Rice Derica W Form 4 February 04, 2010

FORM 4

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

OMB Number: 3235-0287

OMB APPROVAL

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires: January 31, 2005
Estimated average

0.5

burden hours per

Section 16. Form 4 or Form 5 obligations may continue.

SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,

response...

may continue. See Instruction

See Instruction

Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

| 1. Name and Address of Reporting Person * Rice Derica W | | | 2. Issuer Name and Ticker or Trading Symbol LILLY ELI & CO [LLY] | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) | | | |
|---|---------|----------|---|---|--|--|--|
| (Last) | (First) | (Middle) | 3. Date of Earliest Transaction | (Check all applicable) | | | |
| | | | (Month/Day/Year) | Director 10% Owner | | | |
| LILLY CORPORATE CENTER | | ENTER | 02/03/2010 | X Officer (give title Other (specify below) | | | |
| | | | | EVP-Global Services and CFO | | | |
| (Street) | | | 4. If Amendment, Date Original | 6. Individual or Joint/Group Filing(Check | | | |
| | | | Filed(Month/Day/Year) | Applicable Line) | | | |
| INDIANAPOLIS, IN 46285 | | | | _X_ 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. Securion(A) or D: (Instr. 3, | ispose 4 and | d of (D) | 5. Amount of Securities Beneficially Owned Following Reported | 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 | Transaction(s) (Instr. 3 and 4) | | | | | |
| Common Stock | 02/03/2010 | | S | 2,100 | D | \$ 35.22 | 24,943 | D | | | | |
| Common Stock | 02/03/2010 | | S | 100 | D | \$ 35.23 | 24,843 | D | | | | |
| Common Stock | 02/03/2010 | | S | 3,000 | D | \$ 35.2 | 21,843 | D | | | | |
| Common Stock | 02/03/2010 | | S | 300 | D | \$ 35.16 | 21,543 | D | | | | |
| Common Stock | 02/03/2010 | | S | 700 | D | \$ 35.15 | 20,843 | D | | | | |

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| Common Stock | 02/03/2010 | S | 100 | D | \$ 35.33 | 20,743 | D | |
|-----------------|------------|---|-------|---|-------------|--------|-------|---------------------|
| Common Stock | 02/03/2010 | S | 400 | D | \$ 35.32 | 20,343 | D | |
| Common Stock | 02/03/2010 | S | 400 | D | \$ 35.34 | 19,943 | D | |
| Common Stock | 02/03/2010 | S | 100 | D | \$ 35.35 | 19,843 | D | |
| Common Stock | 02/03/2010 | S | 1,000 | D | \$ 35.31 | 18,843 | D | |
| Common Stock | | | | | | 4,920 | I | 401(k) |
| Common Stock | | | | | | 1,454 | I (1) | 401(k) - by wife |
| Common Stock | | | | | | 54,130 | I (1) | by wife |

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)

> 9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr

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

| 1. Title of | 2. | 3. Transaction Date | 3A. Deemed | 4. | 5. | 6. Date Exerc | isable and | 7. Titl | e and | 8. Price of | 1 |
|-------------|-------------|---------------------|--------------------|------------|------------|---------------|------------|---------|--------------|-------------|---|
| Derivative | Conversion | (Month/Day/Year) | Execution Date, if | Transacti | orNumber | Expiration Da | ate | Amou | ınt of | Derivative | Į |
| Security | or Exercise | | any | Code | of | (Month/Day/ | Year) | Under | lying | Security | 1 |
| (Instr. 3) | Price of | | (Month/Day/Year) | (Instr. 8) | Derivative | e | | Secur | ities | (Instr. 5) | Ī |
| | Derivative | | | | Securities | | | (Instr. | 3 and 4) | | - |
| | Security | | | | Acquired | | | | | | 1 |
| | | | | | (A) or | | | | | | 1 |
| | | | | | Disposed | | | | | | |
| | | | | | of (D) | | | | | | |
| | | | | | (Instr. 3, | | | | | | |
| | | | | | 4, and 5) | | | | | | |
| | | | | | | | | | Amount | | |
| | | | | | | | | | Amount | | |
| | | | | | | Date | Expiration | Title | or Number | | |
| | | | | | | Exercisable | Date | | of | | |
| | | | | Code V | (A) (D) | | | | | | |
| | | | | Code V | (A) (D) | | | | Shares | | |

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Reporting Owners 2

Rice Derica W LILLY CORPORATE CENTER INDIANAPOLIS, IN 46285

EVP-Global Services and CFO

Signatures

Bronwen Mantlo for Derica W. Rice, authorization on file

02/04/2010

**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) Reporting person disclaims beneficial ownership of these shares.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

Signatures 3