AAM AUXIER•ASSET MANAGEMENT LLC

Auxier REPORT

5285 Meadows Rd., Ste. 333 Lake Oswego, OR 97035 Phone 503.885.8807 800.835.9556 Fax 503.885.8607 Email info@auxierasset.com

J. Jeffrey Auxier

AUXIER FOCUS FUND
PERFORMANCE UPDATE
September 30, 2014

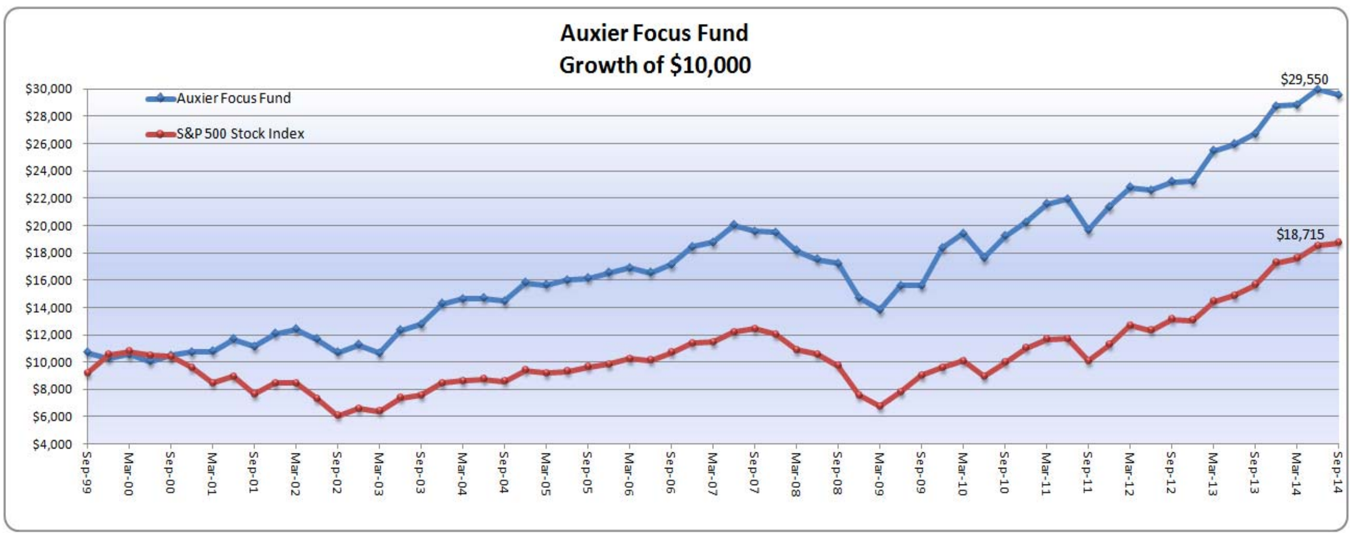
ANNUALIZED

	Inception *	Ten Year	Five Year	Three Year	One Year
Auxier Focus Fund Investor Class Shares	7.37%	7.41%	10.96%	14.57%	10.66%
S&P 500 Index	4.20%	8.11%	15.70%	22.99%	19.73%

CUMULATIVE

	Inception *	Ten Year	Five Year	Three Year	One Year
Auxier Focus Fund Investor Class Shares	195.50%	104.37%	68.17%	50.39%	10.66%
S&P 500 Index	87.15%	118.04%	107.30%	86.05%	19.73%

* Fund inception: July 9, 1999



Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. As stated in the current prospectus, the Fund's Investor Class Share's annual operating expense ratio (gross) is 1.26%. The Fund's adviser has contractually agreed to waive a portion of its fee and/or reimburse Fund expenses to limit total annual operating expenses at 1.25%, which is in effect until October 31, 2015. Other share classes may vary. The Fund charges a 2.0% redemption fee on shares redeemed within six months of purchase. For the most recent month-end performance, please call (877)328-9437 or visit the Fund's website at www.auxierasset.com. The recent growth rate in the stock market has helped to produce short-term returns that are not typical and may not continue in the future.

Fall 2014 Market Commentary

We have been anticipating a market correction to wring out mounting excesses of margin debt, overpriced initial public offerings and widespread security issuance in the energy sector. Indeed, during the third quarter, many of the 1500 companies we follow each year began to correct. Smaller stocks as measured by the Russell 2000 index declined 7.36%. Larger companies fared better with the Standard and Poor's 500-stock index up 1.13%. Auxier Focus Fund ended the quarter down 1.35% with our foreign stock holdings a drag in the face of a strong U.S. dollar. Generally, severe and prolonged market declines are preceded by periods of rising interest rates and/or recession. So far fundamentals and reported earnings don't point to either in the near term.

Welcome Return of Market Volatility

The typical NYSE stock fluctuates 50% (peak to trough) in a given year. That hasn't been the case the past three years. Instead, volatility has been artificially suppressed in part by powerful Federal Reserve monetary stimulus and corporations' record stock buybacks (some $330 billion in the past year). Since 1950, market corrections of 10% or more have occurred 29 times. But there have been only 10 recessions. To achieve above-average returns going forward, investors should expect greater swings in stock prices. Unfortunately, most equate volatility with additional risk, often depriving them from enjoying the potential benefits of long-term compounding.

Good News at the Pump

U.S. crude oil prices as measured by West Texas Intermediate (WTI) dropped 13% from $105.37 to $91.16 a barrel during the third quarter. Retail gasoline prices fell 9% from their second quarter peak to $3.35 a gallon. A penny per gallon drop in gasoline prices equates to over $1 billion dollars in annual savings for consumers (as 365 million gallons of gas are consumed daily). U.S. energy production more than doubled in the past six years to eight million barrels daily, up 50% since 2010. As of August oil production was at a 28 year high. The leading domestic source is West Texas' Permian Basin, which produced 850,000 barrels in 2007 and now gushes over 1,350,000 barrels, or 18% of the U.S. output. The domestic boom has been fueled by aggressive issuance of Master Limited Partnership (MLP) shares and so-called junk bonds sporting high yields and risk. To further add to potential supply, Mexico is privatizing a state-run oil industry that some estimate could hold 90 billion barrels in oil and gas reserves. This supply is material not only to the economy but to petropolitics. The cheapest U.S. market valuations since 1960 have coincided with a parabolic three-fold increase in oil prices in 1973-74 and 1979-80. Conversely, strong markets from 1982-89 and 1995-2000 were periods of declining energy prices. High oil prices have spawned a flurry of technological innovations. Toyota is close to introducing a hydrogen car that can travel over 300 miles per tank. Technology advances act as a resource liberating mechanism. It can make the scarce highly abundant.

Government mandates for adding corn-based ethanol to gasoline started at one billion bushels and then climbed to five billion bushels. Our farmers were able to exceed that demand by producing over 170 bushels to the acre. In response, corn has plummeted from over $9 a bushel to a recent $3.60. We currently have over five thousand times more solar energy hitting our planet's surface than we use in a year. Solar is projected to be the number one energy source by 2050. The growing risk to any portfolio today, one that needs to be monitored closely, is that of abundance—too much supply.

Bad News for the Bad Guys

Budgeting pain becomes more acute as oil drops below $100 a barrel for petro-exporting U.S. adversaries such as Iran, Venezuela and Russia. All need oil prices materially above $100 to balance their budgets. Russia loses $2 billion a day when oil is under $100.

How Taxes Thwart Compounding

Managing money in high tax states for the past 30 years has honed our focus on "high return" businesses (high returns on equity) bought at bargain prices and held for potential doubles or triples in price. Here's why. Morningstar recently compared stocks and bonds and the return impact with taxes. A dollar invested in stocks from 1926 to 2013 grew to $4,677. That's a 10.1% compound annual return. If you deduct 20% a year for taxes, that $1 grew to $934 (or 8.1% compounded annually). Bonds compounded 5.5% annually over the period, growing to $109. After taxes, the return shrank to 3.4% annually, or just $18. That is why we focus on being "business analysts." We strive to price individual securities and determine the types of business that may grow and endure for long periods while deferring the tax bite.

Don't Overlook Execution Risk

We continue to seek out strong franchises that are run by competent management and have enjoyed high free cash flow yields. Most of our companies have generated free cash flow yields in excess of long-term bond rates. That advantage provides valuable flexibility in difficult times.

Top Equity Holdings	% Assets
Molson Coors Brewing	4.6
Pepsico	3.4
Bank of New York Mellon	3.1
America Movil ADR	2.6
Microsoft	2.6
Philip Morris	2.2
BP (British Petroleum)	2.2
Merck	2.2
Kroger	2.1
Medtronic	2.1

We like managements focused on gains in per share intrinsic value—not growth at any price. Spin-offs and split-offs are welcomed managerial moves. Such decentralized structures, led by highly energized small teams armed with technology, can outperform large bureaucracies. The Fund portfolio is trading close to 14 times estimated 2015 earnings per share. Execution in the delivery of superior products and services is vitally important in today's market. Those who are executing well command premium valuations. Those that stumble get punished hard. Examples of managements that are ahead of the curve include Pepsico, Molson Coors, Kroger, Dr. Pepper, Medtronic, MasterCard, UnitedHealth and WellPoint. Among our problem areas are companies we bought cheap in hopes that their readily apparent problems were fixable. But management didn't live up to our expectations. A prime example is Britain-based Tesco, a global grocery chain purchased at a steep discount to its underlying real estate value. Tesco's share price has continued to swoon because management has been slow to address surmountable problems.

Money manager Ron Baron recently penned an excellent piece on the "built to last" business theme. He writes: "In 1958 the lifespan of a Fortune 500 company was 61 years. Now it is 15 years. Less than half of the Nifty Fifty [large, high-growth companies] of the 1960s and 1970s remain. It is often a failure of management's vision to create consistent values and culture that causes businesses to fail." These so-called Nifty Fifty exemplars were touted as companies that were so good there was just one decision—buy. There was a false belief that you could simply buy, hold and forget. In thirty years of dealing with client life savings, we are more convinced than ever that risk management and survival is a function of a diligent research effort based on fact finding, fundamentals, discipline and rational behavior. We see no shortcuts.

Rule of Law, Due Process, Immigration and Cheaper Energy

Everywhere I turn these days I'm amazed at the flood of foreign capital into the U.S. Corrupt centralized government leadership, controls on capital and confiscation of private property are driving investors from Russia, China and Venezuela (to name a few), to America. The attractions are our rule of law, due process, and integrity of markets. The influx of some 1.5 million immigrants a year means the U.S. will be one of the younger developed countries over the next decade. Manufacturing continues to relocate into many southern states with declining energy and transportation inputs. Investors currently worried about deflation stateside should venture to Venezuela, where rampant inflation lately was 60%, or experience Russia's double digit inflation.

In closing, we welcome the increased volatility that should result as the Fed withdraws stimulus. Our approach to navigating the markets has been the same since the 1980s. We see investing as the "craft of the specific." It's a systematic approach where we can identify risk through detailed research and price discovery. Longer term this approach has been a winner. Through the third quarter of 2014, a $10,000 investment in the Fund since inception in 1999 is now worth $29,550 versus a corresponding $18,834 from the S&P 500 index.

We continue to work to earn and maintain your trust.

Sincerely,

Jeff Auxier

Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information about the Fund 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.

Fund returns (i) assume the reinvestment of all dividends and capital gain distributions and (ii) would have been lower during the period if certain fees and expenses had not been waived. Performance shown is for the Fund's Investor Class shares; returns for other share classes will vary. Performance for Investor Class shares for periods prior to December 10, 2004 reflects performance of the applicable share class of Auxier Focus Fund, a series of Unified Series Trust (the "Predecessor Fund"). Prior to January 3, 2003, the Predecessor Fund was a series of Ameriprime Funds. The performance of the Fund's Investor Class shares for the period prior to December 10, 2004 reflects the expenses of the Predecessor Fund.

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.

Foreside Fund Services, LLC, distributor.

The S&P 500 Index is a broad-based, unmanaged measurement of changes in stock market conditions based on 500 widely held common stocks. The Russell 2000 Index is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. West Texas Intermediate (WTI), also known as Texas light sweet, is a grade of crude oil used as a benchmark in oil pricing. One cannot invest directly in an index.

The views in this shareholder letter were those of the Fund Manager as of the letter's publication date and may not reflect his views on the date this letter is first distributed or anytime thereafter. These views are intended to assist readers in understanding the Fund's investment methodology and do not constitute investment advice.