

# Manning & Napier Advisors, LLC

## Form ADV Part 2A

March 22, 2019

### Item 1 – Cover Page

This Brochure provides information about the qualifications and business practices of Manning & Napier Advisors, LLC. If you have any questions about the contents of this Brochure, please contact the Client Services Department at 585-325-6880 or 800-551-0224, or [info@manning-napier.com](mailto:info@manning-napier.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Manning & Napier Advisors, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Manning & Napier Advisors, LLC is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Manning & Napier Advisors, LLC who are registered, or are required to be registered, as investment adviser representatives of Manning & Napier Advisors, LLC.

## Item 2 – Material Changes

The following material changes were made to this Brochure since the last annual amendment on March 20, 2018:

Item 8 now contains additional risk information regarding the continued evolution of cybersecurity threats and the potential limitations on MNA's ability to secure its infrastructure against all such threats. MNA has controls in place that it tests and updates routinely but clients should be aware that the risk of a cybersecurity breach exists and that a breach could disrupt business operations and result in harm to clients.

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## Item 4 – Advisory Business

Manning & Napier Advisors, LLC ("MNA" or the "Firm") is an SEC-registered investment advisor, wholly owned by Manning & Napier Group, LLC, and indirectly owned by Manning & Napier, Inc., a publicly traded company. MNA was formed as a Delaware limited liability company on September 13, 2011, and is the successor to Manning & Napier Advisors, Inc., which was formed as a partnership on April 27, 1970, and incorporated in New York on January 3, 1972. Pursuant to a corporate restructuring, Manning & Napier Advisors, Inc. transferred all of its assets and liabilities to MNA effective as of October 1, 2011. MNA is also the investment advisor to the Manning & Napier Fund, Inc. and Manning & Napier Collective Investment Trust Fund.

MNA offers a wide range of products and services to meet the needs of a broad client base, including single asset class portfolios (e.g., equity, fixed income, or real estate), multiple asset class portfolios (e.g., a blend of equity and fixed income) and custom solution portfolios. MNA also advises a proprietary mutual fund and a collective investment trust fund.

Clients of MNA will be provided with the full range of investment advisory services, which include, but are not limited to: (i) establishing appropriate investment objectives; (ii) making asset allocation decisions within the portfolio in accordance with set objectives; (iii) making day-to-day investment decisions for the portfolio; and (iv) providing materials necessary for monitoring results in an accurate and relevant manner. These services are available through a direct contractual relationship with MNA ("Direct") or under a multi-party agreement with MNA and the client's unaffiliated third-party advisor where each serve as a fiduciary but jointly provide advisory services ("Intermediary").

Clients of MNA may impose investment restrictions that generally relate to asset mix, an individual security, or investment characteristics (e.g., debt rating, foreign investments, or social issues). Any investment restrictions placed on an account are agreed upon in advance with each client.

MNA offers a variety of consultative services to individual and institutional clients. Such services include estate and tax planning, asset/liability modeling for defined benefit pension plans, retirement and health plan design analysis for employers, and donor relations and planned giving services for endowments and foundation clients.

MNA offers the Worksite Personal Financial Advisor ("WPFA") program, which provides investment and retirement funding education to employees and clients and, on occasion, to former clients. WPFA also conducts group or individual participant education sessions with employees of companies that engage MNA's advisory services or use MNA's or its affiliate's products.

MNA has a number of relationships in which MNA provides a model portfolio to a third-party ("model delivery" relationships). These models can mirror MNA's standard investment objectives or can be tailored according to the platform provider's specifications or limitations. In model delivery relationships, MNA does not provide advisory services to end clients and does not trade the portfolio on behalf of the third-party platform. As such, MNA's fees for these model delivery relationships are less than the standard fee schedule stated under Item 5 for the same objective offered to MNA's

full service clients. Assets associated with these relationships are counted as assets under advisement. Item 12 contains important information regarding the timing of model updates.

MNA may but does not currently participate in "wrap fee" arrangements in which an unaffiliated broker-dealer or platform provider recommends MNA pays its management fees at the direction of the client, executes the client's portfolio transactions without commission charges, monitors MNA's performance, and may also act as custodian, or provides some combination of these or other services, all for a single fee. MNA will receive a fee for investment advisory services from the wrap program sponsor. MNA would manage such accounts in a substantially similar manner to its other accounts, except that MNA will not execute trades nor negotiate commission rates for these accounts. In evaluating a "wrap fee" arrangement, the client should consider whether, depending on the level of the wrap fee, the amount of portfolio activity, and the value attributed to monitoring, custodial and any other services provided, the wrap fee would exceed the aggregate cost of such services if they were separately provided and MNA were free to choose broker-dealers to execute portfolio transactions.

As of 12/31/2018, MNA managed \$19,927,964,931 on a discretionary basis, including \$50,251,651 in discretionary proprietary/seeded accounts.

## Item 5 – Fees and Compensation

MNA retains the right to negotiate the fee schedule. MNA may modify its fee schedule at its discretion upon at least thirty (30) days written notice to the client.

MNA's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Any uninvested cash will be swept into a money market fund offered by the client's custodian, which has associated with it certain advisory fees and other costs. In addition to MNA's fees, clients may incur certain charges imposed by custodians, brokers, third party investment managers and other third parties such as custodial fees, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Exchange-traded funds also charge internal management fees, which are disclosed in each fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to MNA's fees, and MNA shall not receive any portion of these commissions, fees and costs.

MNA typically does not charge a fee for the consulting services that are available to certain Direct MNA clients but MNA reserves the right to assess a fee for client requested services that exceed standard service terms.

MNA receives a management fee and may receive a shareholder servicing fee for providing advisory and other services to the Manning & Napier Fund, Inc. (the "Fund"). MNA uses the W shares, which do not carry a management or shareholder servicing fee, when it purchases shares of the Fund within its discretionary separately managed accounts. Information about the Manning & Napier Fund, Inc. can be found in the prospectus, available online at: [www.manning-napier.com](http://www.manning-napier.com). MNA also receives a

management fee from Exeter Trust Company when you invest in the Collective Investment Trust Funds that MNA manages.

**Objectives-Based, Fixed Income and Equity Fee Schedules:**

For clients with a Direct relationship with MNA, the fees due MNA for performing investment advisory services shall be paid every six (6) months at the annual rates indicated for each listed fee schedule, unless otherwise stated. The initial fee, which may be for a period of time less than six (6) months, will be based upon the asset value on or about the date that management of the account commences, (the "Commencement Date"). Subsequent fees will be based upon the asset value of the portfolio as of the last calendar day of the month immediately preceding each six (6) month billing period. Fees pro-rate for the period beginning on the Commencement Date through the first six-month billing date, and shall be billed within sixty (60) days after the Commencement Date. Thereafter, MNA will bill every six (6) months within thirty (30) days after reaching the billing date. Prepayment of fees is for less than six (6) months. Client will either receive an invoice from MNA or the custodian. Upon written instruction from the client, MNA will deduct fees directly from the client account. For accounts that are brought in under a direct solicitation arrangement, MNA will pay a portion of your management fee to the third-party solicitor. You will not pay any additional fees.

For clients retained under an Intermediary relationship with MNA, fees shall be paid every three (3) months at the annual rates indicated in the fee schedules based on the billing dates listed below, unless otherwise stated. Fees pro-rate for the period from the date that management of the account commences, the "Commencement Date", through the first billing date as stated in the client's investment management agreement, and shall be billed within sixty (60) days after the Commencement Date. Thereafter fees shall be billed within sixty (60) days after reaching each billing date. Prepayment of fees is for less than three (3) months. Clients either will receive an invoice directly from MNA or the custodian, and upon written client instruction, MNA will deduct fees from account assets held at the custodian. For accounts that are brought in under an intermediary solicitation arrangement, the fee schedule may be as much as 0.15% higher depending on the investment objective, and the additional fee will be paid to the solicitor (your financial advisor). Such fees are subject to negotiation.

MNA clients are required to pay their fees as agreed upon by the executed investment management agreement. Typically, agreements require that management fees be paid in advance. When a client, who pays in advance, submits a written cancellation notice, MNA will refund any unearned fee on a pro-rated basis. MNA will bill for services provided through the date of termination but will refund fees from the date of termination through the end of the period paid in advance. A small population of clients pays in arrears. When a client who pays in arrears cancels, MNA will bill the client from the date of the last bill period paid through the cancellation date.

For accounts that are brought in under a solicitation arrangement, the fee schedule may be as much as 0.15% higher depending on the investment objective. Such fees are subject to negotiation.

## OBJECTIVES-BASED STRATEGIES

Objectives-based strategies, also referred to as multi-asset class strategies, employ a mix of asset class blends (stocks, bonds, cash) to achieve portfolios ranging from very conservative to highly aggressive.

*For Growth Objectives (Conservative Growth, Growth with Reduced Volatility, Long-Term Growth, Equity Focused Blend and Equity Oriented)*

### Direct Fee Schedule

For accounts with a market value under \$25,000,000 the annual fee schedule is:

1.00% of the first	\$2,000,000
0.75% of market value in excess of	\$2,000,000

Minimum account size of	\$500,000
Minimum annual fee of	\$5,000.00

For accounts at or over \$25,000,000 the annual fee schedule is\*:

0.75% of the first	\$50,000,000
0.65% of market value in excess of	\$50,000,000

\*For any billing period at which the market value of the account is below \$25,000,000 a surcharge will be applied at an annual rate of \$5,000 in addition to the above stated schedule.

### Intermediary Fee Schedule\*

For accounts with a market value less than \$500,000 the annual fee schedule is:

1.25% of the first	\$250,000
1.00% of the market value in excess of	\$250,000

Minimum account size of	\$250,000
Minimum annual fee of	\$3,125.00

For accounts at or over \$500,000 the annual fee schedule is:

0.85% of the first	\$2,000,000
0.60% of the market value in excess of	\$2,000,000

\*Additional third-party fees may apply

*For Conservative Income Objective (closed to new investors)*

This objective seeks to manage against capital risk by reducing year to year volatility. It also looks to generate income and capital growth when valuations in the stock market are favorable.

### Direct Fee Schedule

For accounts with a market value under \$25,000,000 the annual fee schedule is:

1.00% of the first	\$2,000,000
0.75% of market value in excess of	\$2,000,000

Minimum account size of	\$500,000
Minimum annual fee of	\$5,000.00

For accounts at or over \$25,000,000 the annual fee schedule is\*:

0.75% of the first	\$50,000,000
0.65% of market value in excess of	\$50,000,000

\*For any billing period at which the market value of the account is below \$25,000,000 a surcharge will be applied at an annual rate of \$5,000 in addition to the above stated schedule.

#### Intermediary Fee Schedule\*

The annual fee schedule is:

0.85% of the first	\$2,000,000
0.60% of the market value in excess of	\$2,000,000

Minimum account size of	\$500,000
Minimum annual fee of	\$4,250.00

*\*Additional third-party fees may apply*

*For Withdrawal from Total Return Objective (closed to new investors)*

This objective seeks a total return over a complete market cycle that is large enough to meet the on-going net withdrawals from the portfolio.

#### Direct Fee Schedule

For accounts with a market value under \$25,000,000 the annual fee schedule is:

1.00% of the first	\$2,000,000
0.75% of market value in excess of	\$2,000,000

Minimum account size of	\$500,000
Minimum annual fee of	\$5,000.00

For accounts at or over \$25,000,000 the annual fee schedule is\*:

0.75% of the first	\$50,000,000
0.65% of market value in excess of	\$50,000,000

\*For any billing period at which the market value of the account is below \$25,000,000 a surcharge will be applied at an annual rate of \$5,000 in addition to the above stated schedule.

#### Intermediary Fee Schedule\*

For accounts with a market value of \$500,000 or more the annual fee schedule is:

0.85% of the first	\$2,000,000
0.60% of the market value in excess of	\$2,000,000

Minimum account size of	\$500,000
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Minimum annual fee of \$4,250.00

*\*Additional third-party fees may apply*

#### *For Strategic Income Objectives*

The Strategic Income Objective targets income generation and capital risk management through a mix of income producing stocks and bonds. This objective is available as a conservative or moderate strategy with the moderate strategy having a higher overall equity allocation.

#### Direct and Intermediary\* Fee Schedule

##### *Conservative Strategy*

For accounts with a market value under \$20,000,000 the annual fee schedule is:

0.60% of the market value

Minimum account size of \$2,000,000

Minimum annual fee of \$12,000.00

For accounts at or over \$20,000,000 the annual fee schedule is:

0.55% of the market value

##### *Moderate Strategy*

For accounts with a market value less than \$2,000,000 the annual fee schedule is:

0.75% of the market value

Minimum account size of \$500,000

Minimum annual fee of \$3,750.00

For accounts between \$2,000,000 and \$20,000,000 the annual fee schedule is:

0.65% of the market value

For accounts at or over \$20,000,000 the annual fee schedule is:

0.60% of the market value

*\*Additional third party fees may apply*

#### *For Managed ETF Portfolio (MEP) Separate Accounts*

The Managed ETF Portfolios take a top-down active asset allocation approach to investment management. Exposure to multiple asset classes (i.e., stocks and bonds) is achieved through the utilization of externally managed, publicly-traded, exchange-traded funds or similar securities that fill clearly defined roles. The Managed ETF Portfolios are available as a conservative growth, moderate growth, long-term growth, equity-focused growth, maximum growth, income, all equity or all fixed income.

Fees due to MNA for performing investment supervisory services shall be paid at the annual rates indicated below based upon the total asset value of the portfolio.

Direct and Intermediary\* Fee Schedule

For accounts with a market value less than \$500,000 the annual fee schedule is:

0.60% of the	market value
Minimum account size of	\$250,000
Minimum annual fee of	\$1,500.00

For accounts at or above \$500,000 the annual fee schedule is:

0.45% of the first	\$2,000,000
0.35% of the market value in excess of	\$2,000,000

*\*Additional third-party fees may apply*

In addition to the above stated fees, the client will incur other costs (to be paid from the account) for custodial fees, exchange-traded fund expense ratios, brokerage commissions, and other client costs.

For MEP Separate Accounts, the client will be billed based upon the market value of the account on the billing date. However, the reduced fee schedule will only be available if the market value of the account equals \$500,000 or more on the billing date.

FIXED INCOME STRATEGIES

Include specialized management of fixed income portfolios for which the client has assumed the responsibility for asset allocation.

*For the Short-Term Government Fixed Income Objective (0 - 5 years maturity)*

Annual fee schedule for direct and intermediary\* accounts with under \$50 million:

0.25% of the first	\$10,000,000
0.15% thereafter	
Minimum account size of	\$2,000,000
Minimum annual fee of	\$5,000.00

Annual fee schedule for direct and intermediary\* accounts with over \$50 million:

0.15% of	market value
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*\*Additional third-party fees may apply*

*For the Short-Term Fixed Income Objective (0 - 5 years maturity)*

Annual fee schedule for direct and intermediary\* accounts with under \$50 million:

0.30% of the first	\$10,000,000
0.20% thereafter	
Minimum account size of	\$5,000,000
Minimum annual fee of	\$15,000.00

Annual fee schedule for direct and intermediary\* accounts with over \$50 million:  
0.18% of market value

*\*Additional third-party fees may apply*

*For the Intermediate-Term Fixed Income Objective (0 - 10 years maturity)*

Annual fee schedule for direct and intermediary\* accounts with under \$50 million:  
0.35% of the first \$10,000,000  
0.25% thereafter

Minimum account size of \$5,000,000  
Minimum annual fee of \$17,500.00

Annual fee schedule for direct and intermediary\* accounts with over \$50 million:  
0.20% of market value

*\*Additional third-party fees may apply*

*For the Aggregate Fixed Income Objective (0 - 30 years maturity)*

Annual fee schedule for direct and intermediary\* accounts with under \$50 million:  
0.35% of the first \$10,000,000  
0.25% thereafter

Minimum account size of \$5,000,000  
Minimum annual fee of \$17,500.00

Annual fee schedule for direct and intermediary\* accounts with over \$50 million:  
0.20% of market value

*\*Additional third-party fees may apply*

*For the Corporate Fixed Income Objective*

Annual fee schedule for direct and intermediary\* accounts:  
0.50% of the first \$5,000,000  
0.45% of the next \$5,000,000  
0.40% thereafter

Minimum account size of \$2,000,000  
Minimum annual fee of \$10,000.00

*\*Additional third-party fees may apply*

*For the Treasury Inflation Protected Securities Objective*

Annual fee schedule for direct and intermediary\* accounts:  
0.25% of market value

Minimum account size of \$2,000,000  
Minimum annual fee of \$5,000.00

*\*Additional third-party fees may apply*

*For the Flexible Income Objective*

Annual fee schedule for direct and intermediary\* accounts:

0.40% of	market value
Minimum account size of	\$20,000,000
Minimum annual fee of	\$80,000.00

*\*Additional third-party fees may apply*

Intermediate-Term Government and Long-Term Government Fixed Income objectives are also available with the same fee structure as the Intermediate-Term and Aggregate Fixed Income accounts referenced above but with a minimum account size of \$2,000,000.

Short-Term, Intermediate-Term, and Long-Term Municipal Bond objectives are also available with the same fee structure as the Short-Term, Intermediate-Term, and Aggregate Fixed Income accounts referenced above but with a minimum account size of \$1,000,000.

EQUITY STRATEGIES

*For US Core Equity, Core Equity-Unrestricted and US Large Cap Core Equity Objectives*

These objectives seek to maximize returns over the long-term by investing in equity at a range of 90-100%.

Direct Fee Schedule

For accounts with a market value under \$25,000,000 the annual fee schedule is:

1.00% of the first	\$2,000,000
0.75% of market value in excess of	\$2,000,000

Minimum account size of	\$500,000
Minimum annual fee of	\$5,000.00

For accounts at or over \$25,000,000 the annual fee schedule is\*:

0.75% of the first	\$50,000,000
0.65% of market value in excess of	\$50,000,000

\*For any billing period at which the market value of the account is below \$25,000,000, a surcharge will be applied at an annual rate of \$5,000 in addition to the above stated schedule.

Intermediary Fee Schedule\*

For accounts with a market value less than \$500,000 the annual fee schedule is:

1.25% of the first	\$250,000
1.00% of the market value in excess of	\$250,000

Minimum account size of	\$250,000
Minimum annual fee of	\$3,125.00

For accounts with at or above \$500,000 the annual fee schedule is:

0.85% of the first	\$2,000,000
0.60% of the market value in excess of	\$2,000,000

*\*Additional third-party fees may apply*

*For the Core Non-US Equity Objective*

This Objective aims to capture investment opportunities in equity markets outside of the United States by investing in both emerging and developed equity markets.

Direct and Intermediary\* Fee Schedule

For accounts with a market value under \$25,000,000 the annual fee schedule is:

1.00% of the first	\$2,000,000
0.75% of market value in excess of	\$2,000,000

Minimum account size of	\$5,000,000
Minimum annual fee of	\$42,500.00

For accounts at or over \$25,000,000 the annual fee schedule is\*\*:

0.75% of the first	\$50,000,000
0.65% of market value in excess of	\$50,000,000

*\*Additional third-party fees may apply*

*\*\*For any billing period at which the market value of the account is below \$25,000,000, a surcharge will be applied at an annual rate of \$5,000 in addition to the above stated schedule.*

*For the Disciplined Value Objective*

The Disciplined Value Objective consists of mid-to-large capitalization stocks with above average and stable dividend yields, strong cash flow yields and stable financial characteristics that meet MNA's investment criteria. The Disciplined Value Objective is available as Disciplined Value – Unrestricted, Disciplined Value – U.S., Disciplined Value – International, Disciplined Value-- International ADR, or Disciplined Value—Small Cap.

Direct and Intermediary\* Fee Schedule

0.45% of the market value below	\$2,000,000
0.35% of the market value in excess of	\$2,000,000
0.25% of the market value in excess of	\$10,000,000
0.20% of the market value in excess of	\$50,000,000

Minimum account size of	\$250,000
Minimum annual fee of	\$1,125.00

*\*Additional third-party fees may apply*

*For Global Quality Portfolio:*

The Global Quality Portfolio consists of mid-to-large capitalization stocks from developed domestic and international markets. Companies must meet MNAs quality screening criteria, which may include factors such as business stability, cash flow generation, profitability, corporate governance, and environmental/social impact.

Direct and Intermediary\* Fee Schedule

0.45% of the market value below	\$2,000,000
0.35% of the market value in excess of	\$2,000,000
0.25% of the market value in excess of	\$10,000,000
0.20% of the market value in excess of	\$50,000,000
Minimum account size of	\$250,000
Minimum annual fee of	\$1,125.00

*\*Additional third-party fees may apply*

*For Global Equity Objective*

The Global Equity Objective aims to maximize returns over the long term through consistent participation in both U.S. and non-U.S. equities and other equity instruments.

Direct and Intermediary\* Fee Schedule

For accounts with a market value under \$25,000,000 the annual fee schedule is:

1.00% of the first	\$2,000,000
0.75% of market value in excess of	\$2,000,000

Minimum account size of	\$1,000,000
Minimum annual fee of	\$10,000.00

For accounts at or over \$25,000,000 the annual fee schedule is\*\*:

The client annual fee schedule is:

0.75% of the first	\$50,000,000
0.65% of market value in excess of	\$50,000,000

*\*Additional third-party fees may apply*

*\*\*For any billing period at which the market value of the account is below \$25,000,000, a surcharge will be applied at an annual rate of \$10,000 in addition to the above stated schedule.*

*For International Strategy*

The International strategy aims to capture investment opportunities in equity markets outside of the United States. This top-down approach examines economic trends and industry-specific factors to identify investment opportunities, such as those being created by economic and political changes taking place around the world.

Direct and Intermediary\* Fee Schedule

The annual fee schedule is:

0.75% of the first	\$50,000,000
0.65% of the next	\$25,000,000
0.55% thereafter	

Minimum account size of	\$25,000,000
Minimum annual fee of	\$187,500.00

*\*Additional third-party fees may apply*

*For International Small Cap Objective (sub-advised)*

The International Small Cap Objective seeks to provide long-term capital appreciation through investments in non-U.S. small capitalization growth companies. This strategy is sub-advised by Rainier Investment Management, LLC, an affiliated SEC-registered investment advisor.

Direct and Intermediary\* Fee Schedule

0.90% of the first	\$100,000,000
0.75% thereafter	

Minimum account size of	\$20,000,000.00
Minimum annual fee of	\$180,000.00

*\* Additional third-party fees may apply*

MULTI-MANAGER STRATEGIES

*For the Integrated Advisors Portfolio (With External Sub-advisers):*

The MNA Integrated Advisors Portfolio (IAP) with External Sub-advisers consists of an active asset allocation philosophy built around a separately managed portfolio of stocks and bonds (managed by MNA) and an array of selected external sub-advisers in clearly defined roles, and includes comprehensive monitoring services. Custodial services are provided by Fidelity Institutional Wealth Services.

Direct Fee Schedule

Fees due to MNA for performing such services shall be paid every three (3) months at the annual rates indicated below based upon the total asset value of the portfolio:

<u>Tier I: Accounts up to</u>	\$3,000,000	0.71%
<u>Tier II: Accounts between</u>	\$3,000,001 and \$5,000,000	0.68%
<u>Tier III: Accounts between</u>	\$5,000,001 and \$10,000,000	0.63%
<u>Tier IV: Accounts over</u>	\$10,000,000	0.58%

Minimum Account Size of	\$5,000,000
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Intermediary Fee Schedule\*

Fees due to MNA for performing such services shall be paid every three (3) months at the annual rates indicated below based upon the total asset value of the portfolio:

<u>Tier I: Accounts up to</u>	\$3,000,000	0.66%
<u>Tier II: Accounts between</u>	\$3,000,001 and \$5,000,000	0.63%
<u>Tier III: Accounts between</u>	\$5,000,001 and \$10,000,000	0.58%
<u>Tier IV: Accounts over</u>	\$10,000,000	0.53%
Minimum Account Size of	\$5,000,000	

*\*Additional third-party fees may apply*

Fees due to the current external sub-advisers shall be paid every three (3) months at the annual rates indicated below based upon the average daily balance of the individual sub-adviser's portfolio over the preceding three (3) months.

Core Fixed Income Manager	0.25%
Municipal Fixed Income Manager	0.35%
Core (Large Cap) Stock Manager	0.50%
International Stock Manager	0.50%
Small Cap Stock Manager	0.50%

The sub-advisers' fees are applied pro rata to the portion of the total portfolio under their discretion. For example, if the Core Fixed Income Manager manages 20% of the client's portfolio, the 0.25% sub-adviser fee will only be applied to this portion of the total account.

For certain IAP accounts that fall below the above account minimum, MNA retains the right to charge a higher fee as negotiated with the client. For customized portfolios, the portfolio management fee and sub-adviser fees may vary and may in some cases be higher depending on the services provided. In addition to the above stated fees, the client will incur other costs (to be paid from the account) for custodial fees, brokerage commissions, and other client costs.

For IAP with External Sub-advisers, fees due MNA for performing investment supervisory and monitoring services shall be paid every three (3) months at the annual rates indicated for each listed fee schedule based upon the total asset value of the portfolio. The fees due the sub-advisers for performing investment management services shall be paid every three (3) months at the annual rates indicated based upon the average daily balance of each sub adviser's portfolio over the preceding three (3) months. Each portfolio will be carefully analyzed and reviewed in relation to client objectives. Any uninvested cash will be swept into a money market fund or cash product offered by the client's custodian, which has associated with it certain advisory fees and other costs.

For the fees due MNA, the initial fee, which may be for a period of time less than three (3) months, will be based upon the asset value of the total portfolio as of the last business day of the inception month. Subsequent fees will be based upon the asset value of the portfolio as of the last calendar day of the month immediately preceding each three (3)

month billing period. For fees due the sub-advisers, the initial fee, which may be for a period of time less than three (3) months, will be based upon the average daily balance of the individual sub-adviser's portfolio from the inception date through the last business day of the inception month. Subsequent fees will be based upon the average daily balance of the individual sub-adviser's portfolio over the three (3) months immediately preceding each three-month billing period. Fees pro-rate for the period beginning on the Commencement Date through the first three (3) month billing date and shall be billed within sixty (60) days after the Commencement Date. Thereafter MNA will bill every three (3) months within sixty (60) days after reaching the quarterly billing date. Upon written instruction from the client, MNA will deduct fees directly from the client account.

Within an IAP with External Sub-advisers, client assets must be held at and trades executed through Fidelity Institutional Wealth Services as broker and custodian. Clients may elect to pay for custody and clearing services through either an asset based pricing schedule, where the client pays a quarterly basis point custody fee but is not likely to incur commission costs on portfolio transactions, or a transaction based pricing schedule, where the client pays a transaction fee to the custodian for each transaction made in the portfolio in lieu of paying an asset based custody fee.

#### OTHER FEES AND SERVICE OFFERINGS

##### Custom solutions:

MNA will work with clients to develop a custom solution account to meet client-specific needs and investment goals. Custom solution accounts can include a mix of proprietary and non-proprietary products and can be structured in a variety of ways. Custom solution accounts do not carry a standard fee schedule because each account will be uniquely tailored to the client's needs and objectives. Fees for Custom Solutions accounts are determined on a per-account basis, based on factors such as account size, objectives utilized, and account service requirements. .

##### For Intermediary Clients:

Special Reports: MNA may provide special reports (e.g., objectives setting, asset and sector allocation, statistical measurement, historical market studies, risk measurement) and advise clients for a negotiated fee.

##### For Worksite Personal Financial Advisor (WPFA) Program Services:

WPFA services are provided on a complimentary basis to pension and participant-directed plan clients of MNA, and, on a limited basis to former clients. For all other companies engaging WPFA services, the fee schedule after the first 12 months of services (which are provided at no cost), is referenced in the below chart. The minimum annual fee is \$1500.

<b>Number of Employees</b>	<b>Price Per Employee</b>	<b>Minimum</b>	<b>Maximum</b>
1-49	\$40	\$1,500	\$1,960
50-99	\$30	\$1,500	\$2,970
100-249	\$25	\$2,500	\$6,225
250+	\$22	\$5,500	N/A

Invoices are sent directly to the client for payment of WPFA services. Fees due to MNA shall be pre-paid annually, initiating in year two based upon the effective engagement date. The initial fee shall be based upon the number of employees as of the first year engagement anniversary date, and will be calculated in the same manner for each year thereafter (i.e., number of employees as of the anniversary date). Employers engaging WPFA services are responsible for providing to MNA, in writing, any changes to the number of employees that would represent a pricing tier change based upon the pricing noted above. Invoicing will occur in the first month of the annual billing period for the next twelve-month period.

In the event the engagement is terminated by either party within the billing period, any unearned fees will be refunded to the client. The refund percentage of the pre-paid annual fee will be calculated based upon the date of termination.

### **Item 6 – Performance-Based Fees and Side-By-Side Management**

MNA does not offer standard performance fee schedules because MNA does not typically charge performance fees. Per client request, MNA will enter into performance fee arrangements on products that are also available with the standard fee schedules disclosed under Item 5. MNA enters into performance fee arrangements in situations where it is an appropriate option for a sophisticated or high-net-worth client and such fees are subject to individualized negotiation with each client. MNA will structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisers Act of 1940 (the Advisers Act) in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. While negotiable, MNA performance fees generally have the following components: a base fee, which is charged annually regardless of relative performance; a performance fee, which is the fee assessed based on the portion of MNA's return over the benchmark, less the base fee; an expense cap, which is the maximum annual cap applied to the combined base fee and performance fee; and a carry forward, which is the ability to carry forward positive or negative performance into future years provided that it does not exceed the expense cap.

Performance based fee arrangements may create an incentive for MNA to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. MNA has implemented procedures designed to ensure that all clients are treated fairly and equitably, and to prevent this conflict from influencing the allocation of investment opportunities among clients. Item 12 provides additional details regarding MNA's aggregation and allocation practices.

## Item 7 – Types of Clients

MNA provides investment advice to individuals, including high-net-worth individuals, banking or thrift institutions, investment companies (including mutual funds), pension and profit sharing plans, 401(k) plans, trusts, estates, endowments, foundations, corporations or other businesses not already listed, and state or municipal government entities. MNA acts as the sub-advisor to affiliated and unaffiliated advisors and to certain registered and unregistered commingled investment vehicles. MNA acts as the advisor to a proprietary mutual fund complex and to a Collective Investment Trust Fund for which MNA's affiliate, Exeter Trust Company serves as trustee. Please refer to Item 5 for minimum accounts sizes per product.

## Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

### Methods of Analysis, Investment Strategies

MNA does not assign one individual to manage client portfolios. Rather, we have product-specific management teams who work together in making portfolio decisions.

MNA's product-specific management teams recommend the purchase or sale of securities in conformity with each investment strategy's objective. As a result, MNA may engage in activity that is consistent among accounts with similar investment strategies, but contrary across accounts with different investment strategies (including investment strategies used within MNA's proprietary accounts). For instance, MNA may purchase securities for one objective while selling the same securities for a different objective. Likewise, the position sizes and price targets of the same securities will vary between objectives.

With the exception of products that are designed to address specific tax matters, MNA makes portfolio decisions based on investment considerations and not on a client's particular tax situation. However, MNA will take steps to manage capital gains taxes at a strategy level as MNA deems appropriate, such as by delaying sales until after calendar year end. MNA also will follow specific client-directed tax oriented directives within a client account.

For the majority of our equity, fixed income and multi-asset class portfolios, we employ both top-down and bottom-up analysis to position portfolios. For both equity and fixed income investments, top-down analysis contributes a perspective on macroeconomic policies, such as the overall direction of interest rates, inflation, and economic growth.

Bottom up equity research is grounded in one of three key pillars:

- Companies positioned for strong future growth but whose valuations do not reflect their potential; this strategy brings together the strategic positioning of the company, its growth prospects, and the appropriate price to pay for those prospects
- Companies that are in depressed sectors, but are strong enough to survive the hard times, and are likely to lead the rebound of their industry when supply/demand conditions improve;

- Companies whose value is not reflected in the stock price because of under-appreciated, often under-utilized assets, on which the market is placing little or no value, but where catalysts exist to unlock the value

The Fixed Income Group's (FIG) establishes duration, yield-curve positioning and sector allocation before filling portfolios through a bottom-up security selection process. In analyzing the attractiveness of sectors and/or individual securities, the FIG considers relevant economic conditions and sector trends, interest rate sensitivity of sectors and securities, and yield differentials across sectors, credit qualities, pass-through security types and maturities.

After sector allocations are established, the FIG's sector specialists select individual securities to fill the targeted sector sleeve based on a variety of specific bottom-up security selection criteria:

- Treasury bonds are selected based on duration targets and yield curve strategy
- Agency bonds are selected based on duration targets and yield curve strategy as well as fundamental analysis and relative value versus U.S. Treasuries
- Corporate bonds are selected using proprietary selection strategies and are subject to in-depth credit research that scrutinizes both the company and the security.
- Mortgage/secured securities are selected based on three types of analysis: scenario analysis, collateral-level analysis, and issuer/servicer analysis

MNA also offers products that employ a different approach to portfolio construction. A description of these products and their analytical underpinnings follows.

Disciplined Value is a systematic, quantitatively driven, equity portfolio. The strategy is benchmark agnostic with respect to sector, industry and style. It does not use buy/sell price targets. Rather, securities are selected based upon

- Attractive valuation based on underlying earnings power
- Competitive dividend yield versus the portfolio's investible universe
- Sustainable dividend policy relative to underlying earnings power
- Low estimated probability of financial distress

Global Quality is a quantitative investment portfolio that seeks to invest in attractively valued companies that exhibit stable fundamental characteristics. It employs a systematic process to identify companies with a history of strong and stable operating characteristics and attractive free cash flow yields. Companies that meet these investment criteria are then subjected to additional valuation and environmental, social and governance (ESG) selection criteria.

MEP employs a "top-down" investment process that seeks to allocate capital toward areas where risks are low and opportunities are high, and similarly, avoid areas of the market demonstrating high risk and low opportunity. Strategic stock/bond asset allocation decisions and more specific asset class, sector, region or country allocation decisions are based on a variety of quantitative indicators. Specific ETFs are selected within the designated allocation targets based on a number of criteria, including consistency with desired investment exposure, structure, and cost of ownership.

The Strategic Income strategy combines both qualitative and quantitative investment processes, with top-down active asset allocation. The strategy invests in stocks from the

Disciplined Value strategy and a combination of proprietary Manning & Napier Fund, Inc. mutual funds. Allocation decisions are made based on the investment team's view of prevailing market conditions.

Within a multiple manager (IAP) portfolio, MNA's Client Analytics Group ("CAG") is responsible for evaluating and recommending specialty asset class managers. The manager evaluation and monitoring process is based on three basic evaluation criteria: overall consistency with portfolio objectives, experience and stability of the manager/management and investment process, and value-added returns over a range of market environments. The standard IAP portfolio consists of an MNA investment objective combined with an allocation to external managers that represents an appropriate mix for each client's circumstances.

## **Risks**

### **Investing in securities involves risk of loss that clients should be prepared to bear.**

MNA's equity, fixed income and objectives-based portfolios invest primarily in stocks and bonds, including both U.S. and non-U.S. issuers, across various market caps. Although asset allocation may vary between MNA's investment strategies, the risks remain the same, and include the following:

*Market Risk* – Stock and bond markets rise and fall daily. As with any investment whose performance is tied to these markets, the value of clients' investments will fluctuate, which means that clients could lose money on their investments.

*Equity Risk* – The prices of equity securities rise and fall daily. The price movements may result from factors affecting individual companies, industries or the securities market as a whole. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer and decline in response. In addition, the equity market tends to move in cycles which may cause stock prices to fall over short or extended periods of time.

*Small- and Mid-Cap Risk* – Small- and mid-cap companies may be more vulnerable to adverse business or economic events than larger, more established companies. In particular, small- and mid-cap companies may have limited product lines, markets and financial resources, and may depend upon a relatively small management group. The securities of smaller companies are often traded in the over-the-counter market and, even if listed on a national securities exchange, the trading market (i.e., the volume of trades on any given day) for such securities may be less active than larger companies listed on that exchange. Consequently, the securities of these companies may be less liquid, may have limited market stability, and may be subject to more abrupt or erratic market movements than the securities of larger, more established companies. As a result, the prices of the smaller companies owned by clients may be volatile.

*Foreign Securities Risk* – A client's investments in securities of foreign issuers involve certain risks that are greater than those associated with investments in securities of U.S. issuers. These include risks of adverse changes in foreign economic, political, regulatory and other conditions, or changes in currency exchange rates or exchange control regulations (including limitations on currency movements and exchanges). In certain

countries, legal remedies available to investors may be more limited than those available with respect to investments in the United States. The securities of some foreign companies may be less liquid and, at times, more volatile than securities of comparable U.S. companies. Clients may also experience more rapid or extreme changes in value than individuals who invest solely in securities of U.S. companies because the securities markets of many foreign countries are relatively small, with a limited number of companies representing a small number of industries. There also is the risk that the cost of buying, selling, and holding foreign securities, including brokerage, tax, and custody costs, may be higher than those involved in domestic transactions. During any period when foreign securities underperform other types of investments – U.S. securities, for instance – the performance of a client's investments may lag these investments.

*Emerging Market Risk* – Clients may be exposed to risks associated with investments in emerging market countries. Emerging market countries are countries that the World Bank or the United Nations considers to be emerging or developing. Emerging markets may be more likely to experience political turmoil or rapid changes in market or economic conditions than more developed countries. Emerging market countries often have less uniformity in accounting and reporting requirements and unreliable securities valuation. It is sometimes difficult to obtain and enforce court judgments in such countries and there is often greater potential for nationalization and/or expropriation of assets by the government of an emerging market country. In addition, the financial stability of issuers (including governments) in emerging market countries may be more precarious than in other countries. As a result, there will tend to be an increased risk of price volatility associated with a client's investments in emerging market countries, which may be magnified by currency fluctuations relative to the U.S. dollar.

*Currency Risk* – Because MNA's strategies may include the investment in securities denominated in, and/or receiving revenues in, foreign currencies, they will be subject to currency risk. This is the risk that those currencies will decline in value relative to the U.S. dollar, or, in the case of hedging positions, that the U.S. dollar will decline in value relative to the currency hedged. In either event, the dollar value of an investment would be adversely affected. Currencies in non-U.S. countries may fluctuate significantly over short periods of time for a number of reasons, including changes in interest rates, intervention by U.S. or foreign governments, central banks or supranational agencies, such as the International Monetary Fund, or by the imposition of currency controls or other political developments in the United States or abroad.

*Interest Rate Risk* – Each client's investments in fixed income securities are subject to the risk that interest rates rise and fall over time. As with any investment whose yield reflects current interest rates, a client's yields will change over time. During periods when interest rates are low, the client's yields (and total returns) also may be low.

*Credit Risk* – Each client's investments in fixed income securities are subject to the risk that a decline in the credit quality of a portfolio investment could cause the client's returns to fall. The client could lose money if the issuer or guarantor of a portfolio investment fails to make timely principal or interest payments or otherwise honor its obligations. Below investment-grade bonds (junk bonds) involve greater risks of default or downgrade and are more volatile than investment-grade bonds. Below investment-grade bonds also involve greater risk of price declines than investment-grade securities due to actual or

perceived changes in an issuer's creditworthiness. In addition, issuers of below investment-grade bonds may be more susceptible than other issuers to economic downturns. Such bonds are subject to the risk that the issuer may not be able to pay interest or dividends and ultimately to repay principal upon maturity. Discontinuation of these payments could substantially adversely affect the market value of the bonds.

*Prepayment and Extension Risk* – Each client's investments in fixed income securities are subject to the risk that the bonds may be paid off earlier or later than expected. Either situation could cause the client to hold securities paying lower-than-market rates of interest, which could hurt the client's yields. In addition, rising interest rates tend to extend the duration of certain fixed income securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, the client's account may exhibit additional volatility. This is known as extension risk. When interest rates decline, borrowers may pay off their fixed income securities sooner than expected. This can reduce the returns of a client's portfolio because money may have to be reinvested at the lower prevailing interest rate. This is known as prepayment risk.

*Liquidity Risk* – Liquidity risk exists when particular investments are difficult to purchase or sell. The market for certain investments may become illiquid due to specific adverse changes in the conditions of a particular issuer or under adverse market or economic conditions independent of the issuer. A client's investments in illiquid securities may reduce the returns of the client's total investments because the illiquid securities may not be sold at an advantageous time or price. Further, transactions in illiquid securities may entail transaction costs that are higher than those transactions in liquid securities.

*Derivative Risk* – For certain investment objectives, MNA may invest in derivatives. Derivative securities present, to varying degrees, market risk that the performance of the underlying assets, interest rates or indices will decline; credit risk that the dealer or other counterparty to the transaction will fail to pay its obligations; volatility and leveraging risk that, if interest rates change adversely, the value of the derivative security will decline more than the assets, rates or indices on which it is based; liquidity risk that MNA will be unable to sell a derivative security when it wants to because of lack of market depth or market disruption; pricing risk that the value of a derivative security will not correlate exactly to the value of the underlying assets, rates or indices on which it is based; and operations risk that loss will occur as a result of inadequate systems and controls, system failures human error or otherwise. Some derivative securities are more complex than others, and for those instruments that have been developed recently, data is lacking regarding their actual performance over complete market cycles.

*Competition Risk* – MNA will compete with a large number of firms, some of which may have substantially greater financial resources, as well as larger research and trading staffs, than are available to MNA. Competitive investment activity by other firms may reduce clients' opportunity for profit by reducing the variety of investment opportunities available to MNA for investment on behalf of its clients.

*Investment Style Risk*—MNA's systematic approach used to select stocks for Disciplined Value, Global Quality and Strategic income relies almost exclusively on historical data and might fail to capture important changes in the forward-outlook for companies, which could adversely affect performance. In addition, MNA's approach to value investing, or value investing in general, may go in and out of favor in the market.

**In addition to the above investment and portfolio construction risks, various operational and system risks can disrupt MNA's business operations and result in harm to clients.**

Cybersecurity— Today's computing environments are complex and interconnected. No organization big or small is immune to the threats faced by this ever changing global industry. Threat actors that could do MNA harm include, Organized Crime, Nation States, opportunistic criminals, vendor or third parties along with insider threats. MNA has programs and processes in place to test and monitor these threats. MNA has a clear chain of command to manage the risk of these events should they occur.

MNA increasingly relies on computing and communication technologies and on the technology of third-party service providers to conduct business related to your accounts. MNA takes measures, including cybersecurity preparedness, business continuity plans combined with other cybersecurity related policies and procedures, to protect its technology from intentional and unintentional cybersecurity threats. MNA ensures that its key service providers also have appropriate protections in place. However, it is important for you to understand that MNA's controls are not infallible owing to the fact that MNA cannot identify every risk or threat as cybersecurity attacks continue to evolve in complexity. A cybersecurity breach could have severe repercussions, including misappropriation of sensitive client information or assets, service disruptions, loss of proprietary or confidential information or corporate data, among others. A cybersecurity incident could also subject MNA to regulatory penalties, reputational damage, additional compliance and operational costs, or financial loss, which could temporarily or permanently impede MNA's ability to provide you with advisory services.

### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of MNA or the integrity of MNA's management. MNA has no information applicable to this Item.

### **Item 10 – Other Financial Industry Activities and Affiliations**

Certain of MNA's registered representatives and management persons are registered representative of our affiliated limited purpose broker-dealer, Manning & Napier Investor Services, Inc. Manning & Napier Investor Services, Inc. acts as the distributor for the Manning & Napier Fund, Inc., an investment company incorporated in the State of Maryland and for which a registration statement is on file with the Securities and Exchange Commission.

MNA is the investment advisor to the Manning & Napier Fund, Inc. Shares of the Manning & Napier Fund, Inc. are offered directly to investors and to clients and employees of MNA. The officers of the Manning & Napier Fund, Inc. are employees of MNA. MNA receives compensation when clients purchase shares of the Fund.

MNA acts as the sub-advisor to unaffiliated advisors and to certain unaffiliated registered and unregistered commingled investment vehicles. As a sub-advisor, MNA may also

assist with the marketing of shares of certain commingled funds to financial intermediaries. Each of these vehicles may have different investment objectives and, therefore, the investment strategies and transactions may vary from that of MNA's other advisory accounts.

An affiliate, Exeter Trust Company (ETC), a New Hampshire chartered trust company, in conjunction with State Street Bank and Trust (the sub-custodian that provides all safekeeping and clearing arrangements), provides custodial and trust services to certain of MNA's clients under separate agreement. MNA serves as the investment advisor to the Collective Investment Trusts to which ETC serves as trustee. Under separate agreement, MNA will also provide investment advisory services to direct ETC fiduciary clients, including discretionary trusts, investment agency trusts or Trusteed IRAs.

MNA has claimed an exclusion from the definition of the term Commodity Pool Operator under the Commodity Exchange Act (CEA) with respect to the Manning & Napier Fund, Inc. and Manning & Napier Collective Investment Trust funds, and therefore, such vehicles are not subject to registration or regulation under the CEA. However, the vehicles will operate within certain guidelines and restrictions with respect to their use of commodity interests.

Manning & Napier Group, LLC purchased Rainier Investment Management, LLC (Rainier), a Seattle, Washington based active investment management firm. MNA and Rainier will market and cross-sell each other's products. Certain of MNA's officers and management persons serve as officers of Rainier. MNA performs numerous back and middle office functions for Rainier including compliance, trading, billing, and proxy voting, among others. Although rare, conflicts can occur between MNA and Rainier. It is the responsibility of MNA's and Rainier's CCO and of MNA's department supervisors to identify actual and potential conflicts of interest and to institute controls to mitigate associated risks.

When MNA offers Rainier's International Small Cap Strategy directly to MNA clients, MNA will serve as the named investment advisor but will delegate portfolio management to Rainier. Rainier also has direct investors in this strategy

MNA offers the WPFA Program, which provides (i) Employee-specific investment education, employee-specific retirement funding advice, and other employee-specific investment-related education such as retirement plan education, some or all of which may be managed by MNA; and (ii) Client-specific investment education, client-specific retirement funding advice, and other client-specific investment-related education such as life-event planning. WPFA representatives are registered with a broker-dealer and investment advisor that is unaffiliated with MNA. WPFA representatives offer brokerage and advisory products and services through and receive compensation from the unaffiliated broker-dealer/investment advisor. Additionally, MNA or its affiliates receive compensation when clients of a WPFA representative buy investment offerings through the unaffiliated broker-dealer.

Perspective Partners, LLC, a NY-based provider of technology tools for employees, employers and financial advisors, is another active MNA affiliate.

MNA may market products or services offered by an affiliated company.

## Item 11 – Code of Ethics

As an investment adviser and fiduciary to direct investors and sub-advisor to a mutual fund, MNA is subject to Rule 204A-1 under the Advisers Act and Rule 17j-1 under the Investment Company Act of 1940, as amended. MNA has adopted a Code of Ethics (the “Code”) that sets forth standards of conduct that employees are required to maintain as a condition of their employment. The Code includes provisions relating to personal securities trading pre-approval and reporting procedures, conflicts of interest, outside business activities, gifts and entertainment, insider trading, and the treatment of violations, among other matters. All MNA employees must acknowledge the terms of the Code upon hire, quarterly and when amendments are implemented.

Each Access Person of MNA as defined under Rule 204A-1 of the Investment Advisers Act of 1940, must provide an initial and annual holdings report to the Advisors' Chief Compliance Officer (“CCO”) or a Review Officer. Access Persons are responsible for ensuring that the CCO receives confirmation or reports of all covered and reportable securities transactions. All employees must obtain approval before transacting in any Covered Security, as defined in the Code.

Employees of MNA or related person(s) can own securities that MNA clients own or that MNA recommends to clients, including shares of the Manning & Napier Fund, Inc. or Manning & Napier Collective Investment Trust. MNA anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which MNA has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which MNA or its affiliates have a position of interest. Subject to satisfying the requirements of the Code, officers, directors and employees of MNA and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for MNA's clients.

The Code of Ethics is reasonably designed to ensure that the personal securities transactions, activities and interests of the employees of MNA will not interfere with MNA's fiduciary obligation to make and implement investment decisions in the best interest of its clients. Nonetheless, because MNA's Code permits employees to invest for their own accounts in the same securities as clients, there is a possibility that the Code would enable employees to benefit from market movement that occurs as a result of MNA-directed trades in client accounts. MNA's CCO or a designee continually monitors employee personal trading to ensure that such activity does not conflict with MNA's obligations to its clients and to address issues that arise under the Code.

MNA operates proprietary accounts in order to test new strategies or variations on existing strategies. These accounts are not designed to generate additional revenue for MNA but MNA will benefit from and retain the revenue associated with positive performance in these accounts. Portfolio decisions in these accounts must adhere to a specific investment objective and are monitored pursuant to the controls applied to client portfolios.

The CCO will at least annually, and on an as-needed basis, evaluate the Code. MNA will provide any client or prospective client with a copy of the Code upon request.

## Item 12 – Brokerage Practices

MNA has established a Broker Monitoring Group, which has responsibility for (i) approving broker-dealers through which discretionary client accounts may be executed; (ii) evaluating the performance of broker-dealers which shall include, among other things, commission rates, execution services, reliability and coverage; (iii) reviewing brokerage allocations; and (iv) monitoring best execution.

### **Research and Other Soft-Dollar Benefits**

MNA frequently causes clients to pay broker-dealers who supply MNA with research or brokerage services higher commissions than those obtainable from other broker-dealers who do not supply it with research or brokerage services. When MNA uses client brokerage commissions to obtain research or other products or services, MNA benefits because MNA would otherwise have to produce or pay for the research, products or services, or forego the use of such research, products or services in our investment decision-making process.

Where more than one broker-dealer is believed to be capable of providing best execution with respect to a particular transaction, MNA has an incentive to select a broker-dealer that furnishes research or brokerage services. However, MNA will not select an executing broker on the basis of research, brokerage services or other services unless such selection is consistent with best available price and most favorable execution.

Research or brokerage services furnished by broker-dealers may be used in servicing any or all of the clients of MNA and may be used in connection with accounts other than those that pay commissions to the broker-dealer providing the research or brokerage services.

Where a product or service provides MNA with benefits other than execution or research, MNA will make a good faith allocation between the costs that can be paid with soft-dollars and those that must be paid with hard-dollars and will pay for the hard-dollar portion itself. MNA has a conflict of interest in how it allocates the cost of such “mixed-use” items. However, MNA prepares a written justification for all “mixed-use” items, which MNA’s Compliance Department reviews.

MNA has a process to ensure that products and services acquired with client brokerage commissions qualify for the safe harbor in section 28(e) of the Securities Exchange Act of 1934. Examples of eligible products and services include research reports on companies, industries, and securities, economic and financial data, financial publications, research-oriented computer software and services, verbal communications with analysts, and trade execution and settlement related computer programs. Examples of ineligible products and services include telephone lines, office equipment and furniture, business supplies, salaries, rent, utilities, computer hardware, etc.

MNA participates in Commission Sharing Arrangements (CSA) under which MNA may effect transactions through a broker-dealer and request that the broker-dealer allocate a

portion of the commissions to another firm that aggregates these client monies, and with MNA's oversight, uses the aggregated funds to pay for eligible research and brokerage services. The CSA and all products and services paid for through the CSA comply with Section 28(e) of the Securities Exchange Act of 1934.

The Research and Trading Departments of MNA will review the quality of research and brokerage services provided by broker-dealers at least semi-annually.

### **Broker-Dealer Selection and Client-Directed Brokerage**

It is MNA's practice to make broker-dealer selection decisions in pursuit of best execution and without regard for client referrals. MNA may use brokers that refer business, but such referrals or introductions are not a factor in broker selection, and members of the Trading Department typically are unaware of whether any trading partner has referred business.

MNA prefers to select the broker-dealers to execute portfolio transactions and generally the client leaves that selection to MNA ("freely traded"). Clients may direct the use of a particular non-affiliated broker-dealer to execute portfolio transactions. When clients direct MNA to use a particular broker or brokerage firm for transactions (i.e., "directed trades"), the performance of their accounts may be adversely affected. The client who directs trades through a designated broker should understand that they may lose the possible advantage from aggregating orders for several clients as a single transaction (i.e., "block trading").

In addition, MNA does not attempt to negotiate commission rates on behalf of clients who have directed brokerage arrangements, which may result in higher commissions being charged to a client than if the client had not directed MNA on which broker-dealer to use. MNA also does not actively monitor best execution for clients who direct MNA to use a particular broker for their transactions.

A client who designates use of a particular broker-dealer (including a client who directs use of a broker-dealer who will also serve as custodian) should consider whether, under that designation, commission expenses, execution, clearance and settlement capabilities (and whatever amount is regarded as allocated to custodian fees, if applicable) will be comparable to those otherwise obtainable. MNA may not be able to purchase a security for an account when the client has directed MNA to use a particular broker-dealer if the costs or procedures associated with the execution and/or settlement of such transaction are deemed prohibitive.

Clients may direct brokerage commissions generated by their account(s) to commission recapture programs to directly benefit their account(s) instead of having MNA use these commissions to pay for research and brokerage services. If an institutional client directs only a minority portion of trading activity to a commission recapture program or programs, the client's account(s) may continue to be traded simultaneously with accounts in the free blocks in MNA's sole discretion.

In addition, since trades for directed accounts are executed after trades for non-directed accounts, MNA may terminate a trade file if a stock price becomes too volatile before any or all dedicated accounts receive an execution.

For the Integrated Advisors Portfolio (with External Sub-Advisers), where trading decisions have been delegated to MNA, trades will be executed with Fidelity, the sole custodian for this product. Trades may be executed with other brokers only if Fidelity is unable to support the trading of a specific security.

### **Trading Practices**

MNA's trading function for equities and certain fixed income investments is separate from its research function. The individuals who recommend and approve trades are not the same individuals who execute trades. For equities and most fixed income securities, traders exercise individual discretion in order to get MNA's clients the best possible execution on trades, but guidelines as to security, position size, and price are set by the analysts recommending the security. Proprietary and third-party reporting systems monitor implementation of trading programs across the account base. For certain fixed income trades, however, the trading and research functions overlap. This means that Fixed Income Analysts select and execute trades in certain bonds, primarily securitized debt, within these portfolios.

To remove the incentive for unauthorized trading and speculation in client accounts, members of the Trading Department are not compensated for profits generated, since the Research Department issues the investment directives and members of the Trading Department merely implement them. In addition, the compensation program for Research and Fixed Income Analysts, including those analysts that execute trades, is based on the returns of the particular security recommended or overall investment approach, rather than on the performance of any individual account.

### *Trade Aggregation and Trade Rotation*

When consistent with MNA's fiduciary responsibility to seek best execution, MNA may combine orders for security transactions for several clients and submit the blocked order as one large transaction directly to a brokerage firm. MNA may receive a discounted commission rate on block trades that typically is less than the rate that each client would pay if charged on a per-trade basis.

Block orders may include proprietary accounts, commingled investment funds, Collective Investment Trust Funds, for which MNA provides financial advisory services, and Series of the Manning & Napier Fund, Inc. and Manning & Napier Collective Investment Trust funds managed by MNA, containing MNA's and participating affiliates' employees' 401(k) and Profit Sharing Plans.

MNA currently utilizes two distinct order management systems, GIMII and Charles River, to build trade orders for client portfolios. MNA utilizes multiple blocks in GIMII and Charles River, the prioritization of which is randomized each trading day. If MNA builds blocks in the same security through GIMII and Charles River simultaneously then MNA will alternate executions between systems. With block trades, each client purchasing or selling securities in the transaction pays its proportionate share of the brokerage commission charged by the brokerage firm for effecting the blocked transaction.

MNA will execute trades for freely traded accounts ahead of trades for client-directed accounts. For strategies in which MNA also has been retained as a model manager to unaffiliated third-parties (hereinafter "Platform Providers"), MNA will deliver model

updates based on a systematic, random delay process. Platform Providers may receive model updates on the next business day depending on the length of the delay. This trade rotation policy means that MNA will deliver model updates once trading for freely traded accounts begins, but could, depending on the length of the delay, deliver the model prior to completing free or client-directed trading, and in some cases, before MNA initiates client-directed trading.

#### Trade Allocation

MNA's allocation practices are designed to ensure that clients receive fair and impartial participation in the blocks and trade allocations. MNA uses computer-based systems to generate a pre-trade allocation statement and will allocate to participating accounts using a random or pro-rata based methodology. MNA may deviate from the allocation statement when account cancellations, investment objective changes, account-level restrictions, cash flow constraints or other account level factors preclude allocations to certain accounts that were included in the allocation statement. In these instances, MNA will remove these accounts from its trade file and reduce the size of its order accordingly, but allocate the balance of the order to participating accounts pursuant to the original allocation statement.

In the event of a partially filled aggregated fixed income order, MNA frequently allocates securities first to the Series of the Manning & Napier Fund, Inc. and Manning & Napier Collective Investment Trust Funds and then assigns the balance of the order among other accounts based on a variety of factors, including account-level duration, investment-grade debt and sector allocation needs, or other account level factors related to the client's specific objectives, risk tolerance and investment restrictions.

Occasionally, MNA may purchase bonds in the secondary market to allocate to accounts that did not receive a complete allocation of the primary market issuance. In such cases, the purchase price of the secondary market bonds likely will be different than that of the initial issue.

No limitation is generally imposed upon MNA with respect to the amount of securities that it may purchase or sell for its clients. However, such limitations may be agreed upon in advance with a client. For client accounts with a market value of \$250,000 or below, MNA will not purchase securities listed on foreign exchanges. On a monthly basis, MNA will review such accounts to determine if they should be restricted from holding foreign assets based on the market value at that point. MNA will begin to purchase foreign securities for those accounts that reach a market value of \$350,000.

Clients should note that MNA does not participate in Initial Public Offering (IPO) in separately managed accounts but may participate in IPOs in mutual funds and collective investment trust funds managed to the same objective as the separately managed accounts.

#### **Trade Errors**

MNA has several internal controls in place to prevent trade errors from occurring. However, when an error occurs, MNA's policy is to seek to identify and correct any trade error as promptly as possible without disadvantaging its client(s). MNA will be responsible for losses resulting from a trade error that MNA caused. If a trade error is discovered after the trade has settled in a client custody account, and the error results in

a net gain, the client will retain the gain. If a trade error is discovered before the associated trade(s) settle in a client custody account and the error results in a net gain, MNA will seek to give the gain to the client, where practical. If the executing broker-dealer's policies permit disbursement of gains but MNA cannot discern the account(s) to which to allocate the gains, then MNA will donate the gain to charity. If the executing broker's policies permit disbursement of gains but the client cannot retain the gain then MNA will donate the gain to charity. If the broker-dealer's policies prohibit disbursement of gains, then the broker will retain the gain.

In the event that a third party causes a trade error that results in a net loss either pre- or post-settlement, MNA will look to that third party to take such measures so that the client is placed in the same position as the client would have been had the error not occurred. If a third party causes a trade-error but corrects the error pre-settlement such that the erroneous trades do not settle to a client's custody account(s) and the error results in a net gain, MNA will follow the same approach as outlined above.

### Item 13 – Review of Accounts

During the account opening process, MNA's Client Services staff performs suitability reviews for direct MNA clients and, to a lesser extent, for intermediary clients. CAG is generally involved in suitability assessments and objective setting for clients who choose a custom solution account. Thereafter, a number of distinct processes exist to ensure that clients are invested in an objective that is suitable, that MNA adheres to client specific guidelines and investment restrictions and that portfolio investments align with the statement of investment objective that clients signed.

Members of MNA's Research Department and the FIG are responsible for ensuring that they manage portfolios in conformity with stated objectives. Front-end investment approval processes help to ensure that each investment decision is appropriate for the portfolio. On the back-end, investment teams review portfolios daily and more formal checks occur within Research and the FIG on a weekly basis. Additionally, for custom solution accounts, CAG monitors the allocation to each strategy within the custom portfolio to ensure consistency with the agreed upon allocation.

Members of MNA's Operations Department review account level cash flow and trading activity daily to verify that such activity aligns with the client's chosen investment strategy. Additionally, Operations reviews the account population for significant performance dispersion on a monthly basis.

Direct MNA clients will receive written performance reviews at least quarterly but may elect to receive annual or semi-annual reviews instead. Performance reviews are sent by mail and/or presented by the client's sales representative during in-person meetings. Intermediary clients will receive a written annual performance review, which MNA sends by mail or through the client's financial advisor. Standard performance reviews provide market values and returns, index comparisons, asset allocation, and market commentary. Performance reports for IAP will also contain manager due diligence and other supplemental information supplied by CAG and a member of CAG may be involved in presenting it to the client.

## Item 14 – Client Referrals and Other Compensation

MNA will enter into referral or solicitation arrangements with unaffiliated broker-dealers, registered investment advisors and other third-parties to provide MNA with additional distribution avenues. MNA will pay these third-parties a portion of the management fee it collects from clients. Compensation terms are subject to negotiation between MNA and each third-party. All such arrangements will comply with applicable regulations under the Investment Advisers Act of 1940.

MNA may also enter into referral arrangements with certain affiliates pursuant to which MNA and the affiliate will compensate the other for business referrals.

If a client has been referred to MNA by a registered representative, and the client then directs MNA to effect brokerage transactions through that registered representative and his brokerage firm, MNA may have a conflict of interest between its duty to the client to obtain the most favorable brokerage commission rates available under the circumstances and its desire to obtain future referrals from that registered representative.

## Item 15 – Custody

MNA believes, on the basis of reasonable investigation, that clients receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. MNA urges clients to carefully review such statements and compare such official custodial records to the account statements that MNA may provide clients. MNA statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

MNA is deemed to have custody of client funds and securities held with ETC because MNA and ETC are commonly owned and controlled, and therefore, are not operationally independent. In compliance with Rule 206(4)-2, MNA obtains a surprise examination of assets held with ETC and an internal control report from ETC. Upon a client's written instruction to their custodian, MNA may, as disclosed in Item 5, instruct the custodian to debit a client's account for MNA's management fee.

Additionally, as part of MNA's standard procedure, MNA accepts the industry practice of custodial "standing instructions." Standing instructions is a practice employed by custodians to automatically repatriate foreign payments (transaction types may include: income conversions, corporate actions, tax reclaims, dividend payments, interest postings, and residual balances) into the account's base currency (typically US Dollar). The client's custodian is responsible for executing FX (foreign currency) transactions, including the timing and applicable rate of such execution, pursuant to its own internal processes. As clients generally have arrangements with their custodian regarding the execution of FX transactions, such arrangements may impact the fees and expenses charged to the client by the custodian. As such foreign-exchange transactions are effected with the client's custodian upon the client's instructions, MNA does not seek to obtain different FX rates from other sources. However, under certain qualifying circumstances, MNA may assume responsibility in writing for repatriating certain foreign payments to a client in the client's base currency.

## Item 16 – Investment Discretion

MNA operates as a discretionary manager for the majority of its clients. These clients, grant MNA discretionary authority through their Investment Management Agreement (IMA), which authorizes MNA to act on the client's behalf when making investment decisions. MNA will select the securities to buy or sell and will make all decisions regarding the timing of the trade and the broker that executes the trade.

For custom solution accounts, clients may grant MNA full discretion or may retain some level of discretion over their portfolios. Where the client retains discretion, MNA will monitor client accounts in accordance with client specific guidelines and will obtain client approval to execute on MNA's recommendations. Additionally, client approval is required to move assets between different custody accounts. Clients invested in a custom solution will sign a different IMA that reflects the nature of the client's engagement with MNA.

MNA adheres to each portfolio's stated objective when managing client assets invested in that portfolio. MNA will also adhere to specific client guidelines and restrictions that MNA and the client have agreed upon in advance and in writing.

For registered investment companies, MNA's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

From time to time, MNA may receive notices of shareholder class action settlements with companies whose stock or bonds we have purchased for client accounts. MNA's authority to return election forms relating to class actions on behalf of clients is viewed as a power conferred under the advisory agreement. Clients may elect to withhold such authority from MNA by giving written notice or specifying such in their advisory agreement.

If the client has provided such authority to MNA, and the client was an active client at the time of filing, MNA assumes responsibility for filing on the client's behalf. If the client has terminated their relationship with MNA at the time of filing, MNA will not file on the client's behalf.

IAP sub-advisors do not file class action claims on behalf of IAP clients for those assets that the sub-advisors manage. Likewise, managers of exchange traded funds ("ETF") held within the Managed ETF Portfolio (MEP) do not file class action claims on behalf of the assets they manage for MEP clients. MNA will continue to file class action claims for the assets that MNA manages. Clients retain the authority to file class actions for those securities that MEP ETF managers or IAP sub-advisors manage.

## Item 17 – Voting Client Securities

MNA typically votes proxies for its clients. Clients may elect in writing to retain voting powers for the securities held in the account. They may not direct voting on a particular security.

It is MNA's policy regarding proxies to: (1) discharge our duties prudently, in the interest of plans, plan fiduciaries, plan participants, beneficiaries, clients and shareholders (together "clients"); (2) act prudently in voting of proxies by considering those factors which would affect the value of client assets; (3) maintain accurate records as to voting of such proxies that will enable clients to periodically review voting procedures employed and actions taken in individual situations; (4) provide, upon request, a report of proxy activity for clients reflecting the activity of the portfolio requested; (5) by following our procedures for reconciling proxies, take reasonable steps under the particular circumstances to ensure that proxies for which we are responsible are received by us; (6) make available, upon request, this policy to all plan fiduciaries, clients, and shareholders; and (7) comply with all current and future applicable laws, rules, and regulations governing proxy voting.

There are potential conflicts of interest that may arise in connection with MNA or the Analyst responsible for voting a company's proxy. In recognizing such potential conflicts, the following controls have been put in place: (1) a written confirmation that no conflict of interest exists with respect to each proxy vote to be completed by the analyst. If an analyst indicates an affirmative response to any conflicts, such Analyst shall be immediately removed from the responsibility of voting such proxy; and (2) a Proxy Policy Conflicts Committee has been created to resolve any apparent or potential conflicts of interest. The Proxy Policy Conflicts Committee may utilize the following to assist in seeking resolution (including, without limitation, those instances when the Advisor potentially has an institutional conflict): (1) voting in accordance with the guidance of an independent consultant or outside counsel; (2) designation of a senior employee or committee member to vote that has neither a relationship with the company nor knowledge of any relationship between the advisor or its affiliates with such company; (3) voting in proportion to other shareholders of the issuer; (4) voting in other ways that are consistent with the advisor and its affiliates' obligation to vote in clients' collective best interest.

MNA relies on the general recommendations of Glass Lewis & Co. (Glass Lewis) but may vote in contravention of Glass Lewis when MNA believes that doing so is in the best interest of clients. MNA may, when in the best interests of our clients, abstain from voting proxy ballots for issuers in certain foreign countries if voting will impede MNA's ability to dispose of the security for a period of time. Taft-Hartley clients may instruct MNA to vote in accordance with the Glass Lewis Taft Hartley recommendations.

Due to the quantitative investment approach, proxy ballots for Disciplined Value are automatically voted in accordance with Glass Lewis recommendations and MNA does not review the ballots.

For IAP with External Sub-Advisers, each external sub-adviser is responsible for voting proxies on behalf of MNA clients. Clients may obtain a copy of each sub-adviser's proxy policy upon request.

Clients may obtain a copy of MNA's complete proxy voting policies and procedures upon request. If a client would like to obtain a copy of their voting record for their holdings, they can direct a written request to their Account Representative.

## Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about MNA's financial condition. MNA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.