

FORM 8-K

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT: August 11, 1998

FIRST MERCHANTS CORPORATION
(Exact Name of Registrant as Specified in its Charter)

INDIANA
(State of Incorporation)

0-17071
(SEC File No.)

35-1544218
(IRS Employer ID. No.)

200 East Jackson Street
P.O. Box 792
Muncie, IN 47305-2814
(Address of Principal Executive Offices)

(765) 747-1500
(Registrant's Telephone Number)

Items 1-4. Not Applicable.

Item 5. OTHER EVENTS.

On August 11, 1998, the Board of Directors of First Merchants Corporation declared a three-for-two split of its shares of outstanding common stock. Shareholders of record on October 16, 1998, are entitled to participate in the stock split. The date of delivery for shares to be issued pursuant to the stock split is October 23, 1998.

Fractional shares will not be issued in connection with the stock split. In lieu of issuing fractional shares, the Company shall pay each shareholder otherwise entitled to a fractional share an amount in cash equal to the fraction of the average of the highest "bid" and the lowest "offered" quotations for a share on the October 16, 1998 record date, as reported by the National Association of Securities Dealers Automated Quotations System, multiplied by two-thirds (2/3) to adjust for the stock split.

Item 6. Not Applicable.

Item 7. Financial Statements and Exhibits.

(a) Not Applicable.

(b) Not Applicable.

(c) (99) Press Release dated August 14, 1998.

Item 8. Not Applicable.

Item 9. Not Applicable.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DATE: August 19, 1998

FIRST MERCHANTS CORPORATION

/S/ Larry R. Helms

Larry R. Helms
Senior Vice President

EXHIBIT INDEX

(99) Press Release dated August 14, 1998.

N / E / W / S R / E / L / E / A / S / E

August 14, 1998

For more information, contact:

JAMES L. THRASH, SENIOR VICE PRESIDENT/CHIEF FINANCIAL OFFICER, 765-747-1390

OR

DOUG HARRIS, VICE PRESIDENT, INVESTOR SERVICES, 765-741-7278

<http://firstmerchants.com>

FIRST MERCHANTS ANNOUNCES

3-FOR-2 STOCK SPLIT AND DIVIDEND INCREASE

First Merchants Corporation (NASDAQ-FRME) has announced the declaration of a 3-for-2 split of its shares of outstanding common stock. The split was declared by the Corporation's Board of Directors at a meeting on August 11, 1998. Shareholders of record on October 16, 1998 are entitled to participate in the split. The effective date for shares to be issued pursuant to the split is October 23, 1998.

At the same meeting, the Board of Directors also approved an increase in quarterly dividend from \$.28 to \$.30 per share, payable September 18, 1998 to shareholders of record on September 4, 1998. The increase reflects the Board's long-term intent to raise dividend levels commensurate with earnings growth. Dividends have increased in each of the last sixteen years.

First Merchants Corporation is an east central Indiana bank holding company. Its subsidiaries include First Merchants Bank in Delaware County, Pendleton Banking Company in Madison County, First United Bank in Henry County, Union County National Bank, the Randolph County Bank, and First Merchants Insurance Services.

First Merchants Corporation common stock is traded over-the-counter on the NASDAQ National Market System under the symbol "FRME" and is rated "A+" by Standard and Poor's Corporation. Quotations are carried in many daily newspapers and other financial publications and can be found on the company's Internet web page (<http://firstmerchants.com>). Eight brokerage firms make a market in First Merchants Corporation stock: City Securities Corporation; David A. Noyes and Company; NatCity Investments; Howe, Barnes & Johnson, Inc.; Herzog, Heine, Geduld, Inc.; Keefe, Bruyette & Woods, Inc.; McDonald & Co.; and Robert W. Baird & Co., Inc.

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