

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 13F

FORM 13F COVER PAGE

Report for the Calendar Year or Quarter Ended: September 30, 2008

Check here if Amendment []; Amendment Number:
This Amendment (Check only one.): [] is a restatement.
[] adds new holdings entries.

Institutional Investment Manager Filing this Report:

Name: TERRY L BLAKER
Address: 200 EAST JACKSON STREET
MUNCIE, IN 47305

13F File Number: 28-

The institutional investment manager filing this report and the person by whom it is signed hereby represent that the person signing the report is authorized to submit it, that all information contained herein is true, correct and complete, and that it is understood that all required items, statements, schedules, lists, and tables, are considered integral parts of this form.

Person signing this Report on Behalf of Reporting Manager:

Name: Terry L Blaker
Title: Senior Vice President
Phone: (765) 747-1570

Signature, Place, and Date of Signing:

Terry L Blaker Muncie, IN April 4, 2008

Report Type (Check only one.):

[X] 13F HOLDING REPORT.
[] 13F NOTICE.
[] COMBINATION REPORT.

FORM 13F SUMMARY PAGE

Report Summary:

Number of Other Included Managers: None

Form 13F Information Table Entry Total: 226

Form 13F Information Table Value Total: \$251,663,000

List of Other Included Managers:

None

NAME OF ISSUER	TITLE OF CLASS	CUSIP	FORM 13F INFORMATION TABLE					OTHER MANAGERS	VOTING AUTHORITY		
			VALUE (\$1000)	SHARES/ PRN	SH/ AMT	PUT/ CALL	INVSTMT DCRETN		SOLE	SHARED	NONE
ACCENTURE LTD CLASS A	COM	G1150G111	1028	27045	SH		SOLE	26645	300	100	
ACCENTURE LTD CLASS A	COM	G1150G111	25	650	SH		DEFINED	650	0	0	
INGERSOLL RAND CL A	COM	G4776G101	2685	86175	SH		SOLE	84825	900	450	
INGERSOLL RAND CL A	COM	G4776G101	117	3755	SH		DEFINED	3755	0	0	
TRANSOCEAN	COM	G90073100	288	2622	SH		SOLE	2343	279	0	
TRANSOCEAN	COM	G90073100	7	68	SH		DEFINED	68	0	0	
AFLAC INC	COM	001055102	226	3850	SH		SOLE	3825	25	0	
AT&T INC	COM	00206R102	3094	110855	SH		SOLE	110373	50	432	
AT&T INC	COM	00206R102	239	8565	SH		DEFINED	5180	0	3385	
ABBOTT LABS	COM	002824100	4390	76235	SH		SOLE	74885	1050	300	
ABBOTT LABS	COM	002824100	352	6111	SH		DEFINED	5511	0	600	
ALBERTO CULVER CO NEW	COM	013078100	362	13280	SH		SOLE	13280	0	0	
ALBERTO CULVER CO NEW	COM	013078100	8	300	SH		DEFINED	300	0	0	
ALCOA INC	COM	013817101	513	22716	SH		SOLE	21766	950	0	
ALCOA INC	COM	013817101	36	1575	SH		DEFINED	1575	0	0	
APACHE CORP	COM	037411105	591	5665	SH		SOLE	5265	400	0	
APACHE CORP	COM	037411105	10	100	SH		DEFINED	100	0	0	
AUTOMATIC DATA PROCESSING	COM	053015103	5083	118911	SH		SOLE	117211	1150	550	
AUTOMATIC DATA PROCESSING	COM	053015103	42	990	SH		DEFINED	990	0	0	
BB & T CORPORATION	COM	054937107	485	12830	SH		SOLE	12830	0	0	
BB & T CORPORATION	COM	054937107	78	2075	SH		DEFINED	1075	0	1000	
BP PLC - SPONS	ADR	055622104	3590	71577	SH		SOLE	70902	375	300	
BP PLC - SPONS	ADR	055622104	1623	32356	SH		DEFINED	21839	0	10517	

BALL CORP	COM	058498106	2174	55071 SH	SOLE	55071	0	0
BANK OF AMERICA CORP	COM	060505104	2729	77966 SH	SOLE	76666	600	700
BANK OF AMERICA CORP	COM	060505104	154	4400 SH	DEFINED	2900	0	1500
BANK OF NEW YORK MELLON CORP	COM	064058100	568	17441 SH	SOLE	16791	550	100
BANK OF NEW YORK MELLON CORP	COM	064058100	5	160 SH	DEFINED	160	0	0
BAXTER INTERNATIONAL INC	COM	071813109	1074	16365 SH	SOLE	16365	0	0
BAXTER INTERNATIONAL INC	COM	071813109	5	70 SH	DEFINED	70	0	0
BED BATH & BEYOND	COM	075896100	484	15425 SH	SOLE	15425	0	0
BED BATH & BEYOND	COM	075896100	34	1070 SH	DEFINED	1070	0	0
BEST BUY COMPANY INC	COM	086516101	960	25612 SH	SOLE	25362	250	0
BEST BUY COMPANY INC	COM	086516101	38	1015 SH	DEFINED	1015	0	0
CATERPILLAR INC.	COM	149123101	1668	27988 SH	SOLE	27338	650	0
CATERPILLAR INC.	COM	149123101	21	356 SH	DEFINED	356	0	0
CHEVRON CORP	COM	166764100	7203	87344 SH	SOLE	86019	825	500
CHEVRON CORP	COM	166764100	311	3775 SH	DEFINED	2975	0	800
CHUBB CORP	COM	171232101	854	15562 SH	SOLE	15562	0	0
CHUBB CORP	COM	171232101	31	560 SH	DEFINED	560	0	0
CISCO SYSTEMS	COM	17275R102	2601	115360 SH	SOLE	113860	1100	400
CISCO SYSTEMS	COM	17275R102	38	1695 SH	DEFINED	1695	0	0
CITY NATIONAL	COM	178566105	559	10300 SH	SOLE	9950	350	0
CITY NATIONAL	COM	178566105	66	1210 SH	DEFINED	1210	0	0
COCA COLA CO	COM	191216100	1373	25964 SH	SOLE	25964	0	0
COCA COLA CO	COM	191216100	127	2400 SH	DEFINED	2400	0	0
COLGATE PALMOLIVE CO	COM	194162103	1646	21851 SH	SOLE	20901	850	100
COLGATE PALMOLIVE CO	COM	194162103	139	1850 SH	DEFINED	250	0	1600
CONOCOPHILLIPS	COM	20825C104	3155	43073 SH	SOLE	42023	900	150
CONOCOPHILLIPS	COM	20825C104	121	1650 SH	DEFINED	1650	0	0
COVANCE INC	COM	222816100	1190	13460 SH	SOLE	12660	700	100
COVANCE INC	COM	222816100	42	475 SH	DEFINED	475	0	0
CULLEN FROST BANKERS	COM	229899109	251	4175 SH	SOLE	3875	300	0
CULLEN FROST BANKERS	COM	229899109	34	560 SH	DEFINED	560	0	0
DNP SELECT INCOME FUND		23325P104	683	72939 SH	SOLE	70909	1030	1000
DNP SELECT INCOME FUND		23325P104	96	10210 SH	DEFINED	10210	0	0
DANAHER CORP	COM	235851102	1327	19115 SH	SOLE	18415	600	100
DANAHER CORP	COM	235851102	56	800 SH	DEFINED	800	0	0
DEERE & CO	COM	244199105	415	8385 SH	SOLE	7685	700	0
DEERE & CO	COM	244199105	27	550 SH	DEFINED	550	0	0
DISNEY WALT COMPANY	COM	254687106	1917	62495 SH	SOLE	62420	75	0
DISNEY WALT COMPANY	COM	254687106	9	300 SH	DEFINED	300	0	0
DOW CHEM CO	COM	260543103	1522	47900 SH	SOLE	47050	600	250
DOW CHEM CO	COM	260543103	52	1650 SH	DEFINED	750	0	900
DU PONT E I DE NEMOURS	COM	263534109	825	20477 SH	SOLE	19727	750	0
DU PONT E I DE NEMOURS	COM	263534109	19	470 SH	DEFINED	470	0	0
EMERSON ELEC CO	COM	291011104	4260	104431 SH	SOLE	103231	800	400
EMERSON ELEC CO	COM	291011104	214	5240 SH	DEFINED	3240	0	2000
ENDO PHARM HLDG INC	COM	29264F205	420	20990 SH	SOLE	20490	400	100
ENDO PHARM HLDG INC	COM	29264F205	7	340 SH	DEFINED	340	0	0
EXELON CORP	COM	30161N101	743	11866 SH	SOLE	11866	0	0
EXELON CORP	COM	30161N101	38	600 SH	DEFINED	600	0	0
EXXON MOBIL CORP	COM	30231G102	9892	127398 SH	SOLE	125998	950	450
EXXON MOBIL CORP	COM	30231G102	1182	15219 SH	DEFINED	13171	0	2048
FPL GROUP INC	COM	302571104	1257	25000 SH	SOLE	24000	1000	0
FPL GROUP INC	COM	302571104	166	3300 SH	DEFINED	1300	0	2000
FIRST MERCHANTS CORP	COM	320817109	2715	119113 SH	SOLE	118011	1102	0
FIRST MERCHANTS CORP	COM	320817109	309	13563 SH	DEFINED	13563	0	0
GENERAL ELECTRIC CO	COM	369604103	6623	259737 SH	SOLE	256037	2250	1450
GENERAL ELECTRIC CO	COM	369604103	575	22550 SH	DEFINED	14450	0	8100
GRACO INC	COM	384109104	1023	28735 SH	SOLE	28735	0	0
GRACO INC	COM	384109104	15	425 SH	DEFINED	425	0	0
HARRIS CORP DEL	COM	413875105	1201	26000 SH	SOLE	25450	550	0
HARRIS CORP DEL	COM	413875105	23	495 SH	DEFINED	495	0	0
HARSCO CORP	COM	415864107	866	23300 SH	SOLE	23300	0	0
HEINZ H J CO	COM	423074103	172	3450 SH	SOLE	3450	0	0
HEINZ H J CO	COM	423074103	75	1500 SH	DEFINED	0	0	1500
HEWLETT PACKARD CO	COM	428236103	2976	64354 SH	SOLE	63954	0	400
HEWLETT PACKARD CO	COM	428236103	168	3625 SH	DEFINED	3625	0	0
INTEL CORP	COM	458140100	3533	188745 SH	SOLE	185445	2700	600
INTEL CORP	COM	458140100	153	8150 SH	DEFINED	7150	0	1000
INTL BUSINESS MACHINES CORP	COM	459200101	2738	23408 SH	SOLE	22908	350	150
INTL BUSINESS MACHINES CORP	COM	459200101	48	410 SH	DEFINED	410	0	0
ISHARES LEHMAN AGGREGATE	BOND FUND	464287226	315	3200 SH	SOLE	3200	0	0
MSCI EMERGING MARKET INDEX		464287234	220	6450 SH	SOLE	6450	0	0
MSCI EAFE INDEX SHARES		464287465	4999	88805 SH	SOLE	86275	1520	1010
MSCI EAFE INDEX SHARES		464287465	129	2298 SH	DEFINED	2298	0	0
BIOTECHNOLOGY I SHARES	COM	464287556	1927	23680 SH	SOLE	23005	625	50
BIOTECHNOLOGY I SHARES	COM	464287556	36	440 SH	DEFINED	440	0	0
S&P 400 MIDCAP GROWTH	ISHARES	464287606	969	12920 SH	SOLE	12920	0	0
S&P 400 MIDCAP GROWTH	ISHARES	464287606	42	564 SH	DEFINED	564	0	0
ISHARES RUSSELL 2000	I SHARES	464287655	916	13467 SH	SOLE	12877	420	170
ISHARES RUSSELL 2000	I SHARES	464287655	19	285 SH	DEFINED	285	0	0
S&P 400 MIDCAP VALUE	ISHARES	464287705	1013	14739 SH	SOLE	14739	0	0
S&P 400 MIDCAP VALUE	ISHARES	464287705	44	645 SH	DEFINED	645	0	0
I SHARES S&P SMALL CAP 600	COM	464287804	1352	22720 SH	SOLE	21957	427	336
I SHARES S&P SMALL CAP 600	COM	464287804	81	1356 SH	DEFINED	1356	0	0
S&P 600 SMALL CAP VALUE	ISHARES	464287879	538	8273 SH	SOLE	8273	0	0
S&P 600 SMALL CAP VALUE	ISHARES	464287879	33	500 SH	DEFINED	500	0	0
S&P 600 SMALL CAP GROWTH	ISHARES	464287887	576	9385 SH	SOLE	9385	0	0
S&P 600 SMALL CAP GROWTH	ISHARES	464287887	32	528 SH	DEFINED	528	0	0
J P MORGAN CHASE & CO	COM	46625H100	6250	133832 SH	SOLE	133032	200	600
J P MORGAN CHASE & CO	COM	46625H100	672	14382 SH	DEFINED	14382	0	0
JARDEN CORPORATION	COM	471109108	240	10255 SH	SOLE	10255	0	0
JOHNSON & JOHNSON	COM	478160104	7148	103174 SH	SOLE	101824	1150	200
JOHNSON & JOHNSON	COM	478160104	658	9491 SH	DEFINED	6691	0	2800
JOHNSON CTLS INC	COM	478366107	1646	54275 SH	SOLE	53225	900	150
JOHNSON CTLS INC	COM	478366107	8	250 SH	DEFINED	250	0	0
KELLOGG CO	COM	487836108	328	5840 SH	SOLE	5840	0	0
KIMBERLY CLARK CORP	COM	494368103	2314	35695 SH	SOLE	34945	500	250
KIMBERLY CLARK CORP	COM	494368103	68	1050 SH	DEFINED	1050	0	0
KOHL'S CORP	COM	500255104	1139	24717 SH	SOLE	24117	500	100
KOHL'S CORP	COM	500255104	48	1050 SH	DEFINED	1050	0	0

LABORATORY CORP	COM	50540R409	335	4825	SH	SOLE	4825	0	0
LABORATORY CORP	COM	50540R409	9	125	SH	DEFINED	125	0	0
LILLY ELI & CO	COM	532457108	4986	113276	SH	SOLE	112876	100	300
LILLY ELI & CO	COM	532457108	73	1650	SH	DEFINED	1650	0	0
LINCOLN NATL CORP IND	COM	534187109	429	10031	SH	SOLE	9731	300	0
LINCOLN NATL CORP IND	COM	534187109	26	600	SH	DEFINED	600	0	0
LOWE'S COMPANIES INC	COM	548661107	4212	177880	SH	SOLE	175430	1850	600
LOWE'S COMPANIES INC	COM	548661107	102	4315	SH	DEFINED	3915	0	400
MASCO CORP	COM	574599106	871	48595	SH	SOLE	48095	100	400
MASCO CORP	COM	574599106	30	1685	SH	DEFINED	1685	0	0
MCDONALDS CORP	COM	580135101	771	12495	SH	SOLE	12495	0	0
MCDONALDS CORP	COM	580135101	99	1610	SH	DEFINED	1610	0	0
MEDTRONIC INCORPORATED	COM	585055106	2229	44502	SH	SOLE	43427	875	200
MEDTRONIC INCORPORATED	COM	585055106	36	725	SH	DEFINED	725	0	0
MICROSOFT CORPORATION	COM	594918104	5095	190951	SH	SOLE	189101	1650	200
MICROSOFT CORPORATION	COM	594918104	239	8940	SH	DEFINED	7940	0	1000
MICROCHIP TECHNOLOGY	COM	595017104	1557	52910	SH	SOLE	51410	1300	200
MICROCHIP TECHNOLOGY	COM	595017104	86	2925	SH	DEFINED	2925	0	0
S&P 400 MIDCAP SPDR		595635103	5686	43144	SH	SOLE	42555	342	247
S&P 400 MIDCAP SPDR		595635103	216	1639	SH	DEFINED	1639	0	0
NORTHERN TR CORP	COM	665859104	1010	13990	SH	SOLE	13800	150	40
NORTHERN TR CORP	COM	665859104	16	215	SH	DEFINED	215	0	0
NORTHROP GRUMMAN CORP	COM	666807102	92	1520	SH	SOLE	1520	0	0
NORTHROP GRUMMAN CORP	COM	666807102	1228	20290	SH	DEFINED	20290	0	0
NVIDIA CORP	COM	670666104	775	72340	SH	SOLE	70615	1600	125
NVIDIA CORP	COM	670666104	15	1425	SH	DEFINED	1425	0	0
NUVEEN MUNI DIVIDEND ADVISOR		67070X101	121	10980		SOLE	10980	0	0
NUVEEN MUNI DIVIDEND ADVISOR		67070X101	18	1600		DEFINED	1600	0	0
OLD NATIONAL BANCORP	COM	680033107	493	24649	SH	SOLE	24649	0	0
ORACLE CORP	COM	68389X105	1273	62715	SH	SOLE	61565	1000	150
ORACLE CORP	COM	68389X105	62	3070	SH	DEFINED	3070	0	0
PEPSICO INC		713448108	7575	106288	SH	SOLE	104688	1100	500
PEPSICO INC		713448108	432	6055	SH	DEFINED	6055	0	0
PFIZER INC	COM	717081103	1227	66590	SH	SOLE	66190	200	200
PFIZER INC	COM	717081103	65	3500	SH	DEFINED	2500	0	1000
PHILLIP MORRIS INTL INC	COM	718172109	10	200	SH	SOLE	200	0	0
PHILLIP MORRIS INTL INC	COM	718172109	250	5195	SH	DEFINED	2195	0	3000
T. ROWE PRICE GROUP INC	COM	74144T108	1209	22506	SH	SOLE	22456	0	50
T. ROWE PRICE GROUP INC	COM	74144T108	24	450	SH	DEFINED	450	0	0
PRINCIPAL FINANCIAL GROUP	COM	74251V102	907	20855	SH	SOLE	20355	450	50
PRINCIPAL FINANCIAL GROUP	COM	74251V102	17	390	SH	DEFINED	390	0	0
PROCTER & GAMBLE CO	COM	742718109	6934	99505	SH	SOLE	98405	850	250
PROCTER & GAMBLE CO	COM	742718109	436	6260	SH	DEFINED	3260	0	3000
ROBERT HALF INTERNATIONAL	COM	770323103	549	22195	SH	SOLE	22195	0	0
ROBERT HALF INTERNATIONAL	COM	770323103	11	445	SH	DEFINED	445	0	0
S&P 500 INDEX SPDR ETF		78462F103	1418	12229	SH	SOLE	12229	0	0
SPDR MSCI ALL-COUNTRY WORLD EX-US INDEX ETF		78463X848	2572	86179	SH	SOLE	86179	0	0
LEHMAN INTL TREASURY BD SPDR		78464A516	803	15479	SH	SOLE	15479	0	0
LEHMAN INTL TREASURY BD SPDR		78464A516	16	305	SH	DEFINED	305	0	0
HENRY SCHEIN INCORPORATED	COM	806407102	201	3735	SH	SOLE	3685	0	50
SCHLUMBERGER LTD	COM	806857108	6127	78465	SH	SOLE	77435	630	400
SCHLUMBERGER LTD	COM	806857108	168	2154	SH	DEFINED	2154	0	0
MATERIALS SELECT SECTOR SPDR	COM	81369Y100	633	18950	SH	SOLE	18770	80	100
MATERIALS SELECT SECTOR SPDR	COM	81369Y100	16	465	SH	DEFINED	465	0	0
SECTOR SPDR HEALTH CARE	COM	81369Y209	240	8000	SH	SOLE	8000	0	0
SECTOR SPDR UTILITIES	COM	81369Y886	478	14385	SH	SOLE	14310	0	75
SECTOR SPDR UTILITIES	COM	81369Y886	11	330	SH	DEFINED	330	0	0
THE J.M. SMUCKER COMPANY	COM	832696405	395	7794	SH	SOLE	7544	200	50
THE J.M. SMUCKER COMPANY	COM	832696405	11	215	SH	DEFINED	215	0	0
SOUTHERN CO	COM	842587107	1686	44735	SH	SOLE	44485	50	200
SOUTHERN CO	COM	842587107	195	5180	SH	DEFINED	4480	0	700
STAPLES INC	COM	855030102	2343	104154	SH	SOLE	102254	1600	300
STAPLES INC	COM	855030102	78	3445	SH	DEFINED	3445	0	0
STRYKER CORP	COM	863667101	1510	24249	SH	SOLE	23549	700	0
STRYKER CORP	COM	863667101	16	250	SH	DEFINED	250	0	0
SUPERVALU INC	COM	868536103	243	11195	SH	SOLE	11120	75	0
SUPERVALU INC	COM	868536103	37	1695	SH	DEFINED	1695	0	0
SYSCO CORP	COM	871829107	4131	134044	SH	SOLE	131794	2050	200
SYSCO CORP	COM	871829107	170	5500	SH	DEFINED	5500	0	0
TARGET CORP	COM	87612E106	1226	25005	SH	SOLE	25005	0	0
TEVA PHARMACEUTICAL	ADR	881624209	802	17525	SH	SOLE	17025	500	0
TEVA PHARMACEUTICAL	ADR	881624209	65	1425	SH	DEFINED	1425	0	0
THERMO FISHER SCIENTIFIC INC	COM	883556102	690	12550	SH	SOLE	12050	500	0
3M COMPANY	COM	88579Y101	925	13541	SH	SOLE	13291	250	0
3M COMPANY	COM	88579Y101	208	3050	SH	DEFINED	850	0	2200
US BANCORP DEL	COM	902973304	4014	111428	SH	SOLE	109178	1800	450
US BANCORP DEL	COM	902973304	98	2720	SH	DEFINED	1720	0	1000
UNITED PARCEL SERVICE	COM	911312106	249	3955	SH	SOLE	3955	0	0
UNITED PARCEL SERVICE	COM	911312106	63	1000	SH	DEFINED	1000	0	0
UNITED TECHNOLOGIES CORP	COM	913017109	6833	113762	SH	SOLE	112162	1100	500
UNITED TECHNOLOGIES CORP	COM	913017109	93	1555	SH	DEFINED	1555	0	0
VF CORP	COM	918204108	338	4375	SH	SOLE	4050	225	100
VF CORP	COM	918204108	6	75	SH	DEFINED	75	0	0
VANGUARD TELECOM SERVICE ETF	COM	92204A884	312	5852	SH	SOLE	5552	300	0
VANGUARD TELECOM SERVICE ETF	COM	92204A884	9	170	SH	DEFINED	170	0	0
VNGRD FTSE ALLWORLD EXUS ETF		922042775	2080	49019	SH	SOLE	49019	0	0
VECTREN CORP	COM	92240G101	2292	82334	SH	SOLE	80884	1250	200
VECTREN CORP	COM	92240G101	167	5983	SH	DEFINED	4218	0	1765
VERIZON COMMUNICATIONS INC	COM	92343V104	2164	67434	SH	SOLE	66634	550	250
VERIZON COMMUNICATIONS INC	COM	92343V104	74	2292	SH	DEFINED	2292	0	0
WAL MART STORES INC	COM	931142103	4020	67137	SH	SOLE	66537	300	300
WAL MART STORES INC	COM	931142103	237	3955	SH	DEFINED	3955	0	0
WALGREEN COMPANY	COM	931422109	272	8787	SH	SOLE	8737	50	0
WALGREEN COMPANY	COM	931422109	22	700	SH	DEFINED	700	0	0
WELLS FARGO & CO	COM	949746101	7834	208796	SH	SOLE	206296	1500	1000
WELLS FARGO & CO	COM	949746101	320	8525	SH	DEFINED	6125	0	2400
WEYERHAEUSER CO	COM	962166104	1860	30695	SH	SOLE	30595	0	100
WEYERHAEUSER CO	COM	962166104	6	100	SH	DEFINED	100	0	0
WYETH	COM	983024100	1695	45891	SH	SOLE	45491	0	400
WYETH	COM	983024100	111	3010	SH	DEFINED	610	0	2400

ZIMMER HLDGS INC	COM	98956P102	579	8964 SH	SOLE	8639	325	0
ZIMMER HLDGS INC	COM	98956P102	38	590 SH	DEFINED	590	0	0
GRAND TOTALS			251663	5945393		5808088	58555	78750