

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

June 30, 2018



Verification and Performance Examination Report

Mr. Jeffrey Auxier
Auxier Asset Management, LLC

We have verified whether Auxier Asset Management, LLC (the "Firm") (1) has complied with all the composite construction requirements of the Global Investment Performance Standards (GIPS®) on a firm-wide basis for the periods from April 1, 2017 through June 30, 2018, and (2) designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of June 30, 2018. We have also conducted a performance examination of the Firm's 60% Equity and Cash Composite for the periods from April 1, 2017 through June 30, 2018. The Firm's management is responsible for compliance with the GIPS standards, the design of its policies and procedures, and for the Quarterly Performance and 60% Equity and Cash Composite's compliant presentations. Our responsibility is 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. We also conducted such other procedures as we considered necessary in the circumstances.

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

- Complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the periods from April 1, 2017 through June 30, 2018; and
- Designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of June 30, 2018.

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 June 30, 2018 in compliance with the GIPS standards; and
- Prepared and presented the 60% Equity and Cash Composite's accompanying compliant presentation for the periods from April 1, 2017 through June 30, 2018 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 composite compliant presentation of the Firm other than the Firm's 60% Equity and Cash Composite.

ACA Performance Services, LLC

ACA Performance Services, LLC
September 17, 2018

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Asset-Weighted Performance Gross and Net of Fees
Results have been calculated in U.S. Dollars

		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual
2018	Gross	(2.33%)	2.48%			
	Net	(2.54%)	2.24%			
2017	Gross	5.82%	3.44%	2.01%	5.86%	18.21%
	Net	5.58%	3.21%	1.77%	5.62%	17.14%
2016	Gross	0.71%	2.27%	1.73%	2.79%	7.69%
	Net	0.45%	2.01%	1.48%	2.53%	6.61%
2015	Gross	1.40%	(0.41%)	(5.49%)	5.85%	1.02%
	Net	1.12%	(0.69%)	(5.74%)	5.59%	(0.05%)
2014	Gross	0.35%	4.17%	(0.76%)	4.61%	8.53%
	Net	0.07%	3.88%	(1.03%)	4.33%	7.35%
2013	Gross	9.71%	2.23%	3.41%	7.76%	24.97%
	Net	9.41%	1.94%	3.12%	7.46%	23.59%
2012	Gross	7.09%	(0.83%)	3.15%	0.49%	10.09%
	Net	6.79%	(1.10%)	2.86%	0.21%	8.87%
2011	Gross	6.93%	2.11%	(10.33%)	9.20%	6.92%
	Net	6.65%	1.84%	(10.58%)	8.91%	5.77%
2010	Gross	5.47%	(8.23%)	8.94%	5.84%	11.60%
	Net	5.18%	(8.47%)	8.64%	5.55%	10.40%
2009	Gross	(6.06%)	12.85%	12.32%	4.59%	24.55%
	Net	(6.31%)	12.55%	12.01%	4.30%	23.19%
2008	Gross	(7.12%)	(2.82%)	(1.37%)	(14.40%)	(23.79%)
	Net	(7.37%)	(3.09%)	(1.64%)	(14.64%)	(24.63%)

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Asset-Weighted Performance Gross and Net of Fees
Results have been calculated in U.S. Dollars

		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual
2007	Gross	1.57%	6.83%	(1.43%)	(0.48%)	6.46%
	Net	1.29%	6.54%	(1.71%)	(0.74%)	5.28%
2006	Gross	2.51%	(1.57%)	3.64%	7.89%	12.82%
	Net	2.22%	(1.86%)	3.36%	7.59%	11.57%
2005	Gross	(0.90%)	2.56%	2.20%	2.79%	6.76%
	Net	(1.18%)	2.26%	1.91%	2.50%	5.56%
2004	Gross	2.37%	0.01%	(0.91%)	9.66%	11.25%
	Net	2.12%	(0.28%)	(1.18%)	9.36%	10.06%
2003	Gross	(4.45%)	17.29%	3.71%	11.89%	30.05%
	Net	(4.67%)	17.03%	3.40%	11.60%	28.74%
2002	Gross	2.22%	(8.51%)	(12.15%)	6.74%	(12.30%)
	Net	1.96%	(8.74%)	(12.36%)	6.50%	(13.14%)
2001	Gross	(3.48%)	6.30%	(9.73%)	8.99%	0.94%
	Net	(3.71%)	6.05%	(9.94%)	8.73%	(0.01%)
2000	Gross	5.27%	(3.48%)	5.70%	(1.89%)	5.38%
	Net	5.03%	(3.73%)	5.46%	(2.17%)	4.32%
1999	Gross	0.97%	8.48%	(8.54%)	10.06%	10.27%
	Net	0.74%	8.23%	(8.75%)	9.81%	9.25%
1998	Gross	6.94%	(2.77%)	(15.12%)	13.84%	0.47%
	Net	6.41%	(3.25%)	(15.37%)	13.60%	(1.03%)
1997	Gross	3.82%	15.34%	9.34%	5.67%	38.35%
	Net	3.30%	14.77%	8.80%	5.14%	35.62%

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Asset-Weighted Performance Gross and Net of Fees
Results have been calculated in U.S. Dollars

		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual
1996	Gross	5.06%	3.49%	2.06%	14.07%	26.58%
	Net	4.54%	2.98%	1.55%	13.50%	24.08%
1995	Gross	7.16%	8.65%	11.69%	4.24%	35.55%
	Net	6.63%	8.11%	11.13%	3.72%	32.88%
1994	Gross	(3.57%)	1.10%	5.60%	(9.03%)	(6.35%)
	Net	(4.05%)	0.60%	5.07%	(9.48%)	(8.20%)
1993	Gross	(3.45%)	(2.51%)	4.42%	4.69%	2.90%
	Net	(3.93%)	(3.00%)	3.90%	4.17%	0.86%
1992	Gross	(2.29%)	1.34%	2.88%	(0.13%)	1.74%
	Net	(2.78%)	0.84%	2.37%	(0.63%)	(0.27%)
1991	Gross	20.13%	(2.17%)	7.83%	7.26%	35.93%
	Net	19.53%	(2.66%)	7.29%	6.73%	33.24%
1990	Gross	(8.74%)	11.48%	(17.19%)	13.20%	(4.63%)
	Net	(9.19%)	10.93%	(17.60%)	12.64%	(6.51%)
1989	Gross	14.75%	8.21%	15.14%	(1.57%)	40.73%
	Net	14.18%	7.67%	14.57%	(2.06%)	37.95%

Past performance is not indicative of future results. Performance presented prior to July 1, 1998, occurred while the Portfolio Management Team was affiliated with a prior firm. Accounts in the composite for this period were charged an all-inclusive wrap fee. In addition, prior to July 1, 1998, gross returns are shown as supplemental information and are stated gross of all fees and transaction costs. The Verification and Performance Examination Report and the compliant presentation are an integral part of this presentation. The periods shown prior to April 1, 2017 were examined by another verification firm.

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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						
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.

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 maintains a complete list and description of composites, which is available upon request.

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

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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 portfolios, calculating performance and preparing compliant presentations are available upon request.

The investment management fee schedule for the composite is 1.50% on the first \$500,000 in market value, 1.25% on the next \$500,000 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 was created July 1, 1998. 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 31st 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 Through December 31, 2017. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The 60% Equity and Cash Composite has been examined for the periods January 1, 1989 through December 31, 2017. The verification and performance examination reports are available upon request.