

Emerging Market Stock

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



Total Fund Assets: **\$616 million**

Fund Category: **Emerging Market Blend**

Total Annual Operating Expense: **1.16%***

Objective

Emerging Market Stock seeks long-term capital appreciation and current income through investment in emerging and frontier market equities. The objective is to outperform a benchmark with a 75% MSCI Emerging Market Index and 25% MSCI Frontier Market Index blend utilizing active and passive management.

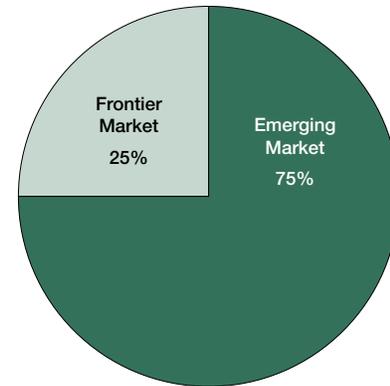
Portfolio Management

MERS manages the asset allocation and monitors the underlying investment managers of the Emerging Market Stock. The Emerging Market Stock is part of the MERS Total Market Portfolio.

* Fee and Expense Information

Administrative Fees: Costs to run the day-to-day operations of the plan, which include legal, accounting, auditing, compliance, printing, and overhead costs, as well as costs related to bookkeeping, settling trade activity, and holding assets in custody at a bank.	0.25%
Investment Management Expense: All costs incurred in the overall management of the fund. The Investment Management Expense varies based on the level of assets. As assets increase, the Investment Management Expense is expected to decline.	0.91%
Total Annual Operating Expense: The Total Annual Operating Expense reduces the rate of return of the fund. A Total Annual Operating Expense of 1.16% means that for every \$1,000 invested in the Emerging Market Stock, a participant is charged \$11.60 in fees a year.	1.16%

Target Asset Allocation



Target Asset Breakdown (as of September 30, 2016)

Emerging Markets	75.00%
Frontier Markets	25.00%

Fund Restrictions

The Emerging Market Stock has no restrictions.

Performance Information (as of September 30, 2016)

	Quarter	Year to Date	1 Year	3 Years	5 Years	10 Years
MERS Emerging Market Fund	8.82%	16.47%	18.29%	2.74%	--	--
Custom Benchmark*	7.42%	12.62%	12.84%	-0.29%	--	--
Standard Deviation	--	--	11.15%	11.93%	--	--

Performance by year

	2012	2013	2014	2015
MERS Emerging Market Fund	-	-	2.13%	-13.76%
Custom Benchmark*	-	-	0.21%	-14.73%
Standard Deviation	-	-	10.40%	12.81%

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.

Return information prior to January 24, 2011 is linked with the component returns of the MERS Defined Benefit Portfolio as the Emerging Market Stock is broadly the same strategy. The component returns from the MERS Defined Benefit Portfolio are Net of Investment Management Expenses only. Past performance is no guarantee of future results. Current performance may be higher or lower. Investment returns and values will fluctuate, and shares when redeemed, may be worth more or less than their original cost. Please visit the MERS website at www.mersofmich.com for more recent performance information.

*Custom Benchmark: 75% MSCI Emerging Market (NET) and 25% MSCI Frontier Market (NET).

Standard Deviation measures the distribution of returns around the average return. The more spread apart the data, the higher the deviation.

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN | 1134 Municipal Way | Lansing, MI 48917 | 800.767.MERS (6377) | www.mersofmich.com

MERS, as a governmental plan, is exempted by state and federal law from registration with the SEC. The MERS Funds consist of a portfolio of assets managed 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. Because the MERS Funds are not mutual funds, a prospectus is not available.

This summary is designed to provide descriptive information only. Investors should research all possible investment choices. Please make independent investment decisions carefully and seek the assistance of independent experts where appropriate. We recommend investors define their goals, risk tolerance, time horizon, and investment objectives to determine whether this fund is appropriate for you. Please make independent investment decisions carefully and seek the assistance of independent experts where appropriate.

State Street Bank and Trust, as the custodian for the MERS Funds, calculates the unit value as of the close of business each day. The MERS Funds invest in a broad selection of securities. Some securities may not be priced daily or prices may be determined on a delayed basis. These securities are reflected in the unit value of the fund at their most recent market value adjusted for interim cash flows.

MERS Funds are constructed utilizing several underlying investment strategies within a particular asset class. Consequently, a fund's asset allocation may vary over time as a result of underlying manager activity.

Funds are subject to investment risks 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, an investor 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.

MERS has made every effort to ensure that the information provided is accurate and up to date. For more information, please contact the MERS Service Center at 800.767.MERS (6377) or visit www.mersofmich.com.