

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

() Check 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
 GOODALL, HURLEY C.
 1905 CARVER DRIVE
 MUNCIE, IN 47303-4011
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 1996
5. If Amendment, Date of Original (Month/Year)
6. Relationship of Reporting Person to Issuer (Check all applicable)
 (X) Director () 10% Owner () Officer (give title below) () Other
 (specify below)

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 Year | 6. Dir (D) or Indir (I) | 7. Nature of Indirect Beneficial Ownership |
|----------------------|---------------------|---------|---|-----|---|-------------------------|--|
| | | | Amount | A/D | | | |
| COMMON STOCK | | | | | 67 | D | |

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 Year | 10. Dir (D) or Indir (I) | 11. Nature of Indirect Beneficial Ownership | | |
|---|--|---------------------|---------|--|-----|--|-----------------|--|---------------------------------|--|--------------------------|---|----------------------------|--|
| | | | | Amount | A/D | Exercisable Date | Expiration Date | | | | | | Title and Number of Shares | |
| Non-Employee Director Stock Option (Right to Buy) | 25.00 | 07-01-96 | A | V | 600 | A | 01-01-97 | 06-30-06 | Common | 600 | | 1,800 | D | |

Explanation of Responses:
 SIGNATURE OF REPORTING PERSON
 Hurley C. Goodall (Confirming Statement on File)
 DATE
 July 31, 1996