AAM AUXIER•ASSET MANAGEMENT LLC

Auxier REPORT

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J. Jeffrey Auxier

AUXIER FOCUS FUND
PERFORMANCE UPDATE
MARCH 31, 2006

AUXFX RETURNS VS. S&P 500 INDEX

	Auxier Focus Fund	S&P 500 Index	Difference
12/31/04 – 12/31/05	4.58%	4.91%	-0.33%
12/31/03 – 12/31/04	10.73%	10.87%	-0.14%
12/31/02 – 12/31/03	26.75%	28.69%	-1.94%
12/31/01 – 12/31/02	-6.79%	-22.10%	15.31%
12/31/00 – 12/31/01	12.67%	-11.88%	24.55%
12/31/99 – 12/31/00	4.05%	-9.10%	13.15%
12/31/00 – 12/31/05	54.14%	2.75%	51.39%
Since Inception 7/9/99	68.80%	2.50%	66.30%

Average Annual Returns for the period ended 03/31/06	**1 Year**	**3 Year**	**5 Year**	**Since Inception**
Auxier Focus Fund (Investor Shares)	**7.97%**	**16.60%**	**9.38%**	**8.09% (7/9/99)**
S&P 500 Index	**11.73%**	**17.22%**	**3.97%**	**0.37%**

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. For the most recent month-end performance, please call (877) 328-9437 or visit the Fund's website at www.auxierasset.com. The Fund charges a 2.0% redemption fee on shares redeemed within six months of purchase.

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.

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 investment objective of the Fund is to provide long term capital appreciation by investing primarily in a portfolio of common stocks that the Advisor believes offer growth opportunities at a reasonable price. As a non-diversified fund, the Fund will be subject to substantially more investment risk and potential for volatility than a diversified fund because its portfolio may at times focus on a limited number of companies. The S&P 500 Index is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held common stocks. One cannot invest directly in an index. Foreside Fund Services, LLC, distributor.

Spring 2006

Market Commentary

The Auxier Focus Fund ended the first quarter with a gain of 2.24%, compared with 4.21% for the S&P 500. Natural resource and energy-related names saw outsized gains from continued favorable supply/demand imbalances. The bond market, as measured by the Lehman Brothers aggregate bond index, declined by 0.65%. Rising interest rates negatively impacted the financial and yield-sensitive holdings of the Fund. The Fund also tends to have a portion of its assets in work-outs, securities that are more dependent upon a managerial event with a timetable (such as mergers, liquidations, reorganizations) and shielded to a large extent from the general market movements. This strategy can penalize results in strong markets, but can also mitigate volatility in difficult down periods. Work-out positions represented close to 18% of Fund assets during the quarter.

A flood of capital into a particular industry can often signal a market top for that sector. Similarly, a dearth of capital often marks an industry bottom. Philip Coggan of *The Financial Times* provided a great historical perspective using the market weights of the telecom and mining sectors. In March of 2000, the global telecom sector was capitalized at $2.8 trillion, versus $149 billion for the global mining industry. Today, the worldwide telecom sector is valued at $801 billion, compared to $491 billion for the global mining industry. Excess capital creates excess supply, driving down returns. This is why we often prefer to shop in the industries that lack excitement. Inspired managements in the uninspiring industries often earn better long-term returns for investors, as they are insulated from the harmful effects of easy money.

Quality is Out of Favor

The world economies are showing very strong growth in the midst of a global construction boom and free trade policies. According to labor contractor Manpower, job growth is accelerating in more than 76 countries. At a recent Credit Suisse First Boston business services conference I attended, the recurring theme was the surprising strength in the economy and in payrolls — even in the face of multiple interest rate increases.

With such a strong economy, some of the biggest laggards were in “quality” stocks. In the U.S. market, stocks rated “A” by Standard & Poor’s gained only 1.01%, “B” rated stocks gained 10.17%, and low quality “C”-“D” stocks combined returned over 16.9% (for the first quarter 2006).* This compares to the March 15, 2000 – March 15, 2003 period when the highest quality issues returned 16% and the lowest quality names dropped over 63%. The recent speculation in penny stocks is extreme. I remember a similar situation in 1983 during the PC stock mania, when my firm bought cheap dominant franchises that lagged in the face of 40 new personal computer IPOs. Then, as the speculative fever collapsed, quality came roaring back. Similarly, in 1985 and 1986, earnings for the overall market dropped by 12% and 1% respectively, but many larger industry-leading names appreciated up to 45% during the period.

Current Industries Where We Are Finding Opportunities

Agriculture:

We are now five years into a secular bull market in commodities, with metals, timber, energy and mining equipment companies benefiting from robust demand in emerging markets such as China, India, Russia and Brazil. Historically, hard materials such as metals and timber led commodity bull markets with building infrastructure booms driving up consumption. This tends to result in a burgeoning middle class with greater discretionary income and an improved diet marked by increased consumption of grains and protein. We believe that recent portfolio additions Blount and AGCO allow us to participate in this trend to the extent it continues.

Blount is a Portland, Oregon based manufacturer of chain saw blades and forestry equipment with compelling business economics. Approximately 75% of Blount's profits are derived from the sale of high margin chain saw blades and chains to original equipment manufacturers. This is essentially a razor blade business model with frequent replacement demand leading to steady, predictable revenue growth. The fact that Blount is manufacturer agnostic means that it benefits from market growth regardless of which branded chain saw is selling the most. In aggregate, Blount controls over 50% of the market for both chain saw blades and chains, and possesses the industry's largest distribution network with more than 9,500 dealers.

AGCO is the agricultural industry's third largest manufacturer of farming equipment. The company's stock sold off late last year due to drought conditions in primary end markets Europe and Brazil. The market's focus on near-term events obscured the operational improvements taking place at AGCO and punished the company for transitory events out of its control. A recovery in end market demand, with the return of normalized weather patterns, should result in share appreciation. In addition, AGCO's dominance in Brazil makes the company a prime beneficiary of the country's transition from a developing to a developed economy.

Insurance:

We like dull, and insurance fits the bill. Insurance never goes obsolete and the inherent leverage that results from float on customer premiums amplifies returns without the risk of debt. In aggregate, global insured losses for 2005 totaled in excess of $75 billion. This means that $75 billion in industry capacity has been removed from the marketplace. While new entrants are stepping in to fill the void, it should take longer than one year to replace lost capital. In addition, insurers should benefit from rising premiums due to better pricing as a result of less supply and changed perceptions of hurricane risk —especially in the face of six major hurricanes already predicted for 2006.

We believe that portfolio holdings St. Paul Travelers and Marsh & McLennan offer solid value at the moment, and believe both will benefit from firm industry pricing and the advantages of size and scale distribution. Marsh & McLennan is the nation's largest insurance brokerage and has faced a number of difficult operating challenges this past year, but it appears that their problems are fixable. St Paul is the nation's second largest commercial insurer and trades at a P/E of 8. This equates to a 12.5% earnings yield.

Education:

The movement toward a knowledge based economy and the widening wage gap between those with college degrees and those without has been a significant demand driver for adult education providers. Improving human capital through education appears to be a key to prosperity. Overall education spending ($300 billion) now represents the second largest portion of Gross Domestic Product (GDP), behind healthcare. The powerful organic growth trends evident in the for-profit education industry have typically resulted in sky high valuation multiples. A recent industry slowdown, together with regulatory and accounting scandals, has caused the space to lose favor with investors. This has created opportunities to acquire strong franchises at a discount.

In general, for-profit education operators tend to have attractive business models due to limited capital expenditures and robust free cash flow. This translates into exceptional returns on invested capital. Two examples in the space are Apollo Group and Lincoln Educational Services Corporation. Apollo Group is the first and largest provider of adult online education. Because of its scale, Apollo enjoys tremendous advantages over competitors, including: (1) an advertising budget that dwarfs competitors, (2) a national presence with 67 campuses, (3) 200,000 alumni, and (4) the most sophisticated online marketing and lead tracking system in the business.

Rather than scale, Lincoln derives its success from its niche position in educating diesel mechanics and workers in the healthcare services space. This provides Lincoln leverage in two rapidly growing industry sectors. The demand for diesel mechanics is currently five times the supply. With high energy prices, the growth of diesel as an alternative to gas looks promising. In Europe, where gas prices are much higher, diesel is the dominant fuel. The management team has acquired a well deserved reputation for disciplined growth and operational excellence.

Value in Growing Dividend Streams

Historically, over 40% of stock returns have resulted from the reinvestment of dividends. Given a 15% tax on dividends, value can be found in quality companies with increasing dividend streams and declining share bases. In 2005, S&P 500 companies bought back a record $349 billion of their own shares. In the fourth quarter alone companies bought back $104 billion, well ahead of the prior record of $82 billion. In aggregate, stock buybacks totaled 61% of S&P 500 companies' reported earnings, and dividends constituted 32%. Together that represents 93% of earnings that were paid back to shareholders. This is far preferable to bubble level acquisitions, or an environment dominated by massive share issuance through IPOs. It speaks to the increasing shareholder-orientation of the market.

Finally, while we do keep an eye on ever changing macro fundamentals, our primary attention is on the research of undervalued securities. Disciplined capital allocation is critical. As the speculative pot starts to boil, we tend to become more conservative. Although this can hurt short-term performance, it is necessary as we seek to avoid permanent capital loss that disrupts the compounding process. We continue to strive to earn your confidence.

Sincerely,

Jeff Auxier

As of 03/31/2006, the Fund held those securities mentioned in the letter as follows:
Blount (0.7%); AGCO Corp (1.4%); St. Paul Travelers (2.6%); Marsh & McLennan (2.1%); Apollo Group (0.8%); Lincoln Educational Services Corp (0.9%) .

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.

**Standard & Poor's quality rankings system attempts to capture the growth and stability of earnings and dividends record in a single symbol; the highest ranking is A+, the lowest is C, and a D ranking represents a reorganization. Over a long period of time, the record of earnings and dividend performance has a considerable bearing on the relative quality of stocks. The rankings, however, do not profess to reflect all of the factors, tangible or intangible, that bear on stock quality.*