

Federated Fd for US Govt Sec II Primary

Benchmark

Barclays US Government TR USD

Overall Morningstar Rating™

★★★★

Out of 659 Intermediate Government VA subaccounts. **A subaccount's overall Morningstar Rating, based on its risk-adjusted return, is a weighted average of its applicable 3-, 5-, and 10-year Ratings. See disclosure for more detail.**

Morningstar Return

Above Average

Morningstar Risk

Below Average

Investment Strategy from portfolio's prospectus

The investment seeks to provide current income.

The fund normally invests primarily in mortgage-backed securities (MBS) of investment-grade quality and seeks to provide returns consistent with investments in the market for U.S. home mortgages. It will invest in MBS that are issued or guaranteed by U.S. government agencies or U.S. government-sponsored enterprises (GSEs). The fund may invest in non-agency MBS, which are those not issued or guaranteed by GSEs. It also may invest in U.S. government securities and certain derivative instruments.

Category Description: Intermediate Government

Intermediate government funds concentrate on bonds backed by the U.S. government or by government-linked agencies. This backing minimizes the credit risk of these funds, as the U.S. government is unlikely to default on its debt. These funds have, on average, durations between 3.5 and six years. Consequently, the group's performance--and its level of volatility--tends to fall between that of the short government and long government bond categories.

Operations

Expense Ratio	0.76% of fund assets
Subaccount Incp Date	11-01-96
Underlying Portfolio Incp Date	03-28-94
Date	
Advisor	Federated Investment Management Company
Subadvisor	—

Portfolio Manager(s)

Todd A. Abraham, CFA, M.B.A., Loyola College. B.S., Indiana University of Pennsylvania.

Morningstar Proprietary Statistics

	3-Year	5-Year	10-Year
Morningstar Rating	★★★★	★★★★	★★★★
Out of # of Investments	659	569	298

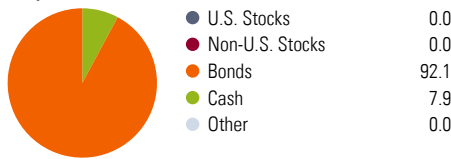
Past Performance is no guarantee of future results.

The ratings presented may reflect the waiver of all or a portion of the portfolio's fees. Without such a waiver, the ratings may have been lower.

Please note this sub-account has experienced a negative return during the last year. Please call 1-888-311-4887 for detailed performance information.

Portfolio Analysis as of 03-31-13

Composition as of 03-31-13



Top 20 Holdings as of 03-31-13

	% Assets
Federal National Mortgage Association, 09-01-42	6.75
Federal National Mortgage Association, 02-01-42	4.93
Federal Home Loan Mortgage Corp., 4.50 04-01-41	4.87
Federal National Mortgage Association, 04-01-43	4.44
US Treasury Note 3.125% 05-15-21	4.35
GNMA 3.5% 06-15-42	4.19
Federal Home Loan Mortgage Corp., 5.50 03-01-40	4.11
Government National Mortgage Associati 08-20-40	4.03
Federal Home Loan Mortgage Corp., 5.00 06-01-40	3.07
10yr Us Treasury Note Futu 06-19-13	2.68
FNMA CMO 2.578% 09-25-18	2.59
Federal National Mortgage Association, 03-01-38	2.45
Federal Home Loan Mortgage Corp., 3.50 07-01-42	2.13
Government National Mortgage Associati 07-20-38	2.09
US Treasury Note 0.25% 01-31-15	2.03
FHLMC CMO 2.699% 05-25-18	1.73
FNMA CMO 1.07376% 11-25-16	1.64
Ncua Guam Nts Tr 2010-C1 CMO 1.6% 10-29-20	1.60
US Treasury Note 04-15-16	1.58
FHLMC CMO 3.32% 07-25-20	1.53
Total Number of Stock Holdings	0
Total Number of Bond Holdings	71
Annual Turnover Ratio %	127.00
Total Fund Assets (\$mil)	235.14

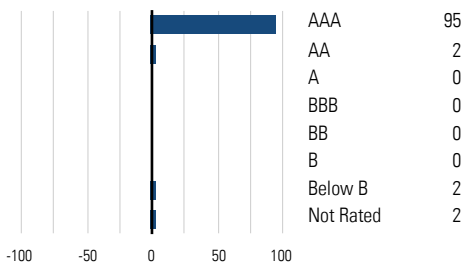
Morningstar Fixed Income Style Box™ as of 12-31-12



Morningstar Sectors as of 03-31-13

	% Fund	% Category
Government	29.61	31.06
Corporate	1.06	1.33
Securitized	61.46	47.53
Municipal	0.00	0.66
Cash & Equivalents	7.86	8.48
Other	0.00	10.94

Credit Analysis as of 12-31-12



The portfolio's holdings are subject to change without notice. The mention of specific securities is not a recommendation or solicitation for any person to buy, sell, or hold any particular security. When you invest in a variable annuity, you do not invest directly in the portfolios. You invest in sub-accounts of the variable annuity separate account of the issuing insurance company, that, in turn, invest in the portfolios you've selected. Your account is then credited with variable accumulation units in that sub-account.

Before purchasing a variable annuity, you should carefully consider its investment options' objectives, and the risks, charges, and expenses associated with the annuity and its investment options. For this and other information about the Schwab Select Annuity, call Charles Schwab & Co. at 1-800-838-0650 for a free prospectus (in New York State, 1-800-838-0649). Please read the prospectus carefully before you invest or send money.

Notices which may be applicable to certain portfolios: High-yield bond portfolios are subject to a greater risk of loss of principal and interest including risk of default than other bond portfolios. Portfolios that invest in foreign stocks may be exposed to additional risks including currency fluctuations, political instability, foreign taxes and foreign regulation, and the potential for illiquid markets. Historically, small-cap stocks have been more volatile than stocks of larger more established companies.

GWFS Equities, Inc., is the principal underwriter for the Schwab Select™ Annuity (Form J434), a flexible premium variable annuity issued by Great-West Life & Annuity Insurance Company. In New York, the Schwab Select™ Annuity (Form J434 NY) is issued by First Great-West Life & Annuity Insurance Company, White Plains, New York. GWFS Equities, Inc. is a wholly owned subsidiary of Great-West Life & Annuity Insurance Company and an affiliate of First Great-West Life & Annuity Insurance Company. Charles Schwab Co., Inc., is the selling broker/dealer and insurance agency. This contract is not available in all states. Great-West Life & Annuity Insurance Company is not licensed to do business in New York.

Because a variable annuity's value will fluctuate depending on the underlying investments, an investor's units, when redeemed, may be more or less than the original amount invested. Like all investments, variable annuities carry risks and may cause investors to lose money.

For each sub-account with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a sub-account's monthly performance (including the effects of any applicable sales charges, loads and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. (Each share class is counted as a fraction of one sub-account within this scale and rated separately, which may cause slight variations in the distribution percentages.) The top 10% of the sub-accounts in an investment category receive 5 stars, 22.5% receive 4 stars, 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating is a weighted average of the sub-accounts' three-, five-, and 10-year (if applicable) Morningstar rating metrics.