

HAWTHORN BANCSHARES, INC.
 Form 4
 September 25, 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 *
 BRUEGENHEMKE KATHLEEN L

2. Issuer Name and Ticker or Trading Symbol
 HAWTHORN BANCSHARES, INC. [HWBK]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 5859 ROCKY POINT COURT
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 09/22/2008

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

COLUMBIA, MO 65202

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 (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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) Code V Amount (D) Price | | | |
| Common Stock | | | | | 340.0026 | D ⁽¹⁾ | |
| Common Stock | | | | | 2,100 | D | |
| Common Stock | | | | | 12,876.26 | I ⁽²⁾ | Profit Sharing Trust |

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

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SEC 1474 (9-02)

displays a currently valid OMB control number.

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) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| | | | | Code V (A) (D) | | Date Exercisable Expiration Date | Title | |
| Employee Stock Option (right to buy) | \$ 16.33 | | | | | 12/04/2001 12/04/2010 | Common Stock | 2,256 |
| Employee Stock Option (right to buy) | \$ 18.67 | | | | | 02/14/2003 02/14/2012 | Common Stock | 2,038 |
| Employee Stock Option (right to buy) | \$ 26.57 | | | | | 03/03/2004 03/03/2013 | Common Stock | 1,461 |
| Employee Stock Option (right to buy) | \$ 35.25 | | | | | 02/19/2005 02/19/2014 | Common Stock | 1,129 |
| Employee Stock Option (right to buy) | \$ 28.45 | | | | | 04/21/2006 04/21/2015 | Common Stock | 1,465 |
| Employee Stock Option (right to buy) | \$ 29.95 | | | | | 03/03/2007 03/03/2016 | Common Stock | 1,437 |

Employee
Stock
Option (right to
buy)

\$ 33.5

04/27/2008 04/27/2017

Common
Stock

1,493

Employee
Stock
Option (right to
buy)

\$ 21.01

09/22/2008

09/22/2008

A

1,238

09/22/2009⁽³⁾ 09/22/2018

Common
Stock

1,238

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| BRUEGENHEMKE KATHLEEN L 5859 ROCKY POINT COURT COLUMBIA, MO 65202 | | | Senior Vice President | |

Signatures

/s/ Kathleen L.
Bruegenhemke

09/24/2008

__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) Includes shares acquired since last report pursuant to Company DRIP program.

(2) Includes shares acquired since last report pursuant to Company profit sharing trust.

(3) 25% per year beginning 2009-09-22.

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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