

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1999

or

TRANSITION REPORT PURSUANT TO SECTION 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM

_____ TO _____

FIRST MERCHANTS CORPORATION
RETIREMENT SAVINGS PLAN

Full title of the plan and the address of the plan,
if different from that of the issuer named below:

FIRST MERCHANTS CORPORATION
200 EAST JACKSON
MUNCIE, IN 47305

Name of issuer of the securities held pursuant to the
plan and the address of its principal executive office

FIRST MERCHANTS CORPORATION
RETIREMENT SAVINGS PLAN
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Independent Auditor's Report

Administrative Committee
First Merchants Corporation
Retirement Savings Plan
Indianapolis, Indiana

We have audited the accompanying statement of net assets available for benefits of First Merchants Corporation Retirement Savings Plan as of December 31, 1999 and 1998, and the related statement of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of First Merchants Corporation Retirement Savings Plan at December 31, 1999 and 1998, and the changes in its net assets available for benefits for the years then ended, in conformity with generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held for investment purposes at end of year referred to as "supplemental information," is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental information is the responsibility of the Plan's management. The supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

[OBJECT OMITTED]
Indianapolis, Indiana
August 18, 2000

FIRST MERCHANTS CORPORATION
 RETIREMENT SAVINGS PLAN
 Statement of Net Assets Available for Benefits

December 31	1999	1998
<hr style="border-top: 1px dashed black;"/>		
Assets		
Investments, at fair value		
Temporary deposit funds	\$ 482,379	\$ 268,503
Collective investment funds	9,606,458	6,666,408
Mutual funds	662,901	346,918
	<hr style="border-top: 1px dashed black;"/>	
Total investments	10,751,738	7,281,829
Employer contributions receivable	28,143	24,386
Accrued income receivable	19,550	6,404
Cash	2,762	
	<hr style="border-top: 1px dashed black;"/>	
Net Assets Available for Benefits	\$10,802,193	\$7,312,619
	<hr style="border-top: 3px double black;"/>	

See notes to financial statements.

FIRST MERCHANTS CORPORATION
 RETIREMENT SAVINGS PLAN
 Statement of Changes in Net Assets Available for Benefits

Year Ended December 31	1999	1998

Additions		
Investment income		
Net appreciation in fair value of investments	\$ 1,219,064	\$1,028,892
Interest and dividends	63,825	43,614
	-----	-----
Employee contributions	1,282,889	1,072,506
Employer contributions	1,032,407	1,266,330
Transfers from other plans	109,837	96,609
	-----	-----
Total additions	3,799,853	2,435,445
Deductions--benefits paid to participants	310,279	340,032
	-----	-----
Net Increase	3,489,574	2,095,413
Net Assets Available for Benefits, Beginning of Year	7,312,619	5,217,206
	-----	-----
Net Assets Available for Benefits, End of Year	\$10,802,193	\$7,312,619
	=====	=====

See notes to financial statements.

FIRST MERCHANTS CORPORATION
RETIREMENT SAVINGS PLAN
Notes to Financial Statements

Note 1 -- Description of Plan

The following description of First Merchants Corporation Retirement Savings Plan (Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined-contribution plan sponsored by First Merchants Corporation (Corporation) for the benefit of all employees who have completed one year of service, worked at least 1000 hours, and are age twenty-one or older. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). First Merchants Bank, N.A. (Bank) is the trustee of the Plan.

Contributions

The Plan permits eligible employees through a salary deferral election to have the Corporation make annual contributions of up to 15% of eligible compensation. Employee rollover contributions are also permitted. The Corporation makes matching contributions of its employees' salary deferral amounts of 25% of the first 5% of employees' eligible compensation. Forfeitures are used to reduce the Corporation's contributions.

Participant Investment Account Options

Investment account options available include a managed, fixed value, bond, stock, international equity and small cap fund. Each participant has the option of directing his contributions into any of the separate investment accounts and may change the allocation quarterly.

Participant Accounts

Each participant's account is credited with the participant's contribution, allocation of the Corporation contribution and Plan earnings. Allocations of Plan earnings are based on participant account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Vesting

Participants are immediately vested in their salary deferral and rollover contribution accounts plus actual earnings thereon. Vesting in the remainder of their accounts is based on years of continuous service. A participant is 100% vested after five years of credited service.

Payment of Benefits

Upon termination of service, participants may elect to receive a lump-sum amount or installments equal to the value of their accounts. Withdrawals other than for termination are permitted under circumstances provided by the Plan.

Plan Termination

Although it has not expressed any intent to do so, the Corporation has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

FIRST MERCHANTS CORPORATION
 RETIREMENT SAVINGS PLAN
 Notes to Financial Statements

Note 2 -- Summary of Significant Accounting Policies

Method of Accounting

The accompanying financial statements are prepared on the accrual method of accounting.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of net assets and changes in net assets available for benefits. Actual results could differ from those estimates.

Investments

Investments are valued at estimated fair value. Temporary deposit funds are valued at cost, which approximates market. Purchases and sales of securities are recorded on a trade-date basis.

Payment of Benefits Benefits are recorded when paid.

Administrative Expenses

Administrative expenses may be paid by the Corporation or the Plan, at the Corporation's discretion.

Note 3 -- Investments

The Plan's investments are held by a bank-administered trust fund. The Plan's investments (including investments bought, sold, and held during the year) appreciated in fair value as follows:

	1999	
Year Ended December 31	Net Appreciation in Fair Value During Year	Fair Value at End of Year
Investments at estimated fair value as determined by quoted prices in an active market		
Mutual funds	\$ 136,012	\$ 662,901
Investments at estimated fair value and cost which approximates market and contract value		
Temporary deposit funds		482,379
Collective investment funds	1,083,052	9,606,458
	\$1,219,064	\$10,751,738

FIRST MERCHANTS CORPORATION
 RETIREMENT SAVINGS PLAN
 Notes to Financial Statements

Year Ended December 31	1998	
	Net Appreciation (Depreciation) in Fair Value During Year	Fair Value at End of Year
Investments at estimated fair value as determined by quoted prices in an active market		
Mutual funds	\$ (32,670)	\$ 346,918
Investments at estimated fair value and cost which approximates market and contract value		
Temporary deposit funds		268,503
Collective investment funds	1,061,562	6,666,408
	<u>\$1,028,892</u>	<u>\$7,281,829</u>

The fair values of individual investments that represented 5% or more of the Plan's assets were as follows:

December 31	1999	1998
First Merchants Bank, N.A. Intermediate Growth Fund for Tax Exempt Accounts	\$7,816,447	\$5,337,817
First Merchants Bank, N.A. Intermediate Term Income Fund for Tax Exempt Accounts	1,790,011	1,328,591

Note 4 -- Net Assets of Withdrawing Participants

Net assets available for benefits includes \$19,812 and \$129,304 at December 31, 1999 and 1998, allocated to participants who have elected to withdraw from the Plan.

Note 5 -- Differences Between Financial Statements and Form 5500 Information

Differences between the Annual Return/Report of Employee Benefit Plan (Form 5500) filed with the Internal Revenue Service and the accompanying financial statements include reporting realized gains and losses on Form 5500 based on the beginning of the year current value of the assets sold or the cost of assets acquired during the year and in the accompanying statement of changes in net assets available for benefits based on the original cost.

FIRST MERCHANTS CORPORATION
 RETIREMENT SAVINGS PLAN
 Notes to Financial Statements

Note 6 -- Party-in-Interest Transactions

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50 percent or more of such an employer or employee association, or relatives of such persons.

The Plan invests in First Merchants Bank, N.A. Temporary Fund II, Intermediate Growth Fund for Tax Exempt Accounts and Intermediate Term Income Fund for Tax Exempt Accounts.

Activity at fair value was as follows:

	First Merchants Bank, N.A. Temporary Deposit Fund	First Merchants Bank, N.A. Intermediate Growth Fund for Tax Exempt Accounts	First Merchants Bank, N.A. Intermediate Term Income Fund for Tax Exempt Accounts
Balance, January 1, 1998	\$412,774	\$3,677,651	\$1,081,441
Changes	(154,579)	1,660,166	247,150
Balance, December 31, 1998	258,195	5,337,817	1,328,591
Changes	219,774	2,478,630	461,420
Balance, December 31, 1999	\$477,969	\$7,816,447	\$1,790,011

The Corporation provides certain administrative services at no cost to the Plan.

Note 7 -- Tax Status

The Internal Revenue Service has advised that the Plan constitutes a qualified plan under Section 401 of the Internal Revenue Code and that the trust established under the Plan is therefore exempt from federal income taxes. The Plan has been amended since receiving the determination letter. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code and that the Plan was qualified and the related trust was tax exempt as of the financial statement date.

Note 8 -- Plan Amendment

During 1999, the Plan was amended to allow First National Bank of Portland (First National) to participate in the Plan. Assets of First National's previous plan are included in the total assets of \$1,374,720 that were transferred into the Plan in 1999.

Supplemental Schedule

FIRST MERCHANTS CORPORATION
 RETIREMENT SAVINGS PLAN
 Schedule H, line 4i--Schedule of Assets Held for Investment Purposes
 at End of Year
 December 31, 1999
 Employer Identification Number: 35-1544218 Plan Number: 002

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment Including Par or Maturity Value	Cost	Current Value
<hr/>				
	Temporary Deposit Funds			
	*First Merchants Bank, N.A. Temporary Fund II	\$470,873	\$ 470,873	\$ 470,873
	*First Merchants Bank, N.A. Temporary Fund	7,096	7,096	7,096
	Federated Prime Cash Obligation	4,410	4,410	4,410
			<hr/>	<hr/>
			482,379	482,379
	Collective Investment Funds			
	*First Merchants Bank, N.A. Intermediate Growth Fund for Tax Exempt Accounts	329,351 shares	4,705,120	7,816,447
	*First Merchants Bank, N.A. Intermediate Term Income Fund for Tax Exempt Accounts	248,700 shares	1,677,946	1,790,011
			<hr/>	<hr/>
			6,383,066	9,606,458
	Mutual Funds			
	T. Rowe Price International Fund	4,207 shares	63,548	80,058
	Scudder International Fund	1,199 shares	65,025	84,798
	Franklin Templeton Foreign Fund	6,609 shares	66,775	74,148
	Vanguard International Fund	3,280 shares	61,435	73,758
	Franklin Small Cap Growth Fund	3,121 shares	79,196	138,397
	Managers Special Equity Fund	1,245 shares	81,507	113,840
	T. Rowe Price Small Cap Value Fund	5,477 shares	115,005	96,508
	Franklin Templeton Developing Markets	89 shares	1,500	1,394
			<hr/>	<hr/>
			533,991	662,901
			<hr/>	<hr/>
			\$7,399,436	\$10,751,738
			=====	=====

*Party-in-interest

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

Date: 11/22/00

By: /s/ Kimberly J. Ellington

Kimberly J. Ellington
First Merchants Corporation
Retirement Savings Plan