

FORM 4

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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(f) of the Investment Company Act of 1940

Check box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

1. Name and Address of Reporting Person*

Ault	Jerry	M
(Last)	(First)	(Middle)
3441 South 100 West		
(Street)		
Wabash	IN	46992
(City)	(State)	(Zip)

2. Issuer Name and Ticker or Trading Symbol

First Merchants Corporation - FRME

3. IRS Identification Number of Reporting Person, if an Entity (Voluntary)

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4. Statement for Month/Year

September/2001

5. If Amendment, Date of Original (Month/Year)

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

<input checked="" type="checkbox"/> Director	<input type="checkbox"/> 10% Owner
<input type="checkbox"/> Officer (give title below)	<input type="checkbox"/> Other (specify below)

7. Individual or Joint/Group Filing (Check applicable line)

<input checked="" type="checkbox"/> Form filed by one Reporting Person
<input type="checkbox"/> 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 (mm/dd/yy)	3. Transaction Code (Instr. 8) Code V	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		5. Amount of Securities Beneficially Owned at End of Month (Instr. 3 and 4)	6. Owner- ship Form: Direct (D) or Indirect (I) (Instr.4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Amount	Price (A) or (D)			
Common					49,813	D	
Common					509	I	Spouse

* If the Form is filed by more than one Reporting Person, see Instruction 4(b)(v).

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

FORM 4 (continued)

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. Conver- sion or Exer- cise Price of Deriv- ative Secur- ity	3. Trans- action Date (Month/ Day/ Year)	4. Trans- action Code (Instr. 8) ----- Code V	5. Number of Derivative Securities Acquired (A) or Disposed of(D) (Instr. 3, 4 and 5) ----- (A) (D)	6. Date Exercisable and Expiration Date (Month/Day/Year) ----- Date Expira- tion Exer- tion Date	7. Title and Amount of Underlying Securities (Instr. 3 and 4) ----- Amount or Number of Shares Title	8. Price of Deriv- ative Secur- ity (Instr. 5) ----- Price of Deriv- ative Secur- ity (Instr. 5)	9. Number of Deriv- ative Secur- ities Bene- ficially Owned of End Month (Instr. 4)	10. Owner- ship Form of Deriv- ative Secur- ity: Direct (D) or In- direct (I) (Instr. 4)	11. Nature of In- direct Bene- ficial Owner- ship (Instr. 4)
Employee Stock Option (Right To Buy)								1,050	D	

Explanation of Responses: On August 14, 2001, the Board of Directors of First Merchants Corporation declared a stock dividend payable to all holders of record of common stock on September 3, 2001 of one share of common stock for each 20 shares of common stock outstanding to be distributed on September 24, 2001. Fractional shares were distributed in cash. Pursuant to anti-dilution provisions of First Merchants Corporation's various stock option plans, options previously reported were also adjusted to reflect the stock dividend.

/s/ Larry R. Helms

October 9, 2001

**Signature of Reporting Person
Jerry M. Ault
(Confirming Statement on File)

Date

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations.

See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, see Instruction 6 for procedure.