Schalliol Charles E Form 4 October 04, 2010

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

3235-0287 Number: January 31,

Expires:

2005 Estimated average 0.5

burden hours per response...

Check this box if no longer subject to Section 16. Form 4 or Form 5

obligations

may continue.

See Instruction

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

1. Name and Ad Schalliol Ch	ddress of Reporting P arles E	Symbol	er Name and Ticker or Trading MERCHANTS CORP	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)			
(Last)	(First) (M	fiddle) 3. Date of	of Earliest Transaction Day/Year)	_X_ Director 10% Owner Officer (give title below) Other (specify below)			
MUNCIE, II	(Street) N 47305		endment, Date Original onth/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting			
(City)		(Zip) Tobl		Person			
(City)	(State) (Tabl	ole I - Non-Derivative Securities	Acquired, Disposed of, or Beneficially Owned			
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)		Code Disposed of (D)	5. Amount of Securities Form: Direct Indirect Beneficially (D) or Beneficial Owned Indirect (I) Ownership Following (Instr. 4) (Instr. 4) Transaction(s) (Instr. 3 and 4)			
Common Stock (1)	09/30/2010		A 1,228 A \$ 0	19,182 D			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of **SEC 1474** information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

Edgar Filing: Schalliol Charles E - Form 4

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transactic Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D)		ate	7. Title Amoun Underly Securiti (Instr. 3	t of ying es	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
				Code V	(Instr. 3, 4, and 5) (A) (D)	Date Exercisable	Expiration Date	Title N	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships					
r g	Director	10% Owner	Officer	Other		
Schalliol Charles E 200 E JACKSON STREET MUNCIE, IN 47305	X					

Signatures

Larry R. Helms (Confirming Statement on File)

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Non-employee Director Stock Option (Right to Buy) = 7,628 shares

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

Reporting Owners 2