

## Independent Accountant's Verification Report

Ms. Sumali Sanyal, CFA  
Executive Vice President & Chief Operating Officer  
Piedmont Investment Advisors, LLC:

We have examined whether (1) Piedmont Investment Advisors, LLC (the "Firm") has complied with all the composite construction requirements of the Global Investment Performance Standards (GIPS® standards) on a firm-wide basis for the periods from October 1, 2000, to September 30, 2016, and (2) the Firm's policies and procedures are designed to calculate and present performance results in compliance with the GIPS standards as of September 30, 2016. The Firm's management is responsible for compliance with the GIPS standards and the design of its policies and procedures. Our responsibility is to express an opinion based on our examination.

### **Scope of Work**

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Firm's compliance with the previously mentioned requirements; evaluating the design of the Firm's policies and procedures previously referred to; and performing the procedures for a verification required by the GIPS standards and such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

### **Opinion**

In our opinion, in all material respects,

- the Firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the periods from October 1, 2000, to September 30, 2016; and
- the Firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards as of September 30, 2016.

We have not been engaged to examine and did not examine any presentation of the Firm's composites for any period, including any presentations that may accompany this report, and accordingly, we express no opinion on any such performance.



Ashland Partners & Company LLP  
December 6, 2016

**PIEDMONT INVESTMENT ADVISORS, LLC**  
**CORE VALUE COMPOSITE**  
**ANNUAL DISCLOSURE PRESENTATION**

Year End	Total Firm Assets (millions)	Composite Assets			Annual Performance Results				Annualized Std. Deviation	
		USD (millions)	Number of Accounts	% Bundled Fee	Composite Gross	Composite Net	S & P 500	Composite Dispersion	Composite 3 year	S & P 500 3 year
2015	5,577	5	6	0%	1.61%	1.16%	1.38%	0.33	10.32	10.47
2014	2,542	4	6	0%	13.48%	12.97%	13.69%	0.36	N.A	N.A
2013	2,731	3.63	6	0%	38.42%^	37.01%	32.39%	N.A	N.A	N.A
2012*	3,425	0.133	Five or Fewer	100%	0.04%^	-0.40%	-0.38%	N.A	N.A	N.A

N.A. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

\*Results shown for the year 2012 represent partial period performance from October 1, 2012 through December 31, 2012.

^Gross of fees Performance for the period September 30, 2012 to September 30, 2013 is supplemental information. During that period, one account in the composite had a bundled fee. The net performance for that period is reduced by the total bundled fee, which is comprised of the custodial fee and transactions costs, plus Piedmont's management fee.

*The 3-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 month period. The three-year annualized ex-post standard deviation of the composite and benchmark is not presented because 36 monthly returns are not available.*

***Core Value Composite** contains fully discretionary equity income accounts and for comparison purposes is measured against the S&P 500 Index. The product typically has between 35 and 45 holdings and a current yield that is greater than the S&P 500. The Core Value product was created on September 30, 2012.*

Piedmont Investment Advisors, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Piedmont Investment Advisors, LLC has been independently verified for the periods October 1, 2000 through September 30, 2016. A copy of the verification report(s) is/are available upon request.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Piedmont Investment Advisors, LLC is an independent investment adviser registered with the SEC. The firm maintains a complete list and description of composites, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. During the period September 30, 2012 to September 30, 2013, net of performance was calculated by reducing the gross of fees performance by the entire bundled fee of 1.50%, which is comprised of the custodial fee and transaction costs, plus Piedmont's management fee. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The management fee schedule for the composite is as follows:

Product	First \$25M	Next \$25M	Next \$50M	Over \$100M
Core Value	50 BP	45 BP	40 BP	37.5 BP

Fees are charged to clients on a quarterly basis. Fees are calculated as a percentage of assets under management and vary based upon the type of product and the total amount of assets under management. The percentage fee is expressed terms of basis points ("BP") for our products. One hundred basis points equal 1%. All fees are negotiable.

Effective April 1, 2016, Composite name was changed from Growth & Income to Core Value.