

STERLING CAPITAL SMALL CAP VALUE FUND

Seeking long-term capital appreciation in the stocks of small, growing companies with solid fundamentals.

Ticker Symbol Institutional Shares ... SPSCX CUSIP Number 05527Q733



(Lipper Leader out of 232 Small-Cap Value Funds)

Investment Objective

The Sterling Capital Small Cap Value Fund seeks long-term total return consistent with reasonable risk to principal, by investing primarily in equity securities.

Risk Factors: Small-capitalization funds typically carry additional risks since small-size companies generally have a higher risk of failure. Historically, small-size companies have experienced a greater degree of market volatility than large-company stocks on average. Equity securities (stocks) are more volatile and carry more risk than other forms of investments, including investments in high-grade fixed income securities. The net asset value per share of this Fund will fluctuate as the value of the securities in the portfolio changes.

Buy Strategy

We believe small-cap stocks offer strong risk-adjusted returns for long term investors. We are focused on businesses that:

- Produce solid returns on capital.
- Generate free cash flow.
- Demonstrate a durable competitive advantage.
- Run by shareholder-oriented management.

Sell Strategy

Our strategy is oriented toward long term investing. However, we will sell a stock under the following conditions:

- The stock price reaches our intrinsic value for the businesses.
- There other more attractive alternatives.
- The company underperforms our normalized fundamental expectations.
- The company has excessive leverage.

Not a deposit • Not FDIC insured
May lose value • Not guaranteed by the bank
Not insured by any government agency

This material is authorized for distribution only when preceded or accompanied by a current prospectus. An investor should consider the fund's investment objectives, risks, and charges and expenses carefully before investing or sending money. This and other important information about the BB&T Funds can be found in the Fund's prospectus. To obtain more information, please call 1-800-228-1872 or visit us online at www.bbtffunds.com. Please read the prospectus carefully before investing.

The Portfolio Manager

Eduardo Brea, CFA
Sterling Capital Management LLC (adviser)

- BA from University of Florida
- MBA from University of South Florida
- Sterling Capital Small Cap Value Fund manager since 1995

The Investment Team supporting the Sterling Capital Small Cap Value Fund has more than 115 combined years of investment experience and includes Tim Beyer, CFA, Brian Walton, CFA, Patrick Rau, CFA, Bob Bridges, CFA, and Lee Houser, CFA.

"Our approach to small-cap equity management is fundamental, bottom-up and value-oriented. We attempt to identify stocks of quality companies that are selling at large discounts to the underlying value of the business."

Growth of \$10,000¹ — 6/30/00 – 6/30/10



Past performance does not guarantee future results.

¹ The growth of \$10,000 chart is hypothetical based upon the performance of Institutional Shares for the period ended 6/30/10. It includes the reinvestment of dividends and capital gains. It does not reflect the deduction of other fees and expenses, in which case the performance would have been lower.

Average Annual Total Returns¹

(As of 6/30/10)	Institutional Shares
Year to Date	-0.57%
One Year	27.34%
Three Years	-5.42%
Five Years	3.53%
Ten Years	7.33%
Since Inception	8.66%

The gross expense ratio for Sterling Capital Small Cap Value Fund is 1.26%. The Fund's Adviser has contractually agreed to limit the management fee and expenses paid by the Fund for the period February 1, 2010 through January 31, 2011. Had this waiver not been in effect, the performance would have been lower. The net expense ratio for Sterling Capital Small Cap Value Fund is 1.16%.

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month end, please visit www.bbtffunds.com.

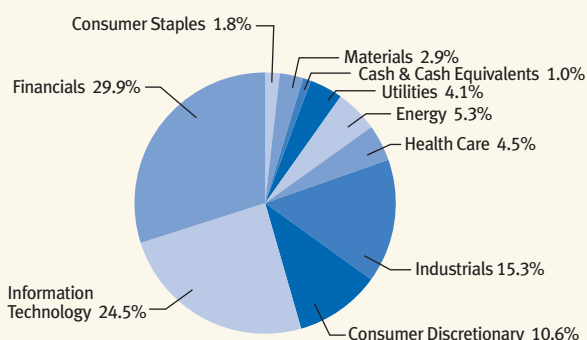
¹ The performance of the Sterling Capital Small Cap Value Fund reflects the deduction of fees for value-added services associated with a mutual fund, such as investment management and fund accounting fees. The inception date for Institutional Shares is 2/1/10. The performance inception date is 1/2/97. The performance shown reflects reinvestment of all dividend and capital gains distributions. Effective February 1, 2010, Sterling Shares of the Fund were renamed Institutional Shares.

Calendar Year-End Returns

Total Returns % Institutional Shares

Year	Returns
2009	54.51%
2008	-32.63%
2007	-12.50%
2006	20.45%
2005	2.00%
2004	21.72%
2003	41.75%
2002	-17.03%
2001	9.77%
2000	22.12%

Top Sectors¹ (As of 6/30/10)



¹ The composition of the Fund's holdings is subject to change.

Fund Statistics¹ (As of 6/30/10)

Total Net Assets	\$64,774,073
Average Market Capitalization	\$1.2B
Beta ²	0.99
Capture Ratio (Since Inception) ³	
Up	101.10%
Down	36.53%
Portfolio Turnover Rate ⁴	97.00%
Total Number of Securities Held	56

¹ The composition of the Fund's holdings is subject to change.

² The Beta rating attempts to measure relative risk. A Beta rating of higher than 1.0 indicates greater volatility than the market. A Beta rating lower than 1.0 indicates lower volatility than the market.

³ The Upside/Downside capture ratio measures a fund's cumulative return divided by its benchmark's cumulative return during positive and negative market periods.

⁴ Portfolio Turnover Rate is calculated for the period 5/31/09 - 6/30/10.

Top Ten Equity Holdings¹ (As of 6/30/10)

1. Compuware Corp.	3.20%
2. Martek Biosciences Corp.	3.12%
3. Sensient Technologies Corp.	2.98%
4. UTI Worldwide, Inc., ADR	2.86%
5. Covanta Holding Corp.	2.83%
6. Endurance Specialty Holdings, Ltd., ADR	2.78%
7. Microstrategy, Inc., Class A	2.70%
8. Orbotech, Ltd., ADR	2.64%
9. First Citizens Bancshares, Inc., Class A	2.56%
10. National Semiconductor Corp.	2.54%

¹ The composition of the Fund's holdings is subject to change. Percentages are based on securities at market value.

Past performance is no guarantee of future results. Lipper Leaders for Consistent Return reflects a fund's historical risk-adjusted returns, adjusted for volatility, relative to its peer group. The highest 20% in each peer group are named Lipper Leaders and receive a score of 5; the next 20% receive a score of 4, the middle 20% receive a score of 3, the next 20% receive a score of 2 and the lowest 20% score 1. Lipper Leaders are subject to change every month, are not intended to predict future results and Lipper does not guarantee the accuracy of this information. The Sterling Capital Small Cap Value Fund Institutional Shares received the following ratings for the 3-year, 5-year 10-year and Overall periods: Consistent Return: Leader out of 231 funds; Leader out of 175 funds; 2 out of 87 funds; Leader out of 232 funds.

Sterling Capital Management LLC a majority owned subsidiary of BB&T Corporation, serves as investment adviser to the Fund and is paid a fee for its services. Shares of the BB&T Funds are not deposits or obligations of, or guaranteed or endorsed by, Branch Banking and Trust Company or its affiliates. The Funds are not insured by the FDIC or any other government agency. The Funds are distributed by BB&T AM Distributors, Inc., which is not affiliated with Branch Banking and Trust Company or its affiliates.