

# Exeter Advisors, LLC

## Form ADV Part 2A

October 3, 2011

### Item 1 – Cover Page

This Brochure provides information about the qualifications and business practices of Exeter Advisors, LLC. If you have any questions about the contents of this Brochure, please contact the Client Services Department at 585-325-6880, 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.

Exeter 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 Exeter Advisors, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

There have been no material changes to this Brochure since our last annual amendment on March 31, 2011.

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## Item 4 - Advisory Business

Exeter Advisors I, LLC ("EXA" or the "Firm") is an SEC-registered investment advisor doing business as Exeter Advisors, LLC. EXA is the successor to Exeter Advisors, Inc., which was incorporated in New York on January 25, 2000. Pursuant to a corporate restructuring, Exeter Advisors, Inc. transferred all of its assets and liabilities to EXA effective as of October 1, 2011.

Manning & Napier Group, LLC directly owns 100% of the outstanding interests of the Firm. Manning & Napier, Inc. is the managing member of Manning & Napier Group, LLC and William Manning owns 100% of the outstanding common stock of Manning & Napier, Inc.

Clients of EXA are provided with the full range of investment supervisory services, which includes, but is not limited to: (i) working with the client to establish 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.

The Workplace Personal Advisor ("WPFA") Program of EXA 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 Manning & Napier Advisors, LLC ("Manning & Napier") or its affiliates; and (ii) Client-specific investment education, client-specific retirement funding advice, and other client-specific investment related education such as life event planning. The WPFA may conduct group education or individual employee level meetings with employees of companies who have implemented the use of Manning & Napier Information Services, LLC's e-Gateway technology, who opt in through e-Gateway. During such meetings, the WPFA may provide the following services: general group retirement education, employee-specific investment education, employee-specific retirement funding education, and other employee-specific investment related education such as life event planning.

Clients of EXA 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.

EXA does not currently participate in any wrap fee programs.

As of 12/31/2010, EXA manages \$ 23,730,770 on a discretionary basis.

## Item 5 – Fees and Compensation

EXA retains the right to negotiate the fee schedule. EXA 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 EXA 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 EXA's fee.

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

Item 12 (Brokerage Practices) of this ADV Part 2A further describes the factors that EXA considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

### **Fee Schedule:**

*For Discretionary Accounts:*

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

The Manning & Napier 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 the Firm's affiliate Manning & Napier) and an array of selected mutual funds in clearly defined roles, and includes comprehensive monitoring services. Custodial services are provided by Exeter Trust Company (an affiliate New Hampshire chartered Trust Company).

Fees due EXA for performing such services shall be paid every six (6) months at the annual rates indicated below based upon the total asset value of the portfolio:

|                           |                           |        |
|---------------------------|---------------------------|--------|
| Tier I: Accounts below    | \$2,000,000*              | 1.00%* |
| Tier II: Accounts between | \$2,000,000 - \$5,000,000 | 0.90%  |
| Tier III: Accounts over   | \$5,000,000               | 0.75%  |

\* Minimum account size = \$300,000

For certain IAP accounts that fall below the account minimum, Manning & Napier 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.

**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 EXA 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:

|                            |                              |       |
|----------------------------|------------------------------|-------|
| Tier I: Accounts up to     | \$3,000,000*                 | 1.15% |
| Tier II: Accounts between  | \$3,000,001 - \$5,000,000    | 1.05% |
| Tier III: Accounts between | \$5,000,001 and \$10,000,000 | 0.95% |
| Tier IV: Accounts over     | \$10,000,000                 | 0.85% |

\*Minimum Account Size = \$1,000,000

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

In addition to the above stated fees, the client may incur other costs (to be paid from the account) for custodial fees, brokerage commissions, and other client costs.

**For Workplace Personal Financial Advisor (WPFA) Program Services:**

WPFA services are provided on a complimentary basis to 401(k) clients of Manning & Napier. 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.

| Number of Employees | Price Per Employee | Minimum | Maximum |
|---------------------|--------------------|---------|---------|
| 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     |

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

Fees pro-rated for the period from the date that management of the account commences, (the "Commencement Date") through the first six-month billing date (05/31 or 11/30, whichever comes first) and shall be billed within sixty (60) days after the Commencement Date. Thereafter fees shall be billed on a semi-annual basis within sixty (60) days after reaching each six month billing date (May 31st and November 30th of each year). Fees shall be calculated upon the value of the account on May 31st and November 30th of each year, except for the first billing, in which case the fees will be calculated pro-rata based upon the value of the account on the Commencement Date. Prepayment of fees is for less than six (6) months. Clients will be billed at the Tier I, Tier II, or Tier III fee schedule based upon the market value of the account on the billing date. Additional fees may be charged based upon any optional services provided. Payment of such fees may be made directly to EXA out of the account assets by the Custodian. 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):**

EXA fees pro-rate for the period from the Commencement Date through the first three-month billing date (03/31, 06/30, 09/30, or 12/31, whichever comes first) and shall be billed within sixty (60) days after the Commencement Date. Thereafter fees shall be billed on a quarterly basis within thirty (30) days after reaching each three month billing date (March 31st, June 30th, September 30th, and December 31st of each year). EXA fees (excluding sub-adviser fees) shall be calculated upon the value of the account on March 31st, June 30th, September 30th, and December 31st of each year, except for the first billing, in which case the fees will be calculated prorata based upon the value of the account as of the last business day of the inception month. Clients will be billed at the Tier I, Tier II, Tier III, or Tier IV fee schedule based upon the market value of the account on the billing date. Additional fees may be charged based upon any optional services provided. Payment of such fees may be made directly to EXA out of the account assets by the Custodian.

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 commencement date through the last business day of the inception month. Subsequent fees will be based upon the average daily balance for the individual sub-advisor's portfolio over the three (3) months immediately preceding each three-month billing

period. Prepayment of fees is for less than six (6) months. Payment of such fees may be made directly to the sub-advisers out of the account assets by the Custodian.

EXA 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 EXA with written notice, and any unearned fees will be refunded on a pro-rata basis. EXA 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.

**For Workplace Personal Financial Advisor (WPFA) Program Services:**

Invoices are sent directly to the client for payment of WPFA services. Fees due to EXA 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 EXA, in writing, any changes to number of employees that would represent a pricing tier change based upon the pricing noted above. Invoicing will occur in 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**

EXA does not currently have any accounts that are charged performance-based fees; however, EXA 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. EXA 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, EXA shall include realized and unrealized capital gains and losses. Performance based fee arrangements may create an incentive for EXA 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. EXA 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

EXA 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, trusts, estates, charitable organizations, corporations or other businesses not already listed, and state or municipal government entities.

For the Integrated Advisors Portfolio with external mutual funds, the minimum account size is \$300,000. For Integrated Advisors Portfolio with external sub-advisers, the minimum account size is \$1,000,000.

The WPFA Program provides investment education, retirement funding advice and other investment related education such as retirement plan education to individuals, including high net worth individuals. The WPFA may conduct group education or individual employee level meetings with employees of companies who have implemented use of Manning & Napier Information Services, LLC's e-Gateway technology who opt in through e-Gateway.

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

EXA has delegated all security selection and asset allocation functions to Manning & Napier. The following information relates to Manning & Napier's methods of analysis and investment strategies.

Within an Integrated Advisors Portfolio, Manning & Napier'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 process, and value-added returns over full market cycles. The management of the Portfolio utilizes the investment strategies of Manning & Napier described above combined with the manager selection and monitoring process of Manning & Napier's Client Analytics Group for evaluating third party managers.

The foundation of Manning & Napier's investment approach is bottom-up security selection combined with top-down asset allocation, each dependent on client objectives. Specific investments are chosen based upon price/value relationships, reflecting client objectives. 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 time horizons, 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, which is primarily responsible for identifying and anticipating broad, macroeconomic and interest rate trends, setting asset allocation policy and reviewing equity selections; (ii) Top Down Groups, which are primarily responsible for macro research including both domestic and foreign markets; and, (iii) Bottom Up Groups which are divided

into broad sector groups and primarily responsible for industry/company analysis and equity selection.

Manning & Napier primarily employs a fundamental approach to equity valuations with the primary focus centering on three distinct market segments: (i) well-positioned companies in industries characterized by shifts in prevailing supply/demand relationships; (ii) those 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. Manning & Napier employs these strategies with respect to both individual equity selections made directly in its clients' advisory accounts and equity sector investments made through commingled funds advised by Manning & Napier.

Manning & Napier 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.

Manning & Napier's fixed income decisions are primarily based on fundamental analysis of macroeconomics and interest rate trends. Manning & Napier's fixed income strategy relies on various indicators developed at Manning & Napier 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.

The equity sector investments for the Manning & Napier Fund, Inc. utilize the investment strategies described above, but with additional involvement of a team of investment analysts from one or more sector groups within the Bottom Up Groups providing additional oversight and review.

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

Manning & Napier'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 Manning & Napier's significant 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 Manning & Napier'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, Manning & Napier 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 Manning & Napier 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 are 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 EXA or the integrity of EXA's management. EXA has no information applicable to this Item.

## Item 10 – Other Financial Industry Activities and Affiliations

Certain of EXA'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.

Manning & Napier 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 Manning & Napier, Manning & Napier Advisory Advantage Company, LLC ("AAC"), and EXA. The officers of the Manning & Napier Fund, Inc. are associated persons of Manning & Napier.

EXA offers discretionary portfolio advisory services to its clients for which EXA exercises discretion over the client's portfolio. Certain security selection, asset allocation and trading decisions regarding the management of clients' accounts may be delegated to Manning & Napier, as sub-advisor.

EXA offers non-discretionary portfolio advisory services to its clients in conjunction with the Manning & Napier Group of Companies ("MNGC") or an independent, unaffiliated investment advisor, which exercises discretion over the client's portfolio. All security selection, asset allocation and trading decisions regarding the management of client accounts have been delegated to Manning & Napier, as sub-advisor, or an independent, unaffiliated investment advisor.

AAC is a registered investment advisory firm with the SEC, designed primarily to work in conjunction with unaffiliated third-party advisors to provide an advisory service to meet the needs of its clients.

The WPFA Program of EXA 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 Manning & Napier or its affiliates; and (ii) Client-specific investment education, client-specific retirement funding advice, and other client-specific investment related education such as life event planning.

The WPFA may conduct group education or individual employee level meetings with employees of companies who have implemented the use of Manning & Napier Information Services, LLC's e-Gateway technology, who opt in through e-Gateway. During such meetings, the WPFA may provide the following services: general group retirement education, employee-specific investment education, employee-specific retirement funding education, and other employee-specific investment related education such as life event planning.

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 EXA's clients under separate agreement. EXA's affiliate, Manning & Napier, 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 an affiliated advisor, 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.

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

## Item 11 – Code of Ethics

EXA maintains a Code of Ethics (the "Code") that provides guidance to its employees for carrying out their responsibilities on behalf of EXA 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 EXA 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 Manning & Napier'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.



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

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

EXA anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which EXA has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which EXA, its affiliates and/or clients, directly or indirectly, have a position of interest. EXA's employees and persons associated with EXA are required to follow Manning & Napier's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Manning & Napier and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for EXA's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of EXA 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 EXA and its clients.

EXA may trade on behalf of proprietary accounts in the same security of other advisory clients either on an aggregated basis when consistent with EXA's block order randomization practices, or after block trading has been completed. Please see Item 12, Brokerage Practices, for a discussion of trading in client accounts.

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 are based on the returns of the particular security recommended, rather than on the performance of any individual account.

Manning & Napier 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.

EXA delegates the selection of which brokers to use to its affiliate, Manning & Napier. When Manning & Napier uses client brokerage commissions (or markups or markdowns) to obtain research or other products or services, EXA and Manning & Napier 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, EXA and Manning & Napier may have an incentive to select a broker-dealer which furnishes research or brokerage services.

However, Manning & Napier 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 EXA and Manning & Napier 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 EXA's or Manning & Napier'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 EXA, Manning & Napier 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. EXA and Manning & Napier 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 and 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 Manning & Napier 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 Manning & Napier will be informed as to which broker-dealers have provided research assistance or brokerage services.

It is Manning & Napier's practice to make broker-dealer selection decisions independently and without regard for client referrals. In selecting a broker-dealer, Manning & Napier 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 Manning & Napier's obligation to pursue best execution.

EXA and Manning & Napier 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.



By block trading, Manning & Napier may combine orders for security transactions for several clients and submit the blocked order as one large transaction directly to a brokerage firm. Manning & Napier utilizes multiple blocks, the prioritization of which is randomized each trading day.

Related accounts are treated as one client by the computerized random generator. In addition, the block orders may include commingled investment funds including pooled funds for Canadian investors and Collective Investment Trust Funds, for which Manning & Napier provides investment advisory services, and Series of the Manning & Napier Fund, Inc. managed by Manning & Napier, containing the Firm and participating affiliates' employees' 401(k) and Profit Sharing Plans.

With this type of trade, 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 and the fact that the institutional rate schedule decreases as the order size increases, Manning & Napier is able to apply the discount to the block institutional rate. This rate is less than what a client would pay if charged on a per trade basis with an institutional discount.

Manning & Napier will also typically follow such trading procedures during the inception and/or termination of a client account or for trades generated from a change in investment objective.

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

No limitation is generally imposed upon EXA or Manning & Napier with respect to the amount of securities that it may purchase or sell for EXA'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, Manning & Napier will not purchase securities listed on foreign exchanges. On a semi annual basis, Manning & Napier 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 Manning & Napier will begin to purchase foreign securities at such time.

For the Integrated Advisors Portfolio (with External Sub-Advisers), where trading decisions have been delegated to Manning & Napier, 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.

For all the Manning & Napier Fund, Inc. Series with the exception of the Tax Exempt Series, High Yield Bond Series, and Global Fixed Income Series, traders exercise individual discretion in order to get Manning & Napier'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 certain fixed income securities purchases, such as new bond issues purchased in the Manning & Napier Fund, Inc. Core Bond, Core Plus Bond Series, and High Yield Series, the Series will generally get priority in receiving an allocation of such bonds over separately managed advisory accounts and other series of the Fund. With respect to those accounts that did not receive a full allocation, Manning & Napier may purchase more bonds on behalf of such account in the secondary market. In such cases, the purchase price of such bonds will likely be different than that of the initial issue or municipal bond.

For the Tax Exempt 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 Manning & Napier. Rather, when similar fixed income securities are to be purchased for such other accounts, traders exercise individual discretion in order to get Manning & Napier'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.

Manning & Napier has several internal controls in place to prevent trade errors from occurring; however, in the course of managing client accounts, Manning & Napier or its affiliate may discover that a trade error has occurred. Manning & Napier's policy is to seek to identify and correct any trade error(s) as promptly as possible without disadvantaging its client(s). Manning & Napier 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 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 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 gain, Manning & Napier may retain such gain.

### Item 13 – Review of Accounts

As part of the account opening process for discretionary accounts, 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. Account reviews are performed quarterly. Reviewers are instructed to review performance in light of the client's objectives. The responsibility for performance reviews are assigned to EXA's affiliate, Manning & Napier. Specifically, this responsibility is assigned to Manning & Napier's Client Services Team and Manning & Napier's Client Analytics Group ("CAG"). The number of accounts per reviewer varies based on the number of reviews due for each review period. Discretionary investment decisions are not made by these employees.

Account statements itemizing all securities transactions and the balance in the account will be provided by the Custodian to the discretionary investment advisory client on a monthly basis. In addition EXA's affiliate will provide the discretionary investment advisory client with a quarterly performance report and economic and investment updates.

## Item 14 – Client Referrals and Other Compensation

EXA's affiliate, Manning & Napier, may receive research or other products or 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.

EXA 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 EXA 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.

## Item 15 – Custody

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

## Item 16 – Investment Discretion

EXA 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, EXA and its Sub-Advisor, Manning & Napier, observe the investment policies, limitations and restrictions of the clients for which they advise. For registered investment companies, EXA and Manning & Napier'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 EXA in writing.

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

If the client has provided such authority to EXA, 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 EXA at the time of filing, we will not file on their behalf.

For assets under the management of a third-party sub-adviser of Integrated Advisors Portfolio (IAP) clients, underlying IAP sub-advisers do not file class action claims on behalf of IAP clients. However, EXA will continue to file class action settlements for the assets being managed by EXA as discussed above.

## Item 17 – Voting Client Securities

All proxy voting decisions have been delegated to a related investment advisor, Manning & Napier. It is Manning & Napier'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 EXA, Manning & Napier 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 provided in the proxy folder 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 or 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 the Integrated Advisors Portfolio (With External Sub-Advisers), each external sub-adviser is responsible for voting proxies on behalf of EXA 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 solicitation.

Clients may obtain a copy of Manning & Napier'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 EXA's financial condition. EXA 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.