FOR IMMEDIATE RELEASE
Media Contact: Shirley Hancock
503.781.4234
shirleyhancock753@gmail.com
Amy Evenhus 800.835.9556
aevenhus@auxierasset.com

"Investors are Confusing Volatility for Risk; Panic is Not Knowing What You Own," says Jeff Auxier, Longtime Mutual Fund Manager Known for Eating His Own Cooking

16 Year Old Auxier Focus Fund (AUXFX) Strives for Slow and Steady Protection of Principal—Especially During Downturns

Lake Oswego, Ore. - September 2015 - Nearly three thousand miles from the Animal House panic on Wall Street, Jeff Auxier is as calm as one of the cattle grazing at his Auxier Family Farms in Oregon.

With 32 years of cumulative investment knowledge, Auxier has earned some perspective. For the past 16 years he's shepherded the Auxier Focus Fund through dozens of bumps and bubbles. Prior to that, Auxier was a Senior VP of Investments and Senior Portfolio Mgt. Director for Foster Marshall/Smith Barney. He served with Jamie Dimon (now head of JP Morgan) on the first board to set national policy managing client accounts, and was recipient of the Consulting Group Bob Dwyer Award honoring integrity and knowledge. He welcomes the market turmoil.

"This is the first correction we've had since 2011, it's normal and needed. People panic because they don't do their research. Now more than ever you need to understand what you own, why you own it and what you'll do when it drops —because it always drops."

Tacos, for Example

Auxier, who researches 8-10 hours a day, still owns many of the 130 plus stocks he bought decades ago, witnessing Costco's climb from 17 cents to 136 dollars and Precision Castparts from one dollar to 235, for example. "We strive for those kinds of returns by relentlessly researching for good businesses, with good managers," says Auxier. He cites former manager of Fidelity's Magellan Fund, Peter Lynch and his patience of Job handling of Taco Bell, which in the 1970s was one of his largest holdings. Lynch started buying Taco Bell at 14 dollars, remained faithful when it fumbled to one dollar during the energy crisis, then celebrated when Pepsi bought it at 39.

"Gutting it out"

Auxier admits corrections are often "violent and take your breath away." "During these squalls an investor's stomach must become a bigger factor in gutting it out in order to achieve higher returns," says Auxier. The average stock fluctuates 50 percent, but Auxier believes investors have been emboldened by a lack of volatility due to the federal stimulus. "Everyone is chasing performance, pouring into the same index funds, and not realizing how much of their principal they can lose in the washout. There's real pain on the downside."

A Few Auxier Thoughts:

- **Low energy prices set stage for tax and economic stimulus**—Energy cost savings are a positive backdrop for investors and should provide a solid foundation for U.S. economic growth. Auxier likes Boeing, trucking, UPS, Fed Ex. With lower gas prices there's greater chance of a gas tax to fund infrastructure repairs.
- **China**—Liberalization of stock ownership and margin accounts will expose a new generation of investors en masse to cycles of fear, greed and folly, robbing future growth. China's bank balance sheets have added more than 15 trillion dollars from 2008-2013, larger than the entire U.S. banking system.
- **Emerging markets entering crisis mode**—It's looking a lot like the late 1990s where money came back to the U.S. due to severe currency devaluations.
- **Housing**—A bright future as Millennials enter the home buying market. Interesting twist in the NW: Part of the reason for growing immigration numbers is it's now legal to use and grow marijuana.
- **Biotech bubble**—75 percent of these companies are losing money. With 2.5 billion dollars in revenue and a market cap of 150 billion, this is clearly a bubble valuation.
- **Bond market—**Priced for depression and mispriced asset. Anything that's a bond surrogate—REITS, commercial real estate—needs to be monitored for inflated valuations.
- **Stock prices**—Will finally start trading in line with fundamentals as federal stimulus abates.
- **The sunny side to parabolic rises in oil**—Over the last 60 years, the cheapest markets in history arrived on the back of big oil price hikes. Huge drops in energy inputs should equate to higher quality stocks, typically taking 18 months before it's circulated in economy in terms of more lending.
- **Sectors worth watching**—Consumer staples, health and stocks up and down the food chain (says the farmer). Auxier continues to seek "managerial event" situations where talented leaders add value in any kind of economic environment, rather than depending on risking markets for returns. Auxier likes Philip Morris, Berkshire Hathaway, Precision Castparts.
- **Investment allocation**—AUXFX is 70 percent invested in American companies (the S&P is 100 percent). The remainder, 17 percent is in foreign stocks, six percent in cash and seven percent in workouts such as corporate spinoffs, as of June 30, 2015. Auxier's goal remains lower risk allocation that beats the benchmark over the long haul. See www.auxierasset.com for more.

About Jeff Auxier and the Auxier Focus Fund

Auxier is a contrarian schooled by his investment heroes, long before they became today's financial rock stars. Fresh out of the University of Oregon School of Business, Auxier called Warren Buffett, Sir John Templeton and others. He's still amazed they answered his calls and, in some cases, agreed to meet with him, sharing advice that guides Auxier's investment philosophy to this day. Auxier went onto become Senior VP of Investments and Senior Portfolio Mgt. Director for Foster Marshall/Smith Barney. He served with Jamie Dimon (now head of JP Morgan) on the first board to set national policy managing client accounts. In 1993 Auxier received the Consulting Group Bob Dwyer Award honoring integrity and knowledge. "I wanted to create and run a fund that matched my own investment philosophy, with a focus on compounding and a goal of protecting over the long haul. It's a mission to help people that still drives me today." In 1998, he created Auxier Asset Management and then in 1999 Auxier Focus Fund. Auxier's entire personal retirement is in his Fund. "Our focus is always on long-term performance and the power of compounding, which Einstein called the greatest invention." Whether he's deciding what crops to plant on his 100 acre Oregon farm or choosing which stocks to grow for investors, the 32-year investor takes the long view. "Both farming and investing require similar skills—patiently researching, assessing risks and considering price and value. It takes a passion for daily, grind-it-out research. There are no shortcuts."

IMPORTANT INFORMATION

Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the prospectus, a copy of which may be obtained by calling (877) 328-9437 or visiting the Fund's website. Please read the prospectus carefully before you invest.

As of 6/30/2015, the Fund's top 10 equity holdings were: Bank of New York Mellon Corp (3.6%); Pepsico Inc. (3.2%); Kroger Co. (2.9%); Molson Coors Brewing Co (2.8%); Unitedhealth Group Inc. (2.8%); Medtronic PLC (2.6%); Microsoft Corp. (2.6%); Philip Morris International (2.5%); America Movil ADR (2.3%); Merck & Co.Inc. New (2.3%).

The Fund may invest in value and/or growth stocks. Investments in value stocks are subject to risk that their intrinsic value may never be realized and investments in growth stocks may be susceptible to rapid price swings, especially during periods of economic uncertainty. In addition, the Fund may invest in mid-sized companies which generally carry greater risk than is customarily associated with larger companies. Moreover, if the Fund's portfolio is overweighted in a sector, any negative development affecting that sector will have a greater impact on the Fund than a fund that is not overweighted in that sector. An increase in interest rates typically causes a fall in the value of a debt security (Fixed-Income Securities Risk) with corresponding changes to the Fund's value. Foreign securities are subject to additional risks including international trade, currency, political, regulatory and diplomatic risks.

Foreside Fund Services, LLC, distributor.