Report of Organizational Actions
(December 2011) Affecting Basis of Securities
$\checkmark$ See separate instructions.

## Part I Reporting Issuer



Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.
14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action PIEDMONT DISTRIBUTED QUARTERLY CASH DISTRIBUTIONS TO ITS COMMON SHAREHOLDERS FOR THE 2011 TAX YEAR. A PORTION OF THESE DISTRIBUTIONS REPRESENTS A NON-DIVIDEND DISTRIBUTION. THESE DISTRIBUTIONS WERE PAID ON MARCH 22, 2011; J UNE 22, 2011; SEPTEMBER 22, 2011; AND DECEMBER 22, 2011.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis THE BASIS OF THE SECURITY SHOULD BE REDUCED BY 11.61\% OF THE TOTAL

## DISTRIBUTION RECEIVED

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates THE NON-DIVIDEND DISTRIBUTION REPRESENTS DISTRIBUTIONS ASSOCIATED WITH THE 2011 TAX YEAR WHICH ARE IN EXCESS OF THE CURRENT YEAR AND ACCUMULATED EARNINGS AND PROFITS.

## Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based I.R.C.SECTION 301(c)(2).

18 Can any resulting loss be recognized? N/A

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year N/A


