FIRST MID ILLINOIS BANCSHARES INC
Form 4
August 30, 2006

FORM 4

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).

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: 3235-0287
Expires: January 31, 2005
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(Print or Type Responses)

1. Name and Address of Reporting Person *
TAYLOR MICHAEL L

(Last) (First) (Middle)

19 CAMBRIDGE DRIVE

(Street)

MATTOON, IL 61938

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
FIRST MID ILLINOIS BANCSHARES INC [FMBH.OB]

3. Date of Earliest Transaction (Month/Day/Year)
08/28/2006

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 below) _____ Other (specify below)
Chief Financial Officer

6. Individual or Joint/Group Filing(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 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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	03/08/2006		P	V	77.624	A	$ 41.25	557.194	I	By 401K
Common Stock	03/20/2006		P	V	7.688	A	$ 41.46	564.882	I	By 401K
Common Stock	03/29/2006		P	V	1.613	A	$ 42	566.495	I	By 401K
Common Stock	06/12/2006		P	V	24.913	A	$ 40.11	591.408	I	By 401K
Common Stock	06/15/2006		J (6)	V	3.834	A	$ 40.1	595.242	I	By 401K

Common Stock	07/05/2006		P	V	1.789	A	$ 41.23	597.031	I	By 401K
Common Stock	08/25/2006		P	V	5.875	A	$ 41.6	602.906	I	By 401K
Common Stock	08/28/2006		P	V	13.706	A	$ 41.25	616.612	I	By 401K

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

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	$ 12.56							01/01/2002 [(1)](#)	12/18/2010	Common Stock	1,688.25
Stock Option	$ 16							01/01/2003 [(2)](#)	12/18/2011	Common Stock	3,375
Stock Option	$ 18.17							01/01/2004 [(3)](#)	12/16/2012	Common Stock	3,375
Stock Option	$ 31							01/01/2005 [(4)](#)	12/16/2013	Common Stock	3,375
Stock Option	$ 41							01/01/2006 [(5)](#)	12/14/2014	Common Stock	3,375

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TAYLOR MICHAEL L 19 CAMBRIDGE DRIVE			Chief Financial Officer	

MATTOON, IL 61938

Signatures

Michael L. Taylor	08/30/2006
**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) Options become exerciseable as follows .75 shares on 1/1/2003, 843.75 shares on 1/1/04, and 843.75 shares on 1/1/05.

(2) Options become exerciseable in 4 equal annual installments beginning on 1/1/2003.

(3) Options become exerciseable in 4 equal annual installments beginning on 1/1/2004.

(4) Options become exerciseable in 4 equal annual installments beginning on 1/1/2005.

(5) Options become exerciseable in 4 equal annual installments beginning on 1/1/2006.

(6) Shares acquired through the Company's dividend reinvestment plan with dividends being paid on shares of common stock held.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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