

## Retiree Health Funding Vehicle (RHFV) and Investment Services Program (ISP)

### Performance and Fee Summary

 Online users can click on any fund name below for more detailed information.

Fund Name	Returns						Annual Expense		
	Quarter-to-date	Year-to-date	1 yr.	3 yr.	5 yr.	10 yr.	Investment <sup>1</sup>	Admin Fee <sup>2</sup>	Total
<b>Portfolios Built for You (Stocks/Bonds)</b>									
MERS Total Market Portfolio <i>Note: 2.00% charge from amounts withdrawn/ transferred within 90 days of each contribution</i>	4.72%	13.52%	13.52%	7.39%	6.30%	7.76%	0.28%	0.18%	0.46%
MERS Global Stock Portfolio (100/0)	8.53%	25.03%	25.03%	11.34%	8.47%	--	0.27%	0.18%	0.45%
MERS Capital Appreciation Portfolio (80/20)	7.06%	21.93%	21.93%	9.84%	8.01%	--	0.22%	0.18%	0.40%
MERS Established Market Portfolio (60/40)	5.55%	19.08%	19.08%	8.64%	7.09%	7.91%	0.23%	0.18%	0.41%
MERS Balanced Income Portfolio (40/60)	4.02%	16.10%	16.10%	7.42%	6.06%	--	0.25%	0.18%	0.43%
MERS Capital Preservation Portfolio (20/80)	2.47%	13.81%	13.81%	6.32%	5.27%	--	0.23%	0.18%	0.41%
MERS Diversified Bond Portfolio (0/100)	0.83%	10.07%	10.07%	4.43%	3.57%	4.24%	0.27%	0.18%	0.45%
<b>Funds to Build Your Own Portfolio</b>									
Large Cap Stock Index	9.05%	31.57%	31.57%	15.25%	11.58%	13.42%	0.05%	0.18%	0.23%
Mid Cap Stock Index	7.11%	26.28%	26.28%	9.40%	9.14%	12.78%	0.05%	0.18%	0.23%
Small Cap Stock Index	7.89%	22.92%	22.92%	8.53%	9.48%	--	0.05%	0.18%	0.23%
International Stock Index <sup>3</sup>	8.35%	20.99%	20.99%	9.49%	5.48%	--	0.08%	0.18%	0.26%
Emerging Market Stock	11.05%	15.94%	15.94%	8.11%	3.89%	--	0.29%	0.18%	0.47%
Short-Term Income	0.46%	3.40%	3.40%	1.96%	1.44%	1.13%	0.05%	0.18%	0.23%

<sup>1</sup>**Investment Manager Expense:** This expense is charged by the investment manager(s) for the specified fund in order to invest the program's assets. This expense is calculated into the daily unit share pricing and reflected in the performance.

<sup>2</sup>**Administrative Fee:** This fee accrues during each month and is charged at the end of each month to the account based on the daily average balance. This fee is shown on your quarterly statement as a line-item charge under "Administrative Fee."

<sup>3</sup>Not available for ISP

### Disclaimer

**Returns:** Return information prior to 10/1/2014 are presented after the Total Annual Operating Expense. After 10/1/2014, returns are presented net of Investment Manager expenses only. Returns for periods greater than one year are annualized. Past performance is no guarantee of future results. Current performance may be higher or lower. Funds are subject to investment risk from a number of sources, including the management style of the fund and market volatility. Markets are volatile and can rise or decline significantly in response to company, political, regulatory, market, or economic developments. A fund's total return, like securities prices generally, will fluctuate within a wide range. As a result, you could lose money over short or even long periods. Funds are also subject to investment-related risk, which is the chance that returns from companies invested in by the fund will trail returns from other asset classes or the overall market.

**Fees:** The Total Annual Operating Expense consists of MERS operating costs, custody and recordkeeping costs, and investment management expenses.

**Diversification:** To help achieve a long-term security, you should give careful consideration to the benefits of a well-balanced investment portfolio. Spreading assets among different types of investment categories can help achieve a favorable rate of return while minimizing overall risk of losing money. This is because market or other economic conditions that cause one category of assets – or particular fund – to perform very well often causes another asset category – or another particular fund – to perform poorly. Diversification is not a guarantee against loss, however, it is an effective strategy to help you manage risk.

This summary is designed to provide descriptive information only. You should research all possible investment choices by reading each fund's summary sheet. MERS, as a governmental plan, is exempted by state and federal law from registration from the SEC. The MERS Funds consist of a portfolio of assets in a separate account in a collective trust, specifically for MERS Plans. Unlike a mutual fund, only the participants in a MERS Plan can invest in the MERS Funds.

It is important to periodically review investments, investment objectives, and investment options to help ensure that your retirement savings will meet your retirement goals.

MERS has made every effort to ensure that the information provided is accurate and up to date. Please see MERS website at [www.mersofmich.com](http://www.mersofmich.com) for recent information, or contact MERS at 800.767.MERS (6377).