

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 (FEE REQUIRED)

For the fiscal year ended December 31, 1995

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)

Commission file number 0-3722

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Atlantic American Corporation
401(k) Retirement Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Atlantic American Corporation
4370 Peachtree Road, N.E.
Atlanta, Georgia 30319

ATLANTIC AMERICAN CORPORATION
401(k) RETIREMENT SAVINGS PLAN

The following exhibits are filed herewith:

Exhibit 99.1: Financial Statements and Schedules as of December 31, 1995 and 1994 together with auditor's report.

Exhibit 99.2: Consent of Arthur Andersen LLP

SIGNATURES

THE PLAN. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Atlantic American Corporation
401(k) Retirement Savings Plan

(Name of Plan)

Date: July 15, 1996

John W. Hancock

Senior Vice President - Treasurer

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Administrative Committee of the
Atlantic American Corporation 401(k)
Retirement Savings Plan

We have audited the accompanying statements of net assets available for benefits of ATLANTIC AMERICAN CORPORATION 401(k) RETIREMENT SAVINGS PLAN as of December 31, 1995 and 1994, and the related statements of changes in net assets available for benefits and schedules for the year ended December 31, 1995. These financial statements and the schedules referred to below are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by INVESCO Trust Company, the custodian of the Plan, except for comparing the information with the related information included in the 1995 financial statements and supplemental schedules. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the year ended December 31, 1995 that the information provided to the plan administrator by the custodian is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedules taken as a whole. The form and content of the information included in the financial statements and schedules, other than that derived from the information certified by the custodian, have been audited by us in accordance with generally accepted auditing standards and, in our opinion, are presented in compliance with the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Arthur Andersen LLP

Atlanta, Georgia
June 28, 1996

1

ATLANTIC AMERICAN CORPORATION

401(k) RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 1995 AND 1994

	1995	1994
	----	----
ASSETS:		
Cash	\$ 0	\$ 119
Investments, at market value (Note 3):		
Participant-directed:		
Common stock-Atlantic American	336,427	0
Mutual funds	2,205,669	0
Nonparticipant-directed:		
Investments in registered	0	1,305,973
Common stock in other		
unaffiliated companies	0	703,284
Common stock- Atlantic American	11,635	0
Receivables:		
Income and other receivables	0	2,113
	-----	-----
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$ 2,553,73	\$ 2,111,489
	=====	=====

The accompanying notes are an integral part of these statements.

SCHEDULE II

ATLANTIC AMERICAN CORPORATION

401(k) RETIREMENT SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 1995

	Nonparticipant Directed		Participant Directed	
	Common Stock	Investment In Registered Investment Companies	Atlantic American Stock	Atlantic American Stock
ADDITIONS TO NET ASSETS:				
Participant contributions	\$ 0	\$ 0	\$ 0	\$ 12,022
Employer contributions	0	0	11,635	61,325
Total contributions	0	0	11,635	73,347
Net appreciation in fair market value of asset	0	(64,084)	0	28,771
Gain (loss) on sales of investments	183,002	(35,013)	0	34
Dividend income	35,308	0	0	0
Total additions	218,310	(99,097)	11,635	102,152
DEDUCTIONS FROM NET ASSETS:				
Benefit payments to participants	0	(168,253)	0	(344)
Other	0	(2,231)	0	0
Total deductions		(170,484)	0	(344)
TRANSFERS BETWEEN FUNDS	(923,707)	(1,136,511)	234,619	0
NET (DECREASE) INCREASE	(705,397)	(1,406,092)	246,254	101,808
NET ASSETS AVAILABLE FOR PLAN BENEFITS:				
Beginning of year	705,397	1,406,092	0	0
End of year	\$ 0	\$ 0	\$ 246,254	\$ 101,808

Participant
Directed

	Cash Reserves Fund	Industrial Income Fund	Intermediate Government Bond Fund	Total Return Fund	Dynamics Fund

ADDITIONS TO NET ASSETS:					
Participant contributions	\$ 7,451	\$ 50,468	\$ 16,421	\$ 42,222	\$ 45,264
Employer contributions	0	0	0	0	0
Total contributions	7,451	50,468	16,421	42,222	45,264
Net appreciation in fair market value of asset	0	34,183	17,775	55,349	69,546
Gain (loss) on sales of investments	0	2,678	1,896	188	11
Dividend income	20,482	7,692	13,201	11,098	0
Total additions	27,933	95,021	49,293	108,857	114,821

DEDUCTIONS FROM NET ASSETS:					
Benefit payments to participants	(2,992)	(869)	(1,377)	(650)	0
Other	0	0	0	0	0
Total deductions	(2,992)	(869)	(1,377)	(650)	0

TRANSFERS BETWEEN FUNDS	580,110	238,290	282,310	385,583	329,339
NET (DECREASE) INCREASE	\$ 605,051	\$ 332,442	\$ 330,226	\$ 493,790	\$ 444,160

NET ASSETS AVAILABLE FOR PLAN BENEFITS:					
Beginning of year	0	0	0	0	0
End of year	605,051	332,442	330,226	493,790	444,160
	=====	=====	=====	=====	=====

Participant
Directed

	Other -----	Total -----
ADDITIONS TO NET ASSETS:		
Participant contributions	\$ 0	\$ 173,848
Employer contributions	0	72,960
	-----	-----
Total contributions	0	246,808
	-----	-----
Net appreciation in fair market value of asset	(1,991)	139,549
	-----	-----
Gain (loss) on sales of investments	(7,976)	144,820
	-----	-----
Dividend income	0	87,781
	-----	-----
Total additions	(9,967)	618,958
	-----	-----
DEDUCTIONS FROM NET ASSETS:		
Benefit payments to participants	0	(174,485)
Other	0	(2,231)
	-----	-----
Total deductions	0	(176,716)
	-----	-----
TRANSFERS BETWEEN FUNDS	9,967	0
	-----	-----
NET (DECREASE) INCREASE	\$ 0	\$ 442,242
	-----	-----
NET ASSETS AVAILABLE FOR PLAN BENEFITS:		
Beginning of year	0	2,111,489
	-----	-----
End of year	0	2,553,731
	=====	=====

The accompanying notes are an integral part of this schedule.

ATLANTIC AMERICAN CORPORATION
401(k) RETIREMENT SAVINGS PLAN

ITEM 27a--SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

DECEMBER 31, 1995

	Cost	Market Value
	----	-----
CASH AND CASH EQUIVALENTS:		
* INVESCO Cash Reserves Fund	\$605,051	\$605,051
MUTUAL FUNDS:		
* INVESCO Total Return Fund	441,238	493,790
* INVESCO Intermediate Government Bond Fund	312,451	330,226
* INVESCO Industrial Income Fund	304,292	332,442
* INVESCO Dynamics Fund	428,624	444,161
COMMON STOCK:		
* Atlantic American Corporation	319,291	348,062

*Indicates a party in interest.

The accompanying notes are an integral part of this schedule.

SCHEDULE II

ATLANTIC AMERICAN CORPORATION
401(k) RETIREMENT SAVINGS PLAN

ITEM 27d--SCHEDULE OF REPORTABLE TRANSACTIONS (a)
FOR THE YEAR ENDED DECEMBER 31, 1995

Identity of Party Involved	Description of Asset, Including Rate of Interest and Maturity in Case of Loans	Purchase Price	Cost	Selling Price	Net Gain
* INVESCO TRUST COMPANY	Cash Reserves Fund: 1 purchase 2 sales	\$2,058,985	\$ 0 1,473,156	\$ 0 1,473,156	\$ 0 0
* INVESCO TRUST COMPANY	Industrial Income Fund: 1 purchase	272,476			
* INVESCO TRUST COMPANY	Total Return Fund: 1 purchase	382,803			
* INVESCO TRUST COMPANY	Intermediate Government Bond Fund: 1 purchase	335,673			
* INVESCO TRUST COMPANY	Dynamics Fund: 1 purchase	254,902			
* INVESCO TRUST COMPANY	Atlantic American Corporation common stock: 1 purchase	185,433			
* WACHOVIA BANK OF GEORGIA	Biltmore Prime Cash Management 1 purchase 1 sale	2,060,564	2,058,985	2,058,985	0

*Indicates a party-in-interest.

(a) Represents transactions or a series of transactions in excess of 5% of the fair value of plan assets at the beginning of the year.

The accompanying notes are an integral part of this schedule.

ATLANTIC AMERICAN CORPORATION

401(k) RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS AND SCHEDULES

DECEMBER 31, 1995 AND 1994

1. PLAN DESCRIPTION

General

The Atlantic American Corporation 401(k) Retirement Savings Plan (the "Plan") is a defined contribution plan established by the Atlantic American Corporation (the "Company") under the provisions of Section 401(a) of the Internal Revenue Code ("IRC"), which includes a qualified cash or deferred arrangement as described in Sections 401(k) and 401(m) of the IRC, for the benefit of eligible employees of the Company. All employees of the Company who have completed one year of service, as defined, are eligible to participate. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. Participants should refer to the plan agreement for a complete description of the Plan.

Plan Administration

Effective May 1, 1995, INVESCO Trust Company (the "Trustee") was appointed a directed trustee and custodian of the Plan. The Trustee has custodial responsibility for the Plan's assets and has been given the authority and power to, among other things, invest the principal and income of the Plan's assets.

Contributions

Eligible employees can contribute an amount up to 16% of compensation as defined by the Plan, subject to certain limitations under the IRC. The Company provides a matching contribution equal to 50% of the first 6% of each participant's contribution. All Company matching contributions are invested in Atlantic American Corporation common stock. Participants can elect to transfer the Company contribution into another investment fund only after the participant is fully vested.

Vesting

Participants are always fully vested in their own contributions. Each Participant becomes fully vested in the Plan, for employee contributions, after seven years of service with no intervening breaks in service of five years or more. Participants are credited with one year of service each calendar year in which the participant works 1,000 hours. A break in service is deemed to be any year in which the participant does not complete more than 500 hours of service.

Benefits

Upon termination of service due to death, disability, or retirement, a participant may elect to receive an amount equal to the value of the participant's vested interest in his/her account. The form of payment, selected by the participant, is either a lump-sum distribution, an annuity to be paid in monthly installments over a fixed period of years, or a direct rollover into a qualified retirement plan or IRA.

Participant Accounts

Individual accounts are maintained for each of the Plan's participants to reflect the participant's contributions and employer contributions as well as the participant's share of the Plan's income and any related administrative expenses. Allocations are based on the proportion that each participant's account balance bears to the total of all participant account balances.

Investment Options

Participants may direct their contributions and any related earnings into several investment options in 10% increments. Participants may change their investment elections once each calendar quarter. The participants of the Plan can invest in either Atlantic American Corporation common stock, INVESCO Cash Reserves Fund, INVESCO Intermediate Government Bond Fund, INVESCO Total Return Fund, INVESCO Industrial Income Fund, or the INVESCO Dynamics Fund.

Termination

As stated in the plan agreement, the Company may terminate the Plan at any time, in which event each participant shall be fully vested as of the termination date. The Company has no plans to terminate the Plan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATTERS

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting.

Valuation of Investments

Cash equivalents are stated at cost which approximates market value. Marketable securities are stated at fair value. Purchases and sales of securities are reflected on a trade-date basis.

Investment Income

Income (loss) from separate accounts includes investment income and expenses.

Administrative Expenses

The Company pays all administrative expenses of the Plan, including trustee fees.

3. INVESTMENTS

The fair market value of individual investments as of December 31, 1995 and 1994 is as follows:

1995:		
Atlantic American Corporation common stock	\$	348,062
INVESCO Total Return Fund		493,790
INVESCO Intermediate Government Bond Fund		330,226
INVESCO Industrial Income Fund		332,442
INVESCO Cash Reserves Fund		605,051
INVESCO Dynamics Fund		444,161
1994:		
Biltmore Short-Term Fixed Income Fund		1,285,127
Various Unaffiliated Common Stocks		703,284

4. TAX STATUS

The Internal Revenue Service issued a determination letter dated May 21, 1996 stating that the Plan was designed in accordance with applicable plan requirements as of that date. The Plan has been amended since receiving the determination letter. However, the plan administrator believes that the Plan is currently designed and is being operated in compliance with the applicable requirements of the IRC. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

5. INFORMATION CERTIFIED BY THE CUSTODIAN OF THE PLAN

The following information was derived from data certified by the Plan's Trustee as being complete and accurate in its report dated December 31, 1995:

- o Investment information included in the statements of net assets available for benefits
- o Investment income information included in the statement of changes in net assets available for benefits
- o Information included in the supplemental schedules, as listed in the accompanying table of contents

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference of our report dated June 28, 1996, included in this annual report of The Atlantic American 401(k) Retirement Savings Plan on Form 11-K for the year ended December 31, 1995, into the Plan's previously filed Registration Statement No. 33-90890.

ARTHUR ANDERSEN LLP

Atlanta, Georgia
July 15, 1996