Auxier REPORT
5000 SW Meadows Road, Suite 410, Lake Oswego, OR 97035 Phone 503.885.8807 1.800.835.9556 Fax 503.885.8607 Email info@auxierasset.com
J. Jeffrey Auxier

AUXIER FOCUS FUND
PERFORMANCE UPDATE
December 31, 2005

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 – 12/31/04	54.14%	2.75%	51.39%
Since Inception 7/9/99	65.10%	-1.64%	66.74%

Average Annual Returns for the period ended 12/31/2005	1 Year	3 Year	5 Year	Since Inception
Auxier Focus Fund (Investor Shares)	**4.58%**	**13.65%**	**9.04%**	**8.04% (7/9/99)**
S&P 500 Index	**4.91%**	**14.39%**	**0.54%**	**-0.25%**

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.

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.

Market Commentary

The Auxier Fund ended the fourth quarter 2005 with a gain of 2.39% vs. 2.09% for the market as measured by the S&P 500. The Fund had a net equity exposure for the year of approximately 70%, gaining 4.58% vs. 4.91% for the S&P (including reinvested dividends). The Dow ended up 1.71%, while the NASDAQ was up 1.38%. Inflation, as measured by the Consumer Price Index (CPI), ended up 3.4%. The big winner was the energy sector, rising over 38%.

The year was marked by record hurricane losses, increasing raw material and energy prices, rising short-term interest rates and a flattening yield curve. A sharp deterioration in operating fundamentals in the domestic automobile industry created additional headwinds. While these factors weighed on U.S. returns, natural resource-rich emerging markets with cheaper valuations outperformed. So far global competition and surplus savings are keeping a lid on long-term interest rates in the industrialized nations, despite an uptick in inflation. A huge shift in economic strength has benefited formerly shut-in economies that have embraced market-friendly reforms. Free trade and mobile investment flows are leading to rapid industrialization in developing countries. It took America and Britain 50 years to double their real incomes per head; China may achieve this feat in less than 10 years. The emerging economies are helping to lift world Gross Domestic Product (GDP) and offset declines due to aging populations. The global labor force has doubled with the addition of India, China and Russia. In time this should lead to increased purchasing power for imports from industrialized countries, benefiting global multinational corporations.

We believe rising commodity prices will continue to put pressure on profit margins. This is the result, in part, from an under investment in production capacity in many commodity lines over the past twenty years. A similar market environment occurred between 1966 and 1982. Careful investment selection—making exceptional picks—was extremely important as the indexes had wide trading ranges but were generally flat over that time.

Between 1966 and 1982 there were five substantial corrections (a.k.a. buying opportunities) that ranged from 25% to 45%. On average, that's a meaningful correction every 3 years. It was a market backdrop that favored the disciplined value-oriented investor. We believe solid companies from the following industries will be poised to outperform in such an environment.

Industry Opportunities

Education Services

- In a competitive knowledge-based economy, education will be more important than ever.
- For-profit education companies are better at adapting to the needs of the working student.
- The U.S. Census Bureau estimates that college graduates will earn an average of $1 million more over their working lives than high school graduates.
- Just 30% of Americans over age 25 have earned at least a bachelor degree.
- More than half of students graduating from four-year colleges in the United States, and at least 75% from two year colleges, lack the literacy to handle complex, real-life tasks such as understanding credit card offers. (*Wall Street Journal*)

Insurance

Due primarily to record U.S. hurricane losses in the gulf, global property casualty insured losses could reach $80 billion for 2005. When capacity is removed, insurance premiums go up. Conversely, floods of easy money (irrational) can be devastating.

Insurance does not go obsolete and tends to grow faster than the overall GDP. The industry is dull and uninspiring but historically profitable and enduring.

Healthcare

The healthcare industry offers a number of promising areas for investment.
A demographic backdrop featuring aging baby boomers should favor companies working on weight-related problems such as obesity, diabetes and heart disease. The Fund has benefited from consolidation trends in HMOs and pharmacy benefit managers through such holdings as WellPoint and Express Scripts.

Large U.S. drug companies are suffering weak operating trends but the share prices reflect many of the problems. The group trades at a 30% discount to their European counterparts.

Natural Resources

During the 20th century, commodity markets have had three long bull runs: 1906-1923, 1933-1953, and 1968-1982. Commodity bull markets have, on average, lasted 17 years in duration. It appears a new bull market started around 2000. We are constantly looking for selective, low risk ways to participate. Eighteen months ago we bought Canadian government bonds. Canada has 20% of the world's fresh water, possesses the second largest land mass, and is number two in total oil reserves. With the bonds we receive income together with the appreciation of the Canadian currency, which has tended to trade on par with the U.S. dollar during past commodity upswings.

Global Distribution

Owing $8 trillion to foreigners is not reassuring for the U.S. dollar (and bondholders). One hedge is quality multinationals with powerful distribution arms levered into the emerging economies. Companies generating tremendous free cash flow such as Wal-Mart, Budweiser, and Coca-Cola are well positioned to benefit from the rapid industrialization of emerging economies but are not currently priced as growth companies. In addition, when corporate earnings growth is scarce, investors tend to gravitate toward high quality companies with stable market shares and increasing dividends.

The Rewards of Diligent Saving and Investing

To illustrate the power of compounding and the potential rewards of sticking with a disciplined savings and investment program, it is useful to periodically revisit the Ibbotson Associates performance charts. From 1925 through December 31, 2004:*

$1 invested in treasury bills = $18
$1 invested in government bonds = $65
$1 invested in large stocks = $2,500
$1 invested in small stocks = $13,000
(That daily $4 cup of Starbucks coffee is starting to look real expensive!)

Over the same period, $1,000 in stodgy Phillip Morris grew to a sum greater than $245,000,000. Mundane everyday products can be quite exciting over the long run. *(Past performance is not an indicator of future results.)*

The above illustration highlights the importance of being invested in businesses that can endure all kinds of markets, and how expensive it can be (long-term) if one is forced out. It calls to mind a famous observation by the father of value investing, Benjamin Graham: "In the short run, the market is a voting machine, but in the long run it is a weighing machine."

It has been our experience that most investors have a low tolerance for pain, so we try to always look down first, asking how much we can lose before looking for returns. Investors need to get paid for the risk. In addition, the wrong temperament can be far more expensive than ignorance. The outgoing enforcement officer for the National Association of Securities Dealers, Barry Goldsmith, summed up most problems as resulting from people's desire to make a lot of money, in a short period of time, with no risk.

Our goal when approaching the markets is to be rational at all times and seek to avoid permanent capital loss which interrupts the compounding process. The market is there to serve, not guide, the investor. Throughout the year there will be bouts of extreme emotional behavior and businesses will be periodically misappraised or detached from operating fundamentals. Volatility is the friend of the bargain shopper. We strive to be prepared daily by aggressively monitoring operating trends, and to take advantage of mistakes as they arise. To lower risk it is necessary to know more about each investment than the general market. A great advantage exists today for the patient, disciplined investor: one who can remain detached from the manic–depressive behavior of the herd and diligently sift through facts while focusing on the long-term.

Your trust and support is appreciated.

Jeff Auxier

**The Ibbotson performance information is for illustrative purposes only and is not intended to reflect past or future performance of any asset allocation strategy or investment product. It is important to note that stocks and U.S. Government securities are two different and distinct asset classes. While all investments are subject to certain risks, stocks have a greater degree of price fluctuation risk than bonds. Therefore, from a risk/reward perspective, stocks are considered to have more risk (and greater potential reward) than bonds. Moreover, small cap stocks are subject to additional risks than is customarily associated with stocks of larger U.S. corporations.*

As of 12/31/2005, the Fund held those securities mentioned in the letter as follows: WellPoint Health Networks Inc. (1.2%); Express Scripts Inc. (1.5%); Altria Group, Inc. (Phillip Morris) (1.4%); Wal-Mart (0.8%); Anheuser-Busch Companies Inc. (Budweiser)(1.0%); Coca-Cola Co. (2.1%).

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.