AAM AUXIER•ASSET MANAGEMENT LLC

Auxier REPORT

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AUXIER FOCUS FUND
PERFORMANCE UPDATE
September 30, 2013

ANNUALIZED

	Inception *	Ten Year	Five Year	Three Year	One Year
Auxier Focus Fund Investor Class Shares	7.15%	7.66%	9.13%	11.62%	15.26%
S&P 500 Index	3.19%	7.57%	10.02%	16.27%	19.34%

CUMULATIVE

	Inception *	Ten Year	Five Year	Three Year	One Year
Auxier Focus Fund Investor Class Shares	167.04%	109.18%	54.81%	39.05%	15.26%
S&P 500 Index	56.31%	107.37%	61.18%	57.16%	19.34%

* 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 Investor Class Share's annual operating expense ratio (gross) is 1.29%. 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, 2015. Other share classes may vary. 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. The recent growth rate in the stock market has helped to produce short-term returns that are not typical and may not continue in the future.

Fall 2013 Commentary

Auxier Focus Fund returned 2.90% for third quarter 2013 and 15.03% for the nine months through September 30. The Fund ended the quarter with 86% in stocks, 2.6% in bonds and 11.4% in cash. Our stockholdings gained 4.81% for the quarter and 19.5% year to date, trailing Standard & Poor's 500-stock index's 5.24% for the quarter and 19.79% year to date. Since inception in 1999, the Fund's cumulative performance is 167%, almost triple the S&P 500's corresponding 56%, despite the index's much riskier 100% stock allocation (vs. an average of 77% for Auxier Focus). In sharp contrast to a static index, our goal is to compound superior long-term returns by being rational, flexible and value driven in seeking to capitalize on material misappraisals (aka, bargains) in stock prices globally. We strive to match rising stock markets and outperform declining ones, a conservative stance befitting the fact that the fund's manager has his entire retirement portfolio riding on Auxier Focus. Exploiting the math of compounding over time demands discipline, vigilance and disdain for group think, overpaying and overborrowing. Temperament can be just as important as intellect. The Fund's record extends back to 1999 and includes two 40% market declines, but the Manager's record goes back to 1989.

Looking across the investment spectrum, we believe that the best choices today are solid, well nurtured business franchises. Particularly those purchased at a discount, led by diligent, passionate management and blessed with nominal mandatory capital spending requirements. They have better financial flexibility and can typically weather both the challenges of inflation and deflation. We like to grind through each business, 1000 to 1500 a year, to gauge who is really executing and following proven value-adding principles. We are looking at entities that can keep us ahead on a purchasing power basis. We have been opportunistic buyers of bonds (seeking equity type returns) generally in times of distress since 1982. But we see very little value today. When the government dictates pricing, via Federal Reserve interventions, you typically aren't adequately compensated for the risk. In fact, the current monetary policy has driven to record level ratios of debt-to-cash flow acceptable to private equity investors. Payment-in-kind (PIK) bonds, which promise payment in additional bonds rather than interest if things go bad, are now the rage again. Such excesses have always been a warning sign in the past. The longer money remains easy, the greater the likelihood of misallocation and asset bubbles.

Buying Europe on the Cheap

The six-year economic downturn in Europe has been one of the worst in history. We are always attracted to that kind of bargain producing backdrop. One industry that is cheap and has started to consolidate is European telecoms. While deregulating industries can be treacherous for investors, consolidation can lead to a firmer pricing environment and can provide a catalyst for attractive investment returns. This past year we have been able to pick up companies that we have followed for several years, like Telefonica (based in Spain), at steep recessionary discounts (3-4 times cash flow). Looking back 30 years, we have done well buying enduring franchises in recessions, crashes and panics. Today, you can partner with one of world's smartest investors, Carlos Slim, by paying just ten times earnings for his out of favor America Movil (based in Mexico but also a major player in Europe). This management team is relentless on operating details, disciplined in capital allocation and mindful of the importance of a strong balance sheet. To hire an exceptional investor with such cumulative knowledge, at an attractive price, is very difficult. His family has a proven record that spans decades and every conceivable market downturn. Investment skill and temperament is often difficult to judge in up markets but becomes obvious (often painfully) in bad times. The Fund's portfolio should benefit from a cyclical uptick in Europe thanks to the recessionary buys we picked up inside and outside the telecom sector when prices and expectations were very low.

One Man's Unconventional Energy Legacy

Just as integrated circuits contributed to the electronics revolution, technology advances in hydraulic fracturing and horizontal drilling are transforming the global energy landscape. The passion, determination and deep pockets behind these innovations were supplied largely by the late George P. Mitchell, the founder of Mitchell Energy who died at age 94 in July. The Galveston oilman was the son of a Greek goat herder, Savvas Paraskevopoulos, who came to America to work on railroads and adopted his paymaster's far simpler name, Mike Mitchell. George tenaciously defied oil field critics and conventional wisdom, spending decades and $6 million of his own money perfecting techniques for injecting fluids to *fracture* shale rock, releasing trapped oil and gas, and then *horizontal drilling* among perforated strata to boost each well's output. While the investment press pontificates on the Fed and Washington DC, we prefer to bet on entrepreneurs like George Mitchell whose combination of guts and ambition often overcome seemingly insurmountable challenges.

On a recent trip to Texas we saw what many are saying has the makings of the biggest domestic energy boom in history. By 2014, the state of Texas is expected to move ahead of Mexico, Venezuela, Kuwait and Iraq to be the ninth largest producer of oil in the world. Texas has doubled crude output in less than two years. As recently as 2005 the United States was importing 65% of its oil from OPEC; today it is 40%. According to McKinsey Global Institute, domestic energy production is the highest in twenty years. U.S natural gas output is up 51% over the past five years. There is unprecedented drilling success and activity in shale finds throughout Texas (Barnett, Eagle Ford, and Permian Basin), North Dakota (Bakken) and Pennsylvania (Marcellus). Last year, in south Texas alone, the oil and gas industry generated $61 billion in economic impact in just twenty counties (*Source: University of Texas*). Petro politics is being reshaped as the U.S. becomes more energy independent.

Lower prices of both natural gas and gasoline at the pump act like a tax cut. IHS estimates that real (inflation-adjusted) disposable incomes rose by more than $1200 due to energy savings last year. In addition, after the long commodities boom, supply has caught up with demand, slashing prices for corn, steel, wheat, etc. This is favorable for many of our businesses which benefit from lower input costs. The impact of lower cost energy will ripple through transportation and manufacturing. Infrastructure spending is still close to 50-year lows as a percentage of GDP. As a proxy on future economic activity, United Rentals believes we are "still in the early stages of recovery as nonresidential construction usually trails residential by a year to 18 months."

Exploiting Upside to The Mean

Our portfolio is much more undervalued than the general U.S. market. Since all assets tend to revert to the mean, we try to make sure that our holdings have significant upside to the mean. This year, we have benefitted more from price-to-earnings multiple expansion than actual earnings growth. Historically, a ball park valuation measure for the general U.S. market has been 20 less the inflation rate. Assuming a 2% to 3% inflation rate, that would equate to a P/E multiple of 17 to 18. We try to find quality businesses at 10 to 11 times earnings with the potential to be revalued over time to 15 to 18. Part of the margin of safety we seek is a price that allows for that double to triple play. Execution is a key component to seeing that premium valuation realized. Kroger is an example of a company that we bought under 10 times earnings because of many investors' perception that Kroger could not compete with Wal-Mart on groceries. For several years Kroger has been relentless on the details and winning. Finally, the market realized and rewarded the performance with a double play return—100 percent over 20 months. The willingness for buyers to pay up for quality foods and beverages has provided a tailwind for many of our businesses that we own along the food chain. There is a fundamental change in consumer behavior toward healthier options.

We also are finding opportunities in companies that break up and "shrink to grow." Spinoffs tend to reenergize and focus resources. We see mounting pressure for many of the larger companies in our portfolio to generate material shareholder value by spinning off divisions (e.g. Procter and Gamble, Johnson and Johnson). As the market prices go higher, we tend to gravitate more to investments that are tied less to the supply and demand of the market and more on events where managerial actions and acumen can build value even in a declining market.

We appreciate your trust,

Jeff Auxier

Top Holdings on 09/30/2013	% Assets
Molson Coors Brewing	3.6
Tesco	3.5
Pepsico	3.3
Bank of New York Mellon	2.4
BP (British Petroleum)	2.1
Merck	2.0
Telefonica	2.0
Hospira	2.0
America Movil	1.9
Philip Morris	1.9

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.

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 or average

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.