

SCHWARTZ VALUE FOCUSED FUND

Q4 2020 COMMENTARY

For the three months ended December 31, 2020, the total return on the Schwartz Value Focused Fund (RCMFX) was 18.33%, compared to the S&P 1500[®] Index at 13.24%. The Fund's performance versus its benchmark as of December 31, 2020 is as follows:

	1 Yr.	3 Yrs. [^]	5 Yrs. [^]	10 Yrs. [^]	Prospectus Gross/Net Expense Ratio
Schwartz Value Focused Fund	11.62%	6.76%	10.32%	6.21%	1.63%/1.27%
S&P 1500 [®] Index	17.92%	13.63%	14.97%	13.67%	

[^] Annualized

Performance data quoted represents past performance, which is no guarantee of future results. Investment return and principal value are historical and may fluctuate so that redemption value may be worth more or less than the original cost. Current performance may be lower or higher than what is quoted. Call 1-800-449-9240 for the most current month-end performance.

The adviser has contractually agreed to limit the Fund's ordinary operating expenses to an amount not exceeding 1.25% of the Fund's average daily net assets until at least May 1, 2021.

The multi-year cycle of large-caps and growth stocks outperforming small-caps and value stocks continued in 2020. Stock market indices were once again driven by a handful of popular, mega-cap, high-priced, and high-flying technology stocks. Additionally, echoing a period reminiscent of the late 1990s dotcom/internet mania, the 2020 IPO market sizzled, unprofitable companies saw their share prices soar, and the most speculative issues performed best. Meanwhile, traditional measures of valuation seemed to become obsolete. In the S&P 1500[®], returns were highly stratified by market capitalization – the larger the market cap, the greater the price appreciation, as shown in the table below:

Index	Market Cap	2020 Total Return
S&P 500 [®]	Large	18.40%
S&P 400 [®]	Mid	13.66%
S&P 600 [®]	Small	11.29%

Likewise, the return disparity between growth and value was even more pronounced, with growth stocks vastly outperforming their value counterparts (in each market cap range), as shown in the table below:

Index	Market Cap	2020 Total Return
S&P 500 [®] Growth	Large	33.47%
S&P 500 [®] Value	Large	1.36%
S&P 400 [®] Growth	Mid	22.77%
S&P 400 [®] Value	Mid	3.73%
S&P 600 [®] Growth	Small	19.60%
S&P 600 [®] Value	Small	2.53%

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The Fund's largest holding remains Texas Pacific Land Trust (TPL), which represents 22.1% of Fund assets. With ownership of 880,000 acres of land in west Texas (in the heart of the oil-rich Permian Basin), TPL is one of the largest private landowners in the U.S. A few weeks ago, TPL completed a significant corporate reorganization by converting from its Declaration of Trust structure (which had been in place since the year 1888) to a Delaware corporation. One of the main positive effects from the conversion is the updating of TPL's corporate governance from a 19th century trust structure to a 21st century corporation. Further, the conversion should improve visibility among investors and allow TPL to be included in various stock market indices. Additionally, some institutional investors who are not permitted to own publicly traded trusts will now be able to own TPL. Aside from the expected benefits from the conversion, TPL's operations continue to benefit from rebounding oil and natural gas prices. Based on our analysis, we believe TPL's intrinsic value far exceeds the current share price.

The Fund's top performing security in 2020 was Remy Cointreau S.A, which rose 82% since our initial purchase in January 2020. Remy, founded in 1724 in southwest France, is one of the four large cognac houses that control 90% of the market for cognac production. Remy's niche among the cognac producers is the premium quality and exclusivity of its cognac brands. It is an extremely well-managed business that has achieved a long history of rising revenue, operating profits, and dividends. Despite an uncertain operating environment, Remy continues to benefit from a strong recovery in the U.S. and China, its two key markets.

The Fund's five best performing stocks in 2020 were:

<u>Company</u>	<u>Industry</u>	<u>2020 Performance</u>
Remy Cointreau S.A.	Liquor & Beverages	82.13%
Madison Square Garden Enter.	Entertainment	53.81%
A.O. Smith Corporation	Industrial Machinery	45.32%
Pan American Silver Corp.	Metals & Mining	44.36%
Graham Holdings Company	Holding Companies	37.00%

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The main detractors from the Fund's performance in 2020 were companies that were severely impacted by the COVID-19 pandemic. Energy stocks performed poorly throughout the year as oil and natural gas demand (and prices) plummeted in the spring when governments all over the world enacted societal lockdowns. Likewise, the airlines suffered sharp revenue and profitability declines amid the dramatic reduction in air travel. We liquidated our investments in Delta and American Airlines last year, as we believe the airline industry could be hindered for the foreseeable future. The airline balance sheets were weakened considerably in 2020, as debt levels soared in order to maintain operations during the COVID-19 slowdown.

The Fund's five worst performing stocks in 2020 were:

<u>Company</u>	<u>Industry</u>	<u>2020 Performance</u>
Noble Energy, Inc.	Oil/Gas Exploration & Production	-48.58%
Formula One Group	Auto Racing	-36.66%
Delta Air Lines, Inc.	Airlines	-35.50%
American Airlines Group Inc.	Airlines	-15.66%
TJX Companies, Inc.	Retail	- 4.85%

There are some signs that a long-overdue rotation favoring value stocks has begun with energy, industrials, and financials among the best performing sectors in recent weeks.

The year-end distribution of \$0.75 per share consisted of \$0.15 of investment income and \$0.60 of long-term capital gains. The net asset value of the Fund ended the year at \$30.54 per share.

Thank you for being a shareholder in the Schwartz Value Focused Fund.

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IMPORTANT INFORMATION FOR INVESTORS

As of 12-31-20, the holding percentages of the stocks mentioned in this commentary are as follows: Texas Pacific Land Trust (22.1%), Remy Cointreau UNSP ADR (0.8%), Madison Square Garden Enter.(0.6%), A.O. Smith Corporation (1.5%), Pan American Silver Corp. (5.7%), Graham Holdings Company (4.4%), Noble Energy, Inc. (no longer held), Formula One Group (no longer held) and TJX Companies, Inc. (1.9%). Fund holdings are subject to change and should not be considered purchase recommendations. There is no assurance that the securities mentioned remain in the Fund's portfolio or that securities sold have not been repurchased. The Fund's top ten holdings as of 12-31-20: Texas Pacific Land Trust (22.1%), Barrick Gold Corp. (9.4%), Pan American Silver Corporation (5.7%), Graham Holdings Co. Class B (4.4%), Berkshire Hathaway, Inc. Class A (3.8%), Valvoline, Inc. (3.8%), Kroger Company (3.5%), U.S. Treasury Bill 0.00% due 01/07/21 (3.3%), Pioneer Natural Resources Co. (3.2%) and Chevron Corporation (3.1%). The most current available data regarding portfolio holdings can be found on our website, www.schwartzvaluefocusedfund.com. Current and future portfolio holdings are subject to risk.

This Fund is a non-diversified fund. Because the fund may invest in securities of smaller numbers of issuers, the Fund may be more exposed to the risks associated with and developments affecting an individual issuer than a fund that invests more widely. This may, therefore, have a greater impact on the Fund's performance. Performance can be affected by market and investment style risk. Mutual Fund investing involves risk and principal loss is possible. The Fund's investments in small- and mid-capitalization companies could experience greater volatility than investments in large-capitalization companies.

Past performance is no guarantee of future results.

The investment performance assumes reinvestment of dividends and capital gains distributions. The quoted performance for the Fund includes performance of RCM Partners Limited Partnership for periods prior to July 20, 1993. It should be noted that: (1) the Fund's performance includes performance for periods before the Fund's registration statement became effective; (2) the Fund was not registered with the Securities and Exchange Commission and, therefore, was not subject to the investment restrictions imposed by law on registered mutual funds; and (3) if the Fund had been registered during such periods, performance may have been adversely affected. The S&P 1500[®] Index includes all stocks in the S&P 500[®], S&P 400[®], and S&P 600[®]. This index covers 90% of the market capitalization of U.S. stocks. Indexes do not incur fees and it is not possible to invest directly in an index.

Prospective investors should read the prospectus carefully and consider the Fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus, which can be obtained by calling 1-800-449-9240 or online at www.schwartzvaluefocusedfund.com, contains this and other important information. Distributed by Ultimus Fund Distributors, LLC.