

FIRST MID ILLINOIS BANCSHARES INC
 Form 4
 March 16, 2006

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
GILLILAND STANLEY E

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

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
27 S. COUNTRY CLUB ROAD
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
03/15/2006

____ Director
 Officer (give title below)
 ____ 10% Owner
 ____ Other (specify below)
Vice President

MATTOON, IL 61938

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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 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 | | | | | 14,448.46 | D | |
| Common Stock | 01/09/2006 | | J(8) | V 21.765 A \$ 41 | 3,453.926 | I | By IRA |
| Common Stock | 01/09/2006 | | J(8) | V 14.148 A \$ 41 | 2,245.231 | I | By Deferred Comp |
| Common Stock | 01/09/2006 | | J(8) | V 73.953 A \$ 41 | 11,735.627 | I | By 401K |
| Common Stock | 03/15/2006 | | S | 5,000 D \$ 41.55 | 6,735.627 | I | By 401K |

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

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(9-02)

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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Options | \$ 15.56 | | | | | 01/01/2000 ⁽¹⁾ 12/22/2008 | Common Stock | 2,250 |
| Stock Options | \$ 15.33 | | | | | 01/01/2001 ⁽²⁾ 12/13/2009 | Common Stock | 2,250 |
| Stock Options | \$ 12.56 | | | | | 01/01/2002 ⁽³⁾ 12/18/2010 | Common Stock | 3,375 |
| Stock Options | \$ 16 | | | | | 01/01/2003 ⁽⁴⁾ 12/18/2011 | Common Stock | 3,375 |
| Stock Options | \$ 18.17 | | | | | 01/01/2004 ⁽⁵⁾ 12/16/2012 | Common Stock | 3,375 |
| Stock Options | \$ 31 | | | | | 01/01/2005 ⁽⁶⁾ 12/16/2013 | Common Stock | 3,375 |
| Stock Options | \$ 41 | | | | | 01/01/2006 ⁽⁷⁾ 12/14/2014 | Common Stock | 3,375 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|----------------|-------|
| | Director | 10% Owner | Officer | Other |
| GILLILAND STANLEY E 27 S. COUNTRY CLUB ROAD MATTOON, IL 61938 | | | Vice President | |

Signatures

Michael L. Taylor, pursuant to a Power of Attorney filed on
12/19/2002.

03/16/2006

__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 exercisable in 4 equal annual installments beginning on 01/01/2000.
- (2) Options become exercisable in 4 equal annual installments beginning on 01/01/2001.
- (3) Options become exercisable in 4 equal annual installments beginning on 01/01/2002.
- (4) Options become exercisable in 4 equal annual installments beginning on 01/01/2003.
- (5) Options become exercisable in 4 equal annual installments beginning on 01/01/2004.
- (6) Options become exercisable in 4 equal annual installments beginning on 01/01/2005.
- (7) Options become exercisable in 4 equal annual installments beginning on 01/01/2006.
- (8) 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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a currently valid OMB number.