

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
 WORTHEN, JOHN E
 1009 NORTH MEADOW LANE
 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)
 ###-##-####
4. Statement for Month/Year
 JULY 31, 1999
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. 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 | | | | | | 2,325 | D | |
| | | | | | | 300 | I | Spouse |

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. 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 |
|---|--|---------------------|---------|--|--|--|---------------------------------|---|--------------------------------|---|
| | | | | | | | | | | |
| Non-Employee Director Stock Option (Right to Buy) | 23.8125 | 07-01-99 | A | 1,000 | 01-01-00 | 06-30-09 Common Stock | 1,000 | 5,500 | D | |

Explanation of Responses:
 SIGNATURE OF REPORTING PERSON
 John E. Worthen (Confirming Signature on File)
 DATE
 August 2, 1999