



AmerInst Insurance Group, Ltd.

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September 15, 2016

My fellow shareholders,

The Board of Directors of AmerInst Insurance Group, Ltd. (“AmerInst” or the “Company”) is pleased to announce that the Company has declared a dividend to be paid on or before September 15, 2016 to shareholders of record as of August 31, 2016. Your dividend check for 25 cents per share is enclosed.

To date, the Company has declared 63 consecutive dividends. At the most recent Annual General Meeting, the Board decided that future dividends would be considered by the Board at each future Annual General Meeting. Any declared dividends would be paid once a year – shortly after the meeting – rather than twice a year as is the current practice.

Our accountants’ and lawyers’ professional liability insurance programs continue to generate momentum and to increase their footprint in the market. Technology delivers a unique, secure and paperless customer experience via the internet. It has never been easier to receive a real-time quick quote, online application or a short-form policy renewal that takes only minutes to complete. This web-based platform is personalized for small to mid-sized firms – like yours – and offers ease, convenience and flexibility.

Regulatory compliance, cybercrime, data security and disruptive technologies are transforming how companies operate. Our enhanced policyholder risk management hotline delivers content on a host of topics relevant to accounting and legal practices. We provide educational content, interactive tools and informational resources to help you focus on what is most relevant to your business. You have access to the same network security and privacy tools typically reserved for larger companies – and resources and planning tips that will minimize your exposures and enable better risk management. To learn more, visit www.protexureaccountants.com, www.protexurelawyers.com or access either one at www.amerinst.bm.

Professional liability insurance is essential. When it is time to renew your policy, why not consider Protexure? For questions or information about AmerInst, please contact me at 505-998-3205 or jdiamond@redw.com.

Shareholder inquiries and requests for change of mailing or email address, transfer, name change, or redemption of shares should be referred to our **Shareholder Services Division: AmerInst Insurance Group, Ltd.—Shareholder Services, c/o Citadel Management Bermuda Limited, P.O. Box HM 1601, Hamilton HM GX, Bermuda. Tel: 800-422-8141/Fax: 441- 295-1702; email: amerinst@citadelrisk.com.**

Sincerely,

Irvin F. Diamond, CPA
Chairman

This Chairman’s Letter contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, among others, statements about our beliefs, plans, objectives, goals, expectations, estimates and intentions that are subject to significant risks and uncertainties and are subject to change based on various factors, many of which are beyond our control. The words “may,” “could,” “should,” “would,” “believe,” “anticipate,” “estimate,” “expect,” “intend,” “plan,” “target,” “goal,” and similar expressions are intended to identify forward-looking statements, as well as specific statements regarding (i) our ability to continue meeting our obligations to policyholders and shareholders, (ii) the progress and high percentage of policy renewals with our accountants’ and lawyers’ professional liability programs, and (iii) our ability to declare and pay dividends to our shareholders in the future. Some or all of the events or results anticipated by these forward-looking statements may not occur. Factors that could cause actual results to differ materially include difficult economic conditions and unexpected changes in insurance laws and regulations. Additional risk factors related to AmerInst and an investment in our common stock are contained in our filings with the Securities and Exchange Commission, including our annual report on Form 10-K for the year ended December 31, 2015. AmerInst does not undertake any duty nor does it intend to update the results of these forward-looking statements.

Protection for Generations of CPA Firms