

FIRST MID ILLINOIS BANCSHARES INC

Form 4

November 17, 2014

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2015  
Estimated average burden hours per response... 0.5

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 \*  
McRae Eric S

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

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

(Last) (First) (Middle)  
266 COBB AVENUE  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
11/17/2014

\_\_\_\_ Director  
 Officer (give title below) \_\_\_\_\_ 10% Owner  
\_\_\_\_\_ Other (specify below)  
Executive Vice President

DECATUR, IL 62522  
(City) (State) (Zip)

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

**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)
Common Stock	11/17/2014		C(1)	2,081 A	\$ 0 8,026.666	D	
Common Stock	11/17/2014		C(1)	1,387 A	\$ 0 2,176.866	I	By Ira
Common Stock					2,927.707	I	By 401k Plan
Common Stock					1,819.159	I	By Deferred Compensation Plan

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

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SEC 1474  
(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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Series B 9% Non-cumulative Perpetual Convertible Preferred	(2)	11/17/2014		C(1)	9	(2)	(2)	Common Stock	2,081.403
Series B 9% Non-cumulative Perpetual Convertible Preferred	(2)	11/17/2014		C(1)	6	(2)	(2)	Common Stock	1,387.602

## Reporting Owners

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

## Signatures

/s/ Michael L. Taylor, attorney-in-fact for Mr. McRae

11/17/2014

          \*\*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) On November 17, 2014 the Company caused the conversion of the Series B 9% Non-cumulative Perpetual Convertible Preferred stock. Each share was converted into 231.267 shares of common stock, cash in lieu of fractional shares.

Each share of the Series B Convertible Preferred Stock (i) is convertible at any time into 231.267 shares of common stock and cash in lieu

(2) of any fractional share of common stock, subject to certain adjustments, (ii) is convertible at First Mid-Illinois Bancshares' option under certain circumstances, and (iii) has no expiration date.

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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