

# **Auxier Asset Management, LLC Verification and 60% Equity and Cash Composite Performance Examination Report**

**December 31, 2021**





## Verification and Performance Examination Report

Mr. Jeffrey Auxier  
Auxier Asset Management, LLC

We have verified whether Auxier Asset Management, LLC (the “Firm”) has, for the periods from April 1, 2017 through December 31, 2021, established policies and procedures for complying with the Global Investment Performance Standards (GIPS®) related to composite and pooled fund maintenance and the calculation, presentation, and distribution of performance that are designed in compliance with the GIPS standards, as well as whether these policies and procedures have been implemented on a firm-wide basis. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. We have also examined the Firm’s 60% Equity and Cash Composite for the periods from April 1, 2017 through December 31, 2021.

The Firm’s management is responsible for its claim of compliance with the GIPS standards, the design and implementation of its policies and procedures, and for the accompanying 60% Equity and Cash Composite’s GIPS composite report. Our responsibilities are to be independent from the Firm and to express an opinion based on our verification and performance examination. We conducted this verification and performance examination in accordance with the required verification and performance examination procedures of the GIPS standards, which includes testing performed on a sample basis. We also conducted such other procedures as we considered necessary in the circumstances.

In our opinion, for the periods from April 1, 2017 through December 31, 2021, the Firm’s policies and procedures for complying with the GIPS standards related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been, in all material respects:

- Designed in compliance with the GIPS standards, and
- Implemented on a firm-wide basis.



A verification covering the periods from July 1, 1998 through March 31, 2017 was performed by another verification firm, whose report expressed an unqualified opinion thereon.

Also, in our opinion, the Firm has, in all material respects:

- Constructed the 60% Equity and Cash Composite and calculated the 60% Equity and Cash Composite's performance for the periods from April 1, 2017 through December 31, 2021 in compliance with the GIPS standards; and
- Prepared and presented the accompanying 60% Equity and Cash Composite's GIPS composite report for the periods from April 1, 2017 through December 31, 2021 in compliance with the GIPS standards.

A performance examination of the Firm's 60% Equity and Cash Composite covering the periods from January 1, 1989 through March 31, 2017 was performed by another verification firm, whose report expressed an unqualified opinion thereon.

This report does not relate to or provide assurance on any specific performance report of the Firm other than the Firm's accompanying 60% Equity and Cash Composite's GIPS composite report, or on the operating effectiveness of the Firm's controls or policies and procedures for complying with the GIPS standards.

*ACA Group*

ACA Group, Performance Services Division

March 24, 2022

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Year End	Total Firm Assets (millions)	Composite Assets		Annual Performance Results					3-Yr Annualized Standard Deviation		
		U.S. Dollars (millions)	Number of Accounts	Composite		S&P 500	Russell 1000 Value	Composite Dispersion	Composite Gross	S&P 500	Russell 1000 Value
				Gross	Net						
2021	793	640	188	21.45%	20.40%	28.71%	25.16%	3.57%	15.36%	17.17%	19.06%
2020	694	541	172	6.09%	5.16%	18.40%	2.80%	3.45%	15.95%	18.53%	19.62%
2019	683	540	172	20.09%	19.03%	31.49%	26.54%	2.96%	10.19%	11.93%	11.85%
2018	609	478	174	-3.99%	-4.85%	-4.38%	-8.27%	2.64%	9.14%	10.80%	10.82%
2017	681	538	173	18.21%	17.14%	21.83%	13.66%	2.77%	8.00%	9.92%	10.20%
2016	605	482	156	7.69%	6.61%	11.96%	17.34%	1.49%	8.72%	10.59%	10.77%
2015	590	479	157	1.02%	-0.05%	1.38%	-3.83%	2.37%	9.42%	10.47%	10.68%
2014	652	527	163	8.53%	7.35%	13.69%	13.45%	1.31%	8.00%	8.97%	9.20%
2013	648	513	143	24.97%	23.59%	32.39%	32.53%	2.53%	9.54%	11.94%	12.70%
2012	526	404	115	10.09%	8.87%	16.00%	17.51%	0.97%	10.68%	15.09%	15.51%
2011	439	332	85	6.92%	5.77%	2.11%	0.39%	1.90%	12.80%	18.71%	20.69%
2010	354	245	78	11.60%	10.40%	15.06%	15.51%	2.94%			
2009	291	223	139	24.55%	23.19%	26.46%	19.69%	4.34%			
2008	240	188	148	-23.79%	-24.63%	-37.00%	-36.85%	3.89%			
2007	326	262	157	6.46%	5.28%	5.49%	-0.17%	2.78%			
2006	311	241	149	12.82%	11.57%	15.79%	22.25%	2.0%			
2005	296	221	160	6.76%	5.56%	4.91%	7.05%	2.4%			
2004	263	176	131	11.25%	10.06%	10.88%	16.49%	1.7%			
2003	201	122	127	30.05%	28.74%	28.68%	30.03%	4.2%			
2002	162	70	88	-12.30%	-13.14%	-22.10%	-15.52%	5.5%			
2001	177	89	126	0.94%	-0.01%	-11.89%	-5.59%	9.2%			
2000	167	77	125	5.38%	4.32%	-9.10%	7.02%	12.6%			
1999	166	88	143	10.27%	9.25%	21.04%	7.35%	14.3%			
1998*	136	67	99	0.47%	-1.03%	28.58%	15.63%	2.6%			
1997*	-	14	9	38.35%	35.62%	33.36%	35.18%	N.A.			
1996*	-	7	Five or fewer	26.58%	24.08%	22.96%	21.64%	N.A.			
1995*	-	1	Five or fewer	35.55%	32.88%	37.58%	38.36%	N.A.			
1994*	-	3	Five or fewer	-6.35%	-8.20%	1.32%	-1.98%	N.A.			
1993*	-	3	Five or fewer	2.90%	0.86%	10.08%	18.07%	N.A.			
1992*	-	3	7	1.74%	-0.27%	7.62%	13.58%	N.A.			
1991*	-	2	Five or fewer	35.93%	33.24%	30.47%	24.55%	N.A.			
1990*	-	1	Five or fewer	-4.63%	-6.51%	-3.10%	-8.08%	N.A.			
1989*	-	1	Five or fewer	40.73%	37.95%	31.69%	25.19%	N.A.			

N.A. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

\*Periods shown prior to July 1, 1998 represent the performance record of the portfolio management team while affiliated with a prior firm. The presentation conforms to the GIPS guidelines regarding the portability of investment results.

The three-year annualized ex-post standard deviation and annual composite dispersion of the composite are calculated using gross-of fees returns.

**60% Equity and Cash Composite** contains fully discretionary equity accounts. Beginning July 1, 1998, accounts/relationships must be 60% invested in equities to be eligible for inclusion. The composite is measured against the S&P 500 and Russell 1000 Value indices. The composite may invest in foreign securities not reflected in the benchmark. The minimum account size for this composite is \$300 thousand per relationship. For the period July 1, 1995 through June 30, 1998, the minimum account size was \$500 thousand. Prior to July 1, 1995, the minimum account size was \$300 thousand.

Auxier Asset Management LLC is a registered investment adviser. The firm's list of composite descriptions is available upon request. The firm's list of broad distribution pooled funds is available upon request.

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Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite performance is presented gross of foreign withholding taxes on dividends, interest income, and capital gains. Withholding taxes may vary according to the investor's domicile. Returns include the effect of foreign currency exchange rates. The exchange rate source of the composite is the WM Reuters London Close. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. Prior to July 1, 1998, gross returns are shown as supplemental information and are stated gross of all fees and transaction costs; net returns are reduced by the highest total wrap fee incurred. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

The investment management fee schedule for the composite is 1.10% on the first \$1,000,000 in market value and 1.00% on the excess over \$1,000,000 in market value. Actual investment advisory fees incurred by clients may vary.

Prior to July 1, 1998, balanced portfolio segments were included in this composite and performance reflects required total segment plus cash returns using a predetermined cash allocation percentage.

The 60% Equity and Cash Composite's creation date was July 1, 1998 and Inception date was January 1, 1989. Performance presented prior to July 1, 1998 occurred while the Portfolio Management Team was affiliated with a prior firm and the Portfolio Management Team members were the only individuals responsible for selecting the securities to buy and sell. A review of the prior track record for compliance with the portability requirements of the GIPS standards was conducted by Ashland Partners & Company LLP.

In 2010 and 2011 composite assets and dispersion information were calculated based on individual accounts and relationship groups that were in the composite as of December 31<sup>st</sup> in each respective year. Relationship groups were counted as single accounts. Beginning December 31, 2012 composite assets and dispersion information are no longer calculated using relationship groups, they are calculated using only individual accounts as the Advisor discontinued the use of relationship groups.

Auxier Asset Management LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Auxier Asset Management LLC has been independently verified for the periods July 1, 1998 to December 31, 2021. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. 60% Equity and Cash Composite has had a performance examination for the periods January 1, 1989 to December 31, 2021. The verification and performance examination reports are available upon request.

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