

FIRST MID ILLINOIS BANCSHARES INC
Form 8-K
February 24, 2009

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported):
FEBRUARY 24, 2009

FIRST MID-ILLINOIS BANCSHARES, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State of other jurisdiction
of incorporation)

0-13368
(Commission File Number)

37-1103704
(IRS Employer
Identification No.)

1515 CHARLESTON AVENUE
MATTOON, IL
(Address of principal executive offices)

61938
(Zip Code)

(217) 234-7454
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

On February 24, 2009, First Mid-Illinois Bancshares, Inc. (“the Company”) entered into an Executive Employment Agreement, effective February 24, 2009 and continuing for three years, until February 29, 2012, with Eric S. McRae under which Mr. McRae agrees to serve as Executive Vice President and Chief Credit Officer of First Mid Bank (the “McRae Agreement”). Under the McRae Agreement, Mr. McRae will receive an annual base salary of \$160,000 and will continue to participate in the Company’s Incentive Compensation Plan and Deferred Compensation Plan. The McRae Agreement also provides Mr. McRae with severance benefits in the event of the termination of his employment under certain circumstances and contains certain confidentiality and non-competition and non-solicitation provisions.

The McRae Agreement is filed as Exhibit 10.1 and is incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

- (a) None required
- (b) None required
- (c) None required
- (d) Exhibits

Exhibit 10.1 – Employment Agreement between First Mid-Illinois Bancshares, Inc. and Eric S. McRae effective February 24, 2009.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

FIRST MID-ILLINOIS BANCSHARES, INC.

Date: February 24, 2009

/s/ William S. Rowland

William S. Rowland
President and Chief Executive Officer

INDEX TO EXHIBITS

Exhibit
Number

Description

10.1 Employment Agreement between First Mid-Illinois Bancshares, Inc. and Eric S. McRae