

SECURITIES
AND
EXCHANGE
COMMISSION
Washington,
D.C. 20549
Form 11-K

(Mark One)

~~X~~ ANNUAL
REPORT
PURSUANT
TO SECTION
15(d) OF
THE

SECURITIES
EXCHANGE
ACT OF
1934 For
the fiscal
year ended
December
31, 2004

OR

TRANSACTION
REPORT

PURSUANT
TO SECTION
15(d) OF
THE

SECURITIES
EXCHANGE
ACT OF
1934

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,
GA 30319

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Statements
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Consent of
Gifford,
Hillegass
&
Ingwersen,
L.L.P.

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:
~~June 30,~~
~~2005 /s/~~
~~John G.~~
~~Sample,~~
~~Jr.~~

~~John~~
~~G.~~
~~Sample,~~
~~Jr.~~
~~Senior~~
~~Vice~~
~~President~~
~~and CFO~~

~~ATLANTIC AMERICAN CORPORATION~~
~~401(K) RETIREMENT SAVINGS PLAN~~

~~The following exhibits are filed herewith:~~

~~Exhibit 1: Financial Statements and Supplemental Information for
the years ended December 31, 2004 and 2003 together
with Report of Independent Registered Public
Accounting Firm.~~

~~Exhibit 2: Consent of Gifford, Hillegass & Ingwersen, L.L.P.
Independent Registered Public Accounting Firm.~~

~~CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES OXLEY ACT OF 2002~~

~~In connection with the Annual Report for the Atlantic American Corporation 401(k) Retirement Savings Plan (the "Plan") on Form 11-K for the period ended December 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John G. Sample Jr., on behalf of Atlantic American Corporation, as Senior Vice President & CFO, certify, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002, that:~~

~~(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 net assets available for the benefits and changes in net assets available for benefits of the Plan.~~

~~/s/ John G. Sample Jr.
John G. Sample Jr.
Senior Vice President & CFO for Atlantic American Corporation
June 30, 2005~~

~~Exhibit 1~~

~~ATLANTIC AMERICAN CORPORATION
401(k) RETIREMENT SAVINGS PLAN~~

~~FINANCIAL STATEMENTS
AND
SUPPLEMENTAL SCHEDULE~~

~~For the Years Ended December 31, 2004 and 2003~~

~~with
Report of Independent Registered Public Accounting Firm~~

~~ATLANTIC AMERICAN CORPORATION
401(k) RETIREMENT PLAN~~

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~~December 31, 2004~~

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~~REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM~~

~~To the Plan Administrator and Plan Participants of Atlantic American Corporation 401(k) Retirement Savings Plan:~~

~~We have audited the accompanying statements of net assets available for benefits of the Atlantic American Corporation 401(k) Retirement Savings Plan as of December 31, 2004 and 2003, and the related statement of changes in net assets available for benefits for the year ended December 31, 2004. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.~~

~~We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.~~

~~In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Atlantic American Corporation 401(k) Retirement Savings Plan as of December 31, 2004 and 2003, and the changes in net assets available for benefits for the year ended December 31, 2004, in conformity with accounting principles generally accepted in the United States of America.~~

~~Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information listed in the index is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental information is the responsibility of the Plan's management. The supplemental information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.~~

~~GIFFORD, HILLEGASS & INGWERSEN, LLP~~

~~May 18, 2005
Atlanta, Georgia~~

ATLANTIC AMERICAN CORPORATION
401(k) RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

For the Years Ended December 31, 2004 and 2003

| | 2004 | 2003 |
|---|---------------|--------------|
| Investments, at fair value | | |
| Common/Collective Trusts | \$ 1,652,256 | \$ 1,955,676 |
| Employer Securities | 1,337,690 | 1,403,767 |
| Registered Investment Companies | 7,121,381 | 5,088,693 |
| Participant Loans | 127,105 | 76,868 |
| Employer Contributions Receivable | | 25,063 |
| NET ASSETS AVAILABLE FOR PLAN BENEFITS | \$ 10,238,432 | \$ 8,550,067 |

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

~~ATLANTIC AMERICAN CORPORATION
401(k) RETIREMENT SAVINGS PLAN~~

~~STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS~~

~~For the Year Ended December 31, 2004~~

~~Additions to Net Assets~~

| | | |
|---------------------------|---------------|--------------------|
| Contributions: | | |
| Participants | \$ | 750,405 |
| Company | | 241,180 |
| Rollover | | 77,102 |

~~TOTAL CONTRIBUTIONS~~ ~~1,068,687~~

~~Interest and dividend income~~ ~~260,552~~

~~Net appreciation in fair market value of investments~~ ~~592,521~~

~~TOTAL ADDITIONS TO NET ASSETS~~ ~~1,921,760~~

~~Deductions from Net Assets~~

| | | |
|---|--|--------------------|
| Benefit payments to participants | | 226,954 |
| Fees | | 6,441 |

~~TOTAL DEDUCTIONS~~ ~~233,395~~

~~NET INCREASE~~ ~~1,688,365~~

~~Net Assets Available for Benefits at Beginning of Year~~ ~~8,550,067~~

~~Net Assets Available for Benefits at End of Year~~ ~~\$ 10,238,432~~
~~=====~~

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

~~ATLANTIC AMERICAN CORPORATION
401(k) RETIREMENT SAVINGS PLAN~~

~~NOTES TO FINANCIAL STATEMENTS~~

~~December 31, 2004~~

~~NOTE 1 DESCRIPTION OF THE PLAN~~

~~The following description of the Atlantic American Corporation 401(k) Retirement Savings Plan (the "Plan") provides only general information. Participating members ("Participants") should refer to the Plan document for a more complete description of the Plan's provisions. Information with regard to eligibility, contributions, distributions, vesting, withdrawals, restoration, loans, fund redistribution, and definitions of all terms are contained in that document.~~

~~General: The Plan is a defined contribution plan available to all U.S. employees of Atlantic American Corporation (the "Company"). All employees of the Company, except collective bargaining employees, nonresident aliens, and leased employees are eligible to participate on the first day of the upcoming calendar quarter in which the individual became an employee of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.~~

~~Plan Administration: AMVESCAP National Trust Company (the "Trustee") is the Trustee of the Plan and has custodial responsibility for the Plan's assets, except for company stock that is held by State Street Bank and Trust Company, including the authority and power to, among other things, invest the principal and income of the Plan's assets. Subsequent to year end, Merrill Lynch announced plans to purchase AMVESCAP Retirement, Inc., administrator of the Plan. The transaction is pending based on customary conditions and regulatory approvals.~~

~~Contributions: Participants may elect to contribute in 1% increments up to 25% of their annual compensation, as defined by the Plan, subject to certain limitations under the Internal Revenue Code (the "Code"), into any of the investment funds offered by the Plan. A participant may change his or her deferral percentage at any time. Participants may also contribute amounts representing distributions from other qualified benefit plans. These contributions are classified as rollover contributions in the statement of changes in net assets available for plan benefits for the year ended December 31, 2004. The Company provides a matching contribution equal to a certain percentage of the participant's contributions. For the year ended December 31, 2004, the Company's matching contribution equaled 50% of the first 6% of each participant's tax deferred contribution. All Company matching contributions are in Company common stock. A participant can elect to transfer the Company contributions into another investment fund only after the participant is fully vested in the Company matching contributions. The Company may also elect to make additional matching and profit sharing contributions.~~

~~ATLANTIC AMERICAN CORPORATION
401(k) RETIREMENT SAVINGS PLAN~~

~~NOTES TO FINANCIAL STATEMENTS~~

~~December 31, 2004~~

~~NOTE 1 DESCRIPTION OF THE PLAN Continued~~

~~Vesting: Participants are always fully vested in their own contributions. Each participant becomes vested in the company contributions based on years of continuous service. The vesting percentage for the Company matching contributions are as follows:~~

~~Years of service:~~

| | |
|--------------------------|-----------------|
| Less than one | 0% |
| One | 20% |
| Two | 40% |
| Three | 60% |
| Four | 80% |
| Five | 100% |

~~In addition, participants become fully vested upon retirement, death, or disability.~~

~~Benefits: Upon termination of service due to death, disability, retirement, or separation from service, a participant or his or her beneficiary with a vested balance greater than \$5,000 may elect to receive an amount equal to the value of the participant's vested interest in his or her account. The form of payment, selected by the participant or his or her beneficiary, is either a lump sum distribution, an annuity to be paid in monthly installments over a fixed number of years, or a direct rollover into a qualified retirement plan or individual retirement account. Terminated participants with a vested balance less than \$5,000 will be distributed after termination. As of December 31, 2004 deferred vested benefits to separated participants totaled \$267,931.~~

~~Participant Accounts: Individual accounts are maintained for each of the Plan's participants and reflect the participant's contributions, employer contributions, and the participant's share of the Plan's investment income (loss). Allocations of income (loss) are based on the proportion that each participant's account balance bears to the total of all participant account balances and their investment elections.~~

~~Investment Options: Participants may direct their contributions and any related earnings into several investment options in 1% increments. Participants may change their investment elections at any time. The participants in the Plan can invest in any of the following investment options:~~

~~Atlantic American Corporation Common Stock Fund Common stock of the Company with moderate cash and/or cash equivalent holdings for liquidity purposes.~~

~~ATLANTIC AMERICAN CORPORATION
401(k) RETIREMENT SAVINGS PLAN~~

~~NOTES TO FINANCIAL STATEMENTS~~

~~December 31, 2004~~

~~NOTE 1 DESCRIPTION OF THE PLAN Continued~~

~~INVESCO Core Fixed Income Trust Collective trust that seeks current income, with a secondary objective of capital appreciation.~~

~~Fidelity Puritan Registered investment company that seeks income consistent with preservation of capital and invests in securities such as common stocks, preferred stocks, and bonds.~~

~~AIM Basic Value Fund Registered investment company that invests in under valued securities, investment grade nonconvertible debt securities, U.S. government securities, high quality money market instruments, and foreign securities.~~

~~Janus Twenty Fund Registered investment company that invests primarily in common stocks selected for long term growth potential.~~

~~Janus Advisor Worldwide Growth Fund Registered investment company that invests primarily in common stocks of companies of any size located throughout the world.~~

~~INVESCO 500 Index Trust Collective trust with objective to provide total investment returns and characteristics that closely replicate those of the S&P 500 composite stock index.~~

~~AIM International Core Equity Fund Registered investment company that invests primarily in the stocks of larger capitalization foreign companies with a record of stable earnings or dividends.~~

~~AIM Core Stock Fund Registered investment company that invests in primarily large cap stocks that are expected to produce income and consistent, stable returns.~~

~~AIM Dynamics Fund Registered investment company that invests in medium sized companies.~~

~~AIM Total Return Fund Registered investment company that invests in a broadly diversified portfolio of stocks and bonds.~~

~~AIM Small Company Growth Fund Registered investment company that invests in small sized companies.~~

~~December 31, 2004~~

~~NOTE 1 DESCRIPTION OF THE PLAN Continued~~

~~AIM Income Fund Registered investment company that invests primarily in fixed rate corporate debt and government obligations.~~

~~AIM Capital Development Fund Registered investment company that invests in small and mid cap stocks.~~

~~Janus Mid Cap Value Fund Registered investment company that invests in mid sized companies.~~

~~American Washington Mutual Investors Fund Registered investment company that seeks to provide current income and the opportunity for growth through common stocks.~~

~~American Funds Growth Fund of America Registered investment company that seeks to provide long term growth of capital through a diversified portfolio of common stocks.~~

~~Baron Growth Fund Registered investment company that invests in small cap growth companies.~~

~~Fidelity Advisor Mid Cap Fund Registered investment company with objective to seek long term growth of capital.~~

~~INVESCO Structured Small Cap Equity Trust Collective trust with goal of long term capital appreciation.~~

~~American Century Ultra Registered investment company that may only purchase securities of companies that have operated continuously for three or more years.~~

~~INVESCO Stable Value Trust Funds are invested in a collective trust that invests in various high quality fixed income investments that will provide stable account values.~~

~~Investment securities, in general, are exposed to various risks, including interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for plan benefits. Forfeitures: Amounts forfeited from nonvested accounts are used to reduce future employer contributions.~~

~~ATLANTIC AMERICAN CORPORATION
401(k) RETIREMENT SAVINGS PLAN~~

~~NOTES TO FINANCIAL STATEMENTS~~

~~December 31, 2004~~

~~NOTE 1 DESCRIPTION OF THE PLAN Continued~~

~~Forfeitures: Amounts forfeited from nonvested accounts are used to reduce future employer contributions. Forfeitures of \$33,295 were used in 2004 to reduce employer contributions.~~

~~Participant Loans: Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. Participants may elect to have their loans disbursed from specific investment funds. Loan terms range from six months to five years or within a reasonable time if used for the purchase of a primary residence. The loans are secured by the vested value of the participants' account balance and bear interest at the prime rate of interest on the date of the loan plus 1%. Principal and interest are paid ratably through payroll deductions.~~

~~Administrative Expenses: The Company pays all separately charged administrative expenses of the Plan, including trustee fees. Fees resulting from individual participant transactions, such as loan origination and benefit payments, are paid by the participant and are included in the fee amount on the statement of changes in net assets available for benefits.~~

~~NOTE 2 ACCOUNTING POLICIES~~

~~Basis of Accounting: The accompanying financial statements have been prepared using the accrual basis of accounting.~~

~~Use of Estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported additions and deductions during the reporting period. Actual results could differ from those estimates.~~

~~Valuation of Investments: All investments are stated at fair value. Securities traded on national securities exchanges are valued at the closing price on a daily basis. Investments traded in over the counter markets and listed securities for which no sale was reported on that date are valued at the last reported bid price. Purchases and sales of securities and mutual funds are reflected on a trade date basis.~~

~~ATLANTIC AMERICAN CORPORATION
401(k) RETIREMENT SAVINGS PLAN~~

~~NOTES TO FINANCIAL STATEMENTS~~

~~December 31, 2004~~

~~NOTE 2 ACCOUNTING POLICIES Continued~~

~~Net Appreciation (Depreciation): Net realized gains (losses) and unrealized appreciation (depreciation) are recorded in the accompanying statement of changes in net assets available for plan benefits as net appreciation in fair market value of investments.~~

~~NOTE 3 INVESTMENTS~~

~~The fair market values of individual investments that represent 5% or more of the Plan's net assets as of December 31, 2004 are as follows:~~

| | |
|---|-------------------------|
| Atlantic American Corporation common stock | \$ 1,337,690 |
| INVESCO 500 Index Trust | 542,234 |
| INVESCO Stable Value Trust | 1,009,608 |
| AIM Core Stock Fund | 524,585 |
| AIM Dynamics Fund | 626,963 |
| Baron Growth Fund | 638,410 |
| Janus Twenty Fund | 537,371 |
| American Balanced Fund | 641,479 |
| Fidelity Puritan Fund | 767,567 |
| Fidelity Advisor Mid Cap Fund | 613,847 |

~~Net appreciation in fair market value of investments by major investment type for the year ended December 31, 2004 is as follows:~~

| | |
|---|----------------------|
| Common stock - Atlantic American Corporation | \$ 37,831 |
| Mutual funds | 554,690 |

~~\$ 592,521~~
~~=====~~

~~NOTE 4 NONPARTICIPANT DIRECTED INVESTMENTS~~

~~Information about the net assets as of December 31, 2004 and the significant components of the change in net assets for the year then ended relating to the Company's common stock (nonparticipant directed investments) is as follows:~~

~~ATLANTIC AMERICAN CORPORATION
401(k) RETIREMENT SAVINGS PLAN~~

~~NOTES TO FINANCIAL STATEMENTS~~

~~December 31, 2004~~

~~NOTE 4 NONPARTICIPANT DIRECTED INVESTMENTS Continued~~

~~Net Assets:~~

| | |
|---|-----------------------|
| Common Stock Atlantic American Corporation | \$ 382,117 |
|---|-----------------------|

~~Changes in Net Assets:~~

| | |
|---|------------------------|
| Contributions employer | \$ 134,900 |
| Net appreciation in fair value of common stock | 12,918 |
| Benefits paid to partially vested former employees | (14,255) |
| Transfers to participant directed investments | (212,382) |
| Total activity | \$ (78,819) |

~~NOTE 5 TAX STATUS~~

~~The Internal Revenue Service has determined and informed the Sponsor by letter dated June 3, 2003, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). Accordingly, no provision for income taxes has been made in the accompanying financial statements.~~

~~NOTE 6 PLAN TERMINATION~~

~~Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become fully vested in their accounts as of the termination date.~~

~~NOTE 7 RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500~~

~~The following is a reconciliation of net assets available for plan benefits per the financial statements to the Form 5500 as follows for the year 2004:~~

| | |
|--|-----------------------|
| Employee contributions per the financial statements | \$ 750,405 |
| Add 2003 employee contribution receivable | 25,063 |
| Employee contributions per the Form 5500 | \$ 775,468 |

SUPPLEMENTAL INFORMATION

~~ATLANTIC AMERICAN CORPORATION
401(k) RETIREMENT SAVINGS PLAN
PLAN NUMBER 001
58 1027114~~

~~SCHEDULE H, LINE 4i SCHEDULE OF ASSETS (HELD AT END OF YEAR)~~

~~December 31, 2004~~

~~Identity of Issue, Borrower, Description of Current Lessor, or Similar Party
Investment Cost Value~~

~~* AMVESCAP National Trust Company INVESCO 500 Index Trust, 17,475 units (a) \$
542,234 INVESCO Structured Small Cap Value Equity Trust, 581 units (a) 58,516
INVESCO Core Fixed Income Trust, 1,318 units (a) 41,898 INVESCO Stable Value
Trust, 1,009,608 units (a) 1,009,608 * Atlantic American Corporation Atlantic
American Corporation common stock, 412,854 shares 1,039,248 1,337,690 * AIM
Management Group, Inc. AIM Basic Value Fund, 7,757 units (a) 251,476 AIM Income
Fund, 56,360 units (a) 372,537 AIM Capital Development Fund, 462 units (a)
8,476 AIM International Core Equity Fund, 6,334 units (a) 73,414 AIM Core Stock
Fund, 48,753 units (a) 524,585 AIM Dynamics Fund, 37,998 units (a) 626,963 AIM
Total Return Fund, 14,144 units (a) 346,517 AIM Small Company Growth Fund,
7,573 units (a) 95,187 * Janus Fund Janus Twenty Fund, 11,995 units (a) 537,371
Janus Adviser Worldwide Fund, 3,870 units (a) 106,572 Janus Mid Cap Value
Investment Fund, 22,010 units (a) 486,198 * Fidelity Fidelity Puritan Fund,
40,505 units (a) 767,567 Fidelity Advisot Mid Cap Fund, 24,340 units (a)
613,847 * American Century American 20th Century Ultra Investor, 7,491 units
(a) 220,996 * American Funds American Growth Fund of America, 14,189 units (a)
384,534 American Balanced Fund, 35,737 units (a) 641,470 American Washington
Mutual Fund, 13,870 units (a) 425,252 11~~

~~ATLANTIC AMERICAN CORPORATION 401(k) RETIREMENT SAVINGS PLAN PLAN NUMBER 001
58 1027114 SCHEDULE H, LINE 4i SCHEDULE OF ASSETS (HELD AT END OF YEAR)
CONTINUED December 31, 2004~~

~~* Baron Baron
Growth Fund,
14,228 units (a)
638,410 *
Various Plan
Participants
Participant
loans with
varying
maturities and
interest rates
ranging from 5%
to 8.5%
127,105
TOTAL
\$ 10,238,432~~

~~* Indicates party in interest (a) Participant directed 12~~

~~CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM~~

~~We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 333-89891) pertaining to the Atlantic American Corporation 401(k) Retirement Savings Plan of our report dated May 18, 2005, with respect to the financial statements and schedule of Atlantic American Corporation 401(k) Retirement Savings Plan included in this Annual Report (Form 11-K) for the year ended December 31, 2004.~~

~~GIFFORD, HILLEGASS & INGWERSEN, L.L.P.~~

~~Atlanta, Georgia
June 23, 2005~~

