

| OMB APPROVAL                                 |           |
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**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 Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|  |   |  |
|--|---|--|
| 1. Name and Address of Reporting Person *<br><u>COX MICHAEL L</u><br><br>(Last) (First) (Middle)<br>200 EAST JACKSON STREET<br><br>(Street)<br>MUNCIE IN 47305<br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>FIRST MERCHANTS CORP [ FRME ]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br><input checked="" type="checkbox"/> Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) <input checked="" type="checkbox"/> Other (specify below)<br>President / Chief Executive Officer |
|  | 3. Date of Earliest Transaction (Month/Day/Year)<br>02/01/2006                      |  |
|  | 4. If Amendment, Date of Original Filed (Month/Day/Year)                            | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><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 (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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|-------|---|--|---|
|                                 |                                      |  | Code                           | V | Amount  | (A) or (D) | Price |   |  |   |

**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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |       |
|--|--|--------------------------------------|--|--------------------------------|--|-------|-----|-----|--|-----------------|---|--|--|---|--|-------|
|  |  |                                      |  |                                | Code   | V     | (A) | (D) | Date Exercisable   | Expiration Date |   |  |  |   |  | Title |
| Deferred Stock Units <sup>(2)(3)(4)</sup>  | (1)  | 02/01/2006                           |  | A                              |  | 850.9 |     |     | 02/01/2008   | 02/01/2008      | Common Stock  | 850.9                                      | \$26   | 1,427.58  | D  |       |

**Explanation of Responses:**

- Conversion price of derivative security is 1 for 1.
- Employee Stock Option - Right to Buy equals 113,652 shares.
- Common stock directly owned equals 48,157 shares.
- Additional common stock beneficially owned by reporting person in 401k account: 534.6905

Larry R. Helms (Confirming Statement on File) 02/02/2006

\*\* Signature of Reporting Person Date

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

\* 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.