Manning & Napier, Inc.
Form DEF 14A
April 23, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

SCHEDULE 14A

Amendment No. 1

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant þ Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

þ Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Under Rule 14a-12

MANNING & NAPIER, INC.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

þ No fee required.

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a. Title of each class of securities to which transaction applies:

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a. Amount previously paid:

b. Form, Schedule or Registration Statement No.:

c. Filing Party:

d. Date Filed:

290 Woodcliff Drive

Fairport, New York 14450

You are cordially invited to attend the 2013 annual meeting of stockholders (the Annual Meeting) of Manning & Napier, Inc. The Annual Meeting will be held at 9:00 a.m., local time on Wednesday, June 19, 2013, at the Company s headquarters, 290 Woodcliff Drive, Fairport, New York 14450.

The attached Notice of Annual Meeting of Stockholders and Proxy Statement describes the formal business to be transacted at the Annual Meeting. Our directors and executive officers will be present at the Annual Meeting to respond to questions from our stockholders.

All holders of record of the Company s shares of common stock outstanding at the close of business on April 26, 2013 will be entitled to vote at the Annual Meeting.

Your vote is important to us and our business and we strongly encourage you to cast your vote.

Sincerely,

Patrick Cunningham

Chief Executive Officer

Fairport, New York

April 23, 2013

290 Woodcliff Drive

Fairport, New York 14450

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To be held on June 19, 2013

Notice is hereby given that the Annual Meeting of Stockholders (the Annual Meeting) of Manning & Napier, Inc. will be held at 9:00 a.m., local time on Wednesday, June 19, 2013, at the Company s headquarters, 290 Woodcliff Drive, Fairport, New York 14450, for the following purposes:

I. Election of seven directors to our Board of Directors;

II. Ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accountants for our fiscal year ending December 31, 2013;

III. An advisory (non-binding) vote approving the compensation of our named executive officers; and

IV. Such other business as may properly come before the Annual Meeting and any adjournment or postponement thereof.

Stockholders of record at the close on business on April 26, 2013 are entitled to notice of, and to vote at, the Annual Meeting. Each holder of our Class A common stock is entitled to one vote for each share of Class A common stock held at that time. The holder of our Class B common stock is entitled to a number of votes equal to the quotient derived by dividing 1,000 into a number equal to 101% of the aggregate number of votes entitled to be cast by the holders of shares of our Class A common stock and any other class of equity securities entitled to vote other than the Class B common stock, as calculated on the record date for the Annual Meeting. A list of these stockholders will be open for examination by any stockholder for any purpose germane to the Annual Meeting, during ordinary business hours, for a period of 10 days prior to the Annual Meeting through the Corporate Secretary at our principal executive offices at 290 Woodcliff Drive, Fairport, New York 14450.

Even if you plan to attend the Annual Meeting in person, we ask you to please complete, sign and return the enclosed proxy card.

By Order of the Board of Directors,

Richard B. Yates

Chief Legal Officer and Secretary

Fairport, New York

April 23, 2013

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MANNING & NAPIER, INC.

290 Woodcliff Drive

Fairport, New York 14450

PROXY STATEMENT

FOR THE ANNUAL MEETING OF STOCKHOLDERS

to be held at 9:00 a.m. on June 19, 2013

In this Proxy Statement, we , our, and us refers to Manning & Napier, Inc. (also referred to as the Company) and its consolidated subsidiaries.

This Proxy Statement is furnished to the stockholders of the Company in connection with the solicitation of proxies by the Board of Directors of the Company for use at the annual meeting of stockholders of the Company to be held on Wednesday, June 19, 2013 at 9:00 a.m., local time (the Annual Meeting), at the Company s headquarters, 290 Woodcliff Drive, Fairport, New York 14450, for the purposes set forth in the accompanying Notice of Annual Meeting of Stockholders.

The Chief Executive Officer s letter, the Notice of Annual Meeting of Stockholders, this Proxy Statement, the accompanying proxy card for holders of our Class A common stock and Class B common stock and the accompanying Annual Report on Form 10-K for our fiscal year ended December 31, 2012 (the Annual Report) will first be mailed to stockholders on or about May 10, 2013.

This Proxy Statement and our Annual Report are available at *www.manning-napier.com*.

QUESTIONS AND ANSWERS ABOUT THE PROXY MATERIALS AND THE ANNUAL MEETING

When and where is the Annual Meeting?

The Annual Meeting will be held at the Company s headquarters, 290 Woodcliff Drive, Fairport, New York 14450 at 9:00 a.m., local time, on Wednesday, June 19, 2013.

Who is soliciting my proxy?

The solicitation of proxies is made by and on behalf of the Company s Board of Directors.

What matters will be voted upon at the Annual Meeting?

At the Annual Meeting you will be asked to consider and vote upon the following matters:

- Election of seven directors to our Board of Directors;
- Ratification of the appointment of PricewaterhouseCoopers LLP (PwC) as our independent registered public accountants for our fiscal year ending December 31, 2013;
- An advisory (non-binding) vote approving the compensation of our named executive officers; and
- Transaction of such other business as may properly come before the Annual Meeting and any adjournments or postponements thereof.

What constitutes a quorum?

The presence, either in person or by proxy, of the holders of at least a majority of the total voting power of our issued and outstanding shares of Class A common stock and Class B common stock is required to constitute a quorum for the transaction of business at the Annual Meeting. Abstentions and broker non-votes, which are described in more detail below, are counted as shares present at the Annual Meeting for purposes of determining whether a quorum exists.

Who is entitled to vote?

Only stockholders of record of our Class A common stock and Class B common stock at the close of business on Friday, April 26, 2013, which is the record date, are entitled to notice of, and to vote at, the Annual Meeting. Shares that may be voted include shares that are held (1) directly by the stockholder of record, and (2) beneficially through a broker, bank or other nominee. Each holder of our Class A common stock is entitled to one vote for each share of Class A common stock held at that time. The holder of our Class B common stock is entitled to a number of votes equal to the quotient derived by dividing 1,000 into a number equal to 101% of the aggregate number of votes entitled to be cast by the holders of shares of our Class A common stock and any other class of equity securities entitled to vote other than the Class B common stock, as calculated on the record date for the Annual Meeting.

As of the record date, there were approximately 13,583,873 shares of our Class A common stock and 1,000 shares of our Class B common stock issued and outstanding and entitled to be voted at the Annual Meeting. Also as of the record date, William Manning, our Chairman, beneficially owned 100% of our Class B common stock and approximately 50.2% of the voting power of our Class A common stock and Class B common stock, voting together as a single class. See Principal Stockholders. Accordingly, the affirmative vote of Mr. Manning alone is sufficient to adopt each of the proposals to be submitted to the stockholders at the Annual Meeting. We have been informed by Mr. Manning that he intends to vote FOR all of the proposals set forth in the notice attached to this Proxy Statement.

What is the difference between holding shares as a registered owner and as a beneficial owner ?

Most of our stockholders hold their shares through a broker, bank or other nominee rather than directly in their own name. As summarized below, there are some distinctions between registered shares and those owned beneficially:

Registered Owners If your shares are registered directly in your name with our transfer agent, American Stock Transfer & Trust Company, LLC, you are the stockholder of record. As the stockholder of record, you have the right to grant your proxy vote directly to the Company or to vote in person at the Annual Meeting.

Beneficial Owners If your shares are held in a brokerage account, bank or by another nominee, you are the beneficial owner of shares held in street name. As the beneficial owner, you have the right to direct your broker, bank or other nominee on how to vote or to vote in person at the Annual Meeting. However, since you are not a stockholder of record, you may not vote these shares in person at the Annual Meeting unless you obtain a legal proxy from your broker, bank or other nominee (who is the stockholder of record), giving you the right to vote the shares.

What stockholder approval is necessary for approval of the proposals?

The election of directors requires the affirmative vote of a plurality of the total shares of our Class A common stock and Class B common stock cast at the Annual Meeting. With respect to the election of directors, votes may be cast FOR a director nominee or WITHHELD from a director nominee. A stockholder may also abstain from voting on the proposal. A withhold vote and a broker non-vote will not count as a vote for or against any of the nominees.

Although the Company s independent accountants may be selected by the Audit Committee of the Board of Directors without stockholder approval, the Audit Committee will consider the affirmative vote of a majority of the total shares of our Class A common stock and Class B common stock voting on the proposal to be a ratification by the stockholders of the selection of PwC as the Company s independent registered public accountants for the fiscal year ending December 31, 2013. With respect to the ratification of the appointment of PwC, votes may be cast FOR the proposal or AGAINST the proposal. A stockholder may also abstain from voting on the proposal. A broker non-vote will not count as a vote for or against this proposal. Abstentions will have the same effect as a vote against the proposal.

The advisory vote on executive compensation requires the affirmative vote of a majority of the total shares of our Class A common stock and Class B common stock cast at the Annual Meeting. With respect to the vote on executive compensation, votes may be cast FOR the proposal or AGAINST the proposal. A stockholder may also abstain from voting on the proposal. A broker non-vote will not count as a vote for or against this proposal. Abstentions will have the same effect as a vote against the proposal. While our Board of Directors intends to consider carefully the stockholder vote resulting from the proposal, the final vote will not be binding and is advisory in nature.

May I vote my shares in person at the Annual Meeting?

If you are the registered owner of shares, you have the right to vote these shares in person at the Annual Meeting.

If you are the beneficial owner of shares, you may vote these shares in person at the Annual Meeting if you have requested and received a legal proxy from your broker, bank or other nominee (the stockholder of record) giving you the right to vote the shares at the Annual Meeting, completed such legal proxy and presented it to the Company at the Annual Meeting.

Even if you plan to attend the Annual Meeting, we recommend that you submit your proxy card or voting instructions so that your vote will be counted if you later decide not to attend the Annual Meeting.

How can I vote my shares without attending the Annual Meeting?

If you are the registered owner of shares, you may instruct the named proxy holders on how to vote your shares by completing, signing, dating and returning the enclosed proxy card in the postage pre-paid envelope provided with this Proxy Statement, or by using the Internet voting site or the toll-free telephone number listed on the proxy card. Specific instructions for using the Internet and telephone voting systems are on the proxy card. The Internet and telephone voting systems will be available until 11:59 p.m. Eastern Standard Time, on Tuesday, June 18, 2013 (the day before the Annual Meeting).

If you are the beneficial owner of shares held in street name, you may instruct your broker, bank or other nominee on how to vote your shares. Your nominee has enclosed with this Proxy Statement a voting instruction card for you to use in directing your nominee on how to vote your shares. The instructions from your nominee will indicate if Internet or telephone voting is available and, if so, will provide details regarding how to use those systems.

What is a broker non-vote?

Generally, a broker non-vote occurs when a broker, bank or other nominee that holds shares in street name for customers is precluded from exercising voting discretion on a particular proposal because (1) the beneficial owner has not instructed the nominee how to vote, and (2) the nominee lacks discretionary voting power to vote such shares. Under New York Stock Exchange (NYSE) rules, a nominee does not have discretionary voting power with respect to the approval of non-routine matters absent specific voting instructions from the beneficial owners of such shares.

All proposals other than the ratification of PwC as the Company s independent registered public accountants for fiscal year 2013 are non-routine matters and, therefore, shares of our Class A common stock held in street name will not be voted with respect to these proposals without voting instructions from the beneficial owners. You should follow the instructions provided by your nominee in directing your nominee on how to vote your shares.

How will my proxy be voted?

Shares represented by a properly executed proxy (in paper form, by Internet or by telephone) that is timely received, and not subsequently revoked, will be voted at the Annual Meeting or any adjournments or postponements thereof in the manner directed on the proxy form by the proxy (one of the individuals named in the proxy form). If you sign the proxy form but do not make specific choices, your proxy will vote your shares (1) **FOR** the election of the nominees listed in this Proxy Statement as directors of the Company, (2) **FOR** the ratification of PwC as the Company s independent registered public accounting firm for the 2013 fiscal year, and (3) **FOR** the approval, on an advisory (non-binding) basis, of the compensation paid to our named executive officers, as disclosed in this Proxy Statement pursuant to Item 402 of Regulation S-K.

If any other matter is presented at the Annual Meeting, your proxy will vote in accordance with his or her best judgment. As of the date of this Proxy Statement, the Company is not aware of other matters to be acted on at the Annual Meeting other than those matters described in this Proxy Statement. If, for any unforeseen reason, any of the director nominees are not available to serve as a director, the named proxy holders will vote your proxy for such other director candidate or candidates as may be nominated by the Board of Directors.

May I revoke my proxy and change my vote?

Yes. You may revoke your proxy and change your vote at any time prior to the vote at the Annual Meeting.

If you are the registered owner of shares, you may revoke your proxy and change your vote with respect to those shares by (1) submitting a later-dated proxy, a later-dated vote by telephone or later-dated vote via the Internet (which automatically revokes the earlier proxy), (2) giving notice of your changed vote to us in writing mailed to the attention of Sarah C. Anderson, at our executive offices, or (3) attending the Annual Meeting and giving oral notice of your intention to vote in person.

If you are the beneficial owner of shares held in street name, you may revoke your proxy and change your vote with respect to those shares (1) by submitting new voting instructions to your broker, bank or other nominee in accordance with their voting instructions or (2) if you have obtained a legal proxy from your nominee giving you the right to vote your shares, by attending the Annual Meeting, presenting the completed legal proxy to the Company and voting in person.

You should be aware that your presence at the Annual Meeting, without any further action on your part, will not revoke your previously granted proxy.

Who will count the votes?

Our proxy agent, Broadridge Investor Communication Solutions, Inc. (Broadridge), will tabulate and certify the votes. A representative of the proxy agent will serve as the inspector of election.

Who will pay the costs of soliciting proxies?

The costs of soliciting proxies pursuant to this Proxy Statement will be borne by the Company. Proxies will be solicited initially by mail. Further solicitation may be made in person or by telephone, electronic mail or facsimile. The Company will bear the expense of preparing, printing and mailing this Proxy Statement and accompanying materials to our stockholders. The Company may also reimburse brokers, banks or other nominees for reasonable expenses incurred in forwarding copies of the proxy materials relating to the Annual Meeting to the beneficial owners of our Class A common stock.

The Company has retained Broadridge, an independent proxy solicitation firm, to assist in soliciting proxies from stockholders. Broadridge will receive a fee of approximately $15,500 as compensation for its services and will be reimbursed for its out-of-pocket expenses. The Company has agreed to indemnify Broadridge against certain liabilities arising under the federal securities laws.

Where Can I Find The Voting Results Of The Annual Meeting?

The Company will publish final voting results of the Annual Meeting in a Current Report on Form 8-K within four business days after the Annual Meeting.

What Should I Do If I Receive More Than One Set Of Voting Materials?

You may receive more than one set of voting materials, including multiple copies of this Proxy Statement and/or multiple proxy or voting instruction cards. For example, if you hold your shares in more than one brokerage account, you may receive a separate voting instruction card for each brokerage account. If you are a registered owner and your shares are registered in more than one name, you will receive more than one proxy card. Please vote each proxy and voting instruction card that you receive.

Who Can Help Answer My Questions?

If you have any questions concerning a proposal or the Annual Meeting, if you would like additional copies of this Proxy Statement or our Annual Report, or if you need special assistance at the Annual Meeting, please call our Investor Relations office toll free at 1-800-983-3369. In addition, information regarding the Annual Meeting is available via the Internet at our website www.manning-napier.com.

YOU SHOULD CAREFULLY READ THIS PROXY STATEMENT IN ITS ENTIRETY. The summary information provided above in question and answer format is for your convenience only and is merely a brief description of material information contained in this Proxy Statement.

YOUR VOTE IS IMPORTANT. IF YOU ARE A REGISTERED OWNER, YOU MAY VOTE BY TELEPHONE, INTERNET OR BY COMPLETING, SIGNING AND DATING THE ENCLOSED PROXY CARD AND RETURNING IT IN THE ACCOMPANYING ENVELOPE AS PROMTLY AS POSSIBLE. IF YOU ARE A BENEFICIAL OWNER, PLEASE FOLLOW THE VOTING INSTRUCTIONS OF YOUR BROKER, BANK OR OTHER NOMINEE PROVIDED WITH THIS PROXY STATEMENT AS PROMPTLY AS POSSIBLE.

PROPOSALS TO BE VOTED ON AT THE ANNUAL MEETING

PROPOSAL 1 ELECTION OF DIRECTORS

At the Annual Meeting, seven directors are to be elected to serve for a term of one year, until the 2014 Annual Meeting of Stockholders or until their successors are elected and qualified, or their earlier resignation or removal. The seven nominees for director are:

William Manning

B. Reuben Auspitz

Patrick Cunningham

Barbara Goodstein

Richard M. Hurwitz

Edward J. Pettinella

Robert M. Zak

Our Nominating and Corporate Governance Committee recommended Messrs. Manning, Auspitz, Cunningham, Hurwitz, Pettinella, and Zak and Ms. Goodstein each as a nominee for director. All of these nominees are current members of our Board of Directors, and each nominee has agreed to be named in this Proxy Statement and to serve as a director of the Company if elected. Our Board of Directors believes these directors are well qualified and experienced to direct and manage the Company s operations and business affairs and will represent the interests of the stockholders as a whole.

If any director nominee becomes unavailable for election, which is not anticipated, our Board of Directors intends that proxies will be voted for the election of such other person or persons as designated by the Board of Directors as recommended by the Nominating and Corporate Governance Committee, unless the Board of Directors resolves to reduce the number of directors to serve on the Board of Directors and thereby reduce the number of directors to be elected at the Annual Meeting.

There is no cumulative voting for the election of directors.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE FOR EACH OF THE DIRECTOR NOMINEES LISTED HEREIN.

Number of Directors and Term of Directors and Executive Officers

Our Amended and Restated Bylaws provide that the number of directors will not be less than 3 nor more than 15 with the exact number to be fixed by our Board of Directors. Our stockholders elect successors for directors whose terms have expired at our Annual Meeting. The Board of Directors elects members to fill new membership positions and vacancies in unexpired terms on the Board of Directors. Executive officers of the Company are elected by the Board of Directors and hold office until their successors are elected and qualified or until their earlier death, retirement, resignation or removal.

Directors and Executive Officers

The following table sets forth certain information concerning the directors and executive officers of the Company. Ages are given as of the date of this Proxy Statement. All of our executive officers were appointed to their positions in June 2011, with the exception of James Mikolaichik who was appointed in September 2011. Of our current directors, Messrs. Manning, Cunningham and Auspitz were first appointed to their positions effective June 2011. Messrs. Hurwitz and Pettinella were appointed in November 2011, and Mr. Zak and Ms. Goodstein were appointed in November 2012.

Name	**Age**	**Position(s)**
William Manning	76	Chairman
Patrick Cunningham	57	Chief Executive Officer and Director
Jeffrey S. Coons	49	President
James Mikolaichik	41	Chief Financial Officer
Charles H. Stamey	52	Executive Vice President
Richard B. Yates	47	Chief Legal Officer and Secretary
B. Reuben Auspitz	66	Vice-Chairman
Richard M. Hurwitz	49	Director
Edward J. Pettinella	61	Director
Robert M. Zak	55	Director
Barbara Goodstein	52	Director

William Manning is our co-founder and has served as the Chairman of our Board of Directors since our organization in 2011. In addition, since 2003 Mr. Manning has served as Director of Investment Process at Manning & Napier Advisors, LLC, our affiliate, and, prior to that, was also the President of Manning & Napier Advisors, LLC. In addition, Mr. Manning has previously held officer and director positions with Manning & Napier Fund, Inc. (the Fund). Mr. Manning earned a Bachelor s degree from Dartmouth College in 1958.

Mr. Manning s qualifications to serve on our Board of Directors include his operating and leadership experience as an officer and director of Manning & Napier Advisors, LLC since it was founded including in his role as the primary architect of its research and investment process.

Patrick Cunningham has served as our Chief Executive Officer and as a member of our Board of Directors since our organization in 2011. Mr. Cunningham joined Manning & Napier Advisors, LLC in 1992, serves as a member of its board of directors and was appointed as its Chief Executive Officer in June 2010. In addition, Mr. Cunningham has served as a member of its executive management team since 2000, and was its co-chair from 2003 through 2010. Mr. Cunningham earned a Bachelor s degree from Massachusetts Institute of Technology in 1979.

Mr. Cunningham s qualifications to serve on our Board of Directors include his extensive experience in business development in the asset management industry.

Jeffrey S. Coons has served as our President since our organization in 2011. Dr. Coons has served as the President of Manning & Napier Advisors, LLC since June 2010, as the Co-Director of Research since 2002 and as a member of its executive management team since 1999. In addition, Dr. Coons is a member of Manning & Napier Advisors, LLC s Senior Research Group. Dr. Coons earned a Bachelor s degree from the University of Rochester in 1985, at which time he joined Manning & Napier Advisors, LLC, and a Ph.D from Temple University in 1996.

James Mikolaichik has served as our Chief Financial Officer since September 2011. Previously, Mr. Mikolaichik served as Executive Vice President and Head of Strategy of Old Mutual Asset Management from 2008 through 2011 and as its Chief Risk Officer from 2004 through 2008. Mr. Mikolaichik also served, in various capacities, at Deloitte & Touche LLP providing consulting, financial advisory, auditing and accounting services from 1993 through 2004. Mr. Mikolaichik earned a Bachelor s degree from Susquehanna University in 1993 and an M.B.A. from Columbia University in 2001.

Charles H. Stamey has served as our Executive Vice President since our organization in 2011. In addition, Mr. Stamey has served as the Managing Director of Sales and Distribution at Manning & Napier Advisors, LLC since May 2010 and as a member of its executive management team since 2000. Prior to May 2010, Mr. Stamey served as the Managing Director of Client Relations of Manning & Napier Advisors, LLC. Mr. Stamey received his Bachelor s degree from Mount Vernon University in 1981 and an M.B.A. from The Ohio State University in 1985.

Richard B. Yates has served as our Chief Legal Officer and Secretary since our organization in 2011. In addition, Mr. Yates is the Chief Legal Officer of each of Manning & Napier Advisors, LLC and the Fund and has executive officer and director positions at certain other of our affiliates. Mr. Yates earned a Bachelor s degree from the University of Rochester in 1987 and a Juris Doctor from Brooklyn Law School in 1992.

B. Reuben Auspitz has served as the Vice-Chairman of our Board of Directors since our organization in 2011. In addition, Mr. Auspitz has been employed by Manning & Napier Advisors, LLC since 1983 and serves as its Chief Compliance Officer, Executive Vice President and Vice-Chairman. Mr. Auspitz has served on Manning & Napier Advisors, LLC s executive management team since 1993 and was its co-chair from 2003 through 2010. Mr. Auspitz is also the Chairman and President of the Fund and has executive officer and director positions at certain other of our affiliates. Mr. Auspitz earned a Bachelor s degree from Brandeis University in 1969, a Master s degree from Princeton University in 1973 and was a Watson Foundation Fellow.

Mr. Auspitz s qualifications to serve on our Board of Directors include his extensive experience in investment management, research process and product development.

Richard M. Hurwitz joined our Board of Directors in November 2011. Mr. Hurwitz served as the Chief Executive Officer of Pictometry International Corp. from August 2010 through January 2013. Previously, Mr. Hurwitz served as a Managing Partner at Aegis Investment Partners, LLC from 2007 through July 2010, as the Founder and Managing Partner at Village Markets, LLC from 2005 through 2006 and as a Partner at Bancorp Services, LLC from 1996 through 2004. In addition, Mr. Hurwitz served as the Chairman of the Board of Directors of Pictometry International Corp. from 2000 through 2009, and is currently a member of the Board of Directors of Symbility Solutions (TSX.V: SY). Mr. Hurwitz earned a Bachelor s degree from the University of Rochester in 1985.

Mr. Hurwitz s qualifications to serve on our Board of Directors include his extensive experience in business building, general management and capital raising with financial services and technology companies both in the US and abroad.

Edward J. Pettinella joined our Board of Directors in November 2011. Mr. Pettinella has served as President and Chief Executive Officer of Home Properties, Inc. since January 2004. Previously, Mr. Pettinella served as Executive Vice President and Director of Home Properties, Inc. from 2001 through 2004 and as President of Charter One Bank of New York and Vice President of Charter One Financial, Inc. from 1997 through 2001. Mr. Pettinella is currently a member of the Board of Directors of Rochester Business Alliance, National Multi Housing Council and Syracuse University School of Business, a member of the Board of Governors of the National Association of Real Estate Investment Trusts, and a member of the Urban Land Institute. Mr. Pettinella earned a Bachelor s degree from the State University of New York at Geneseo in 1973 and an M.B.A. from Syracuse University in 1976.

Mr. Pettinella s qualifications to serve on our Board of Directors include his extensive, broad-based experience in the banking industry, including a multi-billion dollar financial services company.

Robert M. Zak joined our Board of Directors in November 2012. Mr. Zak has served as the President and Chief Executive Officer of Merchants Insurance Group since 1995. Prior to joining Merchants Insurance Group in 1985, Mr. Zak worked in public accounting. Mr. Zak currently serves as a director, trustee or member of Rand Capital Corporation, 100 Club of Buffalo and Western New York, Inc., Kaleida Health System, and the University at Buffalo School of Management Dean s Advisory Council. Mr. Zak is a certified public accountant and earned a Bachelor s degree and an M.B.A. from the University at Buffalo in 1980.

Mr. Zak s qualifications to serve on our board of directors include his extensive experience in business development in the insurance industry.

Barbara Goodstein joined our Board of Directors in November 2012. Ms. Goodstein has served as the Chief Marketing Officer at Vonage since 2012. Prior to joining Vonage, Ms. Goodstein held senior management positions at AXA Equitable, JP Morgan Chase, and Instinet.com. In addition, Ms. Goodstein served as a member of the Board of Directors of AXA Advisors from 2006 through 2010 and Chase Investor Services Corp. from 2001 through 2005. Ms. Goodstein earned a Bachelor s degree from Brown University in 1981 and an M.B.A. from Columbia University School of Business in 1983.

Ms. Goodstein s qualifications to serve on our board of directors include her extensive marketing experience in the financial services industry.

There are no family relationships among any of the Company s executive officers, directors or nominees for director.

Set forth below is a list of the names, ages and positions of our significant employees all of whom are members of our Senior Research Group.

Name	**Age**	**Position(s)**
Jeffrey Herrmann	49	Co-Head of Global Equities, Co-Director of Research and Executive Management Team Member
Christian A. Andreach	40	Co-Head of Global Equities
Jack W. Bauer	54	Managing Director of Fixed Income
Jeffrey W. Donlon	37	Managing Director
Brian P. Gambill	44	Managing Director
Brian W. Lester	37	Managing Director
Michael J. Magiera	46	Managing Director of the Investment Review Group
Marc D. Tommasi	48	Head of Global Investment Strategy
Virge J. Trotter, III	47	Head of the Services Industry Group and Managing Director
Ebrahim Busheri	47	Managing Director of the Emerging Opportunities Group
Christopher Petrosino	35	Head of the Quantitative Strategies Group

Biographies of Significant Employees

Jeffrey Herrmann has served as the Co-Head of Global Equities of Manning & Napier Advisors since 2010, as its Co-Director of Research and a member of its executive management team since 2002 and as a member of its Senior Research Group since 1989. Mr. Herrmann joined Manning & Napier Advisors in 1986. Mr. Herrmann earned a Bachelor s degree from Clarkson University in 1986 and is a Chartered Financial Analyst.

Christian A. Andreach has served as the Co-Head of Global Equities of Manning & Napier Advisors since 2010 and as a member of its Senior Research Group since 2002. Mr. Andreach joined Manning & Napier Advisors in 1999. Mr. Andreach earned a Bachelor s degree from St. Bonaventure University in 1995 and a Master of Business Administration from the University of Rochester in 1997 and is a Chartered Financial Analyst.

Jack W. Bauer has served as the Managing Director of Fixed Income of Manning & Napier Advisors since 1994 and as a member of its Senior Research Group since 1990. Mr. Bauer joined Manning & Napier Advisors in 1990. Mr. Bauer earned a Bachelor s degree from St. John Fisher College in 1980, a Master s degree from Georgetown University in 1982 and a Master of Business Administration from the University of Rochester in 1987.

Jeffrey W. Donlon has served as a Managing Director and a member of the Senior Research Group of Manning & Napier Advisors since 2004. Mr. Donlon joined Manning & Napier Advisors in 1998. Mr. Donlon earned a Bachelor s degree from Canisius College in 1997 and a Master of Business Administration from Duke University in 2005 and is a Chartered Financial Analyst.

Brian P. Gambill has served as a Managing Director and a member of the Senior Research Group of Manning & Napier Advisors since 2002. Mr. Gambill joined Manning & Napier Advisors in 1997. Mr. Gambill earned a Bachelor s degree from Montana State University in 1991 and is a Chartered Financial Analyst.

Brian W. Lester has served as a Managing Director and a member of the Senior Research Group of Manning & Napier Advisors since 2009. Mr. Lester joined Manning & Napier Advisors in 1998. Mr. Lester earned a Bachelor s degree from Cornell University in 1997 and is a Chartered Financial Analyst.

Michael J. Magiera has served as the Managing Director of the Investment Review Group of Manning & Napier Advisors since 2010 and as a member of its Senior Research Group since 1989. Mr. Magiera joined Manning & Napier Advisors in 1988. Mr. Magiera earned a Bachelor s degree from St. Bonaventure University in 1987 and a Master of Business Administration from the University of Rochester in 1995 and is a Chartered Financial Analyst.

Marc D. Tommasi has served as the Head of Global Investment Strategy of Manning & Napier Advisors since 2010 and as a member of its Senior Research Group since 1989. Mr. Tommasi joined Manning & Napier Advisors in 1986. Mr. Tommasi earned a Bachelor s degree from the University of Rochester in 1986.

Virge J. Trotter, III has served as the Head of the Services Industry Group, a Managing Director and a member of the Senior Research Group of Manning & Napier Advisors since 2009. Mr. Trotter joined Manning & Napier Advisors in 1997. Mr. Trotter earned a Bachelor s degree from Iowa State University in 1988 and a Master of Business Administration from the University of Chicago in 1990 and is a Chartered Financial Analyst.

Ebrahim Busheri is the Managing Director of the Emerging Opportunities Group and a member of the Senior Research Group, having rejoined the Company in 2011. Previously, Mr. Busheri worked as the Director of Investments at W.P. Stewart and as a Consultant for Heritage Capital. From 1988 to 2011, he worked at Manning & Napier Advisors in various roles, including as a Director of Research. Mr. Busheri earned a Bachelor s degree in Accounting & Economics from Muskingum College in 1986 and a Master of Business Administration in Finance from the University of Rochester in 1988 and is a Chartered Financial Analyst.

Christopher Petrosino has served as a Managing Director and member of the Senior Research Group of Manning & Napier Advisors since 2012. Mr. Petrosino joined Manning & Napier Advisors in 2001. He earned a Bachelor s degree from the University of Rochester in 2000 and a Master of Science from Rochester Institute of Technology in 2003. Mr. Petrosino is a Chartered Financial Analyst.

CORPORATE GOVERNANCE

Board Meetings

The directors hold regular meetings, attend special meetings as required and spend such time on the affairs of the Company as their duties require. Pursuant to the Company s Corporate Governance Guidelines, directors are encouraged to attend the Annual Meeting and are expected to attend all Board of Directors meetings and meetings of the committees of the Board of Directors on which they serve. During 2012, the Board of Directors held five meetings. Each director attended at least 75% of the combined total number of meetings of the Board and Board committees of which he or she was a member.

Board Committees

Our Board of Directors has established an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee, each consisting solely of independent directors, and our Board of Directors has adopted charters for its committees that comply with the NYSE and SEC rules relating to corporate governance matters. Copies of these committee charters can be found under the Investor Relations Governance section of the Company s website at *www.manning-napier.com* and are available to any stockholder in writing upon request to the Company.

Audit Committee. Our Audit Committee oversees a broad range of issues surrounding our accounting and financial reporting processes and audits of our financial statements, including the following:

- monitor the integrity of our financial statements, our compliance with legal and regulatory requirements, our independent registered public accounting firm s qualifications and independence, and the performance of our internal audit function and independent registered public accounting firm;

- assume direct responsibility for the appointment, compensation, retention and oversight of the work of any independent registered public accounting firm engaged for the purpose of performing any audit, review or attest services and for dealing directly with any such accounting firm;

- provide a medium for consideration of matters relating to any audit issues; and

- prepare the audit committee report that the rules require be included in our filings with the SEC.

As of the date of this Proxy Statement, Messrs. Hurwitz, Pettinella and Zak and Ms. Goodstein serve on the Audit Committee and Mr. Pettinella serves as its chairman. Our Board of Directors has determined that Messrs. Hurwitz, Pettinella, Zak and Ms. Goodstein are financially literate and independent under the NYSE listing standards and under Rule 10A-3 of the Securities Exchange Act of 1934, as amended (the Exchange Act), and that Mr. Pettinella is an audit committee financial expert within the meaning of the applicable rules of the SEC and the NYSE. The Audit Committee held five meetings in 2012.

Compensation Committee. Our Compensation Committee reviews and recommends policy relating to compensation and benefits of our officers, directors and employees, including reviewing and approving corporate goals and objectives relevant to the compensation of our chief executive officer and other senior officers, evaluating the performance of these persons in light of those goals and objectives and setting compensation of these persons based on such evaluations. The Compensation Committee will review and evaluate, at least annually, the performance of the Compensation Committee and its members, including compliance of the Compensation Committee with its charter. The Compensation Committee held three meetings in 2012.

As of the date of this Proxy Statement, Messrs. Hurwitz, Pettinella, and Zak and Ms. Goodstein serve on the Compensation Committee and Mr. Hurwitz serves as its chairman.

Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee oversees and assists our Board of Directors in identifying, reviewing and recommending nominees for election as

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directors; evaluates our Board of Directors and our management; develops, reviews and recommends corporate governance guidelines and a corporate code of business conduct and ethics; and generally advises our Board of Directors on corporate governance and related matters.

As of the date of this Proxy Statement, Messrs. Hurwitz, Pettinella, and Zak and Ms. Goodstein serve on the Nominating and Corporate Governance Committee and Mr. Hurwitz serves as its chairman. The Nominating and Corporate Governance Committee held two meetings in 2012.

Compensation Committee Interlocks and Insider Participation

None of our executive officers serves as a member of our Compensation Committee, or other committee serving an equivalent function, of any entity that has one or more of its executive officers serving as a member of our Board of Directors or our Compensation Committee.

Director Independence

Our Board of Directors has determined that Messrs. Hurwitz, Pettinella, and Zak and Ms. Goodstein are each considered to be independent directors within the meaning of the NYSE s listing standards and applicable law. The Company does not have separate criteria for determining independence different from the NYSE listing standards.

Our Board of Directors reviews periodically the relationships that each director or nominee has with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company). Those directors or nominees whom the Board of Directors affirmatively determines have no material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company) as specified in the listing standards of the NYSE will be considered independent.

Because William Manning holds a majority of the combined voting power of our capital stock through his ownership of 100% of our outstanding Class B common stock, we are considered a controlled company for the purposes of the NYSE listing requirements. As such, we are permitted to, and may, opt out of the NYSE listing requirements that would otherwise require our Board of Directors to be comprised of a majority of independent directors and require our Compensation Committee and Nominating and Corporate Governance Committee to be comprised entirely of independent directors. However, by electing not to opt out of such requirements, our committees are fully independent and we currently have a majority of independent directors.

Board Leadership Structure and Factors Involved in Selecting Directors

Our Board of Directors and management believe that the choice of whether the Chairman of our Board of Directors should be an executive of the Company, or a non-executive or independent director, depends upon a number of factors, taking into account the candidates for the position and the best interests of the Company and its stockholders. Currently, Mr. Manning is our Chairman. Mr. Manning s operating and leadership experience as an officer and director of Manning & Napier Advisors, LLC since it was founded, including in his role as the primary architect of its research and investment process, make him a compelling choice for Chairman.

When seeking candidates for election and appointment to the Board of Directors, our Nominating and Corporate Governance Committee will consider candidates that possess the integrity, leadership skills and competency required to direct and oversee our management in the best interests of our stockholders, clients, employees, communities we serve and other affected parties, and consider the competency of the Board of Directors as a whole. With respect to the seven director nominees, the Nominating and Corporate Governance Committee focused on the information described in each of the Board of Directors members biographical information set forth above.

Stockholders may submit candidates for nomination to the Board of Directors based on the criteria set forth by the Nominating and Corporate Governance Committee and the Board of Directors in accordance with the procedures set forth in our Amended and Restated Bylaws. The Nominating and Corporate Governance Committee will evaluate candidates recommended by stockholders in the same manner as all other candidates.

To date, no stockholder nominations for director have been made nor have any stockholder recommendations for director been received by the Company.

Board s Role in Risk Management Oversight

The Board of Directors oversees the process of risk management which may, from time to time, be delegated to a committee. Members of management, who bear responsibility for the management and assessment of risk at the Company, regularly communicate with the Board of Directors regarding the Company s risk exposure and its efforts to monitor and mitigate such risks. Even when the oversight of a specific area of risk has been delegated to a committee, the full Board of Directors may maintain oversight over such risks through the receipt of reports from the committee to the full Board of Directors. In addition, if a particular risk is material, or where otherwise appropriate, the full Board of Directors may assume oversight over a particular risk, even if the risk was initially overseen by a committee. Our Board of Directors believes that its leadership structure described above facilitates its oversight of risk management because it allows the Board of Directors, working through its committees, to appropriately participate in the oversight of management s actions.

The Company s Audit Committee maintains initial oversight of risks related to the integrity of the Company s financial statements, internal controls over financial reporting and disclosure controls and procedures (including the performance of the Company s internal audit function) and the performance of the Company s independent auditor.

The Company s Compensation Committee maintains initial oversight of risks related to the Company s compensation practices, including practices related to equity programs, other executive or company-wide incentive programs and hiring and retention. The Compensation Committee also reviews the Company s compensation programs periodically for consistency and overall alignment with corporate goals and strategies.

Communications with the Board of Directors

Stockholders and all other interested parties may communicate with the Board of Directors, committees of the Board of Directors, and the independent or non-management directors, each as a group, and individual directors by submitting their communications in writing to the attention of the Company s Secretary. All communications must identify the recipient(s) and , author, state whether the author is a stockholder of the Company, and may be forwarded to the following address:

Manning & Napier, Inc.

290 Woodcliff Drive

Fairport, New York 14450

Attn: Secretary

The directors of the Company, including the non-management directors, have directed the Secretary not to forward to the intended recipient any communications that are reasonably determined in good faith by the Secretary to relate to improper or irrelevant topics or are substantially incomplete.

Corporate Governance Guidelines

We believe that good corporate governance helps to ensure that the Company is managed for the long-term benefit of our stockholders, and we continually review and consider our corporate governance policies and practices, the SEC s corporate governance rules and regulations, and the corporate governance listing standards of the NYSE, the stock exchange on which our Class A common stock is traded.

Our Board of Directors has adopted Corporate Governance Guidelines, which guide the Board of Directors in the performance of its responsibilities to serve the best interests of the Company and its stockholders, a copy of which is posted on the Company s website, *www.manning-napier.com*, under Investor Relations Governance and is available to any stockholder in writing upon request to the Company.

Code of Business Conduct and Ethics

Our Board of Directors has adopted a Code of Business Conduct and Ethics that applies to all of the Company s directors, officers and employees. The purpose and role of this code is to focus our directors, officers and employees on areas of ethical risk, provide guidance to help them recognize and deal with ethical issues, provide mechanisms to report unethical or unlawful conduct, and help enhance and formalize our culture of integrity, honesty and accountability. Our Code of Business Conduct and Ethics is posted on the Company s website, *www.manning-napier.com*, under Investor Relations Governance and is available to any stockholder in writing upon request to the Company.

Hedging Policies

Our Board of Directors has adopted an Insider Trading and Confidentiality Policy Statement that applies to all of the Company s directors, officers and employees. The purpose of this policy, in addition to addressing the treatment of material non-public information, is to address provisions in the Dodd-Frank Act that require disclosure of a company s hedging policies. Our policy includes prohibitions on transactions in options on and short sales of Company stock by our employees or directors. The policy specifically provides that entering into any contract or purchasing any instrument designed to hedge or offset any decrease in the market value of our stock owned by our employees and directors is not permitted. Our Insider Trading and Confidentiality Policy Statement is posted on the Company s website, *www.manning-napier.com*, under Investor Relations Governance and is available to any stockholder in writing upon request to the Company.

EXECUTIVE COMPENSATION

Compensation Committee Report

Notwithstanding anything to the contrary set forth in any filings of Manning & Napier, Inc. under the Securities Act of 1933, as amended (the Securities Act), or the Exchange Act, that might incorporate future filings, including this Proxy Statement, in whole or in part, the following Compensation Committee Report shall not be incorporated by reference into any such filings, and shall not be deemed soliciting material or filed under the Securities Act or the Exchange Act.

The Compensation Committee has reviewed and discussed the Compensation Discussion & Analysis set forth below with management and, based on such review and discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion & Analysis be included in this Proxy Statement.

Respectfully submitted:

Compensation Committee

Richard M. Hurwitz, Chairman

Edward J. Pettinella

Robert M. Zak

Barbara Goodstein

Compensation Discussion and Analysis

This section summarizes the principles underlying our compensation policies relating to our named executive officers William Manning, Patrick Cunningham, Charles H. Stamey, B. Reuben Auspitz, and James Mikolaichik. It generally describes the manner and context in which compensation is earned by, and awarded and paid to, our named executive officers and provides perspective on the tables and narratives that follow in this section. Prior to November 2011, we were a group of privately held, affiliated companies. The compensation plans discussed below remain in effect as of the date of this Proxy. In connection with becoming a public company in 2011 and continuing thereafter, our Compensation Committee performed a review of our executive compensation program, including the design of our annual cash incentive and equity incentive programs. As part of this transition, the Compensation Committee will continue to evaluate the need for revisions to our executive compensation program to ensure it is competitive with the companies with which we compete for superior executive talent. See Recent Developments below.

Compensation Philosophy and Objectives

We believe that to create long-term value for our stockholders we need a strong and seasoned management team that is focused on our business objectives of achieving profitable and sustainable financial results, expanding our investment capabilities through disciplined growth, continuing to diversify sources of revenue and delivering superior client service. Our named executive officers have strategic importance in supporting our business model of generating superior investment performance in high value-added investment strategies. We depend on our management team to execute on the strategic direction of the firm, recruit and manage our investment professionals, determine which investment strategies and products we launch, manage our distribution channels and provide the operational infrastructure that allows our investment professionals to focus on achieving attractive investment returns for our clients.

Our compensation program for our named executive officers is designed to meet the following objectives:

- support our business strategy;
- attract, motivate and retain top-tier professionals within the investment management industry, by rewarding past performance and encouraging future contributions to achieve our strategic goals and enhance stockholder value;

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- link total compensation to individual, team and company performance on both a short-term and a long-term basis;

- align our named executive officers interests with those of our stockholders; and

- be flexible enough so we can respond to changing economic conditions.

For instance, new client revenues, sales infrastructure management and expansion of distribution capabilities are used to determine our executive compensation plans. Our compensation and equity participation programs provide opportunities, predominantly contingent upon performance, which we believe have assisted our ability to attract and retain highly qualified professionals. We use, and expect to continue to use, cash compensation programs and equity participation in a combination that has been successful for us in the past and that we believe will continue to be successful for us.

We intend for overall compensation levels to remain commensurate with amounts paid to our named executive officers and other key employees in the past, including, subject to the discretion of our Compensation Committee, by recommencing the issuance of equity in our Company to our named executive officers, in addition to our regular cash compensation programs in circumstances we believe to be appropriate. We believe that the grant or sale of equity that is in addition to, rather than in lieu of, regular compensation to an employee in recognition of value produced provides incentives and alignment of interests that result in even greater value, benefiting not only the recipient of the award but all other stockholders. Our use of performance awards reflects that belief. We intend to focus our programs on rewarding performance that increases long-term shareholder value, including growing revenues, retaining clients, developing new client relationships, developing new products, improving operational efficiency and managing risks. We have begun, and intend to continue, to periodically evaluate the success of our compensation and equity participation programs in achieving these objectives and we expect that some of our policies and practices may change in order to enable us to better achieve these objectives.

Determination of Compensation and Role of Directors and Executive Officers in Compensation Decisions

Our executive compensation and equity participation programs were developed and implemented while we were a group of privately-held, affiliated companies consisting of (1) MNA Advisors, Inc., (2) Manning & Napier Capital Company, LLC (MNCC), (3) Manning & Napier Investor Services, Inc., (4) Manning & Napier Information Services, LLC, and (5) Perspective Partners LLC (collectively, the Manning & Napier Companies). Historically, base salaries, annual bonuses and incentive compensation of our named executive officers and other professionals were reviewed by our management team and adjusted as deemed necessary after taking into account individual responsibilities, performance and expectations, and throughout 2012 we continued that practice. We have not historically managed our firm to cause our aggregate compensation to be a particular percentage of revenues or another fixed measure, although we have sometimes used such measures as the basis for accruals of amounts pending subjective decision-making.

We believe that the use of relatively few, straightforward compensation components, without rigid annual incentive formulas or entitlements, promotes the effectiveness and transparency of our executive compensation program. We have not adopted any policies with respect to cash versus non-cash compensation (or among different forms of non-cash compensation), although we have determined that it is important to encourage or provide for a meaningful amount of equity ownership by our named executive officers and other professionals to help align their interests with those of stockholders, one of our compensation objectives. Beginning with our meeting in October 2012, the Compensation Committee began to review specific equity compensation for the CEO, including formulas for determining aggregate equity compensation available to other executives and professionals at the Company. The allocation between cash and non-cash compensation has been based on a number of factors, including each named executive officer s performance objectives and our retention objectives, and may vary from year to year. We may decide in future years to continue the practice of paying some or all of short-term and long-term incentives in equity depending upon the facts and circumstances existing at that time. We have not adopted any policies with respect to current compensation versus long-term compensation, but feel that both elements are necessary for achieving our compensation objectives. Our 2011 Equity Compensation Plan (the 2011 Plan) gives us the flexibility to grant other types of equity-based compensation at the Manning & Napier Group, LLC (Manning & Napier Group) level or the Manning & Napier, Inc. level. Base salary provides financial stability for certain of our named executive officers, although we expect base salaries to be a minority of total income over time. Annual cash bonuses provide a reward for short-term company and individual performance. Long-term equity compensation rewards achievement of strategic long-term objectives and contributes toward overall stockholder value.

Our Compensation Committee is comprised solely of independent directors and assists our Board of Directors in the discharge of its responsibilities relating to the compensation of our named executive officers. For a discussion of the Compensation Committee s role and responsibility, see Corporate Governance Board Committees Compensation Committee included elsewhere in this Proxy Statement. We also expect that, in the future, our chief executive officer will have discretion to determine the compensation of the named executive officers (other than himself), which he will determine in consultation with our Compensation Committee. Our Compensation Committee has overall responsibility for overseeing our executive compensation policies, and has ultimate responsibility for setting the compensation of our chief executive officer, Patrick Cunningham. Our Compensation Committee has overall responsibility for overseeing our compensation plans and programs, including the Chairman s compensation, reviewing our achievements as a company and the achievements of our executive officers and providing input and guidance to our chief executive officer in the determination of the specific type and level of compensation of our other named executive officers.

As the Compensation Committee made its fiscal year 2012 compensation decisions, it was aware that 99.8% (100% of Class B votes and 93% of the Class A votes) of the Manning & Napier stockholders who voted on the advisory vote on named executive officer compensation at the 2012 Annual Meeting of the Stockholders (including votes cast for, against and to abstain) had voted in favor of approving the compensation, and concluded that this level of approving votes suggested that the stockholders generally supported the Committee s approach.

Role of Independent Compensation Consultant

As mentioned above, our Compensation Committee is responsible for determining the compensation of our named executive officers. The Burke Group served as the Committee s compensation consultant in 2012 in order to assist the Committee s decisions for executive compensation beginning in 2013. The Burke Group periodically provides the Compensation Committee with information about the competitive market for senior management in the investment management and financial services industries and compensation trends in those industries generally. The Burke Group may provide guidance and assistance to the Compensation Committee as it makes its compensation decisions, either directly to the full Compensation Committee or through conversations with the Committee s chairman. Commencing mid-year 2012, The Burke Group provided such input, contributing to our compensation deliberations at the Committee s October 2012 meeting. In addition, The Burke Group provided significant input to the Compensation Committee during 2012 in connection with its review of Long Term Incentive Compensation and provided the Committee a report on general compensation trends, particularly in the financial services industry. The Burke Group has not provided any services to the Company other than those it provided to the Compensation Committee in its role as independent consultant. We, from time to time, will review our relationship with The Burke Group and reaffirm its appointment as our independent consultant.

In making annual compensation determinations, the Compensation Committee reviewed competitive data regarding compensation at peer companies in the investment management and other financial services industries. We do not benchmark compensation levels to fall within specific ranges compared to selected peer groups in the asset management and financial services industry. We use the information provided by The Burke Group about the competitive market for senior management to gain a general understanding of current compensation practices. In this regard, in October 2012 the Compensation Committee reviewed compensation data for a competitive peer group comprised of the 12 asset managers listed below:

Affiliated Managers Group	Federated Investors, Inc.
Alliance Bernstein	Janus Capital Group
Calamos Asset Management	Legg Mason Inc.
Cohen & Steers Inc.	Pzena Investment Partners
Eaton Vance Corp	Virtus Investment Partners
Epoch Investment Partners	Waddell & Reed Financial

Principal Components of Compensation

We have established compensation practices that directly link compensation with our performance, as described below. These practices apply to all of our professionals, including our named executive officers. Ultimately, ownership in our company has historically been the primary tool that we use to attract and retain professionals, including the named executive officers. As of the date of this Proxy Statement, our employees indirectly held approximately 86.1% of the ownership interests in Manning & Napier Group, the substantial majority of which is held by Mr. Manning.

In 2012, we provided the following elements of compensation to our named executive officers, with the relative value of each of these components for individual employees varying based on job role and responsibility:

Base Salary. Base salaries are intended to provide Messrs. Auspitz and Mikolaichik with a degree of financial certainty and stability that does not depend on our performance. We consider it a baseline compensation level that delivers some current cash income to these executives. Messrs. Cunningham and Stamey have not received a base salary as their compensation structure has historically been derived from their original positions with our company as sales representatives where they received 100% commission-based bonus compensation based on individual sales production and no base salary. When Messrs. Cunningham and Stamey shifted from their respective sales representative roles into management we retained their original compensation structure but expanded it to include all our revenues instead of solely their individual sales production. See Annual Bonus. Mr. Manning receives a base salary for services provided as a named executive officer based on historical amounts paid to him, and such base salary is not currently based on any formula or production levels. The base salaries paid to Messrs. Manning and Auspitz for 2012, 2011 and 2010, and Mikolaichik for 2012 and 2011, are set forth below in the summary compensation table. See Summary Compensation Table.

Annual Bonus. Cash compensation is a key part of the overall annual compensation for Messrs. Cunningham, Stamey and Mikolaichik. Messrs. Cunningham and Stamey receive discretionary bonus compensation based on company-wide performance for that year, specifically overall percentages of net new revenue and net ongoing service revenue for various products across various channels. Mr. Mikolaichik receives a cash and equity-based bonus related to firm level business performance coupled with specific performance criteria related to finance, strategy, corporate development and investor relations responsibilities. We have historically not paid annual bonuses to Messrs. Manning and Auspitz, as distributions to them from their ownership in the Manning & Napier Companies was at a level where additional bonus compensation was judged to not be in our best interests. See Equity Based Compensation. The annual cash incentive compensation awarded to our named executive officers for the fiscal year ended December 31, 2012, 2011, and 2010 is set forth below under Summary Compensation Table. We believe that our bonus programs have provided us the discipline and flexibility we need to support our success and to respond to changing market conditions.

Equity Based Compensation. All of our named executive officers and other of our employees have ownership interests in Manning & Napier Group Holdings, LLC (M&N Group Holdings), Manning & Napier Group and/or certain of the Manning & Napier Companies. These ownership interests include Mr. Manning s ownership interest in M&N Group Holdings, and Messrs. Cunningham and Mikolaichik s ownership interests in Manning & Napier Group, each of which were granted in connection with the reorganization transactions.

In addition, these ownership interests also include employee ownership interests in certain of the Manning & Napier Companies issued while we were a group of privately-held, affiliated companies. These ownership interests were offered as part of our regular compensation program prior to our reorganization and initial public offering in 2011.

In 2011, each of the Manning & Napier Companies adopted new vesting terms related to the current ownership interests of our employees, other than Mr. Manning. Such individuals were entitled to 15% of their pre-initial public offering ownership interests, and an additional 5% of their pre-initial public offering ownership interests will vest annually through 2014 (service-based vesting). The remaining ownership interests will be subject to performance-based vesting annually through 2014 (performance-based vesting).

Commencing in 2013, and as conditions allow, we intend to award equity-based incentives under the 2011 Plan as an incentive to align employee and management interests with that of the stockholders in our company and otherwise recruit and retain qualified employees. Subject to the discretion of the Compensation Committee, we intend to recommence the issuance of equity in our company to our named executive officers, based on 2012 performance.

The 2011 Plan permits the grant or issuance of a variety of equity awards of both Manning & Napier, Inc. and of Manning & Napier Group. See 2011 Equity Compensation Plan.

In determining the equity awards to be granted to the named executive officers, we have taken, and in the future intend to take, into account the following factors:

- the value of such awards;
- the named executive officer s level of current and potential job responsibility; and
- our desire to retain the named executive officer over the long term.

Historically, the grant or sale of equity to certain of our named executive officers and other employees allowed them to share in the future profits and growth of our business through the payments of distributions to such equity holders. The substantial majority of the cash that Mr. Manning and certain other executives and key employees received from us consisted of pro rata cash distributions in respect of such ownership interests at the same time as cash distributions made to all other holders of ownership interests. The amounts of these cash distributions are footnoted in the Summary Compensation Table below because they arise out of such named executive officers ownership interest and are not considered compensatory distributions. All of our named executive officers, other than Mr. Mikolaichik, currently own equity in MNA Advisors, Inc. and/or other of the Manning & Napier Companies, which provide them with cash distributions (or allocations) of profits on his or her shares and interests and the opportunity to benefit from the appreciation of (or suffer the depreciation of) the value of those shares and interests from and after the date of grant.

Retirement Benefits. We believe that providing a cost-effective retirement benefit for our employees, including our named executive officers, is an important recruitment and retention tool. Accordingly, we maintain a contributory defined contribution retirement plan for all employees, and match up to 50% of each employee s contributions up to 4% of eligible compensation (other than catch-up contributions by employees age 50 and older) up to a current limit of $16,500.

Other Benefits and Perquisites. Our named executive officers participate in the employee health and welfare benefit programs we maintain, including medical, group life and long-term disability insurance, and health-care flexible spending, and health club reimbursement, on the same basis as all employees, subject to satisfying any eligibility requirements and applicable law. Currently we do not have plans to change the levels of perquisites received, but continue to monitor them and may make adjustments in this form of compensation from time to time. Our named executive officers enjoy those benefits on the same terms as all of our employees. As part of our ongoing review of executive compensation, we intend to periodically review the perquisites and other personal benefits provided to our named executive officers and other key employees. The perquisites provided to our named executive officers in the fiscal year ended December 31, 2012 are described below under Summary Compensation Table.

Recent Developments

In 2013, we will be modifying Mr. Cunningham s CEO compensation plan in several ways. In 2013 and it is our intention for subsequent years, Mr. Cunningham will likely receive a base salary and a discretionary bonus, subject to the completion of specific performance goals involving economic income growth, investment performance, strategic planning and product development and succession planning. In addition, Mr. Cunningham will likely receive an equity grant in connection with the modified compensation plan. The Compensation Committee has continued to utilize information from The Burke Group in determining Mr. Cunningham s plan. As noted above, the Compensation Committee continues to review all elements of our compensation program, and in 2013 and thereafter, the Compensation Committee will continue to review with the CEO the legacy compensation plans of certain named executive officers in order to determine their consistency with the Company s objectives. In addition, the Compensation Committee has begun developing a compensation framework to be utilized with other executives and professionals including finalizing a Long Term Equity Incentive Program to provide for annual equity grants to high performing employees.

Stock Ownership Guidelines

Our named executive officers are not subject to mandated equity ownership. However, it is our belief that the equity component of our executive compensation program ensures that our named executive officers are also owners and those components work to align the named executive officers goals with the best interests of our stockholders. We expect to continue to periodically review best practices and evaluate our position with respect to stock ownership guidelines.

Tax Considerations

Our Compensation Committee considers the anticipated tax and accounting treatment of various payments and benefits to us and, when relevant, to our executives, although these considerations are not dispositive. Section 162(m) of the Code generally disallows a tax deduction to a publicly-traded corporation that pays compensation in excess of $1 million to any of its named executive officers (other than the chief financial officer) in any taxable year, unless the compensation plan and awards meet certain requirements. To the extent Section 162(m) is applicable to us, we will endeavor to structure compensation to qualify as performance-based under Section 162(m) where it is reasonable to do so while meeting our compensation objectives. Notwithstanding the foregoing, we reserve the right to pay amounts that are not deductible under Section 162(m) during any period when Section 162(m) is applicable to us.

Risk Considerations in our Compensation Program

We have identified two primary risks relating to compensation: the risk that compensation will not be sufficient to retain talent, and the risk that compensation may provide unintended incentives. To combat the risk that our compensation might not be sufficient, we strive to use a compensation structure, and set compensation levels, for all employees in a way that we believe contributes to low rates of employee attrition. We also make equity awards subject to multi-year vesting schedules to provide a long-term component to our compensation program and impose on all our employees ongoing restrictions on the disposition of their holdings of our stock acquired through equity awards. We believe that both the structure and levels of compensation have aided us in retaining key personnel as evidenced by the long-term tenure of our management. To address the risk that our compensation programs might provide unintended incentives, we deliberately keep our compensation programs simple and we tie the long-term component of compensation to our firm-wide results. We have not seen any employee behaviors motivated by our compensation policies and practices that create increased risks for our stockholders or our clients.

Our Compensation Committee, which is comprised entirely of independent directors, is responsible for reviewing our compensation plans and policies periodically to ensure proper alignment with overall company goals and objectives. Our Compensation Committee is also responsible for reviewing the risks arising from our compensation policies and practices and assesses whether any such risks are reasonably likely to have an adverse effect on us. Our Compensation Committee has concluded that our compensation programs do not encourage excessive or unnecessary risk taking. Based on the foregoing, we do not believe that our compensation policies and practices motivate imprudent risk taking. Consequently, we are satisfied that any potential risks arising from our employee compensation policies and practices are not reasonably likely to have an adverse effect on the company. Our Compensation Committee will continue to monitor the effects of its compensation decisions to determine whether risks are being appropriately managed.

Summary Compensation Table

The following table shows the annual compensation of our principal executive officer, principal financial officer, and the three most highly compensated executive officers other than our principal executive officer and principal financial officer who were serving as executive officers on December 31, 2012.

Name and Principal Position	Year	Salary($)	Bonus($)	Stock Awards($) (1)	Option Awards($)	Non-Equity Incentive Plan Compensation($)	All Other Compensation ($) (2)	Total($)
William Manning	2012	1,400,000		882,898			88,835(3)	2,371,733
Chairman and Director of	2011	1,400,000		213,000,000			74,185(3)	214,474,185
Investment Process	2010	1,400,000					68,965(3)	1,468,965
Patrick Cunningham	2012	(4)	1,713,995	2,781,400			16,916(5)	4,512,311
Chief Executive Officer	2011	(4)	2,206,905	3,221,016(11)			16,644(5)	5,444,565(11)
	2010	(4)	3,729,439				14,044(5)	3,743,483
James Mikolaichik	2012	250,000	500,000				1,733(6)	751,733
Chief Financial Officer	2011	72,115(7)	300,000(8)	346,968			100,000(9)	819,083
B. Reuben Auspitz	2012	125,000		16,004,761			41,223(10)	16,170,984
Vice Chairman and	2011	125,000		11,558,256(11)			39,119(10)	11,722,375(11)
Executive Vice President	2010	125,000					36,379(10)	161,379
Charles S. Stamey	2012	(4)	1,713,995	2,781,400			16,916(5)	4,512,311
Managing Director of Sales	2011	(4)	2,206,905	3,082,224(11)			16,644(5)	5,305,773(11)
and Distribution and	2010	(4)	3,729,439				14,044(5)	3,743,483
Executive Vice President								

(1) See 2012 Grants of Plan-Based Awards Table.

(2) Represents the aggregate dollar amount of all miscellaneous compensation received by the named executive officers. Under SEC rules, we are required to identify by type all perquisites and other personal benefits for a named executive officer if the total value is $10,000 or more.

Certain of our named executive officers beneficially own shares or other interests in MNA Advisors, Inc. and other of the Manning & Napier Companies, and receive pro rata cash distributions derived in part from the economic income of those companies in respect of their shares or other interests at the same time cash distributions are made on all shares or other interests in those companies. These distributions are not included in the compensation totals above.

For the fiscal years ended December 31, 2012, 2011 and 2010 distributions earned by our named executive officers were as follows:

	Year Ended December 31,		
	2012	2011	2010
William Manning	$ 71,044,640	$ 92,318,933	$ 79,023,416
Patrick Cunningham	1,222,707	2,619,710	2,241,152
James Mikolaichik			
B. Reuben Auspitz	4,524,720	9,822,190	8,406,076
Charles Stamey	1,206,347	2,619,710	2,241,152

We used a portion of the net proceeds from our initial public offering in 2011 to purchase Class A units of Manning & Napier Group from M&N Group Holdings, which in turn transferred such net proceeds to its members. As a result of such transfer, certain of our named executive officers received the following amounts: William Manning- $53,340,000; Patrick Cunningham- $3,044,928; B. Reuben Auspitz- $11,418,430; and Charles H. Stamey- $3,044,928. These amounts are not included in the compensation totals for the year ended December 31, 2011 above.

(3) Amounts shown reflect employer contributions to Mr. Manning s 401(k) profit sharing and matching contributions of $14,316, $14,044 and $14,044, health insurance premiums of $37,794, $33,821 and $31,081 and tax compliance services of $36,725, $26,320 and $23,840 for 2012, 2011 and 2010, respectively.

(4) Mr. Cunningham and Mr. Stamey did not receive a base salary as their compensation has historically been based solely on a bonus structure. See Compensation Discussion and Analysis-Principal Components of Compensation-Base Salary and Compensation Discussion and Analysis-Principal Components of Compensation-Annual Bonus.

(5) Amounts shown reflect employer contributions to the individual s 401(k) profit sharing and matching contributions of $14,316, $14,044 and $14,044 for 2012, 2011 and 2010, respectively. Amounts also include $2,600 for employer contributions to a Health Savings Account for 2012 and 2011.

(6) Amount shown represents employer contributions to Mr. Mikolaichik s Health Savings Account for 2012.

(7) Amount shown represents the actual salary for 2011 paid to Mr. Mikolaichik, who was hired as our chief financial officer in September 2011.

(8) Amount represents a discretionary bonus earned upon Mr. Mikolaichik s commencement of employment in September 2011.

(9) Amount represents a relocation bonus earned upon Mr. Mikolaichik s commencement of employment in September 2011.

(10) Amounts shown reflect employer contributions to Mr. Auspitz s 401(k) profit sharing and matching contributions of $4,905, $6,486 and $6,486 and health insurance premiums of $36,318, $32,633 and $29,893 for 2012, 2011 and 2010, respectively.

(11) As discussed in Note 2 to our combined consolidated financial statements included in our Annual Report, the Company recorded an immaterial error relating to the number of Class A units of Manning & Napier Group that were subject to service vesting as opposed to performance vesting under the terms of the 2011 reorganization transactions. These award amounts reflect the vesting terms adopted by the Company related to the pre-reorganization ownership interests of certain employees of the Company other than William Manning. As of December 31, 2011, performance conditions were not yet defined for the portion of the pre-reorganization ownership interests subject to performance-based vesting. As such, these awards were not considered granted as of December 31, 2011. As a result, the Stock Awards for 2011 have been adjusted to reflect the updated amount of each individual s pre-reorganization ownership interests that are subject to service-based vesting. The impact to correct the allocation of units from performance to service-based is as follows:

	2011 Stock Awards		2011 Total Compensation		Total Value of Unvested Outstanding Equity Awards at December 31, 2011	
	As reported	As corrected	As reported	As corrected	As reported	As corrected
Patrick Cunningham	$ 2,088,480	$ 3,221,016	$ 4,312,029	$ 5,444,565	$ 11,643,740	$ 11,623,868
B. Reuben Auspitz	$ 8,218,260	$ 11,558,256	$ 8,382,379	$ 11,722,375	$ 48,470,667	$ 48,403,534
Charles Stamey	$ 1,949,688	$ 3,082,224	$ 4,173,237	$ 5,305,773	$ 11,499,280	$ 11,479,409

Employment Agreements

Manning & Napier Advisors, LLC (MNA) is currently party to employment agreements with each of Messrs. Cunningham, Stamey and Mikolaichik, which provide for at-will employment for each of them. While these agreements do not provide compensation terms or duration of employment, such agreements include restrictive covenants concerning competition with us and solicitation of our employees and clients. Pursuant to such agreements, for a two-year period following termination of employment, (i) the former employee may not, without the written consent of MNA, do business with a person or entity known to such employee to be, or known to have been, a client of MNA at the time of such employee s employment, (ii) the former employee may not compete with MNA in the territories covered by such person and (iii) with respect to Messrs. Cunningham and Stamey, the former employee shall notify MNA of all business activities to enable MNA to evaluate compliance with (i) and (ii). In addition, for a five-year period following termination of employment, the former employee may not, without the written consent of MNA, employ or contract any person who then is or has been an employee of or consultant to MNA within two years prior to such date of termination. In addition to these employment agreements, each of Messrs. Cunningham and Stamey are subject to similar non-compete and non-solicitation covenants as part of the shareholder agreements with the Manning and Napier Companies.

2012 Grants of Plan-Based Awards Table

The following table sets forth information with respect to the grants of plan-based awards to our named executive officers during 2012:

	Grant Date	**Threshold (#)**	**Target (#)**	**Maximum (#)**	**All Other Stock Awards: Number of Shares of Stock or Units (#)**	**All Other Option Awards: Number of Securities Underlying Options (#)**	**Exercise or Base Price of Option Awards ($/sh)**	**Grant Date Fair Value of Stock and Option Awards ($) (1)**
William Manning	1/12/2012				65,643(2)			882,898
Patrick Cunningham	12/31/2012				220,746(3)			