

Item 1 – Cover Page

Form ADV Part 2A

Piedmont Investment Advisors, LLC

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Date of Brochure: March 28, 2013

Piedmont Investment Advisors, LLC is registered with federal Securities and Exchange Commission. The statements contained herein have not been verified or evaluated by any regulator. Registration does not imply that Piedmont Investment Advisors, LLC, or its associates, have attained a certain level of skill or training.

Clients and prospective clients are encouraged to visit the SEC's Investment Adviser Public Disclosure (IAPD) for more information about Piedmont Investment Advisors, LLC. The IAPD web address: www.adviserinfo.sec.gov

Piedmont Investment Advisors, LLC shall be referred to as "Piedmont" in this document.

Item 2 – Material Changes

This Item is a summary of changes to the Brochure and discusses only specific material changes that have been made to Brochure dated March 30, 2012. Below describes the changes made by Item.

Item 4 – Advisory Business

This Item has been updated to reflect that Piedmont employs three distinct strategies: (1) Liquidity Strategy; (2) Venture Capital/Private Equity Strategy; and (2) Debt and/or Real Estate Strategy. With respect to the Liquidity Strategy, Piedmont has reverted back to a five portfolio model approach, consisting of (a) Ultra-Conservative Portfolio; (b) Conservative II Portfolio; (c) Balanced Portfolio; (d) Growth and Income Portfolio; and (e) Growth Portfolio .

Item 5 – Fees and Compensation

This section has been updated to include new fee schedules related to the assets under management with respect to the Venture Capital/Private Equity and Debt and/or Real Estate Strategies. Assets under management in these strategies are subject to a 1.25% annual advisory fee.

In addition, the following paragraph has been added to the section “C. Other Fees and Expenses a Client May Pay”:

Administrative Costs on Private Fund(s). Certain clients of Piedmont may be invested in an affiliated private investment, Militello Realty Partners I, LLC, which is managed by Militello Capital, LLC, also an affiliated entity. Effective January 1, 2013, a 0.50% administration fee will be applied to all assets in Militello Realty Partners I, LLC. This fee will be deducted quarterly in advance, and will cover the increased administrative and management costs to Militello Capital. See Item 10 of the Brochure for further information regarding these affiliated entities.

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

This section is updated to reflect the discussion that Piedmont recommends a disciplined asset allocation approach using the five investment models described in Item 4.

Item 10 – Other Financial Industry Activities and Affiliations

This section has been updated to reflect Piedmont Independent Fiduciaries , Inc. is no longer an affiliated entity.

Mr. O’Neil who was previously employed by Piedmont is now a solicitor with Piedmont and is employed at another investment advisory firm, Piedmont Independent Fiduciaries, a previous affiliate of Piedmont. Mr. O’Neil receives solicitation fees from Piedmont for recommending clients to Piedmont.

Militello Capital, LLC is a minority non-managing owner of TCP II GP, LLC, which is the general partner to TCP II, LP, a private investment in which Piedmont Clients may invest

Piedmont also serves as the adviser to an affiliated limited partnership, Militello Venture Partners II, LP. The general partner to this limited partnership, Militello Venture Partners II GP,

LLC, has a common manager and therefore under common control as Militello Capital and Piedmont.

Item 15 – Custody

The following paragraph has been added under this Item 15:

With respect to Militello Venture Partners II, LP (“MVP II” or “Limited Partnership”) for which Piedmont serves as investment manager, an affiliate of Piedmont is considered to have custody based on its relationship to MVP II. As noted in Item 10, Militello Venture Partners II GP, LLC (“MVP II GP”), an affiliate of Piedmont, serves as the general partner to MVP II. Under SEC regulations, MVP II GP (the “General Partner”) is deemed to have custody over the Limited Partnership. MVP II has engaged a third party administrator to perform certain functions, including managing its books and records and delivering statements to the investors of the Limited Partnership. MVP II maintains a custody account with its primary custodian, Millennium Trust. MVP II also intends to send out annual audited financial statements to investors in accordance with regulation.

At any time, you may view the current Firm Brochure on-line at the SEC’s Investment Adviser Public Disclosure website at <http://adviserinfo.sec.gov>.

To review the firm information for Piedmont,

- Click Investment Adviser Search in the left navigation menu and enter.
- Select the option for Investment Adviser Firm and enter 125465 (our firm’s CRD number) in the field labeled “Firm IARD/CRD Number”.
- ADV Part 1 will be displayed.
- This will provide access to Form ADV Part 1 and Part 2A.
- On the left navigation, Form ADV Part 2A is located near the bottom.

You may also request a copy of this Firm Brochure at any time, by contacting us at 703.729.8333.

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Item 4 – Advisory Business

A. Firm Information

Piedmont Investment Advisors, LLC is an SEC-registered investment advisor offering discretionary investment advisory services and personalized solutions to individuals, trusts, estates, charitable organizations, corporations and business entities. Piedmont strives to maximize wealth by incorporating four fundamental principles: (i) create portfolios with a confident understanding of the risks involved; (ii) manage a combination of index and actively managed funds; (iii) recognize secular trends in markets; and (iv) discount short anomalies and minimize taxes.

William J. Militello and Lawrence Trammell are the owners and managing members of Piedmont. Piedmont is organized as a limited liability company in the Commonwealth of Virginia. Piedmont has been in continuous operation since June 2006.

B. Advisory Services Offered

Investment Supervisory Services. Piedmont provides Clients with ongoing investment advisory services on a fee-only basis. Piedmont's diversified portfolios typically consist of mutual funds and exchange traded funds. Services include establishing an appropriate asset allocation strategy, selecting a specific allocation model, making adjustments where appropriate, evaluating results and providing continuous communication and ongoing general financial advice.

Account management is guided by the stated objectives and guidelines of each client. Guidelines may indicate such variables as risk tolerance, capitalization ranges, tax sensitivity, and portfolio category. Piedmont offers three distinct strategies, (1) Liquidity Strategy; (2) Venture Capital/Private Equity Strategy; and (2) Debt and/or Real Estate Strategy. With respect to the Liquidity Strategy, Piedmont uses a portfolio model approach. There are currently five portfolio model categories: (a) Ultra-Conservative Portfolio; (b) Conservative II Portfolio; (c) Balanced Portfolio; (d) Growth and Income Portfolio; and (e) Growth Portfolio. These portfolio models are allocated among a group of mutual funds and exchange-traded funds consisting of equity, fixed income and commodity/futures funds depending on the risk tolerance of the client.

Under the other two strategies, Piedmont recommends private investments in venture capital, real estate or other types of limited partnerships, managed by either affiliated entities or third party advisors. These strategies will be comprised of private investments that are not liquid and are generally deemed to be appropriate for a participant with an investment horizon of 10 or more years. Clients participating in this strategy must qualify as Accredited Investors and/or Qualified Purchasers.

Wealth Management. Piedmont's job is to help clients retire safely and comfortably by providing access to the best performing, lowest cost investment funds in order for the capital markets to build wealth for the clients. Piedmont's unbiased advice is available to assist the clients in making personal financial planning and portfolio allocation decisions.

Private Investment Management. Piedmont is investment manager to an affiliated private investment vehicle structured as a limited partnership (the "Partnership") and available to certain sophisticated investors. Interests in the Partnership generally will be sold only to persons who are

“accredited investors” as defined in Regulation D under the Securities Act of 1933, as amended and “qualified clients” as defined in Rule 205-3 under the U.S. Investment Advisers Act of 1940.

Piedmont may, with respect to qualified Clients, direct Clients’ assets into the Partnership. Prior to a Client investing, Piedmont will ensure that such Client is an Accredited Investor and a Qualified Client and will provide the Client with the Partnership’s offering memorandum. For additional information regarding the Partnership and potential conflicts of interest, please refer to Items 6, 10 & 11 below.

C. Client Account Management

Prior to engaging Piedmont to provide investment advisory services, the Client is required to enter into an Investment Advisory Services Agreement with Piedmont setting forth the terms and conditions of the engagement, as well as describing the scope of the services to be provided. These services may include:

- Establishing Investment Guidelines – During the initial structuring of each client account, Piedmont’s investment professionals and the client jointly determine an optimal investment strategy given the client’s investment objectives.
- Piedmont may take investment action on behalf of one account that may be similar or different from the action taken on behalf of another account in terms of securities, timing, nature of transaction and other factors. Piedmont does not assure that it will purchase or sell for one account the same security which Piedmont purchases or sells for any other account. Risk levels are determined based on the current markets on the day a client invests and the models are used as guidelines.
- Selecting Investment Options – In some cases clients impose investment restrictions on their accounts and these restrictions must be in writing.
- Ongoing Investment Monitoring – Piedmont provides ongoing oversight of the Client’s investment program. The investment adviser representative responsible for the account will monitor account performance and periodically review accounts for consistency with client objectives and investment decisions. In addition, at least once a year every account will be reviewed by the Managing Principal/CCO.

D. Wrap Fee Programs

Piedmont does not place Client assets with any wrap fee programs. All management services are performed by Piedmont on behalf of Clients.

E. Assets Under Management

As of December 31, 2012, the most recent date for which such calculations are available, Piedmont manages the following assets:

Discretionary Assets	\$112,161,503
Non-discretionary Assets	\$36,709,200
Total	\$148,870,703

Item 5 – Fees and Compensation

A. Fees for Advisory Services

Piedmont charges clients based on a percentage of assets under management (“Basic Fees”). Compensation is payable to Piedmont one quarter in advance. Fees are negotiable and minimum fees may be waived.

Advisory fees may be directly debited from Piedmont’s clients’ accounts when the following conditions are met:

- A qualified custodian as defined by Rule 206(4)-2 of the Investment Advisers Act of 1940 maintains the clients’ funds and securities.
- The qualified custodian agrees to send to each client a statement, at least quarterly, for which it maintains funds or securities, identifying the amount of the funds and each security in the account at the end of the period and setting forth all transactions in the account during that period.

A client may also choose to be billed directly.

Basic Fees. Fees charged are negotiable and may vary, but generally comport with percentages shown on the schedule further below. Piedmont will quote exact percentages to be charged each client, and include the fee schedule within its Management Agreement with the client.

*Investment Advisory Fee Schedules**

I. Liquidity Strategy:

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$ 250,000	1.50%
Next 250,000-500,000	1.25%
Next \$ 500,000-1,000,000	1.15%
Next \$ 1,000,000-5,000,000	1.00%
Thereafter	0.90%

II. Venture Capital Strategy:

<u>Assets Under Management</u>	<u>Annual Fee</u>
All Assets in this Strategy	1.25%

III. Real Estate Strategy:

<u>Assets Under Management</u>	<u>Annual Fee</u>
All Assets in this Strategy	1.25%

* Fees are negotiable. Details about fees and expenses paid by fund shareholders are shown in a fund’s prospectus.

B. Fee Billing

Basic Fees are paid in advance on the first day of the calendar quarter based on a percentage of the market value of the account on the last business day of the previous quarter, unless otherwise agreed and stated in the advisory agreement. As approved in writing by the Client, Piedmont will request the custodian to debit Piedmont's fees directly from the Client's account. Each billing will be for one-quarter of the annual fee. For accounts opened after the beginning of a new quarter, fees will be prorated. All investment advisory fees paid directly to Piedmont will be clearly reflected on the Client's monthly brokerage statements that are prepared and sent to the Client by the custodian.

C. Other Fees and Expenses Clients May Pay

Investment Company Fees. All fees paid to Piedmont investment advisory services are separate and distinct from fees charged by investment companies (mutual funds and exchange traded funds) to their shareholders. Fees and expenses paid by shareholders in a fund are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee.

A client could invest in an investment company directly, without the services of Piedmont. In that case, the client would not receive the services provided by Piedmont which are designed, among other things, to assist the client in determining which funds or other investments are most appropriate to each client's financial condition and objectives. Accordingly, a client investing in a mutual fund or other funds should review both the fees charged by the funds and the fees charged by Piedmont to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services provided.

Piedmont may also recommend that a portion of the assets in an account be managed in an individual account by an external investment manager. There are additional fees associated with these investments and the client will pay those fees directly to the external investment manager.

Third Party Service Provider and Brokerage Fees. Clients may incur certain fees or charges imposed by third-parties in connection with investments made by Piedmont on behalf of Clients. Such third parties would include the custodian at which the Client maintains an account. These fees and charges are separate and distinct from the fees paid to Piedmont and may include, but not be limited to: transaction related fees (commissions and other brokerage fees), IRA and Qualified Retirement Plan fees, interest charged on margin borrowing, bank service fees, interest charged on debit balanced, and other servicing fees. Piedmont is not responsible for and does not receive any portion of these fees or charges. Please refer to Item 12 of this brochure for more information on brokerage practices.

Private Fund Fees. Clients will be billed on investments in private funds or private investments in accordance with the schedule of fees set forth in the private fund's offering document (also known as private placement memorandum). Clients will be billed based on their initial investment amounts and any subsequent investments of capital into the private funds or investments. Piedmont does not attempt to value a private fund, private limited liability company, or private investment after the initial investment has been made. Appraisals are not typically conducted except in the event of additional contributed capital or a liquidation, which would likely not affect fees. With respect to real estate based investments, if there is a refinancing of the property, an appraisal of the property may be available for determining a revised value. Because there is no secondary market for the

private investments, it is extremely difficult to place a valuation on them. Therefore, annual management fees will continue to be billed by Piedmont based on the clients' initial investment amounts and any subsequent investments of capital even if the overall value of the private fund, private limited liability company, or private investment and/or the clients' ownership interests therein experience an actual increase or decrease in value.

Administrative Costs on Private Fund(s). Certain clients of Piedmont may be invested in an affiliated private investment, Militello Realty Partners I, LLC, which is managed by Militello Capital, LLC, also an affiliated entity. Effective January 1, 2013, a 0.50% administration fee will be applied to all assets in Militello Realty Partners I, LLC. This fee will be deducted quarterly in advance, and will cover the increased administrative and management costs to Militello Capital. See Item 10 of the Brochure for further information regarding these affiliated entities.

D. Advance Fees

As noted in Item 5.B., basic fees are paid in advance on the first day of the calendar quarter based on a percentage of the market value of the account on the last business day of the previous quarter, unless otherwise agreed and stated in the advisory agreement. Piedmont or the client may terminate an investment advisory contract at any time upon 60 days' prior written notice to the other party unless otherwise stated by the contract. Such termination shall be without any penalty and without liability of either party to the other, except for any compensation due or refundable for services provided. Refunds will be prorated based on the close date during that quarter divided by the total number of days in the applicable quarter.

E. Compensation for Sale of Securities by Supervised Persons

Piedmont does not buy or sell securities, nor does Piedmont receive any direct compensation for the sale of securities.

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

A. Performance-Based Fees

Piedmont does not currently charge performance-based fees for any Client. If Piedmont enters into such an arrangement, full disclosure will be made in this section.

B. Side-By-Side Management

As discussed in Item 4.B., Piedmont is investment manager to an affiliated private pooled investment vehicle (the "Private Fund").

The Private Fund does not have investment objectives or investment strategies similar to those of Piedmont's individual Clients. Therefore, Piedmont does not expect the Private Fund to have simultaneous identical portfolio transactions to those of Clients.

Item 7 – Types of Clients

Piedmont may provide services to a variety of client types. Clients may include:

- Individuals, Personal Trusts and Estates – Private investors, investing personal assets
- Charitable Organizations, Foundations and Endowments – Non-profit entities investing contributions to support a stated mission or mandate
- Corporations – Taxable entities organized for a specific business purpose, investing cash reserves

The relative percentage each client type currently represents is available on Piedmont's Form ADV Part I. The actual mix of the client types changes over time based upon market conditions, business plans and other factors. Piedmont does not specialize in, or actively seek, any given client type. Piedmont is committed to providing services to qualified investors, regardless of legal or corporate status.

Piedmont may only implement its investment management recommendations after the client has arranged for and furnished Piedmont with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions shall include, but are not limited to, Fidelity, Charles Schwab, any other broker-dealer recommended by Piedmont, broker-dealer directed by the client, or trust companies, banks etc.

Piedmont generally requires that clients maintain a minimum of \$1,000,000 of assets under management, although under certain circumstances this may be negotiable.

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

A. Methods of Analysis

Piedmont strives to maximize wealth by incorporating four fundamental principles: create portfolios with a confident understanding of the risks involved; manage a combination of asset classes and index managed funds; recognize secular trends in markets; and minimize taxes. Piedmont will establish an appropriate asset allocation strategy, selecting a specific allocation model, making adjustments where appropriate, evaluating results and providing continuous communication and ongoing general financial advice. Account management is guided by the stated objectives and guidelines of each client. Guidelines may indicate such variables as risk tolerance, capitalization ranges, tax sensitivity, and portfolio category.

Piedmont recommends a disciplined asset allocation approach with various portfolio model categories based on the client's assessment of the guidelines mentioned above.

Piedmont has researched, designed and successfully implemented these asset allocation model portfolios to be utilized with our wealth management clients. The allocation between equities and fixed income varies between 100% fixed income (our most conservative model) to 80% equities/20% fixed income (our most aggressive model). Clients may individually request a customized model if they desire a special allocation be created and implemented to fit their specific needs. The portfolios are designed using Modern Portfolio Theory to achieve different economic outcomes, in other words different expected return $E(r)$ and expected volatility $E(v)$ depending upon the needs of the Client. Additionally, the portfolios work very well in conjunction with a glide path methodology. The portfolios are comprised of low expense ratio, institutional share class mutual funds and exchange-traded funds ("ETFs"). The funds are comprised largely of DFA, Vanguard and exchange-traded index funds and are broadly diversified across the world's equity and fixed income markets. We believe strongly in providing massive diversification and the benefit that occurs when multiple asset classes are represented in a portfolio of passively managed, low cost, low turn-over SEC registered mutual funds and ETFs.

Investment Company Due Diligence. Piedmont may invest its Clients' assets with mutual funds that pursue investment approaches that are diversified among multiple strategies, asset classes, regions, industry sectors and securities. In selecting a fund and allocating assets to them, Piedmont considers both quantitative and qualitative factors including:

- Relative performance during various time periods and market cycles
- Industry reputation
- Experience and training of staff investment professionals
- The clarity of, and adherence to, a viable investment philosophy
- Risk management process
- Portfolio management capabilities
- Fee structure
- Any other factor deemed appropriate by Piedmont

Private Investments. Piedmont provides advice to certain accredited investors relative to prospective investments in private investment limited partnerships, or other similar entities, such as hedge funds, fund of fund hedge funds, private equity funds and venture capital funds. These funds are offered in accordance with Regulation D of the Securities Act of 1933. Investment in these types of investments is limited to certain accredited investor Clients.

Private Investment due diligence is similar to mutual fund due diligence, outlined above. However, given the relatively unregulated nature of these investments, additional emphasis is placed on operational aspects to ensure the independent oversight of the fund being analyzed.

B. Risk of Loss

Every effort is made to ensure positive outcomes for Piedmont Clients. However, all investments carry the risk of losses. There can be no assurance that Clients will achieve their investment goals. Clients may lose a substantial portion of their investment. Individual Piedmont investment strategies are designed to be a complete investment program. Piedmont helps Clients diversify their assets among a variety of investment strategies, classes and securities to limit risk of loss.

Investment Companies. Investment Companies, although regulated, can incur losses. For specific risks to a fund, the Client should read a fund's prospectus. Piedmont monitors a Client's risk profile to that of the models employed (see Item 8.A. above). Below are a few potential risks to investors of mutual funds.

- Diversification risk (not all funds are diversified)
- Investment risk (equity market risk, interest rate risk)
- Management style risk

Private Investments. Private Investments may have certain risk characteristics not found in exchange traded securities and mutual funds. These types of investments may include a high degree risk due to the following characteristics:

- May employ leverage
- Speculative investment practices

- Illiquidity
- No periodic valuation information
- Complex tax structures or delays in distributing important tax information
- Loose regulatory oversight
- Higher fees than mutual funds or exchange traded funds
- Underlying investments may be not transparent

The performance of a private investment can be volatile. An investor could lose all or a substantial amount of their investment. There is often no secondary market for an investor's interest in private investments, and none may develop. There are restrictions on transferring interests in any private investment. Clients are encouraged to read the offering memorandum issued by a private investment before investing and discuss all risks and conflicts of interest with Piedmont before investing.

Item 9 – Disciplinary Information

Piedmont, as a firm, does not have any legal or disciplinary disclosures to make.

Item 10 – Other Financial Industry Activities and Affiliations

A. Broker-Dealer Affiliation.

Piedmont or an affiliate is not registered, nor has a registration pending, as a broker dealer, nor are any of its management persons registered as a registered representative of a broker-dealer.

B. Futures Commission Merchant, Commodity Pool Operator or Commodity Trading Advisor.

Piedmont and any of its affiliates are not registered as a futures commission merchant, commodity pool operator or commodity trading advisor.

C. Other Financial Industry Activities or Affiliations.

Accounting Firm and Insurance Company. Related persons of Piedmont have an affiliation with an accounting firm and insurance company. Mr. O'Neil, a solicitor with Piedmont, has an insurance company affiliation, clients of which may also be clients of Piedmont. Mr. O'Neil receives solicitation fees from Piedmont for recommending clients to Piedmont. Mr. O'Neil also works for another investment adviser firm, Piedmont Independent Fiduciaries, a previous affiliate of Piedmont. Mr. Brad Smith, and investment adviser representative with Piedmont, is also the founder of Smith & Co., LLP, an accounting firm, whose clients may also be clients of Piedmont.

General Partner of a Private Investment Company. A related person is general partner in a partnership in which clients are solicited to invest. Piedmont serves as the General Partner to Piedmont Numismatics, LLC, which invests in rare gold and silver coins.

In addition, Piedmont may recommend to Clients private real estate limited partnerships, in which an affiliate of Piedmont has some financial interest. William Militello owns 100% of Washington

Affordable Properties (“WAP”). WAP may have ownership interest in the private real estate limited liability companies and currently owns interest in Wheeler & 10th Place and 15th Place, LLC.

Sanford Capital II, LLC, Sanford Capital III, LLC and Sanford Capital IV, LLC, affiliated entities of Sanford Capital LLC, are partnerships which own, manage and invest in real estate. WAP owns an interest in Sanford Capital II, III and IV but is a non-managing member of the partnerships. Piedmont may recommend to clients the private real estate limited partnerships managed by Sanford entities.

Militello Capital, LLC is a minority non-managing owner of TCP II GP, LLC, which is the general partner to TCP II, LP, a private investment in which Piedmont Clients may invest.

For information regarding conflicts of interest with respect to the limited partnerships, please refer to Item 11.B. of this document.

Manager of Private Investment Companies. Piedmont and Militello Capital, LLC, the manager of certain private investment companies as described below, are under common control, and therefore, affiliated entities. Militello Capital, LLC (the “Manager” or “Militello Capital”) as the manager, conducts the business administrative functions for these private investment companies. Custody of the assets of the private investment companies is maintained by Millennium Trust, an unaffiliated qualified custodian.

Currently, Militello Capital is the manager for four single purposes entities formed as limited liability companies, Militello Venture Partners, LLC, Militello Energy Partners, LLC, Militello Realty Partners, LLC and TSB, LLC (each a “Company” and together the “Companies”). Each Company is organized to own interest in another business entity (“Underlying Investment”). As Manager of the Companies, Militello is entitled to receive a percentage of capital gains on the investment, if any.

In addition to the affiliation between Piedmont and Militello Capital, Mr. Militello may serve on the board of directors for an Underlying Investment.

Piedmont also serves as the adviser to an affiliated limited partnership, Militello Venture Partners II, LP. The general partner to this limited partnership, Militello Venture Partners II GP, LLC, has a common manager and therefore under common control as Militello Capital and Piedmont.

Piedmont may present these Companies to qualified Clients as potential investment opportunities.

For information regarding conflicts of interest with respect to the private investment companies, please refer to Item 11.B. of this document.

D. Selection of Other Investment Advisers.

Piedmont does not receive compensation directly or indirectly from advisers that it may recommend or select for Clients.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Code of Ethics

Piedmont has adopted a Code of Ethics (the “Code”) to specify and control certain types of personal securities and other transactions deemed to create a potential or actual conflict of interest. Every officer, director and employee of Piedmont must receive, read and follow the Code’s procedures as well any amendments to its procedures.

The Code and Piedmont Insider Trading Policy contains policies and procedures that, among other things:

- Prohibit directors, officers and employees from taking personal advantage of opportunities belonging to Clients;
- Prohibit trading on the basis of material nonpublic information;
- Place limitations on personal trading by directors, officers and employees and impose preclearance and reporting obligations with respect to personal trading;
- Require initial, quarterly and annual reports of securities holdings and transaction reports by directors, officers and employees;
- Prohibit directors, officers and employees from violating Federal Securities Laws; and
- Require officers, investment adviser reps and employees to promptly report any violations of the Code to the Chief Compliance Officer (“CCO”).

Officers, employees and investment adviser representatives of Piedmont may open and retain personal trading accounts pursuant to the Code.

Piedmont’s Code and Insider Trading Policy are available upon request by contacting Piedmont’s CCO at 703-729-8333.

B. Interest in Client Transactions

As referenced in Item 10.C., Mr. Militello owns Washington Affordable Properties (“WAP”) which in turn has an ownership interest in private real estate limited liability companies. Some of Piedmont’s clients have invested in the equity of these companies as Class B members. WAP has rights and privileges as a Class A member that differ in some respects from the interests of clients who are Class B members. WAP provided financial analysis services to Sanford Capital relating to its construction projects; and WAP invested its own capital in order to receive its Class A membership interests. Class B members have contributed cash capital to receive their equity investment interests. Class B members are scheduled to receive no less than the greater of an 8% annual preferred return on their invested capital or 30% of net profit, to the extent there is a net profit. Class A members do not receive these same returns. Only if there is a profit after paying the Class B members the 8% annual preferred return does WAP receive a percentage return. WAP’s percentage return is equal to its ownership percentage of the net profit either directly through its ownership interests in the limited liability companies or through its ownership interests in Sanford Capital II & III, LLC. To date, WAP has received less from rents than the Class B members on a percentage basis.

In addition to the above mentioned affiliation, Mr. Militello is the manager and owner of Militello Capital, which is the manager for certain private investment companies as described in Item 10.C.

Some of Piedmont's clients may purchase units in the Companies as Class A members. Militello Capital has rights and privileges as a Class B member that differ in some respects from the interests of clients who are Class A members. Class A members have a preferred distribution and the Class B member has the right to elect the Manager. Upon dissolution of the private investment, provided that there is a profit, Class A members will receive 100% of their initial investment plus a certain percentage of the net profits and the Class B member, Militello Capital, shall receive the remaining percentage of the net profits as stated in the private investment's offering memorandum.

In addition to the affiliation between Piedmont and Militello Capital, Mr. Militello may serve on the board of directors to the underlying investment in which a Company invests. As a board member, Mr. Militello would have certain inside knowledge and oversight of that company of the underlying investment.

Piedmont holds its clients interests above its own and above those of its owners and affiliates. In making recommendations to invest, Piedmont's recommendations are based on reasonable inquiries or understandings of its clients' investment objectives, financial situation, needs and other factors.

C. Personal Trading and Participation in Client Transactions

Piedmont or its employees may purchase or sell for themselves similar or different securities than are recommended to Piedmont Clients. Piedmont has implemented an investment policy relative to personal securities transactions of its employees. This investment policy is part of Piedmont's overall Code of Ethics, as described above, which serves to establish a standard of business conduct for all of Piedmont's supervised persons. Piedmont's personal trading policy is based upon fundamental principles of openness, integrity, honesty and trust. To prevent conflicts of interest, all personal trades made by Piedmont's employees are reviewed by supervisory personnel. Additionally, Piedmont's policies and procedures prohibit the misuse of material nonpublic information and are designed to prevent insider trading by any employee.

Item 12 – Brokerage Practices

A. Factors Considered in Recommending Broker-Dealers

Brokerage Partners and Best Execution. In selecting brokers-dealers, and determining the reasonableness of commissions and mark-ups charged, Piedmont will attempt to effect securities transactions for Clients in such a manner that the Clients receive the highest quality transaction, under the circumstances. This is known as "Best Execution". In selecting broker-dealers, Piedmont need not solicit competitive bids and does not have an obligation to seek the lowest available transaction cost (e.g., commission cost).

Piedmont may consider a number of factors in utilizing brokers-dealers for Client brokerage transactions. Among the factors considered by Piedmont are:

- Transaction net costs
- Security price
- Clearance and settlement practices
- Ease of execution
- Integration with existing Piedmont systems

- Interface applications for monitoring client investments
- Firm commitment to regulatory compliance
- Industry reputation
- General financial strength and stability
- Breadth of products and services
- Research capabilities

The foregoing factors are expected to enhance its portfolio management capabilities of Piedmont. Piedmont does not attempt to demonstrate that such factors are of a direct benefit to all Clients on all trades. Research and brokerage service received may be used to service some, or in certain circumstances, all Clients, subject to compliance with applicable law.

Piedmont has selected the Fidelity Investments and Charles Schwab as preferred brokerage services and custody providers for its Clients. See Item 15 below for more information about the services of Fidelity and Charles Schwab.

1. Soft Dollars. Consistent with Piedmont's Best Execution policies (see below) and section 28(e) of the Securities Exchange Act of 1934, Piedmont may pay commissions to broker-dealers at a level which may be higher than those charged by other firms. The difference in the commission rates is known as "Soft Dollars". These higher commission rates may be paid if Piedmont determines in good faith that the amount of the commission is reasonable in relation to the value of the brokerage and research services provided by the executing broker viewed in terms of Piedmont's responsibilities to its Clients. Soft Dollars may be used to offset the cost of certain services, including; research data on particular industries and companies, economic surveys and analysis, quote services, trade execution systems, and computer-related costs. Such products and services provide lawful and appropriate assistance to Piedmont in the performance of its investment responsibilities for its Clients.

Piedmont receives access to the Fidelity Advisor Channel, a service provided by Fidelity Investments, and PortfolioCenter, a service provided by Charles Schwab. Both Fidelity and Charles Schwab are FINRA registered broker-dealers to Piedmont's investment advisory clients. While there is no direct affiliation, Piedmont receives this access and other benefits from Fidelity and Charles Schwab that it would not receive if they did not manage assets at these Custodians. Some of these benefits include: integration with Piedmont's portfolio management system, online access to clients accounts, real time quotes, analytical support, ability to have advisory fees directly debited from client accounts (in accordance with federal and state requirements).

In addition, Piedmont has access to Dimensional Group's Returns 2.0 Software. This software provides Piedmont with performance analytical capabilities. Piedmont does use some of the Dimensional Funds in their portfolio models. While there is no direct affiliation, Piedmont receives this access and other benefits from Dimensional that it would not receive if they were not an approved adviser of Dimensional Group.

Client accounts may not benefit equally from services and products received via these Soft Dollars. These benefits cause a conflict of interest between Piedmont and Clients since these benefits may influence Piedmont's choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services. Platform services received by Piedmont via Soft Dollars are standard to all advisers utilizing Fidelity and Charles Schwab.

2. Brokerage for Client Referrals. Piedmont does not receive referrals from brokerage or third parties and would not consider such referrals if any in recommending a broker-dealer.

3. Client Directed Brokerage. Piedmont has discretionary authority to select brokerage firms used to execute trades. However, Piedmont requests that the clients maintain their assets at either Fidelity Investments or Charles Schwab (each a “Custodian” and together the “Custodians”), and direct brokerage for all trades to the respective Custodian. Absent an existing brokerage relationship, Piedmont will assist the client with developing a relationship with Fidelity Investments or Charles Schwab. Piedmont reserves the right to decline business if a client requires trades to be cleared through another broker. Due to the nature of the trading that Piedmont engages in and the additional costs, Piedmont does not believe that trading away from a client’s custodial broker would be in the client’s best interests. It may be the case that the Custodians charge a higher fee for a particular type of service, such as commission rates, than can be obtained from another broker. It may also be the case that the total costs of all services provided by either Custodian may be higher than can be obtained at another broker if Piedmont determines in good faith that such total costs are reasonable in relation the value of brokerage and research services provided by such broker, viewed in terms of Piedmont’s overall responsibilities to the client.

B. Aggregation of Client Trades

Piedmont generally invests Clients’ assets in mutual funds and ETFs, where order aggregation will rarely come into play. However, should other types of investments be traded, the individual investment person managing the trade will allocate the securities across the accounts, considering account size, diversification, cash availability, and other factors, including, where appropriate, the value of having a round lot in the portfolio. Piedmont’s allocation procedures seek to allocate investment opportunities among Clients in the fairest possible way taking into account Clients’ best interests. Piedmont will follow procedures as described below to ensure that allocations do not involve a practice of favoring or discriminating against any client or group of Clients. Account performance is never a factor in trade allocations.

Orders for the same security entered on behalf of more than one client will generally be aggregated subject to the aggregation being in the best interests of all participating Clients. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders; filled orders shall be allocated separately from subsequent orders. One exception is that subsequent orders may be aggregated with filled orders if the market price for the security has not materially changed and the aggregation does not cause any unintended duration exposure. All Clients participating in each aggregated order shall receive the average price and subject to minimum ticket charges, pay a pro-rata portion of commissions.

When a trade is to be executed for an individual account and the trade is not in the best interests of other accounts, then the trade will only be performed for that account. This is true even if Piedmont believes that a larger size block trade would lead to best overall price for the security being transacted.

Due to the nature of the bond market being an over-the-counter market, in most instances performing block transactions will provide best execution, including best price. Therefore, in instances where we want to transact a certain security for multiple accounts, we will always give consideration to performing the transaction as a single block trade.

When executing transactions in Rule 144A and other restricted securities, Piedmont will allocate such securities only to eligible client accounts. When Piedmont transacts in limited investment opportunities for advisory accounts, it takes into account cash availability and need, eligibility (per FINRA Rule 5130), suitability, investment objectives and guidelines and other factors deemed appropriate in making investment allocation decisions. Since hot issue premiums provide the potential of an immediate profit and since Piedmont may typically receive only a small portion of the allotments sought, Piedmont will exercise particular care in the allocation of these securities.

Instances in which client orders will not be aggregated include, but are not limited to, the following: (i) Clients directing Piedmont to use certain broker/dealers, in which case such orders shall be separately effected; (ii) Piedmont determines that the aggregation is not appropriate because of market conditions; and (iii) Piedmont must effect the transactions at different prices, making aggregation unfeasible.

Item 13 – Review of Accounts

A. Frequency of Reviews

The investment adviser representative responsible for the account will monitor account performance and periodically review accounts for consistency with client objectives and investment decisions. In addition, at least once a year every account will be reviewed by the Managing Principal/CCO.

B. Causes for a Review

In addition to the monitoring described above, reviews may be triggered by changes in a Client's tax or financial status. Macroeconomic and issuer specific events may also trigger reviews.

C. Client Reports

Clients will generally receive annual reports from Piedmont. The annual reports display the performance of the assets based upon time weighted rates of return for the designated period of statement of assets. A quarterly report, which is also distributed to clients, includes the following pertinent information: change in portfolio value, net contributions, income and expenses, management fees, investment gain and rates of return compared to benchmarks.

Piedmont maintains clients' funds and securities with qualified custodians. The qualified custodians agree to send at least as often as quarterly an independent statement to each client for whom it maintains funds or securities, identifying the amount of the funds and each security in the account at the end of the period and setting forth all transactions in the account during that period.

Item 14 – Client Referrals and Other Compensation

Piedmont may refer Clients to various third-parties to provide certain services necessary to meet financial goals. Likewise, Piedmont may receive a Client referral from a third-party.

A. Compensation Received by Piedmont

Piedmont does not receive any compensation from third-parties in exchange for referring business to that third-party. Except as otherwise disclosed in Item 12, Piedmont is compensated exclusively by Clients.

B. Client Referrals to Piedmont

Piedmont may pay fees to persons for client referrals, as permitted by Rule 206(4)-3 of the Investment Advisors Act of 1940. Piedmont will use a portion of Piedmont's investment management fee to pay the referring party. All solicitor fees will be paid by Piedmont rather than by the client. Referral fees are paid annually so long as the client remains with Piedmont and as long as the solicitor remains eligible and qualified to receive such fees. The fee paid to a qualified solicitor is 30% of the fees collected by Piedmont from the Client.

Item 15 – Custody

Piedmont will not maintain physical possession of the funds or securities of any separately managed investment advisory Client. Piedmont Clients enter into an agreement with brokerage firms (typically Fidelity or Charles Schwab) that serve as custodian of the funds and/or securities. Both Fidelity Investments and Charles Schwab are FINRA member firms.

All Clients receive statements of account holdings from their account custodian no less frequently than quarterly. Additionally, Piedmont will provide Clients with account balance and activity details upon request.

While Piedmont does not have custody of Client funds or securities, payments of fees may be paid by the custodian from the custodial brokerage account that holds Client funds pursuant to their account application. In certain jurisdictions this may be deemed constructive custody. Prior to permitting direct debit of fees, each Client provides written authorization permitting fees be made direct from the custodian. The custodian sends every Client an account statement no less frequently than quarterly showing all account activity, including the amounts disbursed from the account to Piedmont.

With respect to Militello Venture Partners II, LP ("MVP II" or "Limited Partnership") for which Piedmont serves as investment manager, an affiliate of Piedmont is considered to have custody based on its relationship to MVP II. As noted in Item 10, Militello Venture Partners II GP, LLC ("MVP II GP"), an affiliate of Piedmont, serves as the general partner to MVP II. Under SEC regulations, MVP II GP (the "General Partner") is deemed to have custody over the Limited Partnership. MVP II has engaged a third party administrator to perform certain functions, including managing its books and records and delivering statements to the investors of the Limited Partnership. MVP II maintains a custody account with its primary custodian, Millennium Trust. MVP II also intends to send out annual audited financial statements to investors in accordance with regulation.

Item 16 – Investment Discretion

A. Discretionary Portfolio Management

All wealth management portfolios are managed on a discretionary basis. During the initial structuring of each client account, Piedmont's investment professionals and the client jointly

determine an optimal investment strategy given the client's investment objectives. In some cases clients impose investment restrictions on their accounts and these restrictions must be in writing.

Piedmont may take investment action on behalf of one account that may be similar or different from the action taken on behalf of another account in terms of securities, timing, nature of transaction and other factors. Piedmont does not assure that it will purchase or sell for one account the same security which Piedmont purchases or sells for any other account.

In cases where Piedmont has full discretionary authority over Client accounts and the client has not imposed any specific restrictions, Piedmont will generally have unlimited discretionary authority, without obtaining specific consent, to determine:

- Securities to be bought or sold
- Amount of the securities to be bought or sold
- Broker or dealer to be used
- Commission rates paid to the broker dealer

In such cases, there are no limitations on Piedmont's authority in the areas indicated (other than as may be imposed by law or by a Client's specified restriction). It should be noted that with regard to commission rates, Piedmont does not have the power to determine the rates paid, only the authority to negotiate with and accept or reject rates offered by various broker-dealers. For more information on brokerage practices, please see Item 12 of this document.

Item 17 – Voting Client Securities

Piedmont does not accept proxy voting authority with respect to securities held in Clients' separately managed accounts. Consequently, all proxy solicitations will be sent directly to Clients for voting from either the custodian or the investment's transfer agent. A Client may contact Piedmont regarding questions they may have regarding a proxy.

Item 18 – Financial Information

Piedmont does not have any adverse financial information to disclose. The management of Piedmont believes that they are financially sound.

Item 1 – Cover Page



Form ADV Part 2B

Piedmont Investment Advisors, LLC

19455 Deerfield Avenue, Suite 307

Lansdowne, VA 20176

(703) 729-8333

(800) 453-2056

www.piedmontria.com

Date of Brochure: March 28, 2013

Information Regarding:

Virginia Office

19455 Deerfield Avenue, Suite 307

Lansdowne, VA 20176

(703) 729-8333

William J. Militello CRD No.: 3044289

Matthew D. Brady CRD No.: 3137611

New Jersey Office

3001 Lincoln Drive West, Suite J

Marlton, NJ 08053

(856) 528-9524

Mark D. Mensack CRD No.: 2639903

Bradley Smith CRD No.: 4420750

(each, a "Supervised Person")

This Form ADV Part 2B provides information about the Supervised Persons listed above and supplements the Form ADV Part 2A for Piedmont Investment Advisors, LLC (the "Brochure"). You should have received a copy of that Brochure. Please contact Piedmont Investment Advisors, LLC if you have any questions about Form ADV Part 2A or Part 2B.

You are receiving a combined report for each of the Supervised Persons listed above. This combined report contains the information required pursuant to Form ADV Part 2B on each Supervised Person who formulates investment advice, has direct contact with you or who has discretionary authority over your portfolio. Although you may have direct contact with only one of the Supervised Persons listed above, Messrs. Militello, Brady, Mensack and Smith work as a team in managing your portfolio.

Firm CRD No.: 125465 Firm SEC File No.: 801-66883

Item 2 – Educational Background and Business Experience

Name: William J. Militello

Year of Birth: 1969

Education: BS in Mathematics and Engineering
U.S. Naval Academy, Annapolis, Maryland, 1992

MS in Business
Boston University, 1996

Professional

Designations: CIMA®*

* **Certified Investment Management AnalystSM (CIMA[®])**. The CIMA certification signifies that an individual has met initial and on-going experience, ethical, education, and examination requirements for investment management consulting, including advanced investment management theory and application. Prerequisites for the CIMA certification are three years of financial services experience and an acceptable regulatory history. To obtain the CIMA certification, candidates must pass an online Qualification Examination, successfully complete a one-week classroom education program provided by a Registered Education Provider at an AACSB accredited university business school, pass an online Certification Examination, and have an acceptable regulatory history as evidenced by FINRA Form U-4 or other regulatory requirements. CIMA designees are required to adhere to IMCA's *Code of Professional Responsibility, Standards of Practice*, and *Rules and Guidelines for Use of the Marks*. CIMA designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the certification. The designation is administered through Investment Management Consultants Association (IMCA).

The CIMA certification has earned ANSI[®] (American National Standards Institute) accreditation under the personnel certification program. The American National Standards Institute, or ANSI, is a private non-profit organization that facilitates standardization and conformity assessment activities in the United States. CIMA is the first financial services credential to meet this international standard for personnel certification.

Business

Experience: **Piedmont Investment Advisors, LLC** (January 2003 to Present)
Managing Principal and Chief Compliance Officer

Piedmont Independent Fiduciaries, Inc. (July 2008 to June 2011)
President and Chief Compliance Officer

Other Experience (prior to 2003)

Prior to forming Piedmont, Mr. Militello served as a respected analyst and consultant to a wide range of financial market firms including Science Applications International Corp. (SAIC), Pursche Kaplin Sterling Investment and

Investscape, Inc. Mr. Militello also held a position as an equity trader with Knight Capital Markets in New York where he specialized in the research and development of computerized trading models for investment risk management and exchange traded fund arbitrage. Prior to Knight Capital, Mr. Militello served as a consultant to the National Association of Securities Dealers (NASD) and other large Wall Street firms such as Merrill Lynch where he was responsible for the marketing of the technology-based business and securities compliance tool known as the Market Analysis and Trading System; and was responsible for maintaining a discerning and perceptive knowledge of the NASD regulatory and compliance needs of securities firms. Mr. Militello began his securities career as an analyst for the National Security Agency.

Mr. Militello was also called upon to provide consulting services to the Securities & Exchange Commission (SEC) and the Commodity Futures Trading Commission (CFTC) on a variety of investment and regulatory topics.

Item 3 – Disciplinary Information

Mr. Militello does not have any disciplinary issues to disclose.

Item 4 – Other Business Activities

Mr. Militello is a volunteer with the Evelyn Brust Financial Research and Educational Foundation, where he provides unbiased, professional investment advice on a pro bono basis.

Item 5 – Additional Compensation

Mr. Militello does not receive any compensation from third-parties in connection with providing investment advisory services.

Item 6 – Supervision

General – Given the current size of Piedmont, the firm has not set up a multi-tiered structural supervisory system. The Managing Principal, Mr. Militello, is responsible for the supervision in all areas of the firm. To assist in carrying out Piedmont’s compliance program and to serve as an independent reviewer of compliance policies and procedures, the firm has hired an unaffiliated compliance consulting firm. Piedmont expects employees, including its Investment Advisory Representatives (“IARs”), to report to the Managing Principal/CCO any issues arising in which they may be unfamiliar or may otherwise require the assistance and judgment of supervisory personnel. Employees must also report any activities that run contrary to the Code of Conduct and that may adversely affect the reputation of Piedmont. Periodic compliance training is performed by the outside consultant with all employees and independent IARs.

Management Team – The Piedmont management team consists of four investment management personnel, Mr. Militello, Mr. Brady and Mr. Mensack. While they each maintain their own clients, the team meets regularly to discuss investment ideas and strategies. Each investment manager is required to complete an Investment Policy Statement (“IPS”) with each client and review the IPS periodically with each client. Testing is done on a periodic basis to ensure appropriate trading with investment objectives.

Individual Supervision – Mr. Militello is the Chief Compliance Officer (“CCO”) of Piedmont, and as such, oversees various aspects of Piedmont operations in relation to compliance. However, the Firm has hired an outside consulting firm to assist Mr. Militello in his CCO responsibilities and functions. All of Mr. Militello’s activities fall under the purview of the Piedmont management team. Mr. Militello is subject to all firm-wide oversight measures, including, but not limited to: correspondence review, personal trade activity review and outside business disclosures.

Item 2 – Educational Background and Business Experience

Name: Matthew D. Brady

Year of Birth: 1975

Education: BS in Economics
Virginia Polytechnic Institute and State University, 1998

MBA in Business
Meredith College, Raleigh, North Carolina, 2005

Business

Experience: **Piedmont Investment Advisors, LLC** (September 2010 to Present)

Managing Director

Matt is responsible for leading and executing on Piedmont Investment Advisor's growth and expansion strategy.

BB&T Wealth management (July 2005 to September 2010)

Vice President

Other Experience (Prior to 2006)

Matt began his financial services career with Morgan Stanley, and also previously worked in Wachovia's Private Banking Group.

Item 3 – Disciplinary Information

Mr. Brady does not have any disciplinary issues to disclose.

Item 4 – Other Business Activities

Mr. Brady is not actively engaged in any investment-related business or occupation other than his position with Piedmont or any other business or occupation for which he receives compensation and that represents more than 10% of his time and income.

Item 5 – Additional Compensation

Mr. Brady does not receive any compensation from third-parties in connection with providing investment advisory services.

Item 6 – Supervision

General – Given the current size of Piedmont, the firm has not set up a multi-tiered structural supervisory system. The Managing Principal, Mr. Militello, is responsible for the supervision in all areas of the firm. To assist in carrying out Piedmont's compliance program and to serve as an independent reviewer of compliance policies and procedures,

the firm has hired an unaffiliated compliance consulting firm. Piedmont expects employees, including its Investment Advisory Representatives (“IARs”), to report to the Managing Principal/CCO any issues arising in which they may be unfamiliar or may otherwise require the assistance and judgment of supervisory personnel. Employees must also report any activities that run contrary to the Code of Conduct and that may adversely affect the reputation of Piedmont. Periodic compliance training is performed by the outside consultant with all employees and independent IARs.

Management Team – The Piedmont management team consists of four investment management personnel, Mr. Militello, Mr. Brady and Mr. Mensack. While they each maintain their own clients, the team meets regularly to discuss investment ideas and strategies. Each investment manager is required to complete an Investment Policy Statement (“IPS”) with each client and review the IPS periodically with each client. Testing is done on a periodic basis to ensure appropriate trading with investment objectives.

Individual Supervision – Mr. Brady reports to the Managing Principal/CCO. All of Mr. Brady’s activities fall under the purview of the Piedmont management team as well as the Managing Principal/CCO. Mr. Brady is subject to all firm-wide oversight measures, including, but not limited to: correspondence review, personal trade activity review and outside business disclosures.

Item 2 – Educational Background and Business Experience

Name: Mark D. Mensack

Year of Birth: 1962

Education: BA in Philosophy
University of Scranton, Pennsylvania, 1984

MS in Philosophy
University of Pennsylvania, 1993

Professional

Designations: AIFA®

Accredited Investment Fiduciary Analyst. Holders of the AIFA mark successfully complete a specialized program on investment fiduciary standards of care and ISO assessment procedures, pass a comprehensive examination, and meet the designation's education and professional experience prerequisites. The AIFA designees hold the knowledge necessary to understand and implement a prudent process for Investment Stewards, Investment Advisors, and Investment Managers and can perform fiduciary assessments to verify or certify an entity's conformity to CEFEX's Global Fiduciary Standard of Excellence. The AIF and AIFA marks are held by the Center for Fiduciary Studies, LLC, a Fiduciary360 (fi360) company.

Business

Experience: **Piedmont Investment Advisors, LLC** (November 2009 to Present)

Managing Director

Mr. Mensack is Managing Director of the Marlton, NJ office of Piedmont. Mr. Mensack engages in new business acquisition and client management. He is also part of the investment management team that reviews the investments used in the model portfolios.

Piedmont Independent Fiduciaries, Inc. (November 2009 to Present)

Registered Investment Advisor

Independent Fiduciary Consultant

Mr. Mensack engages in new business acquisition, financial planning, investment advisory and client management. He is also a speaker and presenter at several industry conferences regarding retirement plans and fiduciary issues.

Morgan Stanley Smith Barney, LLC (June 2009 to November 2009)

First Vice President, Financial Advisor

Mr. Mensack engaged in new business acquisition, financial planning, investment advisory and client management. He was also a speaker and

presenter at several industry conferences regarding retirement plans and fiduciary issues.

Morgan Stanley & Co. Incorporated (August 2008 to June 2009)

First Vice President, Financial Advisor

Mr. Mensack engaged in new business acquisition, financial planning, investment advisory and client management. He was also a speaker and presenter at several industry conferences regarding retirement plans and fiduciary issues.

Janney Montgomery Scott LLC (February 2005 to September 2008)

First Vice President, Financial Advisor

Mr. Mensack engaged in new business acquisition, financial planning, investment advisory and client management. He was also a speaker and presenter at several industry conferences regarding retirement plans and fiduciary issues.

Other Experience (Prior to 2006)

Mr. Mensack also worked at Legg Mason Wood Walker Inc. from 1999 through 2003 and Merrill Lynch from 1995 through 1999. Prior to 1995, Mr. Mensack was a Commissioned Officer in the US Army for eleven years where he served in the United States and South Korea. Mark has also served on the Board of Directors for the USO of Pennsylvania and Southern New Jersey; and the Board of Trustees for the West Point Society of Philadelphia.

Item 3 – Disciplinary Information

Mr. Mensack has been involved in one self-regulatory organization proceeding in which Mr. Mensack was responsible for paying the claimant a fee in excess of \$2,500. While working with another firm in 2002, a customer dispute was filed against Mr. Mensack and his employer. The allegations by the customer were, among others, failure to supervise; misrepresentation and non-disclosure; omission of facts; and suitability with respect to mutual funds and annuities. Both the employer and Mr. Mensack denied the allegations. The NASD Dispute Resolution board awarded the customer compensatory damages (half of the amount requested), and punitive damages were denied. Damages awarded to the customer were paid equally by both Mr. Mensack and his employer at the time of the dispute. The disposition date of this case was April 22, 2003.

Item 4 – Other Business Activities

As noted above, Mr. Mensack is an Investment Adviser Representative with Piedmont Independent Fiduciaries, Inc. (“PIF”). PIF provides investment advisory services and customized solutions to retirement plans. The dual business relationship with both entities (PIF and Piedmont) does not create a conflict of interest for Mr. Mensack given that PIF’s focus is providing retirement plan services to plan sponsors and Piedmont’s focus is on wealth

management for high net worth individuals, corporations and charitable organizations. Any potential conflicts of interest are address in the compliance programs of both firms. Mr. Mensack allocates his time appropriately to each firm and given the team approach to managing clients' assets does not present a problem for Piedmont clients.

In addition, Mr. Mensack operates Mark D. Mensack, LLC, a firm that is retained by a law firm for its subject matter expertise on 401K Fiduciary issues and is the author of the "401k Ethicist" column in the Journal of Compensation and Benefits addressing ethical issues in the 401k industry.

Item 5 – Additional Compensation

Mr. Mensack does not receive any compensation from third-parties in connection with providing investment advisory services.

Item 6 – Supervision

General – Given the current size of Piedmont, the firm has not set up a multi-tiered structural supervisory system. The Managing Principal, Mr. Militello, is responsible for the supervision in all areas of the firm. To assist in carrying out Piedmont's compliance program and to serve as an independent reviewer of compliance policies and procedures, the firm has hired an unaffiliated compliance consulting firm. Piedmont expects employees, including its Investment Advisory Representatives ("IARs"), to report to the Managing Principal/CCO any issues arising in which they may be unfamiliar or may otherwise require the assistance and judgment of supervisory personnel. Employees must also report any activities that run contrary to the Code of Conduct and that may adversely affect the reputation of Piedmont. Periodic compliance training is performed by the outside consultant with all employees and independent IARs.

Management Team – The Piedmont management team consists of four investment management personnel, Mr. Militello, Mr. Brady and Mr. Mensack. While they each maintain their own clients, the team meets regularly to discuss investment ideas and strategies. Each investment manager is required to complete an Investment Policy Statement ("IPS") with each client and review the IPS periodically with each client. Testing is done on a periodic basis to ensure appropriate trading with investment objectives.

Individual Supervision – Mr. Mensack reports to the Managing Principal/CCO. All of Mr. Mensack's activities fall under the purview of the Piedmont management team and the Managing Principal/CCO. Mr. Mensack is subject to all firm-wide oversight measures, including, but not limited to: correspondence review, personal trade activity review and outside business disclosures.

Item 2 – Educational Background and Business Experience

Name: Bradley Smith

Year of Birth: 1974

Education: Master of Taxation; Florida Atlantic University, 2010
Bachelor of Science – Accounting; University of South Florida, 1996

Professional

Designations: Certifications: CPA*, ABV**, CVA®***

* Mr. Smith is a Certified Public Accountant (CPA) practitioner. In order to become a licensed CPA in the United States, the candidate must sit for and pass the Uniform Certified Public Accountant Examination, which is set by the American Institute of Certified Public Accountants and administered by the National Association of State Boards of Accountancy and have two years of audit/attest experience properly supervised by a licensed CPA. Eligibility to sit for the Uniform CPA Exam is determined by individual State Boards of Accountancy. Typically the requirement is a U.S. bachelor's degree which includes a minimum number of qualifying credit hours in accounting and business administration with an additional one year study. All CPA candidates must pass the Uniform CPA Examination to qualify for a CPA certificate and license (i.e., permit to practice) to practice public accounting. CPAs are required to take continuing education courses in order to renew their license, and most states require CPAs to complete an ethics course during every renewal period.

** The ABV Credential is exclusively granted by the AICPA to qualified CPAs. To qualify, a new ABV applicant must: (1) hold a valid and unrevoked CPA certificate issued by a legally constituted state authority; (2) pass the ABV Examination; (3) upon successfully passing the ABV Examination, complete the ABV Credential application; and (4) sign a Declaration of Intent to comply with the requirements of ABV recertification

*** To qualify for the Certified Valuation Analyst® designation, an applicant must: (1) hold a valid and unrevoked CPA license issued by a legally constituted state authority; (2) be a Practitioner member in good standing with NACVA; (3) successfully demonstrate that applicant meets NACVA's "experience threshold" by completing a sample Case Study or submitting an actual and sanitized Fair Market Value (FMV) report; (4) attend an optional five-day training program; (5) submit three personal and three business references; and (6) pass a comprehensive five-hour multiple-choice proctored examination.

Business

Experience: **Piedmont Investment Advisors, LLC** (June 2009 to Present)

Investment Adviser Representative

Mr. Smith is an Investment Adviser Representative for Piedmont.

Business

Experience

(continued): **Smith & Co., LLP** (February 2005 to Present)

Founder

Mr. Smith operates and manages Smith & Co, an accounting firm that performs tax preparation and consulting services on behalf of its clients.

Woodbury Financial Services, Inc. (August 2001 to June 2009)

Registered Representative

Mr. Smith was a registered representative for Woodbury Financial, an independent broker/dealer firm.

Item 3 – Disciplinary Information

Mr. Smith does not have any disciplinary issues to disclose.

Item 4 – Other Business Activities

As noted above, Mr. Smith operates and manages his own CPA firm, Smith & Co., LLP, located in Bonita Springs, FL. The majority of Mr. Smith's time is with Smith & Co., where he provides tax and consulting services to his clients. Clients of Smith & Co. may also be clients of Piedmont. The compensation received for the non-advisory services provided to Smith & Co. clients is separate and distinct from compensation Mr. Smith receives from Piedmont. Mr. Smith offers advisory services to his Smith & Co. clients through his relationship as an Investment Adviser Representative for Piedmont. Both tax services and advisory services may be a benefit to the client when planning their financial future.

Some of these non-advisory activities present a potential conflict of interest that may influence the objectivity of advisory recommendations to the extent that Mr. Smith receives additional compensation as a result of recommending additional tax and/or consulting services to clients. However, Piedmont clients are under no obligation to use the tax advisory services of Smith & Co. and clients of Smith & Co. are not obligated to use the advisory services of Piedmont.

Mr. Smith also owns a portion of a real estate investment company, Team Investments, Inc., located in Naples, FL. Mr. Smith makes management decisions and spends less than 10% of his time related to Team Investments.

Potential conflicts of interest also arise to the extent that these non-advisory activities may require a significant time commitment from Mr. Smith, thus limiting the amount of time he can dedicate to management of advisory client accounts. However, Mr. Smith strives to allocate his time fairly to all clients he services.

Piedmont holds its clients' interests above its own and above those of its owners, employees and affiliates. We monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm. In addition, Piedmont's recommendations are based on reasonable inquiries or understandings of its clients' investment objectives, financial situation, needs and other factors, and not on compensation received or other services being provided.

Item 5 – Additional Compensation

Mr. Smith does not receive any compensation from third-parties in connection with providing investment advisory services.

Item 6 – Supervision

General – Given the current size of Piedmont, the firm has not set up a multi-tiered structural supervisory system. The Managing Principal, Mr. Militello, is responsible for the supervision in all areas of the firm. To assist in carrying out Piedmont's compliance program and to serve as an independent reviewer of compliance policies and procedures, the firm has hired an unaffiliated compliance consulting firm. Piedmont expects employees, including its Investment Advisory Representatives ("IARs"), to report to the Managing Principal/CCO any issues arising in which they may be unfamiliar or may otherwise require the assistance and judgment of supervisory personnel. Employees must also report any activities that run contrary to the Code of Conduct and that may adversely affect the reputation of Piedmont. Periodic compliance training is performed by the outside consultant with all employees and independent IARs.

Management Team – The Piedmont management team consists of four investment management personnel, Mr. Militello, Mr. Brady and Mr. Mensack. While they each maintain their own clients, the team meets regularly to discuss investment ideas and strategies. Each investment manager is required to complete an Investment Policy Statement ("IPS") with each client and review the IPS periodically with each client. Testing is done on a periodic basis to ensure appropriate trading with investment objectives.

Individual Supervision – Mr. Smith reports to Mr. Militello. All of Mr. Smith's activities fall under the purview of the Piedmont management team and also the Managing Principal/CCO. Mr. Smith is subject to all firm-wide oversight measures, including, but not limited to: correspondence review, personal trade activity review and outside business disclosures.