

IRWIN FINANCIAL CORP
 Form 4
 November 13, 2006

FORM 4

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

OMB APPROVAL

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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 *
EHLINGER GREGORY F

(Last) (First) (Middle)

IRWIN FINANCIAL CORPORATION, 500 WASHINGTON STREET

(Street)

COLUMBUS, IN 47201

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
IRWIN FINANCIAL CORP [IFC]

3. Date of Earliest Transaction (Month/Day/Year)
11/08/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
SVP and CFO

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)
				(A) or (D) Code V Amount (D) Price			
Common Stock					6,627 ⁽⁵⁾	D	
Common Stock					472 ⁽³⁾	I	As UGMA custodian for child
Common Stock					471 ⁽⁴⁾	I	As UGMA custodian for child

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Common Stock 1 I by 401K
 Common Stock 11/08/2006 M 5,400 A \$ 13.6875 9,347 (2) (6) I by Spouse

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

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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
Non-Qualified Stock Option (right to buy)	\$ 13.6875	11/08/2006		M	5,400	(1) 04/29/2007	Common Stock	5,400

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
EHLINGER GREGORY F IRWIN FINANCIAL CORPORATION 500 WASHINGTON STREET COLUMBUS, IN 47201			SVP and CFO	

Signatures

/s/ Ellen Z. Mufson, Attorney in Fact for Gregory F. Ehlinger

11/13/2006

**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).

The Plan provides for phased-in vesting of rights to exercise granted stock options. In the year of the grant, optionee may exercise 25% of total options granted. In each of the three years immediately following the year of the grant, optionee may exercise an additional 25% of the options granted. Grant of option was made to reporting person in transaction exempt under Rule 16b-3.

(1) Includes 6 additional shares acquired between 4-1-06 and 9-30-06 by reporting person's spouse through participation in the Irwin Financial Corporation Dividend Reinvestment and Common Stock Purchase Plan. The Plan provides for the purchase of fractional shares. The number reported is the nearest whole number.

(3) Includes 5 additional shares acquired between 4-1-06 and 9-30-06 through participation in the Irwin Financial Corporation Dividend Reinvestment and Common Stock Purchase Plan. The Plan provides for the purchase of fractional shares. The number reported is the nearest whole number.

(4) Includes 5 additional shares acquired between 4-1-06 and 9-30-06 through participation in the Irwin Financial Corporation Dividend Reinvestment and Common Stock Purchase Plan. The Plan provides for the purchase of fractional shares. The number reported is the nearest whole number.

(5) Between 4-1-06 and 9-30-06, the reporting person acquired 1 share of Irwin Financial Corporation common stock under the Irwin Financial Corporation Dividend and Common Stock Purchase Plan. The information in this report is as of 9-30-06. The Plan provides for the purchase of fractional shares. The number reported is the nearest whole number. Between 4-1-06 and 10-31-06, the Reporting Person acquired 214 shares of Irwin Financial corporation common stock under the Irwin Financial Corporation Employees' Stock Purchase Plan. The information in this report is as of 10-31-06. The Plan provides for the purchase of fractional shares. The number reported is the nearest whole number.

(6) The reporting person transferred this option to his spouse, as a gift, on May 7, 1999. The spouse's exercise of the option on November 8, 2006, resulted in taxable income to the reporting person for which the reporting person paid withholding taxes to Irwin Financial Corporation at the time of exercise.

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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