

McRae Eric S
 Form 3
 December 18, 2008

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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

(Print or Type Responses)

| | | | | |
|---|---------|--------------------------------------|--|--|
| 1. Name and Address of Reporting Person * | | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol | |
| Â McRae Eric S | | (Month/Day/Year) | FIRST MID ILLINOIS BANCSHARES INC [FMBH] | |
| (Last) | (First) | (Middle) | 4. Relationship of Reporting Person(s) to Issuer | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| 266 COBB AVENUE | | | (Check all applicable) | |
| (Street) | | | <input type="checkbox"/> Director | <input type="checkbox"/> 10% Owner |
| DECATUR, Â IL Â 62522 | | | <input checked="" type="checkbox"/> Officer | <input type="checkbox"/> Other |
| (City) | (State) | (Zip) | (give title below) | (specify below) |
| | | | Vice President | 6. Individual or Joint/Group Filing(Check Applicable Line) |
| | | | | <input checked="" type="checkbox"/> Form filed by One Reporting Person |
| | | | | <input type="checkbox"/> Form filed by More than One Reporting Person |

Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|------------------------------------|--|---|--|
| Common Stock | 1,398.693 | I | By 401K |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1473 (7-02)

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.

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form of Derivative Security: Direct (D) or Indirect | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---|---|--|--|--|--|
| | Date Exercisable | Expiration Date | Title | Amount or Number of | |

| | | | | | | | |
|---------------|-------|-------|-----------------|----------|--------|-------------------|---|
| | | | | Shares | | (I) (Instr. 5) | |
| Stock Options | Â (1) | Â (2) | Common Stock | 9,093.75 | \$ (3) | D | Â |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|------------------|-------|
| | Director | 10% Owner | Officer | Other |
| McRae Eric S 266 COBB AVENUE DECATUR, IL 62522 | Â | Â | Â Vice President | Â |

Signatures

Michael L. Taylor, pursuant to power of attorney
attached 12/18/2008

__Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(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) Mr. McRae has 6,750 in options that are exercisable. He has 843.75 that are exercisable on 1/1/2009 and 1,500 that are exercisable in 4 equal annual installments beginning on 01/01/2009.
- (2) Mr. McRae has 843.75 options that expire on 12/16/2012, 3,375 that expire on 12/16/2013, 3,375 that expire on 12/14/2014 and 1,500 that expire on 12/11/2017.
- (3) Mr. McRae has 843.75 shares at an exercise price of \$12.11, 3,375 at an exercise price of \$20.67, 3,375 at an exercise price of \$27.33 and 1,500 at an exercise price of \$26.10.

Note: File three copies of this Form, one of which must be manually signed. If space 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.