



Sensible Investing for Generations[®]

TRADITIONAL INDIVIDUAL RETIREMENT ACCOUNT

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APPLICATION INSTRUCTIONS
DO NOT USE THIS FORM TO ESTABLISH A ROTH OR SIMPLE IRA.

HOW TO COMPLETE THE ENCLOSED FORMS:

If you are opening a Traditional IRA that *will not* contain contributions that have been transferred from another IRA or qualified retirement plan:

- To establish a Traditional IRA, please complete the "IRA Application, Adoption Agreement and Beneficiary Designation" (Application). Please note that the Applicant's name must be that of an individual, not a business.
- If you are opening a Traditional IRA for your spouse, who is unemployed or earns less than you earn, your spouse must complete a separate Application.
- The maximum allowable contribution to your IRAs (deductible, non-deductible and Roth) for each tax year is the lesser of (a) \$5,000* or (b) 100% of your compensation or earnings from self-employment. If your spouse is not employed or earns less than you earn, your spouse may also contribute to an IRA. The maximum contribution to your spouse's IRA for each tax year is the lesser of (a) \$5,000* or (b) the combined compensation of both spouses, minus the dollar amount of the IRA contribution made by the compensated (or more highly compensated) spouse. The total combined contribution to each individual's IRAs (deductible, non-deductible and Roth) cannot exceed these limits. **You may not contribute to your IRA in the year in which you turn age 70½ and any subsequent years following the attainment of age 70½.**

A maximum amount of \$4,000 for tax years 2005 through 2007 and \$5,000 for 2008 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$4,500 for 2005, \$5,000 for 2006 and 2007, and \$6,000 for 2008 and thereafter. For tax years after 2008, the above limits will be increased to reflect a cost-of-living adjustment, if any.

- The minimum initial investment per Fund is \$1,000.00. Prospectuses for the Funds may be obtained from the Fund at 1-800-228-1872. Please be sure to read the prospectus carefully before investing.
- Please be sure to read carefully the "Terms and Conditions" of the Application. There is a \$15.00 annual custodial maintenance fee per social security number.
- Please make checks payable to BB&T Funds. If you are dividing your contribution between IRAs for yourself and your spouse, only one check, with instructions on how to allocate the contribution between accounts, needs to be included with both Applications.
- **If you are establishing a SEP IRA, you must attach a copy of an executed copy of the Employer's Form 5305-SEP or SEP Prototype Adoption Agreement.**

If you are opening a Traditional IRA that *will contain* contributions which have been transferred from another IRA or qualified retirement plan:

- Please read and follow the general instructions above for establishing a Traditional IRA. Be sure to note on the Application that your contribution is a transfer or rollover from another IRA or qualified retirement plan.
- To transfer or rollover the distribution from your current IRA or qualified retirement plan directly from that plan to your BB&T Funds IRA, please complete a "Transfer of Assets/Direct Rollover Form." Please note that if an eligible rollover distribution from a qualified plan is not transferred directly to another qualified plan or an IRA, the IRS mandatory 20% withholding amount will be withheld from the distribution.
- To certify that an enclosed contribution to the IRA is a rollover from an IRA or a qualified retirement plan, please complete the "Rollover Certification Form." Rollovers must be completed within 60 calendar days of the date you receive the distribution.

MAIL THE COMPLETED APPLICATION AND CHECK (IF APPLICABLE) TO:

First Class Mail:

BB&T Funds
c/o PNC Global Investment Servicing
P.O. Box 9762
Providence, RI 02940-9762

Overnight Address:

BB&T Funds
c/o PNC Global Investment Servicing
101 Sabin Street
Pawtucket, RI 02860
1-800-228-1872

SIMPLIFIED EMPLOYEE PENSION (SEP) IRA INSTRUCTIONS

A SEP is a written arrangement (a plan) that allows your employer to make contributions toward your retirement. Contributions are made to a Traditional Individual Retirement Account (Traditional IRA). Your employer will provide you with a copy of the agreement containing participation rules and a description of how employer contributions may be made to your IRA. Your employer must also provide you with a copy of the completed Form 5305-SEP and a yearly statement showing any contributions to your IRA.

- If you are an employer who is establishing a SEP Plan, please refer to the IRS website at www.irs.gov to obtain a copy of Form 5305-SEP.
- Your employer has adopted a SEP Plan for your retirement needs. Please read the information on Form 5305-SEP as it contains important information on how a SEP works and your rights.
- Your employer will determine the amount to be contributed to your IRA each year. The amount for any year is limited to the smaller of the annual 415(c) dollar limitation (adjusted for cost-of-living, if applicable) or 25% of your compensation. Please see Form 5305-SEP for current limitations on benefits and contributions (COLA) limits.
- All amounts contributed to your IRA by your employer belong to you even after you stop working for the employer.
- Employer contributions to your SEP-IRA are excluded from your income unless there are contributions in excess of the applicable limit.
- You may make regular IRA contributions to an IRA. However, the amount you can deduct may be reduced or eliminated because, as a participant of a SEP, you are covered by an employer retirement plan. Please consult IRS Publication 590 regarding IRA contributions.

MAIL THE COMPLETED APPLICATION AND CHECK (IF APPLICABLE) TO:

First Class Mail:

BB&T Funds
c/o PNC Global Investment Servicing
P.O. Box 9762
Providence, RI 02940-9762

Overnight Address:

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c/o PNC Global Investment Servicing
101 Sabin Street
Pawtucket, RI 02860
1-800-228-1872

TRADITIONAL INDIVIDUAL RETIREMENT ACCOUNT DISCLOSURE STATEMENT

The following information is the disclosure statement required by federal tax regulations. You should read this disclosure statement, the Custodial Account Agreement, and the prospectuses for the Funds in which your BB&T Funds Individual Retirement Account (IRA) contributions will be invested.

Important Information About U.S. Government Requirements That May Affect Your Account

PFPC Trust ("PFPC", "we", or "us") provides custodial and administrative services for your retirement or savings account. As a result of this role, persons who open a retirement or savings account are considered 'customers' of PFPC ("you" or "your").

To help the U.S. Government fight the funding of terrorism and money laundering activities, Federal law requires PFPC, as a financial institution, to obtain, verify, and record information that identifies each person who opens an account. All accounts we open are opened on a conditional basis – conditioned on our ability to verify your identity in accordance with Federal law.

When establishing an account, you are required to provide your full legal name, address, government issued identification number (e.g. social security number), date of birth, and other information within your account-opening application that will allow us to identify you. We may also request a copy of your driver's license or other identifying documents and may consult third-party databases to help verify your identity. If the account you are opening will be registered in the name of a beneficiary, trust, or estate or charity we may require additional identifying documentation.

If you fail to provide any requested identifying information or documentation when opening your account, your new account application may be rejected.

If we open your account, and you subsequently fail to provide all identification materials we request or if we are subsequently unable to adequately verify your identity as required by U.S. Government regulations, we reserve the right to take any one or more of the following actions:

We may place restrictions on your account which block all purchase transactions and we may place additional restrictions on your account blocking other transactional activities if we determine such additional restrictions are appropriate under Federal law or regulation.

We may close your account, sell (i.e., "liquidate") the assets in your account in the prevailing market at the time, and send you a check representing the cash proceeds of your account. This distribution will be reported to the Internal Revenue Service and may result in unfavorable consequences to you under Federal and state tax laws.

You May Incur Losses. Despite being opened as a conditional account, your account will be invested as you instruct and you will be subject to all market risks during the period between account opening and any liquidation necessitated by your failure to furnish requested identifying information or by an inability to adequately verify your identity. You may also be subject to additional market risks if the additional transactional restrictions discussed in the first bullet above are placed on your account. In addition, the closing of your account may subject you to fees and charges imposed by the fund or funds in which you are invested, and any sales charges you may have paid in connection with your purchases will not be refunded.

You Assume All Responsibility For These Losses. PFPC expressly disclaims any responsibility or liability for losses you incur as result of your failure to furnish identification materials we request, including investment losses and any other loss or damage (including but not limited to lost opportunities and adverse tax consequences). If you proceed with the account opening process, you accept all risks of loss resulting from any failure of yours to furnish the identification materials we request or from a subsequent inability to adequately verify your identity in accordance with Federal law.

REVOCAION OF YOUR IRA

You have the right to revoke your BB&T Funds IRA and receive the entire amount of your initial contribution by notifying PFPC Trust Company, the Custodian of your BB&T Funds IRA, in writing within seven (7) days of establishment of your IRA. If you revoke your IRA within seven days, you are entitled to a return of the entire amount paid by you, without adjustment for such items as sales commissions, administrative expenses, or fluctuations in market value. If you decide to revoke your IRA, notice should be delivered or mailed to the address listed on the application instructions.

This notice should be signed by you and include the following:

1. The date;
2. A statement that you elect to revoke your BB&T Funds IRA;
3. Your BB&T Funds IRA account number;
4. The date your BB&T Funds IRA was established;
5. Your signature and your printed or typed name.

Mailed notice will be deemed given on the date that it is postmarked, if it is properly addressed and deposited either in the United States mail, first class postage prepaid, or with an Internal Revenue Service (IRS) approved overnight service. This means that if you mail your notice it must be postmarked on or before the seventh day after your BB&T Funds IRA was opened. A revoked IRA will be reported to the IRS and the Depositor on Forms 1099-R and 5498.

YOUR INDIVIDUAL RETIREMENT ACCOUNT

You have opened a BB&T Funds Individual Retirement Account, which is a Traditional or SEP-IRA for the exclusive benefit of you and your beneficiaries, created by a written instrument (the Custodial Account Agreement). The following requirements apply to your BB&T Funds IRA:

1. Contributions, transfers and rollovers may be made only in "cash" by check, draft, or other form acceptable to the Custodian;
2. The Custodian must be a bank or savings and loan association;
3. No part may be invested in life insurance contracts;
4. Your interest must be nonforfeitable;
5. The assets of the custodial account may not be mixed with other property except in a common investment fund; and
6. You must begin receiving distributions from your account no later than April 1 of the year following the year in which you become 70½ years old; and distributions must be completed over a period that is not longer than the joint life expectancy of you and your beneficiary;

ELIGIBILITY

You are permitted to make a regular contribution to your IRA for any taxable year prior to the taxable year you attain age 70½, and if you receive compensation for such taxable year. Compensation includes, salaries, wages, tips, commissions, bonuses, alimony, royalties from creative efforts and "earned income" in the case of self-employment. The amount, which is deductible, depends upon whether or not you are an active participant in a retirement plan maintained by your employer; your modified adjusted gross income (Modified AGI), your marital status; and your tax filing status.

CONTRIBUTIONS

The maximum allowable contribution to your IRAs (deductible, non-deductible, and Roth) for each tax year is the lesser of (a) \$5,000* or (b) 100% of your compensation or earnings from self-employment (Please see Table I for contribution limits). If your spouse is not employed or earns less than you earn, your spouse may also contribute to an IRA. The maximum contribution to your spouse's IRA for each tax year is the lesser of (a) \$5,000* or (b) the combined compensation of you and your spouse, minus the dollar amount of the IRA contribution made by you or your spouse if more highly compensated. The total combined contribution to each individual's IRA non-deductible and Roth IRAs cannot exceed these limits. Any contribution made to your IRA will be treated as a contribution for the year it is received, unless the contribution is made between January 1 and April 15, and you have identified the contribution as a prior year contribution.

Table I

Traditional IRA Contribution Limits		
Tax Year	If Under Age 50	If Age 50 or Over
2002-2004	\$3,000	\$3,500
2005	\$4,000	\$4,500
2006-2007	\$4,000	\$5,000
2008	\$5,000	\$6,000

*A maximum amount of \$3,000 per year for tax years 2002 through 2004 may be contributed. That contribution limit is increased to \$4,000 for tax years 2005 through 2007 and \$5,000 for 2008 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$3,500 per year for tax years 2002 through 2004, \$4,500 for 2005, \$5,000 for 2006 and 2007, and \$6,000 for 2008 and thereafter. For tax years after 2008, the above limits will be increased to reflect a cost-of-living adjustment, if any.

INCOME TAX DEDUCTION

Your contribution to a Traditional IRA may be deductible on your federal income tax return. However, there is a phase-out of the IRA deduction if you are an active participant in an employer-sponsored retirement plan. The IRA deduction is reduced proportionately as adjusted gross income increases and is subject to change each year. Please consult IRS Publication 590 for calculating your deductible contribution as it pertains to individual income and employer sponsored plan circumstances. Your contributions in excess of the permitted deduction will be non-deductible contributions.

A deductible IRA contribution can be made to your spouse's IRA even if you are an active participant in an employer-sponsored retirement plan, if your joint adjusted gross income for the tax year does not exceed the limits as set forth by the IRS. The IRA deduction is reduced proportionally as your joint adjusted gross income increases. Please refer to Publication 590 for current year phase-out limits.

TAXATION OF DISTRIBUTIONS

The income of your BB&T Funds IRA is not taxed until the money is distributed to you. Distributions are taxable as ordinary income when received except that the amount of any distribution representing non-deducted contributions or the return of an excess contribution is not taxed.

In general, you may "roll over" a distribution from another IRA, an eligible rollover distribution from your employer's qualified plan, or distributions from certain tax deferred annuities or accounts. If a distribution is rolled over, i.e. deposited to your BB&T Funds IRA within 60 calendar days of receipt, the amount rolled over is not taxable. The IRS enforces the 60-day time limit strictly. You may rollover a portion of a distribution in which case the remainder will be subject to tax. The IRS requires 20% of any distribution from your employer's qualified plan to be withheld for federal income tax unless your distribution is transferred in a direct asset transfer to an eligible retirement plan such as another qualified plan or IRA. The rules regarding rollovers are complex and you should consult a competent tax advisor prior to rolling over all or part of a distribution.

If you make a tax-free rollover of any part of a distribution from a Traditional IRA, you cannot, within a 1-year period, make a tax-free rollover of any later distribution from that same Traditional IRA. You also cannot make a tax-free rollover of any amount distributed, within the same 1-year period, from the Traditional IRA into which you made the tax-free rollover. Please consult IRS Publication 590 for more information pertaining to rollover contributions.

Note: You may not roll over after tax contributions to a 403(b) program or 457 plan. You may want to roll over a distribution from an employer's retirement plan to a separate IRA in order to preserve certain tax treatment. The rules regarding tax-free rollovers are complex and subject to frequent change; you should consult a professional tax adviser if you are considering such a rollover.

CONVERSIONS

You may also "convert" all or a portion of your Traditional IRA to a Roth IRA if your adjusted gross income (joint or individual) does not exceed \$100,000 for the tax year unless you are married and file a separate return. (If you are a married individual, filing a separate return, and have lived apart from your spouse for the entire year, you may be eligible to be treated as a single payer.) A conversion is a type of distribution and is not tax-free. You may not convert any portion of a Required Minimum

Distribution (RMD). Distributions are taxable as ordinary income when received except that the amount of any distribution representing the return of non-deducted contributions is not taxed. The 10% penalty tax on early distributions does not apply to conversion amounts unless an amount attributable to a conversion is distributed from the Roth IRA prior to five years from the date of the conversion.

A conversion is reported as a distribution from the Traditional IRA (IRS Form 1099-R) and a conversion contribution to the Roth IRA (IRS Form 5498). The rules regarding conversions to Roth IRAs are complex and you should consult a competent tax advisor prior to a conversion.

RECHARACTERIZATION OF A CONVERSION (CORRECTION PROCESS)

You may correct a conversion made in error by recharacterizing the conversion. A conversion is recharacterized by transferring the conversion amount plus allocable earnings to a Traditional IRA. The correction must take place prior to the due date, including extensions, for filing your federal income tax return for the tax year in which the conversion was originally made. A recharacterized conversion may be converted back to a Roth IRA, however limitations may apply. Assets that have been recharacterized back to a Traditional IRA cannot be reconverted to a Roth IRA in the same tax year or within thirty days. A recharacterized conversion is reported as a distribution from the Roth IRA (IRS Form 1099-R) and a recharacterization contribution to the Traditional IRA (IRS Form 5498) for the tax year in which the recharacterization occurs. The rules regarding recharacterization are complex and you should consult a competent tax advisor prior to any recharacterization or reconversion.

Distributions under \$10 will not be reported to you on IRS Form 1099-R, as allowed under IRS regulations. However, you must still report these distributions to the IRS on IRS Form 1040 as well as other forms, which may be required to properly file your tax return.

RECHARACTERIZATION OF CONTRIBUTIONS

If you are eligible to contribute to a Roth IRA, all or part of a contribution you make to your Traditional IRA, along with allocable earnings or losses, may be recharacterized and treated as if made to your Roth IRA on the date the contribution was originally made to your Traditional IRA. Recharacterization of a contribution is irrevocable, and must be completed on or before the due date, including extensions, for filing your federal income tax return for the tax year for which the contribution was originally made.

A recharacterized contribution is reported as a distribution from the first IRA (IRS Form 1099-R) and a recharacterization contribution to the second IRA (IRS Form 5498) for the tax year in which the recharacterization occurs. The rules regarding recharacterization are complex and you should consult a competent tax advisor prior to any recharacterization. Recharacterization forms are available from the Custodian and should be used for all recharacterization requests.

EXCESS CONTRIBUTIONS

Amounts contributed to your BB&T Funds Traditional IRA in excess of the allowable limit will be subject to a non-deductible excise tax of 6% for each year until the excess is used up as an allowable contribution (in a subsequent year) or returned to you. The 6% excise tax on excess contributions will not apply if the excess contribution and earnings allocable to it are distributed by the due date for your federal income tax return, including extensions. If such a distribution is made, only the earnings are considered taxable income for the tax year in which the excess was contributed to the IRA. The return of earnings may also be subject to the 10% excise tax on early distributions discussed below. An IRS Form 1099-R will be issued for the year in which the distribution occurred, not the year in which the excess contribution was made. The 1099-R applies to amounts removed during the period January 1 through and including the due date of your federal income tax return for the prior tax year. Consult IRS Publication 590 for more information pertaining to excess contributions. If you make an excess contribution to your IRA and it is

not corrected on a timely basis, an excise tax of 6% is imposed on the excess amount. This tax will apply each year to any part or all of the excess that remains in your account. Earnings will be removed with the excess contribution if corrected before the Federal income tax-filing deadline (including extensions), pursuant to Internal Revenue Code Section 408(d)(4) and Internal Revenue Service ("IRS") Publication 590. The IRS may impose a 10% early distribution penalty on the earnings if you are under age 59½.

For the purpose of the excess contribution, we will calculate the net income attributable to that contribution (Net Income Attributable or "NIA") using the method provided for in the IRS Final Regulations for Earnings Calculation for Returned or Recharacterized Contributions. This method calculates the NIA based on the actual earnings and losses of the IRA during the time it held the excess contribution. Please note that a negative NIA is permitted and, if applicable, will be deducted from the amount of the excess contribution. Excess contributions (plus or minus the NIA) that are distributed by your Federal income tax return due date (plus extensions) will be considered corrected, thus avoiding an excess contribution penalty.

EARLY DISTRIBUTIONS

Your receipt or use of any portion of your account (excluding any amount representing a return of non-deducted contributions) before you attain age 59½ is considered an early or premature distribution. The distribution is subject to a penalty tax equal to 10% of the distribution unless one of the following exceptions applies to the distribution:

1. Due to your death, or
2. Made because you became disabled, or
3. Used specifically for deductible medical expenses which exceed 7.5% of your adjusted gross income, or
4. Used for health insurance cost due to your unemployment, or
5. Used for higher education expenses defined in section 529(e)(3) of the Internal Revenue Code, or
6. Used toward the expenses of a first time home purchase up to a lifetime limit of \$10,000, or
7. Part of a scheduled series of substantially equal payments over your life, or over the joint life expectancy of you and a beneficiary. If you request a distribution in the form of a series of substantially equal payments, and you modify the payments before 5 years have elapsed and before attaining age 59½, the penalty tax will apply retroactively to the year payments began through the year of such modification, or
8. Required because of an IRS levy.

The 10% penalty tax is in addition to any federal income tax that is owed at distribution. For more information on the 10% penalty tax and the exceptions listed above, consult IRS Publication 590.

In order to ensure the proper tax reporting of IRA distributions to the IRS, you are required to complete the appropriate distribution form for all distributions. Distribution forms are available from the Custodian and may be obtained by contacting Shareholder Services.

REQUIRED DISTRIBUTIONS

You are required to begin receiving minimum distributions from your IRA by your required beginning date (the April 1 of the year following the year you attain age 70½). The year you attain age 70½ is referred to as your "first distribution calendar year". Your minimum distribution for each year beginning with the calendar year you attain the age of 70½ is generally based upon the value of your account at the end of the prior year divided by the factor for your age derived from the Uniform Lifetime Distribution Period Table regardless of who or what entity is your named beneficiary. This uniform table assumes you have a designated beneficiary exactly 10 years younger than you. However, if your spouse is your sole beneficiary and is more than 10 years younger than you, your required minimum distribution for each year is based upon the joint life expectancies of you and your spouse. The account balance that is used to determine each year's required minimum amount is the fair market value of each IRA you own as of the prior December 31st, adjusted for outstanding rollovers (or transfers) as of such prior December 31st and recharacterizations that relate to a conversion or failed conversion made in the prior year.

However, no payment will be made from this IRA until you provide the Custodian with a proper distribution request acceptable by the Custodian. Upon receipt of such distribution request, you may switch to a joint life expectancy in determining the required minimum distribution if your spouse was your sole beneficiary as of the January 1st of the calendar year that contains your required beginning date and such spouse is more than 10 years younger than you. The required minimum distribution for the second distribution calendar year and for each subsequent distribution calendar year must be made by December 31 of each such year.

A 70½ Required Distribution Election form is available from the Custodian and must be obtained and used to make your elections for your required minimum distribution request.

DISTRIBUTIONS DUE TO DEATH

If, prior to your death, you have not started to take your required distributions and you properly designated a beneficiary(ies), the entire value of your IRA must be distributed to your beneficiaries within five years after your death, unless the designated beneficiary elects in writing, no later than September 30th of the year following the year in which you die, to take distributions over their life expectancy. These distributions must commence no later than December 31st of the calendar year following the calendar year of your death. However, if your spouse is your sole beneficiary, these distributions are not required to commence until the December 31st of the calendar year you would have attained the age of 70½, if that date is later than the required commencement date in the previous sentence. If you die before your required beginning date and you do not have a designated beneficiary, the balance in your IRA must be distributed no later than the December 31st of the calendar year that contains the fifth anniversary of your death.

If you die on or after your required beginning date and you have a designated beneficiary, the balance in your IRA will be distributed to your beneficiary over the beneficiary's single life expectancy. These distributions must commence no later than December 31st of the calendar year following the calendar year of your death. If you die on or after your required beginning date and you do not have a designated beneficiary, the balance in your IRA must be distributed over a period that does not exceed

your remaining single life expectancy determined in the year of your death. However, the required minimum distribution for the calendar year that contains the date of your death is still required to be distributed. Such amount is determined as if you were still alive throughout that year. If your spouse is your sole beneficiary, your spouse may elect to treat your IRA as his or her own IRA, whether you die before or after your required beginning date. If you die after your required beginning date and your spouse elects to treat your IRA as his or her own IRA, any required minimum that has not been distributed for the year of your death must still be distributed to your surviving spouse and then the remaining balance can be treated as your spouse's own IRA. After your death, your designated beneficiary may name a subsequent beneficiary. Any subsequent beneficiaries must take distributions at least as frequently as the original designated beneficiary. If you do not properly designate a beneficiary, or all designated beneficiaries have predeceased you, your spouse shall become the beneficiary or, if no surviving spouse or unmarried, the distribution will be made to your estate. Consult IRS Publication 590 or a competent estate-planning advisor for a complete discussion of rules governing distributions due to death.

In order to ensure the proper tax reporting of IRA distributions to the IRS, you are required to complete the appropriate distribution form for all distributions. Distribution forms are available from the Custodian and may be obtained by contacting Shareholder Services.

PROHIBITED TRANSACTIONS

If you or your beneficiary engages in any prohibited transaction (such as any sale, exchange, borrowing, or leasing of any property between you and your IRA; or any other interference with the independent status of the account), the account will lose its exemption from tax and be treated as having been distributed to you. The value of the entire account will be includible in your gross income. If you are under age 59½, you would also be subject to the 10% penalty tax on early distributions.

If you or your beneficiary use (pledge) all or any part of your IRA as security for a loan, then the portion so pledged will be treated as if distributed to you, and will be taxable to you as ordinary income and subject to a 10% penalty tax if you have not attained age 59½ during the year which you make such a pledge.

FEDERAL ESTATE and GIFT TAXES

Amounts payable to your spouse as beneficiary of your IRA may qualify for estate tax marital deduction. An election under an IRA to have a distribution payable to your beneficiary upon your death will not be treated as a gift as long as you are able to name them as your beneficiary.

INCOME TAX WITHHOLDING

The Custodian is required to withhold federal income tax from any distribution from your IRA to you at the rate of 10% unless you choose not to have tax withheld. You may elect out of withholding by advising the Custodian in writing, prior to the distribution, that you do not want tax withheld from the distribution. This election may be made on any form acceptable to the Custodian. If you do not elect out of tax withholding, you may direct the Custodian to withhold an additional amount of tax in excess of 10%, but not more than 90%.

State income tax withholding may also apply to distributions from your IRA account when federal income tax is withheld. Please contact your tax advisor or state tax authority for information about your state's income tax holding requirements.

ADDITIONAL INFORMATION

For more detailed information, you may obtain IRS Publication 590, Individual Retirement Arrangements (IRAs) from any district office of the Internal Revenue Service or by calling 1-800-TAX-FORM. Any IRA transaction may have tax consequences; consult your tax advisor to obtain information about the tax consequences in connection with your particular circumstances.

INFORMATION ABOUT YOUR INVESTMENTS

A mutual fund investment involves investment risks, including possible loss of principal. In addition, growth in the value of your account is neither guaranteed nor projected due to the characteristics of a mutual fund investment. Detailed information about the shares of each mutual fund available for investment by your BB&T Funds IRA must be furnished to you in the form of a prospectus. The method for computing and allocating annual earnings is set forth in the prospectus. (See prospectus section entitled "DIVIDENDS.") If you made an initial contribution of \$1,000 on the first day of a calendar year and no further investment during that year, your contribution would also be subject to certain costs and expenses, which would reduce any yield you might obtain from your investment. (See the prospectus section entitled "EXPENSE TABLE" and the sections referred to therein.) For further information regarding expenses, earnings, and distributions, see the mutual fund's financial statements, prospectus and/or statement of additional information. Should the fund you are invested in close, and the prospectus for said fund does not specify a successor fund, your shares of said fund will be liquidated and the proceeds will be used to purchase shares of the Money Market Fund in the same Fund Family, if available.

FEES AND CHARGES

There is a \$15.00 annual custodial maintenance fee per social security number. The Custodian may also charge a service fee in connection with any distribution from your IRA.

FILING WITH THE IRS

Contributions to your IRA must be reported on your tax return (Form 1040 or 1040A, and Form 8606 for nondeductible IRA contributions) for the taxable year contributed. You or your beneficiary are subject to any of the federal penalty taxes due to excess contributions, premature distributions, or missed Required Minimum Distributions.

IRS APPROVED FORM

Your BB&T Funds Traditional IRA is the Internal Revenue Service's model custodial account contained in IRS Form 5305-A. Certain additions have been made in Article VIII of the form. By following this form, your BB&T Funds Traditional IRA meets the requirements of the Internal Revenue Code. However, the IRS has not endorsed the merits of the investments allowed under the IRA. Form 5305-A may also be used by qualifying employers in conjunction with Form 5305-SEP to establish a Simplified Employee Pension plan (SEP) on behalf of employees. If your IRA is part of a SEP, details regarding SEPs should also be provided by your employer. This form cannot be used in connection with Coverdell Education Savings Accounts, Roth or SIMPLE IRAs.

CUSTODIAL ACCOUNT AGREEMENT

(Under section 408(a) of the Internal Revenue Code - Form 5305-A (Revised March 2002))

The Depositor whose name appears in the accompanying Application is establishing an Individual Retirement Account (IRA) under section 408(a) to provide for his or her retirement and for the support of his or her beneficiaries after death. The Custodian, PFPC Trust Company, has given the Depositor the disclosure statement required under Regulations section 1.408-6.

The Depositor and the Custodian make the following agreement:

ARTICLE I

Except in the case of a rollover contribution described in section 408A(e), a recharacterized contribution described in section 408A(d)(6), or an IRA Conversion Contribution, the Custodian will accept only cash contributions and only up to a maximum amount of \$3,000 per year for tax years 2002 through 2004. That contribution limit is increased to \$4,000 for tax years 2005 through 2007 and \$5,000 for 2008 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$3,500 per year for tax years 2002 through 2004, \$4,500 for 2005, \$5,000 for 2006 and 2007, and \$6,000 for 2008 and thereafter. For tax years after 2008, the above limits will be increased to reflect a cost-of-living adjustment, if any.

ARTICLE II

The Depositor's interest in the balance in the custodial account is nonforfeitable.

ARTICLE III

1. No part of the custodial account funds may be invested in life insurance contracts, nor may the assets of the custodial account be commingled with other property except in a common trust fund or common investment fund (within the meaning of section 408(a)(5)).
2. No part of the custodial account funds may be invested in collectibles (within the meaning of section 408(m)) except as otherwise permitted by section 408(m)(3), which provides an exception for certain gold, silver and platinum coins, coins issued under the laws of any state and certain bullion.

ARTICLE IV

1. Notwithstanding any provision of this agreement to the contrary, the distribution of the Depositor's interest in the custodial account shall be made in accordance with the following requirements and shall otherwise comply with section 408(a)(6) and Proposed Regulations section 1.408-8, including the incidental death benefit provisions of Proposed Regulations section 1.401(a)(9)-2, the provisions of which are incorporated by reference.
2. The Depositor's entire interest in the custodial account must be, or begin to be, distributed not later than the Depositor's required beginning date, April 1 following the calendar year in which the Depositor reaches age 70½. By that date, the Depositor may elect, in a manner acceptable to the Custodian, to have the balance in the custodial account distributed in:
 - (a) A single sum or
 - (b) Payments over a period not longer than the life of the Depositor or the joint lives of the Depositor and his or her designated beneficiary.
3. If the Depositor dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:
 - (a) If the Depositor dies on or after the required beginning date and:
 - (i) The designated beneficiary is the Depositor's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy as determined each year until such spouse's death, or over the period in paragraph (a)(iii) below if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph (a)(iii) below, over such period.
 - (ii) The designated beneficiary is not the Depositor's surviving spouse, the remaining interest will be distributed over the beneficiary's remaining life expectancy as determined in the year following the death of the Depositor and reduced by 1 for each subsequent year, or over the period in paragraph (a)(iii) below if longer.

- (iii) There is no designated beneficiary; the remaining interest will be distributed over the remaining life expectancy of the Depositor as determined in the year of the Depositor's death and reduced by 1 for each subsequent year.
- (b) If the Depositor dies before the required beginning date, the remaining interest will be distributed in accordance with (l) below or, if elected or there is no designated beneficiary, in accordance with (ii) below:
 - (i) The remaining interest will be distributed in accordance with paragraphs (a)(i) and (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), starting by the end of the calendar year following the year of the Depositor's death. If, however, the designated beneficiary is the Depositor's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the Depositor would have reached age 70½ but, in such case, if the Depositor's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with (ii) below if there is no such designated beneficiary.
 - (ii) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Depositor's death.
- 4. If the Depositor dies before his or her entire interest has been distributed and if the designated beneficiary is not the Depositor's surviving spouse, no additional contributions may be accepted in the account.
- 5. The minimum amount that must be distributed each year, beginning with the year containing the Depositor's required beginning date, is known as the "required minimum distribution" and is determined as follows:
 - (a) The required minimum distribution under paragraph 2(b) for any year, beginning with the year the Depositor reaches age 70½, is the Depositor's account value at the close of business on December 31 of the preceding year divided by the distribution period in the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if the Depositor's designated beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the Depositor's account value at the close of business on December 31 of the preceding year divided by the number in the joint and last survivor table in Regulations section 1.401(a)(9)-9. The required minimum distribution for a year under this paragraph (a) is determined using the Depositor's (or, if applicable, the Depositor and spouse's) attained age (or ages) in the year.
 - (b) The required minimum distribution under paragraphs 3(a) and 3(b)(i) for a year, beginning with the year following the year of the Depositor's death (or the year the Depositor would have reached age 70½, if applicable under paragraph 3(b)(i)) is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9) of the individual specified in such paragraphs 3(a) and 3(b)(i).
 - (c) The required minimum distribution for the year the Depositor reaches age 70½ can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.
- 6. The owner of two or more traditional IRAs may satisfy the minimum distribution requirements described above by taking from one traditional IRA the amount required to satisfy the requirement for another in accordance with the regulations under section 408(a)(6).

ARTICLE V

- 1. The Depositor agrees to provide the Custodian with information necessary for the Custodian to prepare any reports required under sections 408(i) and Regulations sections 1.408-5 and 1.408-6.
- 2. The Custodian agrees to submit reports to the Internal Revenue Service and the Depositor prescribed by the Internal Revenue Service.

ARTICLE VI

Notwithstanding any other articles, which may be added or incorporated, the provisions of Articles I through III and this sentence will be controlling. Any additional articles that are not consistent with section 408(a) and the related regulations will be invalid.

ARTICLE VII

This agreement will be amended from time to time to comply with the provisions of the Code and related regulations. Other amendments may be made with the consent of the persons whose signature appears on the IRA application.

ARTICLE VIII

1. All funds in the custodial account (including earnings) shall be invested in shares of any one or more of the registered investment companies ("mutual funds"), or portfolios thereof, which have been designated by the company listed on the account opening documents ("company") as eligible for investment under this custodial account. The mutual funds, portfolios, and company shall be collectively referred to herein as "the Funds" and the shares of the Funds shall be collectively referred to as "Fund Shares." Fund Shares shall be purchased at the public offering price for Fund Shares next to be determined after receipt of the contribution by the Custodian or its agent.
2. The shareholder of record of all Fund Shares shall be the Custodian or its nominee.
3. The Depositor shall, from time to time, direct the Custodian to invest the funds of his/her Custodian account in Fund Shares. Any funds, which are not directed as to investment, shall, at the sole discretion of the Custodian, be held uninvested until such direction is received from the Depositor or be returned to the Depositor without being deemed to have been contributed to his/her custodial account. The Depositor shall be the beneficial owner of all Fund Shares held in the custodial account. All Fund Shares held in the custodial account shall be voted by, or in accordance with the proper voting instructions of, the Depositor. Absent such instructions, the Custodian is hereby directed to and shall vote such Fund Shares for or against any proposition in the same proportion as all Fund Shares for which timely instructions have been received, unless otherwise required by law.
4. The Custodian agrees to forward, or to cause to be forwarded, to every Depositor the then-current prospectus(es) of the Funds, as applicable, which have been designated by the company as eligible for investment under the custodial account and selected by the Depositor for such investment, and all notices, proxies and related proxy soliciting materials applicable to said Fund Shares received by it.
5. Each Depositor shall have the right by written notice to the Custodian to designate or to change a beneficiary to receive any benefit to which such Depositor may be entitled in the event of his/her death prior to the complete distribution of such benefit. A beneficiary designation will be deemed to be in effect when received in good order by the Custodian. If no such designation is in effect at the time of the Depositor's death, or if the designated beneficiary has predeceased the Depositor, the spouse shall become the beneficiary or, if no surviving spouse or unmarried, the beneficiary shall be the Depositor's estate.
6. (a) The Custodian shall have the right to receive rollover contributions. The Custodian reserves the right to refuse to accept any property, which is not in the form of cash.

(b) The Custodian, upon written direction of the Depositor and after submission to the Custodian of such documents as it may reasonably require, shall transfer the assets held under this Agreement (reduced by (1) any amounts referred to in paragraph 8 of this Article VIII and (2) any amounts required to be distributed during the calendar year of transfer) to a qualified retirement plan, to a successor individual retirement account, to an individual retirement annuity for the Depositor's benefit, or directly to the Depositor.

Any amounts received or transferred by the Custodian under this paragraph 6 shall be accompanied by such records and other documents, as the Custodian deems necessary to establish the nature, value and extent of the assets and of the various interests therein.

7. Without in any way limiting the foregoing, the Depositor hereby irrevocably delegates to the Custodian the right and power to amend at any time and from time to time the terms and provisions of this Agreement and hereby consents to such amendments, provided they shall comply with all applicable provisions of the Code, the Treasury regulations there under and with any other governmental law, regulation or ruling. Any such amendments shall be effective when the notice of such amendments is mailed to the address of the Depositor indicated by the Custodian's records.
8. Any income taxes or other taxes of any kind whatsoever levied or assessed upon or in respect of the assets of the custodial account or the income arising there from, any transfer taxes incurred, all other administrative expenses incurred, specifically including, but not limited to, administrative expenses incurred by the Custodian in the performance of its duties and fees for legal services rendered to the Custodian, and the Custodian's compensation may be paid by the Depositor and, unless so paid within such time period as the Custodian may establish, shall be paid from the Depositor's custodial account. The Custodian reserves the right to change or adjust its compensation upon 30 days advance notice to the Depositor.

9. The benefits provided there under shall not be subject to alienation, assignment, garnishment, attachment, execution, or levy of any kind, and any attempt to cause such benefits to be so subjected shall not be recognized, except to such extent as may be required by law.
10. The Custodian may rely upon any statement by the Depositor (or the Depositor's beneficiary if the Depositor is deceased) when taking any action or determining any fact or question which may arise under this Custodial Agreement. The Depositor hereby agrees that neither the Custodian nor the Funds will be liable for any loss or expense resulting from any action taken or determination made in reliance on such statement. The Depositor assumes sole responsibility for assuring that contributions to the custodial account satisfy the limits specified in the appropriate provisions of the Code.
11. The Custodian may resign at any time upon 30 days written notice to the Depositor and the Funds, and may be removed by the Depositor at any time upon 30 days written notice to the Custodian. Upon the resignation or removal of the Custodian, a successor Custodian shall be appointed within 30 days of such resignation notice and in the absence of such appointment, the Custodian shall appoint a successor unless the Agreement be sooner terminated. Any successor Custodian shall be a bank (as defined in section 408(n) of the Code) or such other person found qualified to act as a Custodian under an individual account plan by the Secretary of the Treasury or his delegate. The appointment of a successor Custodian shall be effective upon receipt by the Custodian of such successor's written acceptance, which shall be submitted to the Custodian, the Funds, and the Depositor. Within 30 days of the effective date of a successor Custodian's appointment, the Custodian shall transfer and deliver to the successor Custodian applicable account records and assets of the custodial account (reduced by any unpaid amounts referred to in paragraph 8 of this Article VIII). The successor Custodian (or any successor thereto) shall be subject to the provisions of this Agreement on the effective date of its appointment.
12. The Custodian shall, from time to time, in accordance with instructions in writing from the Depositor (or the Depositor's beneficiary if the Depositor is deceased), make distributions out of the custodial account in the manner and amounts as may be specified in such instructions (reduced by any amounts referred to in Article VIII, paragraph 8). An IRA Withdrawal Authorization form is available from the Custodian, and should be obtained and used to request any distribution from your IRA. Notwithstanding the provisions of Article IV above, the Custodian assumes (and shall have) no responsibility to make any distribution from the custodial account unless and until such written instructions specify the occasion for such distribution and the elected manner of distribution, except as set forth in the second part of this paragraph (12) below, with respect to age 70½ distributions. Prior to making any such distribution from the custodial account, the Custodian shall be furnished with any and all applications, certificates, tax waivers, signature guarantees, and other documents (including proof of any legal representative's authority) deemed necessary or advisable by the Custodian, but the Custodian shall not be liable for complying with written instructions which appear on their face to be genuine, or for refusing to comply if not satisfied such instructions are genuine, and assumes no duty of further inquiry. Upon receipt of proper written instructions as required above, the Custodian shall cause the assets of the custodial account to be distributed in cash and/or in kind, as specified in such written instructions.

The Depositor may select as a method of distribution under Article IV, paragraph 2. If the Depositor requests age 70½ distribution by timely written instruction but does not choose any of the methods of distribution described above by the April 1st following the calendar year in which he or she reaches age 70½, distribution to the Depositor will be made in accordance with Article IV, paragraph 2. If the Depositor does not request age 70½ distribution from the custodial account by timely written instruction, or does not specify a method of calculating the amount of the age 70½ distribution which the Depositor will be taking from another IRA(s), no distribution will be made; however calculation of the current year Required Minimum Distribution amount which cannot be rolled over to another IRA will be made in accordance with Article IV, paragraph 2, option (b).

13. Distribution of the assets of the custodial account shall be made in accordance with the provisions of Article IV as the Depositor (or the Depositor's beneficiary if the Depositor is deceased) shall elect by written instructions to the Custodian; subject, however, to the provisions of sections 401(a)(9), 408(a)(6) and 403(b)(10) of the Code, the regulations promulgated there under, Article VIII, paragraph 12 of this Agreement, and the following:
 - (i) If the Depositor dies before his/her entire interest in the custodial account has been distributed, and if the designated beneficiary of the Depositor is the Depositor's surviving spouse, the spouse may treat the custodial account as his/her own individual retirement arrangement. This election will be deemed to have been made if the surviving spouse makes a regular IRA contribution to the custodial account, makes a rollover to or from such custodial account, or fails to receive a payment from the custodial account within the appropriate time period applicable to the deceased Depositor under section 401(a)(9)(B) of the Code.

The provisions of this paragraph (13) of Article VIII shall prevail over the provisions of Article IV to the extent the provisions of this paragraph (13) are permissible under proposed and/or final regulations promulgated by the Internal Revenue Service.

14. In the event any amounts remain in the custodial account after the death of the Depositor, the rights of the Depositor under this Agreement shall thereafter be exercised by his or her beneficiary.
15. The Custodian is authorized to hire agents (including any transfer agent for Fund Shares) to perform certain duties under this Agreement.
16. This Agreement shall terminate coincident with the complete distribution of the assets of the Depositor's account.
17. All notices to be given by the Custodian to the Depositor shall be deemed to have been given when mailed to the address of the Depositor indicated by the Custodian's records.
18. Neither the Custodian nor the Funds shall be responsible for any losses, penalties or other consequences to the Depositor or any other person arising out of the making of, or the failure to make, any contribution or withdrawal.
19. In addition to the reports required by paragraph (2) of Article V, the Custodian shall periodically cause to be mailed to the Depositor in respect of each such period an account of all transactions affecting the custodial account during such period and a statement showing the custodial account as of the end of such period. If, within 30 days after such mailing, the Depositor has not given the Custodian written notice of any exception or objection thereto, the periodic accounting shall be deemed to have been approved and, in such case or upon the written approval of the Depositor, the Custodian and the Funds shall be released, relieved and discharged with respect to all matters and statements set forth in such accounting as though the account had been settled by judgment or decree of a court of competent jurisdiction.
20. In performing the duties conferred upon the Custodian by the Depositor there under, the Custodian shall act as the agent of the Depositor. The parties do not intend to confer any fiduciary duties on the Custodian or the Funds, and none shall be implied. Neither the Custodian nor the Funds shall be liable (and neither assumes any responsibility) for the collection of contributions, the deductibility or the propriety of any contribution under this Agreement, the selection of any Fund Shares for this custodial account, or the purpose or propriety of any distribution made in accordance with Article IV and Paragraph 12 or 13 of Article VIII, which matters are the sole responsibility of the Depositor or the Depositor's beneficiary, as the case may be.

The Depositor and the successors of the Depositor, including any designated beneficiary, executor or administrator of the Depositor, shall, to the extent permitted by law, indemnify and hold the Custodian and the Funds and their affiliates, successors and assigns harmless from any and all claims, actions or liabilities of the Custodian, except such as may arise from the Custodian's own bad faith, negligence, nonfeasance, or willful misconduct.
21. The Custodian shall be responsible solely for the performance of those duties expressly assigned to it in this Agreement and by operation of law. Neither the Custodian nor the Funds shall have any duty to account for deductible contributions separately from nondeductible contributions, unless required to do so by applicable law. In determining the taxable amount of a distribution, the Depositor shall rely only on his or her federal tax records, and the Custodian shall withhold federal income tax from any distribution from the custodial account as if the total amount of the distribution is includible in the Depositor's income.
22. Except to the extent superseded by federal law, this Agreement shall be governed by, and construed, administered and enforced according to, the laws of the State of Delaware, and all contributions shall be deemed made in Delaware.
23. Participant – As referenced in the Adoption Agreement/Application and in any forms associated with this Custodial Agreement, carries the same definition as the Depositor identified in Article I and the Definitions Section of this Custodial Agreement.

GENERAL INSTRUCTIONS

(Section references are to the Internal Revenue Code unless otherwise noted.)

Purpose of Form

Form 5305-A is a model custodial account agreement that meets the requirements of section 408(a) and has been automatically approved by the IRS. An individual retirement account (IRA) is established after the form is fully executed by both the individual (Depositor) and the Custodian and must be completed no later than the due date of the individual's income tax return for the tax year (without regard to extensions). This account must be created in the United States for the exclusive benefit of the Depositor or his or her beneficiaries.

Do not file Form 5305-A with the IRS. Instead, keep it for record purposes.

For more information on IRAs, including the required disclosures the Custodian must give the Depositor, see Pub. 590, Individual Retirement Arrangements (IRAs).

Definitions

Custodian. The Custodian must be a bank or savings and loan association, as defined in section 408(n), or any person who has the approval of the IRS to act as Custodian.

Depositor. The Depositor is the person who establishes the custodial account.

Identifying Number

The Depositor's social security number will serve as the identification number of his or her IRA. An employer identification number (EIN) is required only for an IRA for which a return is filed to report unrelated business taxable income. An EIN is required for a common fund created for IRAs.

Traditional IRA for Nonworking Spouse

Form 5305-A may be used to establish the IRA custodial account for a nonworking spouse. Contributions to an IRA custodial account for a nonworking spouse must be made to a separate IRA custodial account established by the nonworking spouse.

SPECIFIC INSTRUCTIONS

Article IV. Distributions made under this article may be made in a single sum, periodic payment, or a combination of both. The distribution option should be reviewed in the year the Depositor reaches age 70½ to ensure that the requirements of section 408(a)(6) have been met.

Article VIII. Article VIII and any that follow it may incorporate additional provisions that are agreed to by the Depositor and Custodian to complete the agreement. They may include, for example, definitions, investment powers, voting rights, exculpatory provisions, amendment and termination, removal of the Custodian, Custodian's fees, state law requirements, Federal Law requirements, regulatory requirements, beginning date of distributions, accepting only cash, treatment of excess contributions, prohibited transactions with the Depositor, etc. Use additional pages if necessary and attach them to this form.

Note: Form 5305-A may be reproduced and reduced in size.

IMPORTANT INFORMATION

PFPC TRUST COMPANY PRIVACY NOTICE:

PFPC Trust Company serves as custodian for self-directed savings and retirement accounts, such as Individual Retirement Accounts, Qualified Plans, 403(b)(7) Plans and Health Savings Accounts, as well as for mutual fund Wrap Product and Global Cash Portal accounts (the "Accounts").

You are receiving this notice because either (i) you own or are considering establishing an Account that contains an investment in shares of a fund (a "Fund") serviced by PFPC Trust Company or its affiliate, or (ii) you own or are considering an Account for which PFPC Trust Company acts (or will act) as custodian for the Account's assets.

We are committed to maintaining the privacy of Account owners and to safeguarding their nonpublic personal information.

We may collect nonpublic personal information from Account applications and other forms that Account owners send to establish and maintain Accounts. We may also have access to specific information regarding an Account owner's transactions with the Funds or other service provider (s).

We do not disclose any nonpublic personal information about any Account owner or former Account owner to anyone, except as permitted by law or as necessary in order to service the Account.

We restrict access to nonpublic personal information about the Account owners to our employees with a legitimate business use for the information. We maintain physical, electronic and procedural safeguards designed to protect the nonpublic personal information of Account owners.

Questions regarding this notice may be directed in writing to: Privacy Coordinator, PFPC Trust Company, MS# XX-WEBO-2E-6, P.O. Box 8916, Wilmington, Delaware 19899-8916.

TRADITIONAL IRA APPLICATION and ADOPTION AGREEMENT

BB&T Funds PO Box 9762 Providence, RI 02940 1-800-228-1872

PERSONAL INFORMATION

*Name: _____

*Street Address _____ City: _____ State: _____ Zip Code: _____
 (P.O. Box is not sufficient)

Evening Phone #: _____ Daytime Phone #: _____ Email Address: _____

*Date of Birth: _____ *SSN/TIN: _____

*Required Information

TYPE OF ACCOUNT

- TRADITIONAL IRA
 ROLLOVER IRA
 BENEFICIARY ACCOUNT
 SEP IRA (SEP AGREEMENT- IRS Form 5305-SEP must be attached)

 EMPLOYER (Information required for SEP IRA only)

 ADDRESS

 CITY STATE ZIP CODE

INVESTMENT INSTRUCTIONS

CONTRIBUTION INFORMATION

YEAR: Current Year \$ _____ Prior Year \$ _____
 If SEP IRA: Employee \$ _____ Employer \$ _____

- 60-Day Rollover Check
 Transfer
 Direct Rollover (from 401k, 403(b), 457 Plan or other Qualified Plan)

INVESTMENT ELECTION (The initial investment must be at least \$1,000.00 in each fund)

Fund Name	Select a Share Class (required)			
	A	C		
Select Equity Fund	<input type="checkbox"/> (010)	<input type="checkbox"/> (210)	\$ _____	or _____ %
Mid Cap Value Fund	<input type="checkbox"/> (012)	<input type="checkbox"/> (212)	\$ _____	or _____ %
Sterling Capital Small Cap Value Fund	<input type="checkbox"/> (015)	<input type="checkbox"/> (215)	\$ _____	or _____ %
International Equity Fund	<input type="checkbox"/> (020)	<input type="checkbox"/> (220)	\$ _____	or _____ %
Special Opportunities Equity Fund	<input type="checkbox"/> (021)	<input type="checkbox"/> (221)	\$ _____	or _____ %
Equity Income Fund	<input type="checkbox"/> (022)	<input type="checkbox"/> (222)	\$ _____	or _____ %
Equity Index Fund	<input type="checkbox"/> (023)	<input type="checkbox"/> (223)	\$ _____	or _____ %
Short U.S. Government Fund	<input type="checkbox"/> (040)		\$ _____	or _____ %
Intermediate U.S. Government Fund	<input type="checkbox"/> (041)	<input type="checkbox"/> (241)	\$ _____	or _____ %
Total Return Bond Fund	<input type="checkbox"/> (042)	<input type="checkbox"/> (242)	\$ _____	or _____ %
Kentucky Intermediate Tax Free Fund	<input type="checkbox"/> (043)		\$ _____	or _____ %
Maryland Intermediate Tax Free Fund	<input type="checkbox"/> (044)		\$ _____	or _____ %
North Carolina Intermediate Tax Free Fund	<input type="checkbox"/> (045)		\$ _____	or _____ %
South Carolina Intermediate Tax Free Fund	<input type="checkbox"/> (046)		\$ _____	or _____ %
Virginia Intermediate Tax Free Fund	<input type="checkbox"/> (047)		\$ _____	or _____ %
West Virginia Intermediate Tax Free Fund	<input type="checkbox"/> (048)		\$ _____	or _____ %
Prime Money Market Fund	<input type="checkbox"/> (050)	<input type="checkbox"/> (250)	\$ _____	or _____ %
U.S. Treasury Money Market Fund	<input type="checkbox"/> (051)	<input type="checkbox"/> (251)	\$ _____	or _____ %
National Tax Fee Money Market Fund	<input type="checkbox"/> (052)		\$ _____	or _____ %
Capital Manager Conservative Growth Fund	<input type="checkbox"/> (060)	<input type="checkbox"/> (260)	\$ _____	or _____ %
Capital Manager Moderate Growth Fund	<input type="checkbox"/> (061)	<input type="checkbox"/> (261)	\$ _____	or _____ %
Capital Manager Growth Fund	<input type="checkbox"/> (062)	<input type="checkbox"/> (262)	\$ _____	or _____ %
Capital Manager Equity Fund	<input type="checkbox"/> (063)	<input type="checkbox"/> (263)	\$ _____	or _____ %
Other _____	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____	or _____ %
Total			\$ _____	or 100 %

SALES CHARGE REDUCTIONS AND WAIVERS

A. Rights of Accumulation (Class A Shares only. See the prospectus for qualifications.)

A family member or I own shares of more than one Fund in the BB&T, which may entitle me to a reduced sales charge.

The shareholder account numbers are:

Fund Name _____ Fund Name _____ Fund Name _____
 Account # _____ Account # _____ Account # _____

B. Letter of Intent (Class A Shares only.)

I understand that through accumulated investments I can reduce my sales charges as outlined in the prospectus. I plan to invest over a 13-month period in

shares of one or more of the funds in the BB&T Funds (except the Prime Money Market Fund and US Treasury Money Market fund) an aggregate amount of at least:

\$50,000 \$100,000 \$250,000 \$500,000 \$1,000,000

C. Sales Charge Waivers (See current prospectus under "Sales Charge Waivers" for qualified purchaser types.)

Qualified Purchaser Category and Explanation _____

ALL DIVIDENDS AND CAPITAL GAINS WILL BE REINVESTED

AUTOMATIC INVESTMENT PLAN (Attach a voided check in the space provided below.)

- The initial investment is reduced to \$25.00 in each fund if an automatic investment plan is established.
- The minimum subsequent investment is \$25.00 in each fund.
- All contributions invested using the Automatic Investment Plan will be current year contributions.
- We will establish your banking instructions using the voided check attached in the space provided below.

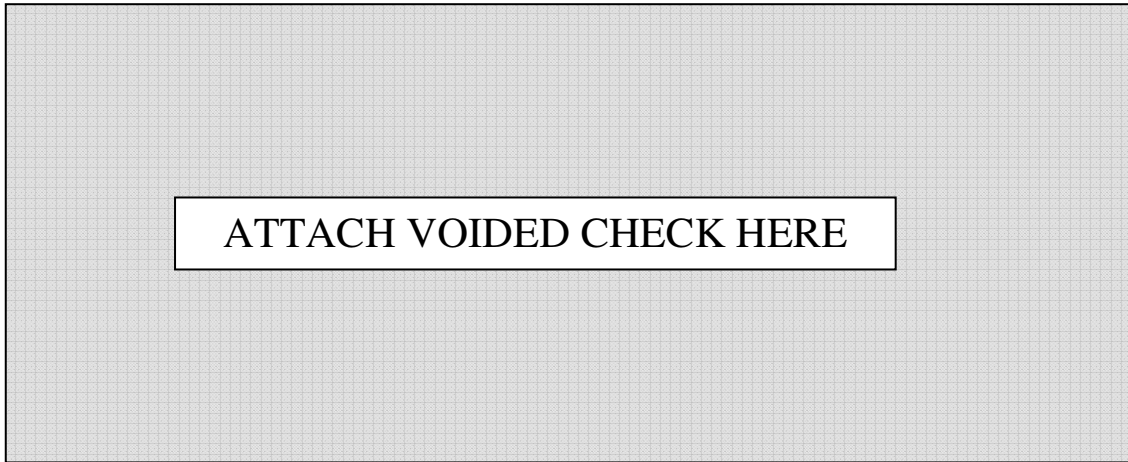
I would like to automatically invest from my bank account to my BB&T Funds Account on the following basis. If you not indicate a frequency, then we will default to monthly.

Monthly Quarterly Semi-annually Annually

My contribution to the funds marked below will take place on the _____ (i.e. 15th) of the month, beginning in the month of _____ (i.e. April). If you do not indicate a date of the month, then we will default to the 15th of the month.

Fund Name	Select a Share Class (required)		
	A	C	
Select Equity Fund	<input type="checkbox"/> (010)	<input type="checkbox"/> (210)	\$ _____
Mid Cap Value Fund	<input type="checkbox"/> (012)	<input type="checkbox"/> (212)	\$ _____
Sterling Capital Small Cap Value Fund	<input type="checkbox"/> (015)	<input type="checkbox"/> (215)	\$ _____
International Equity Fund	<input type="checkbox"/> (020)	<input type="checkbox"/> (220)	\$ _____
Special Opportunities Equity Fund	<input type="checkbox"/> (021)	<input type="checkbox"/> (221)	\$ _____
Equity Income Fund	<input type="checkbox"/> (022)	<input type="checkbox"/> (222)	\$ _____
Equity Index Fund	<input type="checkbox"/> (023)	<input type="checkbox"/> (223)	\$ _____
Short U.S. Government Fund	<input type="checkbox"/> (040)		\$ _____
Intermediate U.S. Government Fund	<input type="checkbox"/> (041)	<input type="checkbox"/> (241)	\$ _____
Total Return Bond Fund	<input type="checkbox"/> (042)	<input type="checkbox"/> (242)	\$ _____
Kentucky Intermediate Tax Free Fund	<input type="checkbox"/> (043)		\$ _____
Maryland Intermediate Tax Free Fund	<input type="checkbox"/> (044)		\$ _____
North Carolina Intermediate Tax Free Fund	<input type="checkbox"/> (045)		\$ _____
South Carolina Intermediate Tax Free Fund	<input type="checkbox"/> (046)		\$ _____
Virginia Intermediate Tax Free Fund	<input type="checkbox"/> (047)		\$ _____
West Virginia Intermediate Tax Free Fund	<input type="checkbox"/> (048)		\$ _____
Prime Money Market Fund	<input type="checkbox"/> (050)	<input type="checkbox"/> (250)	\$ _____
U.S. Treasury Money Market Fund	<input type="checkbox"/> (051)	<input type="checkbox"/> (251)	\$ _____
National Tax Fee Money Market Fund	<input type="checkbox"/> (052)		\$ _____
Capital Manager Conservative Growth Fund	<input type="checkbox"/> (060)	<input type="checkbox"/> (260)	\$ _____
Capital Manager Moderate Growth Fund	<input type="checkbox"/> (061)	<input type="checkbox"/> (261)	\$ _____
Capital Manager Growth Fund	<input type="checkbox"/> (062)	<input type="checkbox"/> (262)	\$ _____
Capital Manager Equity Fund	<input type="checkbox"/> (063)	<input type="checkbox"/> (263)	\$ _____
Other _____	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Total			\$ _____

BANKING INSTRUCTIONS FOR AUTOMATIC INVESTMENT PLAN



TELEPHONE EXCHANGE PRIVILEGES

I do not want the ability to exchange shares by telephone on this account.

BENEFICIARY DESIGNATION

Primary <input type="checkbox"/>	Contingent <input type="checkbox"/>	Name: _____	SSN: _____	Date of Birth: _____
		Address: _____	Relationship: _____	Share: _____%
Primary <input type="checkbox"/>	Contingent <input type="checkbox"/>	Name: _____	SSN: _____	Date of Birth: _____
		Address: _____	Relationship: _____	Share: _____%
Primary <input type="checkbox"/>	Contingent <input type="checkbox"/>	Name: _____	SSN: _____	Date of Birth: _____
		Address: _____	Relationship: _____	Share: _____%

Note, the share percentage must equal 100% for all Primary or all Contingent Beneficiaries. If neither the Primary nor the Contingent Beneficiary box is checked, the beneficiary will be deemed to be a Primary Beneficiary. If a trust is designated as a Beneficiary, please provide both the date of the trust and the name(s) of the trustee(s).

In the event of my death, the balance in the account shall be paid to the Primary Beneficiaries who survive me in equal shares (or in the specified shares, if indicated). If none of the Primary Beneficiaries survive me, the balance in the account shall be paid to the Contingent Beneficiaries who survive me in equal shares (or in the specified shares, if indicated). You may change your beneficiaries at any time by giving written notice to the Custodian. If you do not designate a beneficiary, or the beneficiary(ies) you designate predecease you, your surviving spouse will become the beneficiary of your IRA, if no surviving spouse or unmarried, your estate will become the beneficiary of your IRA.

I consent to the Beneficiary Designation.

Signature of Spouse: _____ **Date:** _____

Note: Consent of the Participant's Spouse may be required in a community property or marital property state to effectively designate a beneficiary other than, or in addition to, the Participant's Spouse. Disclaimer for Community and Marital Property States: The Participant's Spouse may have a property interest in the account and the right to dispose of the interest by will. Therefore, BB&T Funds and the IRA Custodian specifically disclaim any warranty as to the effectiveness of the Participant's beneficiary designation or as to the ownership of the account after the death of the Participant's Spouse. For additional information, please consult your legal advisor.

DEALER OR ADVISOR DESIGNATION

- If you do not have a Dealer or Advisor assisting you with this transaction, please leave this section blank.

Firm Name: _____ Firm Number: _____

Representative's Name: _____ Telephone: _____ Rep. Number: _____

Branch Address: _____ Branch Number: _____

HOUSEHOLDING

Householding: In the event that family members in my household have multiple accounts in a single fund, I agree that BB&T Funds may send a **single copy** of that fund's updated prospectus, annual or semiannual report that is required to be delivered. I agree to notify BB&T Funds by phone, in writing or by email if I wish to stop householding, and receive multiple copies of these materials.

TERMS AND CONDITIONS

I, the Participant, acknowledge that I have received and read the current Prospectus for each Fund, which I have designated for investment. I understand all dividends and distributions from the Fund shares held in my Account will be reinvested in shares of the Fund from which received.

Each subsequent contribution will be invested based on the written instructions received with the contribution. In the event that this is a rollover contribution, the undersigned hereby irrevocably elects, pursuant to the requirements of Section 1.402(a)(5)-1T of the IRS regulations, to treat this contribution as a rollover contribution. The Custodian, upon written instructions from you, may exchange any BB&T Funds shares for any other BB&T Funds shares in accordance with the then current prospectus.

Custodial Fees: \$15.00 annual maintenance fee per social security number. The participant may prepay the annual maintenance fee. If the fee is not prepaid, the Custodian will deduct the fee from the Account at year-end or at the time the Account is closed. The Custodian reserves the right to change the custodial fee, but will give at least 30 days written notice to the Participant of any fee changes. The Custodian will keep those records, identify and file returns and provide other information concerning your Account as required of Custodians by the Internal Revenue Code (IRC) and any Regulations issued or forms adopted by the Treasury Department of the United States.

I hereby establish an Individual Retirement Account ("IRA") under the terms and conditions contained in the accompanying Custodial Account Agreement, which is incorporated herein by reference. The combined instrument is hereinafter referred to as the "Agreement". I acknowledge receipt of a copy of the Custodial Account Agreement, this Application and Adoption Agreement, and the Disclosure Statement with respect to this IRA.

I direct that all benefits upon my death be paid as indicated on the beneficiary designation. If I named a beneficiary that is a Trust, I understand I must provide certain information concerning such Trust to the Custodian.

I understand and agree that this IRA becomes effective upon written acceptance by the Custodian, PFPC Trust Company, which written acceptance shall consist of a confirmation of transaction statement issued by the Custodian.

I (the Participant) certify under penalties of perjury that I am a US person (including a US resident alien) and that my Social Security Number is true, correct and complete and that this number is my Taxpayer Identification Number. (If you are a foreign person, use the appropriate Form W-8.)

To help the U.S. government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies persons opening accounts. To comply, we require your name, address, date of birth and government-issued identification number (generally, a Social Security Number) and other information that may help us identify you. We may ask for copies of related documentation and we may consult third-party databases to help verify your identity.

X _____
Participant's Signature **Date**

IRA Custodian: PFPC Trust Company, c/o PNC Global Investment Servicing, 101 Sabin Street, Pawtucket, RI 02860.

Shares of BB&T Funds are offered by BB&T AM Distributors. The Distributor is not a bank, and shares of the Fund are not deposits or obligations of, or guaranteed or endorsed by, any bank nor are they federally insured or otherwise supported by the FDIC, the Federal Reserve Board or any other agency.

TRANSFER OF ASSETS / DIRECT ROLLOVER BB&T FUNDS TRADITIONAL IRA AND SEP IRA PLANS

Instructions for completing this form are provided on page 3

Page 1 of 3

1. Please tell us about yourself:

Name (Please print your name exactly as it appears on your IRA.) _____ Date of Birth _____ / ____ / ____

Street Address (P.O. Box is not acceptable) _____ Social Security Number _____ - ____ - ____

City _____ State _____ Zip Code _____ Daytime Telephone _____ (____) _____ - ____ - ____

2. Please tell us where to invest. Complete items A, B, C and D. (If this is a new account you must meet the fund minimum of \$1,000.00.)

- A. I am opening a new IRA(s) and have attached the required application or documents.
- Deposit the proceeds into my existing Traditional IRA.
- B. Please purchase into the following funds or account:
- C. Type of Account: IRA SEP-IRA* (*Must attach Form 5305-SEP)
- D. Type of Request: Transfer of Assets (like plans)
 Direct Rollover Qualified Plan to IRA
 Direct Rollover 403(b) or 457 to IRA

Fund Name	Select a Share Class (required)		\$	or	%
	A	C			
Select Equity Fund	<input type="checkbox"/> (010)	<input type="checkbox"/> (210)	_____	or	_____ %
Mid Cap Value Fund	<input type="checkbox"/> (012)	<input type="checkbox"/> (212)	_____	or	_____ %
Sterling Capital Small Cap Value Fund	<input type="checkbox"/> (015)	<input type="checkbox"/> (215)	_____	or	_____ %
International Equity Fund	<input type="checkbox"/> (020)	<input type="checkbox"/> (220)	_____	or	_____ %
Special Opportunities Equity Fund	<input type="checkbox"/> (021)	<input type="checkbox"/> (221)	_____	or	_____ %
Equity Income Fund	<input type="checkbox"/> (022)	<input type="checkbox"/> (222)	_____	or	_____ %
Equity Index Fund	<input type="checkbox"/> (023)	<input type="checkbox"/> (223)	_____	or	_____ %
Short U.S. Government Fund	<input type="checkbox"/> (040)		_____	or	_____ %
Intermediate U.S. Government Fund	<input type="checkbox"/> (041)	<input type="checkbox"/> (241)	_____	or	_____ %
Total Return Bond Fund	<input type="checkbox"/> (042)	<input type="checkbox"/> (242)	_____	or	_____ %
Kentucky Intermediate Tax Free Fund	<input type="checkbox"/> (043)		_____	or	_____ %
Maryland Intermediate Tax Free Fund	<input type="checkbox"/> (044)		_____	or	_____ %
North Carolina Intermediate Tax Free Fund	<input type="checkbox"/> (045)		_____	or	_____ %
South Carolina Intermediate Tax Free Fund	<input type="checkbox"/> (046)		_____	or	_____ %
Virginia Intermediate Tax Free Fund	<input type="checkbox"/> (047)		_____	or	_____ %
West Virginia Intermediate Tax Free Fund	<input type="checkbox"/> (048)		_____	or	_____ %
Prime Money Market Fund	<input type="checkbox"/> (050)	<input type="checkbox"/> (250)	_____	or	_____ %
U.S. Treasury Money Market Fund	<input type="checkbox"/> (051)	<input type="checkbox"/> (251)	_____	or	_____ %
National Tax Fee Money Market Fund	<input type="checkbox"/> (052)		_____	or	_____ %
Capital Manager Conservative Growth Fund	<input type="checkbox"/> (060)	<input type="checkbox"/> (260)	_____	or	_____ %
Capital Manager Moderate Growth Fund	<input type="checkbox"/> (061)	<input type="checkbox"/> (261)	_____	or	_____ %
Capital Manager Growth Fund	<input type="checkbox"/> (062)	<input type="checkbox"/> (262)	_____	or	_____ %
Capital Manager Equity Fund	<input type="checkbox"/> (063)	<input type="checkbox"/> (263)	_____	or	_____ %
Other _____	<input type="checkbox"/>	<input type="checkbox"/>	_____	or	_____ %
Total			\$ _____	or	100 %

3. Please tell us about your current plan and authorize the transfer from your current Custodian. Check with your current Custodian for the correct address and if they need a Medallion Signature Guarantee to avoid delays.
• Attach a copy of a current statement if possible.

Type of Account you are transferring/rolling over from (check one):
 IRA SEP-IRA 403(b) 457 Plan Qualified Plan*
*If you are rolling over a Qualified Plan, please contact your plan Administrator for distribution/rollover forms.

Name of current Custodian or Agent

Address of current Custodian or Agent

City State Zip Code

() _____ Phone Number of Custodian

For Certificate of Deposits Immediately
 At Maturity Date _____

Please transfer the following investments to PFPC Trust Company as Custodian for BB&T Funds IRA.

1. _____
Fund Name or Type of Investment to be transferred

Account Number for Investment 1
 Liquidate Entire Account Transfer in Kind

Partial \$ _____ or shares _____

2. _____
Fund Name or Type of Investment to be transferred

Account Number for Investment 2
 Liquidate Entire Account Transfer in Kind

Partial \$ _____ or shares _____

I authorize the Transfer of Assets or Direct Rollover as noted above to my BB&T Funds IRA and authorize BB&T Funds and PFPC Trust Company to process this request on my behalf. I understand it is my responsibility to assure the prompt Transfer of Assets by the current Custodian. I have read and understand all information in the instructions and hereby provide the applicable direct rollover certification.

X _____ Date
Signature of IRA Participant (Required)
Medallion Signature Guarantee Stamp and Signature
(If required by your current Custodian or transfer agent)

TO BE COMPLETED BY PFPC TRUST COMPANY

ISSUE CHECK PAYABLE TO: PFPC Trust Company as Custodian for BB&T Funds IRA

BB&T Funds FBO: _____

Account No: _____

TRANSFER OF ASSETS / DIRECT ROLLOVER BB&T FUNDS TRADITIONAL IRA AND SEP IRA PLANS

INSTRUCTIONS TO THE SHAREHOLDER (PLEASE READ CAREFULLY):

This form will be used by BB&T Funds to initiate a Transfer of Assets or a Direct Rollover based on your request from an existing retirement plan account as designated on this form to your Traditional or SEP IRA at BB&T Funds. If you are over age 70½, you are responsible to request a distribution of any Required Minimum Distribution at the time of this Transfer of Assets request. Please remember that a TRANSFER OF ASSETS can only occur between the SAME type of retirement plans, example IRA to IRA. If you are requesting a DIRECT ROLLOVER, please read the section below. For certificates of deposit, please indicate if you wish to have the funds transferred immediately, which may incur a redemption penalty if they have not matured, or at maturity. We cannot accept requests to transfer assets from certificates more than 60 days prior to their maturity. When completed, please return the signed form, a copy of your current account statement, and the appropriate new account application for your IRA (if required) to:

First Class Mail:

BB&T Funds
c/o PNC Global Investment Servicing
P.O. Box 9762
Providence, RI 02940

Overnight Mail:

BB&T Funds
c/o PNC Global Investment Servicing
101 Sabin Street
Pawtucket, RI 02860
1-800-228-1872

Insufficient information or incorrect forms will result in delays in processing your instructions. If you need assistance in completing this form please contact our Customer Service Representatives at 1-800-228-1872. We would be happy to help you. If you need additional forms please call 1-800-228-1872.

DIRECT ROLLOVER INFORMATION - CERTIFICATION (PLEASE READ CAREFULLY):

If this contribution is a Direct Rollover from a Qualified Plan, 403(b), or 457 Plan, I understand that by signing the front of this form I am acknowledging that the direct rollover contribution is an irrevocable election and is no longer eligible for special tax treatment which may be accorded to distributions from Qualified Plans, 403(b)s, and 457 Plans. You may want to contact your current plan administrator or Custodian to ensure that you have completed any documents they may require in order to complete your request as well as establish the timing of the distribution. If you are over age 70½, please contact your current Custodian regarding the Required Minimum Distribution rules before initiating a Direct Rollover. BB&T Funds can only accept Direct Rollovers from a Qualified Plan to an IRA in the form of cash.

INSTRUCTIONS TO RESIGNING CUSTODIAN/TRANSFER AGENT:

Please liquidate the Participant's account(s) as specified in section 3. **Issue a check payable as indicated in section 3 and mail along with any other instructions to:**

First Class Mail:

BB&T Funds
c/o PNC Global Investment Servicing
P.O. Box 9762
Providence, RI 02940

Overnight Mail:

BB&T Funds
c/o PNC Global Investment Servicing
101 Sabin Street
Pawtucket, RI 02860
1-800-228-1872

ACCEPTANCE BY PFPC TRUST COMPANY AS CUSTODIAN:

PFPC Trust Company accepts its appointment as Custodian of the above referenced IRA and has established an IRA as indicated by the shareholder on the front of this form under the **Internal Revenue Code section 408(a) for IRAs** under the shareholder's name in BB&T Funds. BB&T Funds and PFPC Trust Company, as Custodian, cannot accept assets other than cash. Upon receipt of the check, the proceeds will be credited to the named Participant's account.

Accepted by PFPC Trust Company, as Custodian for
BB&T Funds IRAs.

Authorized Representative of PFPC Trust Company

Date

ROLLOVER CERTIFICATION FORM

BB&T FUNDS TRADITIONAL IRA

Use this form to certify a rollover distribution from your current Traditional or SEP-IRA, or eligible distribution that you have physically received from a qualified retirement plan, 403(b), or 457 Plan to your BB&T Funds IRA. You must complete the rollover within 60 calendar days of your receipt of that distribution.

PLEASE NOTE: 20% withholding is required on any eligible rollover distribution from a qualified retirement plan, 403(b), or 457 Plan unless the distribution is transferred directly to an IRA or other qualified plan. To transfer your distribution directly, please complete the "Transfer of Assets/Direct Rollover Form" included with this Application.

Name (Please print your name exactly as it appears on your IRA.) _____ / /
Date of Birth

Street Address _____ Social Security Number _____

CITY _____ State _____ Zip Code _____ ()
Daytime Telephone _____

TYPE OF ROLLOVER CONTRIBUTION (Please check one)

- IRA Rollover - Note that 365 days must have passed since you last received a rollover distribution from the distributing IRA.
- Eligible Rollover Distribution - A non-periodic distribution from a qualified retirement plan of all or part of your account balance, other than the portion of any distribution which is nontaxable, which is being rolled over into your BB&T Funds IRA within 60 days of receipt. Your employer's benefits or personnel office should be able to tell you what portion of your distribution is an "eligible distribution."
- Qualified Domestic Relations Order Distribution.

70½ ROLLOVER RESTRICTIONS (Please check one)

- I am not nor will be 70½ or older in this calendar year.
- I am or will be 70½ or older in this calendar year. I understand that I may not rollover any amounts required to be distributed under Internal Revenue Code Sections 408(a)(6) and 401(a)(9).

CERTIFICATION

I certify that the contribution described above is an eligible IRA rollover contribution and that I am rolling over this contribution within 60 calendar days of my receipt of that distribution. I understand that this rollover is irrevocable and involves important tax considerations. Specifically, I understand that a rollover contribution from a qualified retirement plan will no longer be eligible for the special averaging, capital gains and separate tax treatment that may be available for distributions from such plans. Other tax considerations may also apply.

I agree that I am solely responsible for all tax consequences of this rollover contribution. I also agree that neither the IRA Custodian nor BB&T Funds shall have responsibility for any such tax consequences. Other restrictions regarding subsequent rollovers of this rollover contribution may also apply.

I have read and understand and agree to be legally bound by the terms of this form. I also understand that the IRA Custodian will rely on this form when accepting my rollover contribution. I understand that this rollover is irrevocable and may not be reversed in the future. I also understand that I am responsible for the movement of the rollover to my successor IRA, and that neither PFPC Trust Company, nor BB&T Funds have any duty to enforce the collection of any assets to be rolled over to my BB&T Funds IRA.

X _____
Participant's Signature

Date

WITHDRAWAL AUTHORIZATION and INSTRUCTIONS FOR DISTRIBUTION BB&T FUNDS INDIVIDUAL RETIREMENT ACCOUNT

c/o PNC Global Investment Servicing
PO Box 9762 Providence, RI 02940

Call 1-800-228-1872 for assistance with this form

Page 1 of 2

DO NOT USE THIS FORM FOR 70½ REQUIRED DISTRIBUTIONS OR ROTH IRA DISTRIBUTIONS.

PLEASE TELL US ABOUT YOURSELF (If you are a beneficiary, please complete an application and attach)

NAME: _____ TYPE OF ACCOUNT: Traditional
(Please print your name exactly as it appears on your IRA) SEP

SOCIAL SECURITY NUMBER: _____ - _____ - _____ DATE OF BIRTH: _____ / _____ / _____
MM DD YY

ADDRESS: _____
STREET ADDRESS CITY STATE ZIP CODE

FUND(s): _____ ACCOUNT NUMBER: _____

REASON FOR DISTRIBUTION - Check the box that applies

- 1. Normal Distribution - If you are the participant and age 59 1/2 or older.
- 2. Early (premature) distribution - Participant is under age 59 1/2, including distributions due to medical expenses, health insurance premiums, higher education expenses, first time homebuyer expenses, or other reason.
- 3. Substantially equal periodic payments within the meaning of section 72(t) of the Internal Revenue Code.
- 4. Death - If you are a beneficiary contact Shareholder Services regarding additional document requirements.
- 5. Permanent Disability - You certify that you are disabled within the meaning of section 72(m)(7) of the Internal Revenue Code.
- 6. Transfer Incident to Divorce or Legal Separation - Contact Shareholder Services regarding additional document requirements.
- 7. Removal of Excess Contribution. - Year of Excess Contribution. _____
- 8. *Other _____

*Revocation - refer to the Disclosure Statement regarding your revocation rights.

All required documentation must be received in good order before the distribution request will be honored. All legal documents must be certified and a Medallion Signature Guarantee may be required for the IRA owner/beneficiary or spouse.

PAYMENT METHOD (All checks will be made payable to the registered account owner)

Partial Distribution Amount \$ _____ Net Gross **or** Mutual Fund Shares _____

Total Distribution of Account Balance

Fixed Amount \$ _____ **Frequency:** Monthly Quarterly
Start Date: _____ Semi-annually Annually

Mail to my address currently on file.

Mail to the following address: _____
(*Medallion Signature Guarantee required.)

Purchase funds into my existing non-retirement mutual fund account
Account Number _____ Fund Name _____

NEW ACCOUNT: check here and attach completed application to purchase funds into a new mutual fund account.

Purchase funds into my existing non-retirement mutual fund account at another financial institution.
(*Medallion Signature Guarantee required.)
Financial Institution's Name _____ Account Number _____

Mailing Address _____

STATE INCOME TAX WITHHOLDING ELECTION

Your state of residence will determine your state income tax withholding requirements, if any. Those states with mandatory withholding will require state income tax to be withheld from payments if federal taxes are withheld. Voluntary states let individuals determine whether they want state taxes withheld. Some states have no income tax on retirement payments. You may wish to consult with a tax advisor or your state's tax authority for additional information on your state requirements.

I elect **TO NOT** have state income tax withheld from my retirement account distributions (only for residents of states that do not require mandatory state tax withholding).

I elect **TO** have the following dollar amount or percentage from my retirement account distribution withheld for state income taxes (for residents of states that allow voluntary state tax withholding).

\$ _____ or _____ %

FEDERAL INCOME TAX WITHHOLDING ELECTION

Generally, IRA distributions are subject to 10% withholding unless you elect to have an additional amount withheld or elect to have no withholding. You may make a withholding election by selecting one of the options below. Your election will remain in effect for any subsequent distributions unless you change or revoke it by providing us with a new election.

Please select one of the following:

- Do not withhold Federal Income Tax
- Withhold 10% Federal Income Tax
- Withhold _____ % Federal Income Tax (must be greater than 10%)

Caution: Even if you elect not to have Federal Income Tax withheld, you are liable for payment of Federal Income Tax on the taxable portion of your distribution. You also may be subject to tax penalties under the estimated tax payment ruled if your payments of estimated tax and withholding, if any, are not adequate.

When completed, please return the original signed form to:

First Class Mail:	Overnight Mail:
BB&T Funds	BB&T Funds
c/o PNC Global Investment Servicing	c/o PNC Global Investment Servicing
P.O. Box 9762	101 Sabin Street
Providence, RI 02940	Pawtucket, RI 02860
	1-800-228-1872

SIGNATURE

I certify that I am the participant authorized to make these elections and that all information provided is true and accurate. I further certify that no tax or legal advice has been given to me by the Custodian, Mutual Fund, or any agent of either of them, and that all decisions regarding the elections made on this form are my own. The Custodian is hereby authorized and directed to distribute funds from my account in the manner requested. The Custodian may conclusively rely on this certification and authorization without further investigation or inquiry. I expressly assume responsibility for any adverse consequences which may arise from the election(s) and agree that the Custodian, Mutual Fund, and their agents shall in no way be responsible, and shall be indemnified and held harmless, for any tax, legal or other consequences of the election(s) made on this form. This form may only be used for **one** account. If you have another account from which you wish to take distributions, please fill out a separate form.

X _____ Date _____
Participant's Signature (or beneficiary's signature if participant is deceased.)

Medallion Signature Guarantee - Medallion Stamp*

*(The Medallion Signature Guarantee may be executed by banks, broker dealers, credit unions, national securities exchanges and savings associations which participate in STAMP, SEMP or NYSE-MSP. A notary public is not a substitute for a Medallion Signature Guarantee. The Medallion Signature Guarantee stamp must include the words "SIGNATURE GUARANTEED, MEDALLION GUARANTEED" and otherwise comply with the medallion program requirements. Please check your fund prospectus or with your fund as to whether a signature guarantee is required.)