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J. Jeffrey Auxier

AUXIER FOCUS FUND
PERFORMANCE UPDATE
December 31, 2011

ANNUALIZED					
	One Year	**Three Years**	**Five Years**	**Ten Years**	**Inception ****
Auxier Focus *	5.57%	13.19%	2.96%	5.87%	6.27%
S&P 500 Index	2.11%	14.11%	-0.25%	2.92%	0.95%

CUMULATIVE					
	One Year	**Three Years**	**Five Years**	**Ten Years**	**Inception ****
Auxier Focus *	5.57%	45.02%	15.71%	76.91%	113.49%
S&P 500 Index	2.11%	48.59%	-1.24%	33.35%	12.48%

* Investor Shares ** 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 annual operating expense ratio (gross) is 1.25%. The Fund's adviser has contractually agreed to reduce a portion of its fee and reimburse Fund expenses to limit total annual operating expenses at 1.25%, which is in effect until October 31, 2012. 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.

Year End 2011 Results

Auxier Focus Fund returned 8.65% in fourth quarter 2011, trailing a corresponding 11.82% rebound in Standard & Poor's 500 stock index (S&P). For the year, however, the Fund's 5.57% return more than doubled the S&P's 2.11% gain. The average U.S. stock fund lost 2.9% (Lipper). Hedge funds tanked even more, dropping 5.38% on average based on Barclay's Hedge Fund Index.

This wide disparity in results illustrates how we strive to harness the long-term power of compounding by materially outperforming our peers in down markets rather than chasing hot stocks during upswings. The payoff? Since inception in 1999, the Fund has cumulatively gained 113.49%, convincingly lapping the S&P's corresponding 12.48% return *ninefold*. On an annualized basis, the Fund since inception has been six times more rewarding than the market, returning 6.27% versus the S&P's 0.95%. It's worth noting that tenures of today's stock fund managers average less than five years. By comparison, the Fund's sole manager since 1999 also pilots many separately managed client accounts dating back to the early 1980s.

Market Commentary

Europe's sovereign debt contagion dominated last year's headlines and depressed large bank stocks overseas and stateside (where the KBW Bank Index tumbled 23.19% in 2011). As economies in Europe slumped, those of China and other major exporters to the region sputtered, contributing to a sharp correction in commodity prices. Most major stock markets around the globe suffered losses for the year. So-called defensive stocks (e.g., healthcare, food and beverages) with high and increasing cash dividends tended to fare better than the more cyclical and credit-dependent stocks. Many European banks mistakenly perceived the risk in Euro-zone government debt and failed to provide an ample capital cushion on their balance sheets. The painful deleveraging and restructuring process that continues in 2012 could produce not only a recession but also a generational buying opportunity among the European Union's battered blue-chip stocks. We are highly energized to capitalize on such bargains when they materialize.

U.S. Government bonds enjoyed strong gains last year as their yields continued to shrink. But one could argue that they present similar risks to those witnessed in Europe. Widely held perception that U.S. Government debt is comparatively safe can be questioned when you factor in such pitfalls as loss of purchasing power, interest-rate volatility and solvency. With governments eager to print money and defer fiscal restructuring, the risk appears much too high for the potential reward. To protect assets in today's competitive global economy, it is more important than ever to focus on fundamentals and allocate portfolios based on price, value and margin of safety. Popular mutual fund mantras like "buy, hold and forget" are dangerous as well as hackneyed. The bankruptcy of Eastman Kodak, a former member of the elite "Nifty Fifty" in the 1970s, illustrates how advances in technology can rapidly undermine seemingly fortress business franchises.

How Our Portfolio Is Positioned

Natural gas prices recently dropped to a 10-year low—under $3 per Mcf (one thousand cubic feet). The ability to extract both oil and natural gas from previously underutilized shale formations should lead to lower energy costs for the next few years. As we observed last year, the commodity boom was more overextended (115 months in duration as of mid-2011) than both the ill-fated housing and technology bubbles. As prices stay high, blistering advances in technology make it possible to flood the market for just about any commodity, product or service. Gluts of supply can pose a major threat to the portfolio and are more prevalent in periods, like today, of easy money policies. China, for example, has been a voracious consumer of commodities. As that economy slows, prices should continue to return to levels closer to the marginal cost of production. Many of the companies in the Fund should benefit as these price pressures abate, leading to a widening of profit margins and potential P/E[1] multiple expansion. The good news: dividend payout ratios among U.S. stocks remain historically low and should rise as investors demand increased cash payments over stock buybacks.

Top Holding on 12/31/2011	% Assets
Philip Morris	2.4
Molson Coors Brewing	2.4
Pepsico	2.4
Merck	2.2
Microsoft	1.9
Wal Mart Stores	1.9
Medtronic	1.9
Medco Health Solutions	1.7
Unilever NV	1.5
Hospira	1.4
Apollo Group	1.4
Johnson & Johnson	1.4
Mastercard	1.4
BP (British Petroleum)	1.4
Coca-Cola	1.2

Incessantly negative headlines out of Europe often obscure the powerful and upbeat trend of emerging market urbanization. Food marketing in Asia, for example, is being revolutionized by rapid growth in personal income, which since 1998 has risen three to four times faster than in the U.S. and Europe. Wages in China are estimated to double in the next five years. This surge boosts demand for Western goods and distribution platforms that also supply local products to those aspiring customers in growing urban centers. We focus on companies that excel in selling quality products (especially low-ticket necessities), executing on the details and positioning the Fund so that it may profit from these long-term fundamental trends.

In developed countries, soaring levels of total public and private debt (exceeding 300% of GDP in the U.S.) ensure that investors can't count on a strong economy or stock market to bail out poor investment selections. Recoveries following balance sheet recessions historically are much more susceptible to outside shocks. As a result, the Fund has carried more cash than normal both as a precaution and as a source of funds to make exceptional purchases when the time is right. Great individual buys, when prices are compelling, are critical to produce market-beating returns. This past quarter we were able to take advantage of such bargain prices in Molson Coors, Medco Health, and Hospira. All three are topnotch businesses that we have tracked for years, waiting for the sudden but surmountable stumbles that create rock-bottom entry points.

Periods of economic uncertainty favor an experienced investment manager who can draw on three decades of individual security analysis. We are excited when we can utilize that experience to add value in a meaningful way to your life's savings.

Your trust and support is appreciated.

Jeff Auxier

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 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.

[1] *Price-Earnings Ratio: A valuation ratio of a company's current share price compared to its per-share earnings.*

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.

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.