

Item 1 - Cover Page

WRAP FEE PROGRAM BROCHURE

for the
Guided Portfolio Services Program
and
Guided Portfolio Advantage Program
Part 2A Appendix 1 of Form ADV

VALIC Financial Advisors, Inc.

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(877) 737-2650**

March 31, 2011

This wrap fee program brochure provides information about the qualifications and business practices of VALIC Financial Advisors, Inc. ("VFA"). If you have any questions about the contents of this brochure, please contact us at telephone number 877-737-2650. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

VFA is a registered investment advisor. Registration of an investment adviser does not imply a certain level of skill or training.

Additional information about VFA also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Material Changes

In the future, this Item will discuss specific material changes that are made to this brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of this brochure.

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Item 4 - Services, Fees and Compensation

The Firm

VALIC Financial Advisors, Inc. ("Firm" or "VFA"), a wholly-owned subsidiary of The Variable Annuity Life Insurance Company ("VALIC"), an indirect wholly-owned subsidiary of SunAmerica Financial Group, Inc. ("SAFG"), a wholly owned subsidiary of American International Group, Inc. ("AIG"), is registered with the Securities and Exchange Commission ("SEC") as an investment adviser and a broker/dealer. The broker/dealer is a Financial Industry Regulatory Authority, Inc. ("FINRA") member firm. The Firm was incorporated in 1996 and is headquartered in Houston, Texas with additional branches throughout the United States. The Firm is a broker/dealer offering general securities, mutual funds, variable life insurance, variable life annuities and municipal securities as well as an investment adviser offering investment advisory services. The Firm is compensated through a mixture of fixed fees, commissions, or a percentage of assets under management.

The Firm carries out most of its investment advisory services through its investment adviser representatives located throughout the United States. All investment adviser representatives are also engaged in the Firm's brokerage business and are registered with the Firm as registered representatives.

As of December 31, 2011 VFA managed \$9,536,318,905 on a discretionary basis and \$6,969,876 on a non-discretionary basis.

This brochure describes the VFA Guided Portfolio Services and Guided Portfolio Advantage Programs. We offer one other wrap fee program (the VFA Managed Investment Program) another brochure, which can be obtained by contacting us at 866-544-4968.

(1) Guided Portfolio Services Program

VFA offers the Guided Portfolio Services Program ("GPS"). This service is currently only available to individuals who have retirement plan accounts with VALIC or VALIC Retirement Services Company ("VRSCO"), which is an affiliate of both VFA and VALIC. There are two services available:

- Portfolio Advisor is a web-based program that enables you to obtain wealth forecasts, contribution rate and retirement age recommendations, asset allocation models and investment advice through Ibbotson Associates, Inc. ("Ibbotson Associates"), an independent financial expert. It is then your decision whether to implement the investment advice in whole, in part, or not at all. You also retain full responsibility for the ongoing monitoring and management of assets in accounts for which you are generating advice via this program.
- Portfolio Manager is a program that combines the investment advice and recommendations described in the Portfolio Advisor program above with ongoing automated asset management services including automatic implementation of the investment advice, periodic portfolio rebalancing, automatically generated annual updates to advice and annual wealth forecasts, portfolio monitoring and special account statements. Additionally, you may also receive personalized service from VFA investment adviser representatives in person or by telephone. In

this program you will be granting VFA and Ibbotson Associates discretionary investment authority over the account.

Account Management

GPS Portfolio Manager will manage your investments exclusively in accordance with the retirement objectives you indicated on your GPS Client Profile. The investment advice and recommendations you receive from GPS will be based solely on the information disclosed to VFA in your GPS Client Profile, and on the balances/allocations of assets you may have in your VALIC plans(s)/accounts(s). The advice delivered by GPS will not consider any investment objectives, risk profiles/preferences, or other information you may have provided or disclosed previously or in relation to other, separate products securities, or services.

Your GPS portfolio assignment is aimed at better diversifying your total retirement portfolio. Thus, it is important for you to disclose as much information as possible about the other components of your total retirement portfolio when completing your GPS Client Profile form. Furthermore, because GPS Portfolio Manager will manage your investments in accordance with the retirement objectives indicated in your GPS Client Profile form, and because the GPS portfolio assignment is aimed at better diversifying your total retirement portfolio (which includes retirement assets and income streams outside the accounts managed under GPS), the GPS portfolio may involve/require more or less risk than you were previously accustomed to taking.

The advised asset allocation and investment selections for the existing balances in, and future contributions to your VALIC plan(s)/account(s) that are enrolled in, GPS Portfolio Manager, will be automatically implemented as indicated in the Disclosures section of the Investment Policy Statement ("IPS") unless you immediately request otherwise. You will have ten (10) calendar days after the initial IPS is sent to you to cancel the GPS Portfolio Manager program at no cost to you. Upon review of your IPS if you are uncomfortable with the GPS portfolio assignment, you may also contact the Asset Management Center at (800) 448-2542 to make any necessary changes. GPS Portfolio Manager will automatically regenerate your advice, and issue the corresponding IPS, at least once per year while you are enrolled in GPS Portfolio Manager. These subsequent advice outputs may include any updates to your GPS portfolio assignment that are deemed appropriate by the advice program. Should your retirement objectives or investment circumstances change, it is your responsibility to have your GPS Client Profile information updated accordingly by contacting your advisor, contacting the Asset management Center, or accessing your GPS Client Profile online via AdviceWeb as soon as possible. To enter AdviceWeb, first logon to your VALIC account from VALIC.com and then click on the link for Guided Portfolio Services.

Fees and Charges:

This program is only available to individuals who have retirement plan accounts with VALIC or VALIC Retirement Services Company ("VRSCO"), which is an affiliate of both VFA and VALIC. Those accounts may include a VALIC proprietary product for which your financial advisor was paid a commission.

- Participants in the Portfolio Advisor service pay a fixed annual fee in advance of \$25.00. We reserve the right to waive this fee. The fee is charged to your account following enrollment in the program and entitles you to use the service for one year. You may not obtain a refund of this pre-paid fee if the advisory contract is terminated before the end of the billing period. While this fee is not negotiable with respect to individual participants, we reserve the right to waive the fee for participants of specific employer sponsored plans depending on the circumstances.
- Participants in the Portfolio Manager program pay a fee based on assets under management in the program. In certain instances we may offer a discount for employer sponsored plans. The fee is calculated as follows:

Assets Under Management	Advisory fee
First \$100,000	0.60%
Next \$150,000	0.50%
Assets above \$250,000	0.45%

The fee is calculated at each calendar quarter end, based on quarter-ending value, and is assessed within fifteen days after the end of such calendar quarter. For accounts that were established during the quarter the fees will be prorated. We will deduct the fee from your account.

Our Investment Adviser Representatives that recommend this program to you receive compensation as a result of your participation. The compensation received may or may not be more than what would receive if you paid us separately for investment advice, brokerage and other services. If the amount would be more than what an Investment Adviser Representative would receive if you participated in other programs we offer or paid separately for investment advice, brokerage and other services, the Investment Adviser Representative may have a financial incentive to recommend this program over other programs or services.

(2) Guided Portfolio Advantage Program

The Firm also offers Guided Portfolio Advantage ("GP Advantage"). GP Advantage is an asset management program offered exclusively to clients of VALIC who purchase Portfolio Director Advantage ("PD Advantage"), a variable annuity issued by our parent, VALIC. Using objective investment advice from Ibbotson Associates, GP Advantage manages the PD Advantage assets to a strategy that is based upon your investment horizon, attitudes toward investment risk, and whether or not the annuity contract includes the optional IncomeLOCK or IncomeLOCK Plus feature.

In this program you will be granting VFA discretionary investment authority over the account.

Account Management

Ibbotson Associates, as the independent financial expert for GP Advantage, uses a tactical asset management program that develops a set of well diversified model portfolios beginning with strategic asset allocations that are typically reviewed annually, and updated if necessary. Then, as frequently as

monthly, Ibbotson Associates analyzes the performance trends of all the asset classes included in their model portfolios and adjusts allocations to asset classes in order to take advantage of these trends. However, to keep the tactical asset allocation targets consistent with each model portfolio's intended investment objectives, Ibbotson Associates does limit how much the tactical allocations are allowed to deviate from their corresponding strategic allocations. After establishing tactical asset allocation targets, Ibbotson Associates completes construction of the GP Advantage model portfolios using a mix of PD Advantage investment options that allows them to hit their tactical asset allocation targets. When updates to the model portfolios are implemented, the investment allocations of accounts managed by GP Advantage are reviewed and reallocated to the new targets as necessary.

Should your investment objectives change, it is your responsibility to submit an updated GP Advantage Client Profile and Risk tolerance Questionnaire, which can be obtained by contacting your Investment Advisor Representative or the Asset Management Center at (800) 448-2542.

Fees and Charges:

This program is only available to you if purchased an underlying VALIC PD Advantage variable annuity product for which your financial advisor was paid a commission.

An annual amount of 1% of assets under management will be deducted from your account each quarter. Fees will be calculated based on the value of assets under management at the end of the calendar quarter and the fees for assets under management for less than a full quarter will not be prorated. This fee is not negotiable.

Our Investment Adviser Representatives that recommend this program to you receive compensation as a result of your participation. The compensation received may or may not be more than what would receive if you paid us separately for investment advice, brokerage and other services. If the amount would be more than what an Investment Adviser Representative would receive if you participated in other programs we offer or paid separately for investment advice, brokerage and other services, the Investment Adviser Representative may have a financial incentive to recommend this program over other programs or services.

Item 5 - Account Requirements and Types of Clients

The Firm offers its services to individuals, pension and profit sharing plans and trusts.

(1) Guided Portfolio Services Program

This service is currently only available to individuals who have first established retirement plan account(s) with VALIC or VRSCO. To establish this service with an existing retirement account you need to complete a GPS Client Profile form.

Portfolio Advisor: Minimum account balance - None

Portfolio Manager: Minimum account balance - None

(2) Guided Portfolio Advantage Program

This service is offered exclusively to clients of VALIC who purchase PD Advantage for individual retirement accounts. To establish this service with an existing account you need to complete a Guided Portfolio Advantage Client Profile and Risk Tolerance Questionnaire form.

Initial minimum account balance: \$25,000

Item 6 - Portfolio Manager Selection and Evaluation

(1) Guided Portfolio Services Program

This program consists of (i) advisory services involving portfolio allocations across investment options and (ii) the execution of client transactions, which means the implementation of the advised allocations. There is no portfolio manager.

(2) Guided Portfolio Advantage Program

This program consists of (i) advisory services involving portfolio allocations across investment options and (ii) the execution of client transactions, which means the implementation of the advised allocations. There is no portfolio manager.

Item 7 - Client Information Provided to Portfolio Managers

(1) Guided Portfolio Services Program

As noted above, this program consists of (i) advisory services involving portfolio allocations across investment options and (ii) the execution of client transactions, which means the implementation of the advised allocations. There is no portfolio manager.

(2) Guided Portfolio Advantage Program

As noted above, this program consists of (i) advisory services involving portfolio allocations across investment options and (ii) the execution of client transactions, which means the implementation of the advised allocations. There is no portfolio manager.

Item 8 - Client Contact with Portfolio Managers

(1) Guided Portfolio Services Program

There are no portfolio managers in this program. If you have questions regarding your account(s), you should contact your Investment Adviser Representative.

(2) Guided Portfolio Advantage Program

There are no portfolio managers in this program. If you have questions regarding your account(s), you should contact your Investment Adviser Representative.

Item 9 - Additional Information

•Disciplinary Information:

Regarding NASD Rules 2110, 2830(K), 3010 and 3070, FINRA alleged that VFA violated the directed brokerage provisions by accepting directed brokerage commissions in exchange for providing a mutual fund company with preferred access to its sales force. The findings stated that VFA failed to report, or to timely report, disclosure events pursuant to NASD Rule 3070. The findings also stated that the firm failed to establish, maintain and enforce a system and procedures reasonably designed to achieve compliance with Federal securities laws and NASD Rule 3070 reporting requirements. Without admitting or denying the findings, VFA consented to the described sanctions and to the entry of findings and was censured and fined \$250,000. This matter was resolved October 2007.

•Other Financial Industry Activities and Affiliations (information regarding Item 10 of the Firm Brochure):

VFA engages in other businesses besides providing investment advisory services. The Firm is also a registered broker/dealer, and through its registered representatives, engages in a retail securities business. In the ordinary course, VFA, as well as our Investment Adviser Representatives, receives compensation for securities transactions affected through the Firm.

VFA is affiliated with VALIC, a registered investment adviser and indirect, wholly-owned subsidiary of SAFG, a wholly-owned subsidiary of AIG. VALIC is primarily engaged in the offering and issuance of fixed and variable retirement annuity contracts and combinations thereof and is licensed to issue annuities in 50 states and the District of Columbia.

American General Distributors, Inc. ("AGDI") is an indirect subsidiary of SAFG, a wholly-owned subsidiary of AIG and an affiliate of the Firm. In its capacity as a registered broker/dealer, AGDI acts as principal underwriter for the offer, sales and distribution of the variable annuity contracts issued by VALIC and its affiliates.

SunAmerica Asset Management Corp., ("SAAMCo"), a registered investment adviser and an affiliate of VALIC serves as an administrator to registered investment companies advised by VALIC and serves as investment sub-adviser to certain investment company portfolios advised by VALIC.

The following VFA management persons are registered with FINRA as registered representatives of VFA: Kurt W. Bernlohr; Craig Cheyne; Shawn Duffy; David H. den Boer; David L. Harrison; Stephen M. Hughes; Thomas G. Norwood; and Krien VerBerkmoes, III. Messrs. den Boer, Norwood and VerBerkmoes are also registered representatives of AGDI. Messrs. Bernlohr and VerBerkmoes are also investment adviser representatives of VFA.

Messrs. Bernlohr, Harrison, Norwood, VerBerkmoes and John Packs are members of the Firm's Investment Group. The Investment Group meets quarterly to review investment performance and funds offered. From time to time, the Investment Group may make recommendations with respect to the addition or deletion of certain funds with respect to our advisory products and services. Messrs. Bernlohr, Norwood, Packs and VerBerkmoes are officers and/or directors of certain affiliates of VFA, as noted in the following chart:

Company:*	General Nature of Company's Business:	Positions held in the Company by members of VFA's Investment Group:
American General Distributors, Inc. ("AGDI")	Broker/dealer; exclusive distributor and principal underwriter of VALIC and Western National Life Insurance Company* annuity products, and VCI and VCII mutual funds.	Officer: Messrs. Bernlohr, Norwood and VerBerkmoes Director: Mr. Bernlohr
American General Insurance Agency, Inc. ("AGIA")	Insurance agency	Officer: Messrs. Bernlohr, Norwood and VerBerkmoes Director: Messrs. Bernlohr and Norwood
SunAmerica Asset Management Corp. ("SAAMCo")	Mutual fund and asset management business	Officer: Mr. Packs
The Variable Annuity Life Insurance Company ("VALIC")	Group variable annuities business; SEC-registered investment adviser to VCI and VCII mutual funds.	Officer: Messrs. Bernlohr, Norwood, Packs and VerBerkmoes
VALIC Company I and VALIC Company II ("VCI and VCII")	Each company is an SEC-registered open-end, management investment company.	Officer: Messrs. Bernlohr and Packs
VALIC Retirement Services Company ("VRSCO")	SEC-registered transfer agent for group mutual fund business	Officer: Messrs. Bernlohr and Packs Director: Mr. Bernlohr
* These companies are affiliates, which mean that they are related by common ownership or control.		

•Code of Ethics, Participation or Interest in Client Transactions and Personal Trading:

Code of Ethics: The Firm has adopted a Code of Ethics ("Code"), the full text of which is available to clients and prospective clients upon request by contacting us at (877) 737-2650.

VFA has a fiduciary duty to act solely for the benefit of investment clients. The Code requires honest and ethical conduct by all our supervised persons, compliance with applicable laws and governmental rules and regulations, the prompt internal reporting of violations of the Code to an appropriate person or persons identified in the Code, and accountability for adherence to the Code. Our aim is to be as reasonable as possible with respect to internal procedures, while simultaneously protecting the organization and its clients from damage that could arise from a situation involving a real or apparent conflict of interest. While it is not possible to identify all possible situations in which conflicts might arise, this Code is designed to set forth our policy regarding the conduct of our supervised persons in those situations in which conflicts are most likely to develop.

All of our associated persons are expected to adhere strictly to these guidelines. They are also expected to follow procedures for reporting of any violations as established in the Code.

In our capacity as a broker/dealer, we provide to our clients a variety of products and services for which we are compensated. To the extent that an advisory client chooses to utilize our services as a broker/dealer, VFA and our associated persons may earn compensation in the form of brokerage commissions in addition to advisory fees.

Our associated persons may recommend to you the purchase or sale of investment products in which we or a related entity may have some financial interest, including, but not limited to, the receipt of compensation.

Records will be maintained of all securities bought or sold by our associated persons or related entities. Such records will be available for client inspection upon request.

To the extent permitted by applicable law and the investment objectives, policies and restrictions, if any, applicable to client accounts, we may recommend that an investment be made in one or several registered investment companies for which an investment advisory affiliate acts as investment adviser or sub-adviser. In certain instances, in accordance with applicable law, we will waive its fee with respect to the portion of client assets so invested.

For access and advisory persons, our written supervisory procedures require prior clearance and periodic reports on all personal securities transactions, except transactions in investment company securities and/or other exempt transactions. Further, such written supervisory procedures impose certain policies and procedures concerning the use of material, non-public information that are designed to prevent insider trading by any officer or associated person of VFA.

Privacy Policy: Protecting its customers' private information is important to the Firm. Therefore, the Firm has instituted policies and procedures to ensure that customer information is kept private and secure. The Firm does not disclose any non-public personal information about its customers or former customers to any non-affiliated third parties except as required by or permitted by law. In the course of servicing a client account, the Firm may share some information with its service providers, such as transfer agents, custodians, broker/dealers, accountants, and attorneys. The Firm will deliver a copy of the current privacy policy notice to its clients annually.

•Review of Accounts:

(1) Guided Portfolio Services Program

With respect to the Guided Portfolio Services Program, for each calendar quarter, the Portfolio Manager participant's investor profile information used to generate your wealth forecasts and investment advice, and to perform asset management, is sent to you for review. Further, in the quarter prior to the annual update to your Portfolio Manager wealth forecast and investment advice, an attempt will be made to contact you to determine if there are any updates to your investor profile information.

When advice is generated for the account(s) you have managed under the Portfolio Manager program, the account(s) will be reviewed to determine whether transactions are required to allocate your assets per the target allocations of the model portfolio to which your account is being managed. Similarly, the accounts you have managed under the Portfolio Manager program will be reviewed once per quarter and rebalanced as necessary to bring the allocations back in line with the target allocations of the model portfolio.

In addition to the regular VALIC quarterly statement that shows transactions for the prior quarter, fees imposed during that prior quarter, and current asset allocation, clients participating in the Portfolio Manager program will also receive a Quarterly Advice Statement and Investment Policy Statement that are described below.

Quarterly Advice Statement (“QAS”): This is a reminder of your most recent wealth forecast, recommendations, and the investment advice to which your assets are being managed. It is also a reminder of the Client Profile and your VALIC annuity account balance information that was used to generate the most recent advice, and it shows the fees for the calendar quarter just ended. You will usually get the QAS during the month following calendar quarter end. You will receive a QAS for each plan that you have managed under Portfolio Manager as of the calendar quarter that just ended.

Investment Policy Statement “(IPS”): Any time your advice is regenerated – whether as part of the automatic annual regeneration, or as requested by you – a new IPS will be generated to reflect the wealth forecast, recommendations, and investment advice to which your assets will be managed. The IPS will also show the Client Profile information and your VALIC annuity account balances that were used as inputs for generating this advice.

(2) Guided Portfolio Advantage Program

As frequently as monthly, Ibbotson Associates analyzes the performance trends of all the asset classes included in their model portfolios. When updates to the model portfolios are implemented, the investment allocations of accounts managed by GP Advantage are reviewed and reallocated to the new targets as necessary.

GP Advantage clients receive a quarterly VALIC account statement that shows details about their PD Advantage account(s), including transactions for the prior quarter, fees imposed during that prior quarter, and current asset allocation. For any account being managed by GP Advantage as of calendar quarter end, the VALIC quarterly statement will also show you which model portfolio those assets were being managed to at that time.

You will periodically receive VALIC confirms that show the transactions and the model portfolio asset allocation targets associated with the account(s) that are being managed by GP Advantage.

•Client Referrals and Other Compensation:

From time to time, VFA may implement programs under which the VFA's representatives may be eligible to win nominal awards for certain sales efforts such as, but not limited to, the establishment of new accounts or additional assets under management. These programs will not change the fees the client pays for advisory services or the amounts that may be invested in any products the client may purchase.

•Financial Information:

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about VFA's financial condition. VFA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.