Ashland Partners & Company LLP

ASHLAND

525 Bigham Knoll, Suite 200
Jacksonville, OR 97530
541.857.8800
Fax: 503.213.7245
www.ashlandpartners.com

Independent Accountant's Report

Mr. Isaac H. Green, CFA
President & Chief Executive Officer
Piedmont Investment Advisors, LLC
300 West Morgan Street, Suite 1200
Durham, NC 27701

Report on Firm-Wide Verification

We have examined Piedmont Investment Advisors, LLC's (the "Company") (1) compliance with all the composite construction requirements of the Global Investment Performance Standards (GIPS®) on a firm-wide basis for the periods October 1, 2000 through June 30, 2011, and (2) design of its policies and procedures to calculate and present performance results in compliance with the GIPS standards as of June 30, 2011.

Management and Accountant's Responsibility

The Company'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.

Opinion

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 Company's compliance with the above-mentioned requirements, evaluating the design of the Company's policies and procedures referred to above, and performing the procedures for a verification set forth 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.

In our opinion, Piedmont Investment Advisors, LLC has, in all material respects:

- Complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the periods October 1, 2000 through June 30, 2011; and

- Designed its policies and procedures to calculate and present performance results in compliance with the GIPS standards as of June 30, 2011.

We did not examine the performance results of the Company's composites for any periods through June 30, 2011, including any performance presentations that may accompany this report and, accordingly, we express no opinion on any such performance results.

Ashland Partners + Company LLP

Ashland Partners & Company LLP
October 13, 2011

PIEDMONT INVESTMENT ADVISORS, LLC
STRATEGIC CORE COMPOSITE
ANNUAL DISCLOSURE PRESENTATION

Year End	Total Firm Assets (millions)	Composite Assets		Annual Performance Results				
		USD (millions)	Number of Accounts	Composite Gross	Composite Net	S&P 500	Russell 1000	Composite Dispersion
2010	3,448	2,086	24	15.90%	15.51%	15.06%	16.10%	0.06%
2009	2,883	1,681	28	25.49%	25.08%	26.46%	28.43%	0.54%
2008	1,831	887	23	-37.86%	-38.07%	-37.00%	-37.60%	0.24%
2007	1,998	1,070	18	13.22%	12.86%	5.49%	5.77%	0.32%
2006	1,371	991	20	15.81%	15.44%	15.81%	15.46%	0.2%
2005	804	495	21	8.21%	7.85%	4.91%	6.27%	0.2%
2004	459	269	15	9.59%	9.28%	10.88%	11.40%	0.1%
2003	306	131	7	35.36%	34.98%	28.69%	29.90%	N.A.
2002	184	23	Five or fewer	(21.85%)	(22.02%)	(22.10%)	(21.65%)	N.A.
2001	164	<1	Five or fewer	(13.61%)	(13.94%)	(11.89%)	(12.45%)	N.A.
2000*	<1	<1	Five or fewer	(2.09%)	(2.17%)	(7.83%)	(9.16%)	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 2000 represent partial period performance from October 1, 2000 through December 31, 2000.

2011 gross and net quarterly performance for the composite is as follows: 1Q11: 3.19% and 3.12%, 2Q11: 0.17% and 0.10%, 3Q11: -16.09% and -16.15%, respectively.

Strategic Core Composite *contains fully discretionary large cap equity accounts and for comparison purposes is measured against the S&P 500 and Russell 1000 indices. The product typically has 30-40 holdings and a tracking error target range from 4 to 8%. Beginning January 1, 2006, the minimum account size for this composite is $3 million. The Strategic Core Composite was created September 30, 2000.*

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 June 30, 2011.

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. Prior to June 30, 2004, net of fee performance was calculated using a dollar-weighted average fee. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the 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 $50 M	Next $50 M	Over $100M
Strategic Core	65 BP	50 BP	40 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.

PIEDMONT INVESTMENT ADVISORS, LLC
MARKET PLUS COMPOSITE
ANNUAL DISCLOSURE PRESENTATION

	Total Firm	Composite Assets		Annual Performance Results			
Year End	Assets (millions)	USD (millions)	Number of Accounts	Composite Gross	Composite Net	S&P 500	Composite Dispersion
2010	3,448	516	5	13.46%	13.26%	15.06%	0.20%
2009	2,883	570	7	24.39%	24.13%	26.46%	0.10%
2008	1,831	283	6	-37.50%	-37.66%	-37.00%	0.07%
2007	1,998	264	Five or fewer	7.13%	6.90%	5.49%	N.A.
2006	1,371	81	Five or fewer	18.18%	17.89%	15.81%	N.A.
2005	804	47	Five or fewer	5.98%	5.64%	4.91%	N.A.
2004	459	8	Five or fewer	11.86%	11.38%	10.88%	N.A.
2003	306	6	Five or fewer	27.88%	27.28%	28.69%	N.A.
2002	184	1	Five or fewer	(18.73%)	(19.33%)	(22.10%)	N.A.

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

2011 gross and net quarterly performance for the composite is as follows: 1Q11: 5.98% and 5.92%, 2Q11: 0.95% and 0.90%, 3Q11: -14.06% and -14.10%, respectively.

Market Plus Composite *contains fully discretionary low tracking error large cap core equity accounts and for comparison purposes is measured against the S&P 500 Index. The product typically has 150-175 holdings and a tracking error target range is from 1 to 2%. The Market Plus Composite was created December 31, 2001.*

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 June 30, 2011.

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. Prior to June 30, 2004, net of fee performance was calculated using a dollar-weighted average fee. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The management fee schedule is as follows:

Product	First $50 M	Next $50 M	Over $100 M
Market Plus	35 BP	30 BP	25 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.

PIEDMONT INVESTMENT ADVISORS, LLC
YIELD ADVANTAGE AGGREGATE COMPOSITE
ANNUAL DISCLOSURE PRESENTATION

Year End	Total Firm Assets (millions)	Composite Assets		Annual Performance Results			
		USD (millions)	Number of Accounts	Composite Gross	Composite Net	Barclays' Aggregate	Composite Dispersion
2010	3,448	378	Five or fewer	8.52%	8.32%	6.54%	N.A
2009	2,883	326	Five or fewer	9.44%	9.21%	5.93%	N.A
2008	1,831	365	7	0.78%	0.59%	5.24%	0.87%
2007	1,998	314	Five or fewer	5.69%	5.49%	6.97%	N.A.
2006	1,371	154	Five or fewer	5.29%	5.04%	4.33%	N.A.
2005	804	141	Five or fewer	2.16%	1.93%	2.43%	N.A.
2004	459	14	Five or fewer	4.63%	4.36%	4.34%	N.A.
2003*	306	13	Five or fewer	0.50%	0.36%	0.18%	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 2003 represent partial period performance from July 1, 2003 through December 31, 2003.

2011 gross and net quarterly performance for the composite is as follows: 1Q11: 1.12% and 1.07%, 2Q11: 2.00% and 1.96%, 3Q11: 2.44% and 2.39%, respectively.

Yield Advantage Aggregate Composite *contains fully discretionary core fixed income accounts with increased credit exposure and mortgage-backed and asset-backed securities, and is measured against the Barclays' U.S. Aggregate Bond Index. The product typically has 50-75 holdings with duration ranging from 88 to 112% of the prospective index and a targeted tracking error of 0.75to 1.50%. The Yield Advantage Aggregate Composite was created June 30, 2003.*

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 June 30, 2011.

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. Prior to June 30, 2004, net of fee performance was calculated using a dollar-weighted average fee. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The management fee schedule is as follows:

Product	First $50 M	Next $50 M	Over $100 M
Yield Advantage	35 BP	25 BP	20 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.

PIEDMONT INVESTMENT ADVISORS, LLC
YIELD ADVANTAGE INTERMEDIATE GOVERNMENT/CREDIT COMPOSITE
ANNUAL DISCLOSURE PRESENTATION

Year End	Total Firm Assets (millions)	Composite Assets USD (millions)	Composite Assets Number of Accounts	Annual Performance Results Composite Gross	Composite Net	Barclays' Int Gov/Credit	Composite Dispersion
2010	3,448	3	Five or fewer	6.26%	5.92%	5.89%	N.A.
2009	2,883	28	Five or fewer	9.36%	9.11%	5.24%	N.A.
2008	1,831	35	Five or fewer	4.22%	3.98%	5.08%	N.A.
2007	1,998	34	Five or fewer	7.62%	6.45%	7.39%	N.A.
2006	1,371	2	Five or fewer	4.80%	4.47%	4.07%	N.A
2005	804	2	Five or fewer	1.74%	1.42%	1.57%	N.A.
2004	459	2	Five or fewer	3.52%	3.19%	3.04%	N.A.
2003*	306	2	Five or fewer	0.46%	0.16%	0.04%	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 2003 represent partial period performance from July 1, 2003 through December 31, 2003.

2011 gross and net quarterly performance for the composite is as follows: 1Q11: 0.75% and 0.68%, 2Q11: 2.00% and 1.92%, 3Q11: 1.95% and 1.87%, respectively.

Yield Advantage Intermediate Government/Credit Composite *contains fully discretionary core fixed income accounts with a one to ten year maturity horizon, and is measured against the Barclays Intermediate Government/Credit Index. The product typically has 40-70 holdings with duration ranging from 95 to 105% of the prospective index and a targeted tracking error of 0.25to 0.75%. The Yield Advantage Intermediate Government/Credit Composite was created June 30, 2003.*

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 June 30, 2011.

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. Prior to June 30, 2004, net of fee performance was calculated using a dollar-weighted average fee. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The management fee schedule is as follows:

Product	First $50 M	Next $50 M	Over $100 M
Yield Advantage	35 BP	25 BP	20 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.

PIEDMONT INVESTMENT ADVISORS, LLC
YIELD ADVANTAGE LIMITED DURATION COMPOSITE
ANNUAL DISCLOSURE PRESENTATION

	Total Firm	Composite Assets			Annual Performance Results			
Year End	**Assets (millions)**	**USD (millions)**	**% of Carve Outs**	**Number of Accounts**	**Composite Gross**	**Composite Net**	**ML 1-3 Yr**	**Composite Dispersion**
2010*	3,448	45	0%	Five or fewer	1.23%	1.17%	0.86%	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 2010 represent partial period performance from July1, 2010 through December 31, 2010.

2011 gross and net quarterly performance for the composite is as follows: 1Q11: 0.46% and 0.44%, 2Q11: 0.76% and 0.75%, 3Q11: -0.31% and -0.34%, respectively.

Yield Advantage Limited Duration Composite *contains fully discretionary core fixed income accounts with a one to five year maturity horizon, and is measured against the Bank of America Merrill Lynch 1-3 Year U.S. Corporate/ Government Bond Index. The product typically has 80-100 holdings with duration ranging from 90 to 110% of the prospective index and a targeted tracking error of 0.25 to 0.50%. The Yield Advantage Limited Duration Composite was created June 30, 2010.*

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 June 30, 2011.

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. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The management fee schedule is as follows:

Product	First $50 M	Next $50 M	Over $100 M
Yield Advantage Products	18 BP	NEGOTIABLE	NEGOTIABLE

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.

PIEDMONT INVESTMENT ADVISORS, LLC
OPTIMIZED LARGE CAP VALUE COMPOSITE
ANNUAL DISCLOSURE PRESENTATION

	Total Firm	Composite Assets			Annual Performance Results			
Year End	Assets (millions)	USD (millions)	% of Carve Outs	Number of Accounts	Composite Gross	Composite Net	Russell 1000V	Composite Dispersion
2010	3,448	12.5	0%	Five or fewer	15.21%	14.82%	15.51%	N.A.
2009	2,883	14.3	0%	Five or fewer	20.24%	19.81%	19.69%	N.A.
2008	1,831	11.9	0%	Five or fewer	-33.52%	-33.77%	-36.85%	N.A.
2007	1,998	18	0%	Five or fewer	2.86%	2.50%	-0.17%	N.A.
2006*	1,371	17.6	0%	Five or fewer	17.37%	16.98%	17.68%	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 2006 represent partial period performance from February 1, 2006 through December 31, 2006.

Performance presented prior to December 15, 2010 occurred while the Portfolio Management Team was affiliated with a prior firm and the Portfolio Management Team members were the only individual(s) responsible for selecting the securities to buy and sell. Piedmont Investment Advisors maintains all of the books and records to support the historical performance.

2011 gross and net quarterly performance for the composite is as follows: 1Q11: 7.92% and 7.83%, 2Q11: -0.57% and -0.67%, 3Q11: -17.42% and -17.49%, respectively.

Optimized Large Cap Value Composite *contains fully discretionary large cap value equity accounts and for comparison purposes is measured against the Russell 1000 Value Index. The product typically has 70-100 holdings and tracking error under 4%. The Optimized Large Cap Value Composite was created on December 15, 2010.*

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 June 30, 2011.

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. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the 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 $25M	Over $75M
Optimized Large Cap Value	40 BP	30 BP	20 BP	15 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.

PIEDMONT INVESTMENT ADVISORS, LLC
OPTIMIZED MIDCAP CORE vs. RUSSELL MIDCAP COMPOSITE
ANNUAL DISCLOSURE PRESENTATION

Year End	Total Firm Assets (millions)	Composite Assets USD (millions)	% of Carve Outs	Number of Accounts	Annual Performance Results Composite Gross	Composite Net	Russell Midcap	Composite Dispersion
2010	3,448	139.5	0%	Five or fewer	18.50%	18.07%	25.48%	N.A.
2009	2,883	254	0%	Five or fewer	36.44%	35.97%	40.48%	N.A.
2008	1,831	188.1	0%	Five or fewer	-39.00%	-39.23%	-41.46%	N.A.
2007	1,998	288.4	0%	Five or fewer	10.02%	9.66%	5.60%	N.A.
2006	1,371	257.3	0%	Five or fewer	15.48%	15.06%	15.26%	N.A.
2005*	804	226.5	0%	Five or fewer	7.11%	6.91%	8.41%	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 2005 represent partial period performance from July 1, 2005 through December 31, 2005.

Performance presented prior to December 15, 2010 occurred while the Portfolio Management Team was affiliated with a prior firm and the Portfolio Management Team members were the only individual(s) responsible for selecting the securities to buy and sell. Piedmont Investment Advisors maintains all of the books and records to support the historical performance.

2011 gross and net quarterly performance for the composite is as follows: 1Q11: 8.80% and 8.70%, 2Q11: 0.51% and 0.43%, 3Q11: -18.96% and -19.04%, respectively.

Optimized Midcap Core vs. Russell Midcap Composite *contains fully discretionary midcap core equity accounts and for comparison purposes is measured against the Russell Midcap Index. The product typically has 90-125 holdings and tracking error under 4%. The Optimized Midcap Core vs. Russell Midcap Composite was created on December 15th, 2010.*

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 June 30, 2011.

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. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the 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 $25M	Next $75M	Over $150M
Optimized Midcap Core	50 BP	40 BP	30 BP	20 BP	20 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.

PIEDMONT INVESTMENT ADVISORS, LLC
OPTIMIZED MIDCAP CORE vs. S&P MIDCAP COMPOSITE
ANNUAL DISCLOSURE PRESENTATION

Year End	Total Firm Assets (millions)	Composite Assets			Annual Performance Results			
		USD (millions)	% of Carve Outs	Number of Accounts	Composite Gross	Composite Net	S&P Midcap	Composite Dispersion
2010	3,448	4.9	0%	Five or fewer	23.74%	23.46%	26.64%	N.A.
2009	2,883	4	0%	Five or fewer	38.09%	37.75%	37.38%	N.A.
2008	1,831	2.9	0%	Five or fewer	-37.98%	-38.13%	-36.23%	N.A.

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

Performance presented prior to December 15, 2010 occurred while the Portfolio Management Team was affiliated with a prior firm and the Portfolio Management Team members were the only individual(s) responsible for selecting the securities to buy and sell. Piedmont Investment Advisors maintains all of the books and records to support the historical performance.

2011 gross and net quarterly performance for the composite is as follows: 1Q11: 9.63% and 9.57%, 2Q11: -0.01% and -0.06%, 3Q11: -19.65% and -19.70%, respectively.

Optimized Midcap Core vs. S&P Midcap Composite *contains fully discretionary midcap core equity accounts and for comparison purposes is measured against the S&P Midcap Index. The product typically has under 100 holdings and tracking error target range of 5 to 8%. The Optimized Midcap Core vs. S&P Midcap Composite was created on December 15, 2010.*

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 June 30, 2011.

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. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the 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 $25M	Next $75M	Over $150M
Optimized Midcap Core	50 BP	40 BP	30 BP	20 BP	20 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.