Auxier REPORT

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AUXIER FOCUS FUND
PERFORMANCE UPDATE
December 31, 2006

AUXFX RETURNS VS. S&P 500 INDEX

	Auxier Focus Fund	S&P 500 Index	Difference*
09/30/06 – 12/31/06	7.66%	6.70%	0.96
12/31/05 – 12/31/06	11.75%	15.79%	-4.04
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 – 12/31/06	72.26%	18.98%	53.28
Since Inception 7/9/99	84.50%	13.90%	70.60

* in percentage points

Average Annual Returns for the period ended 12/31/06	1 Year	3 Year	5 Year	Since Inception
Auxier Focus Fund (Investor Shares)	**11.75%**	**8.98%**	**8.86%**	**8.53% (7/9/99)**
S&P 500 Index	**15.79%**	**10.45%**	**6.19%**	**1.75%**

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 500 widely held common stocks. One cannot invest directly in an index. Foreside Fund Services, LLC, distributor.

Year-End 2006

Market Commentary

The Auxier Focus Fund's Investor Shares (the "Fund") ended the fourth quarter of 2006 with a gain of 7.66%, versus 6.70% for the market as measured by the S&P 500. For the year, the Fund advanced 11.75%, versus 15.79% for the S&P 500. The Fund's stock holdings, generally comprising 70-75% of assets last year, appreciated over 15%. But our bond holdings hurt results. Our goal is to outperform the major stock indexes over time, while taking far less risk. Since the Fund's inception in late 1999, the cumulative total return has been 84.5%, versus 13.9% for the S&P 500, *a sixfold advantage*. For the five-year period ending December 31, 2006, the Fund ranked in the 6th percentile within the Moderate Allocation category tracked by Morningstar. Numerically, Morningstar ranked the Fund 315 out of 1039 and 35 out of 626 Moderate Allocation Funds for the 1- and 5-year periods ended December 31, respectively. The Fund's numeric rankings are based solely on total return performance.

Strong earnings, historically low interest rates, and easing commodity prices helped drive positive market returns for the second consecutive quarter. While excesses in the housing industry are correcting, lower energy prices and strong employment numbers have aided domestic consumers. In a welcome shift, investors' focus on speculative commodity and condo plays has begun to shift to quality, high return businesses with strong cash flows and balance sheets. The Fund's heavy weighting in such securities served it well in the fourth quarter.

Sharp gains in commodities initially were fueled by excessive liquidity, a weak U.S. dollar and rapid infrastructure build-outs in such emerging markets as China, India, Brazil and Russia. However, speculative fervor drove prices well above the cost of production, setting up the correction late in the year. Since the summer, oil has dropped over 34% from a high of $77 a barrel to $52 a barrel. Investing in undifferentiated commodities is like investing in technology— it's probably better to rent than own for the long term. In fact, adjusted for inflation, commodities as a group have DEPRECIATED by 80% from 1845 to 1998 according to Juan Enriquez, author of *As The Future Catches You*. Although current fundamentals are favorable, especially agricultural, commodities have been poor performers over the long term. Just as today's $700 laptop computers are some 13 times more powerful than IBM's 1970 mainframe—which cost over $4.7 million—it is difficult to bet against the rapid advances of technology… especially in a world economy that is more knowledge and service based.

Corporations Are Flush With Cash

In 1982, cash and marketable securities typically made up 12% of corporate balance sheets, half of today's 24% average. This balance sheet liquidity, together with 40-year low borrowing costs, contributed to an unprecedented $3.6 trillion in global mergers for 2006. Ironically, the 10-year bond yield is close to the same 4.7% level when the Federal Reserve (the "Fed") started tightening short-term interest rates in 2004. Many companies we bought this past year enjoy free cash flow yields far in excess of the prevailing bond rate.

According to *The Economist*, global liquidity has grown 18% annually for the past four years—possibly the fastest pace in history. This has led many investors to take more risk, especially in searching for yield. Collateralized debt obligations (CDOs) and other derivative instruments intended to disperse risk are up sixfold since 2004. Such liquidity tends to temper downside economic shocks, but can also mask sloppy business practices and overextended consumers. The lessons of Enron: be careful when there is hypergrowth, a lot of leverage, little disclosure, and questionable accounting.

Values Abound for Contrarians

Successful investing often requires a contrarian approach and detachment from the crowd. This involves avoiding high-flying stocks and buying instead shares out of favor with most investors. Because we frequently own such companies shunned by Wall Street, it can be difficult to predict how long it will take for them to work through operational challenges and return to investors' good graces. This can require both patience and intestinal fortitude. The ability to think and invest long term is a tremendous advantage in a marketplace that focuses on the very short term. We look hard for opportunities that are compelling, where the rewards could more than compensate for the risk taken.

Time is the friend of quality businesses purchased at a discount to intrinsic value. Such bargains occur when panic, fear, and uncertainty fuel short-term price dislocations. We seek to exploit those dislocations and hold stocks until intrinsic value is restored. James Montier, the head of global equity strategy for investment bank Dresdner Kleinwort Wasserstein, recently discussed the validity of this approach in a study measuring the merits of patience on investment portfolios. In the study, Mr. Montier divided the MSCI Europe Index from 1991 onward into quintiles represented by trailing twelve months price to earnings (P/E) ratios. The cheapest 20% of stocks were labeled "value." A strategy of buying value stocks at the beginning of each month resulted in annual outperformance of 3% relative to the MSCI Europe Index. What is interesting to note is how the outperformance was amplified over longer time periods. Holding value stocks for two years resulted in annual outperformance of 5.7%, while holding value stocks for five years led to a cumulative outperformance of 30%. While past performance doesn't necessarily indicate future results, we believe the lesson is clear: patience is a critical component in achieving successful investment returns.

Why For-Profits Are Out of Favor

In today's competitive global marketplace, companies and countries will need to stress education to prosper. Yet the for-profit education sector in the U.S. is suffering a serious downturn, with slow enrollment growth. And the reason is ironic: as the economy strengthens, prospective students have fewer incentives to enroll. Still, the demand for educated workers throughout the globe has never been greater. The companies in this industry typically have experienced double-digit returns on invested capital, high free cash flow yields in excess of prevailing bond rates, and miniscule mandatory capital requirements. We like to shop for bargains in industries in such a recessionary retrenchment. Among the names we monitor closely are Apollo, ITT Education, Career Education, Lincoln Educational and Universal Technical Institute.

Our Outlook for 2007

For 2007, a moderation in energy and commodity prices should generally fatten profit margins. Lower gasoline prices bolster real consumer incomes, though robust corporate profit growth is sure to slow from double-digit gains of past years. Healthy balance sheets sustain positive capital spending trends and stock buybacks. The supply of stock in the U.S. actually declined by 5% in 2006. As 40% of S&P 500 profits is derived from abroad, a lower dollar should spur higher sales for multinationals with broad international distribution networks. Such steady global distribution has been an undervalued asset the past couple of years. But it should continue to gain favor, especially as overall earnings growth estimates decelerate.

Look for U.S. legislative incentives to encourage baby boomers to save and invest more. Reason: boomers have relied too heavily on appreciating home prices for their investment returns. The tax laws have been overly generous with regard to housing, contributing to a misallocation of funds into that sector. Over the past 30 years, U.S. house prices have climbed 6.2% annually on average (much less after factoring in expenses). Unfortunately, returns going forward look uninspiring in the face of today's bubble valuations.

It is always nice to participate in a market rally. But it is more rewarding when shares advance due to attractive valuations rather than hype. Speculative gains tend to be ephemeral, while those based on fundamentals are more enduring in nature. The solid gains posted by the Fund during the fourth quarter have been on the back of stronger company fundamentals and prospects. We are always mindful, however, that dramatic market corrections are normal. On average the market corrects 10% every year, 15% every two years and 20% every 3.5 years. We aim to continue to add notable value during those difficult periods.

Your trust and support is appreciated.

Jeff Auxier

As of 12/31/06, the Fund held the securities mentioned in the letter as follows: Apollo (0.9%); ITT Education (0.8%); Career Education (0.3%); Lincoln Educational (0.7%) and Universal Technical Institute (0.3%)

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.

MSCI Europe Index is a free float-adjusted market capitalization index that is designed to measure developed market equity performance in Europe. Price-to-earnings ratio is the value of a company's stock price relative to company earnings.

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