
 OMB APPROVAL

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U.S. SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

FORM 5

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
 Section 17(a) of the Public Utility Holding Company Act of 1935 or
 Section 30(f) of the Investment Company Act of 1940

[] Check this box if no longer subject of Section 16. Form 4 or Form 5
 obligations may continue. See Instruction 1(b).

[] Form 3 Holdings Reported

[] Form 4 Transactions Reported

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1. Name and Address of Reporting Person

Riddle D. Raymond

 (Last) (First) (Middle)

940 Crest Valley Drive, N.W.

 (Street)

Atlanta GA 30327

 (City) (State) (Zip)

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2. Issuer Name and Ticker or Trading Symbol

Atlantic American Corporation - AAME

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3. IRS or Social Security Number of Reporting Person (Voluntary)

###-##-####

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4. Statement for Month/Year

December, 1996

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5. If Amendment, Date of Original (Month/Year)

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6. Relationship of Reporting Person to Issuer

(Check all applicable)

[X] Director [] 10% Owner
 [] Officer (give title below) [] Other (specify below)

Table I -- Non-Derivative Securities Acquired, Disposed of,
 or Beneficially Owned

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| 1. Title of Security (Instr. 3) | 2. Transaction Date (mm/dd/yy) | 3. Transaction Code (Instr. 8) | 4. Security Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 5. Amount of Securities Beneficially Owned at End of Issuer's Fiscal Year (Instr. 3 & 4) | 6. Owner- ship Form: Direct (D) or Indirect (I) (Instr.4) | 7. Nature of Beneficial Ownership (Instr. 4) |
|---------------------------------------|---|---|--|-------|--|---|--|
| | | | Amount | Price | | | |
| Common Stock | N/A/ | | | | 1,540 | D | |

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conver- sion or Exer- cise Price of Deriv- ative Secur- ity | 3. Trans- action Date (Month/ Day/ Year) | 4. Trans- action Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | | 8. Price of Deriv- ative Secur- ity (Instr. 5) | 9. Number of Deriv- ative Secur- ities Bene- ficially Owned at End of Year (Instr. 4) | 10. Owner- ship of Deriv- ative Secur- ity: Direct (D) or In- direct (I) (Instr. 4) | 11. Nature of In- direct Bene- ficial Owner- ship (Instr. 4) |
|--|---|--|---|--|--|----------|---|-------|--|---|---|--|
| Option to Buy (1) | \$3.25 | 10/29/96 | A | 5,000 | 4/30/97 | 10/29/01 | Common Stock | 5,000 | 5,000 | | D | |

Explanation of Responses:(1) Granted Pursuant to the Company's 1996 Director Option Plan

/s/ _____ 2/14/97
D. Raymond Riddle Date

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations.

See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed.
If space provided is insufficient, see Instruction 6 for procedure.

