

PIEDMONT INVESTMENT ADVISORY

Six Concourse Parkway NE
Suite 600
Atlanta, GA 30328

Phone - (770) 698-5500
Fax - (770) 698-5501
E-mail: info@piainvestments.com

PIEDMONT INVESTMENT ADVISORY, LLLP FORM

ADV PART 2A “Brochure”

December 10, 2021

WEBSITE: <http://piainvestments.com/>

This Brochure provides information about the qualifications and business practices of Piedmont Investment Advisory, LLLP (“Piedmont” or “Advisor”). If you have any questions about the contents of this Brochure, please contact us at telephone number (770) 698-5500. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Piedmont Investment Advisory, LLLP also is available on the SEC’s website at www.adviserinfo.sec.gov. Piedmont is a registered investment adviser with the SEC. Registration with the SEC or any state securities authority as an Investment Advisor does not imply a certain level of skill or training.

PIEDMONT INVESTMENT ADVISORY

Six Concourse Parkway NE
Suite 600
Atlanta, GA 30328

Phone - (770) 698-5500
Fax - (770) 698-5501
E-mail: info@piainvestments.com

ITEM 2 – Material Changes

The following material changes have been made to this Brochure since the last update on March 29, 2021:

- ☐ No material changes have been made.

However, certain information in this Brochure has been updated. Consequently, we encourage you to read the Brochure in its entirety.

PIEDMONT INVESTMENT ADVISORY

Six Concourse Parkway NE
Suite 600
Atlanta, GA 30328

Phone - (770) 698-5500
Fax - (770) 698-5501
E-mail: info@piainvestments.com

ITEM 3 – Table of Contents

Item 1 – Cover Page.....	1
Item 2 – Material Changes	2
Item 3 – Table of Contents	3
Item 4 – Advisory Business	4
Item 5 – Fees and Compensation	4
Item 6 – Performance-Based Fees and Side-by-Side Management	5
Item 7 – Types of Clients.....	5
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	5
Item 9 – Disciplinary Information	7
Item 10 – Other Financial Industry Activities and Affiliations	7
Item 11 – Code of Ethics.....	7
Item 12 – Brokerage Practices.....	8
Item 13 – Review of Accounts	9
Item 14 – Client Referrals and Other Compensation.....	9
Item 15 - Custody	9
Item 16 – Investment Discretion	9
Item 17 – Voting Client Securities	10
Item 18 – Financial Information	10

PIEDMONT INVESTMENT ADVISORY

Six Concourse Parkway NE
Suite 600
Atlanta, GA 30328

Phone - (770) 698-5500
Fax - (770) 698-5501
E-mail: info@piainvestments.com

ITEM 4 - Advisory Business

Piedmont Investment Advisory, LLLP (“Piedmont”, “Advisor” or “we”) is a Georgia limited liability limited partnership formed in 1989. Mr. William C. Brookshire, Jr. is the owner and sole general partner of the Advisor. Piedmont is registered with the State of Georgia and is subject to its rules and regulations. The Advisor provides advisory services to high net worth individuals, pension and profit-sharing plans, hedge fund and pooled investment vehicles (collectively, “Clients”). Piedmont is also the advisor to the Piedmont Partners LP Fund.

The Advisor also provides portfolio management services to its Clients by generally recommending the use of publicly traded securities. These include, but are not limited to, common and preferred equities and bonds, as well as equity derivatives primarily utilized for hedging risk. Piedmont tailors its investment advisory and portfolio management services to the specific needs, objectives, and risk tolerance of the Clients, as communicated to the Advisor. Clients may impose certain restrictions on the investments held within their account. Any restrictions would be covered in the advisory contract between the individual client and Piedmont.

As of December 31, 2020, Piedmont managed approximately \$70,549,181 on a discretionary basis and \$5,350,651 on a non-discretionary basis.

ITEM 5 – Fees and Compensation

Piedmont charges fees on a percentage of assets under management (“AUM”) basis. These relationships and fee schedules are determined on an individual client basis. These percentage of AUM fees generally range from 0.50—1.00%.

Fees are negotiable on a client-by-client basis depending upon the time considerations for each account. The fees are generally charged quarterly; however, other billing arrangements may be made with individual Clients. The fees are generally deducted directly from the Clients accounts by the custodian. However, Clients can arrange to pay fees based on an invoice submitted by Piedmont. Whether fees are deducted directly from Clients accounts or are paid on an invoice basis, all Clients receive a copy of their quarterly billings from Piedmont. All fees are paid in advance, based on the prior quarter’s ending value. The general partner reserves the right to waive any fees charged to a Client account. Also, fees can be refunded on a pro-rated basis should a Client leave in the middle of a previously charged period.

Clients of Piedmont Partners LP (“The Fund”) and not charged fees on percentage of assets. For further information on how Hedge Fund clients are charged please refer to ***Item 6 – Performance Based Funds and Side-by-Side Management***

In addition to advisory fees, Clients can also incur brokerage fees, as well as other potential transaction costs, for trading in their accounts. The Advisor’s brokerage practices are discussed in Item 12 below. No additional fees will be incurred by client.

Please see ***Item 6 – Performance-Based Fees and Side-by-Side Management*** below for additional

PIEDMONT INVESTMENT ADVISORY

Six Concourse Parkway NE
Suite 600
Atlanta, GA 30328

Phone - (770) 698-5500
Fax - (770) 698-5501
E-mail: info@piainvestments.com

information relating to fees related to the Fund.

ITEM 6 – Performance-Based Fees and Side-by-Side Management

While Piedmont Investment Advisors does not receive a performance-based fee, a portion of the Fund's net investment profit is allocated to the capital account of the General Partner, a "Performance Allocation." The Performance Allocation may differ among investors in the Fund; however, the general partner receives a carried interest performance-based fee of 20% above the Partnership's established Hurdle Rate. The Hurdle Rate of the Partnership is the average annual return of the 90-day U.S. Treasury Bill Auction Rate for the given year. The Performance Allocation is calculated and paid only at the end of the holding period. The General Partner is a related person of Piedmont.

The holding period is defined as one year.

While the Fund has a long-term investment strategy, potential investors should note that the payment by the Fund of the Performance Allocation may nonetheless provide an incentive for Piedmont to make investments that are riskier or more speculative than would be the case in the absence of such an arrangement. Generally, and except as may be otherwise set forth in the limited partnership agreement of the Fund (the "Partnership Agreement"), this conflict is mitigated by (i) set procedures contained in the allocation provisions set forth in the Partnership Agreement; and (ii) provisions and procedures set forth in Piedmont's Code of Ethics ("the Code") requiring Piedmont to act in accordance with principles of honesty, good faith and fair dealing. Please see ***Item 10 – Other Financial Industry Activities and Affiliations*** below for additional information relating to how conflicts of interests are generally addressed by Piedmont.

Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or appreciation of the assets of a client. Performance based fees may create an incentive for the Applicant to make investments that are riskier and more speculative than would be the case in the absence of performance-based fees and side by side management may create an incentive to favor this type of account over a non-performance-based account.

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

ITEM 7 – Types of Clients

The Advisor traditionally manages individual accounts, as well accounts for pensions, profit sharing plans, trusts, estates, charitable organizations, as well as pooled investment vehicles. A minimum account size of \$1,000,000 is required for management consideration. The Advisor is currently not soliciting new clients.

ITEM 8 – Method of Analysis, Investment Strategies and Risk of Loss

PIEDMONT INVESTMENT ADVISORY

Six Concourse Parkway NE
Suite 600
Atlanta, GA 30328

Phone - (770) 698-5500
Fax - (770) 698-5501
E-mail: info@piainvestments.com

The Advisor uses a traditional blend of fundamental and technical research for selecting proper investments for Clients. Tax implications are also taken into consideration. However, any tax-related guidance from Piedmont should not be construed as tax advice. Research includes, but is not limited to, financial newspapers and periodicals, annual reports and other regulatory filings and press releases, as well as research materials prepared by brokerage research departments. Certain information on which Piedmont bases its' research is generated by the third parties, who are generally reliable and reputable. Despite that there may be inaccuracies or discrepancies in such information beyond Piedmont's control. Overall market or economic conditions – which neither the Advisor nor its principals can predict or control – could have a material effect on the performance of Clients' accounts, and no assurance is given that performance will not be adversely affected by current or future market or economic conditions. Further, there is no assurance, notwithstanding the Client's past performance, that the Client's results will be non-correlated with (i.e., unrelated to) the general stock and bond markets.

Capital preservation, growth, and income are common objectives used by the Advisor, dependent upon individual Client needs.

Investments in securities, whether through the services of the Advisor or otherwise, involve risks of loss that clients should be prepared to bear.

The Advisor currently employs the use of publicly traded equities as well as fixed income for client accounts, that are subject to the following risks:

Management risk: There is no guarantee that Advisor's judgment about the value and potential appreciation of a particular asset class or individual security is correct.

Market Risk: Companies issue equities, or stocks, to help finance their operations and future growth. The value of these securities varies according to how the market reacts to factors relating to the company, market activity, or the economy in general. For example, when a company is expanding, the market may attach a positive outlook for the company and the value of their stock may rise. The opposite may also be true. The market value does not always reflect the intrinsic value of the company.

Emerging markets risk: Securities markets in emerging market countries may be smaller than those in more developed countries, making it more difficult to sell securities in order to take profits or avoid losses. Companies in these markets may have limited product lines, markets, or resources, making it difficult to measure the value of the company. Additionally, public information may be limited with respect to emerging markets issuers. Therefore, the value of assets invested in emerging markets may rise or fall substantially.

Small and Mid-Cap issuer risk: Piedmont may invest in securities of issuers with relatively small equity market capitalization. Smaller capitalization securities involve greater risk than larger capitalization securities. The securities of such companies may be subject to more volatile market movements than securities of larger, more established companies, both because the securities are traded in lower volumes and because the issuers typically are subject to changes in earnings and prospects.

PIEDMONT INVESTMENT ADVISORY

Six Concourse Parkway NE
Suite 600
Atlanta, GA 30328

Phone - (770) 698-5500
Fax - (770) 698-5501
E-mail: info@piainvestments.com

Fixed income securities are subject to additional risks, which include:

Interest rate risk: Fixed income securities increase or decrease in value based on changes in interest rates. If rates increase, the value of fixed income securities generally declines, and vice versa. Also, securities denominated in currencies other than U.S. dollar generally have interest rate risk based on interest rates in countries outside the United States. Such interest rates may behave differently than interest rates in the United States, potentially causing the price of such securities to fall at the time when interest rates in the U.S. are causing the price of U.S. dollar denominated debt to rise.

Duration risk: The longer the maturity of fixed income security, the more its price will vary as levels of interest rates change. Piedmont may invest in securities with long-dated maturities. Duration risk is a measure of how sensitive a security or portfolio is to moves in interest rates. When investment strategies have significantly longer duration than their benchmark index, they are likely to be more volatile when market interest rate materially changes.

Credit risk: This is the risk that issuers and counterparties will not make payments on the securities they issue.

In addition, the credit ratings of securities may be lowered if an issuer's financial condition changes. Lower credit quality may lead to greater volatility in the price of the security which in its turn may affect liquidity.

ITEM 9 - Disciplinary Information

Not applicable to Piedmont.

ITEM 10 – Other Financial Industry Activities and Affiliations

The Advisor currently sub-leases space for its offices from Warren Averett CPAs & Advisors ("Warren Averett") - a public accounting firm - to which the Advisor is a Client. There is no referral arrangement between the Advisor and Warren Averett. If the Advisor does refer a client to Warren Averett for accounting services, this affiliation will be disclosed before the referral is made.

The Advisor is currently engaged to provide advisory services to Piedmont Partners, Limited Partnership, a private investment partnership. Piedmont Partners, on an annual basis, reimburses the Advisor for any related expenses per the agreement between the Advisor and the fund.

The General Partner

The principals of Piedmont Investment Advisory, LLLP are also the principals of the General Partner of the Fund, Piedmont Capital LLC.

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

The Advisor has developed and implemented a standard Code of Ethics that applies to all employees. The

PIEDMONT INVESTMENT ADVISORY

Six Concourse Parkway NE
Suite 600
Atlanta, GA 30328

Phone - (770) 698-5500
Fax - (770) 698-5501
E-mail: info@piainvestments.com

Code of Ethics includes provisions relating to anti-money laundering and insider trading policies, and general compliance rules and regulations. All employees are required to attest to the receipt and understanding of the Code of Ethics at the initial hire and annually thereafter. A copy of the Code of Ethics is available to all existing and prospective Clients upon request.

The Advisor does not prohibit employees from trading personal accounts in the same securities as those recommended or traded in Client accounts. However, when trading for personal accounts, the Advisor requires that all Client orders must be executed before a trade is initiated in personal accounts. This prevents employees from 'front-running' Client accounts and incurring a personal gain in the transaction. In addition, the Advisor requires all personal trades to be executed with brokers who do not execute transactions for Clients to deter employees from taking preferential treatment on the executed orders.

Furthermore, the Advisor prohibits all employees from engaging in any securities transactions, for their own benefit or the benefit of others, including any Clients, while in possession of material, non-public information.

ITEM 12 – Brokerage Practices

Client account transactions are predominately executed through the custodian for the Client accounts. The custodians for Client's separately managed accounts are currently RBC Capital Markets or Cowen/Pershing. Clients can request to have trades directed to other brokerage firms through the Advisory's DVP (Delivery Versus Payment) account, in which event they may receive less favorable prices or may pay higher brokerage commissions because the Advisor may not be able to aggregate orders to reduce transaction costs. Directing brokerage requires that the Client submit necessary paperwork to Piedmont.

Asset Managers can also direct unsolicited trades through outside brokerage accounts for Clients with DVP arrangements and generally, cost and services are considered for executing trades away from the custodian for client assets. This practice is not common for the Advisor, as most transactions are executed via the Client's prime broker or custodian.

In certain cases, the Advisor will aggregate trades across multiple Client accounts. When the Advisor aggregates trades, a block trade will be executed for the applicable Client accounts and all Clients receive an average price for the executed trade.

Research and Other Soft Dollar Benefits

Broker-dealers typically provide a bundle of services including research and execution of transactions (e.g., research ideas, investment strategies, special execution and block positioning capabilities, clearance, settlement, and custodial services) to customers.

The research provided can be either proprietary (created and provided by the broker-dealer, including tangible research products as well as access to analysts and traders) or third party (created by a third party but provided by broker-dealer). Broker-dealers generally do not charge separate fees for proprietary research or third-party research or other brokerage services. Piedmont may use soft dollars to acquire

PIEDMONT INVESTMENT ADVISORY

Six Concourse Parkway NE
Suite 600
Atlanta, GA 30328

Phone - (770) 698-5500
Fax - (770) 698-5501
E-mail: info@piainvestments.com

research and brokerage services.

Section 28(e) of the Securities Exchange Act of 1934 provides a “safe harbor” that allows advisers to pay for research and brokerage services with the commission dollars generated by transactions for client accounts. In determining whether a service or product qualifies as research or brokerage services, Piedmont evaluates whether the soft dollar item provides lawful and appropriate assistance to Piedmont in meeting its Clients’ objectives or in carrying out its investment decision-making responsibilities for client accounts. Research obtained may not be utilized by Piedmont solely for the specific account that generated the soft dollars. Thus, such research can be used to benefit other advisory clients.

Piedmont will not enter into any agreement or understanding with any broker-dealer that would obligate Piedmont to direct a specific amount of brokerage transactions or commissions to any broker-dealer in return for soft dollar items.

ITEM 13 – Review of Client Accounts

All Client positions are monitored on a daily basis and Clients receive a quarterly written report from the Advisor which outlines the activities in the Client account. Information on realized and unrealized gains and losses are also distributed to clients on a quarterly basis. While there may be limited transactions in a Client account for a period of time, positions continue to be regularly monitored. Although review of accounts is done daily, further detailed review is completed on a monthly and quarterly basis. Reviewers include both the General Partner (William C. Brookshire Jr.) as well as the Assistant Portfolio Manager (John-David C. Huff).

ITEM 14 – Client Referrals and Other Compensation

Not applicable to Piedmont.

ITEM 15 - Custody

Piedmont does have custody of certain assets of the Fund. The Fund currently is audited annually by an independent public accountant, and the annual audited financial statements of the Fund are sent to the Fund’s investors.

Piedmont does not have physical custody of any client funds and/or securities, and does not take custody of client accounts at any time. Client funds and securities will be held with a bank, broker dealer, or other independent qualified custodian. However, by granting Piedmont written authorization to automatically deduct fees from client accounts, Piedmont is deemed to have limited custody. You will receive account statements from the independent, qualified custodian holding your funds at least quarterly. The account statement from your custodian will indicate the amount of advisory fees deducted from your account(s) each billing cycle. Clients should carefully review statements received from the custodian.

ITEM 16 – Investment Discretion

PIEDMONT INVESTMENT ADVISORY

Six Concourse Parkway NE
Suite 600
Atlanta, GA 30328

Phone - (770) 698-5500
Fax - (770) 698-5501
E-mail: info@piainvestments.com

Some Client accounts are managed on a discretionary basis. Management of the account is agreed upon on a client-by-client basis. The Advisor retains non-discretionary accounts as well. There is no active management of these non-discretionary accounts, only passive management from the direction of either the Client or the power of attorney holder.

ITEM 17 – Voting Client Securities

Piedmont is contracted by Piedmont Partners, LP for the management and voting rights of the fund. Since Piedmont Partners, LP is technically considered a client of Piedmont, Piedmont does vote all proxies for Piedmont Partners, LP and records are kept of the voting results.

Discretionary accounts allow the Advisor to vote Client's shares in a manner that we believe is in the Client's best interest. Clients may obtain a copy of the Advisor's proxy voting policies and procedures upon request. Non-discretionary accounts must be voted as directed by the Client with respect to voting proxy materials.

ITEM 18 – Financial Information

Piedmont is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its Clients.

Piedmont is not required to provide financial information to our clients because we do not require or solicit the prepayment of more than \$500 six or more months in advance.

ITEM 19 – Requirements for State-Registered Advisers

Principal Executive Officers and Management Persons Education and Business Background:

J D Huff
General Partner

Educational Background and Experience

J D Huff, born 1982, graduated from Berry College in 2004 with a Bachelor of Science degree in Business Administration with a focus in Finance.

He entered the securities business after graduation as an analyst with Piedmont Investment Advisory, LLLP (the "Advisory"), an investment adviser registered with the State of Georgia.

None of the Principal Executive Officers and Management persons listed have had any complaints or any events required to be disclosed in this section.

PIEDMONT INVESTMENT ADVISORY

Six Concourse Parkway NE
Suite 600
Atlanta, GA 30328

Phone - (770) 698-5500
Fax - (770) 698-5501
E-mail: info@piainvestments.com

Neither Piedmont nor any of its Management persons have any relationships or arrangements with any issuers of securities.