



Better Together

CHANGES ARE COMING TO YOUR MERS PLANS

Effective March 2, 2026, Empower will replace Alerus as the recordkeeper for the following MERS retirement plans:

- 401(a) Defined Contribution Plan (and the DC Portion of the Hybrid Plan)
- 457(b) Supplemental Retirement Program
- Health Care Savings Program
- Deemed IRA

Transition Overview

As an independent professional retirement service company that was created to administer the retirement plans for Michigan’s local units of government on a not-for-profit basis, MERS’ mission has always been to support a **secure retirement** for those who serve Michigan communities.

As part of that commitment—and as part of our **fiduciary duty**—we continually evaluate our service providers to ensure we are delivering the best possible value to our members. After a careful and thorough review, we are excited to announce we’ve selected **Empower** to be our new recordkeeper.

BETTER TOGETHER

You will continue to have MERS at your side, but now with the added strength of Empower’s industry-leading tools and services. Together, we are creating a stronger team, focused on delivering greater account security, more efficiency, and enhanced resources to support your financial future.

By leveraging MERS’ size and scale, our members can benefit from lower costs, improved services, and the confidence that comes from being part of a larger, well-managed system. This partnership was built with your needs in mind, and we are confident that your retirement journey will be brighter because MERS and Empower are working together on your behalf.

A **recordkeeper** manages the **day-to-day operations** of your retirement plan.

WHAT YOU NEED TO DO

You do not need to do anything at this time. Your account will automatically transfer from Alerus to Empower. There will be a time period when you will not be able to make transactions—we call this the “blackout period.”

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GET READY FOR THE RECORDKEEPER TRANSITION

This guide is intended to help you understand **what to expect** during the transition.

You have received this guide because you are eligible to participate or have an account balance in one or more MERS plans. Please review the following details, dates, and potential impact on your account, along with any next steps you may need to take.

WHAT IS STAYING THE SAME?

- MERS remains the sole fiduciary **legally responsible** for putting your interests first
- **MERS-to-MERS** service credit helps you meet vesting requirements across employers
- **Local education specialists** provide in-person guidance
- A dedicated **investment team** selects and monitors investment options
- Many underlying **investment options** will remain the same
- **Payroll deductions** (including loan repayments) will continue during the transition

WHAT IS CHANGING?

- Online accounts, statements, and confirmations will get a **new look** from Empower
- Financial planning and investment **advice** will be available
- **Investment option names** are changing
- Quarterly statements will show fees differently
- Distributions and installments will be **easier**—no Medallion Signature needed
- Active employees must update **addresses** through your employer
- Elective **contribution rate changes** need to be made through Empower

HAVE QUESTIONS?

Visit: empower.com/MERS

Call: 833.500.6377

Representatives can answer questions about the upcoming transition and are available weekdays from 8 a.m. to 10 p.m. and Saturdays from 9 a.m. to 5:30 p.m. Eastern time.

Point-in-time advice provided by an Empower representative may include savings, investment allocation, distribution, and rollover advice, including advice on consolidating outside retirement accounts.



Dates to Know

February 17, 2026

4 p.m. Eastern time

Deadline for paper forms

Forms must be received at Alerus by this date, in good order, to be processed before the blackout date. This includes transactions such as loan applications, distributions, and rollover requests.

February 24, 2026

4 p.m. Eastern time

Deadline to submit online transactions; blackout period begins

This is the last day to request a withdrawal, request a loan, make an investment election change, or update beneficiary designation(s) online through your myMERS account at **mersofmich.com**.

As of February 24, you will no longer have the ability to complete transactions in your current myMERS account with Alerus, and you will not yet have access to your future online account with Empower. This blackout period will give us time to transfer to Empower.

During the blackout period, your funds will remain invested (excluding those funds that are liquidating or mapping to a new fund) and will be reflected in your Empower account after the blackout period ends.

Week of

March 23, 2026

Blackout period ends

During this week, you will now have full access to your account at **empower.com/MERS** on your desktop or mobile device. You will be able to make changes to your elective contributions, investment elections, and more online.

June 30, 2026

Current myMERS access ending

This is the last day you will be able to access your myMERS account with your current login (including on the myMERS app). Download any historical statements, 1099s, or confirmations you wish to retain for your records prior to this date as they will not carry over to Empower.

Important Blackout Notice

Your rights in the 401(a) Defined Contribution Plan (including the DC portion of the Hybrid Plan), the 457(b) Supplemental Retirement Program, the Health Care Savings Program, and the Deemed IRA Plan

January 16, 2026

This notice is to inform you that your account in the MERS Defined Contribution Plan (including the DC portion of the Hybrid Plan), the 457 Supplemental Retirement Program, the Health Care Savings Program, and/or the Deemed IRA Plan will transfer to Empower effective March 2, 2026.

As a result of this change, you temporarily will be unable to check your account balance; transfer or diversify your investments; modify your contributions; or obtain a loan, withdrawal, or distribution. This period during which you will be unable to exercise these rights otherwise available under the plan is called a **blackout period**.

The temporary blackout period **begins February 24, 2026, at 4 p.m.** Eastern time (February 17, 2026, for paper forms for distributions) and is expected to **end the week of March 23, 2026**. You will be able to view your balances and transactions made through February 24, 2026. During the blackout period, you will have limited or no access to your account.

During the blackout period, your investments will continue to gain and/or lose value depending on market conditions. Before the blackout period begins, it is very important that you review and consider the appropriateness of your current investments because you will be unable to transfer or diversify those investments during the blackout period. For your long-term retirement security, you should give careful consideration to the importance of a well-balanced and diversified investment portfolio, taking into account all your assets, income, and investments.

To review your plan account before the blackout period begins, visit **mersofmich.com** to access your account or call MERS at **800.767.6377**.

Once the blackout period ends, you will have full access to your plan account. If you would like to confirm the status of the blackout period or have questions concerning this notice, visit **empower.com/MERS** or contact the MERS team at Empower by calling **833.500.6377**.

*Dates and times are subject to change. Please contact Empower for more information.
Diversification does not ensure a profit or protect against loss.*

Investments

HOW YOUR INVESTMENTS WILL TRANSFER

Your account balance and future contribution investments will transfer to Empower based on how you are currently invested. The mapping charts show **how each fund will transfer** and **what each fund will be called** after the transition. The majority of the underlying investments will remain the same; however, they will be renamed.

If you would like your account mapped differently, simply change the elections for your current balance and future contributions in your online account by February 24, 2026, before the blackout period begins. You can also make changes with Empower after the transfer is complete.

Additionally, if you previously elected to rebalance the investments in your account, these elections will not be carried over when your account is transitioned to Empower. After the blackout period ends, you may make a new election to rebalance your account investments.

During the blackout period, **your funds will remain invested** (excluding funds that are liquidating or mapping to a new fund) and will be reflected in your account after the blackout period ends.



“Help me do it”

LifePath target date funds are a simplified way to diversify your investments. These target date funds are professionally managed, diversified investments and automatically adjust over time as you get closer to retirement. These underlying investments will **remain the same** and will transfer directly from Alerus to Empower. The date in the name of the target date fund is the assumed date of retirement. The asset allocation becomes more conservative as the fund nears the target retirement date; however, the principal value of the fund is never guaranteed.

Fund Names Before Transition	Fund Names After Transition
LifePath Retirement Fund	BlackRock LifePath Index Retirement Fund N
LifePath 2030 Fund	BlackRock LifePath Index 2030 Fund N
LifePath 2035 Fund	BlackRock LifePath Index 2035 Fund N
LifePath 2040 Fund	BlackRock LifePath Index 2040 Fund N
LifePath 2045 Fund	BlackRock LifePath Index 2045 Fund N
LifePath 2050 Fund	BlackRock LifePath Index 2050 Fund N
LifePath 2055 Fund	BlackRock LifePath Index 2055 Fund N
LifePath 2060 Fund	BlackRock LifePath Index 2060 Fund N
LifePath 2065 Fund	BlackRock LifePath Index 2065 Fund N
LifePath 2070 Fund	BlackRock LifePath Index 2070 Fund N





“I’ll do it myself”

These **Additional Fund Options** were actively chosen for you by MERS.

This chart shows funds that will have the underlying investments **remain the same** and will transfer directly from Alerus to Empower.

Fund Names Before Transition	Fund Names After Transition
MERS Total Market Portfolio	MERS Total Market Portfolio
Large Cap Stock Index	BNYM Mellon SL Stock Index Fund Instl
Mid Cap Stock Index	BNYM Mellon SL Mid Cap Stock Index Instl
Small Cap Stock Index	BNYM Mellon SL Small Cap 600 Stock Index Instl
International Stock Index	BNYM Mellon SL International Stock Index Instl
Emerging Market Stock	BNYM Mellon SL Emerging Markets Stock Index Fund Instl
Real Estate Stock Index	BNYM Mellon SL REIT Index Instl
Bond Index	BNYM Mellon SL Aggregate Bond Idx Instl
Stable Value ¹	Stable Value Fund ¹

This chart shows funds that will be liquidating and investing into a **new fund**.

Fund Names Before Transition	Fund Names After Transition
High Yield Bond Index	MERS US High Yield Bond Index Unitized Account
Short-Term Income	Vanguard Cash Reserves Federal Money Market Fund Admiral
Alerus Money Market ²	Vanguard Cash Reserves Federal Money Market Fund Admiral

¹Only applies to the DC, 457, and IRA investment lineup.

²Only applies to the HCSP investment lineup. If you are claims eligible, you will see a transfer into the HRA Guaranteed Protection Fund of \$1,000 of your account (or, if less, 100% of your account balance). This ensures appropriate assets will be available for claims reimbursement processes.

Investing involves risk, including possible loss of principal.

We encourage you to review your account prior to and after the transition period and adjust your asset allocation if necessary.

SELF-DIRECTED BROKERAGE ACCOUNT

If you currently hold investments in the Schwab Personal Choice Retirement Account (a self-directed brokerage account), please see the accompanying notice for more information about how the move to Empower impacts your account(s).

The self-directed brokerage account (SDBA) is intended for knowledgeable investors who understand the risks associated with the SDBA.



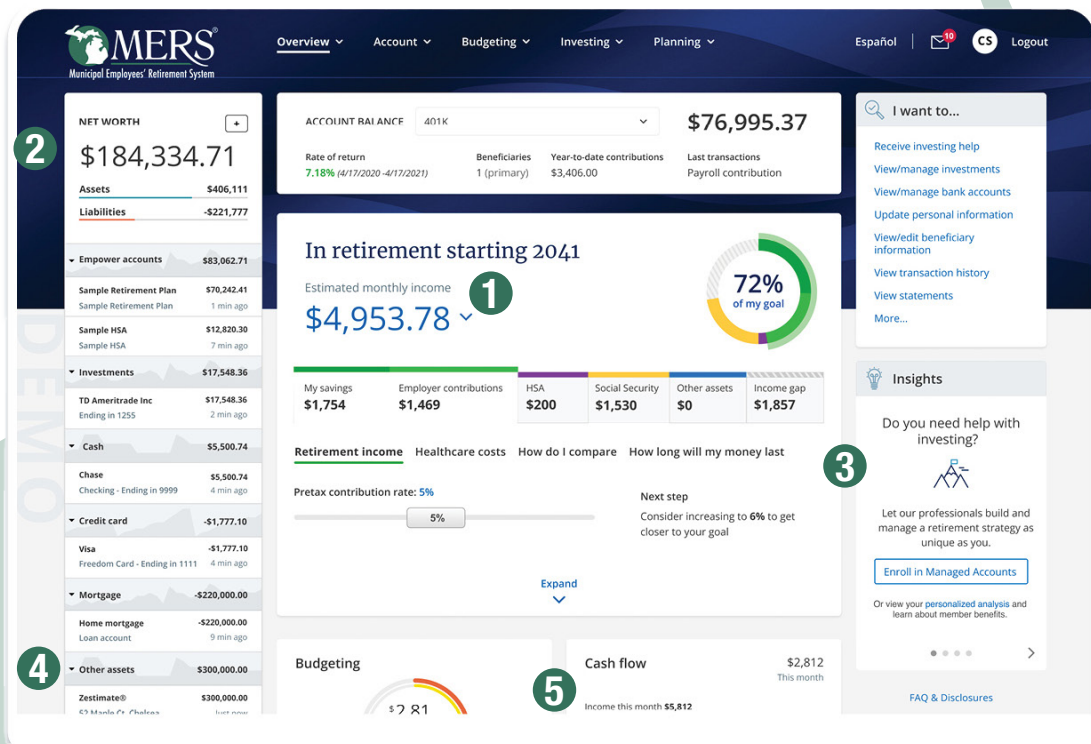
What You Have to Look Forward to

ACCESSING YOUR NEW ONLINE ACCOUNT AT EMPOWER

The Empower state-of-the-art dashboard

After the transition is complete and you create your account at Empower, you will have an enhanced digital experience and resources intended to help you achieve your savings and retirement goals. Your account dashboard gives you a real-time view of spending, saving, debt, and more so you can track, manage, and plan all your financial priorities in one place.

1. Know your estimated monthly retirement income.
2. See and understand your net worth.
3. Manage progress toward your goals.
4. Easily and securely connect other accounts.
5. Access and expand your financial toolbox.



Registering your account

Once you are notified the plan is live at Empower, you can access your account and start enjoying all the new features by visiting **empower.com/MERS**.

To access your account for the first time, click the *Register* button. Follow the prompts on the *I do not have a PIN* tab to enter your information and create a username and a password.

The next time you access your account, simply choose *Sign in*.

Security guarantee



MERS and Empower are committed to protecting your data. Empower has a security guarantee, which states that if, through no fault of your own, you have money taken out of your account, Empower will make you whole. You do not need to register for this protection. Your account will automatically be eligible for it.

For more information regarding account security, including the Empower Security Guarantee, visit **empower.com** and, from the list of links at the bottom, click *Security center*.

DOWNLOADING YOUR HISTORICAL DOCUMENTS

You will be able to log in to your existing myMERS account and myMERS app through June 30, 2026, to access statements, 1099s, and confirmation messages. Be sure to download any historical documents you wish to retain for your records. After that date, you will no longer have access to this account or the myMERS app.

TAKE CHARGE OF YOUR FINANCIAL FUTURE

In addition to the innovative technology Empower provides, you'll also get access to live conversations with financial professionals who provide highly personalized guidance and planning based on your unique situation and personal goals. Whether college savings or retirement planning is top of mind, Empower can help you prioritize your financial goals and create an actionable plan to achieve them. The financial planning services can help you save, invest, protect, and spend your hard-earned money as wisely as possible.

- **Save:** Walk through different saving strategies for retirement and other goals.
- **Invest:** Understand investing concepts so you can make informed choices.
- **Protect:** Gain awareness of the principles around insurance, Social Security, and creating a legacy.
- **Spend:** Learn ways to help manage your ongoing income and expenses as well as debt.

Empower Advisory Group, LLC, a registered investment adviser, provides financial planning services using the MoneyGuidePro tool. MoneyGuidePro is not affiliated with Empower Retirement, LLC and its affiliates. Empower Retirement, LLC and its affiliates are not responsible for the third-party content provided.

Using Your Account

DISTRIBUTIONS

After the transition, you will find a streamlined approach for setting up direct deposit with Empower. If you are receiving installments by check, or taking lump sum distributions on an as-needed basis, please consider **setting up the direct deposit in your online account** with Empower once the blackout period ends. Because this step occurs behind an authenticated portal (instead of a paper form), it enhances your account security and speeds up the distribution process.



Great news! Through Empower's automated distribution process, the Medallion Signature will no longer be needed for future distributions after the blackout period ends.

Previously taking installments?

Banking and ACH information will carry over to Empower. Log in to your new online account with Empower to **verify** your banking information to ensure deposits continue to your bank account without interruption.

To comply with IRS requirements, your federal tax withholding will be automatically set to the IRS default rate of **single with no adjustments**, regardless of your marital status. This change will take effect after your account is converted to Empower and will apply to all periodic payments after the transition. *See additional tax information on the back.*

If you previously elected to have your installments taken from a specific fund, your election **will not transfer** to Empower. To continue this setup, contact Empower and submit written instructions after the blackout period ends.

Looking for help with future distributions?

When it comes to retirement, you've got options. With the transition to Empower, you'll have access to **online tools** that help you test-drive what retirement could look like at different ages and determine how much to withdraw to balance your daily expenses with other goals.

We understand you may wish to talk with someone to get help with the complexity. **Financial professionals** will be ready to create and adjust your plan to reflect goals and lifestyle.

Point-in-time advice is provided by an Empower representative registered with Empower Financial Services, Inc. at no additional cost to account owners. There is no guarantee provided by any party that use of the advice will result in a profit.



Changes to Fee Structure

Every member in MERS' plans pays fees, even if you haven't noticed them. These fees cover management of the investments within your plans and administrative expenses, such as recordkeeping, operations, and legal services.

How fees worked previously

In the past, each investment option charged administrative fees based on the percentage of money you had in that fund. The fund fact sheets showed the percentage of how much you were paying, but because fees were taken directly out of your investment returns, you had to calculate the actual dollar amount you paid.

This percentage-based method was a legacy approach to charging fees. Under this structure, some members may have paid more and others less toward plan administration based on their account balance.

The takeaway: The amount you paid in fees was something you had to calculate, and administrative fees could vary from person to person depending on account balances.

How fees will work moving forward

Effective April 2026, your administrative fee will be \$10 per month. This fee is charged once per individual, regardless of the number of plans you are enrolled in (DC, 457, HCSP, or IRA), and will be shown on your statement.

Today, it is increasingly common across the retirement industry to move toward a flat dollar fee structure. This modern approach provides greater transparency, ensures fees are displayed directly on quarterly statements, and more evenly distributes administrative costs.

Investment management fees will continue to be subtracted from your funds' investment returns and listed on each fund fact sheet.

The takeaway: The new structure will result in one fee per person, no matter how many plans you are enrolled in.

What's the impact of changing how the administrative fees are charged?

See how today's fees compare to the new flat fee in the table below. The total account balance below includes all your MERS savings plans. There is no penalty for saving more money!

Total Account Balance	Current Annual Administrative Fees	Current Annual Administrative Fee	New Annual Administrative Fee
\$50,000	0.33%	\$165	\$120
\$100,000	0.33%	\$330	\$120
\$250,000	0.33%	\$825	\$120
\$500,000	0.33%	\$1,650	\$120

Additional tax information

For more details on how this change affects your tax withholding, refer to IRS Publication 15-T or consult your tax advisor.

If you prefer a different tax withholding from the default rate, download the updated Form W-4P from [irs.gov](https://www.irs.gov) by searching for “W-4P form.” Complete the form and mail it to: Empower, ATTN: 457(b)/401(k) Department, PO Box 173764, Denver, CO 80217-3764. Changes will be applied after the blackout period has ended.

Empower is here to help you

Empower will continue to reach out to you with the right message at the right time so you can take action when it's most relevant to your personal situation. Based on the tools and resources you use, and your communication preferences, you may receive emails, app messages, text messages, or a call from an Empower representative. This approach creates a one-to-one experience based on your needs and the savings and investing choices you've made regarding your retirement strategy.

Carefully consider the investment option's objectives, risks, fees, and expenses. Contact Empower for a prospectus, summary prospectus for SEC-registered products, or disclosure document for unregistered products, if available, containing this information. For prospectuses related to investments in your self-directed brokerage account (SDBA), contact your SDBA provider. Read each carefully before investing.

You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time. Although the fund's board has no current intention to impose a fee upon the sale of shares, the board reserves the ability to do so after providing at least 60 days' prior written notice to shareholders.

Fund changes may alter the risk exposure of an investment account. Some cash-alternative options (other than money market funds), such as guaranteed interest funds or stable value funds, may have withdrawal and transfer restrictions. Carefully consider the importance of a well-balanced and diversified investment portfolio, taking into account all your assets, income, and investments. Adjustments may be needed to realign the account with its desired investment strategy.

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6000001-FBK-WF-5312350-0126 RO4501029-1025

PUB 32712 (version 2025-11-18)

