

North Carolina Intermediate Tax-Free Fund



A Shares
(BNCAX)
Inception 10.16.1992

C Shares
(BBNCX)
Inception 02.01.2012

Inst'l Shares
(BBNTX)
Inception 10.16.1992

STERLING
CAPITAL FUNDS

12.31.2024

Fund Facts

Investment Objective:

Seeks current income exempt from federal and North Carolina income taxes consistent with preservation of capital.

Total Net Assets	\$125,320,045
Number of Holdings	82
Average Life	6.09 Years
Effective Duration	5.07 Years
Turnover	38%

Annual turnover data is shown as of 09.30.2024, the most recent fiscal year end.

Income Subject to AMT	0.00%
Income Subject to State Tax	0.00%

The Fund's income may be subject to certain state and local taxes, and depending on an investor's tax status, to the federal alternative minimum tax (AMT).

Total Expense Ratio

	Net	Gross
A Shares (BNCAX)	0.85%	0.85%
C Shares (BBNCX)	1.60%	1.60%
Inst'l Shares (BBNTX)	0.60%	0.60%

Dividend Distribution

Month	Rates/A Share
October	\$0.0205
November	\$0.0196
December	\$0.0204
December NAV	\$10.04

Effective Duration Breakdown

0-2 Years	21.8%
2-4 Years	13.1%
4-6 Years	23.3%
6-8 Years	24.9%
8-10 Years	15.7%
10+ Years	1.3%

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

30-Day SEC Yield

	With Waivers	Without Waivers
A Shares (BNCAX)	2.51%	2.51%
Inst'l Shares (BBNTX)	2.76%	2.76%

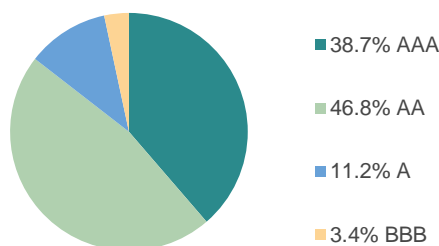
SEC Yield is an annualization of the Fund's total net investment income per share for the 30-day period ended on the last day of the month.

Fund Performance For the Period Ended 12.31.2024	QTR	YTD	1Y	3Y	5Y	10Y	Since Inception
A Shares with 2.00% Sales Charge	-3.07%	-2.05%	-2.05%	-1.58%	-0.24%	0.95%	3.14%
A Shares without Sales Charge	-1.07%	-0.05%	-0.05%	-0.93%	0.16%	1.15%	3.20%
Institutional Shares	-1.01%	0.20%	0.20%	-0.68%	0.41%	1.40%	3.41%
ICE BofA 2-17Y Muni. Index	-1.03%	1.17%	1.17%	-0.11%	1.08%	2.10%	---
Lipper Other States Intermediate Muni Debt Median	-0.97%	0.73%	0.73%	-0.67%	0.52%	1.43%	---

Year-End Performance	2018	2019	2020	2021	2022	2023	2024
A Shares without Sales Charge	0.47%	5.63%	4.15%	-0.48%	-6.10%	3.61%	-0.05%
Institutional Shares	0.72%	5.90%	4.41%	-0.23%	-5.86%	3.87%	0.20%
ICE BofA 2-17Y Muni. Index	1.44%	6.86%	4.81%	0.99%	-6.48%	5.34%	1.17%

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.sterlingcapital.com. Performance is annualized for periods greater than one year.

Quality Breakdown



Credit quality ratings using S&P's ratings symbols reflect the credit quality of the underlying bonds in the Fund portfolio and not of the Fund itself. Securities are rated by S&P's, Moody's and Fitch; when ratings vary the highest rating available for each security is applied. Credit quality ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). "NR" is used to classify securities for which a rating is not available. Bond quality ratings are subject to change.

Portfolio Composition	Fund	Index
General Obligation	33.9%	26.3%
Pre-Refunded	--	2.3%
Revenue	65.9%	71.4%
Cash	0.2%	--
Total	100.0%	100.0%

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

Philosophy & Process

In managing the Fund, the team specializes in actively building and managing a high credit quality fixed income portfolio focused on the intermediate segment of the yield curve offering. The team employs a top-down investment process that focuses on: duration management, yield curve strategy and finding the best relative value with limited amount of risk in order to maximize the risk-adjusted total return. **Buy Strategy:** We buy high quality, liquid issues and seek the best relative sector and security values available. We attempt to maximize total return and current income while reducing price volatility. **Sell Strategy:** We will consider selling a security we own in order to reposition the Fund along the yield curve and adjust the Fund's average maturity or duration. In addition, we might replace a security with one that offers greater potential for total return or when its credit fundamentals are deteriorating.

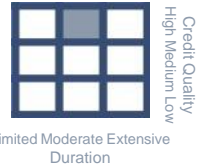
Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus or summary prospectus with this and other information about the Fund, please call 888.228.1872 or visit our website at www.sterlingcapital.com. Read the prospectus carefully before investing.



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North Carolina Intermediate Tax-Free Fund

Morningstar Style Box



12.31.2024

Portfolio Management

Bob Millikan, CFA®

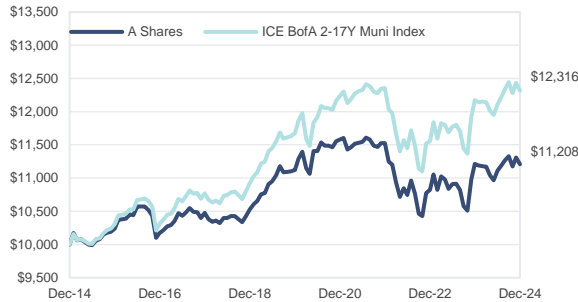
Executive Director | Lead Portfolio Manager
Bob joined BB&T Asset Management in 2000 and SCM through merger in October 2010. He has co-managed the Fund since 2000 and has investment experience since 1990. He received a B.A. in Economics from Wake Forest University and holds the CFA® designation.

Michael McVicker

Executive Director | Co-Portfolio Manager
Michael joined SCM in 1992 and has investment experience since 1992. He has co-managed the Fund since 2016. Michael received a B.S.B.A. in Finance with a minor in Psychology from the University of North Carolina at Charlotte.

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.

Growth of \$10,000



The Growth of \$10,000 chart is hypothetical based upon the performance of A Shares without sales load for the period ended 12.31.2024. It includes the reinvestment of dividends and capital gains.

Top Ten Holdings

Raleigh Ent. Sys Rev 5.0% 01-sep-2048	2.64%
NC St Ltd Oblig 5.0% 01-may-2030	2.51%
NC St Grant Ant. Rev 4.0% 01-mar-2034	2.49%
Charlotte Wtr & Swr 5.0% 01-jul-2039	2.39%
NC St Ltd Oblig 5.0% 01-may-2031	2.16%
NC Med Care Hosp Rev Var 01-feb-2051	2.06%
Raleigh 5.0% 01-apr-2040	1.97%
Forsyth Cnty 5.0% 01-jun-2030	1.95%
Concord 5.0% 01-sep-2034	1.95%
Charlotte Cfts Partn 5.0% 01-dec-2033	1.93%

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

Lipper Other States Intermediate Muni Debt Category Based on Total Return as of 12.31.2024

	1Y	3Y	5Y	10Y
Lipper Ranking/Number of Funds in Category	34/44	23/45	25/45	22/40
Lipper Quartile (Percentile)	4th (76%)	3rd (52%)	3rd (56%)	3rd (55%)

Morningstar U.S. Muni Single State Interm Category For the Period Ended 12.31.2024

	Overall Rating	1Y	3Y	5Y	10Y
Institutional Shares Morningstar Rating™	★★★	---	★★★	★★★	★★★
Morningstar Ranking/Number of Funds in Category	109	86/109	38/109	47/107	49/95
Morningstar Quartile (Percentile)		4th (79%)	2nd (32%)	2nd (44%)	3rd (53%)

Note: Morningstar Ratings are based on risk-adjusted returns. Morningstar Rankings are based on total return.

A Note on Indices: The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index.

The ICE BofA 2-17 Year Municipal Bond Index is an unmanaged index composed of securities that are SEC-registered, tax-exempt, and dollar denominated. The index covers the intermediate U.S. investment grade fixed rate municipal bond market, with index components for municipal securities. It is not possible to invest in the BofA 2-17 Year Municipal Bond Index, which is unmanaged and does not incur fees and charges.

The Lipper Other States Intermediate Municipal Debt Index reflects the average time-weighted rate of return of a representative group of intermediate municipal state-specific bond funds over time. Refinitiv™ Lipper® defines an intermediate municipal state-specific bond fund as a fund that invests in municipal debt issues with dollar-weighted average maturities of five to ten years and are exempt from taxation on a specified state or city basis. Lipper ensures that no restricted track record extensions are permitted, meaning only real histories represent the independently collected data. Source: Refinitiv Lipper.

Ratings and Rankings would have been lower for Class A shares due to fees and expenses. Lipper and Morningstar 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).

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the risk-adjusted performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of risk-adjusted returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

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Technical Terms: **Effective Duration** calculates the average life of individual bonds within a bond fund, and serves as a useful measure of the entire portfolio's sensitivity to rising and falling interest rates. An Effective Duration of 2.00 means that with a 1% decline in interest rates, the principal value should rise by 2%, and vice versa. **Portfolio Turnover Rate** measures a fund's annual trading activity. It is a percentage used to demonstrate how many holdings in a mutual fund were replaced within the year. (Sources: Corporate Finance Institute; Investopedia.)

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