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Manning & Napier Advisory Advantage Company, LLC Form ADV Part 2A

March 25, 2013

Item 1 – Cover Page

This Brochure provides information about the qualifications and business practices of Manning & Napier Advisory Advantage Company, LLC. If you have any questions about the contents of this Brochure, please contact the Client Services Department at 585-325-6880 or 800-444-6885, or 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 Advisory Advantage Company, 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 Advisory Advantage Company, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with Manning & Napier Advisory Advantage Company, LLC who are registered, or are required to be registered, as investment adviser representatives of Manning & Napier Advisory Advantage Company, LLC.

Item 2 – Material Changes

There have been no material changes to this Brochure since our last annual amendment on March 30, 2012.

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Item 4 - Advisory Business

Manning & Napier Advisory Advantage Company, LLC ("AAC" or the "Firm") is an SEC-registered investment advisor. AAC is the successor to Manning & Napier Advisory Advantage Corporation, which was incorporated in New York on August 29, 1989. Pursuant to a corporate restructuring, Manning & Napier Advisory Advantage Corporation transferred all of its assets and liabilities to AAC effective as of October 1, 2011.

Clients of AAC, in conjunction with the services provided by third parties (e.g. financial planners, attorneys, accountants, etc.) are provided with the full range of investment supervisory services, which includes, but is not limited to: (i) working with the client's financial advisor to assist in the establishment of 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.

Clients of AAC 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.

AAC hires Manning & Napier Advisors, LLC ("MNA") as its sub-advisor.

AAC does not currently participate in any wrap fee programs.

As of 12/31/2012, AAC manages $2,476,843,916 on a discretionary basis.

Item 5 - Fees and Compensation

AAC retains the right to negotiate the fee schedule. AAC may modify its fee schedule at its discretion upon at least thirty (30) days written notice to the client. For customized portfolios the fee may vary depending on the services provided. Clients will not be directly charged a fee by AAC on assets invested in the Manning & Napier Fund, Inc. Depending upon the client's fee schedule and billing tier, such fees will be offset by either a market value adjustment to or a fee credit against AAC's fee.

AAC'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 AAC'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. Mutual funds and 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 AAC's fees, and AAC shall not receive any portion of these commissions, fees and costs; provided, however, that in the case of investment advisory consulting services provided by AAC, AAC shall be reimbursed for certain expenses to the extent the client requires higher service levels.

Item 12 further describes the factors that AAC considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Fee Schedule:

Unless otherwise noted, fees pro-rate for the period from the date that management of the account commences, the "Commencement Date", through the first billing date (03/31, 06/30, 09/30 or 12/31, whichever comes first) 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 six (6) months. Payment of such fees and any additional charges shall be made directly to AAC out of account assets by the Custodian, upon written instruction from the client.

Fees shall be calculated upon the value of the account on the last calendar day of the month immediately preceding each three (3) month billing period, except for the first billing in which case the fees will be calculated based upon the value of the account on the Commencement Date. 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.

Generally, agreements require that management fees be paid in advance. A client may terminate an agreement by providing AAC with written notice, and any unearned fees are refunded on a pro-rata basis. AAC shall be paid through the date of termination. The refund of fees would be determined from the date of termination through the end of the period paid in advance.

OBJECTIVES-BASED STRATEGIES

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

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

<u>For accounts with a market value between $250,000 and $500,000 the annual fee schedule is:</u>

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

<u>For accounts with a market value of $500,000 or more the annual fee schedule is:</u>

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

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

For Withdrawal from Total Return Objectives

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.

<u>For accounts with a market value between $250,000 and $500,000 the annual fee schedule is:</u>

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

<u>For accounts with a market value of $500,000 or more the annual fee schedule is:</u>

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

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

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.

Conservative Strategy
<u>For accounts under $20,000,000 the annual fee schedule is:</u>
.60% of the market value

Minimum account size of	$2,000,000
Minimum annual fee of	$12,000.00

<u>For accounts over $20,000,000 the annual fee schedule is:</u>
.55% of the market value

Moderate Strategy
<u>For accounts under $20,000,000 the annual fee schedule is:</u>
.65% of the market value

Minimum account size of	$2,000,000
Minimum annual fee of	$13,000.00

<u>For accounts over $20,000,000 the annual fee schedule is:</u>
.60% of the market value

FIXED INCOME STRATEGIES

Include specialized management of fixed income portfolios for which the client has assumed the responsibility for asset allocation. The annual fee schedule is as follows:

<u>Fixed Income Liquidity (0-1 year maturity)</u>

0.25% of the market value between	$500,000 - $4,999,999
0.20% of the market value between	$5,000,000- $9,999,999
0.15% of the market value at or above	$10,000,000
Minimum account size	$2,000,000
Minimum annual fee	$5,000.00

Liquidity Accounts below $2,000,000 may not be able to participate in purchase of commercial paper, banker's acceptances, repurchase agreements, master demand notes, and certificates of deposit.

<u>Short-Term Fixed Income (0-5 year maturity)</u>

0.30% of the market value between	$500,000 - $4,999,999
0.25% of the market value between	$5,000,000 - $9,999,999
0.20% of the market value at or above	$10,000,000
Minimum account size	$2,000,000
Minimum annual fee	$6,000.00

<u>Intermediate-Term Fixed Income (0-10 year maturity)</u>

0.35% of the market value between	$500,000 - $4,999,999
0.30% of the market value between	$5,000,000 - $9,999,999
0.25% of the market value at or above	$10,000.000
Minimum account size	$2,000,000
Minimum annual fee	$7,000.00

<u>Aggregate Fixed Income (0-30 year maturity)</u>

0.40% of the market value between	$500,000 - $4,999,999
0.35% of the market value between	$5,000,000 - $9,999,999
0.30% of the market value at or above	$10,000,000
Minimum account size	$2,000,000
Minimum annual fee	$8,000.00

<u>Corporate Fixed Income</u>

0.50% of the first	$5,000,000
0.45% of the market value in excess of	$5,000,000
0.40% of the market value in excess of	$10,000,000
Minimum account size of	$2,000,000
Minimum annual fee of	$10,000.00

International Fixed Income

0.50% of the first	$5,000,000
0.45% of the market value in excess of	$5,000,000
0.40% of the market value in excess of	$10,000,000
Minimum account size of	$5,000,000
Minimum annual fee of	$10,000.00

Treasury Inflation Protected Securities

0.25% of	market value
Minimum account size of	$2,000,000
Minimum annual fee of	$5,000.00

Short-Term, Intermediate-Term and Long-Term Municipal Bond Accounts are also available with the same fee structure as the fixed income accounts referenced above.

For accounts in Municipal Bond Objectives, the Minimum Account Size is $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%.

For accounts with a market value between $250,000 and $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 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

For Core Non-US Equity Objective

The Core Non-US Equity Objective aims to capture investment opportunities in equity markets outside of the United States. The Objective is available as an Opportunistic, Diversified or Developed portfolio.

For accounts with 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 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.

For the Manning Yield® Dividend-Focus Objective

The Manning Yield Dividend-Focus Objective consists of mid-to-large capitalization stocks with above average dividend yields, strong cash flow yields and stable financial characteristics that meet MNA's screening criteria. The Manning Yield Objective is available as a Dividend-Focus, Dividend-Focus ADR only, Dividend-Focus–US or Dividend-Focus –International portfolio.

For accounts below $2,000,000 the annual fee schedule is:
0.55% of the market value

For accounts between $2,000,000 and $10,000,000 the annual fee schedule is:
0.45% of the market value

For accounts over $10,000,000 the annual fee schedule is:
0.35% of the market value

Minimum account size of	$1,000,000
Minimum annual fee of	$5,500.00

For Global Quality Plus Portfolio

The Global Quality Plus Portfolio consists of mid-to-large capitalization stocks with favorable dividends, strong cash flows and stable financial characteristics that meet MNA's quantitative and qualitative screening criteria. The equity investments may be chosen from a broad range of developed domestic and international markets.

For accounts below $2,000,000 the annual fee schedule is:
.60% of the market value

For accounts between $2,000,000 and $10,000,000 the annual fee schedule is:
.50% of the market value

For accounts over $10,000,000 the annual fee schedule is:
.40% of the market value

Minimum account size of	$1,000,000
Minimum annual fee of	$6,000.00

For Small Cap Equity Objective

The Small Cap Equity objective aims to maximize returns over the long term through consistent participation in small market capitalization stocks and other equity instruments.

<u>For accounts between $1,000,000 and $5,000,000 the annual fee schedule is:</u>

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

<u>For accounts at $5,000,000 or more the annual fee schedule is*:</u>

0.60% of market value over	$5,000,000

Minimum account size of	$1,000,000
Minimum annual fee of	$8,500.00

*For Small Cap Equity 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 $5,000,000 or more on the billing date.

For Small/Mid Cap Equity Objective

This Objective invests in a blend of domestic and foreign small and mid-capitalization issuers. The Objective will hold at least 90% of the portfolio in equities.

<u>For accounts with under $5,000,000 the annual fee schedule is:</u>

1.00% of the first	$2,000,000
.75% of the market value in excess of	$2,000,000

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

<u>For accounts with over $5,000,000 the annual fee schedule is*:</u>
.75% on all assets

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

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.

<u>For accounts with under $25,000,000 the annual fee schedule is:</u>

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 with 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 $10,000 in addition to the above stated schedule.

For Global Equity Inflation-Focused Strategy

The Global Equity Inflation-Focused strategy aims to capture investment opportunities in equity markets by actively managing inflation risk based upon the nature of inflation in the current environment.

The annual fee schedule is:

0.85% of the first	$2,000,000
0.60% of market value in excess of	$2,000,000
Minimum account size of	$1,000,000
Minimum annual fee of	$8,500.00

OTHER STRATEGIES

For Global Tactical Allocation Portfolio ("GTAP") Separate Accounts

The Global Tactical Allocation Portfolios ("GTAP") 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. GTAP is available as a conservative, moderate growth, long-term growth or maximum growth portfolio.

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

For accounts between $250,000 and $500,000 the annual fee schedule is:
0.60% of market value

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

0.45% of the first	$2,000,000
0.35% of the remainder over	$2,000,000
Minimum account size of	$250,000
Minimum annual fee of	$1,500.00

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 Global Tactical Allocation Portfolio Separate Accounts, the client will be 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.

For Low Volatility Strategies

The Low Volatility Strategies seek to maximize long-term returns and reduce day-to-day volatility by investing in equities and writing call options on the portfolio's equity holdings. The Low Volatility Strategy is available as Core Non-US Equity, Global Equity, US-Core Equity and Manning Yield Dividend-Focus.

<u>For Core Non-US Equity, Global Equity and US-Core Equity the annual fee schedule for accounts with under $25,000,000 is:</u>

1.00% of the first	$2,000,000
.75% of the market value in excess of	$2,000,000
Minimum account size of	$20,000,000
Minimum annual fee of	$155,000.00

<u>For Core Non-US Equity, Global Equity and US-Core Equity the annual fee schedule for accounts with over $25,000,000 is*:</u>

.75% of the first	$50,000,000
.65% of the 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 for Core Non-US Equity and US Core Equity and at $10,000 for Global Equity in addition to the above stated schedule.

<u>For Low Volatility Manning Yield Dividend Focus the annual fee schedule is:</u>

.55% of the market value under	$2,000,000
.45% of the market value between	$2,000,000 and $10,000,000
.35% of the market value in excess of	$10,000,000
Minimum account size of	$20,000,000
Minimum annual fee of	$82,000.00

MULTI-MANAGER STRATEGIES

For the Integrated Advisors Portfolio (With External Mutual Funds):

The Integrated Advisors Portfolio (IAP) with External Mutual Funds consists of an active asset allocation philosophy built around a separately managed portfolio of stocks and bonds (managed by Manning & Napier Advisors, LLC ("MNA"), an affiliate of AAC) and an array of selected unaffiliated mutual funds in clearly defined roles, and includes comprehensive monitoring services. Custodial services are provided by Exeter Trust Company (an affiliated New Hampshire chartered Trust Company).

Fees due AAC 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 below</u>	$2,000,000	0.75%
<u>Tier II: Accounts between</u>	$2,000,000 - $5,000,000	0.65%
<u>Tier III: Accounts over</u>	$5,000,000	0.60%

Minimum account size of	$300,000
Minimum annual fee of	$3,750.00

For certain IAP accounts that fall below the account minimum, AAC retains the right to charge a higher fee as negotiated with the client. In addition to the above-stated fees, the client will incur other costs (to be paid from the account) for mutual fund expense ratios, brokerage commissions, and other client costs. Any 12b-1 fees from the underlying mutual funds paid to the custodian from mutual fund assets are passed on to the client's account.

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

The Manning & Napier 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 Manning & Napier), 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.

Fees due AAC 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>	$3,000,000 and $5,000,000	0.63%
<u>Tier III: Accounts between</u>	$5,000,000 and $10,000,000	0.58%
<u>Tier IV: Accounts over</u>	$10,000,000	0.53%

Minimum Account Size of $1,000,000

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	0.75%

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 account minimum, AAC retains the right to charge a higher fee as negotiated with the client. For customized portfolios, the management 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-advisors fees due AAC 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 offered by the client's custodian, which has associated with it certain advisory fees and other costs.

For fees due AAC, 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 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, the custodian, upon written instruction from the client, shall deduct fees every three (3) months within sixty (60) days after reaching the quarterly billing date.

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 PRODUCT OFFERINGS

Special Reports: AAC 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.

Additional Fees: Whenever the demands of the client for direct communication with professional investment staff of AAC exceeds sixty (60) minutes in any one calendar year, additional service charges may be imposed upon the client at a rate of $150 per hour. There may also be additional charges for extra performance reports, if any, in excess of one per year.

If the Personal Financial Advisor ("PFA") charges fees under the Personal Financial Advisory Agreement of less than 0.15% for Growth Objectives, Core Non-US Equity, Global Equity – Growth Objectives, the IAP (With External Mutual Funds), the IAP (With External Sub-Advisers), Manning Yield Dividend-Focus Objective, Global Quality Plus Portfolio, Small Cap Equity Objective, Global Tactical Allocation Portfolio Separate Accounts or Global Equity Inflation-Focused Strategy, AAC reserves the right to increase its fees up to the amount by which the PFA's fees are less than 0.15% to compensate the Firm for additional client service needs.

If the PFA charges fees under the Personal Financial Advisory Agreement of less than 0.10% for Fixed Income Objectives, AAC reserves the right to increase its fees up to the amount by which the PFA's fees are less than 0.10% for the Intermediate-Term and Aggregate Maturity Fixed Income Objectives and 0.05% for Short-Term and Liquidity Investment Objectives, to compensate the Firm for additional client service needs.

For accounts that are brought in under a solicitation arrangement, the fee schedule for those accounts may be as much as .15% higher depending on the investment objective. Such fees are subject to negotiation.

AAC clients are required to pay their fees as agreed upon by the executed investment management agreement. Generally, agreements require that management fees be paid in advance. A client may terminate an agreement by providing AAC with written notice, and any unearned fees are refunded on a pro-rata basis. AAC shall be paid through the date of termination. The refund of fees would be determined from the date of termination through the end of the period paid in advance.

Item 6 - Performance-Based Fees and Side-By-Side Management

AAC may enter 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. AAC 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. In measuring clients' assets for the calculation of performance-based fees, AAC shall include realized and unrealized capital gains and losses. Performance based fee arrangements may create an incentive for AAC 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. AAC has procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

Item 7 - Types of Clients

AAC generally 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. AAC acts as the sub-advisor to certain unaffiliated advisors.

The minimum account size for most separately managed accounts is $250,000, but certain investment strategies may have a higher or lower minimum requirement.

Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

AAC has delegated all security selection and asset allocation functions to MNA. The following information relates to MNA's methods of analysis and investment strategies.

MNA's traditional investment approach combines top-down and bottom-up analysis. Most product offerings reflect a top-down, bottom-up approach to investing but MNA does offer products that employ a top-down only approach. Each investment product reflects a disciplined, team-based decision-making process and a focus on managing risk in an ever-changing market environment. Ranges for asset classes are established based on the client's investment objectives and the Senior Research Group's assessment of current risk levels among asset classes. Security selection and asset class targets are not forced into preset allocation targets, but rather are reviewed on a continual basis as prevailing economic and market conditions change.

Investment strategies are applied within a "group" structure consisting of: (i) the Senior Research Group that is primarily responsible for identifying and anticipating broad, macroeconomic trends, setting asset allocation policy and reviewing equity selections; (ii) Overview Groups that are primarily responsible for macro research including both domestic and foreign markets, as well as contributing to thematic security selection; (iii) Sector Groups that are primarily responsible for industry/company analysis and equity selection; and (iv) Portfolio Teams that are responsible for investment decisions in certain products.

MNA primarily employs a fundamental approach to equity selections, focusing on three distinct sets of company characteristics: (i) well-positioned companies in industries characterized by shifts in prevailing supply/demand relationships; (ii) firms whose strategic business profile consistently provides an above average return on investment and whose stock price does not reflect such consistency; and (iii) firms with stable cash flows or asset values combined, but with a stock price at a significant discount to our estimates of a transactional or leveraged buy-out value. MNA employs these strategies with respect to both individual equity selections made directly in its clients' advisory accounts and investments made through commingled funds advised by MNA.

MNA will make portfolio decisions based strictly on investment considerations and not on a client's particular tax situation; but will, however, follow specific client-directed, tax-oriented directives within a portfolio. Tax-oriented transactions may have an adverse impact on portfolio performance.

MNA's fixed income decisions are based on fundamental analysis of macroeconomics, interest rate trends and the valuation of fixed income sectors and issues. MNA's fixed income strategy relies on various indicators that MNA developed to forecast the long-term direction of interest rates. Fixed income security selection has generally emphasized high-quality securities with a total return objective, although adjustments in security quality may be made in response to specific client objectives or opportunities identified in market yields.

Within an IAP, MNA's Client Analytics Group is responsible for evaluating and recommending specialty asset class managers using either external sub-advisers or external mutual funds. 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 full market cycles. The management of IAP utilizes the investment strategies of MNA described above combined with the manager selection and monitoring process of MNA's Client Analytics Group for evaluating third party managers.

The Manning Yield Dividend-Focus Objective and Global Quality Plus Objectives are systematic equity products. To meet the criteria for inclusion in each Objective, equity securities must pass multiple proprietary screens, which may include those for market capitalization, dividend yield, free cash flow yield, and/or stable financial characteristics. For these Objectives, the investment process consists of applying MNA's quantitative screens to a broad universe of equity securities to narrow the portfolio down to only those securities meeting all of the designated screening criteria. The Portfolio Team reviews candidates for investment and continuously monitors chosen securities for consistency with the criteria. The Global Quality Plus Objective is subject to additional fundamental analysis by MNA's sector analysts. The Manning Yield Dividend-Focus Objective is rebalanced annually. At such time, MNA may use its discretion to attempt to minimize commission costs and realized capital gains.

The asset allocation decisions of the Global Tactical Allocation Portfolio and goal target date Collective Investment Trust funds are determined by a top-down active approach to investment management. Ongoing asset allocation decisions are made based on various economic, valuation, sentiment and liquidity indicators. The Quantitative Strategies Group then uses this data along with input from the Overview groups (described above) to determine an appropriate stock/bond allocation as well as to identify low/high risk areas within the equity and fixed income markets and over/under-weight those areas (e.g., large cap v. small cap, long bond v. short bond, domestic v. international). Asset allocation ranges are established for the various portfolios based upon investor time horizon and objectives. The stock/bond mix and sub-asset class allocation decisions are adjusted to the current market and economic environment. Asset allocation decisions are made on a top-down basis via quantitative and qualitative analysis of market and economic indicators. Exchange-traded funds are used as the basis to achieve the prescribed asset allocation.

MNA buys and sells 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 that are used with 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.

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

MNA's strategies invest primarily in stocks and bonds, including both U.S. and non-U.S. issuers, and 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, 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.

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 AAC or the integrity of AAC's management. AAC has no information applicable to this Item.

Item 10 - Other Financial Industry Activities and Affiliations

Certain of AAC's registered representatives may be registered representatives of Manning & Napier Advisors, LLC an affiliated investment advisor under common ownership with AAC.

Certain of AAC's management persons may be a registered representative of our affiliated limited purpose broker-dealer, Manning & Napier Investor Services, Inc.

Manning & Napier Investor Services, Inc. is an affiliated limited-purpose broker-dealer that acts as the distributor for the Manning & Napier Fund, Inc.

MNA is the investment advisor to 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. Shares of the Manning & Napier Fund, Inc. are offered directly to investors and to clients and employees of MNA, AAC, and Exeter Advisors, LLC ("EXA")[1]. The officers of the Manning & Napier Fund, Inc. are associated persons of AAC.

Manning & Napier Alternative Opportunities, LLC ("MNAO") is a commonly owned registered investment advisor, which is currently inactive.

All security selection, asset allocation, trading decisions and/or sub-advisor selection for IAP accounts regarding the management of client accounts has been delegated to a related investment advisor, MNA, a federally registered investment advisor, as Sub-Advisor. AAC may act as the sub-advisor to designated client accounts of unaffiliated firms.

MNA acts as the advisor for certain affiliated commingled investment pools in Canada. MNA also is the sub-advisor to affiliated investment advisors and a trust company. MNA may act as the sub-advisor to unaffiliated advisors and to certain unaffiliated registered and unregistered commingled investment vehicles. As a sub-advisor, MNA also assists 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. Additionally, MNA may trade for these vehicles in the same security or in options or derivatives related to securities held in client accounts either on an aggregated basis when consistent with MNA's block order allocation practices or after block trading has been completed. In certain instances, MNA may trade in these accounts prior to or during block trading for client accounts related to various option or derivative positions held in the these accounts or to meet strategy asset mix and/or net long-short exposure management objectives.

An affiliate, Exeter Trust Company (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 AAC's clients under separate agreement. AAC's Sub-Advisor, MNA, under separate agreement, may provide investment advisory services to Exeter Trust Company for its fiduciary clients, including discretionary trusts, investment agency or collective investment trusts.

Manning & Napier Investor Services, Inc. is registered as an insurance agency in the state of New York. Exeter Insurance Agency, Inc., a wholly owned subsidiary of AAC, is an Ohio corporation. Manning & Napier Benefits, LLC, a New York state limited liability company, is a registered insurance broker in multiple states and the District of Columbia.

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[1] Exeter Advisors, LLC constitutes the DBA filed with the State of New York for Exeter Advisors I, LLC

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

Item 11 - Code of Ethics

AAC maintains a Code of Ethics (the “Code”) that provides guidance to its employees for carrying out their responsibilities on behalf of AAC and observing the highest standards of ethical conduct. Adherence to this Code is a condition of each employee’s employment.

Activities covered under the Code include: conflicting activities, prohibited activities, compliance with laws, rules, regulations and policies, research reports, and investment recommendations and actions.

Each Access Person of AAC 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. All covered transactions must be reported to the CCO or a Review Officer by receipt of a confirmation or monthly statement either by MNA’s Compliance Department, or their third party vendor hired for monitoring personal trading. All Access Persons must obtain approval before acquiring any securities offered in connection with an Initial Public Offering or Limited Offering.

AAC recommends securities in which AAC or related person(s) may have a direct or indirect position or interest provided that such interest complies with the laws under which AAC is regulated.

Employees of AAC or related person(s) may own a security that is owned by AAC’s clients. AAC attempts to ensure that the personal securities transactions of its employees do not operate adversely to client interests.

AAC anticipates that, in appropriate circumstances, consistent with clients’ investment objectives, it will cause accounts over which AAC has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which AAC, its affiliates and/or clients, directly or indirectly, have a position of interest. AAC’s employees and persons associated with AAC are required to follow AAC’s Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of AAC and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for AAC’s clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of AAC will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between AAC and its clients.

AAC may trade on behalf of proprietary accounts (including proprietary accounts that are managed with a model investment portfolio) in the same security or in options related to securities held in client accounts either on an aggregated basis when consistent with AAC's block order allocation practices, or after block trading has been completed. In certain instances, AAC may trade in proprietary accounts prior to or during block trading for client accounts related to various options positions held in the proprietary accounts or to meet strategy asset mix and/or net long-short exposure management objectives.

The CCO will at least annually, and on an as-needed basis, evaluate the Code. A copy of the Code is available upon request by a client or prospect.

Item 12 - Brokerage Practices

To remove the incentive for unauthorized trading and speculation in client accounts, traders are not compensated for profits generated, since investment directives are issued from outside the trading area and then merely implemented by the traders. In addition, the compensation program for individuals recommending securities purchases is based on the returns of the particular security recommended or overall investment approach, rather than on the performance of any individual account.

MNA may pay broker-dealers who supply the Firm with research or brokerage services higher commissions than those obtainable from other broker-dealers who do not supply it with research or brokerage services.

AAC delegates the selection of which brokers to use to MNA. When MNA uses client brokerage commissions (or markups or markdowns) to obtain research or other products or services, AAC and MNA benefit because we would otherwise have to produce or pay for the research, products or services, or we would have to 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 the best execution with respect to a particular transaction, AAC and MNA may have an incentive to select a broker-dealer which 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 otherwise consistent with best available price and most favorable execution.

Where AAC, and MNA as Sub-Advisor, receive both administrative benefits and research and brokerage services from the services provided by brokers, it makes a good faith allocation between the administrative benefits and the research and brokerage services, and will pay for any administrative benefits itself. In making good faith allocations of those costs, a conflict of interest may exist in AAC's or MNA's allocation of those services between those that primarily benefit the Firm and those that primarily benefit its clients.

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

Examples of research or brokerage services that AAC, MNA or related persons may acquire with client brokerage commissions (or markups or markdowns) 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. AAC and MNA, as Sub-Advisor, have deemed that all of the research and brokerage services acquired with client brokerage commissions (or markups or markdowns) qualify for the safe harbor in section 28(e) of the Securities Exchange Act of 1934. Examples of products or services that do not qualify for the safe harbor include operational overhead expenses, telephone lines, office equipment and furniture, business supplies, salaries, rent, utilities, computer hardware, etc.

The Research Department of MNA will review the quality of research and brokerage services provided by a broker-dealer on at least a semi-annual basis. The Trading Department of MNA will be informed as to which broker-dealers have provided research assistance or brokerage services.

It is MNA's practice to make broker-dealer selection decisions independently and without regard for client referrals. In selecting a broker-dealer, MNA may upon occasion use brokers that refer business, but such business referrals are not a factor in broker selection and such selection occurs only when it is consistent with MNA's obligation to pursue best execution.

AAC and MNA prefer to select the broker-dealers who will execute portfolio transactions and generally the client leaves that selection to the Firm. Clients may direct the use of a particular non-affiliated broker-dealer to execute portfolio transactions.

When clients direct AAC to use a particular broker or brokerage firm for transactions (i.e., "direct 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, since transactions for directed accounts are executed after securities transactions for those of non-directed accounts, the security may have exceeded its limit price and therefore, MNA may terminate the trading file. In such situations, the client directed account may not receive any or all of its allocation of a particular security. The practice of executing client-directed trades after the block trade with respect to a particular security may have a negative effect on the performance of the client directed account.

In addition, client-directed trades may result in higher commissions being charged to a client than if the client had not directed AAC on which broker-dealer to use.

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. AAC, and MNA as Sub-Advisor, may not be able to purchase a security for an account when the client has directed the Firm to use a particular broker-dealer if the costs or procedures associated with the execution and/or settlement of such transaction are deemed prohibitive.

When MNA has full brokerage discretion, it can negotiate commissions based upon the size of the transaction, the size or nature of its client accounts (e.g., institutional) and/or based upon blocking the security trades of one client with trades for other clients.

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

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 utilizes multiple blocks, the prioritization of which is randomized each trading day.

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

MNA may allocate shares of block trades to clients randomly or using a pro-rata based methodology. These allocations methods are designed to ensure that clients receive fair and impartial participation in the blocks and trade allocations. 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. Due to the size of the blocked trades, MNA is able to obtain a discounted institutional block rate that typically is less than the amount that each client would pay if charged on a per trade basis.

In the event of a partially filled aggregated fixed income order, MNA may allocate securities first to the Core Bond Series and Core Plus Series of its proprietary mutual fund and then randomly assign the order execution among other accounts.

MNA may trade on behalf of proprietary accounts in the same security as other advisory clients either on an aggregated basis when consistent with MNA's block order allocation practices, or after block trading has been completed.

No limitation is generally imposed upon AAC or MNA with respect to the amount of securities that it may purchase or sell for AAC's 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 semi-annual basis, MNA will review such accounts to determine if they should be restricted or not from holding foreign assets based on the market value at that point. For those accounts with a market value of $350,000 or greater MNA will begin to purchase foreign securities at such time.

For equities and most fixed income investments, traders exercise individual discretion in order to get the Advisor's clients the best possible execution on trades, but strict 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 the Manning & Napier Fund, Inc. Tax Exempt Series, High Yield Bond Series and Global Fixed Income Series, the trading function for the Series is separate from the trading function for other accounts. For these Series, the respective Series' Research Team identifies the securities to be purchased and a member of the team executes the trades. The team members do not execute trades in the types of securities held in the Series' portfolios for other accounts managed by MNA. Rather, when similar fixed income securities are to be purchased for such other accounts, traders exercise individual discretion in order to get clients the best possible execution on trades, but strict guidelines as to security, position size, and price are set by the analysts recommending the security.

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.

MNA has several internal controls in place to prevent trade errors from occurring; however, in the course of managing client accounts, MNA or its affiliate may discover that a trade error has occurred. MNA's policy is to seek to identify and correct any trade error(s) as promptly as possible without disadvantaging its client(s). MNA will be responsible for any loss resulting in a trade error they have made that has settled in a client custody account. 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 be allowed to retain the gain. If a trade error is discovered before the associated trade(s) has settled in a client custody account and the error results in a net gain, the Firm may retain the resulting gain.

In the event that a trade error is caused by a third party and impacts a client account(s), the Firm 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 trade error takes place by a third party and the error did not impact a client's account(s), and resulted in a net gain, MNA may retain such gain.

Item 13 - Review of Accounts

As part of the account opening process, accounts are reviewed to assess the general appropriateness of the statement of investment objectives selected by the client. The review is based upon the information provided by the client in the completed account application. The responsibility for preliminary reviews by AAC is assigned among multiple members of the Client Services Department. Should an account not meet the preliminary suitability review, the review will be escalated to senior Client Services staff members who may contact the client and/or their investment professional for additional information.

For IAP accounts, affiliate MNA's Client Analytics Group ("CAG") is also involved in the review of specialty asset class managers. On an annual basis, AAC contacts the client to remind the client of their current objective and to request information about any changes to the client's personal circumstances or financial needs. AAC's Client Service staff members perform these reviewing functions. Clerical aspects of account reviews (i.e., reconciliation, preparation of account performance reviews, etc.) are performed by MNA and include a review of performance in light of the client's objective.

At least quarterly, the Custodian will provide a written report to the client detailing all security transactions and the value of each security as of the ending date for that period. AAC provides the client with annual performance reports and quarterly updates on investment conditions and strategies. AAC will 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.

Item 14 - Client Referrals and Other Compensation

AAC's Sub-Advisor, MNA, may receive research or other brokerage services other than execution, known as soft-dollar benefits, from a broker-dealer or another third party in connection with client securities transactions. For a detailed discussion of soft dollar benefits, please refer to Item 12 (Brokerage Practices) of this ADV Part 2A.

AAC and its affiliates may also from time to time engage unaffiliated persons for the purpose of soliciting prospective clients and obtaining client referrals. Compensation and other arrangements for solicitation services are subject to negotiation between AAC or its affiliates and each solicitor. All such arrangements will be in accordance with applicable regulations under the Investment Advisers Act of 1940 with all appropriate disclosures.

If a client has been referred to AAC by a registered representative, and the client then directs the Firm to effect brokerage transactions through that registered representative and his brokerage firm, AAC 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

AAC 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. AAC urges clients to carefully review such statements and compare such official custodial records to the account statements that AAC may provide to clients. AAC's statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Additionally, as part of our standard procedure, AAC 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 the certain foreign payments to a client in the client's base currency.

Item 16 - Investment Discretion

AAC usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold, or to delegate such authority to an affiliate. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, AAC and its Sub-Advisor, MNA, observe the investment policies, limitations and restrictions of the clients for which they advise. For registered investment companies, AAC and 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.

Investment guidelines and restrictions must be provided to AAC in writing.

From time to time, AAC may receive notices of shareholder class action settlements with companies whose stock or bonds we have purchased for client accounts. AAC'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 AAC by giving written notice or specifying such in their advisory agreement.

If the client has provided such authority to AAC, and the client was an active client at the time of filing, we assume responsibility of filing on the client's behalf. If the client has terminated their relationship with AAC at the time of filing, we will not file on their 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 Global Tactical Allocation Portfolio ("GTAP") do not file class action claims on behalf of the assets they manage for GTAP clients. AAC will continue to file class action claims for the assets that AAC manages. Clients retain the authority to file class actions for those securities that GTAP ETF managers or IAP sub-advisors manage.

Item 17 - Voting Client Securities

All proxy voting decisions have been delegated to a related investment advisor, MNA. 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 regulation governing proxy voting.

There are potential conflicts of interest that may arise in connection with AAC, 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 committee has been created to resolve any apparent or potential conflicts of interest. The Proxy Policy 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.

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

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.

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 AAC's financial condition. AAC 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.

FACTS

WHAT DOES Manning & Napier* DO WITH YOUR PERSONAL INFORMATION?

MANNING & NAPIER

Rev. 03/2013

Why?	Protecting your privacy is important to Manning & Napier*. We consider your account information and data to be private and confidential, and we endeavor to hold ourselves to the highest standards of trust and fiduciary responsibility. This policy covers Personal Information, which means non-public personal information about you and your relationship with Manning & Napier. This policy also applies to our former customers. Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: • Social Security Number • Address • Assets • Income • Occupation • Investment Objectives When you are no longer our customer, we continue to share your information as described in this notice.
How?	All financial companies need to share customer's personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customer's personal information; the reasons Manning & Napier chooses to share; and whether you can limit this sharing. Through the normal course of business and to better service your account, we share transaction and experience information, as well as other general information, such as account balances, monthly statements, payment history and securities positions among Manning & Napier. For example, Personal Information may be disclosed to our affiliates to enable them to process transactions you request. In addition, third-party service providers, who are used in connection with Manning & Napier providing its services, may also receive information. Manning & Napier may share Personal Information among its affiliates to better serve your financial needs. For example, Personal Information may be shared so that we may offer you additional products or services from Manning & Napier.

Reasons we can share your personal information	Does Manning & Napier share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	We do not disclose any Personal Information about our customers or former customers to anyone, including non-affiliated third parties, except as permitted or required by law (including, for instance, tax reporting to the IRS or pursuant to a court order or subpoena) and to third party service providers as discussed above.
For our marketing purposes— to offer our products and services to you	Yes	Additional products and services from affiliates would not be offered independently by any such affiliate.
For joint marketing with other financial companies	Yes	We may disclose Personal Information such as account balances, monthly statements, payment history and securities positions to non-affiliated third parties with which we have joint marketing arrangements (for instance, a personal financial advisor with whom we work in connection with active client accounts) and only with your consent. All of these non-affiliated third parties are contractually obligated to keep the information that we provide to them confidential and to use the information only to provide the services we've asked them to perform for you and us.
For our affiliates' everyday business purposes— information about your transactions and experiences	Yes	
For our affiliates' everyday business purposes— information about your creditworthiness	No	N/A
For non-affiliates to market to you	No	N/A

Questions?	Call (585) 325 - 6880 or go to www.manning-napier.com

Who we are

Who is providing this	Manning & Napier*

What we do

How does Manning & Napier protect my personal information?	Keeping financial information secure is one of our most important responsibilities. To protect your Personal Information, we maintain physical, electronic, and procedural safeguards that comply with federal standards. We limit access to Personal Information to our service providers and employees who use that information to provide products and services to you or to maintain or service those products or services. Our employees are bound by a Client Confidentiality policy and are subject to disciplinary action if they fail to follow this policy.
How does Manning & Napier collect my personal information?	Personal Information we collect comes from the following sources: 1. Information we receive from you on applications and through other means, such as your name, address, occupation, assets, income, and investment objectives; 2. Information about your transactions with us, our affiliates, or others, such as securities purchases and sales, withdrawals, and account transfers. We do not collect consumer report information.
Why can't I limit all sharing?	Federal law gives you the right to limit only • Sharing for affiliates' everyday business purposes—information about your creditworthiness • Affiliates from using your information to market to you • Sharing for non-affiliates to market to you State laws and individual companies may give you additional rights to limit sharing.

Definitions

Affiliates	Affiliates covered and related by common ownership or control. They can be financial and non-financial companies. • Affiliates of Manning & Napier include: Manning & Napier Advisors, LLC, Manning & Napier Advisory Advantage Company, LLC, Exeter Advisors, LLC, Manning & Napier Alternative Opportunities, LLC, Manning & Napier Investor Services, Inc., Manning & Napier Fund, Inc., Exeter Trust Company
Non-affiliates	Companies not related by common ownership or control. They can be financial and non-financial companies.
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

Other important information

We strive to maintain accurate information about you and your accounts. If you believe that our records contain inaccurate information about you, please call or write to us immediately. We will promptly update or correct any erroneous information under our control.

Manning & Napier will provide you notice of our privacy policy annually, as long as you maintain an ongoing relationship with us.

*Manning & Napier Advisors, LLC, Manning & Napier Advisory Advantage Company, LLC, Exeter Advisors, LLC, Manning & Napier Alternative Opportunities, LLC, Manning & Napier Investor Services, Inc., Manning & Napier Fund, Inc., Exeter Trust Company