



**Citizens, Inc.**

**CIA NYSE**

**Insurance - Life / Health**

Market Capitalization USD:

**\$320.17 mm**

**CONCERN LEVEL: AVERAGE**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated.
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

**CEO: Harold E. Riley**

**Age: 83**

**CEO Since: 1969**

	2009	2010	2011
<b>Base Salary</b>	\$1,000,008	\$1,000,008	\$1,000,008
<b>Discretionary Bonus</b>	\$0	\$0	\$0
<b>Annual Cash Incentive</b>	\$0	\$0	\$0
<b>Benefits and Perquisites</b>	\$32,935	\$37,162	\$37,643
<b>TOTAL ANNUAL COMPENSATION</b>	<b>\$1,032,943</b>	<b>\$1,037,170</b>	<b>\$1,037,651</b>
<b>Increase in Post-Retirement Benefits</b>	\$0	\$0	\$0
<b>Stock Option Awards</b>	\$0	\$0	\$0
<b>Stock Awards</b>	\$0	\$0	\$0
<b>TOTAL COMPENSATION</b>	<b>\$1,032,943</b>	<b>\$1,037,170</b>	<b>\$1,037,651</b>
<b>Median of Other Named Executive Officers Total Compensation</b>	\$301,745	\$323,515	\$350,976
<b>Value Realized on Exercise of Stock Option</b>	\$0	\$0	\$0
<b>Value Realized on Vesting of Stock</b>	\$0	\$0	\$0
<b>TOTAL REALIZED EQUITY COMPENSATION</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Proxy Date:** 19 Apr 2012

**Annual Meeting Date:** 5 Jun 2012

**Equity Reserves:**

**Stock Option Run Rate:** 0.00%

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## Performance Comparison

■ S&P500 ■ Industry ■ CIA



## Peer Comparisons (TRBC) = Insurance - Life / Health

### Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
<b>CIA</b>	<b>Citizens, Inc.</b>	<b>\$1,032,943</b>	<b>\$1,037,170</b>	<b>\$1,037,651</b>	<b>\$320,168,346</b>
FFG	FBL Financial Group, Inc.	\$1,510,051	\$1,852,023	\$2,079,494	\$831,016,345
UAM	Universal American Corp.	\$4,514,670	\$5,498,537	\$3,869,663	\$762,354,244
MOH	Molina Healthcare, Inc.	\$1,866,260	\$3,768,029	\$4,942,140	\$711,243,600
AEL	American Equity Investment Life Holding	\$697,021	\$1,404,427	\$1,136,381	\$521,281,153
NWLI	National Western Life Insurance Company	\$3,044,874	\$2,930,130	\$6,084,306	\$492,510,386
GTS	Triple-S Management Corporation	\$1,318,431	\$1,519,855	\$3,036,786	\$481,258,135

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

### Pay Peer Group

2011 Peer Group not disclosed.

### Performance Peer Group

NA

## COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Grant Teaff	Member	78	Male	8	Outside
Steven F. Shelton	Member	56	Male	19	Outside Related