

CITIZENS INC  
Form 5  
February 13, 2008

**FORM 5**

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

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

## OMB APPROVAL

OMB  
Number: 3235-0362  
Expires: January 31,  
2005  
Estimated average  
burden hours per  
response... 1.0

1. Name and Address of Reporting Person \*  
Welch Lawrence D Jr

(Last) (First) (Middle)

400 EAST ANDERSON LANE

(Street)

AUSTIN, TX 78752

(City) (State) (Zip)

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

3. Statement for Issuer's Fiscal Year Ended  
(Month/Day/Year)  
12/31/2007

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

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_\_\_X\_\_\_\_ Officer (give title \_\_\_\_ Other (specify  
below) below)

Chief Operating Officer

6. Individual or Joint/Group Reporting

(check applicable line)

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

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

| 1. Title of<br>Security<br>(Instr. 3)                          | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3.<br>Transaction<br>Code<br>(Instr. 8) | 4. Securities Acquired<br>(A) or Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned at end<br>of Issuer's<br>Fiscal Year<br>(Instr. 3 and<br>4) | 6. Ownership<br>Form: Direct<br>(D) or<br>Indirect (I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|----------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 01/03/2007                              | Â                                                           | L                                       | 14.7975 A \$<br>6.76                                                    | 617.629                                                                                                         | D                                                                    | Â                                                                 |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 02/09/2007                              | Â                                                           | L                                       | 14.0198 A \$ 7.1                                                        | 631.6488                                                                                                        | D                                                                    | Â                                                                 |

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|                                                                |            |   |   |         |   |         |          |   |   |
|----------------------------------------------------------------|------------|---|---|---------|---|---------|----------|---|---|
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 03/09/2007 | Â | L | 13.6439 | A | \$ 7.3  | 645.2927 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 04/09/2007 | Â | L | 13.2556 | A | \$ 7.51 | 658.5483 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 05/25/2007 | Â | L | 12.5941 | A | \$ 7.91 | 671.1424 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 06/08/2007 | Â | L | 13.9344 | A | \$ 7.15 | 685.0768 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 07/06/2007 | Â | L | 14.1894 | A | \$ 7.02 | 699.2662 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 08/03/2007 | Â | L | 16.7234 | A | \$ 5.95 | 715.9896 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 09/07/2007 | Â | L | 13.0822 | A | \$ 7.61 | 729.0718 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 09/28/2007 | Â | L | 12.1386 | A | \$ 8.21 | 741.2104 | D | Â |
| Citizens,<br>Inc. Class<br>A<br>Common<br>Stock <sup>(1)</sup> | 11/02/2007 | Â | L | 12.3911 | A | \$ 8.04 | 753.6015 | D | Â |
|                                                                | 11/30/2007 | Â | L | 15.3902 | A |         | 768.9917 | D | Â |

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Citizens,  
Inc. Class  
A  
Common  
Stock <sup>(1)</sup>

\$  
6.47

Citizens,  
Inc. Class  
A 12/31/2007 Â L 0.0381 D \$ 6.47 768.9536 D Â  
Common  
Stock <sup>(2)</sup>

Citizens,  
Inc. Class  
A 12/31/2007 Â L 16.8289 A \$ 5.91 785.7825 D Â  
Common  
Stock <sup>(1)</sup>

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 2270  
(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 |
|-----------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------|---------------------------------------------------|
|                                                     |                                                                    |                                         |                                                             |                                      | (A) (D)                                                                                                            | Date<br>Exercisable                                            | Expiration<br>Date                                                        | Title                                               | Amount<br>or<br>Number<br>of<br>Shares            |

## Reporting Owners

| Reporting Owner Name / Address                                    | Relationships |           |                           |       |
|-------------------------------------------------------------------|---------------|-----------|---------------------------|-------|
|                                                                   | Director      | 10% Owner | Officer                   | Other |
| Welch Lawrence D Jr<br>400 EAST ANDERSON LANE<br>AUSTIN, TX 78752 | Â             | Â         | Â Chief Operating Officer | Â     |

## Signatures

/s/Lawrence D.  
Welch

02/13/2008

\_\_Signature of  
Reporting Person

Date

## 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 Citizens Stock Investment Plan as part of regular monthly payroll deduction.
- (2) Adjustment due to rounding.

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.