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

FORM 10-Q

(Mark One)

Quarterly report pursuant to section 13 or 15 (d) of the Securities Exchange Act of 1934

For the Quarterly Period ended September 30, 2016.

Transition report pursuant to section 13 or 15 (d) of the Securities Exchange Act of 1934.

For the transition period from _____ to _____.

Commission file number 000-28249

AMERINST INSURANCE GROUP, LTD.

(Exact Name of Registrant as Specified in its Charter)

BERMUDA
(State or other jurisdiction of
Incorporation or Organization)

98-0207447
(I.R.S. Employer
Identification No.)

c/o Citadel Management Bermuda Limited
25 Church Street, Continental Building
P.O. Box HM 1601, Hamilton, Bermuda
(Address of Principal Executive Offices)

HMGX
(Zip Code)

(441) 295-6015
(Telephone number)

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 (§232.405 of this chapter) 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 the definitions of "accelerated filer," "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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 .

As of November 1, 2016, the Registrant had 995,253 common shares, \$1.00 par value per share, outstanding.

Introductory Note

Caution Concerning Forward-Looking Statements

Certain statements contained in this Form 10-Q, or otherwise made by our officers, including statements related to our future performance, our outlook for our businesses and respective markets, projections, statements of our management's plans or objectives, forecasts of market trends and other matters, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, and contain information relating to us that is based on the beliefs of our management as well as assumptions made by, and information currently available to, our management. The words "expect," "believe," "may," "could," "should," "would," "estimate," "anticipate," "intend," "plan," "target," "goal" and similar expressions as they relate to us or our management are intended to identify forward-looking statements. Such statements reflect our management's current views with respect to future events and are subject to certain risks, uncertainties and assumptions that could cause actual results to differ materially from those reflected in any forward-looking statements. Our actual future results may differ materially from those set forth in our forward-looking statements. Factors that might cause such actual results to differ materially from those reflected in any forward-looking statements include, but are not limited to the factors discussed in detail in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Form 10-Q, as well as:

- our ability to generate increased revenues and positive earnings in future periods;
- the occurrence of catastrophic events with a frequency or severity exceeding our expectations;
- subjection of our non-U.S. companies to regulation and/or taxation in the United States;
- a decrease in the level of demand for professional liability insurance and reinsurance or an increase in the supply of professional liability insurance and reinsurance capacity;
- our ability to meet the performance goals and metrics set forth in our business plan without a significant depletion of our cash resources while maintaining sufficient capital levels;
- a worsening of the current global economic market conditions and changing rates of inflation and other economic conditions;
- the effects of security breaches, cyber-attacks or computer viruses that may affect our computer systems or those of our customers, third-party managers and service providers;
- increased competitive pressures, including the consolidation and increased globalization of reinsurance providers;
- actual losses and loss expenses exceeding our loss reserves, which are necessarily based on the actuarial and statistical projections of ultimate losses;
- increased or decreased rate pressure on premiums;
- adequacy of our risk management and loss limitation methods;
- the successful integration of businesses we may acquire or new business ventures we may start;
- acts of terrorism, political unrest, outbreak of war and other hostilities or other non-forecasted and unpredictable events;
- compliance with and changes in the legal or regulatory environments in which we operate; and
- other risks, including those risks identified in any of our other filings with the Securities and Exchange Commission.

The foregoing review of important factors should not be construed as exhaustive and should be read in conjunction with other cautionary statements that are included herein. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect our management's analysis only as of the date they are made. We undertake no obligation to release publicly the results of any future revisions we may make to forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Part I—FINANCIAL INFORMATION

Item 1. Financial Statements.

AMERINST INSURANCE GROUP, LTD.

CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited, expressed in U.S. dollars)

	As of September 30, 2016	As of December 31, 2015
ASSETS		
INVESTMENTS		
Fixed maturity investments, available for sale, at fair value (amortized cost \$8,701,939 and \$7,637,599)	\$ 8,799,988	\$ 7,691,186
Equity securities, available for sale, at fair value (cost \$11,150,478 and \$10,418,922)	14,558,625	14,702,845
TOTAL INVESTMENTS	23,358,613	22,394,031
Cash and cash equivalents	4,111,302	3,073,747
Restricted cash and cash equivalents	9,788	608,370
Other invested assets	980,000	980,000
Assumed reinsurance balances receivable	1,235,637	1,031,992
Accrued investment income	71,953	59,342
Property and equipment	230,288	130,740
Deferred policy acquisition costs	1,433,389	1,066,789
Prepaid expenses and other assets	2,125,290	1,042,249
TOTAL ASSETS	<u>\$33,556,260</u>	<u>\$30,387,260</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Unpaid losses and loss adjustment expenses	\$ 9,143,075	\$ 6,583,474
Unearned premium	3,874,020	2,883,203
Assumed reinsurance balances payable	9	269,055
Accrued expenses and other liabilities	3,040,890	3,129,906
TOTAL LIABILITIES	<u>\$16,057,994</u>	<u>\$12,865,638</u>
SHAREHOLDERS' EQUITY		
Common shares, \$1 par value, 2016 and 2015: 2,000,000 shares authorized, 995,253 issued and outstanding	\$ 995,253	\$ 995,253
Additional paid-in capital	6,287,293	6,287,293
Retained earnings	14,951,739	14,213,781
Accumulated other comprehensive income	3,506,196	4,337,510
Shares held by Subsidiary (342,992 and 345,610 shares) at cost	(8,242,215)	(8,312,215)
TOTAL SHAREHOLDERS' EQUITY	<u>17,498,266</u>	<u>17,521,622</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$33,556,260</u>	<u>\$30,387,260</u>

See the accompanying notes to the unaudited condensed consolidated financial statements.

AMERINST INSURANCE GROUP, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF
OPERATIONS, COMPREHENSIVE INCOME (LOSS)
AND RETAINED EARNINGS
(Unaudited, expressed in U.S. dollars)

	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015
REVENUE				
Net premiums earned	\$ 4,960,678	\$ 3,944,388	\$ 1,844,243	\$ 1,406,901
Commission income	2,957,272	2,185,785	976,514	728,969
Net investment income	209,938	186,186	63,821	55,709
Net realized gain on investments	<u>1,720,881</u>	<u>464,772</u>	<u>960,767</u>	<u>7,576</u>
TOTAL REVENUE	<u>9,848,769</u>	<u>6,781,131</u>	<u>3,845,345</u>	<u>2,199,155</u>
LOSSES AND EXPENSES				
Losses and loss adjustment expenses	3,249,245	2,648,532	1,207,979	986,478
Policy acquisition costs	1,835,457	1,459,430	682,372	520,556
Operating and management expenses	<u>3,720,350</u>	<u>3,437,629</u>	<u>1,192,097</u>	<u>1,042,206</u>
TOTAL LOSSES AND EXPENSES	<u>8,805,052</u>	<u>7,545,591</u>	<u>3,082,448</u>	<u>2,549,240</u>
NET INCOME (LOSS) BEFORE TAX	1,043,717	(764,460)	762,897	(350,085)
Income tax expense	—	—	—	—
NET INCOME (LOSS) AFTER TAX	<u>\$ 1,043,717</u>	<u>\$ (764,460)</u>	<u>\$ 762,897</u>	<u>\$ (350,085)</u>
OTHER COMPREHENSIVE LOSS				
Net unrealized holding gains (losses) arising during the period	889,567	(1,474,470)	713,847	(1,437,636)
Reclassification adjustment for gains included in net income	<u>(1,720,881)</u>	<u>(464,772)</u>	<u>(960,767)</u>	<u>(7,576)</u>
OTHER COMPREHENSIVE LOSS	<u>(831,314)</u>	<u>(1,939,242)</u>	<u>(246,920)</u>	<u>(1,445,212)</u>
COMPREHENSIVE INCOME (LOSS)	<u>\$ 212,403</u>	<u>\$ (2,703,702)</u>	<u>\$ 515,977</u>	<u>\$ (1,795,297)</u>
RETAINED EARNINGS, BEGINNING OF PERIOD	\$14,213,781	\$15,926,472	\$14,351,907	\$15,360,306
Net income (loss)	1,043,717	(764,460)	762,897	(350,085)
Dividends	<u>(305,759)</u>	<u>(316,207)</u>	<u>(163,065)</u>	<u>(164,416)</u>
RETAINED EARNINGS, END OF PERIOD	<u>\$14,951,739</u>	<u>\$14,845,805</u>	<u>\$14,951,739</u>	<u>\$14,845,805</u>
Per share amounts				
Basic and diluted income (loss)	\$ 1.60	\$ (1.16)	\$ 1.17	\$ (0.53)
Dividends	\$ 0.50	\$ 0.50	\$ 0.25	\$ 0.25
Weighted average number of shares outstanding for the entire period (for basic and diluted)	<u>650,952</u>	<u>656,529</u>	<u>652,261</u>	<u>657,666</u>

See the accompanying notes to the unaudited condensed consolidated financial statements.

AMERINST INSURANCE GROUP, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited, expressed in U.S. dollars)

	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015
OPERATING ACTIVITIES		
Net Cash provided by in Operating Activities	\$ 1,017,200	\$ 1,542,472
INVESTING ACTIVITIES		
Movement in restricted cash and cash equivalents	598,582	1,038,452
Purchases of property and equipment	(150,587)	(4,290)
Purchases of available-for-sale securities	(7,048,154)	(4,733,353)
Proceeds from sales of available-for-sale securities	4,776,870	3,436,202
Proceeds from redemptions of fixed maturity investments	1,114,403	35,000
Proceeds from maturities of fixed maturity investments	1,035,000	660,000
Net Cash provided by Investing Activities	326,114	432,011
FINANCING ACTIVITIES		
Dividends paid	(305,759)	(316,207)
Net Cash used in Financing Activities	(305,759)	(316,207)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,037,555	1,658,276
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	\$ 3,073,747	\$ 2,723,369
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 4,111,302</u>	<u>\$ 4,381,645</u>

See the accompanying notes to the unaudited condensed consolidated financial statements.

AMERINST INSURANCE GROUP, LTD.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2016

1. BASIS OF PREPARATION AND CONSOLIDATION

The condensed consolidated financial statements included herein have been prepared by AmerInst Insurance Group, Ltd. (“AmerInst”) without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (the “Commission”). These financial statements reflect all adjustments consisting of normal recurring accruals, which are, in the opinion of management, necessary for a fair presentation of our financial position and results of operations as of the end of and for the periods presented in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). All intercompany transactions and balances have been eliminated on consolidation. These statements are condensed and do not incorporate all the information required under U.S. GAAP to be included in a full set of financial statements. In these notes, the terms “we”, “us”, “our” or the “Company” refer to AmerInst and its subsidiaries. These condensed statements should be read in conjunction with the audited consolidated financial statements at and for the year ended December 31, 2015 and notes thereto, included in AmerInst’s Annual Report on Form 10-K for the year then ended.

New Accounting Pronouncements

Accounting Standards Not Yet Adopted

Financial Instruments—Credit Losses—Measurement of Credit Losses on Financial Instruments

In June 2016, the FASB issued Accounting Standards Update 2016-13 (“ASU 2016-13”), which amends the guidance on impairment of financial instruments and significantly changes how entities will measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. ASU 2016-13 will replace the existing “incurred loss” approach, with an “expected loss” model for instruments measured at amortized cost and require entities to record allowances for available-for-sale debt securities rather than reduce the carrying amount under the existing other-than-temporary-impairment model. The ASU also simplifies the accounting model for purchased credit-impaired debt securities and loans. ASU 2016-13 is effective for interim and annual reporting periods beginning after December 15, 2019. We are currently evaluating the impact of the adoption of this guidance on our consolidated financial statements.

Revenue from Contracts with Customers

In May 2014, the FASB issued Accounting Standards Update 2014-09, “Revenue from Contracts with Customers” (“ASU 2014-09”). ASU 2014-09 provides a framework, through a five-step process, for recognizing revenue from customers, improves comparability and consistency of recognizing revenue across entities, industries, jurisdictions and capital markets, and requires enhanced disclosures. Certain contracts with customers are specifically excluded from the scope of ASU 2014-09, including; without limitation, insurance contracts accounted for under Accounting Standard Codification 944, *Financial Services—Insurance*. ASU 2014-09 is effective on January 1, 2017 with retrospective adoption required for the comparative periods. The Company is currently assessing the impact the adoption of ASU 2014-09 will have on future financial statements and related disclosures.

Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern

In August 2014, the FASB issued Accounting Standards Update 2014-15, “Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern” (“ASU 2014-15”). Currently, there is no guidance under U.S. GAAP regarding management’s responsibility to assess whether there is substantial doubt about an entity’s ability to continue as a going concern. Under ASU 2014-15, the Company will be required to assess its ability to continue as a going concern each interim and annual reporting period and provide certain disclosures if there is substantial doubt about the entity’s ability to continue as a going concern, including management’s plan to alleviate the substantial doubt. ASU 2014-15 is effective annual periods ending December 31, 2016 and early adoption is permitted. The Company is currently assessing the impact the adoption of ASU 2014-15 will have on future financial statements and related disclosures.

Disclosures about Short-Duration Contracts

In May 2015, the FASB issued Accounting Standards Update 2015-09, “Financial Services—Insurance (Topic 944): Disclosures about Short-Duration Contracts” (“ASU 2015-09”). ASU 2015-09 provides enhanced disclosures, on an annual basis, related to the reserve for losses and loss expenses. The enhanced disclosures required by ASU 2015-09 include (1) net incurred and paid claims development information by accident year, (2) a reconciliation of incurred and paid claims development information to the aggregate carrying amount of the reserve for losses and loss expenses, (3) for each accident year presented of incurred claims development information, the total of reserves for incurred but not reported (IBNR), including expected development on reported claims, included in the reserve for losses and loss expenses and a description of the reserving methodologies and changes to the reserving methodologies, and (4) for each accident year presented of incurred claims development information, quantitative information about claims frequency, as well as a description of methodologies used for determining claim frequency information. ASU 2015-09 is effective for annual periods beginning after December 15, 2015, and as such the disclosures will first be presented in the Company’s Annual Report on Form 10-K for the year ended December 31, 2016. The Company is currently assessing the impact the adoption of ASU 2015-09 will have on future disclosures.

Recognition and Measurement of Financial Assets and Financial Liabilities

In January 2016, the FASB issued Accounting Standards Update 2016-01, “Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities” (“ASU 2016-01”). ASU 2016-01 changes current U.S. GAAP for public entities by requiring the following, among others: (1) equity securities, except those accounted for under the equity method of accounting, to be measured at fair value with changes in fair value recognized in net income; (2) the use of the exit price when measuring fair value of financial instruments for disclosure purposes; (3) an entity to present separately in other comprehensive income the portion of the total change in the fair value of a liability resulting from a change in the instrument-specific credit risk when the entity has elected to measure the liability at fair value; and (4) separate presentation of financial assets and financial liabilities by measurement category and form of financial asset on the balance sheet or notes to the financial statements. ASU 2016-01 is effective for annual periods beginning after December 15, 2017, including interim periods. Early application is permitted. The Company is currently assessing the impact the adoption of ASU 2016-01 will have on future financial statements and disclosures.

2. INVESTMENTS

The cost or amortized cost, gross unrealized holding gains and losses, and estimated fair value of the Company’s fixed maturity investments, by major security type, and equity securities as of September 30, 2016 and December 31, 2015 are as follows:

	<u>Cost or Amortized Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Estimated Fair Value</u>
As of September 30, 2016				
Fixed maturity investments:				
U.S. government agency securities	\$ 1,466,039	\$ 12,724	\$ —	\$ 1,478,763
Obligations of states and political subdivisions	4,750,545	70,287	(6,495)	4,814,337
Corporate debt securities	2,485,355	26,005	(4,472)	2,506,888
Total fixed maturity investments	<u>8,701,939</u>	<u>109,016</u>	<u>(10,967)</u>	<u>8,799,988</u>
Equity securities	10,868,778	3,274,414	(52,092)	14,091,100
Hedge fund	281,700	185,825	—	467,525
Total equity securities	<u>11,150,478</u>	<u>3,460,239</u>	<u>(52,092)</u>	<u>14,558,625</u>
Total investments	<u>\$19,852,417</u>	<u>\$3,569,255</u>	<u>\$ (63,059)</u>	<u>\$23,358,613</u>
	<u>Cost or Amortized Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Estimated Fair Value</u>
As of December 31, 2015				
Fixed maturity investments:				
U.S. government agency securities	\$ 1,477,979	\$ 5,372	\$ (3,965)	\$ 1,479,386
Obligations of states and political subdivisions	5,851,938	61,506	(14,888)	5,898,556
Corporate debt securities	307,682	5,562	—	313,244
Total fixed maturity investments	<u>7,637,599</u>	<u>72,440</u>	<u>(18,853)</u>	<u>7,691,186</u>
Equity securities	9,418,922	3,702,368	(87,838)	13,033,452
Hedge fund	1,000,000	669,393	—	1,669,393
Total equity securities	<u>10,418,922</u>	<u>4,371,761</u>	<u>(87,838)</u>	<u>14,702,845</u>
Total investments	<u>\$18,056,521</u>	<u>\$4,444,201</u>	<u>\$(106,691)</u>	<u>\$22,394,031</u>

The following tables summarize the Company's fixed maturity and equity securities in an unrealized loss position and the aggregate fair value and gross unrealized loss by length of time the security has continuously been in an unrealized loss position:

	12 months or greater		Less than 12 months		Total	
	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses
As of September 30, 2016						
Fixed maturity investments:						
U.S. government agency securities	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Obligations of states and political subdivisions	—	—	1,961,842	(6,495)	1,961,842	(6,495)
Corporate debt securities	476,289	(4,472)	—	—	476,289	(4,472)
Total fixed maturity investments	476,289	(4,472)	1,961,842	(6,495)	2,438,131	(10,967)
Equity securities	113,019	(13,134)	866,199	(38,958)	979,218	(52,092)
Hedge fund	—	—	—	—	—	—
Total equity securities	113,019	(13,134)	866,199	(38,958)	979,218	(52,092)
Total investments	\$ 589,308	\$(17,606)	\$2,828,041	\$(45,453)	\$3,417,349	\$ (63,059)

	12 months or greater		Less than 12 months		Total	
	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses
As of December 31, 2015						
Fixed maturity investments:						
U.S. government agency securities	\$ —	\$ —	\$1,025,773	\$ (3,965)	\$1,025,773	\$ (3,965)
Obligations of states and political subdivisions	1,699,466	(11,744)	928,206	(3,144)	2,627,672	(14,888)
Corporate debt securities	—	—	—	—	—	—
Total fixed maturity investments	1,699,466	(11,744)	1,953,979	(7,109)	3,653,445	(18,853)
Equity securities	141,370	(26,393)	790,698	(61,445)	932,068	(87,838)
Hedge fund	—	—	—	—	—	—
Total equity securities	141,370	(26,393)	790,698	(61,445)	932,068	(87,838)
Total investments	\$1,840,836	\$(38,137)	\$2,744,677	\$(68,554)	\$4,585,513	\$(106,691)

As of September 30, 2016 and December 31, 2015, there were 18 and 26 securities in an unrealized loss position with an estimated fair value of \$3,417,349 and \$4,585,513, respectively. As of September 30, 2016 and December 31, 2015, 9 and 10 of these securities had been in an unrealized loss position for 12 months or greater, respectively. As of September 30, 2016 and December 31, 2015, none of these securities were considered to be other-than-temporarily impaired. The Company has the intent to hold these securities for a sufficient period of time for the value to recover and it is not more likely than not that the Company will be required to sell these securities before their fair value recover above the adjusted cost. The unrealized losses from these securities were not as a result of credit, collateral or structural issues.

At September 30, 2016 and December 31, 2015, the Company had investments in certificates of deposit ("CD") in the amount of \$980,000 comprised of fully insured time deposits placed with Federal Deposit Insurance Corporation ("FDIC") insured commercial banks and savings associations. The FDIC, an independent agency of the United States government, protects depositors up to an amount of \$250,000 per depositor, per insured institution. FDIC insurance is backed by the full faith and credit of the United States government. The stated interest rate of an FDIC insured CD varies greatly among commercial banks and savings associations, depending on the term of the CD and the institution's need for funding. The liquidity of "marketable" CDs is marginal, even though they are assigned an FDIC number, a CUSIP number and are held in book-entry form through the Depository Trust Company. Depending on market liquidity and conditions, the bid price for an FDIC insured CD would reflect the supply of and the demand for deposits of the particular bank or savings association, as well as prevailing interest rates, the remaining term of the deposit, specific features of the CD, and compensation of the broker arranging the sale of the CD. These time deposits have maturities ranging from less than one year to two years and are classified as other invested assets on the Company's consolidated balance sheet.

Other-Than-Temporary Impairment Process

The Company assesses whether declines in the fair value of its fixed maturity investments classified as available-for-sale represent impairments that are other-than-temporary by reviewing each fixed maturity investment that is impaired and (1) determining if the Company has the intent to sell the fixed maturity investment or if it is more likely than not that the Company will be required to sell the fixed maturity investment before its anticipated recovery; and (2) assessing whether a credit loss exists, that is, where the Company expects that the present value of the cash flows expected to be collected from the fixed maturity investment are less than the amortized cost basis of the investment.

The Company had no planned sales of its fixed maturity investments classified as available-for-sale that were in an unrealized loss position at September 30, 2016. In assessing whether it is more likely than not that the Company will be required to sell a fixed maturity investment before its anticipated recovery, the Company considers various factors including its future cash flow requirements, legal and regulatory requirements, the level of its cash, cash equivalents, short term investments and fixed maturity investments available for sale in an unrealized gain position, and other relevant factors. For the nine months ended September 30, 2016, the Company did not recognize any other-than-temporary impairments due to sales.

In evaluating credit losses, the Company considers a variety of factors in the assessment of a fixed maturity investment including: (1) the time period during which there has been a significant decline below cost; (2) the extent of the decline below cost and par; (3) the potential for the fixed maturity investment to recover in value; (4) an analysis of the financial condition of the issuer; (5) the rating of the issuer; and (6) failure of the issuer of the fixed maturity investment to make scheduled interest or principal payments.

Equity securities are reviewed on a regular basis to determine if they have sustained an impairment of value that is considered to be other than temporary. Several factors are considered in the assessment of an investment, which include (i) the extent of the decline below cost, and (ii) the potential for the security to recover in value.

If we conclude a security is other-than-temporarily impaired, we write down the amortized cost of the security to fair value, with a charge to net realized investment gains (losses) in the Consolidated Statement of Operations. Gross unrealized losses on the investment portfolio as of September 30, 2016 and December 31, 2015, relating to 6 and 11 fixed maturity securities, amounted to \$10,967 and \$18,853, respectively, and 12 and 15 equity securities, amounted to \$52,092 and \$87,838, respectively. The unrealized losses on these available for sale fixed maturity securities were not as a result of credit, collateral or structural issues. During the nine months ended and three months ended September 30, 2016, the Company recorded a total other-than-temporary impairment charge of \$219,417 and \$98,301 on four and two equity security, respectively, as a result of the decline in fair value below cost. During the nine months ended and three months ended September 30, 2015, the Company recorded a total other-than-temporary impairment charge of \$536,806 and \$297,986 on four and one equity securities, respectively, as a result of the decline in fair value below cost.

Fair Value of Investments

Under existing U.S. GAAP, we are required to recognize certain assets at their fair value in our consolidated balance sheets. This includes our fixed maturity investments and equity securities. In accordance with the Fair Value Measurements and Disclosures Topic of Financial Accounting Standards Board's Accounting Standards Codification ("ASC") 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon whether the inputs to the valuation of an asset or liability are observable or unobservable in the market at the measurement date, with quoted market prices being the highest level (Level 1) and unobservable inputs being the lowest level (Level 3). A fair value measurement will fall within the level of the hierarchy based on the inputs that are significant to determining such measurement. The three levels are defined as follows:

- **Level 1:** Observable inputs to the valuation methodology that are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- **Level 2:** Observable inputs to the valuation methodology other than quoted market prices (unadjusted) for identical assets or liabilities in active markets. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical assets and liabilities in markets that are not active and inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- **Level 3:** Inputs to the valuation methodology that are unobservable for the asset or liability.

At each measurement date, we estimate the fair value of the security using various valuation techniques. We utilize, to the extent available, quoted market prices in active markets or observable market inputs in estimating the fair value of our investments. When quoted market prices or observable market inputs are not available, we utilize valuation techniques that rely on unobservable inputs to estimate the fair value of investments. The following describes the valuation techniques we used to determine the fair value of investments held as of September 30, 2016 and December 31, 2015 and what level within the fair value hierarchy each valuation technique resides:

- **U.S. government agency securities:** Comprised primarily of bonds issued by the Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank and the Federal National Mortgage Association. The fair values of U.S. government agency securities are priced using the spread above the risk-free U.S. Treasury yield curve. As the yields for the risk-free U.S. Treasury yield curve are observable market inputs, the fair values of U.S. government agency securities are classified as Level 2 in the fair value hierarchy. The Company considers a liquid market to exist for these types of securities held. Broker quotes are not used for fair value pricing.
- **Obligations of state and political subdivisions:** Comprised of fixed income obligations of state and local governmental municipalities. The fair values of these securities are based on quotes and current market spread relationships, and are classified as Level 2 in the fair value hierarchy. The Company considers a liquid market to exist for these types of securities held. Broker quotes are not used for fair value pricing.
- **Corporate debt securities:** Comprised of bonds issued by corporations. The fair values of these securities are based on quotes and current market spread relationships, and are classified as Level 2 in the fair value hierarchy. The Company considers a liquid market to exist for these types of securities held. Broker quotes are not used for fair value pricing.
- **Equity securities, at fair value:** Comprised primarily of investments in the common stock of publicly traded companies in the U.S. All of the Company's equities are classified as Level 1 in the fair value hierarchy. The Company receives prices based on closing exchange prices from independent pricing sources to measure fair values for the equities.
- **Hedge fund:** Comprised of a hedge fund whose objective is to seek attractive long-term returns with lower volatility by investing in a range of diversified investment strategies. The fund invests in a diversified pool of hedge fund managers, generally across six different strategies: long/short equities, long/short credit, macro, multi-strategy opportunistic, event-driven, and portfolio hedge. The fair value of the hedge fund is based on the net asset value of the fund as reported by the external fund manager. The use of net asset value as an estimate of the fair value for investments in certain entities that calculate net asset value is a permitted practical expedient. Redemptions of the hedge fund occur on a quarterly basis, with required notice of 95 days. In accordance with Subtopic 820-10, the fair value of our hedge fund is not classified in the fair value hierarchy.

While we obtain pricing from independent pricing services, management is ultimately responsible for determining the fair value measurements for all securities. To ensure fair value measurement is applied consistently and in accordance with U.S. GAAP, we periodically update our understanding of the pricing methodologies used by the independent pricing services. We also undertake further analysis with respect to prices we believe may not be representative of fair value under current market conditions. Our review process includes, but is not limited to: (i) initial and ongoing evaluation of the pricing methodologies and valuation models used by outside parties to calculate fair value; (ii) quantitative analysis; (iii) a review of multiple quotes obtained in the pricing process and the range of resulting fair values for each security, if available, and (iv) randomly selecting purchased or sold securities and comparing the executed prices to the fair value estimates provided by the independent pricing sources.

There have been no material changes to our valuation techniques from what was used as of December 31, 2015. Since the fair value of a security is an estimate of what a willing buyer would pay for such security if we sold it, we cannot know the ultimate value of our securities until they are sold. We believe the valuation techniques utilized provide us with a reasonable estimate of the price that would be received if we were to sell our assets or transfer our liabilities in an orderly market transaction between participants at the measurement date. The following tables show the fair value of the Company's investments in accordance with ASC 820 as of September 30, 2016 and December 31, 2015:

	Carrying amount	Total fair value	Fair value measurement using:		
			Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
September 30, 2016					
U.S. government agency securities	\$ 1,478,763	\$ 1,478,763	\$ —	\$ 1,478,763	\$ —
Obligations of state and political subdivisions	4,814,337	4,814,337		4,814,337	
Corporate debt securities	2,506,888	2,506,888		2,506,888	
Total fixed maturity investments	8,799,988	8,799,988			
Equity securities (excluding the hedge fund)	14,091,100	14,091,100	14,091,100		
Total equity securities (excluding the hedge fund)	14,091,100	14,091,100			
Hedge fund measured at net asset value (a)	467,525	467,525			
Total investments	<u>\$23,358,613</u>	<u>\$23,358,613</u>	<u>\$14,091,100</u>	<u>\$ 8,799,988</u>	<u>\$ —</u>

	Carrying amount	Total fair value	Fair value measurement using:		
			Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
December 31, 2015					
U.S. government agency securities	\$ 1,479,386	\$ 1,479,386	\$ —	\$ 1,479,386	\$ —
Obligations of state and political subdivisions	5,898,556	5,898,556		5,898,556	
Corporate debt securities	313,244	313,244		313,244	
Total fixed maturity investments	7,691,186	7,691,186			
Equity securities (excluding the hedge fund)	13,033,452	13,033,452	13,033,452		
Total equity securities (excluding the hedge fund)	13,033,452	13,033,452			
Hedge fund measured at net asset value (a)	1,669,393	1,669,393			
Total investments	<u>\$22,394,031</u>	<u>\$22,394,031</u>	<u>\$13,033,452</u>	<u>\$ 7,691,186</u>	<u>\$ —</u>

(a) In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position

There were no transfers between Levels 1 and 2 during the nine months ended September 30, 2016 and the year ended December 31, 2015.

The cost or amortized cost and estimated fair value of fixed maturity investments as of September 30, 2016 and December 31, 2015 by contractual maturity are shown below. Expected maturities may differ from contractual maturities as borrowers may have the right to call or prepay obligations without penalties.

	<u>Amortized Cost</u>	<u>Estimated Fair Value</u>
As of September 30, 2016		
Due in one year or less	\$ 2,107,504	\$ 2,108,082
Due after one year through five years	5,560,478	5,664,266
Due after five years through ten years	864,990	860,555
Due after ten years	168,967	167,085
Total	<u>\$ 8,701,939</u>	<u>\$ 8,799,988</u>
As of December 31, 2015		
Due in one year or less	\$ 1,686,728	\$ 1,688,395
Due after one year through five years	5,550,706	5,600,089
Due after five years through ten years	226,799	231,638
Due after ten years	173,366	171,064
Total	<u>\$ 7,637,599</u>	<u>\$ 7,691,186</u>

Information on sales and maturities of investments during the nine months ended September 30, 2016 and 2015 are as follows:

	<u>September 30, 2016</u>	<u>September 30, 2015</u>
Total proceeds on sales of available-for-sale securities	\$4,776,870	\$3,436,202
Proceeds from redemptions of fixed maturity investments	1,114,403	35,000
Total proceeds from maturities of fixed maturity investments	1,035,000	660,000
Gross gains on sales	1,956,107	1,168,098
Gross losses on sales	(15,809)	(166,520)
Impairment losses	(219,417)	(536,806)

Information on sales and maturities of investments during the three months ended September 30, 2016 and 2015 are as follows:

	<u>September 30, 2016</u>	<u>September 30, 2015</u>
Total proceeds on sales of available-for-sale securities	\$2,232,934	\$1,619,408
Proceeds from redemptions of fixed maturity investments	1,114,403	35,000
Total proceeds from maturities of fixed maturity investments	330,000	250,000
Gross gains on sales	1,073,665	468,157
Gross losses on sales	(14,597)	(162,595)
Impairment losses	(98,301)	(297,986)

Major categories of net investment income during the nine months ended September 30, 2016 and 2015 are summarized as follows:

	<u>September 30, 2016</u>	<u>September 30, 2015</u>
Interest earned:		
Fixed maturity investments	\$ 139,274	\$ 130,025
Short term investments and cash and cash equivalents	3,056	1,414
Dividends earned	169,351	157,138
Investment expenses	(101,743)	(102,391)
Net investment income	<u>\$ 209,938</u>	<u>\$ 186,186</u>

Major categories of net investment income during the three months ended September 30, 2016 and 2015 are summarized as follows:

	September 30, 2016	September 30, 2015
Interest earned:		
Fixed maturity investments	\$ 47,245	\$ 41,984
Short term investments and cash and cash equivalents	1,152	506
Dividends earned	50,569	47,724
Investment expenses	(35,145)	(34,505)
Net investment income	<u>\$ 63,821</u>	<u>\$ 55,709</u>

3. SEGMENT INFORMATION

AmerInst has two reportable segments: (1) reinsurance activity, which also includes investments and other activities, and (2) insurance activity, which offers professional liability solutions to professional service firms under the Agency Agreement with C&F, as defined in the “Overview” section below.

The tables below summarize the results of our reportable segments as of and for the nine months ended September 30, 2016 and 2015.

	<u>As of and for the Nine Months Ended September 30, 2016</u>		
	<u>Reinsurance Segment</u>	<u>Insurance Segment</u>	<u>Total</u>
Revenues	\$ 6,891,340	\$ 2,957,429	\$ 9,848,769
Total losses and expenses	5,878,504	2,926,548	8,805,052
Segment income	1,012,836	30,881	1,043,717
Identifiable assets	—	230,288	230,288

	<u>As of and for the Nine Months Ended September 30, 2015</u>		
	<u>Reinsurance Segment</u>	<u>Insurance Segment</u>	<u>Total</u>
Revenues	\$ 4,594,051	\$ 2,187,080	\$ 6,781,131
Total losses and expenses	4,920,208	2,625,383	7,545,591
Segment loss	(326,157)	(438,303)	(764,460)
Identifiable assets	—	169,900	169,900

The tables below summarize the results of our reportable segments as of and for the three months ended September 30, 2016 and 2015.

	<u>As of and for the Three Months Ended September 30, 2016</u>		
	<u>Reinsurance Segment</u>	<u>Insurance Segment</u>	<u>Total</u>
Revenues	\$ 2,869,863	\$ 975,482	\$ 3,845,345
Total losses and expenses	2,115,268	967,180	3,082,448
Segment income	754,595	8,302	762,897
Identifiable assets	—	230,288	230,288

	<u>As of and for the Three Months Ended September 30, 2015</u>		
	<u>Reinsurance Segment</u>	<u>Insurance Segment</u>	<u>Total</u>
Revenues	\$ 1,469,737	\$ 729,418	\$ 2,199,155
Total losses and expenses	1,699,764	849,476	2,549,240
Segment loss	(230,027)	(120,058)	(350,085)
Identifiable assets	—	169,900	169,900

4. STOCK COMPENSATION

AmerInst Professional Services, Limited (“APSL”), a subsidiary of AmerInst, has employment agreements with four key members of senior management, including one of our named executive officers, Kyle Nieman, the President of APSL, which grant them phantom shares of the Company. Under these agreements, these employees were initially granted an aggregate of 75,018 phantom shares of the Company on the date of their employment, subject to certain vesting requirements. The phantom shares are eligible for phantom dividends payable at the same rate as regular dividends on the Company’s common shares. The phantom dividends may be used only to purchase additional phantom shares with the purchase price of such phantom shares being the net book value of the Company’s actual common shares as of the end of the previous quarter. During the three and nine months ended September 30, 2016, 798 and 1,569 phantom shares were granted, respectively, arising from the dividends declared on the Company’s common shares. 84,725 phantom shares were outstanding at September 30, 2016.

For three of these employees, including Mr. Nieman, the phantom shares initially granted, as well as any additional shares granted from dividends declared, vested on January 1, 2015. For the fourth employee, the phantom shares initially granted, as well as any additional shares granted from dividends declared, will vest on January 1, 2018. The liability payable to these employees under the phantom share agreements is equal to the value of the phantom shares based on the net book value of the Company’s actual common shares at the end of the previous quarter less the value of phantom shares initially granted and is payable in cash upon the earlier of the employee attaining 65 years of age or within 60 days of such employee’s death or permanent disability, including if such death or permanent disability occurs before January 1, 2018 for the fourth employee.

The liability relating to these phantom shares is recalculated quarterly based on the net book value of the Company’s common shares at the end of each quarter. As a result of the overall decrease in the net book value of the Company’s common shares since the grant dates, no liability has been recorded by the Company relating to these phantom shares at September 30, 2016.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Management’s discussion and analysis (“MD&A”) provides supplemental information, which sets forth the major factors that have affected our financial condition and results of operation and should be read in conjunction with our condensed consolidated financial statements and notes thereto included in this Form 10-Q.

Certain statements contained in this Form 10-Q, including this MD&A section, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, and contain information relating to us that is based on the beliefs of our management as well as assumptions made by, and information currently available to, our management. The words “expect,” “believe,” “may,” “could,” “should,” “would,” “estimate,” “anticipate,” “intend,” “plan,” “target,” “goal” and similar expressions as they relate to us or our management are intended to identify forward-looking statements.

All forward-looking statements, by their nature, are subject to risks and uncertainties. Our actual future results may differ materially from those set forth in our forward-looking statements. Please see the Introductory Note and Item 1A “Risk Factors” of our 2015 Annual Report on Form 10-K, as updated in our subsequent quarterly reports filed on Form 10-Q, and in our other filings made from time to time with the Commission after the date of this report for a discussion of factors that could cause our actual results to differ materially from those in the forward-looking statements. However, the risk factors listed in Item 1A “Risk Factors” or discussed in this Form 10-Q should not be construed as exhaustive and should be read in conjunction with other cautionary statements that are included herein. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect our management’s analysis only as of the date they are made. We undertake no obligation to release publicly the results of any future revisions we may make to forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

The following discussion addresses our financial condition and results of operations for the periods and as of the dates indicated.

OVERVIEW

Unless otherwise indicated by the context in this quarterly report, we refer to AmerInst Insurance Group, Ltd. and its subsidiaries as the “Company,” “AmerInst,” “we” or “us.” “AMIC Ltd.” means AmerInst’s wholly owned subsidiary, AmerInst Insurance Company, Ltd. “APSL” means AmerInst Professional Services, Limited, a Delaware corporation and wholly owned subsidiary of AmerInst Mezcó, Ltd. which is a wholly owned subsidiary of AmerInst. “Investco” means AmerInst Investment Company, Ltd., a wholly owned subsidiary of AMIC Ltd. Our principal offices are c/o Citadel Management Bermuda Limited, 25 Church Street, Continental Building, P.O. Box HM 1601, Hamilton, Bermuda, HM GX.

AmerInst Insurance Group, Ltd. is a Bermuda holding company formed in 1998 that provides insurance protection for professional service firms and engages in investment activities. AmerInst has two reportable segments: (1) reinsurance activity, which includes investments and other activities, and (2) insurance activity, which offers professional liability solutions to professional service firms. The revenues of the reinsurance activity reportable segment and the insurance activity reportable segment were \$6,891,340 and \$2,957,429 respectively, for the nine months ended September 30, 2016 compared to \$4,594,051 and \$2,187,080, respectively, for the nine months ended September 30, 2015. The revenues for both reportable segments were derived from business operations in the United States other than interest income on bank accounts maintained in Bermuda.

Entry into Agency Agreement

On September 25, 2009, APSL entered into an agency agreement (the “Agency Agreement”) with The North River Insurance Company, United States Fire Insurance Company, Crum & Forster Indemnity Company, Crum and Forster Insurance Company, and Crum & Forster Specialty Insurance Company (collectively, “C&F”) pursuant to which C&F appointed APSL as its exclusive agent for the purposes of soliciting, underwriting, quoting, binding, issuing, cancelling, non-renewing and endorsing accountants’ professional liability and lawyers’ professional liability insurance coverage in all 50 states of the United States and the District of Columbia. The initial term of the Agency Agreement was for four years with automatic one-year renewals thereafter. The Agency Agreement automatically renewed on September 25, 2016.

Entry into Reinsurance Agreement

We conduct our reinsurance business through AMIC Ltd., our subsidiary, which is a registered insurer in Bermuda. On September 25, 2009, AMIC Ltd. entered into a professional liability quota share agreement with C&F (the “Reinsurance Agreement”) pursuant to which C&F agreed to cede, and AMIC Ltd. agreed to accept as reinsurance, a 50% quota share of C&F’s liability under insurance written by APSL on behalf of C&F and classified by C&F as accountants’ professional liability and lawyers’ professional liability, subject to AMIC Ltd.’s surplus limitations. The term of the Reinsurance Agreement is continuous and may be terminated by either party upon at least 120 days’ prior written notice.

Historical Relationship with CAMICO

From June 1, 2005 through May 31, 2009, we were a party to a reinsurance contract with CAMICO Mutual Insurance Company (“CAMICO”), a California-based writer of accountants’ professional liability business.

We decided not to renew the CAMICO contract and permitted the contract to expire pursuant to its terms on May 31, 2009. We remain potentially liable for claims related to coverage through May 31, 2009.

Third-party Managers and Service Providers

Citadel Management Bermuda Limited (formerly Cedar Management Limited) provides the day-to-day services necessary for the administration of our business. Our agreement with Citadel Management Bermuda Limited renewed for one year beginning January 1, 2016 and ending December 31, 2016. Mr. Thomas R. McMahon, our Treasurer and Chief Financial Officer, is a shareholder, officer, director and employee of Citadel Management Bermuda Limited. Mr. Stuart Grayston, our President, was formerly a director and officer of Cedar Management Limited.

Mr. Lawrence Carlson, a certified public accountant and an independent contractor, provides the primary accounting functions to APSL. Our agreement with him, which was effective January 1, 2013, has no ending date but can be terminated by either party upon 30 days written notice.

The Country Club Bank of Kansas City, Missouri, provides portfolio management of fixed-income securities and directs our investments pursuant to guidelines approved by us. Harris Associates L.P., Aurora Investment Management, LLC and Tower Wealth Managers, Inc. provide discretionary investment advice with respect to our equity investments. We have retained Oliver Wyman, an independent casualty actuarial consulting firm, to render advice regarding actuarial matters.

RESULTS OF OPERATIONS

Nine months ended September 30, 2016 compared to nine months ended September 30, 2015

We recorded net income of \$1,043,717 for the nine months ended September 30, 2016 compared to a net loss of \$764,460 for the same period in 2015. The increase in net income was mainly attributable to the increase in commission income from \$2,185,785 for the nine months ended September 30, 2015 to \$2,957,272 for the nine months ended September 30, 2016 as a result of a higher volume of premiums written under the Agency Agreement and to the increase in realized gains on investments net of impairment from \$464,772 for the nine months ended September 30, 2015 to \$1,720,881 for the nine months ended September 30, 2016 as a result of increased sales of equity securities in an unrealized gain position during the first nine months of 2016 compared to the same period in 2015. This was partially offset by the increase in operating and management expenses from \$3,437,629 for the nine months ended September 30, 2015 to \$3,720,350 for the nine months ended September 30, 2016, as discussed in further detail below.

Our net premiums earned for the nine months ended September 30, 2016 were \$4,960,678 compared to \$3,944,388 for the nine months ended September 30, 2015, an increase of \$1,016,290 or 25.8%. The net premiums earned for the nine months ended September 30, 2016 and 2015 were attributable to cessions from C&F under the Reinsurance Agreement. The increase in net premiums earned under the Reinsurance Agreement during the first nine months of 2016 compared to the same period in 2015 resulted from increased cessions from C&F in 2016, arising from a higher level of underwriting activity under the Agency Agreement due to the continued marketing of the program by APSL resulting in increasing penetration in targeted markets.

During the nine months ended September 30, 2016 and 2015, we recorded commission income under the Agency Agreement of \$2,957,272 and \$2,185,785, respectively, an increase of \$771,487 or 35.3%. This increase resulted from a higher volume of premiums written under the Agency Agreement in 2016 due to the continued marketing of the program by APSL resulting in increasing penetration in the targeted markets.

We recorded net investment income of \$209,938 for the nine months ended September 30, 2016 compared to \$186,186 for the nine months ended September 30, 2015. The increase in net investment income was due to the increase in dividend income, which was attributable to higher yielding equity securities held in the Company's investment portfolio during the nine months ended September 30, 2016 compared to the same period in 2015. The annualized investment yield, calculated as total interest and dividends divided by the net average amount of total investments and cash and cash equivalents, was 1.01% for the nine months ended September 30, 2016, compared to the .95% yield earned for the nine months ended September 30, 2015.

Sales of securities during the nine months ended September 30, 2016 resulted in realized gains on investments net of impairment of \$1,720,881 compared to \$464,772 for the nine months ended September 30, 2015, an increase of \$1,256,109. The increase in realized gains primarily related to increased sales of equity securities in an unrealized gain position during the first nine months of 2016 compared to the same period in 2015.

For the nine months ended September 30, 2016, we recorded loss and loss adjustment expenses of \$3,249,245 derived by multiplying our estimated loss ratio of 65.5% and the net premiums earned under the Reinsurance Agreement of \$4,960,678. For the nine months ended September 30, 2015, we recorded loss and loss adjustment expenses of \$2,648,532, which represents (i) \$2,583,574 in losses derived by multiplying our estimated loss ratio of 65.5% and the net premiums earned under the Reinsurance Agreement of \$3,944,388 and (ii) \$64,958 in additional losses under the Reinsurance Agreement which resulted from unfavorable development in policy years 2010 and 2014. The increase in loss and loss adjustment expense was primarily due to an increase in net premiums earned during the first nine months of 2016 compared to the corresponding period in 2015.

We recorded policy acquisition costs of \$1,835,457 for the nine months ended September 30, 2016 compared to \$1,459,430 for the same period in 2015. Policy acquisition costs, which are primarily ceding commissions paid to the ceding insurer, are established as a percentage of premiums earned; therefore, any increase or decrease in premiums earned will result in a similar increase or decrease in policy acquisition costs. The policy acquisition costs recorded during the nine months ended September 30, 2016 and 2015 were 37% of the net premiums earned under the Reinsurance Agreement of \$4,960,678 and \$3,944,388, respectively.

We expensed operating and management expenses of \$3,720,350 for the nine months ended September 30, 2016 compared to \$3,437,629 for the same period in 2015, an increase of \$282,721 or 8.2%. The increase was primarily attributable to increased net commissions paid to outside brokers in association with the Agency Agreement.

The tables below summarize the results of the following AmerInst reportable segments: (1) reinsurance activity, which also includes investments and other activities, and (2) insurance activity, which offers professional liability solutions to professional service firms under the Agency Agreement with C&F.

	As of and for the Nine Months Ended September 30, 2016		
	Reinsurance Segment	Insurance Segment	Total
Revenues	\$ 6,891,340	\$ 2,957,429	\$ 9,848,769
Total losses and expenses	5,878,504	2,926,548	8,805,052
Segment income	1,012,836	30,881	1,043,717
Identifiable assets	—	230,288	230,288

	As of and for the Nine Months Ended September 30, 2015		
	Reinsurance Segment	Insurance Segment	Total
Revenues	\$ 4,594,051	\$ 2,187,080	\$ 6,781,131
Total losses and expenses	4,920,208	2,625,383	7,545,591
Segment loss	(326,157)	(438,303)	(764,460)
Identifiable assets	—	169,900	169,900

Three months ended September 30, 2016 compared to three months ended September 30, 2015

We recorded net income of \$762,897 during the third quarter of 2016 compared to a net loss of \$350,085 for the same period in 2015. The increase in net income was mainly attributable to the increase in commission income from \$728,969 in the third quarter of 2015 to \$976,514 in the third quarter of 2016 as a result of a higher volume of premiums written under the Agency Agreement and to the increase in realized gains on investments net of impairment from \$7,576 in the third quarter of 2015 to \$960,767 in the third quarter of 2016 as a result of increased sales of equity securities in an unrealized gain position during the third quarter of 2016 compared to the same period in 2015. This was partially offset by the increase in operating and management expenses from \$1,042,206 in the third quarter of 2015 to \$1,192,097 in the third quarter of 2016, as discussed in further detail below.

Our net premiums earned for the third quarter of 2016 were \$1,844,243 compared to \$1,406,901 for the third quarter of 2015, an increase of \$437,342 or 31.1%. The net premiums earned during the quarters ended September 30, 2016 and 2015 were attributable to cessions from C&F under the Reinsurance Agreement. The increased cessions arose from a higher level of underwriting activity under the Agency Agreement due to the continued marketing of the program by APSL, which resulted in increased penetration in targeted markets.

For the quarters ended September 30, 2016 and 2015, we recorded commission income under the Agency Agreement of \$976,514 and \$728,969, respectively, an increase of \$247,545 or 34%. This increase resulted from a higher volume of premiums written under the Agency Agreement in 2016 due to the continued marketing of the program by APSL resulting in increasing penetration in the targeted markets.

We recorded net investment income of \$63,821 for the quarter ended September 30, 2016 compared to \$55,709 for the quarter ended September 30, 2015. The increase in net investment income was due to a larger base of fixed income securities held in the Company's investment portfolio during the third quarter of 2016 compared to the same period in 2015. The annualized investment yield, calculated as total interest and dividends divided by the net average amount of total investments and cash and cash equivalents, was .90% for the quarter ended September 30, 2016, compared to the .84% yield earned for the quarter ended September 30, 2015.

Sales of securities for the quarter ended September 30, 2016 resulted in realized gains on investments net of impairment of \$960,767 compared to \$7,576 during the quarter ended September 30, 2015, an increase of \$953,191. The increase in realized gains primarily related to increased sales of equity securities in an unrealized gain position during the third quarter of 2016 compared to the same period in 2015.

For the quarter ended September 30, 2016, we recorded loss and loss adjustment expenses of \$1,207,979 derived by multiplying our estimated loss ratio of 65.5% and the net premiums earned under the Reinsurance Agreement of \$1,844,243. For the quarter ended September 30, 2015, we recorded loss and loss adjustment expenses of \$986,478, which represents (i) \$921,520 in losses derived by multiplying our estimated loss ratio of 65.5% and the net premiums earned under the Reinsurance Agreement of \$1,406,901 and (ii) \$64,958 in additional losses under the Reinsurance Agreement which resulted from unfavorable development in policy years 2010 and 2014. The increase in loss and loss adjustment expense was primarily due to an increase in net premiums earned during the third quarter of 2016 compared to the corresponding period in 2015.

We recorded policy acquisition costs of \$682,372 in the third quarter of 2016 compared to \$520,556 for the same period in 2015. Policy acquisition costs, which are primarily ceding commissions paid to the ceding insurer, are established as a percentage of premiums earned; therefore, any increase or decrease in premiums earned will result in a similar increase or decrease in policy acquisition costs. The policy acquisition costs recorded during the third quarter of 2016 and 2015 were 37% of the net premiums earned under the Reinsurance Agreement of \$1,844,243 and \$1,406,901, respectively.

We incurred operating and management expenses of \$1,192,097 in the third quarter 2016 compared to \$1,042,206 for the same period in 2015, an increase of \$149,891 or 14.4%. The increase was primarily attributable to increased net commissions paid to outside brokers in association with the Agency Agreement.

The tables below summarize the results of the following AmerInst reportable segments: (1) reinsurance activity, which also includes investments and other activities, and (2) insurance activity, which offers professional liability solutions to professional service firms under the Agency Agreement with C&F.

	As of and for the Three Months Ended September 30, 2016		
	Reinsurance Segment	Insurance Segment	Total
Revenues	\$ 2,869,863	\$ 975,482	\$ 3,845,345
Total losses and expenses	2,115,268	967,180	3,082,448
Segment income	754,595	8,302	762,897
Identifiable assets	—	230,288	230,288

	As of and for the Three Months Ended September 30, 2015		
	Reinsurance Segment	Insurance Segment	Total
Revenues	\$ 1,469,737	\$ 729,418	\$ 2,199,155
Total losses and expenses	1,699,764	849,476	2,549,240
Segment loss	(230,027)	(120,058)	(350,085)
Identifiable assets	—	169,900	169,900

FINANCIAL CONDITION

As of September 30, 2016, our total investments were \$23,358,613 an increase of \$964,582 from \$22,394,031 at December 31, 2015. This was primarily due to the purchase of additional fixed income securities and equity securities during the first nine months of 2016. The cash and cash equivalents balance increased from \$3,073,747 at December 31, 2015 to \$4,111,302 at September 30, 2016, an increase of \$1,037,555 or 33.8%. The amount of cash and cash equivalents varies depending on the maturities of fixed-term investments and on the level of funds invested in money market funds. The restricted cash and cash equivalents balance decreased from \$608,370 at December 31, 2015 to \$9,788 at September 30, 2016, a decrease of \$598,582 or 98.4%. The decrease is primarily due to the reallocation from restricted cash through the purchases of additional restricted fixed income securities during the first nine months of 2016. Other invested assets remained unchanged at \$980,000 as of September 30, 2016 and December 31, 2015. The ratio of cash, total investments and other invested assets to total liabilities at September 30, 2016 was 1.77:1, compared to a ratio of 2.10:1 at December 31, 2015. The decrease in the ratio was attributable to an increase in unpaid losses and loss adjustment expenses and unearned premium assumed under the Reinsurance Agreement.

The assumed reinsurance balances receivable represents the current assumed premiums receivable less commissions payable to the fronting carriers. As of September 30, 2016, the balance was \$1,235,637 compared to \$1,031,992 as of December 31, 2015. The increase resulted from a higher level of premiums assumed under the Reinsurance Agreement.

The assumed reinsurance payable represents current reinsurance losses payable to the fronting carriers. As of September 30, 2016, the balance was \$9 compared to \$269,055 as of December 31, 2015. This balance fluctuates due to the timing of reported losses under the policies we reinsure.

Deferred policy acquisition costs, which represent the deferral of ceding commission expense related to premiums not yet earned, increased from \$1,066,789 at December 31, 2015 to \$1,433,389 at September 30, 2016. The increase in deferred policy acquisition costs in 2015 was due to the increase in both net premiums written and unearned premiums assumed under the Reinsurance Agreement compared to the prior year. The ceding commission rate under the Reinsurance Agreement is 37%.

Prepaid expenses and other assets were \$2,125,290 at September 30, 2016, an increase of 103.9% from December 31, 2015. Prepaid expenses and other assets primarily includes: (1) prepaid directors' and officers' liability insurance costs, (2) prepaid directors' retainers, (3) prepaid professional fees, (4) premiums due to APSL under the Agency Agreement and (5) a payment due to the Company in relation to the partial redemption of the Company's hedge fund investment during the third quarter of 2016. The increase in the balance at September 30, 2016 compared to December 31, 2015 was mainly attributable to the payment due to the Company in the amount of \$1,154,403 for a partial redemption of the Company's hedge fund investment. This payment was received on October 7, 2016.

Accrued expenses and other liabilities primarily represent premiums payable by APSL to C&F under the Agency Agreement and expenses accrued relating largely to professional fees. The balance decreased from \$3,129,906 at December 31, 2015 to \$3,040,890 at September 30, 2016, a decrease of \$89,016 or 2.8%. This balance fluctuates due to the timing of the premium payments to C&F.

LIQUIDITY AND CAPITAL RESOURCES

Our cash needs consist of settlement of losses and expenses under our reinsurance treaties and funding day-to-day operations. In continuing the implementation of our business plan, our management expects to meet these cash needs from cash flows arising from our investment portfolio. Because substantially all of our assets are marketable securities, we expect that we will have sufficient flexibility to provide for unbudgeted cash needs that may arise from time to time without resorting to borrowing, subject to Bermuda statutory limitations as discussed in our 2015 Form 10-K.

Total cash, investments and other invested assets increased from \$27,056,148 at December 31, 2015 to \$28,459,703 at September 30, 2016, an increase of \$1,403,555 or 5.2%. The net increase resulted primarily from positive cash inflows derived from net investment income and net premiums received under the Reinsurance Agreement in the amount of \$2,587,990, partially offset by the decrease in the fair value of certain equity securities as a result of unfavorable market conditions and cash dividends paid of \$305,759 during the year.

The Bermuda Monetary Authority has authorized Investco to purchase the Company's common shares, on a negotiated basis, from shareholders who have died or retired from the practice of public accounting. During the nine months ended September 30, 2016, no such transactions occurred. Through September 30, 2016, Investco had repurchased 186,283 common shares from shareholders who had died or retired for a total purchase price of \$5,287,359. From time to time, Investco has also purchased shares in privately negotiated transactions. Through September 30, 2016, Investco had purchased an additional 75,069 common shares in such privately negotiated transactions for a total purchase price of \$1,109,025. During the nine months ended September 30, 2016, no such transactions occurred.

Cash Dividends

We paid dividends of \$0.25 per share during the first and third quarters of 2016, which amounted to total ordinary cash dividends of \$162,414 and \$163,065, respectively. The dividends paid in 2016 have been reduced by \$19,720, which represents a write-back of uncashed dividends issued prior to 2011 to shareholders that we have been unable to locate. Since we began paying dividends in 1995, our original shareholders have received \$21.37 in cumulative dividends per share. When measured by a total rate of return calculation, this has resulted in an effective annual rate of return of approximately 8.7% from the inception of the Company, based on a per share purchase price of \$8.33 paid by the original shareholders, and using an unaudited net book value of \$26.83 per share as of September 30, 2016. Although we have paid cash dividends on a regular basis in the past, the declaration and payment of cash dividends in the future will be at the discretion of our board of directors and will depend on, among other things, our financial condition, results of operations, current and anticipated cash needs and other factors that our board of directors considers relevant.

OFF-BALANCE SHEET ARRANGEMENTS

AmerInst is not a party to any off-balance sheet arrangements.

CRITICAL ACCOUNTING POLICIES

The Company's critical accounting policies are discussed in Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K for the year ended December 31, 2015 and is incorporated herein by reference.

Available Information

We file annual, quarterly, and current reports, proxy statements and other information with the Commission. You may read any public document we file with the Commission at the Commission's public reference room at 100 F Street, NE, Washington, DC 20549. Please call the Commission at 1-800-SEC-0330 for information on the public reference room. The Commission maintains an internet site that contains annual, quarterly, and current reports, proxy and information statements and other information that issuers (including AmerInst) file electronically with the Commission. The Commission's internet site is www.sec.gov.

Our internet site is www.amerinst.bm. We make available free of charge through our internet site our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to those reports filed or furnished pursuant to the Securities Exchange Act of 1934, as soon as reasonably practicable after such material is electronically filed with, or furnished to, the Commission. We also make available, through our internet site, via links to the Commission's internet site, statements of beneficial ownership of our equity securities filed by our directors, officers, 10% or greater shareholders and others under Section 16 of the Securities Exchange Act. In addition, we post on www.amerinst.bm our Memorandum of Association, our Bye-Laws, our Statement of Share Ownership Policy, Charters for our Audit Committee and Governance and Nominations Committee, as well as our Code of Business Conduct and Ethics. You can request a copy of these documents, excluding exhibits, at no cost, by writing or telephoning us c/o Citadel Management Bermuda Limited, 25 Church Street, Continental Building, P.O. Box HM 1601 Hamilton, Bermuda HM GX, Attention: Investor Relations (441) 295-6015. The information on our internet site is not incorporated by reference into this report.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of September 30, 2016, the end of the period covered by this Form 10-Q, our management, including our Principal Executive Officer and Principal Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934). Based upon that evaluation, our Principal Executive Officer and Principal Financial Officer each concluded that as of September 30, 2016, the end of the period covered by this Form 10-Q, we maintained effective disclosure controls and procedures.

Changes in Internal Control over Financial Reporting

Our management, including our Principal Executive Officer and Principal Financial Officer, has reviewed our internal control over financial reporting (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934). There have been no significant changes in our internal control over financial reporting during our most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II—OTHER INFORMATION

Item 1. Legal Proceedings

We are party to various legal proceedings generally arising in the normal course of our business. While any proceeding contains an element of uncertainty, we do not believe that the eventual outcome of any litigation or arbitration proceeding to which we are presently a party will have a material adverse effect on our financial condition or business. Pursuant to our insurance and reinsurance agreements, disputes are generally required to be finally settled by arbitration.

Item 1A. Risk Factors

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the factors discussed in Part I, Item 1A. “Risk Factors” in our 2015 Annual Report on Form 10-K, as updated in our subsequent quarterly reports. The risks described in our 2015 Annual Report on Form 10-K are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or operating results.

Item 6. Exhibits

(a) Exhibits

Exhibit Number	Description
31.1	Certification of Stuart H. Grayston pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Thomas R. McMahon pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Stuart H. Grayston pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Thomas R. McMahon pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

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.

Dated: November 14, 2016

AMERINST INSURANCE GROUP, LTD.
(Registrant)

By: /s/ STUART H. GRAYSTON
Stuart H. Grayston
President (Principal Executive Officer, duly authorized to sign
this Report in such capacity and on behalf of the Registrant)

By: /s/ THOMAS R. McMAHON
Thomas R. McMahon
Chief Financial Officer (Principal Financial Officer, duly
authorized to sign this Report in such capacity and on behalf of
the Registrant)

AMERINST INSURANCE GROUP, LTD.

INDEX TO EXHIBITS

Filed with the Quarterly Report on Form 10-Q for the Quarter Ended September 30, 2016

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**CERTIFICATION PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Stuart H. Grayston, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AmerInst Insurance Group, Ltd.;
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 company 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 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 the 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: November 14, 2016

/s/ STUART H. GRAYSTON

Stuart H. Grayston
President (Principal Executive Officer)

**CERTIFICATION PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Thomas R. McMahon, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AmerInst Insurance Group, Ltd.;
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 company 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 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 the 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: November 14, 2016

/s/ THOMAS R. MCMAHON

Thomas R. McMahon
Chief Financial Officer (Principal Financial Officer)

**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 Quarterly Report of AmerInst Insurance Group, Ltd. (the "Company") on Form 10-Q for the period ended September 30, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stuart H. Grayston, President and Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my 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.

/s/ STUART H. GRAYSTON

Stuart H. Grayston

President (Principal Executive Officer)

November 14, 2016

**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 Quarterly Report of AmerInst Insurance Group, Ltd. (the “Company”) on Form 10-Q for the period ended September 30, 2016 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Thomas R. McMahon, Chief Financial Officer and Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my 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.

/s/ THOMAS R. MCMAHON

Thomas R. McMahon
Chief Financial Officer (Principal Financial Officer)
November 14, 2016