred stocks:				
Utilities and telecom	1,403	439	-	964
Financial services	6,083	739	-	5,344
Other business – diversified	226	179	-	47
Other consumer – diversified	11,212	5,598	-	5,614
Total equity securities	18,924	6,955	-	11,969
Other invested assets	2,995	-	-	2,995
Policy loans	2,202	-	-	2,202
Real estate	38	-	-	38
Investments in unconsolidated trusts	1,238	-	-	1,238
Total investments	$ 240,285	$ 17,270	$ 2,995	$ 226,010

The carrying value and amortized cost of the Company's investments in fixed maturities at June 30, 2015 by contractual maturity were as follows. Actual maturities may differ from contractual maturities because issuers may call or prepay obligations with or without call or prepayment penalties.

	June 30, 2015	
	Carrying Value	Amortized Cost
Due in one year or less	$ 3,190	$ 3,119
Due after one year through five years	19,258	18,616
Due after five years through ten years	86,031	86,435
Due after ten years	88,632	88,668
Varying maturities	1,109	995
Totals	$ 198,220	$ 197,833

The following table sets forth the carrying value, amortized cost, and net unrealized gains (losses) of the Company's investments aggregated by industry as of June 30, 2015 and December 31, 2014.

	June 30, 2015			December 31, 2014		
	Carrying Value	Amortized Cost	Unrealized Gains (Losses)	Carrying Value	Amortized Cost	Unrealized Gains
U.S. Treasury securities and obligations of U.S. Government agencies and authorities	$ 26,506	$ 26,710	$ (204)	$ 33,898	$ 32,469	$ 1,429
Obligations of states and political subdivisions	24,642	24,946	(304)	11,459	10,778	681
Utilities and telecom	19,053	17,361	1,692	15,383	12,589	2,794
Financial services	54,707	52,963	1,744	65,915	62,352	3,563
Other business – diversified	59,460	60,113	(653)	70,365	69,940	425
Other consumer – diversified	36,565	27,709	8,856	36,792	31,409	5,383
Other investments	5,819	5,819	-	6,473	6,473	-
Investments	$ 226,752	$ 215,621	$ 11,131	$ 240,285	$ 226,010	$ 14,275

The following tables present the Company's unrealized loss aging for securities by type and length of time the security was in a continuous unrealized loss position as of June 30, 2015 and December 31, 2014.

	June 30, 2015					
	Less than 12 months		12 months or longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Treasury securities and obligations of U.S. Government agencies and authorities	$ 15,390	$ 537	$ 503	$ 1	$ 15,893	$ 538
Obligations of states and political subdivisions	19,491	848	-	-	19,491	848
Corporate securities	70,215	2,065	11,923	1,690	82,138	3,755
Common and non-redeemable preferred stocks	1,000	16	-	-	1,000	16
Total temporarily impaired securities	$ 106,096	$ 3,466	$ 12,426	$ 1,691	$ 118,522	$ 5,157

	December 31, 2014					
	Less than 12 months		12 months or longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Treasury securities and obligations of U.S. Government agencies and authorities	$ 3,695	$ 7	$ 2,692	$ 23	$ 6,387	$ 30
Corporate securities	43,996	1,604	9,293	1,361	53,289	2,965
Total temporarily impaired securities	$ 47,691	$ 1,611	$ 11,985	$ 1,384	$ 59,676	$ 2,995

The evaluation for an other than temporary impairment is a quantitative and qualitative process, which is subject to risks and uncertainties in the determination of whether declines in the fair value of investments are other than temporary. Potential risks and uncertainties include, among other things, changes in general economic conditions, an issuer's financial condition or near term recovery prospects and the effects of changes in interest rates. In evaluating a potential impairment, the Company considers, among other factors, management's intent and ability to hold the securities until price recovery, the nature of the investment and the expectation of prospects for the issuer and its industry, the status of an issuer's continued satisfaction of its obligations in accordance with their contractual terms, and management's expectation as to the issuer's ability and intent to continue to do so, as well as ratings actions that may affect the issuer's credit status.

As of June 30, 2015, securities in an unrealized loss position primarily included certain of the Company's investments in fixed maturities within the other diversified business, other diversified consumer and financial services sectors as well as obligations of U.S. Government agencies and state municipal bonds. Securities in an unrealized loss position reported in the other diversified business sector included gross unrealized losses of $908 related to investments in fixed maturities in the oil and gas industry. The Company does not currently intend to sell nor does it expect to be required to sell any of the securities in an unrealized loss position. Based upon the Company's expected continuation of receipt of contractually required principal and interest payments and its intent and ability to retain the securities until price recovery, as well as the Company's evaluation of other relevant factors, including those described above, the Company has deemed these securities to be temporarily impaired as of June 30, 2015.

The following describes the fair value hierarchy and provides information as to the extent to which the Company uses fair value to measure the value of its financial instruments and information about the inputs used to value those financial instruments. The fair value hierarchy prioritizes the inputs in the valuation techniques used to measure fair value into three broad levels.

Level 1 Observable inputs that reflect quoted prices for identical assets or liabilities in active markets that the Company has the ability to access at the measurement date. The Company's financial instruments valued using Level 1 criteria include cash equivalents and exchange traded common stocks.

Level 2 Observable inputs, other than quoted prices included in Level 1, for an asset or liability or prices for similar assets or liabilities. The Company's financial instruments valued using Level 2 criteria include significantly all of its fixed maturities, which consist of U.S. Treasury securities and U.S. Government securities, obligations of states and political subdivisions, and certain corporate fixed maturities, as well as its non-redeemable preferred stocks. In determining fair value measurements using Level 2 criteria, the Company utilizes various external pricing sources.

Level 3 Valuations that are derived from techniques in which one or more of the significant inputs are unobservable (including assumptions about risk). Fair value is based on criteria that use assumptions or other data that are not readily observable from objective sources. The Company's financial instruments valued using Level 3 criteria consist of a limited number of fixed maturities. As of June 30, 2015 and December 31, 2014, the value of the Company's fixed maturities valued using Level 3 criteria was $2,207 and $2,214, respectively. The use of different criteria or assumptions regarding data may have yielded materially different valuations.

As of June 30, 2015, financial instruments carried at fair value were measured on a recurring basis as summarized below:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Fixed maturities	$ -	$ 196,013	$ 2,207	$ 198,220
Equity securities	17,003	5,710	-	22,713
Cash equivalents	29,558	-	-	29,558
Total	$ 46,561	$ 201,723	$ 2,207	$ 250,491

As of December 31, 2014, financial instruments carried at fair value were measured on a recurring basis as summarized below:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Fixed maturities	$ -	$ 212,674	$ 2,214	$ 214,888
Equity securities	13,148	5,776	-	18,924
Cash equivalents	15,009	-	-	15,009
Total	$ 28,157	$ 218,450	$ 2,214	$ 248,821

The following is a roll-forward of the Company’s financial instruments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the three month and six month periods ended June 30, 2015.

	Fixed Maturities
Balance, December 31, 2014	$ 2,214
Total unrealized gains included in other comprehensive income	50
Balance, March 31, 2015	2,264
Total unrealized losses included in other comprehensive income	(57)
Balance, June 30, 2015	$ 2,207

The Company’s fixed maturities valued using Level 3 inputs consist solely of issuances of pooled debt obligations of multiple, smaller financial services companies. They are not actively traded and valuation techniques used to measure fair value are based on future estimated cash flows (based on current cash flows) discounted at reasonable estimated rates of interest. There are no assumed prepayments and/or default probability assumptions as a majority of these instruments contain certain U.S. government agency strips to support repayment of the principal. Other qualitative and quantitative information received from the original underwriter of the pooled offerings is also considered, as applicable.

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Note 9. Fair Values of Financial Instruments

The estimated fair values have been determined by the Company using available market information from various market sources and appropriate valuation methodologies as of the respective dates. However, considerable judgment is necessary to interpret market data and to develop the estimates of fair value. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, the estimates presented herein are not necessarily indicative of the amounts which the Company could realize in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

The following table sets forth the carrying amount, estimated fair value and level within the fair value hierarchy of the Company's financial instruments as of June 30, 2015 and December 31, 2014.

		June 30, 2015		December 31, 2014	
	Level in Fair Value Hierarchy (1)	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Assets:					
Cash and cash equivalents	Level 1	$ 32,927	$ 32,927	$ 16,375	$ 16,375
Fixed maturities	(1)	198,220	198,220	214,888	214,888
Equity securities	(1)	22,713	22,713	18,924	18,924
Other invested assets	Level 3	2,382	2,382	2,995	2,995
Policy loans	Level 2	2,161	2,161	2,202	2,202
Real estate	Level 2	38	38	38	38
Investment in unconsolidated trusts	Level 2	1,238	1,238	1,238	1,238
Liabilities:					
Junior Subordinated Debentures, net	Level 2	33,738	33,738	33,738	33,738

(1) See Note 8 for a description of the fair value hierarchy as well as a disclosure of levels for classes of these financial assets.

Note 10. Accumulated Other Comprehensive Income

The following table sets forth the balance of each component of accumulated other comprehensive income as of June 30, 2015 and December 31, 2014, and the changes in the balance of each component thereof during the six month period ended June 30, 2015, net of taxes.

	Unrealized Gains on Available-for-Sale Securities
Balance, December 31, 2014	$ 9,279
Other comprehensive income before reclassifications	1,270
Amounts reclassified from accumulated other comprehensive income	(3,314)
Net current-period other comprehensive loss	(2,044)
Balance, June 30, 2015	$ 7,235

Item 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is management's discussion and analysis of the financial condition and results of operations of Atlantic American Corporation ("Atlantic American" or the "Parent") and its subsidiaries (collectively with the Parent, the "Company") as of and for the three month and six month periods ended June 30, 2015. This discussion should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto included elsewhere herein, as well as with the audited consolidated financial statements and notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2014.

Atlantic American is an insurance holding company whose operations are conducted primarily through its insurance subsidiaries: American Southern Insurance Company and American Safety Insurance Company (together known as "American Southern") and Bankers Fidelity Life Insurance Company and Bankers Fidelity Assurance Company (together known as "Bankers Fidelity"). Each operating company is managed separately, offers different products and is evaluated on its individual performance.

Critical Accounting Policies

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect reported amounts and related disclosures. Actual results could differ significantly from those estimates. The Company has identified certain estimates that involve a higher degree of judgment and are subject to a significant degree of variability. The Company's critical accounting policies and the resultant estimates considered most significant by management are disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2014. During the six month period ended June 30, 2015, there were no changes to the critical accounting policies or related estimates from those disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2014.

Overall Corporate Results

The following presents the Company's revenue, expenses and net income for the three month and six month periods ended June 30, 2015 and the comparable periods in 2014:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In thousands)			
Insurance premiums	$ 38,104	$ 38,456	$ 75,490	$ 76,874
Investment income	2,494	2,599	5,091	5,197
Realized investment gains, net	4,148	485	5,099	593
Other income	26	46	41	82
Total revenue	44,772	41,586	85,721	82,746
Insurance benefits and losses incurred	26,383	27,069	51,624	53,897
Commissions and underwriting expenses	10,487	10,074	21,208	19,981
Other expense	3,359	3,023	6,987	6,026
Interest expense	354	434	703	863
Total benefits and expenses	40,583	40,600	80,522	80,767
Income before income taxes	$ 4,189	$ 986	$ 5,199	$ 1,979
Net income	$ 3,345	$ 877	$ 4,036	$ 1,697

Management also considers and evaluates performance by analyzing the non-GAAP measure operating income, and believes it 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 taxes, which are 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 operational results (such as any realized investment gains, which are not a part of the Company's primary operations and are, to an extent, subject to discretion in terms of timing of realization).

A reconciliation of net income to operating income for the three month and six month periods ended June 30, 2015 and the comparable periods in 2014 is as follows:

Reconciliation of Net Income to non-GAAP Measurement	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
	(In thousands)			
Net income	$ 3,345	$ 877	$ 4,036	$ 1,697
Income tax expense	844	109	1,163	282
Realized investment gains, net	(4,148)	(485)	(5,099)	(593)
Operating income	$ 41	$ 501	$ 100	$ 1,386

On a consolidated basis, the Company had net income of $3.3 million, or $0.15 per diluted share, for the three month period ended June 30, 2015, compared to net income of $0.9 million, or $0.04 per diluted share, for the three month period ended June 30, 2014. The Company had net income of $4.0 million, or $0.18 per diluted share, for the six month period ended June 30, 2015, compared to net income of $1.7 million, or $0.07 per diluted share, for the six month period ended June 30, 2014. Premium revenue for the three month period ended June 30, 2015 decreased $0.4 million, or 0.9%, to $38.1 million from $38.5 million in the three month period ended June 30, 2014. For the six month period ended June 30, 2015, premium revenue decreased $1.4 million, or 1.8%, to $75.5 million from $76.9 million in the comparable 2014 period. The decrease in premium revenue for the three month and six month periods ended June 30, 2015 was due primarily to a decrease in Medicare supplement business in the life and health operations resulting from a decline in both first year and renewal premiums. The increase in net income for the three month and six month periods ended June 30, 2015 was due to an increase in realized investment gains. Operating income decreased $0.5 million in the three month period ended June 30, 2015, and $1.3 million during the six month period ended June 30, 2015, from the comparable periods in 2014. The decrease in operating income for the three month and six month periods ended June 30, 2015 was primarily attributable to less favorable loss experience and a decrease in premium revenue in the life and health operations coupled with a decline in investment income from lower average yields on the Company's investments in fixed maturities. Also contributing to the decrease in operating income for the six month period ended June 30, 2015 was an increase in other expense of $0.7 million in the first quarter of 2015 due to increased legal and consulting fees. Partially offsetting the decrease in operating income for the three month and six month periods ended June 30, 2015 was the reduction in interest expense from the decrease in the average outstanding balance of the Company's junior subordinated deferrable interest debentures ("Junior Subordinated Debentures") as well as increased profitability in the property and casualty operations.

A more detailed analysis of the individual operating companies and other corporate activities is provided below.

American Southern

The following summarizes American Southern's premiums, losses, expenses and underwriting ratios for the three month and six month periods ended June 30, 2015 and the comparable periods in 2014:

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
	(Dollars in thousands)			
Gross written premiums	$ 28,675	$ 26,773	$ 37,260	$ 34,159
Ceded premiums	(1,167)	(1,544)	(2,602)	(3,249)
Net written premiums	$ 27,508	$ 25,229	$ 34,658	$ 30,910
Net earned premiums	$ 14,098	$ 12,925	$ 27,361	$ 25,951
Net loss and loss adjustment expenses	9,392	9,580	17,880	19,677
Underwriting expenses	4,448	3,429	8,884	6,476
Underwriting income (loss)	$ 258	$ (84)	$ 597	$ (202)
Loss ratio	66.6%	74.1%	65.3%	75.8%
Expense ratio	31.6	26.6	32.5	25.0
Combined ratio	98.2%	100.7%	97.8%	100.8%

Gross written premiums at American Southern increased $1.9 million, or 7.1%, during the three month period ended June 30, 2015, and $3.1 million, or 9.1%, during the six month period ended June 30, 2015, over the comparable periods in 2014. The increase in gross written premiums for the three month and six month periods ended June 30, 2015 was primarily attributable to an increase in automobile physical damage written premiums resulting from two new programs which incepted in 2014 as well as an increase in surety business from an existing agency. During the three month and six month periods ended June 30, 2015, automobile physical damage gross written premiums from the two new programs increased $0.9 million and $2.3 million, respectively, while the surety gross written premiums increased $0.8 million and $1.6 million, respectively, from the comparable periods in 2014. Partially offsetting the increase in gross written premiums for the six month period ended June 30, 2015 was a decrease of $1.0 million in the commercial automobile liability line of business due primarily to the cancellation of an agency in the second quarter of 2014.

Ceded premiums decreased $0.4 million, or 24.4%, during the three month period ended June 30, 2015, and $0.6 million, or 19.9%, during the six month period ended June 30, 2015, from the comparable periods in 2014. American Southern's ceded premiums are determined as a percentage of earned premiums and generally increase or decrease as earned premiums increase or decrease. However, the change in ceded premiums for the three month and six month periods ended June 30, 2015 was disproportionate to the increase in earned premiums due primarily to a decrease in earned premiums from certain commercial automobile liability accounts, cancelled in the second quarter of 2014, which had been subject to reinsurance. Commercial automobile liability business, when reinsured, generally has higher contractual reinsurance cession rates than other lines of business and therefore changes in earned premiums in this line of business, when reinsured and significant, may impact the overall ratio of premiums ceded to premiums earned as in the three month and six month periods ended June 30, 2015.

The following presents American Southern's net earned premiums by line of business for the three month and six month periods ended June 30, 2015 and the comparable periods in 2014 (in thousands):

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
	(In thousands)			
Automobile liability	$ 6,850	$ 6,430	$ 12,575	$ 13,567
Automobile physical damage	3,214	2,847	6,889	5,123
General liability	790	931	1,557	1,867
Property	1,032	883	2,028	1,728
Surety	2,212	1,834	4,312	3,666
Total	$ 14,098	$ 12,925	$ 27,361	$ 25,951

Net earned premiums increased $1.2 million, or 9.1%, during the three month period ended June 30, 2015, and $1.4 million, or 5.4%, during the six month period ended June 30, 2015, over the comparable periods in 2014. The increase in net earned premiums for the three month and six month periods ended June 30, 2015 was primarily attributable to increases in automobile physical damage, property and surety earned premiums from both new and existing programs. Partially offsetting the increase for the six month period ended June 30, 2015 was the decrease in commercial automobile liability earned premiums due primarily to an agency cancellation. Premiums are earned ratably over their respective policy terms, and therefore premiums earned in the current year are related to policies written during both the current year and immediately preceding year.

The performance of an insurance company is often measured by its combined ratio. The combined ratio represents the percentage of losses, loss adjustment expenses and other expenses that are incurred for each dollar of premium earned by the company. A combined ratio of under 100% represents an underwriting profit while a combined ratio of over 100% indicates an underwriting loss. The combined ratio is divided into two components, the loss ratio (the ratio of losses and loss adjustment expenses incurred to premiums earned) and the expense ratio (the ratio of expenses incurred to premiums earned).

Net loss and loss adjustment expenses at American Southern decreased $0.2 million, or 2.0%, during the three month period ended June 30, 2015, and $1.8 million, or 9.1%, during the six month period ended June 30, 2015, from the comparable periods in 2014. As a percentage of premiums, net loss and loss adjustment expenses were 66.6% in the three month period ended June 30, 2015, compared to 74.1% in the three month period ended June 30, 2014. For the six month period ended June 30, 2015, this ratio decreased to 65.3% from 75.8% in the comparable period of 2014. The decrease in the loss ratio for the three month and six month periods ended June 30, 2015 was due to more favorable loss experience in significantly all lines of business and was primarily attributable to actions taken in the prior year to better rationalize American Southern's book of business and to strengthen guidelines with respect to new and renewal business.

Underwriting expenses increased $1.0 million, or 29.7%, during the three month period ended June 30, 2015, and $2.4 million, or 37.2%, during the six month period ended June 30, 2015, over the comparable periods in 2014. As a percentage of premiums, underwriting expenses were 31.6% in the three month period ended June 30, 2015, compared to 26.6% in the three month period ended June 30, 2014. For the six month period ended June 30, 2015, this ratio increased to 32.5% from 25.0% in the comparable period of 2014. The increase in the expense ratio for the three month and six month periods ended June 30, 2015 was primarily due to American Southern’s variable commission structure, which compensates the company’s agents in relation to the loss ratios of the business they write. During periods in which the loss ratio decreases, commissions and underwriting expenses will generally increase, and conversely, during periods in which the loss ratio increases, commissions and underwriting expenses will generally decrease. During the three month and six month periods ended June 30, 2015, these commissions at American Southern increased $1.0 million and $2.3 million, respectively, from the comparable periods in 2014 due to more favorable loss experience.

Bankers Fidelity

The following summarizes Bankers Fidelity’s earned premiums, losses, expenses and underwriting ratios for the three month and six month periods ended June 30, 2015 and the comparable periods in 2014:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(Dollars in thousands)			
Medicare supplement	$ 20,033	$ 21,373	$ 40,402	$ 42,900
Other health products	1,174	1,184	2,372	2,373
Life insurance	2,799	2,974	5,355	5,650
Total earned premiums	24,006	25,531	48,129	50,923
Insurance benefits and losses	16,991	17,489	33,744	34,220
Underwriting expenses	7,929	8,669	16,056	17,129
Total expenses	24,920	26,158	49,800	51,349
Underwriting loss	$ (914)	$ (627)	$ (1,671)	$ (426)
Loss ratio	70.8%	68.5%	70.1%	67.2%
Expense ratio	33.0	34.0	33.4	33.6
Combined ratio	103.8%	102.5%	103.5%	100.8%

Premium revenue at Bankers Fidelity decreased $1.5 million, or 6.0%, during the three month period ended June 30, 2015, and $2.8 million, or 5.5%, during the six month period ended June 30, 2015, from the comparable periods in 2014. Premiums from the Medicare supplement line of business decreased $1.3 million, or 6.3%, during the three month period ended June 30, 2015, and $2.5 million, or 5.8%, during the six month period ended June 30, 2015, due primarily to a decline in both first year and renewal premiums. Other health product premiums decreased slightly during the same comparable periods, primarily as a result of decreased sales of cancer and disability income products, partially offset by new sales of the company's group health products. Premiums from the life insurance line of business decreased $0.2 million, or 5.9%, during the three month period ended June 30, 2015, and $0.3 million, or 5.2%, during the six month period ended June 30, 2015 from the comparable 2014 periods due to the redemption and settlement of existing policy obligations exceeding the level of new sales activity.

Benefits and losses decreased $0.5 million, or 2.8%, during the three month period ended June 30, 2015, and $0.5 million, or 1.4%, during the six month period ended June 30, 2015, from the comparable periods in 2014. As a percentage of premiums, benefits and losses were 70.8% in the three month period ended June 30, 2015, compared to 68.5% in the three month period ended June 30, 2014. For the six month period ended June 30, 2015, this ratio increased to 70.1% from 67.2% in the comparable period of 2014. The increase in the loss ratio for the three month and six month periods ended June 30, 2015 was primarily attributable to less favorable loss experience in the Medicare supplement line of business. Also contributing to the increase in the 2015 second quarter and year to date loss ratios was the company's initiative in repricing its Medicare supplement product offerings in certain markets to be more competitive.

Underwriting expenses decreased $0.7 million, or 8.5%, during the three month period ended June 30, 2015, and $1.1 million, or 6.3%, during the six month period ended June 30, 2015, from the comparable periods in 2014. As a percentage of premiums, underwriting expenses were 33.0% in the three month period ended June 30, 2015, compared to 34.0% in the three month period ended June 30, 2014. For the six month period ended June 30, 2015, this ratio decreased slightly to 33.4% from 33.6% in the comparable period of 2014. The decrease in the expense ratio for the three month and six month periods ended June 30, 2015 was primarily attributable to decreases in general advertising and agency related expenses as well as a decrease in external actuarial consulting fees.

INVESTMENT INCOME AND REALIZED GAINS

Investment income decreased $0.1 million, or 4.0%, during the three month period ended June 30, 2015, and $0.1 million, or 2.0%, during the six month period ended June 30, 2015, from the comparable periods in 2014. The decrease in investment income for the three month and six month periods ended June 30, 2015 was primarily attributable to a decrease in the average yield on the Company's investments in fixed maturities.

The Company had net realized investment gains of $4.1 million during the three month period ended June 30, 2015, compared to net realized investment gains of $0.5 million in the three month period ended June 30, 2014. The Company had net realized investment gains of $5.1 million during the six month period ended June 30, 2015, compared to net realized investment gains of $0.6 million in the six month period ended June 30, 2014. The net realized investment gains in the three month and six month periods ended June 30, 2015 were primarily attributable to a $3.2 million gain from the sale of property held within two of the Company's real estate partnership investments as well as gains from the sale of a number of the Company's investments in fixed maturities. The net realized investment gains in the three month and six month periods ended June 30, 2014 also resulted from the disposition of several of the Company's investments in fixed maturities. Management continually evaluates the Company's investment portfolio and, as may be determined to be appropriate, makes adjustments for impairments and/or will divest investments.

INTEREST EXPENSE

Interest expense decreased $0.1 million, or 18.4%, during the three month period ended June 30, 2015, and $0.2 million, or 18.5%, during the six month period ended June 30, 2015, from the comparable periods in 2014 due to a decrease in the outstanding amount of Junior Subordinated Debentures. On August 4, 2014, the Company acquired $7.5 million of its then outstanding Junior Subordinated Debentures, which decreased the outstanding balance to $33.7 million and resulted in lower interest expense.

OTHER EXPENSES

Other expenses (commissions, underwriting expenses, and other expenses) increased $0.7 million, or 5.7%, during the three month period ended June 30, 2015, and $2.2 million, or 8.4%, during the six month period ended June 30, 2015, over the comparable periods in 2014. The increase in other expenses for the three month and six month periods ended June 30, 2015 was primarily attributable to an increase in commission accruals at American Southern due to more favorable loss experience. During the three month and six month periods ended June 30, 2015, these commissions at American Southern increased $1.0 million and $2.3 million, respectively, from the comparable periods in 2014. The majority of American Southern’s business is structured in a way that agents are compensated based upon the loss ratios of the business they place with the company. During periods in which the loss ratio decreases, commissions and underwriting expenses will generally increase, and conversely, during periods in which the loss ratio increases, commissions and underwriting expenses will generally decrease. Also contributing to the increase in other expenses for the six month period ended June 30, 2015 was an increase in legal and consulting fees of $0.7 million incurred in the first quarter of 2015. Partially offsetting the increase in other expenses for the three month and six month periods ended June 30, 2015 were decreases in general advertising expenses, agency related expenses and external actuarial consulting fees in the life and health operations. Additionally, during the six month period ended June 30, 2015, incentive compensation expense decreased $0.4 million from the comparable 2014 period due to the Company’s recent operating performance. On a consolidated basis, as a percentage of earned premiums, other expenses increased to 36.3% in the three month period ended June 30, 2015 from 34.1% in the three month period ended June 30, 2014. For the six month period ended June 30, 2015, this ratio increased to 37.3% from 33.8% in the comparable period of 2014. The increase in the expense ratio for the three month and six month periods ended June 30, 2015 was primarily due to the increase in commission accruals at American Southern.

INCOME TAXES

The primary differences between the effective tax rate and the federal statutory income tax rate for the three month and six month periods ended June 30, 2015 resulted from the dividends-received deduction (“DRD”) and the small life insurance company deduction (“SLD”). The current estimated DRD is adjusted as underlying factors change and can vary from estimates based on, but not limited to, actual distributions from investments as well as the amount of the Company’s taxable income. The SLD varies in amount and is determined at a rate of 60 percent of the tentative life insurance company taxable income (“LICTI”). The SLD for any taxable year is reduced (but not below zero) by 15 percent of the tentative LICTI for such taxable year as it exceeds $3.0 million and is ultimately phased out at $15.0 million.

The primary differences between the effective tax rate and the federal statutory income tax rate for the three month and six month periods ended June 30, 2014 resulted from the DRD, the SLD and the change in deferred tax asset valuation allowance. The change in deferred tax asset valuation allowance was due to the utilization of certain capital loss carryforward benefits that had been previously reduced to zero through an existing valuation allowance reserve. All unused capital loss carryforwards expired at the end of 2014.

LIQUIDITY AND CAPITAL RESOURCES

The primary cash needs of the Company are for the payment of claims and operating expenses, maintaining adequate statutory capital and surplus levels, and meeting debt service requirements. Current and expected patterns of claim frequency and severity may change from period to period but generally are expected to continue within historical ranges. The Company’s primary sources of cash are written premiums, investment income and proceeds from the sale and maturity of its invested assets. The Company believes that, within each operating company, total invested assets will be sufficient to satisfy all policy liabilities and that cash inflows from investment earnings, future premium receipts and reinsurance collections will be adequate to fund the payment of claims and expenses as needed.

Cash flows at the Parent are derived from dividends, management fees, and tax-sharing payments, as described below, from the subsidiaries. The principal cash needs of the Parent are for the payment of operating expenses, the acquisition of capital assets and debt service requirements, as well as the repurchase of shares and payments of any dividends as may be authorized and approved by the Company’s board of directors from time to time. At June 30, 2015, the Parent had approximately $21.2 million of unrestricted cash and investments.

The Parent's insurance subsidiaries reported statutory net income of $5.6 million for the six month period ended June 30, 2015 compared to statutory net income of $3.2 million for the six month period ended June 30, 2014. Statutory results are impacted by the recognition of all costs of acquiring business. In periods in which the Company's first year premiums increase, statutory results are generally lower than results determined under GAAP. Statutory results for the Company's property and casualty operations may differ from the Company's results of operations under GAAP due to the deferral of acquisition costs for financial reporting purposes. The Company's life and health operations' statutory results may differ from GAAP results primarily due to the deferral of acquisition costs for financial reporting purposes, as well as the use of different reserving methods.

Over 90% of the invested assets of the Parent's insurance subsidiaries are invested in marketable securities that can be converted into cash, if required; however, the use of such assets by the Company is limited by state insurance regulations. Dividend payments to a parent corporation by its wholly owned insurance subsidiaries are subject to annual limitations and are restricted to 10% of statutory surplus or statutory earnings before recognizing realized investment gains of the individual insurance subsidiaries. At June 30, 2015, American Southern had $39.3 million of statutory surplus and Bankers Fidelity had $37.1 million of statutory surplus. In 2015, dividend payments by the Parent's insurance subsidiaries in excess of $7.6 million would require prior approval. Through June 30, 2015, the Parent received dividends of $3.2 million from its subsidiaries.

The Parent provides certain administrative and other services to each of its insurance subsidiaries. The amounts charged to and paid by the subsidiaries include reimbursements for various shared services and other expenses incurred directly on behalf of the subsidiaries by the Parent. In addition, there is in place a formal tax-sharing agreement between the Parent and its insurance subsidiaries. As a result of the Parent's tax loss, it is anticipated that the tax-sharing agreement will continue to provide the Parent with additional funds from profitable subsidiaries to assist in meeting its cash flow obligations.

The Company has two statutory trusts which exist for the exclusive purpose of issuing trust preferred securities representing undivided beneficial interests in the assets of the trusts and investing the gross proceeds of the trust preferred securities in Junior Subordinated Debentures. The outstanding $18.0 million and $15.7 million of Junior Subordinated Debentures mature on December 4, 2032 and May 15, 2033, respectively, are callable quarterly, in whole or in part, only at the option of the Company, and have an interest rate of three-month LIBOR plus an applicable margin. The margin ranges from 4.00% to 4.10%. At June 30, 2015, the effective interest rate was 4.33%. The obligations of the Company with respect to the issuances of the trust preferred securities represent a full and unconditional guarantee by the Parent of each trust's obligations with respect to the trust preferred securities. Subject to certain exceptions and limitations, the Company may elect from time to time to defer Junior Subordinated Debenture interest payments, which would result in a deferral of distribution payments on the related trust preferred securities. The Company has not made such an election.

The Company intends to pay its obligations under the Junior Subordinated Debentures using existing cash balances, dividend and tax-sharing payments from the operating subsidiaries, or from potential future financing arrangements.

At June 30, 2015, the Company had 55,000 shares of Series D preferred stock ("Series D Preferred Stock") outstanding. All of the shares of Series D Preferred Stock are held by an affiliate of the Company's controlling shareholder. The outstanding shares of Series D Preferred Stock have a stated value of $100 per share; accrue annual dividends at a rate of $7.25 per share (payable in cash or shares of the Company's common stock at the option of the board of directors of the Company) and are cumulative. In certain circumstances, the shares of the Series D Preferred Stock may be convertible into an aggregate of approximately 1,378,000 shares of the Company's common stock, subject to certain adjustments and provided that such adjustments do not result in the Company issuing more than approximately 2,703,000 shares of common stock without obtaining prior shareholder approval; and are redeemable solely at the Company's option. The Series D Preferred Stock is not currently convertible. At June 30, 2015, the Company had accrued but unpaid dividends on the Series D Preferred Stock totaling $0.2 million.

Cash and cash equivalents increased from $16.4 million at December 31, 2014 to $32.9 million at June 30, 2015. The increase in cash and cash equivalents during the six month period ended June 30, 2015 was primarily attributable to a $19.2 million increase resulting from the sale and maturity of securities exceeding investment purchases. Partially offsetting the increase in cash and cash equivalents was net cash used in operating activities of $1.9 million, additions to property and equipment of $0.2 million, dividends paid on the Company's common stock of $0.4 million and the purchase of shares for treasury for $0.2 million.

The Company believes that existing cash balances as well as the dividends, fees, and tax-sharing payments it expects to receive from its subsidiaries and, if needed, additional borrowings from financial institutions, will enable the Company to meet its liquidity requirements for the foreseeable future. Management is not aware of any current recommendations by regulatory authorities, which, if implemented, would have a material adverse effect on the Company's liquidity, capital resources or operations.

Item 4. Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Securities Exchange Act of 1934 (the “Exchange Act”) reports is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Management necessarily applies its judgment in assessing the costs and benefits of such controls and procedures, which, by their nature, can provide only reasonable assurance regarding management’s control objectives. The Company’s management, including the Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures can prevent all possible errors or fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. There are inherent limitations in all control systems, including the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Additionally, controls can be circumvented by the individual acts of one or more persons. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and, while our disclosure controls and procedures are designed to be effective under circumstances where they should reasonably be expected to operate effectively, there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Because of the inherent limitations in any control system, misstatements due to possible errors or fraud may occur and may not be detected. An evaluation was performed under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act). Based on that evaluation, our management, including the Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

There have been no changes in our internal control over financial reporting that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains and references certain information that constitutes forward-looking statements as that term is defined in the federal securities laws. Those statements, to the extent they are not historical facts, should be considered forward-looking statements, and are subject to various risks and uncertainties. Such forward-looking statements are made based upon management’s current assessments of various risks and uncertainties, as well as assumptions made in accordance with the “safe harbor” provisions of the federal securities laws. The Company’s actual results could differ materially from the results anticipated in these forward-looking statements as a result of such risks and uncertainties, including those identified in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2014, any subsequent quarterly reports on Form 10-Q and the other filings made by the Company from time to time with the Securities and Exchange Commission. The Company undertakes no obligation to update any forward-looking statement as a result of subsequent developments, changes in underlying assumptions or facts, or otherwise.

PART II. OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On May 6, 2014, the Board of Directors of the Company approved a plan that allows for the repurchase of up to 750,000 shares of the Company's common stock (the "Repurchase Plan") on the open market or in privately negotiated transactions, as determined by an authorized officer of the Company. Any such repurchases can be made from time to time in accordance with applicable securities laws and other requirements.

The table below sets forth information regarding repurchases by the Company of shares of its common stock on a monthly basis during the three month period ended June 30, 2015.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet be Purchased Under the Plans or Programs
April 1 – April 30, 2015	5,704	$ 4.04	5,704	405,646
May 1 – May 31, 2015	4,083	3.84	4,083	401,563
June 1 – June 30, 2015	15,000	3.83	15,000	386,563
Total	24,787	$ 3.88	24,787	

Item 6. Exhibits

3.2	Restated Bylaws of Atlantic American Corporation, as amended.
31.1	Certification of the Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase.
101.DEF	XBRL Taxonomy Extension Definition Linkbase.
101.LAB	XBRL Taxonomy Extension Label Linkbase.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase.

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 thereunto duly authorized.

ATLANTIC AMERICAN CORPORATION
(Registrant)

Date: August 12, 2015

By: /s/ John G. Sample, Jr.
John G. Sample, Jr.
Senior Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

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EXHIBIT INDEX

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EXHIBIT 3.2

RESTATED BYLAWS
OF
ATLANTIC AMERICAN CORPORATION
(As amended through May 15, 2015)

ARTICLE 1.
OFFICES AND REGISTERED AGENT

1.1 Registered Offices and Registered Agent. The initial registered office of the corporation and the initial registered agent of the corporation at said office shall be as set forth in the Articles of Incorporation of the corporation. The registered office of the corporation and the registered agent of the corporation at such office may be changed from time to time by the corporation in the manner specified by law.

1.2 Additional Offices. The corporation may establish offices at such other place or places both within and without the State of Georgia as the Board of Directors may from time to time determine.

ARTICLE 2.
MEETINGS OF SHAREHOLDERS

2.1 Place and Time of Meetings. Meetings of the shareholders shall be held at the registered office of the corporation, or at such other place either within or without the State of Georgia as the Board of Directors or the Shareholders may from time to time select, at such time as may be fixed by the Board of Directors or the Shareholders.

2.2 Annual Meeting. An annual meeting of the Shareholders shall be held on the second Tuesday of the fourth month following the end of the fiscal year of the corporation, if not a legal holiday, and if a legal holiday, then on the next regular business day following the legal holiday, at 10:00 a.m., or at such other date and time as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting.

2.3 Special Meetings. Special meetings of the Shareholders may be called at any time by the Chairman of the Board of Directors, by the President, by a majority of the Board of Directors, or by the holder or holders of not less than twenty-five percent (25%) of the capital stock of the corporation issued and outstanding and entitled to vote in an election of directors.

2.4 Notice of Meeting. Written notice stating the place, day, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given not less than ten (10) nor more than fifty (50) days before the date of the meeting, either by hand or first-class mail, by or at the direction of the President, the Secretary or the other person or persons calling the meeting, to each Shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail with first-class postage thereon prepaid, addressed to the Shareholder at his address as it appears on the stock transfer books of the corporation.

2.5 Wavier of Notice. Notice of a meeting need not be given to any Shareholder who signs a wavier of notice, in person or by proxy, either before or after the meeting; and a Shareholder's wavier shall be deemed the equivalent of giving notice. Attendance of a Shareholder at a meeting either in person or by proxy, shall of itself constitute wavier of notice and wavier of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a Shareholder attends a meeting solely for the purpose of stating, at the beginning of the meeting, any such objection or objections to the transaction of business. Unless otherwise specified herein, neither the business transacted nor the purpose of the meeting need be specified in the wavier.

2.6 Quorum. A majority of the shares entitled to vote, represented in person or by proxy, shall constitute a quorum at any meeting of Shareholders. If a quorum is present, the affirmative vote of a majority of the shares represented at the meeting and entitled to vote on the subject matter shall be the act of the Shareholders, unless the vote of a greater number or voting by classes or series is required by the Georgia Business Corporation Code. When a quorum is once present to organize a meeting, the Shareholders present may continue to do business at the meeting or any adjournment thereof notwithstanding the withdrawal of enough Shareholders to leave less than a quorum.

2.7 Adjournment. Any meeting of the Shareholders may be adjourned by the holders of a majority of the voting shares represented at a meeting, whether or not a quorum is present. Notice of the adjourned meeting or of the business to be transacted at such meeting shall not be necessary, provided the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. At an adjourned meeting at which a quorum is present or represented, any business may be transacted which could have been transacted at the meeting originally called.

2.8 Voting Rights. Each Shareholder shall be entitled at each Shareholders' meeting to one vote for each share of capital stock having voting power held by such Shareholder.

2.9 Proxies. A Shareholder entitled to vote may vote in person or by proxy executed in writing by the Shareholder or by his attorney-in-fact. A proxy shall not be valid after eleven months from the date of its execution unless a longer period is expressly stated in such proxy.

2.10 Action by Consent of Shareholders. Any action required or permitted to be taken at a meeting of the Shareholders may be taken without a meeting if written consent setting forth the action so taken shall be signed by all the Shareholders entitled to vote with respect to the subject matter thereof and such consent shall be filed with the Secretary of the corporation. Such consent shall have the same force and effect as a unanimous vote of the Shareholders.

ARTICLE 3.
DIRECTORS

3.1 Number, Qualification and Term of Office. The Board of Directors shall have the power to manage and administer the business and affairs of the corporation. The Board of Directors shall consist of not less than five (5) nor more than fifteen (15) members, the exact number within such minimum and maximum limits to be fixed and determined from time to time by resolution of a majority of the Shareholders at any meeting thereof; provided, however, that a majority of the full Board of Directors may increase the number of Directors to a number which (i) does not exceed by more than two (2) the number of Directors last elected by Shareholders where such number was eight or less, or (ii) to a number which does not exceed by more than four (4) the number of Directors last elected by Shareholders where such number was nine or more, but in no event shall the number of Directors exceed fifteen (15). The directors shall be natural persons of the age of eighteen years or over, but need not be residents of the State of Georgia or hold shares of stock in the corporation. At the first annual meeting of the Shareholders and at each annual meeting thereafter, the Shareholders shall elect Directors to hold office until the next succeeding annual meeting. Each Director shall hold office for the term for which he is elected and until his successor shall have been elected and qualified, or until his earlier resignation, removal from office, death, or incapacity to serve.

Any individual serving as a member of the Board of Directors and who is an "independent" (pursuant to the rules, regulations and interpretations of the principal stock exchange on which the corporation's common stock is then listed for trading, if any) director who is not a member of the family (no more remote than first cousin) of any individual who, collectively with his or her affiliates, owns at least a majority of the corporation's outstanding stock generally entitled to vote in the election of Directors of the corporation, shall offer to resign from the Board of Directors upon reaching age 72, which resignation will be reviewed and acted upon, as appropriate, as promptly as possible by affirmative vote of a majority of the Board of Directors (excluding the director whose resignation is the subject of such action). In addition, no person shall be eligible to be elected as a director after reaching the age of 72, absent a waiver by majority vote of the Board of Directors (excluding the affected individual). The Board of Directors may consider any factors it deems relevant in determining whether to accept such resignation or grant such waiver, as the case may be.

3.2 Vacancies. When any vacancy occurs among Directors, whether by increase in members of the Board of Directors or otherwise, a majority of the remaining members of the Board of Directors may appoint a Director to fill such vacancy at any regular meeting of the Board of Directors, or at a special meeting called for that purpose, but the remaining Directors may continue to act without any such appointment.

3.3 Compensation. Directors shall not receive a salary for their services as Directors; but, by resolution of the Board, a fixed sum and expenses of attendance may be allowed for attendance at each meeting of the Board. A Director may serve the corporation in a capacity other than that of Director and receive compensation for the services rendered in that other capacity.

ARTICLE 4.
MEETINGS OF THE BOARD

4.1 Place and Time of Meetings. Regular meetings of the Board of Directors may be held without notice at such time and place within or without the State of Georgia as the Board of Directors may from time to time designate.

4.2 Annual Meeting. The Board of Directors shall meet each year immediately following the annual meeting of the Shareholders at the place that meeting has been held for the purpose of electing officers and for the consideration of other business.

4.3 Special Meetings. Special meetings of the Board of Directors may be called at any time by the Chairman of the Board, by the President or by any two Directors.

4.4 Notice of Meetings. Notice of annual meeting of the Board of Directors need not be given. Written notice of each special meeting setting forth the time and place of the meeting shall be given to each Director at least two days before the meeting. This notice may be given either by hand or by sending a copy of the notice through the United States mail or by telegram, charges prepaid, to the address of each Director appearing on the books of the corporation. No notice of any meeting of the Board of Directors need state the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors.

4.5 Waiver of Notice. A Director may waive in writing notice of a special meeting of the Board either before or after the meeting, and his waiver shall be deemed the equivalent of giving notice. Attendance of a Director at a meeting shall constitute a waiver of notice of that meeting unless he attends for the express purpose of objecting to the transaction of business because the meeting has not been lawfully called or convened.

4.6 Quorum. At meetings of the Board of Directors, a majority of the Directors in office shall be necessary to constitute a quorum for the transaction of business. If a quorum is present, the acts of a majority of the Directors in attendance shall be the acts of the Board.

4.7 Adjournment. A meeting of the Board of Directors may be adjourned by a majority of the Directors present, whether or not a quorum exists. Notice of the time and place of the adjourned meeting and of the business to be transacted thereat, other than by announcement at the meeting at which the adjournment is taken, shall not be necessary. At an adjourned meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting originally called.

4.8 Action by Consent. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if written consent, setting forth the action so taken, shall be signed by all the Directors, and filed with the minutes of the proceedings of the Board of Directors. Such consent shall have the same force and effect as a unanimous vote.

ARTICLE 5.
OFFICERS

5.1 Officers. The officers of the corporation shall consist of a Chairman of the Board of Directors, a President, one or more Vice Presidents, a Secretary and Treasurer. The Board of Directors may elect such other officers as they deem necessary, and who shall have such authority and perform such duties as from time to time may be prescribed by the Board of Directors. Two or more offices may be held by the same person except that one person shall not at the same time hold the offices of President and Vice President or the offices of President and Secretary. The officers shall be elected by the Directors or, where specifically provided herein, may be appointed by the President or the Board of Directors and each officer shall hold office for the term to which he is elected or appointed, and until his successor has been elected or appointed and has qualified, or until his earlier resignation, removal from office, death or incapacity to serve.

5.2 Chairman of the Board. The Chairman of the Board shall preside at all meetings of the Board of Directors and of the Shareholders, and shall be an ex-officio member of all standing committees and shall preside at meetings of such committees unless the Board of Directors, in constituting such committees, shall designate or elect some other person to be the chairman thereof. The Chairman of the Board shall also have such other duties, as the Board of Directors shall designate.

5.3 President. Unless otherwise specified by the Board of Directors, the President shall be the chief executive officer of the corporation, and shall have the responsibility for the general supervision of the business affairs of the corporation and shall perform whatever other duties the Board of Directors may from time to time prescribe.

5.4 Secretary. The secretary shall keep minutes of all meetings of the Shareholders and Directors and have charge of the minute books, stock books and seal of the corporation and shall perform such other duties and have such other powers as may from time to time be delegated to him by the President or the Board of Directors.

5.5 Treasurer. The Treasurer shall be charged with the management of the financial affairs of the corporation and shall have the power to recommend action concerning the corporation’s affairs to the President, and shall perform whatever other duties the Board of Directors may from time to time prescribe.

5.6 Vice President. In the absence or disability of the President, the Vice Presidents, if any, elected by the Board of Directors shall perform the duties and exercise the powers of the President. He shall perform such other duties and have such other powers as the President or the Board of Directors may from time to time prescribe. The Board of Directors may designate one or more Vice Presidents or may otherwise specify the order of seniority of the Vice Presidents. The duties and powers of the president shall disburse to the Vice Presidents in such specified order of seniority.

5.7 Assistant Secretary and Assistant Treasurer. Assistants to the Secretary and Treasurer may be appointed and shall have such duties as shall be delegated to them by the President or the Board of Directors.

5.8 Vacancies. When a vacancy occurs in one of the executive offices by death, resignation, or otherwise, it may be filled by the Board of Directors. The officer so selected shall hold office until his successor is chosen and qualified.

5.9 Salaries. The Board of Directors shall fix the salaries of the officers of the corporation. The salaries of other agents and employees of the corporation may be fixed by the Board of Directors or by an officer to whom that function has been delegated by the Board.

5.10 Delegation of Duties. Whenever an officer is absent or whenever for any reason the Board of Directors may deem it desirable, the Board may delegate the powers and duties of an officer to any other officer or officers or to any director or directors.

5.11 Removal of Officers and Agents. An officer or agent of the corporation may be removed by a majority vote of the Board of Directors whenever in their judgement the best interests of the corporation will be served by the removal. The removal shall be without prejudice to the contract rights, if any, of the person so removed.

ARTICLE 6.
CAPITAL STOCK

6.1 Certificates. The interest of each Shareholder may be evidenced by a certificate or certificates representing shares of stock of the corporation. Any certificates shall be in such form as the Board of Directors may from time to time adopt and shall be numbered and shall be entered in the books of the corporation as they are issued. Each certificate shall be signed by the President or a Vice President and the Secretary or an Assistant Secretary and shall be sealed with the seal of the corporation or a facsimile thereof; provided, however, that where such certificate is countersigned by a transfer agent, or registered by a registrar, the signatures of such officers may be facsimiles.

6.2 Transfers. Transfers of stock shall be made on the books of the corporation only by the person named in the certificate, or by attorney lawfully constituted in writing, and upon surrender of the certificate therefor, or in the case of a certificate alleged to have been lost stolen or destroyed, upon compliance with the provisions of Section 6.4 of these Bylaws.

6.3 Record Date. In lieu of the closing the stock transfer books, the Board of Directors may fix in advance a date as the record date for a determination of Shareholders entitled to notice of and to vote at any meeting of Shareholders or any adjournment thereof, or entitled to receive payment of any dividend, or in order to make a determination of Shareholders for any other proper purpose, such as date to be not more than fifty (50) days and, in case of a meeting of Shareholders, not less than (10) days prior to the date on which the particular action, requiring such determination of Shareholders, is to be taken.

6.4 Lost Certificates. Any person claiming a certificate of stock to be lost, stolen or destroyed shall make an affidavit or affirmation of the fact in such manner as the Board of Directors may require and shall, if the Directors so require, give the corporation a bond of indemnity in form and amount and with one or more sureties satisfactory to the Board of Directors, whereupon an appropriate new certificate may be issued in lieu of the one alleged to have been lost, stolen or destroyed.

ARTICLE 7.
MISCELLANEOUS

7.1 Inspection of Books. The Board of Directors shall have power to determine which accounts and books of the corporation, if any, shall be open to the inspection of Shareholders, except such as may by law be specifically open to inspection, and shall have power to fix reasonable rules and regulations not in conflict with the applicable law for the inspection of accounts and books which by law or by determination of the Board of Directors shall be open to inspection.

7.2 Seal. The corporate seal shall be in such form as the Board of Directors may from time to time determine. In the event that it is inconvenient at any time to use the corporate seal of the corporation, the words “Seal” or “Corporate Seal” enclosed in parenthesis or scroll shall be deemed the corporate seal of the corporation.

ARTICLE 8.
AMENDMENT

8.1 Amendment. The Bylaws of the corporation may be altered, amended, or repealed and new Bylaws may be adopted by the Board of Directors at any regular or special meeting of the Board of Directors at any regular or special meeting of the Board of Directors; provided, however, that, any Bylaws adopted by the Board of Directors may be altered, amended or repealed, and new Bylaws adopted by the Shareholders. If such action is to be taken at a meeting of the Shareholders, notice of the general nature of the proposed change in the Bylaws shall have been given in the notice of the meeting.

ARTICLE 9.
INDEMNIFICATION OF OFFICERS AND DIRECTORS; INSURANCE

9.1 (a) The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a Director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney’s fees), judgements, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any civil action, suit or proceeding by judgement, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that a person did not act in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(b) The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgement in its favor by reason of the fact he is or was a Director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation except that indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon adjudication that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

(c) To the extent that the person indemnified under this Bylaw has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsections (a) and (b) of this section, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection therewith.

(d) The indemnification under subsections (a) and (b) of this section (unless ordered by a court) shall be effective upon the corporation only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in subsections (a) and (b) of this section. Such determination shall be made (i) by the Board of Directors by majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (ii) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (iii) by the affirmative vote of a majority of the shares entitled to vote thereon.

(e) Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding as authorized in the specific case upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this section.

(f) The indemnification provided by this section shall not be deemed exclusive of any other rights, in respect of indemnification or otherwise, to which those seeking indemnification may be entitled under any Bylaws or resolution approved by the affirmative vote of the holders of a majority of the shares entitled to vote thereon taken at a meeting the notice of which specified that such Bylaw or resolution would be placed before the Shareholders, both as to action by a Director, officer, employee, or agent in his official capacity and as to action in another capacity while holding such office or position, as shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

(g) The corporation and its officers shall have power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him an incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this section.

(h) If, under this section, any expenses or other amounts are paid by way of indemnification, otherwise than by court order or by the Shareholders or by an insurance carrier pursuant to insurance maintained by the corporation, the corporation shall, not later than the next annual meeting of Shareholders unless such meeting is held within three months from the date of such payment, and, in any event, within 15 months from the date of such payment, sent by first class mail to its Shareholders of record at the time entitled to vote for the election of Directors a statement specifying the persons paid, the amounts paid, and the nature and status at the time of such payment of the litigation or threatened litigation.

(i) For purposes of this section, references to "the corporation" shall include, in addition to the surviving or new corporation, any merging or consolidating corporation (including any merging or consolidating corporation of a merging or consolidating corporation) absorbed in a merger or consolidation so that any person who is or was a Director, officer, employee or agent of such merging or consolidating corporation, or is or was serving at the request of such consolidating corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this section with respect to the resulting or surviving corporation as he would if he had served the resulting or surviving corporation in the same capacity: Provided that no indemnification under the subsections (a) and (b) of this section permitted by this subsection shall be mandatory under this subsection or any bylaw or the surviving or new corporation without the approval of such indemnification by the board of directors or shareholders of the surviving or new corporation, in the manner provided in paragraphs (i) and (iii) of subsection (d) of this section.

ARTICLE 10.
COMMITTEES

10.1 Executive Committee. (a) The Board of Directors may, by resolution adopted by a majority of the entire Board, designate an Executive Committee of two or more Directors. Each member of the Executive Committee shall hold office until the first meeting of the Board of Directors after the annual meeting of Shareholders next following his election and until his successor member of the Executive Committee is elected, or until his death, resignation or removal, or until he shall cease to be a Director.

(b) During the intervals between the meetings of the Board of Directors, the Executive Committee may exercise all of the powers of the Board of Directors in the management of the business affairs of the corporation; provided, however, that the Executive Committee shall not have the power to amend or repeal any resolution of the Board of Directors that by its terms shall not be subject to amendment or repeal by the Executive Committee, and the Executive Committee shall not have the authority of the Board of Directors in reference to (i) amending the Articles of Incorporation or Bylaws of the corporation; (ii) adopting a plan of merger or consolidation; (iii) the sale, lease, exchange or other disposition of all or substantially all of the property and assets of the corporation; or (iv) a voluntary dissolution of the corporation or a revocation of any such voluntary dissolution.

(c) The Executive Committee shall meet from time to time on call of the Chairman of the Board or the President or of a majority of the members of the Executive Committee. Meetings of the Executive Committee may be held at such place or places, within or without the State of Georgia, as the Executive Committee shall determine or as may be specified or fixed in the respective notices or waivers of such meetings. The Executive Committee may fix its own rules of procedure, including provision for notice of its meetings. It shall keep a record of its proceedings and shall report these proceedings to the Board of Directors at the meeting thereof held next after they have been taken, and all such proceedings shall be subject to revision or alteration by the Board of Directors except to the extent that action shall have been taken pursuant to or in reliance upon such proceedings prior to any such revision or alteration.

(d) The Executive Committee shall act by a majority vote of its members.

(e) The Board of Directors, by resolution adopted in accordance with paragraph (a) of this section, may designate one or more Directors as alternate members of any such committee, who may act in the place and stead of any absent member or members at any meeting of such committee.

10.2 Other Committees. The Board of Directors, by resolution adopted by a majority of the entire Board, may designate one or more additional committees, each committee to consist of two or more of the Directors of the corporation, which shall have such name or names and shall have and may exercise such powers of the Board of Directors in the management of the business and affairs of the corporation, except the powers denied to the Executive Committee, as may be determined from time to time by the Board of Directors.

10.3 Removal. The Board of Directors shall have power at any time to remove any member of any committee, with or without cause, and to fill vacancies in and to dissolve any such committee.

EXHIBIT 31.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Hilton H. Howell, Jr., certify that:

1. I have reviewed this report on Form 10-Q of Atlantic American Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 12, 2015

/s/ Hilton H. Howell, Jr.
Hilton H. Howell, Jr.
President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John G. Sample, Jr., certify that:

1. I have reviewed this report on Form 10-Q of Atlantic American Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 12, 2015

/s/ John G. Sample, Jr.
John G. Sample, Jr.
Senior Vice President and
Chief Financial Officer

EXHIBIT 32.1

Certifications Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in connection with the filing of the Quarterly Report on Form 10-Q of Atlantic American Corporation (the “Company”) for the quarterly period ended June 30, 2015, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), each of the undersigned officers of the Company certifies, that, to such officer’s knowledge:

(1) The Report fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

Date: August 12, 2015	/s/ Hilton H. Howell, Jr. Hilton H. Howell, Jr. President and Chief Executive Officer
Date: August 12, 2015	/s/ John G. Sample, Jr. John G. Sample, Jr. Senior Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.