AAM AUXIER•ASSET MANAGEMENT LLC

Auxier REPORT

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J. Jeffrey Auxier

AUXIER FOCUS FUND
PERFORMANCE UPDATE
March 31, 2011

AUXFX RETURNS VS. S&P 500 INDEX

	Auxier Focus Fund	S&P 500 Index	Difference*
12/31/10 – 03/31/11	6.53%	5.92%	0.61
12/31/09 – 12/31/10	10.10%	15.06%	-4.96
12/31/08 – 12/31/09	24.76%	26.46%	-1.70
12/31/07 – 12/31/08	-24.52%	-37.00%	12.48
12/31/06 – 12/31/07	5.71%	5.49%	0.22
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
Since Inception 7/9/99	115.42%	16.67%	98.75

* in percentage points

Average Annual Returns for the period ended 3/31/2011	1 Year	3 Year	5 Year	10 Year	Since Inception
Auxier Focus Fund (Investor Shares)	**11.12%**	**5.83%**	**5.00%**	**7.17%**	**6.76% (7/9/99)**
S&P 500 Index	**15.65%**	**2.35%**	**2.62%**	**3.29%**	**1.32%**

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 maintain annual operating expenses at 1.25%, which is in effect until October 31, 2011. 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. Because of ongoing market volatility, fund performance may be subject to substantial short-term changes.

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.

Spring 2011

Market Commentary

Auxier Focus Fund returned 6.53% in the first quarter of 2011, versus 5.92% for Standard & Poor's 500 Stock Index (S&P). The Fund had a 74% exposure to stocks in the first quarter. Since inception on July 9, 1999, the Fund has outperformed the S&P by 98 percentage points, cumulatively. For the 10 years ending March 31, 2011, a hypothetical $10,000 investment in the Fund would have grown to $19,979, while $10,000 in the S&P would have grown to $13,828. Since inception that $10,000 investment in the Fund would have grown to $21,542, versus only $11,667 in the S&P.

The first quarter was filled with dramatic news events worldwide. Among them: uprisings in the Middle East, a tragic Japanese earthquake with a subsequent tsunami and nuclear plant crisis, and continued sovereign debt meltdowns in Europe. Despite the barrage of bad news, the fundamental earnings and cash flows for most businesses in the S&P have been strong. The moral: positive growing cash flows should weigh heavier than headlines when allocating capital. There will always be uncertainty and obstacles. It is better to spend the time identifying the businesses and managements that can build value even in the most challenging economic times.

The Aspiring Middle Class Overseas

The powerful secular trend of rising living standards in emerging markets continues to benefit multinational corporations, not just in the U.S. but worldwide. Declining telecommunications costs are adding transparency, stimulating ambition and fueling one of the most potent human emotions—envy. The war to promote liberty and democracy in Iraq cost the United States nearly $1 trillion. One could argue that the combination of mass telecommunications, social sites like Facebook—and envy—are doing more for the spread of democratic ideals throughout the world at a much cheaper cost. Immoral dictators are finding it difficult to keep the public in the dark, and this sharing of information is igniting desires to move up the economic ladder.

Recently, top executives of Brazilian oil giant Petroleo Brasileiro S.A (Petrobras) visited our office. Although oil was obviously a timely issue, the bigger topics were the surprising growth of the Brazilian middle class and the strong desire for fiscal responsibility. Petrobras is having trouble just keeping up with Brazilian oil demand, as some 25-30 million people have been lifted out of poverty over the past decade. Much of the prosperity is due to a strong export market, especially into China.

U.S. trade with China has led to a 450% increase in exports into China over that period as well. Twenty to thirty percent of those are food-related. The food chain, starting from U.S. production, is enjoying strong tailwinds. China has been moving to a more consumption-based, urbanized economy benefiting multinational corporations that can provide superior products and services. The mass migration from rural to urban areas is accelerating consumption, as over 3.4 billion people worldwide now live in cities. By 2050 it is projected that 70% will live in cities. Fifty-four percent of the world's GDP growth is in 645 cities with populations over 750,000 (*Forbes*). The global population is projected to grow by 1 billion over the next 12 years (Source: University of California, Berkeley). Western brands that can reach these customers stand to benefit. The first step is the diet and consumer items that help people weather their mostly mundane day at work. Once a country hits $3000 per capita GDP, you can expect a trend toward improving diet. The Fund is well positioned in companies that have the quality brands and distribution to serve these exciting growth markets.

Strong international economic demand is offsetting a domestic hangover from the U.S. housing market, which has been slow to clear excess supply. Housing demand remains at historic lows while foreclosures continue to flood the market, hurting new construction. Foreclosure starts for March were up 33% (Source: Lender Processing Services, Inc.). Low prices should eventually clear the market. But heavy government intervention has delayed the cleansing process.

Fighting Flab on the Cheap

The Fund benefitted greatly in the first quarter from our holdings of Weight Watchers, which gained 70% during the period thanks to the growing epidemic of obesity. It is estimated by the Centers for Disease Control (CDC) that medical expenses attributable to people being overweight exceed $75 billion a year. Two out of three adults and one out of three children are either overweight or obese. Yet Weight Watchers (WTW) was priced for very little growth, selling for a historic low, 9 times earnings. When we invested in WTW, the market saw no anticipated growth in sales for the next three years. As Charlie Munger of Berkshire Hathaway likes to say, the key to a successful marriage is low expectations. The same can be said for the timing of stock purchases—when they are priced with little enthusiasm. We gravitate to quality names when they are "hopelessly out of favor." This was a company that had previously been valued over 15 times earnings for ten consecutive years. We become interested when the reversion to the mean is substantially higher than the price we are paying.

The Elixir of Low Interest Rates

The yield curve of the bond market is generally a good indicator of future economic activity and profits. A steep curve can signify growth, while an inverted curve (when short-term rates are higher than long-term rates) is often a precursor to recession. The good news: today's spread between the 2-year and 10-year Treasuries is 2.71 percentage points, versus the 1.12 percentage point average since 1990. This spread helps banks generate enough earnings to overcome the sins of the past. In a further sign of fundamental improvement, 129 companies in the S&P raised dividends during the first quarter. Buybacks of company stock were up over 67% to $95 billion. Low rates have stimulated the merger and acquisition market as well.

The Search for Businesses with Heart and Soul

The problem with stock indexes is they don't measure the vision, drive, ethics and heart of management. Take Sam Walton, founder of Wal-Mart. During his years of leadership, Wal-Mart stock appreciated over 80,000%. Under Costco founder Jim Sinegal, a $1600 investment in the stock in 1985 is now worth over $750,000. Look also at the contributions of Apple's Steve Jobs. Despite this, trillions of dollars are tied up in nameless, faceless, heartless investment vehicles that make it difficult, perhaps impossible to determine the long-term odds of success. We see tremendous opportunity for our flexible mandate to create portfolios of the most compelling values regardless of investment pigeon holes like style and size.

Inflation: The Flip Side of Low Rates

Inflation is worsening, especially in Asia and Latin America. As money supply growth around the world exceeds productive uses, it leads to areas of investment speculation. According to a recent study in Jim Grant's *Interest Rate Observer*, inflation over the past quarter currently is running over 6% in the U.S., 5% in China and 9% in India. In the first quarter at least 17 countries raised interest rates. So-called negative real interest rates, when inflation exceeds nominal rates, are fueling a boom in commodities and contributing to sharp dollar weakness. The Federal Reserve's zero interest rate policy runs the risk of material misallocation of capital and increasing speculation. Most U.S. government bonds fail to compensate investors for the risk at this time. A 2-year Treasury yields only 0.6%. By comparison, investors demand 24% to hold deadbeat Greece's 2-year paper. We favor instead stocks with growing cash flows and dividend payouts, which help to maintain purchasing power as inflation accelerates. Ideal candidates are undervalued businesses with strong franchises, passionate management, high levels of free cash flow and low mandatory capital spending. They appear to be a much better bet at the present time compared to any domestic fixed income vehicle.

Your trust and support is appreciated.

Jeff Auxier

As of 03/31/2011, the Fund held those securities mentioned in the letter as follows: Apple, Inc., 0%; Berkshire Hathaway Inc. Cl-B, 0.9%; Costco Wholesale Corp., 0.1%; Petroleo Brasileiro, SA, 0.3%; Wal-Mart Stores, Inc., 2.0%; Weight Watchers Intl, Inc., 1.8%.

There can be no guarantee of success with any technique, strategy, or investment. All investing involves risk, including the loss of principal. 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.