



03.31.2018

FUND FACTS

Investment Objective:

Seeks long-term capital appreciation.

Total Net Assets	\$8,642,230
Number of Holdings	32
Weighted Average P/E	20.37
Weighted Average P/B	3.04
Weighted Average Market Cap	\$9.90B
Active Share	98.3
Turnover	47%

TOTAL EXPENSE RATIO

	Net	Gross
A Shares (SMDPX)	1.06%	1.28%
C Shares (SMDQX)	1.81%	2.03%
Inst'l Shares (SMDOX)	0.81%	1.03%

The Advisor has contractually agreed to limit certain fees from February 1, 2018 through January 31, 2019. Performance Would have been lower without limitations in effect.

30-DAY SEC YIELD

	With Waivers	Without Waivers
A Shares (SMDPX)	-0.27%	-0.66%
Inst'l Shares (SMDOX)	-0.01%	-0.44%

SEC Yield is an annualization of the fund's total net investment income per share for the 30-day period ended on the last day of the month.

Philosophy and Process

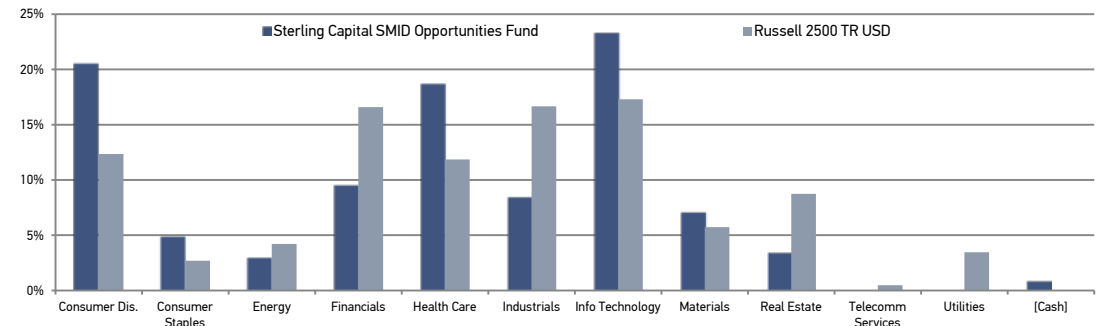
To pursue its investment objective of long-term capital appreciation, the Fund normally invests principally in equity securities and will invest, under normal circumstances, at least 80% of its net assets plus borrowings for investment purposes in the securities of small or middle capitalization companies (commonly referred to collectively as "SMID"). Small or middle capitalization companies are defined as companies with market capitalizations within the range of those companies in the Russell 2500® Index at the time of purchase.

Fund Performance 03.31.2018	QTR	YTD	1 Year	Since Inception
A Shares 5.75% Sales Charge	-8.93%	-8.93%	-3.33%	5.60%
A Shares without Sales Charge	-3.34%	-3.34%	2.53%	9.85%
Institutional Shares	-3.27%	-3.27%	2.77%	10.13%
Russell 2500® Index	-0.24%	-0.24%	12.31%	15.24%
Lipper Mid-Cap Core Median	-1.17%	-1.17%	9.27%	--

Year-End Returns	2017
A Shares without Sales Charge	13.88%
Institutional Shares	14.06%
Russell 2500® Index	16.81%

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 and information on other share classes, please visit www.sterlingcapitalfunds.com.

Sector Allocation



Allocations are based on the current weight to funds in the cited Sector. The composition of the fund's holdings is subject to change.

Top Ten Equity Holdings

1. Centene Corp.	5.56%
2. ServiceMaster Global Holdings, Inc.	5.27%
3. Ball Corp.	4.91%
4. Global Payments, Inc.	4.77%
5. Universal Health Services, Inc.	4.51%
6. Amdocs, Ltd.	4.39%
7. Premier, Inc.	4.23%
8. Webster Financial Corp.	4.16%
9. Aramark	4.11%
10. Fiserv, Inc.	3.95%

Current and future portfolio holdings are subject to change and risk. Based on Market Value of securities.

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus or summary prospectus with this and other information about the fund, please call (888) 228-1872 or visit our website at www.sterlingcapitalfunds.com. Read the prospectus carefully before investing.



SMID OPPORTUNITIES FUND



Portfolio Management

Joshua L. Haggerty, CFA®
Executive Director
Lead Portfolio Manager

Josh joined the CHOICE Asset Management team of Scott & Stringfellow in 2005 and Sterling Capital Management as part of a business realignment in January 2013. He has investment experience since 1998. Josh is a graduate of James Madison University where he received his BBA in Finance. He is a CFA® charterholder.

Adam B. Bergman, CFA®
Executive Director
Associate Portfolio Manager

Adam joined the CHOICE Asset Management team of Scott & Stringfellow in 2007 and Sterling Capital as part of a business realignment in January 2013. He has investment experience since 1996. Adam is a graduate of the University of Virginia's McIntire School of Commerce where he received his BS in Commerce. He is a CFA® charterholder.

Lipper Mid Cap Core Category Based on Total Return as of 03.31.2018	1 Year
Lipper Ranking / Number of Funds in Category	421 / 439
Lipper Quartile (Percentile)	4th (96%)

Firm Overview

Sterling Capital Management LLC is a registered investment adviser 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.; Philadelphia, PA; San Francisco, CA; Richmond, VA; and Virginia Beach, VA. As of 03.31.2018, Sterling has over \$55 billion in assets under management overseen by 136 investment and client service professionals.

Investment Considerations

The newly formed fund has no operating history to evaluate and the risk that it may not attract sufficient assets to achieve or maximize investment and operational efficiencies. The Fund uses a multi-style approach and invests in both growth and value-oriented companies. A growth investment style may be particularly sensitive to market conditions. Value investing involves the risk that an investment made in undervalued securities may not appreciate in value as anticipated or remain undervalued for long periods of time.

The Fund invests in small and middle capitalization companies which may be riskier, more volatile and vulnerable to economic, market and industry changes than investments in larger more established companies. As a result, share price changes may be more erratic or trade less frequently in lesser quantities.

The **Chartered Financial Analyst® (CFA)** charter is a graduate-level investment credential awarded by CFA Institute — the largest global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

Rankings would have been lower for Class A shares due to fees and expenses.

Lipper rankings are based on total return, including the reinvestment of dividends and capital gains but do not include sales charges for the periods indicated. Rankings shown are for Class I Shares and may be lower for Class A Shares due to higher fees and expenses. Mutual funds are assigned a rank within a universe of funds, relative to a peer group and similar in investment objective as determined by Lipper and Morningstar. The lower the number rank, the better the fund performed compared to other funds in the classification group. Lipper and Morningstar also calculate a percentile measure for each fund ranging from 1% (best) to 100% (worst).

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Technical Terms: **Weighted Average P/E:** A ratio used to compare the price of a fund's stocks with their per-share earnings, with a higher ratio indicating the market has belief that a company has the ability to increase its earnings. **Weighted Average P/B:** A weighted harmonic average ratio used to compare the book value of fund's stocks with their market value. The price to book ratio indicates how much an investor is paying for a company's assets based on historical valuations. It does not reflect current market value. **Active Share:** Measures the degree of active management by a portfolio manager represented as a percentage of the fund's holdings that differ from the benchmark. **Portfolio Turnover Rate:** A measure of how frequently assets within a fund are bought and sold by the managers. **Alpha:** measure of performance on a risk-adjusted basis by comparing it to the benchmark index. **Beta:** A measure of relative risk. A Beta rating above 1.0 indicates greater volatility than the market while below 1.0 indicates lower volatility. **R-Squared:** A statistical measure that represents what amount of a fund's movements can be explained by movements in its benchmark index. A high R-Squared (between 85 and 100) indicates the fund's performance patterns have been in line with the index. **Standard Deviation:** A statistical measurement showing how widely the returns varied over a certain period of time. When a fund has a high standard deviation, it may imply greater volatility. **Sharpe Ratio:** The measurement of a fund's excess return due to sound investment decisions or excess risk. The greater a fund's Sharpe ratio, the better its risk-adjusted performance has been. **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 LLC, which is not affiliated with Branch Banking and Trust Company or its affiliates.