

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM S-8  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

ATLANTIC AMERICAN CORPORATION  
(Exact name of issuer as specified in its charter)  
Georgia 58-1027114  
(State or other jurisdiction of (I.R.S. Employer Identification No.)  
incorporation or organization)  
4370 Peachtree Road  
Atlanta, Georgia 30319-3000  
(Address of principal executive office)

ATLANTIC AMERICAN CORPORATION  
1992 INCENTIVE PLAN  
(Full title of the plan)

Mr. Edward L. Rand, Jr.  
Vice President and Treasurer  
Atlantic American Corporation  
4370 Peachtree Road  
Atlanta, Georgia 30319-3000  
(404) 266-5500  
(Name, address, including zip code, and telephone number,  
including area code, of agent for service)

With a copy to:  
Mark L. Hanson, Esq.  
Jones, Day, Reavis & Pogue  
3500 SunTrust Plaza  
303 Peachtree Street, N.E.  
Atlanta, Georgia 30308-3242

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CALCULATION OF REGISTRATION FEE  
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| Title of securities<br>To be registered | Amount to be<br>registered | Proposed maximum<br>offering price<br>per share(1) | Proposed maximum<br>aggregate<br>offering price(1) | Amount of<br>registration<br>fee(1) |
|---|----------------------------|--|--|-------------------------------------|
| Common Stock,<br>\$1.00 par value       | 1,400,000<br>shares        | \$2.625  | \$3,675,000  | \$1,021.65                          |

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(1) In accordance with Rules 457(c) and (h) under the Securities Act of 1933, the maximum aggregate offering price and registration fee have been computed as follows: the price per share of Common Stock of Atlantic American Corporation has been based on the average of the high and low prices reported for the Common Stock on the Nasdaq National Market on October 25, 1999 (a date within 5 business days prior to the date of filing this Registration Statement). In accordance with General Instruction E to Form S-8, the filing fee is paid only with respect to the additional securities being registered under the 1992 Incentive Plan.

The purpose of this Registration Statement is to register 1,400,000 additional shares of Common Stock, par value \$1.00 per share, of Atlantic American Corporation (the "Company"), issuable pursuant to the Company's 1992 Incentive Plan. In accordance with General Instruction E of Form S-8 the information contained in the Registration Statement on Form S-8 (No. 33-56866) is incorporated herein by reference.

Item 8. Exhibits.

- 4 Atlantic American Corporation 1992 Incentive Plan, as amended Plan
- 5 Opinion of Jones, Day, Reavis & Pogue (with respect to the legality of the securities being registered)
- 23(a) Consent of Jones, Day, Reavis & Pogue (included in Exhibit 5)
- 23(b) Consent of Arthur Andersen LLP, independent public accountants
- 23(c) Consent of Ernst & Young LLP, independent auditors
- 24 Power of Attorney (included as part of the signature page of this Registration Statement)

SIGNATURES

The Registrant. Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing this Registration Statement on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on the 29th day of October, 1999.

ATLANTIC AMERICAN CORPORATION

By: /s/ Edward L. Rand, Jr.  
Edward L. Rand, Jr.  
Vice President and Treasurer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints J. Mack Robinson and Hilton H. Howell, Jr., jointly and severally, his true and lawful attorneys-in-fact and agents, each with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Registration Statement, and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that each of said attorneys-in-fact and agents, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the date indicated:

| Signature  | Title  | Date             |
|--|--|------------------|
| -----  | -----  | -----            |
| /s/ J. Mack Robinson<br>-----<br>J. Mack Robinson<br>-----           | Chairman of the Board  | October 29, 1999 |
| /s/ Hilton H. Howell, Jr.<br>-----<br>Hilton H. Howell, Jr.<br>----- | President, Chief<br>Executive Officer<br>and Director                              | October 29, 1999 |
| /s/ Edward L. Rand, Jr.<br>-----<br>Edward L. Rand, Jr.              | Vice President<br>and Treasurer<br>(Principal Financial<br>and Accounting Officer) | October 29, 1999 |
| /s/ Edward E. Elson<br>-----<br>Edward E. Elson<br>-----             | Director   | October 29, 1999 |
| /s/ Harold K. Fischer<br>-----<br>Harold K. Fischer<br>-----         | Director   | October 29, 1999 |
| /s/ Samuel E. Hudgins<br>-----<br>Samuel E. Hudgins<br>-----         | Director   | October 29, 1999 |
| /s/ D. Raymond Riddle<br>-----<br>D. Raymond Riddle<br>-----         | Director   | October 29, 1999 |
| /s/ Harriett J. Robinson<br>-----<br>Harriett J. Robinson<br>-----   | Director   | October 29, 1999 |



## Exhibit Index

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As Amended through  
May 5, 1998

## ATLANTIC AMERICAN CORPORATION

## 1992 Incentive Plan

1. Purpose. The purpose of this Plan is to attract and retain officers and key employees for Atlantic American Corporation, a Georgia corporation (the "Corporation"), and its Subsidiaries and to provide such persons with incentives and rewards for superior performance.

2. Definitions. As used in this Plan,

"Appreciation Right" means a right granted pursuant to Section 5 of this Plan, including a Free-standing Appreciation Right and a Tandem Appreciation Right.

"Base Price" means the price to be used as the basis for determining the Spread upon the exercise of a Free-standing Appreciation Right.

"Board" means the Board of Directors of the Corporation.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Committee" means the committee described in Section 16(a) of this Plan.

"Common Shares" means (i) shares of the common stock of the Corporation \$1.00 par value and (ii) any security into which Common Shares may be converted by reason of any transaction or event of the type referred to in Section 10 of this Plan.

"Date of Grant" means the date specified by the Committee on which a grant of Option Rights, Appreciation Rights, Performance Shares or Performance Units or a grant or sale of Restricted Shares or Deferred Shares shall become effective, which shall not be earlier than the date on which the Committee takes action with respect thereto.

"Deferral Period" means the period of time during which Deferred Shares are subject to deferral limitations under Section 7 of this Plan.

"Deferred Shares" means an award pursuant to Section 7 of this Plan of the right to receive Common Shares at the end of a specified Deferral Period.

"Free-standing Appreciation Right" means an Appreciation Right granted pursuant to Section 5 of this Plan that is not granted in tandem with an Option Right or similar right.

"Incentive Stock Options" means Option Rights that are intended to qualify as "incentive stock options" under Section 422 of the Code or any successor provision.

"Management Objectives" means the achievement or performance objectives established pursuant to this Plan for Participants who have received grants of Performance Shares or Performance Units or, when so determined by the Committee, Restricted Shares.

"Market Value per Share" means the fair market value of the Common Shares as determined by the Committee from time to time.

"Optionee" means the person so designated in an agreement evidencing an outstanding Option Right.

"Option Price" means the purchase price payable upon the exercise of an Option Right.

"Option Right" means the right to purchase Common Shares upon exercise of an option granted pursuant to Section 4 of this

Plan.

"Participant" means a person who is selected by the Committee to receive benefits under this Plan and (i) is at that time an officer, including without limitation an officer who may also be a member of the Board, or other key employee of the Corporation or any one or more of its Subsidiaries or (ii) has agreed to commence serving in any of such capacities.

"Performance Period" means, in respect of a Performance Share or Performance Unit, a period of time established pursuant to Section 8 of this Plan within which the Management Objectives relating to such Performance Share or Performance Unit are to be achieved.

"Performance Share" means a bookkeeping entry that records the equivalent of one Common Share awarded pursuant to Section 8 of this Plan.

"Performance Unit" means a bookkeeping entry that records a unit equivalent to \$ 1.00 awarded pursuant to Section 8 of this Plan.

"Reload Option Rights" means additional Option Rights granted automatically to an Optionee upon the exercise of Option Rights pursuant to Section 4(f) of this Plan.

"Restricted Shares" mean Common Shares granted or sold pursuant to Section 6 of this Plan as to which neither the substantial risk of forfeiture nor the prohibition on transfers referred to in Section 6 hereof has expired.

"Rule 16b-3" means Rule 16b-3 of the Securities and Exchange Commission (or any successor rule to the same effect), as in effect from time to time.

"Spread" means, in the case of a Free-standing Appreciation Right, the amount by which the Market Value per Share on the date when any such right is exercised exceeds the Base Price specified in such right or, in the case of a Tandem Appreciation Right, the amount by which the Market Value per Share on the date when any such right is exercised exceeds the Option Price specified in the related Option Right.

"Subsidiary" means a corporation, company or other entity (i) more than 50 percent of whose outstanding shares or securities (representing the right to vote for the election of directors or other managing authority) are, or (ii) which does not have outstanding shares or securities (as may be the case in a partnership, joint venture or unincorporated association), but more than 50 percent of whose ownership interest (representing the right generally to make decisions for such other entity) is, now or hereafter owned or controlled directly or indirectly by the Corporation; provided, however, for purposes of determining whether any person may be a Participant for purposes of any grant of Incentive Stock Options, "Subsidiary" means any corporation in which the Corporation owns or controls directly or indirectly more than 50 percent of the total combined voting power represented by all classes of stock issued by such corporation at the time of such grant.

"Tandem Appreciation Right" means an Appreciation Right granted pursuant to Section 5 of this Plan that is granted in tandem with an Option Right or any similar right granted under any other plan of the Corporation.

3. Shares Available Under the Plan. Subject to adjustment as provided in Section 10 of this Plan, the number of Common Shares issued or transferred (a) upon the exercise of Option Rights or Appreciation Rights, (b) as Restricted Shares or Deferred Shares, (c) in payment of Performance Shares or Performance Units that shall have been earned or (d) in payment of dividend equivalents paid with respect to awards made under this Plan, shall not in the aggregate exceed 1,800,000 Common Shares, which may be Common Shares of original issuance or Common Shares held in treasury or a combination thereof. If any portion of an outstanding award hereunder shall terminate or expire for any reason (other than pursuant to exercise), the Common Shares allocable to such portion of such award may again be subject to an award under the Plan; provided, however, that the Common Shares allocable to awards that have been the subject to the payment of dividends or dividend equivalents shall not again be available hereunder. The number of Common Shares that may be issued under the Plan shall be calculated in accordance with Rule 16b-3.

4. Option Rights. The Committee may from time to time authorize grants to Participants of options to purchase Common Shares upon such terms and conditions as the Committee may determine in accordance with the following provisions:

- a. Each grant shall specify the number of Common Shares to which it pertains.
- b. Each grant shall specify an Option Price per Common Share, which shall be determined by the Committee and may be less than the Market Value per Share on the Date of Grant; provided, however, that the Option Price per Common Share of any Incentive Stock Option shall not be less than Fair Market Value per Share on the Date of Grant.
- c. Each grant shall specify the form of consideration to be paid in satisfaction of the Option Price and the manner of payment of such consideration, which may include (i) cash in the form of currency or check or other cash equivalent acceptable to the Corporation, (ii) nonforfeitable, unrestricted Common Shares, which are already owned by the Optionee and have a value at the time of exercise that is equal to the Option Price, (iii) any other legal consideration that the Committee may deem appropriate, including without limitation any form of consideration authorized under Section 4(d) below, on such basis as the Committee may determine in accordance with this Plan and (iv) any combination of the foregoing.
- d. On or after the Date of Grant of any Option Rights other than Incentive Stock Options, the Committee may determine that payment of the Option Price may also be made in whole or in part in the form of Restricted Shares or other Common Shares that are subject to risk of forfeiture or restrictions on transfer. Unless otherwise determined by the Committee on or after the Date of Grant, whenever any Option Price is paid in whole or in part by means of any of the forms of consideration specified in this Section 4(d), the Common Shares received by the Optionee upon the exercise of the Option Rights shall be subject to the same risks of forfeiture or restrictions on transfer as those that applied to the consideration surrendered by the Optionee; provided, however, that such risks of forfeiture and restrictions on transfer shall apply only to the same number of Common Shares received by the Optionee as applied to the forfeitable or restricted Common Shares surrendered by the Optionee.
- e. Any grant may provide for deferred payment of the Option Price from the proceeds of sale through a bank or broker on the date of exercise of some or all of the Common Shares to which the exercise relates.
- f. On or after the Date of Grant of any Option Rights, the Committee may provide for the automatic grant to the Optionee of Reload Option Rights upon the exercise of Option Rights, including Reload Option Rights, for Common Shares or any other noncash consideration authorized under Sections 4(c) and (d) above.
- g. Successive grants may be made to the same Participant regardless of whether any Option Rights previously granted to such Participant remain unexercised.
- h. Each grant shall specify the period or periods of continuous employment of the Optionee by the Corporation or any Subsidiary that are necessary before the Option Rights or installments thereof shall become exercisable, and any grant may provide for the earlier exercise of such rights in the event of a change in control of the Corporation or other similar transaction or event.





- i. Option Rights granted under this Plan may be (i) options that are intended to qualify under particular provisions of the Code, including without limitation Incentive Stock Options, (ii) options that are not intended to so qualify or (iii) combinations of the foregoing.
- j. On or after the Date of Grant of any Option Rights other than Incentive Stock Options, the Committee may provide for the payment to the Optionee of dividend equivalents thereon in cash or Common Shares on a current, deferred or contingent basis, or the Committee may provide that such equivalents shall be credited against the Option Price.
- k. No Option Right granted under this Plan may be exercised more than 10 years from the Date of Grant.
- l. Each grant shall be evidenced by an agreement, which shall be executed on behalf of the Corporation by any officer thereof (other than the Optionee under such agreement) and delivered to and accepted by the Optionee and shall contain such terms and provisions as the Committee may determine consistent with this Plan.

5. **Appreciation Rights.** The Committee may also authorize grants to Participants of Appreciation Rights. An Appreciation Right shall be a right of the Participant to receive from the Corporation an amount, which shall be determined by the Committee and shall be expressed as a percentage (not exceeding 100 percent) of the Spread at the time of the exercise of such right. Any grant of Appreciation Rights under this Plan shall be upon such terms and conditions as the Committee may determine in accordance with the following provisions:

- a. Any grant may specify that the amount payable upon the exercise of an Appreciation Right may be paid by the Corporation in cash, Common Shares or any combination thereof and may (i) either grant to the Participant or reserve to the Committee the right to elect among those alternatives or (ii) preclude the right of the Participant to receive and the Corporation to issue Common Shares or other equity securities in lieu of cash.
- b. Any grant may specify that the amount payable upon the exercise of an Appreciation Right shall not exceed a maximum specified by the Committee on the Date of Grant.
- c. Any grant may specify (i) a waiting period or periods before Appreciation Rights shall become exercisable and (ii) permissible dates or periods on or during which Appreciation Rights shall be exercisable.
- d. Any grant may specify that an Appreciation Right may be exercised only in the event of a change in control of the Corporation or other similar transaction or event.
- e. On or after the Date of Grant of any Appreciation Rights, the Committee may provide for the payment to the Participant of dividend equivalents thereon in cash or Common Shares on a current, deferred or contingent basis.
- f. Each grant shall be evidenced by an agreement, which shall be executed on behalf of the Corporation by any officer thereof and delivered to and accepted by the Optionee and shall describe the subject Appreciation Rights, identify any related Option Rights, state that the Appreciation Rights are subject to all of the terms and conditions of this Plan and contain such other terms and provisions as the Committee may determine consistent with this Plan.
- g. **Regarding Tandem Appreciation Rights only:**  
Each grant shall provide that a Tandem Appreciation Right may be exercised only (i) at a time when the related Option Right (or any similar right granted under any other plan of the Corporation) is also exercisable and the Spread is positive and (ii) by surrender of the related Option Right (or such other right) for cancellation.

Regarding Free-standing Appreciation Rights only:

(i) Each grant shall specify in respect of each Free-standing Appreciation Right a Base Price per Common Share, which shall be equal to or greater than the Market Value per Share on the Date of Grant;

(ii) Successive grants may be made to the same Participant regardless of whether any Free-standing Appreciation Rights previously granted to such Participant remain unexercised;

(iii) Each grant shall specify the period or periods of continuous employment of the Participant by the Corporation or any Subsidiary that are necessary before the Free-standing Appreciation Rights or installments thereof shall become exercisable, and any grant may provide for the earlier exercise of such rights in the event of a change in control of the Corporation or other similar transaction or event; and

(iv) No Free-standing Appreciation Right granted under this Plan may be exercised more than 10 years from the Date of Grant.

6. Restricted Shares. The Committee may also authorize grants or sales to Participants of Restricted Shares upon such terms and conditions as the Committee may determine in accordance with the following provisions:

- a. Each grant or sale shall constitute an immediate transfer of the ownership of Common Shares to the Participant in consideration of the performance of services, entitling such Participant to dividend, voting and other ownership rights, subject to the substantial risk of forfeiture and restrictions on transfer hereinafter referred to.
- b. Each grant or sale may be made without additional consideration from the Participant or in consideration of a payment by the Participant that is less than the Market Value per Share on the Date of Grant.
- c. Each grant or sale shall provide that the Restricted Shares covered thereby shall be subject to a "substantial risk of forfeiture" within the meaning of Section 83 of the Code for a period to be determined by the Committee on the Date of Grant, and any grant or sale may provide for the earlier termination of such period in the event of a change in control of the Corporation or other similar transaction or event.
- d. Each grant or sale shall provide that, during the period for which such substantial risk of forfeiture is to continue, the transferability of the Restricted Shares shall be prohibited or restricted in the manner and to the extent prescribed by the Committee on the Date of Grant. Such restrictions may include without limitation rights of repurchase or first refusal in the Corporation or provisions subjecting the Restricted Shares to a continuing substantial risk of forfeiture in the hands of any transferee.
- e. Any grant or sale may be further conditioned upon the attainment of Management Objectives to be established and, if appropriate, adjusted by the Committee in accordance with the applicable provisions of Section 8 of this Plan regarding Performance Shares and Performance Units.
- f. Any grant or sale may require that any or all dividends or other distributions paid on the Restricted Shares during the period of such restrictions be automatically sequestered and reinvested on an immediate or deferred basis in additional Common Shares, which may be subject to the same restrictions as the underlying award or such other restrictions as the Committee may determine.
- g. Each grant or sale shall be evidenced by an agreement, which shall be executed on behalf of the Corporation by any officer thereof and delivered to and accepted by the Participant and shall contain such terms and provisions as the Committee may determine consistent with this Plan. Unless otherwise directed by the Committee, all certificates representing Restricted Shares, together with a stock power that shall be endorsed in blank by the Participant with respect to such shares, shall be held in custody by the Corporation until all restrictions thereon lapse.



7. Deferred Shares. The Committee may also authorize grants or sales of Deferred Shares to Participants upon such terms and conditions as the Committee may determine in accordance with the following provisions:

- a. Each grant or sale shall constitute the agreement by the Corporation to issue or transfer Common Shares to the Participant in the future in consideration of the performance of services, subject to the fulfillment during the Deferral Period of such conditions as the Committee may specify.
- b. Each grant or sale may be made without additional consideration from the Participant or in consideration of a payment by the Participant that is less than the Market Value per Share on the Date of Grant.
- c. Each grant or sale shall provide that the Deferred Shares covered thereby shall be subject to a Deferral Period, which shall be fixed by the Committee on the Date of Grant, and any grant or sale may provide for the earlier termination of such period in the event of a change in control of the Corporation or other similar transaction or event.
- d. During the Deferral Period, the Participant shall not have any right to transfer any rights under the subject award, shall not have any rights of ownership in the Deferred Shares and shall not have any right to vote such shares, but the Committee may on or after the Date of Grant authorize the payment of dividend equivalents on such shares in cash or additional Common Shares on a current, deferred or contingent basis.
- e. Each grant or sale shall be evidenced by an agreement, which shall be executed on behalf of the Corporation by any officer thereof and delivered to and accepted by the Participant and shall contain such terms and provisions as the Committee may determine consistent with this Plan.

8. Performance Shares and Performance Units. The Committee may also authorize grants of Performance Shares and Performance Units, which shall become payable to the Participant upon the achievement of specified Management Objectives, upon such terms and conditions as the Committee may determine in accordance with the following provisions:

- a. Each grant shall specify the number of Performance Shares or Performance Units to which it pertains, which may be subject to adjustment to reflect changes in compensation or other factors.
- b. The Performance Period with respect to each Performance Share or Performance Unit shall be determined by the Committee on the Date of Grant, shall commence on the Date of Grant and may be subject to earlier termination in the event of a change in control of the Corporation or other similar transaction or event.
- c. Each grant shall specify the Management Objectives that are to be achieved by the Participant, which may be described in terms of Corporation-wide objectives or objectives that are related to the performance of the individual Participant or the Subsidiary, division, department or function within the Corporation or Subsidiary in which the Participant is employed.
- d. Each grant shall specify in respect of the specified Management Objectives a minimum acceptable level of achievement below which no payment will be made and shall set forth a formula for determining the amount of any payment to be made if performance is at or above such minimum acceptable level but falls short of full achievement of the specified Management Objectives.
- e. Each grant shall specify the time and manner of payment of Performance Shares or Performance Units that shall have been earned, and any grant may specify that any such amount may be paid by the Corporation in cash, Common Shares or any combination thereof and may either grant to the Participant or reserve to the Committee the right to elect among those alternatives.

- f. Any grant of Performance Shares may specify that the amount payable with respect thereto may not exceed a maximum specified by the Committee on the Date of Grant. Any grant of Performance Units may specify that the amount payable, or the number of Common Shares issued, with respect thereto may not exceed maximums specified by the Committee on the Date of Grant.
- g. On or after the Date of Grant of Performance Shares, the Committee may provide for the payment to the Participant of dividend equivalents thereon in cash or additional Common Shares on a current, deferred or contingent basis.
- h. The Committee may adjust Management Objectives and the related minimum acceptable level of achievement if, in the sole judgment of the Committee, events or transactions have occurred after the Date of Grant that are unrelated to the performance of the Participant and result in distortion of the Management Objectives or the related minimum acceptable level of achievement.
- i. Each grant shall be evidenced by an agreement, which shall be executed on behalf of the Corporation by any officer thereof and delivered to and accepted by the Participant and shall state that the Performance Shares or Performance Units are subject to all of the terms and conditions of this Plan and such other terms and provisions as the Committee may determine consistent with this Plan.

9. Transferability.

- a. No Option Right or other derivative security (as that term is used in Rule 16b-3) awarded under this Plan shall be transferable by a Participant other than by will or the laws of descent and distribution. Option Rights and Appreciation Rights shall be exercisable during a Participant's lifetime only by the Participant or, in the event of the Participant's legal incapacity, by his guardian or legal representative acting in a fiduciary capacity on behalf of the Participant under state law and court supervision.
- b. Any award made under this Plan may provide that all or any part of the Common Shares that are (i) to be issued or transferred by the Corporation upon the exercise of Option Rights or Appreciation Rights, upon the termination of the Deferral Period applicable to Deferred Shares or upon payment under any grant of Performance Shares or Performance Units, or (ii) no longer subject to the substantial risk of forfeiture and restrictions on transfer referred to in Section 6 of this Plan, shall be subject to further restrictions upon transfer.

10. Adjustments. The Committee may make or provide for such adjustments in the (a) number of Common Shares covered by outstanding Option Rights, Appreciation Rights, Deferred Shares and Performance Shares granted hereunder, (b) prices per share applicable to such Option Rights and Appreciation Rights, and (c) kind of shares covered thereby, as the Committee in its sole discretion may in good faith determine to be equitably required in order to prevent dilution or enlargement of the rights of Optionees that otherwise would result from (x) any stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure of the Corporation, (y) any merger, consolidation, spin-off, spin-out, split-off, split-up, reorganization, partial or complete liquidation or other distribution of assets, issuance of rights or warrants to purchase securities or (z) any other corporate transaction or event having an effect similar to any of the foregoing. Moreover, in the event of any such transaction or event, the Committee may provide in substitution for any or all outstanding awards under this Plan such alternative consideration as it may in good faith determine to be equitable under the circumstances and may require in connection therewith the surrender of all awards so replaced. The Committee may also make or provide for such adjustments in the number of shares specified in Section 3 or Section 16(c) of this Plan as the Committee in its sole discretion may in good faith determine to be appropriate in order to reflect any transaction or event described in this Section 10.

11. Fractional Shares. The Corporation shall not be required to issue any fractional Common Shares pursuant to this Plan. The Committee may provide for the elimination of fractions or for the settlement thereof in cash.

12. Withholding Taxes. To the extent that the Corporation is required to withhold federal, state, local or foreign taxes in connection with any payment made or benefit realized by a Participant or other person under this Plan, and the amounts available to the Corporation for such withholding are insufficient, it shall be a condition to the receipt of such payment or the realization of such benefit that the Participant or such other person make arrangements satisfactory to the Corporation for payment of the balance of such taxes required to be withheld. At the discretion of the Committee, such arrangements may include relinquishment of a portion of such benefit. The Corporation and any Participant or such other person may also make similar arrangements with respect to the payment of any taxes with respect to which withholding is not required.

13. Certain Terminations of Employment, Hardship and Approved Leaves of Absence. Notwithstanding any other provision of this Plan to the contrary, in the event of termination of employment by reason of death, disability, normal retirement, early retirement with the consent of the Corporation or leave of absence approved by the Corporation, or in the event of hardship or other special circumstances, of a Participant who holds an Option Right or Appreciation Right that is not immediately and fully exercisable, any Restricted Shares as to which the substantial risk of forfeiture or the prohibition or restriction on transfer has not lapsed, any Deferred Shares as to which the Deferral Period is not complete, any Performance Shares or Performance Units that have not been fully earned, or any Common Shares that are subject to any transfer restriction pursuant to Section 9(b) of this Plan, the Committee may in its sole discretion take any action that it deems to be equitable under the circumstances or in the best interests of the Corporation, including without limitation waiving or modifying any limitation or requirement with respect to any award under this Plan.

14. Foreign Employees. In order to facilitate the making of any grant or combination of grants under this Plan, the Committee may provide for such special terms for awards to Participants who are foreign nationals, or who are employed by the Corporation or any Subsidiary outside of the United States of America, as the Committee may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. Moreover, the Committee may approve such supplements to, or amendments, restatements or alternative versions of, this Plan as it may consider necessary or appropriate for such purposes without thereby affecting the terms of this Plan as in effect for any other purpose; provided, however, that no such supplements, amendments, restatements or alternative versions shall include any provisions that are inconsistent with the terms of this Plan, as then in effect, unless this Plan could have been amended to eliminate such inconsistency without further approval by the shareholders of the Corporation.

15. Administration of the Plan.

- a. This Plan shall be administered by a committee of members of the Board which shall satisfy the disinterested administration requirements of Rule 16b-3. A majority of the Committee shall constitute a quorum, and the acts of the members of the Committee who are present at any meeting thereof at which a quorum is present, or acts unanimously approved by the members of the Committee in writing, shall be the acts of the Committee.
- b. The interpretation and construction by the Committee of any provision of this Plan or of any agreement, notification or document evidencing the grant of Option Rights, Appreciation Rights, Restricted Shares, Deferred Shares, Performance Shares or Performance Units, and any determination by the Committee pursuant to any provision of this Plan or any such agreement, notification or document, shall be final and conclusive. No member of the Committee shall be liable for any such action taken or determination made in good faith.

16. Amendments and Other Matters.

- a. This Plan may be amended from time to time by the Committee, but no such amendment shall increase the maximum number of shares specified in Section 3 of this Plan except as expressly authorized by this Plan, or cause Rule 16b-3 to become inapplicable to this Plan, without the further approval of the shareholders of the Corporation.
- b. With the concurrence of the affected Optionee, the Committee may cancel any agreement evidencing Option Rights or any other award granted under this Plan. In the event of such cancellation, the Committee may authorize the granting of new Option Rights or other awards hereunder, which may or may not cover the same number of Common Shares that had been the subject of the prior award, in such manner, at such Option

Price and subject to such other terms, conditions and discretions as would have been applicable under this Plan had the cancelled Option Rights or other award not been granted.



- d. The Committee may condition any grant under this Plan upon the surrender by the Participant for cancellation of any or all option rights or restricted stock outstanding under this Plan or any other plan of the Corporation.
  - e. This Plan shall not confer upon any Participant any right with respect to continuance of employment or other service with the Corporation or any Subsidiary and shall not interfere in any way with any right that the Corporation or any Subsidiary would otherwise have to terminate any Participant's employment or other service at any time.
  - f. (i) To the extent that any provision of this Plan would prevent any Option Right that was intended to qualify under particular provisions of the Code from so qualifying, such provision of this Plan shall be null and void with respect to such Option Right; provided, however, that such provision shall remain in effect with respect to other Option Rights, and there shall be no further effect on any provision of this Plan.
    - (ii) If this Plan is not approved by the holders of a majority of the shares of stock of the Corporation represented at a meeting and entitled for vote thereon within twelve (12) months after this Plan is adopted by the Board, this Plan and any awards made hereunder shall be null and void.
    - (iii) Any award that may be made pursuant to an amendment to this Plan that shall have been adopted without the approval of the shareholders of the Corporation shall be null and void if it is subsequently determined that such approval was required in order for Rule 16b-3 to remain applicable to this Plan.
6. This Plan is intended to comply with and be subject to Rule 16b-3 as in effect prior to May 1, 1991. The Committee may at any time elect that this Plan shall be subject to Rule 16b-3 as in effect on and after May 1, 1991.

JONES, DAY, REAVIS & POGUE  
3500 SUNTRUST PLAZA  
303 Peachtree Street  
Atlanta, GA 30308

October 29, 1999

Atlantic American Corporation  
4370 Peachtree Road  
Atlanta, Georgia 30319

Re: Registration Statement on Form S-8

Ladies and Gentlemen:

We have acted as special counsel for Atlantic American Corporation, a Georgia corporation (the "Company"), in connection with the registration under the Securities Act of 1933, as amended, pursuant to a Registration Statement on Form S-8, of 1,400,000 shares (the "Shares") of the Company's Common Stock, par value \$1.00 per share, issuable pursuant to the Company's 1992 Incentive Plan (the "Plan").

We have examined such documents, records and matters of law as we have deemed necessary for purposes of rendering this opinion. Based upon and subject to the foregoing, we are of the opinion that the Shares have been duly authorized and, when issued in accordance with the Plan at not less than the par value of the Shares, will be validly issued, fully paid and nonassessable.

We hereby consent to the filing of this opinion as Exhibit 5 to the Company's Registration Statement on Form S-8.

Very truly yours,

/s/ Jones, Day, Reavis & Pogue

JONES, DAY, REAVIS & POGUE

EXHIBIT 23(b)

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this Registration Statement of our report dated March 26, 1999, incorporated by reference in Atlantic American Corporation's Form 10-K for the year ended December 31, 1998, and to all references to our firm included in this Registration Statement.

/s/ Arthur Andersen LLP  
Atlanta, Georgia  
October 27, 1999

EXHIBIT 23 (c)

CONSENT OF ERNST & YOUNG LLP  
INDEPENDENT AUDITORS

We consent to the incorporation by reference in this Registration Statement on Form S-8 of Atlantic American Corporation, with respect to the 1992 Incentive Plan of our report dated September 7, 1999, with respect to the combined financial statements of Association Casualty Insurance Company and Association Risk Management General Agency, Inc., included in Atlantic American Corporation's Current Report on Form 8-K/A dated September 14, 1999.

Austin, Texas  
October 27, 1999

/s/ Ernst & Young LLP