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QDIA Validation

**Great-West Capital
Management, LLC**

**Great-West Lifetime
Asset Allocation Funds**

April 2013

DALBAR, Inc.
Audit & Due Diligence Division



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Table of Contents

QDIA VALIDATION - STATUS AS OF APRIL 2013	2
→ VALIDATION GRID	3
INTRODUCTION	4
AGE BASED ASSET ALLOCATION ANALYSIS	5
APPLICABILITY AS QDIA ALTERNATIVE	6
QUALIFICATION ANALYSIS	10
REASONABLENESS AS AN INVESTMENT	13
→ ASSET ALLOCATORS:	13
→ RISK/RETURN ANALYSIS	14
APPENDICES	17
A. UNDERLYING INVESTMENT -RISK ANALYSIS	18
B. UNDERLYING INVESTMENT -PERFORMANCE ANALYSIS	20
C. UNDERLYING INVESTMENT -EXPENSE ANALYSIS	22

QDIA Validation - Status as of April 2013

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DALBAR APPROVED

VALIDATED for QDIA

DALBAR has evaluated the ***Great-West Lifetime Asset Allocation Funds*** offered by ***Great-West Capital Management, LLC*** to determine if they comply with the requirements to be used as a qualified default investment alternative (QDIA) as defined by the Employee Retirement Income Security Act of 1974, as amended [ERISA] Section 404(c)(5) and associated regulations.

Great-West Lifetime Asset Allocation Funds are referred to as the *Investment* and are a series of registered investment companies that are reported to be in compliance with all applicable regulations.



→ Validation Grid

The following table summarizes the ways in which the *Great-West Lifetime Asset Allocation Funds* qualify as a QDIA.

In each case the *Investment* being validated may be applicable as the only one used (stand alone) or may be used in conjunction with other investments (sleeve) in a model portfolio managed by an investment adviser that qualifies under ERISA section 3(38). The QDIA validation determines which QDIA alternative(s) apply and whether the *Investment* may be used stand-alone and/or as a sleeve in a portfolio.

<i>Great-West Lifetime Asset Allocation Funds</i>			
	QDIA Alternative	Stand Alone	Sleeve of portfolio
1	Age Based	Yes	Yes
2	Risk Based	No	No
3	Managed Account	No	Yes
4	Short Term	No	No
5	Grandfathered	No	No

NOTEWORTHY OBSERVATIONS:

- The *Great-West Lifetime Asset Allocation Funds* are offered in three risk levels, conservative, moderate and aggressive. By using all three in one plan, the plan fiduciary can default to the risk level that best matches the risk preference of specific participants as well as use an appropriate level when no preference is expressed.
 - ➔ **Multiple target date glide paths with differing levels of risk defaults plan participants into more appropriate choices, avoiding the “one size fits all” weakness of most target date funds.**

- The *Great-West Capital Management, LLC* selects underlying investments from an array of best funds from leading investment managers that agree to uniform compensation arrangements. Selections are made in the context of current economic and market conditions, and are based on the investment strategy, risk profile and historical performance, Morningstar ratings, fees and expenses, asset size and managerial style.
 - ➔ **The unbiased investment discipline used by the *Great-West Lifetime Asset Allocation Funds* provides a superior set of investments for participants and protects plan fiduciaries from appearing to favor one investment manager over another.**

Introduction

This report contains DALBAR's independent analysis of the *Great-West Lifetime Asset Allocation Funds* and *Great-West Capital Management, LLC* and is intended to supplement the duty of fiduciaries to prudently select investments for use as a qualified default investment alternative. Since this is a supplement, the content of this report is intended as a guideline and is not a substitute for the evaluation required by regulations.

As an independent expert, DALBAR has no affiliation with the *Great-West Lifetime Asset Allocation Funds* or *Great-West Capital Management, LLC* and has the training, experience and proficiency to conduct this analysis. DALBAR has a 30-year history recognized by industry and government as an independent third-party expert in the business of providing evaluations, ratings and due diligence. DALBAR certifications are recognized as marks of excellence in adviser services, communications, electronic and telephone services. DALBAR is the only ratings firm with an SEC no-action letter exempting certain of its evaluations from the testimonial rule.

This analysis consists of four separate evaluations that are designed to validate if the *Great-West Lifetime Asset Allocation Funds* and *Great-West Capital Management, LLC* meet requirements of ERISA section 404(c)(5) and related regulations. These evaluations are:

- **Age Based Asset Allocation Analysis:** A comparison of equity mix (glide path) in comparable investments.
- **Applicability as QDIA Alternative:** A determination of which class or classes of QDIA are appropriate uses of the *Great-West Lifetime Asset Allocation Funds*.
- **Qualification Analysis:** An evaluation of the qualifications of *Great-West Capital Management, LLC* to meet the regulatory requirements for a QDIA manager.
- **Reasonableness as an Investment:** An assessment of whether *Great-West Lifetime Asset Allocation Funds* meets the DALBAR standard of reasonableness.

For more information concerning this report, please contact DALBAR at:

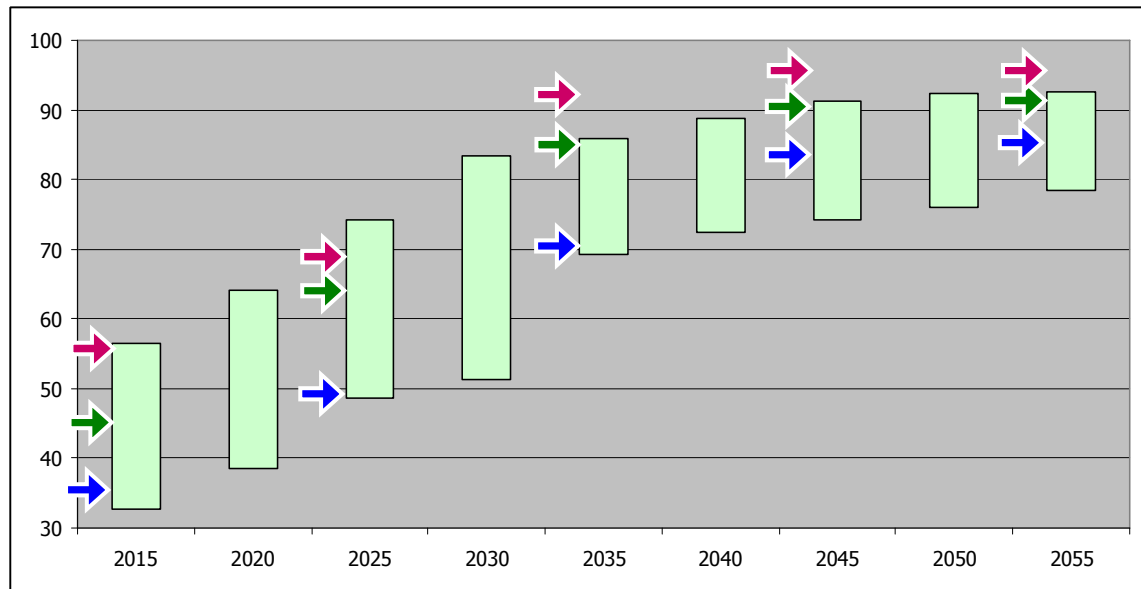


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Age Based Asset Allocation Analysis

While the allocation of equity and fixed income assets in age based funds and computer models vary widely, a study of age based (target date) funds across the mutual fund industry was used to compute norms for these allocations. The chart below shows these norms. The marker () on the chart illustrates the equity allocation of the *Great-West Lifetime Asset Allocation Funds*

Norms for Equity Allocations Across Target Date Funds



Equity Allocation Ranges and Norms of Target Date Funds at 3/31/13

	2015	2020	2025	2030	2035	2040	2045	2050	2055
Highest	62.20	70.06	78.77	83.31	89.18	91.71	92.73	93.84	96.90
Norm -Hi	56.58	64.10	74.31	83.31	85.80	88.88	91.30	92.46	92.49
Norm -Low	32.69	38.60	48.59	51.29	69.27	72.39	74.26	75.90	78.49
Lowest	13.18	33.32	41.72	51.29	58.30	65.80	71.70	73.84	75.55
Equity Allocation for the <i>Investment</i> at 9/30/2012									
Aggressive →	55.16		69.05		92.48		94.86		94.52
Moderate →	45.23		63.57		84.38		91.15		92.00
Conservative →	35.15		49.21		70.83		82.75		84.92

Applicability as QDIA Alternative

There are five types of investments that are named as possible QDIA alternatives. In each case the *Investment* being validated may be applicable as the only one used (stand alone) or may be used in conjunction with other investments (sleeve). The alternatives are:

1. Age Based
2. Risk Based (not applicable here)
3. Managed Account
4. Short Term (not applicable here)
5. Grandfathered (not applicable here)

The Applicability phase of the QDIA validation examines the *Investment* to determine which alternatives apply and whether it may be used stand-alone and/or as a sleeve.

A. APPLICABILITY AS QDIA ALTERNATIVE			
REQUIREMENT FOR QDIA ALTERNATIVE	STAND ALONE	SLEEVE	COMMENTS
1. Age Based - An investment fund product or model portfolio that:			
a) ...applies generally accepted investment theories,	Yes	Yes	The investment approach used is consistent with well established principles and theories. Each <i>Lifetime Asset Allocation Fund</i> seeks capital appreciation and income consistent with its current asset allocation. After the "transition year" (year designated in the name of the Lifetime Asset Allocation Fund), the investment objective is to seek income and secondarily, capital growth.
b) ...is diversified so as to minimize the risk of large losses,	Yes	Yes	<i>Investment</i> is diversified among asset classes, industries and geographic regions.
c) ...is designed to provide varying degrees of long-term appreciation and capital preservation	Yes	Yes	The asset allocation strategy will generally become more conservative, with greater emphasis on investments that provide for income and preservation of capital, and less on those offering the potential for growth.
d) ...through a mix of equity and fixed income exposures	Yes	Yes	<i>Investment</i> contains both equities and fixed income.

A. APPLICABILITY AS QDIA ALTERNATIVE			
REQUIREMENT FOR QDIA ALTERNATIVE	STAND ALONE	SLEEVE	COMMENTS
e) ...based on the participant's age, target retirement date (such as normal retirement age under the plan) or life expectancy.	Yes	Yes	<i>Investment</i> provides an asset allocation strategy and is designed to meet certain investment goals based on an investor's investment horizon (such as projected retirement date), risk tolerance, and personal objectives.
f) Such products and portfolios change their asset allocations and associated risk levels over time with the objective of becoming more conservative (i.e., decreasing risk of losses) with increasing age.	Yes	Yes	<i>Investment</i> asset allocation strategy will generally become more conservative, with greater emphasis on investments that provide for income and preservation of capital, and less on those offering the potential for growth.
<p>➔ SUMMARY: The <i>Great-West Lifetime Asset Allocation Funds</i> qualify to be used as an AGE-BASED QDIA and may be used as part of a qualified model portfolio in conjunction with other investments.</p>			
<p>2. Risk Based</p>			
<p>➔ SUMMARY: The <i>Great-West Lifetime Asset Allocation Funds</i> do NOT qualify to be used as a RISK-BASED QDIA either as a standalone investment or when used as part of a qualified model portfolio in conjunction with other investments.</p>			

A. APPLICABILITY AS QDIA ALTERNATIVE			
REQUIREMENT FOR QDIA ALTERNATIVE	STAND ALONE	SLEEVE	COMMENTS
3. Managed Account - An investment management service with respect to which:			
a) ...a fiduciary that is either, I. an investment manager, within the meaning of section 3(38) of ERISA; II. a trustee of the plan that meets the requirements of section 3(38)(A), (B) and (C) of ERISA; or III. the plan sponsor who is a named fiduciary, within the meaning of section 402(a)(2) of ERISA,	N/A	Yes	The <i>Investment</i> is not appropriate by itself as a managed account but may be included in a managed account by a qualified QDIA manager of the plan.
b) ...applying generally accepted investment theories,	N/A	Yes	The investment approach used is consistent with well established principles and theories. Each <i>Lifetime Asset Allocation Fund</i> seeks capital appreciation and income consistent with its current asset allocation. After the "transition year" (year designated in the name of the Lifetime Asset Allocation Fund), the investment objective is to seek income and secondarily, capital growth.
c) ...allocates the assets of a participant's individual account	N/A	Yes	The <i>Investment</i> is not appropriate by itself as a managed account but may be included in a managed account by a qualified QDIA manager of the plan.
d) ...to achieve varying degrees of long-term appreciation and capital preservation,	N/A	Yes	<i>Investment</i> may be used as a sleeve if the QDIA manager of the plan selects it for use with certain participants.
e) ...through a mix of equity and fixed income exposures,	N/A	Yes	<i>Investment</i> contains both equities and fixed income.
f) ...offered through investment alternatives available under the plan,	N/A	Yes	The <i>Investment</i> is appropriate for inclusion in a plan and thus can be made available to a qualified QDIA manager of the plan.
g) ...based on the participant's age, target retirement date (such as normal retirement age under the plan) or life expectancy.	N/A	Yes	<i>Investment</i> may be used as a sleeve if the QDIA manager of the plan selects the participants who are appropriate.

A. APPLICABILITY AS QDIA ALTERNATIVE			
REQUIREMENT FOR QDIA ALTERNATIVE	STAND ALONE	SLEEVE	COMMENTS
h) Such portfolios are diversified so as to minimize the risk of large losses and	N/A	Yes	<i>Investment</i> may be used as a sleeve if the QDIA manager of the plan selects the participants who are appropriate.
i) ...change their asset allocations and associated risk levels for an individual account over time with the objective of becoming more conservative (i.e., decreasing risk of losses) with increasing age.	N/A	Yes	<i>Investment</i> may be used as a sleeve if the QDIA manager of the plan selects the participants who are appropriate.
<p>➔ SUMMARY: The <i>Great-West Lifetime Asset Allocation Funds</i> do NOT qualify to be used in a MANAGED-ACCOUNT QDIA by itself but may be used as part of a qualified model portfolio in conjunction with other investments.</p>			
<p>4. Short Term</p> <p>➔ SUMMARY: The <i>Great-West Lifetime Asset Allocation Funds</i> do NOT qualify to be used as a SHORT-TERM QDIA.</p>			
<p>5. Grandfathered</p> <p>➔ SUMMARY: The <i>Great-West Lifetime Asset Allocation Funds</i> do NOT qualify to be used as a GRANDFATHERED QDIA.</p>			

Qualification Analysis

No violations of self-dealing prohibitions were found and The *Great-West Lifetime Asset Allocation Funds* were found to meet the QDIA requirements for the alternatives shown in the table in the Validation Grid section of this report. The analysis included the following findings:

B. QUALIFICATION ANALYSIS			
REGULATORY GUIDELINE	DALBAR EVALUATION	RESULT	COMMENTS
1. SELF-DEALING PROHIBITIONS - A fiduciary with respect to a plan shall not:			
a) ...deal with the assets of the plan in his own interest or for his own account,	Does <i>Manager</i> have discretion to vary its compensation based on changing holdings within the <i>Investment</i> ?	Pass	<i>Manager</i> receives a flat 12 bps management fee from each of the underlying funds. This compensation does not change based on the selection of underlying funds. Indirectly, the <i>Manager's</i> compensation will vary based on the selection of individual proprietary underlying funds. The average expenses of the <i>Manager's</i> proprietary funds are 87 bps, which is 19% lower than the average of all other underlying managers. This creates a 19% advantage for participants when the <i>Manager's</i> proprietary funds are used.
b) ...in his individual or in any other capacity act in any transaction involving the plan on behalf of a party (or represent a party) whose interests are adverse to the interests of the plan or the interests of its participants or beneficiaries, or	Does <i>Manager</i> have interests that are adverse to those of participants?	Pass	<i>Manager's</i> interests are not adverse to participants' by virtue of the fact that <i>Manager's</i> compensation increases with growth in asset value in participants' accounts and decreases if assets decline.

B. QUALIFICATION ANALYSIS			
REGULATORY GUIDELINE	DALBAR EVALUATION	RESULT	COMMENTS
c) ...receive any consideration for his own personal account from any party dealing with such plan in connection with a transaction involving the assets of the plan.	Does <u>Manager</u> receive compensation from another party for managing the <u>Investment</u> ?	Pass	The <u>Manager</u> reports that there is no additional compensation.
2. CONDITIONS FOR QDIA FIDUCIARY RELIEF			
a) Consider investment fees and expenses in choosing a QDIA	Do expenses for this <u>Investment</u> fall within the normal range of other investments of this type?	Pass	Actual Expenses for all 15 funds of the <u>Great-West Lifetime Asset Allocation Funds</u> are below respective benchmarks. See Appendix C -Expense Analysis for details.
b) Material is provided to participant relating to his/her QDIA.	Is <u>Investment</u> material appropriate for plan participants?	Pass	Material contains description that can be extracted to be appropriate for participants with only minimal investment knowledge.
c) Notice must be written in a manner calculated to be understood by the average plan participant.	Is the information provided for inclusion in the required notice understandable to an average participant? <u>Note: Plan fiduciary must determine that the entire notice can be understood.</u>	Pass	Under most circumstances, the average plan participant will be able to understand the information extracted from the materials.
3. QDIA Requirements			
a) QDIA shall not permit employer securities except as investments within regulated investment companies or as employer match.	Does <u>Investment</u> permit use of employer securities outside of the QDIA exceptions?	Pass	<u>Investments</u> are registered investment companies and qualify under the exemption applicable to employer securities.

B. QUALIFICATION ANALYSIS			
REGULATORY GUIDELINE	DALBAR EVALUATION	RESULT	COMMENTS
b) QDIA may not impose financial penalties or restrict the ability of a participant to transfer.	Are there restrictions or fees to transfer out of <u>Investment</u> which are prohibited under QDIA regulations?	Pass	No restrictions, except that <u>Manager</u> reserves the right to use restrictions in the event that market timing is discovered.
c) QDIA is either managed by an investment manager, as defined in section 3(38) of ERISA, or plan trustee, or plan sponsor who is a named fiduciary or is a registered investment company or a stable value fund under State or federal regulation.	Does the <u>Manager</u> meet the criteria appropriate for the type of QDIA being validated?	Pass	<u>Investments</u> are registered investment companies.

Reasonableness as an Investment

QDIA regulations require that investments be reasonable, which DALBAR has further defined as falling within a normal range of comparable investments. The Reasonableness Analysis presented reflects this standard.

Plan fiduciaries are responsible for reviewing current investment information and making the determination that the *Great-West Lifetime Asset Allocation Funds* are reasonable investments for a plan. Plan fiduciaries, including plan sponsors, are encouraged to seek independent expert advice in making the selection and monitoring of investments. In order to assist in the determination DALBAR provides the following observations based on information available at the time of this evaluation.

→ Asset Allocators:

INVESTMENT	ALLOCATOR	Total Years Exp.	Yrs With Fund
<i>Great-West Lifetime Asset Allocation Funds</i>	S. Mark Corbett, Committee Chair	26	4

→ Risk Return Analysis of Great-West Lifetime Asset Allocation Funds

This comparison presents only one share class since other classes are derivative and peer group comparisons would therefore be repetitive and provide no additional insights other than that they exist.

	INVESTMENT	NO. OF YEARS	UP YEARS	DOWN YEARS	AVG. % UP YEARS	AVG. % DOWN YEARS	BEST YEAR %	WORST YEAR %
	<i>2015</i>							
	<i>Portfolio I –Class T</i>	3	3		7.90		10.76	
	<i>Portfolio II –Class T</i>	3	3		8.33		11.91	
	<i>Portfolio III –Class T</i>	3	3		8.61		13.00	
	<i>2025</i>							
	<i>Portfolio I –Class T</i>	3	3		8.34		12.54	
	<i>Portfolio II –Class T</i>	3	2	1	13.57	-1.00	13.92	-1.00
	<i>Portfolio III –Class T</i>	3	2	1	14.71	-2.34	15.12	-2.34
	<i>2035</i>							
	<i>Portfolio I –Class T</i>	3	2	1	14.26	-2.03	14.72	-2.03
	<i>Portfolio II –Class T</i>	3	2	1	15.21	-3.18	15.82	-3.18
	<i>Portfolio III –Class T</i>	3	2	1	15.83	-3.79	16.51	-3.79
	<i>2045</i>							
	<i>Portfolio I –Class T</i>	3	2	1	15.03	-3.21	15.70	-3.21
	<i>Portfolio II –Class T</i>	3	2	1	15.70	-4.08	16.40	-4.08
	<i>Portfolio III –Class T</i>	3	2	1	16.00	-4.44	16.77	-4.44
	<i>2055</i>							
	<i>Portfolio I –Class T</i>	3	2	1	15.22	-3.76	15.87	-3.76
	<i>Portfolio II –Class T</i>	3	2	1	15.76	-4.52	16.57	-4.52
	<i>Portfolio III –Class T</i>	3	2	1	15.92	-4.80	16.80	-4.80
	Summary		75%	25%	13.32	(3.43)	14.75	(3.43)

C. REASONABLENESS INVESTMENT ANALYSIS	
DALBAR INVESTMENT CRITERIA	OBSERVATIONS
1. Minimum track record	
The average history for each underlying asset class investment strategy should be at least three years.	The history of underlying asset classes is well over three years. The <i>Investment</i> has a history of three years.
2. Stability of the organization	
The average tenure of the portfolio management team for each underlying asset class investment strategy should be at least two years.	Tenure of management of each underlying asset class investment strategy exceeds the threshold.
3. Assets in the product	
The average underlying asset class investment strategy should have at least \$75 million under management (can include assets in other funds with the same strategy).	The assets under management of the <i>Investment</i> and each underlying asset class exceed the threshold.
4. Holdings consistent with style	
a) The allocation to equities is evaluated against the peer group – highest allocation to least - the screening threshold being set at the bottom quartile;	The equity allocation of the <i>Great-West Lifetime Asset Allocation Funds</i> are within the norm for target date funds, with the exception that the aggressive portfolio III exceeds the norms in out years.
b) The allocation to fixed income is evaluated against the peer group – highest allocation to least - the screening threshold being set at the bottom quartile.	The fixed income allocation of the <i>Great-West Lifetime Asset Allocation Funds</i> are within the norm for target date funds.
5. Correlation to style or peer group	
The number of asset classes that make up the QDIA are evaluated against the peer group - most asset classes to least - the screening threshold being set at the peer group median.	The underlying assets of <i>Great-West Lifetime Asset Allocation Funds</i> are primarily highly diversified mutual funds, covering a large variety of asset classes.
6. Expense ratios/fees	
a) The wrapper expense is evaluated against the peer group – cheapest to most expensive - the screening threshold being set at the bottom quartile.	Total management fee for the <i>Great-West Lifetime Asset Allocation Funds</i> is 12 bps which is within the normal range for the peer group.
b) The average expense ratio of each underlying asset class investment strategy is evaluated against the peer group - cheapest to most expensive - the screening threshold being set at the bottom quartile.	Of 37 underlying investments 1 has expenses that are above its respective peer group.

C. REASONABLENESS INVESTMENT ANALYSIS	
DALBAR INVESTMENT CRITERIA	OBSERVATIONS
7. Performance relative to assumed risk	
This analysis evaluates historical performance within the context of overall risk. It examines the number of positive and negative annual returns, the average of the positive and negative annual returns, and the best and worst annual returns, for a minimum of three years (max: 10 years).	For the 35 funds and classes that comprise the <i>Investment</i> over the three years ended 12/31/12, the returns were positive in 75% of the cases. Average positive return: +13.32% Average negative return: -3.43% Best annual return: +14.75% Worst annual return: -3.43%
8. Performance relative to a peer group	
The average 1-, 3-, and 5-year performance of each asset class investment strategy is evaluated against the peer group's median.	Underlying investments outperformed peer groups in 80% of cases for the combined 1, 3, 5 and 10 year periods.

Appendices

Underlying Investments:

- A. Risk Return Analysis
- B. Performance Analysis
- C. Expense Analysis

A. Underlying Investment -Risk Return Analysis

Investment Name	Up Years	Down Years	Avg of Up	Avg of Down	Best Year %	Worst Year %
Allianz NFJ Small Cap Value A	9	1	16.62	-26.45	30.22	-26.45
American Century Infl-Adj Bond Inv	9	1	7.16	-1.01	13.00	-1.01
Cohen & Steers International Realty A	4	3	31.84	-23.04	43.88	-47.43
Goldman Sachs Mid Cap Value A	8	2	19.87	-21.67	32.70	-36.73
Great-West American Century Growth Init	1		13.82		13.82	
Great-West Bond Index Init	10		4.92		7.20	
Great-West Federated Bond Init	9		5.57		13.07	
Great-West International Index Init	1		17.92		17.92	
Great-West Janus Large Cap Growth Init	7	2	20.96	-27.27	46.98	-45.11
Great-West Loomis Sayles Sm Cp Val Init	8	2	18.94	-17.34	34.28	-32.64
Great-West MFS International Growth Init	7	2	19.01	-22.92	31.91	-35.49
Great-West MFS International Value Init	8	2	21.39	-27.81	35.84	-53.75
Great-West Money Market	7		2.23		4.76	
Great-West Putnam Equity Income Init	1		18.88		18.88	
Great-West Putnam High Yield Bond Init	8	1	13.07	-32.35	51.21	-32.35
Great-West S&P 500® Index Init	8	1	11.46	-37.50	25.88	-37.50
Great-West S&P Mid Cap 400® Index Init	1		17.12		17.12	
Great-West S&P SmallCap 600® Idx Init	8	2	18.54	-16.09	38.11	-31.35
Great-West Short Duration Bond Init	10		4.35		10.02	

Investment Name	Up Years	Down Years	Avg of Up	Avg of Down	Best Year %	Worst Year %
Great-West T. Rowe Price Equity Inc Init	8	2	15.58	-18.55	25.65	-36.21
Great-West T. Rowe Price Mid Cap Gr Init	8	2	22.48	-21.03	44.86	-40.36
Great-West Templeton Global Bond Init	9	1	9.56	-1.63	14.85	-1.63
Harbor International Inv	8	2	25.21	-27.15	40.34	-42.86
Invesco Developing Markets R5	8	2	39.64	-31.67	84.39	-52.35
Invesco Global Real Estate R5	4	3	29.69	-18.76	41.37	-44.68
Invesco International Growth R5	8	2	22.29	-23.55	35.53	-40.48
Invesco Small Cap Discovery A	8	2	20.74	-19.58	39.00	-35.78
Janus Triton S	6	1	22.52	-40.68	49.60	-40.68
Metropolitan West High Yield Bond M	9	1	15.32	-21.59	54.69	-21.59
Nuveen Real Estate Secs I	8	2	26.53	-25.00	39.47	-34.80
Oppenheimer Developing Markets A	8	2	41.01	-33.07	81.73	-48.03
Oppenheimer International Bond A	8	2	12.33	-0.48	25.87	-0.68
Perkins Mid Cap Value S	8	2	18.15	-15.05	39.42	-27.37
PIMCO Real Return Admin	9	1	8.59	-6.66	18.67	-6.66
T. Rowe Price Real Estate Adv	8	2	25.93	-29.04	36.47	-39.15
Third Avenue Real Estate Value Instl	7	3	28.96	-21.79	38.67	-44.70
Wells Fargo Advantage Common Stock A	8	2	21.26	-18.71	41.44	-34.94
Summary	83%	17%	18.63	(21.64)	33.48	(33.54)

B. Underlying Investment -Performance Analysis

Note: Items in **BOLD** indicate at or above average peer group results.

Investment Name	1 Year Return %	3 Year Return %	5 Year Return %	10 Year Return %
Invesco Developing Markets Y	8.45	8.16	5.89	19.83
Oppenheimer Developing Markets A	5.36	6.94	5.72	21.04
Peer Group: Diversified Emerging Mkts	3.65	3.05	0.16	16.14
Great-West International Index Init	10.71			
Harbor International Inv	7.47	6.47	0.57	12.87
Peer Group: Foreign Large Blend	9.60	4.65	-1.01	9.22
Great-West MFS International Growth Init	10.60	7.46	2.43	
Invesco International Growth Y	8.73	7.44	2.01	11.35
Peer Group: Foreign Large Growth	8.24	6.18	0.50	10.36
Great-West MFS International Value Init	16.20	10.19	-1.87	9.58
Peer Group: Foreign Large Value	8.90	3.79	-1.71	9.18
Cohen & Steers International Realty A	26.04	9.58	0.17	
Invesco Global Real Estate Y	19.66	12.63	2.19	
Third Avenue Real Estate Value Instl	20.24	12.43	3.73	10.46
Peer Group: Global Real Estate	21.25	12.23	2.33	11.31
Great-West Putnam High Yield Bond Init	12.43	9.94	8.09	
Metropolitan West High Yield Bond M	12.39	8.92	11.10	9.53
Peer Group: High Yield Bond	11.80	9.94	9.36	8.56
American Century Infl-Adj Bond Inv	5.36	8.14	5.67	5.97
PIMCO Real Return Admin	7.34	8.85	6.51	6.64
Peer Group: Inflation-Protected Bond	4.78	7.27	4.91	5.74
Great-West Bond Index Init	3.83	5.16	5.45	4.77
Great-West Federated Bond Init	4.20	5.48	6.32	
Peer Group: Intermediate-Term Bond	5.67	6.19	5.97	4.96
Great-West S&P 500r Index Init	13.27	12.02	5.18	
Peer Group: Large Blend	12.98	10.84	4.80	8.12
Great-West American Century Growth Init	6.17			
Great-West Janus Large Cap Growth Init	5.51	5.67	1.23	
Peer Group: Large Growth	8.43	10.82	5.42	8.23

Investment Name	1 Year Return %	3 Year Return %	5 Year Return %	10 Year Return %
Great-West Putnam Equity Income Init	18.44			
Great-West T. Rowe Price Equity Inc Init	17.29	11.77	5.31	8.89
Peer Group: Large Value	14.92	10.97	4.50	8.36
Great-West S&P Mid Cap 400r Index Init	17.19			
Peer Group: Mid-Cap Blend	15.79	12.25	6.81	10.69
Great-West T. Rowe Price Mid Cap Gr Init	12.28	13.76	9.09	12.50
Wells Fargo Advantage Common Stock A	15.09	12.96	9.42	12.23
Peer Group: Mid-Cap Growth	10.40	12.54	6.62	10.39
Goldman Sachs Mid Cap Value A	18.03	12.48	7.08	11.25
Perkins Mid Cap Value S	11.17	8.83	6.14	11.53
Peer Group: Mid-Cap Value	17.18	12.22	7.48	11.05
Great-West Real Estate Index Initial				
Nuveen Real Estate Securities A	13.86	16.87	8.04	13.66
T. Rowe Price Real Estate Adv	9.87	15.78	6.14	12.16
Peer Group: Real Estate	13.62	16.28	5.96	11.23
Great-West Short Duration Bond Init	4.04	4.34	5.03	4.26
Peer Group: Short-Term Bond	2.67	2.81	3.22	3.13
Great-West Loomis Sayles Sm Cp Val Init	15.21	14.29	8.41	11.67
Great-West S&P SmallCap 600r Index Init	15.71	14.58	8.65	11.77
Peer Group: Small Blend	15.68	13.29	7.67	11.15
Invesco Small Cap Discovery A	14.08	13.16	6.55	12.09
Janus Triton S	13.03	17.05	11.98	
Peer Group: Small Growth	11.57	13.43	8.20	10.96
AllianzGI NFJ Small-Cap Value A	15.92	13.29	8.39	12.88
Peer Group: Small Value	16.34	11.93	8.30	11.92
Great-West Templeton Global Bond Init	9.39	6.37	7.07	8.19
Oppenheimer International Bond A	7.42	5.45	4.52	9.18
Peer Group: World Bond	4.44	5.25	4.42	5.71

C. Underlying Investment -Expense Analysis

Investment Name	12b-1 Fee	Front Load	Deferred Load	Expense Ratio
Invesco Developing Markets Y	0.00	0.00	0.00	1.20
Oppenheimer Developing Markets A	0.25	5.75	0.00	1.36
Peer Group: Diversified Emerging Mkts	0.27	0.79	0.26	1.65
Great-West International Index Init	0.00	0.00	0.00	0.70
Harbor International Inv	0.25	0.00	0.00	1.14
Peer Group: Foreign Large Blend	0.31	0.77	0.44	1.39
Great-West MFS International Growth Init	0.00	0.00	0.00	1.20
Invesco International Growth Y	0.00	0.00	0.00	1.13
Peer Group: Foreign Large Growth	0.30	0.75	0.40	1.42
Great-West MFS International Value Init	0.00	0.00	0.00	1.16
Peer Group: Foreign Large Value	0.28	0.70	0.39	1.39
Cohen & Steers International Realty A	0.25	4.50	0.00	1.35
Invesco Global Real Estate Y	0.00	0.00	0.00	1.26
Third Avenue Real Estate Value Instl	0.00	0.00	0.00	1.09
Peer Group: Global Real Estate	0.29	0.95	0.35	1.47
Great-West Putnam High Yield Bond Init	0.00	0.00	0.00	1.10
Metropolitan West High Yield Bond M	0.25	0.00	0.00	0.80
Peer Group: High Yield Bond	0.32	0.68	0.48	1.15
American Century Infl-Adj Bond Inv	0.00	0.00	0.00	0.48
PIMCO Real Return Admin	0.25	0.00	0.00	0.70
Peer Group: Inflation-Protected Bond	0.28	0.49	0.33	0.82
Great-West Bond Index Init	0.00	0.00	0.00	0.50
Great-West Federated Bond Init	0.00	0.00	0.00	0.70
Peer Group: Intermediate-Term Bond	0.29	0.56	0.39	0.92
Great-West S&P 500r Index Init	0.00	0.00	0.00	0.60
Peer Group: Large Blend	0.30	0.73	0.42	1.18
Great-West American Century Growth Init	0.00	0.00	0.00	1.00
Great-West Janus Large Cap Growth Init	0.00	0.00	0.00	1.05
Peer Group: Large Growth	0.31	0.77	0.43	1.28

Investment Name	12b-1 Fee	Front Load	Deferred Load	Expense Ratio
Great-West Putnam Equity Income Init	0.00	0.00	0.00	1.10
Great-West T. Rowe Price Equity Inc Init	0.00	0.00	0.00	0.83
Peer Group: Large Value	0.31	0.74	0.44	1.20
Great-West S&P Mid Cap 400r Index Init	0.00	0.00	0.00	0.60
Peer Group: Mid-Cap Blend	0.26	0.68	0.29	1.29
Great-West T. Rowe Price Mid Cap Gr Init	0.00	0.00	0.00	1.04
Wells Fargo Advantage Common Stock A	0.00	5.75	0.00	1.27
Peer Group: Mid-Cap Growth	0.29	0.67	0.43	1.38
Goldman Sachs Mid Cap Value A	0.25	5.50	0.00	1.15
Perkins Mid Cap Value S	0.25	0.00	0.00	1.09
Peer Group: Mid-Cap Value	0.30	0.72	0.38	1.33
Great-West Real Estate Index Initial	0.00	0.00	0.00	0.70
Nuveen Real Estate Securities A	0.25	5.75	0.00	1.29
T. Rowe Price Real Estate Adv	0.25	0.00	0.00	0.99
Peer Group: Real Estate	0.32	0.82	0.50	1.37
Great-West Short Duration Bond Init	0.00	0.00	0.00	0.60
Peer Group: Short-Term Bond	0.28	0.34	0.30	0.85
Great-West Loomis Sayles Sm Cp Val Init	0.00	0.00	0.00	1.10
Great-West S&P SmallCap 600r Index Init	0.00	0.00	0.00	0.60
Peer Group: Small Blend	0.26	0.69	0.33	1.35
Invesco Small Cap Discovery A	0.25	5.50	0.00	1.43
Janus Triton S	0.25	0.00	0.00	1.20
Peer Group: Small Growth	0.30	0.69	0.41	1.48
AllianzGI NFJ Small-Cap Value A	0.25	5.50	0.00	1.19
Peer Group: Small Value	0.29	0.69	0.39	1.44
Great-West Templeton Global Bond Init	0.00	0.00	0.00	1.30
Oppenheimer International Bond A	0.25	4.75	0.00	1.02
Peer Group: World Bond	0.32	0.66	0.38	1.12



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