

BB&T SHORT U.S. GOVERNMENT FUND

Seeks to provide higher monthly income than CDs and money market funds by investing in U.S. Treasury and other highly rated securities.

Ticker Symbol
A Shares BSGAX

CUSIP Number
05527P305

Lipper Leaders (12/31/09)



(Lipper Leader out of 4,127 Short U.S. Government Funds)

Investment Objective

The BB&T Short U.S. Government Fund, formerly the BB&T Short U.S. Government Income Fund, seeks current income consistent with the preservation of capital.

Risk Factors: Bond funds will tend to experience smaller fluctuations in value than stock funds. However, investors in any bond fund should anticipate fluctuations in price, especially for longer-term issues and in environments of rising interest rates.

Buy Strategy

What drives our buying decisions:

- We invest in high-quality debt instruments that help us maintain the Fund's duration between 1.0 and 3.5.
- At least 80% of our portfolio is invested in U.S. government securities.
- We rotate among sectors in the government market, seeking the best relative values the market has to offer.

Sell Strategy

What leads us to consider selling a security we own:

- To manage the portfolio's interest-rate sensitivity.
- To purchase securities that we believe offer greater total return potential than existing holdings.
- To realize gains in securities we believe are overpriced.

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

Kevin E. McNair, CFA
BB&T Asset Management, Inc.

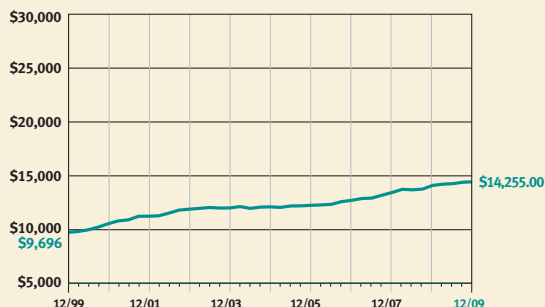
- BA from the University of North Carolina-Chapel Hill
- MA from North Carolina State University
- Investment industry since 1994
- BB&T Short U.S. Government Fund manager since 2000
- Also manages the BB&T U.S. Treasury Money Market Fund

The investment team supporting the BB&T Short U.S. Government Fund has more than 65 combined years of investment experience and includes: Kevin E. McNair, CFA; Robert F. Millikan, CFA; Brad D. Eppard, CFA; and David T. Johnson.

"This high-quality bond fund is geared toward investors looking for current income to meet their short-term needs, with limited fluctuations in principal. We seek to provide value by rotating among different sectors of the taxable, fixed-income market — Treasuries, mortgage-backed securities, agency paper and corporate debt — purchasing securities that offer the most potential for relative outperformance, and limiting movements in the portfolio's duration within a relatively tight range."

Growth of \$10,000¹ — 12/31/99 – 12/31/09

This chart includes the maximum 3.00% sales charge for A Shares.



Past performance does not guarantee future results.

¹ The growth of \$10,000 chart is hypothetical based upon the performance of A Shares less the maximum sales charge for the period ended 12/31/09. 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 12/31/09)

	A Shares	
	without sales charge	with 3% sales charge
Year to Date	2.29%	-0.78%
One Year	2.29%	-0.78%
Three Years	4.23%	3.19%
Five Years	3.51%	2.88%
Ten Years	3.93%	3.61%
Since Inception	4.30%	4.12%
SEC Yield²	1.30%	1.26%
Distribution Rate³	3.01%	2.92%

The gross expense ratio for Class A Shares is 1.52%. The Fund's Adviser has contractually agreed to limit the management fee paid by the Fund for the period February 1, 2009 through January 31, 2010. Had this waiver not been in effect, the performance would have been lower. The net expense ratio for Class A Shares is 1.12%.

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 BB&T Short U.S. Government 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 Class A Shares is 11/30/92. The performance shown reflects the reinvestment of all dividend and capital gains distributions.

² SEC Yield is based on a 30-day period and represents net income per share earned during the period divided by the maximum offering price per share on the last day of the period.

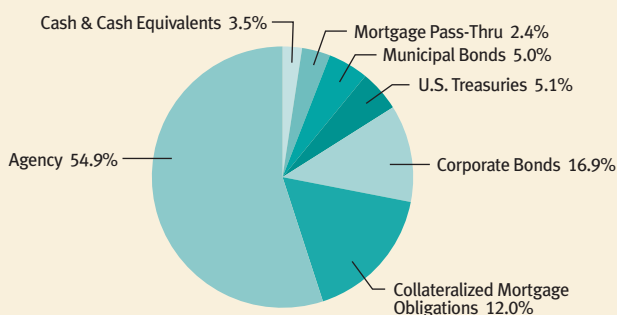
³ The Distribution Rate represents the amount of dividends that the Fund paid out over the past twelve months, as a percentage of the Fund's current net asset value.

Calendar Year-End Returns

Total Returns % A Shares (without sales charge)

Year	Returns
2009	2.29%
2008	4.81%
2007	5.62%
2006	3.70%
2005	1.17%
2004	0.83%
2003	0.91%
2002	5.67%
2001	6.51%
2000	8.04%

Top Sectors¹ (As of 12/31/09)



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

Bond Quality Rating¹ (As of 12/31/09)

U.S. Treasury	5.1%
Agency	69.3%
Aaa	6.2%
Aa	9.3%
A	10.1%

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

Monthly Dividend Distributions¹ (As of 12/31/09)

(for A Shares)

Date	Rate Per Share
October	0.025
November	0.023
December	0.023

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

Effective Maturity Breakdown¹ (As of 12/31/09)

Cash & Equivalents	3.5%
0-1 Year	37.2%
1-3 Years	36.6%
3-5 Years	19.1%
5-10 Years	3.6%
10+ Years	0.0%

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

Fund Statistics¹ (As of 12/31/09)

Total Net Assets	\$73,900,338
Average Life	1.75 years
Effective Duration ²	1.80
Portfolio Turnover Rate ³	37.00%
Average Credit Quality	AAA
Capture Ratio (Since Inception) ⁴	
Up	90.80%
Down	57.34%
Number of Securities Held	69

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

² Duration is a calculation of the average life of individual bonds within a bond fund, and serves as a useful measure of the entire portfolio's sensitivity to rising and falling interest rates. A Duration of 2.00 means that with a 1% decline in interest rates, the principal value should rise by 2%, and vice versa.

³ Portfolio Turnover Rate is calculated for the period 11/1/08 – 12/31/09.

⁴ The Upside/Downside capture ratio measures a fund's cumulative return divided by its benchmark's cumulative return during positive and negative market periods.

Top Ten Holdings¹ (As of 12/31/09)

1. FFCB 5.38% 7/18/2011	4.35%
2. FHLB, Series 616 4.63% 2/18/2011	4.26%
3. FFCB 4.25% 7/8/2013	4.00%
4. FNMA 3.30% 7/30/2014	3.76%
5. FNMA 3.88% 5/1/2013	3.58%
6. FHLB 5.79% 6/25/2014	3.49%
7. FNMA 3.88% 2/15/2010	3.42%
8. FHLMC 3.25% 3/18/2014	2.74%
9. FHLMC 2.25% 8/24/2012	2.73%
10. FHLMC 2.13% 4/2/2012	2.73%

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 Preservation reflects a fund's historical loss avoidance relative to other funds in the same asset class. Preservation ratings are relative, rather than absolute, and funds may still experience losses periodically; those losses may be larger for equity and mixed-equity funds than fixed-income funds. 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 Short U.S. Government Fund Class A Shares received the following ratings for the 3-year, 5-year, 10-year and Overall periods, respectively: Preservation: Leader out of 4,127 funds, Leader out of 3,625 funds, Leader out of 2,421 funds, Leader out of 4,127 funds.

BB&T Asset Management, Inc., a wholly owned subsidiary of BB&T Corporation, serves as investment adviser to the BB&T Funds 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.