UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, DC 20549

FORM 8-K

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

DATE OF REPORT (Date of earliest event reported): March 20, 2007

FIRST MERCHANTS CORPORATION (Exact name of registrant as specified in its charter)

INDIANA 0-17071
(State or other jurisdiction (Commission file number) of incorporation)

35-1544218 (IRS Employer Identification No.)

200 East Jackson Street
P.O. Box 792
Muncie, IN 47305-2814
(Address of principal executive offices, including zip code)

(765) 747-1500 (Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- [] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- [] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- [] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- [] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Item 7.01. Regulation FD Disclosure.

On January 23, 2007, the Board of Directors of First Merchants Corporation declared a quarterly cash dividend of \$0.23 per share on its outstanding common stock. The cash dividend was payable to stockholders of record on March 6, 2007. The cash dividend was distributed along with a letter to the stockholders on March 20, 2007. A copy of the stockholder letter is attached as Exhibit 99.1 to this report and is furnished pursuant to Regulation FD.

Item 9.01. Financial Statements and Exhibits.

- (a) Not Applicable.
- (b) Not Applicable.
- (c) (99.1) Stockholder Letter dated March 20, 2007.

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: March 20, 2007

FIRST MERCHANTS CORPORATION (Registrant)

By: /s/ Mark K. Hardwick

Mark K. Hardwick, Executive Vice President and Chief Financial Officer (Principal Financial and Principal Accounting Officer)

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EXHIBIT INDEX

Exhibit No. Description

99.1 Stockholder Letter dated March 20, 2007.

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First Merchants Corporation

Exhibit 99.1

Stockholder Letter, dated March 20, 2007

March 20, 2007

Dear Shareholder:

The First Merchants Corporation Board of Directors has declared a quarterly cash dividend of \$0.23 per share to holders of record on March 6, 2007, payable March 20, 2007.

On January 24, 2007, the Corporation announced its intent to combine four of its bank charters into one existing and continuing charter, and transfer its Hamilton County assets into another stand-alone charter. As a result of these changes, we will have four, strong, nationally chartered banks operating in a regional configuration. This plan is progressing as scheduled and is expected to become effective with our regulators on April 1, 2007. Also effective on this date, all of our banks, trust company, and insurance operations will project the First Merchants' gold shield logo, further enhancing our goal of one company, one brand. First Merchants Corporation will continue its strong community bank focus, with local decision-making, in a more cohesive and efficient structure.

Your Board of Directors is pleased to provide this dividend to you, and we are appreciative of your continued support of our Corporation. Should you have any questions regarding our company, we welcome them through our internal shareholder relations department (Telephone: 800-262-4261, ext. 2-7278), or through direct e-mail link on our website, www.firstmerchants.com, and invite you to avail yourselves of this service.

Sincerely,

Michael L. Cox President and Chief Executive Officer

MLC/ch

Enclosure

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