

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	
McRae Eric S		(Month/Day/Year)	FIRST MID ILLINOIS BANCSHARES INC [FMBH]	
(Last)	(First)	(Middle)	12/16/2008	
266 COBB AVENUE			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)			(Check all applicable)	
DECATUR, IL 62522			<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner	6. Individual or Joint/Group Filing(Check Applicable Line)
(City)	(State)	(Zip)	<input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Form filed by One Reporting Person
			(give title below) (specify below)	<input type="checkbox"/> Form filed by More than One Reporting Person
			Vice President	

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)

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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.