

1ST INDEPENDENCE FINANCIAL GROUP, INC.
 Form 4
 September 03, 2008

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 *
 Wilbourn R Michael

2. Issuer Name and Ticker or Trading Symbol
 1ST INDEPENDENCE FINANCIAL GROUP, INC. [FIFG]

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

(Last) (First) (Middle)
 3801 CHARLESTOWN ROAD
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 08/29/2008

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 EVP & CFO

NEW ALBANY, IN 47151
 (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 Ownership (Instr. 4) | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--------|---|--|-----------------------------------|------------|
| | | | | Code | V | Amount | | | | (A) or (D) |
| Common Stock | 08/29/2008 | | D | | | 5,000 | D | 0 | I | By IRA |
| Common Stock | 08/29/2008 | | D | | | 1,169 | D | 0 | D | |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Option (Right to Buy) | \$ 10 | 08/29/2008 | | D | 1,000 | 02/16/2004 02/16/2011 | Common Stock | 1,000 |
| Stock Option (Right to Buy) | \$ 10 | 08/29/2008 | | D | 1,500 | 07/09/2004 01/28/2013 | Common Stock | 1,500 |
| Stock Option (Right to Buy) | \$ 10 | 08/29/2008 | | D | 2,500 | 07/09/2004 12/31/2013 | Common Stock | 2,500 |
| Stock Option (Right to Buy) | \$ 18.99 | 08/29/2008 | | D | 2,500 | 02/24/2005 02/24/2015 | Common Stock | 2,500 |
| Stock Option (Right to Buy) | \$ 16.44 | 08/29/2008 | | D | 1,250 | <u>(1)</u> 01/16/2017 | Common Stock | 1,250 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------|-------|
| | Director | 10% Owner | Officer | Other |
| Wilbourn R Michael 3801 CHARLESTOWN ROAD NEW ALBANY, IN 47151 | | | EVP & CFO | |

Signatures

/s/ R. Michael
Wilbourn

09/03/2008

__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) 25% of the Options vested immediately upon grant, and an additional 25% vests each year for the next three years.

Disposed of pursuant to that certain Agreement and Plan of Merger, dated as of February 26, 2008, between the issuer and MainSource

(2) Financial Group, Inc. in exchange for \$4.418 in cash and 0.7849 shares of MainSource common stock for each share of issuer stock owned at the effective time.

(3) This option was cancelled in the merger in exchange for an amount of cash equal to \$18.954, less the per share exercise price for each share of 1st Independence common stock subject to such stock option.

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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