

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

() Check this box if no longer subject to Section 16.

Form 4 or Form 5 obligations may continue. See Instructions 1(b).

1. Name and Address of Reporting Person

GALLIHER, DAVID A
2500 WEST BERWYN ROAD
MUNCIE, IN 47304
USA

2. Issuer Name and Ticker or Trading Symbol

FIRST MERCHANTS CORPORATION
FRME

3. IRS or Social Security Number of Reporting Person (Voluntary)

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4. Statement for Month/Year

February 29, 2000

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

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

(X) Director () 10% Owner () Officer (give title below) () Other (specify below)

7. Individual or Joint/Group Filing (Check Applicable Line)

(X) 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	2. Transaction Date	3. Transaction Code	4. Securities Acquired (A) or Disposed of (D)			5. Amount of Securities Beneficially Owned at End of Month	6. Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership
			Amount	A/D	Price			
COMMON STOCK	02-01-00	P	12.3411	A	24.3090			
	02-11-00	M	900	A	12.9445			
	02-11-00	M	900	A	15.3889			
	02-11-00	M	900	A	16.6667			
	02-11-00	M	900	A	20.8333			
	02-11-00	M	900	A	30.4375			
	02-11-00	M	1,000	A	23.8125	21,820.1654	D	
						907	I	Spouse-Agency & IRA

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Derivative Security	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date	4. Transaction Code	5. Number of Derivative Securities Acquired (A) or Disposed of (D)			6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities	8. Price of Derivative Security	9. Number of Derivative Securities Beneficially Owned at End of Month	10. Direct (D) or Indirect (I)	11. Nature of Indirect Beneficial Ownership
				Amount	A/D	Price						
Non-Employee Director Stock Option (Right to Buy)	12.9445	02-11-00	M	900	D	01-01-95	06-30-04	Common	900			
	15.3889	02-11-00	M	900	D	01-01-96	06-30-05	Common	900			
	16.6667	02-11-00	M	900	D	01-01-97	06-30-06	Common	900			
	20.8333	02-11-00	M	900	D	01-01-98	06-30-07	Common	900			
	30.4375	02-11-00	M	900	D	01-01-99	06-30-08	Common	900			
	23.8125	02-11-00	M	1,000	D	01-01-00	06-30-09	Common	1,000	0	D	

Explanation of Responses:

SIGNATURE OF REPORTING PERSON

David A. Galliher (Confirming Signature on File)

DATE
March 1, 2000