

## Strategic Allocation Conservative Fund

**A Shares (BCGAX)**  
Inception Date 01/29/98

**C Shares (BCCCX)**  
Inception Date 02/01/01

**I Shares (BMGTX)**  
Inception Date 10/02/07

### Fund Statistics

<b>TOTAL NET ASSETS:</b>	\$17,800,345
Number of Holdings	19
Capture Ratio Up <sup>1</sup> (I Shares)	110.11%
Capture Ratio Down <sup>1</sup> (I Shares)	122.13%

### Total Expense Ratio

A Shares (BCGAX)	1.42%
C Shares (BCCCX)	2.17%
I Shares (BMGTX)	1.17%

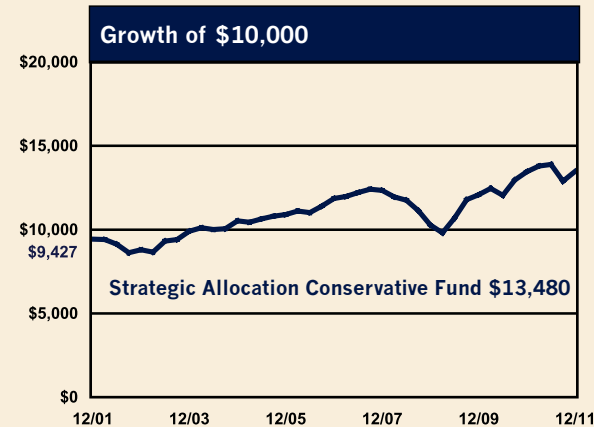
Fund Performance	Qtr	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
A Shares without Sales Charge	4.59%	0.23%	0.23%	9.48%	2.60%	3.64%	3.73%
A Shares with 5.75% Sales Charge	-1.39%	-5.49%	-5.49%	7.35%	1.39%	3.03%	3.30%
I Shares	4.60%	0.46%	0.46%	9.74%	2.85%	3.90%	4.00%
Lipper Mixed-Asset Target Alloc Conserv Funds Median	3.96%	2.03%	2.03%	10.32%	3.13%	4.00%	-
Lipper Ranking / Funds in Category	-	370/437	370/437	266/395	214/317	74/103	-
Lipper Quartile (Percentile)	-	4 (85%)	4 (85%)	3 (68%)	3 (68%)	3 (72%)	-

**Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month end, please visit [www.sterlingcapitalfunds.com](http://www.sterlingcapitalfunds.com). Lipper Rankings are based on A Shares.**

Lipper rankings are based on average annual total returns, including the reinvestment of dividends and capital gains (not including sales charges) for the periods indicated and compare total return performance with that of other funds in the category.

Year-End Returns	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
A Shares w/out Sales Charge	-6.64%	12.48%	6.25%	3.66%	8.72%	4.13%	-16.78%	17.66%	11.28%	0.23%
I Shares	-6.39%	12.78%	6.56%	3.88%	9.03%	4.34%	-16.53%	17.92%	11.56%	0.46%

Fund Allocation	Weighting
1. Total Return Bond Fund, I CLASS	56.51%
2. Select Equity Fund, I CLASS	7.64%
3. Mid Value Fund, I CLASS	3.80%
4. iShares Russell Midcap Growth Index Fund	3.73%
5. iShares S&P 500 Index Fund/US	3.46%
6. International Fund, I CLASS	3.44%
7. Equity Income Fund, I CLASS	2.79%
8. iShares Dow Jones US Real Estate Index Fund	2.04%
9. Credit Suisse Commodity Return Strategy Fund	1.93%
10. US Treasury Money Market Fund, I CLASS	1.85%
11. Special Opportunities Fund, I CLASS	1.78%
12. iShares MSCI EAFE Value Index Fund	1.78%
13. Harding, Loevner Int'l Equity Portfolio	1.74%
14. Oppenheimer Developing Markets Fund	1.58%
15. Lazard Emerging Markets Equity Portfolio	1.52%
16. iShares Russell 2000 Index Fund	1.42%
17. iShares MSCI EAFE Small Cap Index Fund	1.22%
18. Small Value Fund, I CLASS	0.93%
19. iShares MSCI Emerging Markets Index Fund	0.84%



The Growth of \$10,000 chart is hypothetical based upon the performance of A Shares less the maximum sales charge for the period ended 12/31/11. It includes the reinvestment of dividends and capital gains. It does not reflect the deduction of other fees and expenses, in which case the performance would have been lower.

Current and future portfolio holdings are subject to change and risk.

**Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus with this and other information about the Fund, please call (888) 228-1872 or visit our web site at [www.sterlingcapitalfunds.com](http://www.sterlingcapitalfunds.com). Read the prospectus carefully before investing.**

## Portfolio Management

### Team Managed

The Sterling Capital Strategic Allocation Conservative Fund is managed by Sterling's Asset Allocation and ARC Teams led by Jeffrey J. Schappe, CFA, Managing Director and Chief Investment Officer & James C. Willis, CFA, Managing Director.

The Investment Team for the Sterling Capital Strategic Allocation Conservative Fund includes 8 investment professionals with an average of more than 13 years industry experience.

**“The great appeal, and principal feature, of all of our Strategic Allocation Funds is that, by investing in underlying portfolios of multiple Sterling Capital Funds, they are broadly diversified among various, distinct asset classes. This may enable investors who might be overwhelmed by the challenges of staying abreast of the financial markets to take advantage of active professional management. We constantly monitor events in the stock and bond markets both domestically and around the world, and we periodically rebalance each Strategic Allocation Fund back to predetermined allocation targets. Within this Fund for example, assets are normally invested in a mix of equity, fixed income and money market securities, but the precise composition of the portfolio will be based not only on our long-term capital market assumptions, but also on prevailing market conditions.”**

### Firm Overview

Sterling Capital Management LLC is a registered investment advisor founded in 1970. An investment firm, Sterling is an independently operated subsidiary of BB&T Corporation, one of the nation's largest financial services holding companies. Sterling is headquartered in Charlotte, NC with offices in Raleigh, NC, Atlanta, GA, Washington, D.C., and San Francisco, CA. As of 12/31/11, Sterling has over \$34 billion in assets under management overseen by 83 investment and client service professionals.

### Investment Objective

- The Fund seeks capital appreciation and income by investing primarily in a group of diversified Sterling Capital Funds which invest mainly in equity and fixed income securities.
- The portfolio management team will make allocation decisions according to their outlook for the economy, financial markets and relative market valuation of the Underlying Funds.
- The Fund will invest 25% to 55% of its total assets in Underlying Funds which invest mainly in equity securities, 45% to 75% of its total assets in Underlying Funds which invest mainly in fixed income securities (including investment grade and high yield (“junk”) bonds and floating rate securities) and up to 20% of its total assets in underlying Funds which are money market funds.

### Investment Considerations

The Strategic Allocation Funds (Funds of Funds) are primarily concentrated in underlying funds and are therefore subject to the same risks the funds are invested in as well as entails higher expenses than if invested into a fund directly. The underlying Funds may be invested in equity securities and is subject to market risk. Investments in bonds are subject to credit risk, call risk and interest rate risk so that as interest rates rise the value of bond prices will decline. The underlying Funds may invest in more aggressive investments such as foreign securities, which involves certain risks such as currency volatility, political and social instability and reduced market liquidity; small capitalization companies subject to greater volatility and less liquidity due to limited resources or product lines and more sensitive to economic factors; and high-yield (junk) debt securities which involve greater risks than investment grade bonds.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although a money market fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in them.

<sup>1</sup>**Upside/Downside Capture Ratio:** The measurement of a fund's cumulative return divided by its benchmark's cumulative return during positive and negative market periods.

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

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