

RILEY RAY A  
Form 5  
February 10, 2006

# FORM 5

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).  
Form 3 Holdings Reported Form 4 Transactions Reported

**ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

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(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person \*  
**RILEY RAY A**

2. Issuer Name and Ticker or Trading Symbol  
**CITIZENS INC [CIA]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
  
**400 EAST ANDERSON LANE**  
  
(Street)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)  
**12/31/2005**

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
**Chief Marketing Officer**

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Reporting (check applicable line)

**AUSTIN, TX 78752**

Form Filed by One Reporting Person  
\_\_\_\_ Form Filed by More than One Reporting Person

(City) (State) (Zip)

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

| 1. Title of Security (Instr. 3)                    | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities 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 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|--|--|---|
|  |                                      |  |                                | (A) or (D) Amount Price   |  |  |   |
| Citizens, Inc. Class A Common Stock <sup>(1)</sup> | 01/06/2005                           | Â  | L                              | 82.3655 A \$ 6.07   | 275,327.3311   | D  | Â   |
| Citizens, Inc. Class A Common Stock <sup>(1)</sup> | 02/03/2005                           | Â  | L                              | 87.108 A \$ 5.74  | 279,336.4391   | D  | Â   |

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|  |            |   |   |         |   |            |              |   |   |
|--|------------|---|---|---------|---|------------|--------------|---|---|
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 03/02/2005 | Â | L | 86.6536 | A | \$<br>5.77 | 279,423.0927 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 04/13/2005 | Â | L | 86.2069 | A | \$ 5.8     | 279,509.2996 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 05/04/2005 | Â | L | 91.7431 | A | \$<br>5.45 | 279,601.0427 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 06/06/2005 | Â | L | 87.2585 | A | \$<br>5.73 | 279,688.3012 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 07/13/2005 | Â | L | 75.188  | A | \$<br>6.65 | 279,763.4892 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 08/10/2005 | Â | L | 70.206  | A | \$<br>7.12 | 279,833.6952 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 09/06/2005 | Â | L | 69.4444 | A | \$ 7.2     | 279,903.1396 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 10/13/2005 | Â | L | 87.108  | A | \$<br>5.74 | 279,990.2476 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 11/08/2005 | Â | L | 82.3669 | A | \$<br>6.07 | 280,072.6145 | D | Â |
|  | 12/12/2005 | Â | L | 83.2071 | A | \$ 6       | 280,155.8216 | D | Â |

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|  |            |   |   |        |   |            |              |   |   |   |
|--|------------|---|---|--------|---|------------|--------------|---|---|---|
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <u>(1)</u> |            |   |   |        |   |            |              |   |   |   |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <u>(2)</u> | 12/31/2005 | Â | J | 19,562 | A | \$<br>5.45 | 299,717.8216 | D | Â |   |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <u>(3)</u> | 12/31/2005 | Â | J | 50     | A | \$<br>5.45 | 299,767.8216 | D | Â |   |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <u>(2)</u> | 12/31/2005 | Â | J | 5,615  | A | \$<br>5.45 | 111,519      | I |   | Custodian<br>for Child -<br>Lee Riley           |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <u>(3)</u> | 12/31/2005 | Â | J | 756    | A | \$<br>5.45 | 112,275      | I |   | Custodian<br>for Child -<br>Lee Riley           |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <u>(4)</u> | 12/31/2005 | Â | J | 1,043  | A | \$<br>5.45 | 113,318      | I |   | Custodian<br>for Child -<br>Lee Riley           |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <u>(5)</u> | 01/10/2005 | Â | G | 3,200  | A | \$ 5.7     | 22,632       | I |   | Joint Tenant<br>with Spouse<br>- Jenny<br>Riley |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <u>(5)</u> | 01/11/2005 | Â | G | 600    | A | \$<br>5.72 | 23,232       | I |   | Joint Tenant<br>with Spouse<br>- Jenny<br>Riley |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <u>(2)</u> | 12/31/2005 | Â | J | 501    | A | \$<br>5.45 | 21,655       | I |   | Joint Tenant<br>with Spouse<br>- Jenny<br>Riley |
|  | 12/31/2005 | Â | J | 1,125  | A |            | 22,780       | I |   |   |

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|  |            |   |   |       |   |            |        |   |  |  |
|--|------------|---|---|-------|---|------------|--------|---|--|--|
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(3)</sup> |            |   |   |       |   | \$<br>5.45 |        |   |  | Joint Tenant<br>with Spouse<br>- Jenny<br>Riley  |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(4)</sup> | 12/31/2005 | Â | J | 274   | A | \$<br>5.45 | 23,054 | I |  | Joint Tenant<br>with Spouse<br>- Jenny<br>Riley  |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(2)</sup> | 12/31/2005 | Â | J | 2,977 | A | \$<br>5.45 | 71,188 | I |  | Custodian<br>for Child -<br>Christopher<br>Riley |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(3)</sup> | 12/31/2005 | Â | J | 756   | A | \$<br>5.45 | 71,944 | I |  | Custodian<br>for Child -<br>Christopher<br>Riley |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(4)</sup> | 12/31/2005 | Â | J | 1,043 | A | \$<br>5.45 | 72,987 | I |  | Custodian<br>for Child -<br>Christopher<br>Riley |

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

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(9-02)

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

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of<br>Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3,<br>4, and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and<br>Amount of<br>Underlying<br>Securities<br>(Instr. 3 and 4) | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. of<br>D<br>Se<br>B<br>O<br>E<br>Is<br>Fi<br>(I |
|---|--|---|---|--------------------------------------|--|--|---|---|---|
|   |  |   |   |                                      |  | Date<br>Exercisable  | Expiration<br>Date  | Title   | Amount<br>or<br>Number<br>of<br>Shares            |
|   |  |   |   |                                      |  | (A)  | (D)   |   |   |

## Reporting Owners

| Reporting Owner Name / Address                            | Relationships |           |                           |       |
|---|---------------|-----------|---------------------------|-------|
|   | Director      | 10% Owner | Officer                   | Other |
| RILEY RAY A<br>400 EAST ANDERSON LANE<br>AUSTIN, TX 78752 | Â             | Â         | Â Chief Marketing Officer | Â     |

## Signatures

/s/Ray A. Riley                      02/10/2006

\_\_Signature of                      Date  
Reporting Person

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) These shares were purchased through the Employee Stock Purchase Plan as part of regular monthly payroll deduction.
  - (2) Stock Dividend paid 12/31/2005 on Mellon Account
  - (3) Stock Dividend Paid 12/31/05 on Bank of America Account
  - (4) Stock Dividend Paid 12/31/05 on Morgan Keegan Account
  - (5) These shares were gifted from Marjorie D. Riley to Morgan Keegan Account

Â

### Remarks:

These balances reflect corrections to previously reported balances.

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.