

# Schwartz Value Fund

.....  
VALUE INVESTING SINCE 1984



.....  
ANNUAL REPORT

DECEMBER 31, 2010



## Shareholder Accounts

c/o Ultimus Fund  
Solutions, LLC  
P.O. Box 46707  
Cincinnati, OH 45246  
(888) 726-0753



## Corporate Offices

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Bloomfield Hills, MI 48301

# Schwartz Value Fund

Dear Fellow Shareowner:

In many respects, 2010 was a repeat of 2009. Stock prices declined in the early part of the year, as investors dealt with the European sovereign debt crisis, the “Flash Crash” in May, and pondered the strength of the economic recovery. Stocks rose markedly in the second half of the year, owing to improving economic measures, rising consumer and business confidence, an extension of President Bush’s tax-rates, and a fresh dose of monetary stimulus from the Federal Reserve. By December’s end, the major stock market indices had recorded double-digit increases for the year. For the second year in a row, small-caps were the big winners, as the smallest, most leveraged companies outperformed their larger, less leveraged counterparts. In that environment, our risk averse, value-oriented investment style contributed to the Schwartz Value Fund (the “Fund”) underperforming the major stock market indices. For longer-term periods (three years and ten years), the Fund has outperformed the major indices.

### Average Annual Total Returns For Periods Ended 12/31/10

	<u>1 year</u>	<u>3 years</u>	<u>10 years</u>
Schwartz Value Fund	12.0%	-1.1%	6.6%
Dow Jones Industrials	14.1%	-1.6%	3.1%
S&P 500 Index	15.1%	-2.9%	1.4%
Russell 1000 Index	16.1%	-2.4%	1.8%
Russell 2000 Index	26.9%	2.2%	6.3%

Among the best performing stocks for the Fund in 2010 were several energy related holdings, as oil prices (and many other commodities) rose sharply, based on inflationary fears and the rebounding global economy. Another big winner was Signet Jewelers Ltd., the world’s largest specialty jewelry retailer with brands such as Kay Jewelers and Jared. The five stocks that performed best for the Fund during 2010 were:

Rosetta Resources, Inc.	Oil, Gas & Consumable Fuels	+68.6%
Rowan Companies, Inc.	Energy Equipment & Services	+68.5%
Signet Jewelers, Ltd.	Specialty Retail	+60.9%
EnSCO PLC	Energy Equipment & Services	+47.7%
Patterson-UTI Energy, Inc.	Energy Equipment & Services	+45.9%

Fund holdings that detracted from performance in 2010 included H&R Block, Inc. and Federated Investors, Inc. H&R Block's stock price suffered as the company reported declining revenue due to the high unemployment rate and fewer customer tax returns filed. Federated, one of the country's largest managers of money market funds, was forced to waive a portion of their management fees due to short-term interest rates near 0% for much of the year. We believe the negatives facing both companies to be temporary and continue to own both stocks, as they have significant recovery potential. The five stocks that performed worst for the Fund during 2010 were:

H&R Block, Inc.	Diversified Financial Services	-21.5%
Unico American Corporation	Insurance	-7.8%
Federated Investors, Inc.	Financials – Capital Markets	-7.7%
Investment Technology Group, Inc.	Financials – Capital Markets	-6.4%
Microsoft Corporation	Software	-3.2%

Long-time shareholders are familiar with our contrarian, value investment philosophy. We believe shares of a well-managed business, purchased at a compelling valuation and held for many years, allow the power of compounding to work in our favor. It is a time-tested method for achieving superior investment results. Contrarian investing is by nature a lonesome endeavor that requires patience and discipline, the merits of which have been demonstrated time and again.

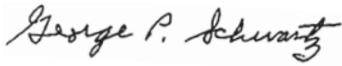
Over the past few years we have been purchasing larger capitalization companies that meet our quality standards. In our view many of our companies made solid fundamental progress in their operations and improved their financial and competitive positions in 2010, even though their share prices languished from lack of investor interest. As the new decade begins, there appears to be a good bit of speculative froth in many small and micro-cap issues, none of which we believe are represented in the Schwartz Value Fund. And we want to avoid the mistake many investors make during bull markets – to become unduly focused on return and forget about risk. Managing risk is an essential part of our investment process. As the legendary value investor Seth Klarman says, “the best investors do not target return – they focus first on risk, and only then decide whether the projected return justifies taking each particular risk.”

At year end the portfolio was heavily represented by large capitalization companies that we believe are extremely high quality. In our opinion, they have deep and talented management teams, which have demonstrated good stewardship of shareholder capital by repurchasing shares and paying dividends. In addition, these companies have strong balance sheets, solid operating fundamentals, and excellent free cash flow. Current portfolio holdings with these characteristics include Cisco Systems, Inc. (networking and communication equipment), Dell, Inc. (computer hardware & services), Exxon Mobil Corporation (energy), Hewlett-Packard Company (computer hardware & services), Johnson & Johnson (pharmaceuticals), Wal-Mart Stores, Inc. (retailing), and Microsoft Corporation (PC software & services). The world's largest software company, Microsoft dominates personal and corporate PC markets around the globe with its Windows and Office products. The company generates nearly \$70 billion in revenue annually, \$20 billion in profits, has an annual R&D budget of \$9 billion, and has a fortress-like balance sheet with \$40 billion in cash, and low debt. Like many large-cap, high quality companies, its stock price has languished in recent years. Like many of our portfolio holdings, we believe Microsoft is a low risk, attractively priced issue that will

provide excellent long-term appreciation. We believe the risk in the portfolio is low and the upside potential is significant.

Thanks for being a shareholder of the Schwartz Value Fund.

With best regards,



George P. Schwartz, CFA  
Co-Portfolio Manager

January 31, 2011



Timothy S. Schwartz, CFA  
Co-Portfolio Manager

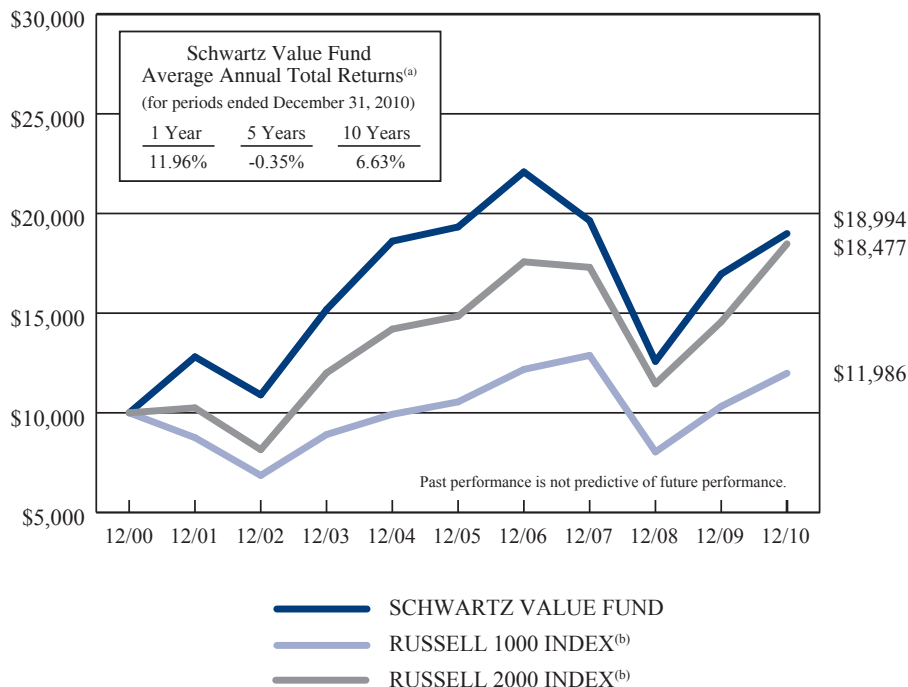
*Past performance is not predictive of future performance. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. Performance data, current to the most recent month end, are available by calling the Fund at 1-888-726-0753.*

An investor should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. The Fund's prospectus contains this and other important information. To obtain a copy of the prospectus please visit our website at [www.schwartzvaluefund.com](http://www.schwartzvaluefund.com) or call 1-888-726-0753 and a copy will be sent to you free of charge. Please read the prospectus carefully before you invest.

The Letter to Shareholders seeks to describe some of the Adviser's current opinions and views of the financial markets. Although the Adviser believes it has a reasonable basis for any opinions or views expressed, actual results may differ, sometimes significantly so, from those expected or expressed.

# SCHWARTZ VALUE FUND PERFORMANCE (Unaudited)

## Comparison of the Change in Value of a \$10,000 Investment in the Schwartz Value Fund, the Russell 1000 Index and the Russell 2000 Index



<sup>(a)</sup> The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>(b)</sup> Prior to December 31, 2010, the Russell 2000 Index was used as the Fund's primary benchmark. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The Fund's focus has evolved to include mostly large-cap companies. Therefore, the Fund's managers believe the Russell 1000 Index, an index that measures the performance of the large-cap segment of the U.S. equity universe, is a more representative index for comparison purposes.

Expense Ratio information as of:	Year Ended 12-31-09 (as disclosed in April 30, 2010 prospectus)	Year Ended 12-31-10
	1.53%	1.43%

*This report is for the information of shareholders, but it may also be used as sales literature when preceded or accompanied by a current prospectus, which gives details about charges, expenses, investment objectives and operating policies of the Fund. The Fund is distributed by Ultimus Fund Distributors, LLC.*

# SCHWARTZ VALUE FUND

## ANNUAL TOTAL RATES OF RETURN

### COMPARISON WITH MAJOR INDICES (Unaudited)

	SCHWARTZ VALUE FUND <sup>(a)</sup>	RUSSELL 1000 INDEX	RUSSELL 2000 INDEX	NASDAQ COMPOSITE <sup>(b)</sup>	VALUE LINE COMPOSITE <sup>(b)</sup>	S&P 500 INDEX
1984	11.1%	4.8%	-7.3%	-11.2%	-8.4%	6.1%
1985	21.7%	32.3%	31.1%	31.4%	20.7%	31.6%
1986	16.4%	17.9%	5.7%	7.4%	5.0%	18.7%
1987	-0.6%	2.9%	-8.8%	-5.3%	-10.6%	5.3%
1988	23.1%	17.3%	24.9%	15.4%	15.4%	16.8%
1989	8.3%	30.4%	16.2%	19.3%	11.2%	31.6%
1990	-5.3%	-4.2%	-19.5%	-17.8%	-24.3%	-3.2%
1991	32.0%	33.0%	46.1%	56.8%	27.2%	30.4%
1992	22.7%	8.9%	18.4%	15.5%	7.0%	7.6%
1993	20.5%	10.2%	18.9%	14.7%	10.7%	10.1%
1994	-6.8%	0.4%	-1.8%	-3.2%	-6.0%	1.3%
1995	16.9%	37.8%	28.4%	39.9%	19.3%	37.5%
1996	18.3%	22.5%	16.5%	22.7%	13.4%	22.9%
1997	28.0%	32.9%	22.4%	21.6%	21.1%	33.4%
1998	-10.4%	27.0%	-2.5%	39.6%	-3.8%	28.6%
1999	-2.5%	20.9%	21.3%	85.6%	-1.4%	21.0%
2000	9.3%	-7.8%	-3.0%	-39.3%	-8.7%	-9.1%
2001	28.1%	-12.5%	2.5%	-21.0%	-6.1%	-11.9%
2002	-14.9%	-21.7%	-20.5%	-31.5%	-28.6%	-22.1%
2003	39.3%	29.9%	47.3%	50.0%	37.4%	28.7%
2004	22.6%	11.4%	18.3%	8.6%	11.5%	10.9%
2005	3.8%	6.3%	4.6%	1.4%	2.0%	4.9%
2006	14.3%	15.5%	18.4%	9.5%	11.0%	15.8%
2007	-11.1%	5.8%	-1.6%	9.8%	-3.8%	5.5%
2008	-35.9%	-37.6%	-33.8%	-40.5%	-48.7%	-37.0%
2009	34.8%	28.4%	27.2%	43.9%	36.8%	26.5%
2010	12.0%	16.1%	26.9%	16.9%	20.5%	15.1%

## AVERAGE ANNUAL TOTAL RETURNS

### As of December 31, 2010 (Unaudited)

	SCHWARTZ VALUE FUND <sup>(a)</sup>	RUSSELL 1000 INDEX	RUSSELL 2000 INDEX	NASDAQ COMPOSITE <sup>(b)</sup>	VALUE LINE COMPOSITE <sup>(b)</sup>	S&P 500 INDEX
3 Years	-1.1%	-2.4%	2.2%	0.0%	-5.4%	-2.9%
5 Years	-0.4%	2.6%	4.5%	3.8%	-2.0%	2.3%
10 Years	6.6%	1.8%	6.3%	0.7%	-0.6%	1.4%
27 Years	9.5%	10.6%	9.2%	8.7%	2.4%	10.5%

<sup>(a)</sup> Schwartz Value Fund's performance combines the performance of the Fund since its commencement of operations as a registered investment company on July 20, 1993, and the performance of RCM Partners Limited Partnership for periods prior thereto.

<sup>(b)</sup> Excluding dividends.

**SCHWARTZ VALUE FUND**  
**TEN LARGEST EQUITY HOLDINGS**  
**December 31, 2010 (Unaudited)**

Shares	Company	Market Value	% of Net Assets
31,033	Exxon Mobil Corporation .....	\$ 2,269,133	6.5%
60,000	Microsoft Corporation .....	1,675,200	4.8%
182,700	Unico American Corporation .....	1,669,878	4.7%
45,000	Nintendo Company Ltd. - ADR .....	1,634,850	4.6%
25,000	Johnson & Johnson .....	1,546,250	4.4%
10,000	SPDR Gold Trust .....	1,387,200	3.9%
45,000	Sysco Corporation .....	1,323,000	3.8%
94,400	Dell, Inc. ....	1,279,120	3.6%
25,000	Accenture PLC - Class A .....	1,212,250	3.4%
10	Berkshire Hathaway, Inc. - Class A .....	1,204,500	3.4%

**ASSET ALLOCATION (Unaudited)**

Sector	% of Net Assets
Consumer Discretionary .....	4.7%
Consumer Staples .....	8.5%
Energy .....	20.4%
Financials .....	23.8%
Health Care .....	6.9%
Information Technology .....	18.3%
Telecommunication Services .....	1.0%
Exchange-Traded Funds .....	5.2%
Cash Equivalents, Other Assets and Liabilities .....	11.2%
	<u>100.0%</u>

# SCHWARTZ VALUE FUND

## SCHEDULE OF INVESTMENTS

December 31, 2010

COMMON STOCKS — 83.6%	Shares	Market Value
<b>Consumer Discretionary — 4.7%</b>		
<i>Diversified Consumer Services — 0.1%</i>		
Strayer Education, Inc. ....	200	\$ 30,444
<i>Leisure Equipment &amp; Products — 4.6%</i>		
Nintendo Company Ltd. - ADR .....	45,000	1,634,850
<b>Consumer Staples — 8.5%</b>		
<i>Food &amp; Staples Retailing — 6.8%</i>		
Sysco Corporation .....	45,000	1,323,000
Wal-Mart Stores, Inc. ....	20,000	1,078,600
		<u>2,401,600</u>
<i>Food Products — 1.7%</i>		
Nestlé S.A. - ADR .....	10,000	588,200
<b>Energy — 20.4%</b>		
<i>Energy Equipment &amp; Services — 8.7%</i>		
Atwood Oceanics, Inc. * .....	7,500	280,275
EnSCO PLC - ADR .....	20,000	1,067,600
Nabors Industries Ltd. * .....	15,000	351,900
Patterson-UTI Energy, Inc. ....	27,500	592,625
Rowan Companies, Inc. * .....	10,000	349,100
Schlumberger Limited .....	5,000	417,500
		<u>3,059,000</u>
<i>Oil, Gas &amp; Consumable Fuels — 11.7%</i>		
BP PLC - ADR .....	20,000	883,400
Exxon Mobil Corporation .....	31,033	2,269,133
Range Resources Corporation .....	8,400	377,832
Southwestern Energy Company * .....	15,000	561,450
		<u>4,091,815</u>
<b>Financials — 23.8%</b>		
<i>Capital Markets — 2.2%</i>		
Federated Investors, Inc. - Class B .....	30,000	785,100
<i>Diversified Financial Services — 8.2%</i>		
H&R Block, Inc. ....	75,000	893,250
MasterCard, Inc. - Class A .....	3,000	672,330
PICO Holdings, Inc. * .....	10,000	318,000
Western Union Company (The) .....	53,000	984,210
		<u>2,867,790</u>
<i>Insurance — 13.4%</i>		
Alleghany Corporation * .....	2,070	634,186
Berkshire Hathaway, Inc. - Class A * .....	10	1,204,500
Chubb Corporation (The) .....	20,000	1,192,800

**SCHWARTZ VALUE FUND**  
**SCHEDULE OF INVESTMENTS**  
**(continued)**

<b>COMMON STOCKS — 83.6% (Continued)</b>	<b>Shares</b>	<b>Market Value</b>
<b>Financials — 23.8% (Continued)</b>		
<i>Insurance — 13.4% (Continued)</i>		
Unico American Corporation .....	182,700	\$ 1,669,878
		<u>4,701,364</u>
<b>Health Care — 6.9%</b>		
<i>Pharmaceuticals — 6.9%</i>		
Johnson & Johnson .....	25,000	1,546,250
Pfizer, Inc. ....	50,000	875,500
		<u>2,421,750</u>
<b>Information Technology — 18.3%</b>		
<i>Communications Equipment — 1.0%</i>		
Cisco Systems, Inc. * .....	16,800	<u>339,864</u>
<i>Computers &amp; Peripherals — 6.9%</i>		
Dell, Inc. * .....	94,400	1,279,120
Hewlett-Packard Company .....	27,680	1,165,328
		<u>2,444,448</u>
<i>Electronic Equipment, Instruments &amp; Components — 2.2%</i>		
Ingram Micro, Inc. - Class A * .....	40,000	<u>763,600</u>
<i>IT Services — 3.4%</i>		
Accenture PLC - Class A .....	25,000	<u>1,212,250</u>
<i>Software — 4.8%</i>		
Microsoft Corporation .....	60,000	<u>1,675,200</u>
<b>Telecommunication Services — 1.0%</b>		
<i>Diversified Telecommunication Services — 1.0%</i>		
Verizon Communications, Inc. ....	10,000	<u>357,800</u>
<b>Total Common Stocks (Cost \$23,920,378) .....</b>		<b>\$ 29,375,075</b>

<b>EXCHANGE-TRADED FUNDS — 5.2%</b>	<b>Shares</b>	<b>Market Value</b>
iShares Barclays TIPS Bond Fund .....	4,000	\$ 430,080
SPDR Gold Trust * .....	10,000	<u>1,387,200</u>
<b>Total Exchange-Traded Funds (Cost \$1,347,153) .....</b>		<b>\$ 1,817,280</b>

**SCHWARTZ VALUE FUND**  
**SCHEDULE OF INVESTMENTS**  
**(continued)**

<b>OPEN-END FUNDS — 0.0%</b>	<b>Shares</b>	<b>Market Value</b>
Sequoia Fund (Cost \$8,028) .....	62	\$ 7,953

<b>MONEY MARKET FUNDS — 11.4%</b>	<b>Shares</b>	<b>Market Value</b>
Federated Government Obligations Tax-Managed Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	1,686,842	\$ 1,686,842
Federated Treasury Obligations Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	783,747	783,747
Federated U.S. Treasury Cash Reserve Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	1,550,353	1,550,353
<b>Total Money Market Funds</b> (Cost \$4,020,942) .....		<u>\$ 4,020,942</u>
<b>Total Investments at Market Value — 100.2%</b> (Cost \$29,296,501) .....		\$ 35,221,250
<b>Liabilities in Excess of Other Assets — (0.2%)</b> .....		<u>(60,117)</u>
<b>Net Assets — 100.0%</b> .....		<u>\$ 35,161,133</u>

ADR - American Depositary Receipt.

\* Non-income producing security.

<sup>(a)</sup> The rate shown is the 7-day effective yield as of December 31, 2010.

See notes to financial statements.

**SCHWARTZ VALUE FUND**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**December 31, 2010**

**ASSETS**

Investments, at market value (cost of \$29,296,501) (Note 1) .....	\$ 35,221,250
Receivable for capital shares sold .....	100
Dividends receivable .....	26,826
Other assets .....	14,121
<b>TOTAL ASSETS</b> .....	<u>35,262,297</u>

**LIABILITIES**

Payable for capital shares redeemed .....	27
Payable to adviser (Note 2) .....	82,169
Payable to administrator (Note 2) .....	4,380
Other accrued expenses .....	14,588
<b>TOTAL LIABILITIES</b> .....	<u>101,164</u>

<b>NET ASSETS</b> .....	<u>\$ 35,161,133</u>
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**NET ASSETS CONSIST OF:**

Paid-in capital .....	\$ 36,261,747
Undistributed net investment income .....	16
Accumulated net realized losses from security transactions .....	(7,025,379)
Net unrealized appreciation on investments .....	5,924,749
<b>NET ASSETS</b> .....	<u>\$ 35,161,133</u>

Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value) .....	<u>1,657,672</u>
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Net asset value, offering price and redemption price per share .....	<u>\$ 21.21</u>
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See notes to financial statements.

**SCHWARTZ VALUE FUND**  
**STATEMENT OF OPERATIONS**  
**For the Year Ended December 31, 2010**

<b>INVESTMENT INCOME</b>	
Dividends (Net of foreign tax of \$3,590) .....	\$ 662,341
<b>EXPENSES</b>	
Investment advisory fees (Note 2) .....	328,348
Administration, accounting and transfer agent fees (Note 2) .....	51,068
Trustees' fees and expenses .....	27,534
Legal and audit fees .....	26,639
Registration fees .....	21,492
Custodian and bank service fees .....	6,640
Printing of shareholder reports .....	4,895
Postage and supplies .....	4,369
Insurance expense .....	3,476
Compliance service fees and expenses (Note 2) .....	2,094
Other expenses .....	9,387
<b>TOTAL EXPENSES</b> .....	<u>485,942</u>
<b>NET INVESTMENT INCOME</b> .....	<u>176,399</u>
<b>REALIZED AND UNREALIZED GAINS/(LOSSES) ON INVESTMENTS</b>	
Net realized gains from security transactions .....	5,346,651
Net change in unrealized appreciation/depreciation on investments .....	<u>(1,650,113)</u>
<b>NET REALIZED AND UNREALIZED GAINS ON INVESTMENTS</b> .....	<u>3,696,538</u>
<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b> ...	<u><u>\$ 3,872,937</u></u>

See notes to financial statements.

# SCHWARTZ VALUE FUND

## STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended December 31, 2010	Year Ended December 31, 2009
<b>FROM OPERATIONS</b>		
Net investment income/(loss) .....	\$ 176,399	\$ (20,978)
Net realized gains/(losses) from security transactions .....	5,346,651	(2,434,233)
Net change in unrealized appreciation/ depreciation on investments .....	<u>(1,650,113)</u>	<u>11,299,767</u>
Net increase in net assets resulting from operations .....	<u>3,872,937</u>	<u>8,844,556</u>
<b>FROM DISTRIBUTIONS TO SHAREHOLDERS</b>		
From net investment income .....	<u>(176,383)</u>	<u>—</u>
<b>FROM CAPITAL SHARE TRANSACTIONS</b>		
Proceeds from shares sold .....	1,137,400	1,759,557
Reinvestment of distributions to shareholders .....	142,604	—
Payments for shares redeemed .....	<u>(4,184,554)</u>	<u>(3,724,792)</u>
Net decrease in net assets from capital share transactions .....	<u>(2,904,550)</u>	<u>(1,965,235)</u>
<b>TOTAL INCREASE IN NET ASSETS</b> .....	792,004	6,879,321
<b>NET ASSETS</b>		
Beginning of year .....	<u>34,369,129</u>	<u>27,489,808</u>
End of year .....	<u>\$ 35,161,133</u>	<u>\$ 34,369,129</u>
<b>UNDISTRIBUTED NET INVESTMENT INCOME</b> .....	<u>\$ 16</u>	<u>\$ —</u>
<b>SUMMARY OF CAPITAL SHARE ACTIVITY</b>		
Shares sold .....	57,788	101,406
Shares issued in reinvestment of distributions to shareholders .....	6,733	—
Shares redeemed .....	<u>(212,210)</u>	<u>(242,708)</u>
Net decrease in shares outstanding .....	<u>(147,689)</u>	<u>(141,302)</u>
Shares outstanding, beginning of year .....	1,805,361	1,946,663
Shares outstanding, end of year .....	<u>1,657,672</u>	<u>1,805,361</u>

See notes to financial statements.

# SCHWARTZ VALUE FUND

## FINANCIAL HIGHLIGHTS

### Per Share Data for a Share Outstanding Throughout Each Year

	Year Ended Dec. 31, 2010	Year Ended Dec. 31, 2009	Year Ended Dec. 31, 2008	Year Ended Dec. 31, 2007	Year Ended Dec. 31, 2006
Net asset value at beginning of year .....	\$ 19.04	\$ 14.12	\$ 22.15	\$ 25.52	\$ 25.44
Income/(loss) from investment operations:					
Net investment income/(loss) .....	0.11	(0.01)	0.07	(0.00) <sup>(a)</sup>	(0.09)
Net realized and unrealized gains/ (losses) on investments .....	2.17	4.93	(8.03)	(2.82)	3.74
Total from investment operations .....	2.28	4.92	(7.96)	(2.82)	3.65
Less distributions:					
From net investment income .....	(0.11)	—	(0.07)	—	—
From net realized gains on investments ..	—	—	(0.00) <sup>(a)</sup>	(0.55)	(3.57)
Total distributions .....	(0.11)	—	(0.07)	(0.55)	(3.57)
Net asset value at end of year .....	\$ 21.21	\$ 19.04	\$ 14.12	\$ 22.15	\$ 25.52
Total return <sup>(b)</sup> .....	12.0%	34.8%	(35.9%)	(11.1%)	14.3%
Ratios/Supplementary Data:					
Net assets at end of year (000's) .....	\$ 35,161	\$ 34,369	\$ 27,490	\$ 54,863	\$ 68,408
Ratio of expenses to average net assets .....	1.43%	1.55%	1.43%	1.34%	1.38%
Ratio of net investment income/(loss) to average net assets .....	0.52%	(0.07)%	0.33%	(0.00)%	(0.35)%
Portfolio turnover rate .....	69%	73%	150%	78%	82%

<sup>(a)</sup> Amount rounds to less than \$0.01 per share.

<sup>(b)</sup> Total return is a measure of the change in value of an investment in the Fund over the years covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. Returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

See notes to financial statements.

# SCHWARTZ VALUE FUND

## NOTES TO FINANCIAL STATEMENTS

### December 31, 2010

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#### 1. Significant Accounting Policies

Schwartz Value Fund (the “Fund”) is a diversified series of Schwartz Investment Trust (the “Trust”), an open-end management investment company established as an Ohio business trust under a Declaration of Trust dated August 31, 1992. The Fund is registered under the Investment Company Act of 1940 and commenced operations on July 20, 1993.

The investment objective of the Fund is to seek long-term capital appreciation. See the Prospectus for information regarding the principal investment strategies of the Fund.

Shares of the Fund are sold at net asset value. To calculate the net asset value, the Fund’s assets are valued and totaled, liabilities are subtracted, and the balance is divided by the number of shares outstanding. The offering price and redemption price per share are equal to the net asset value per share.

The following is a summary of significant accounting policies followed by the Fund:

**(a) Valuation of investments** — Securities which are traded on stock exchanges, other than NASDAQ, are valued at the closing sales price as of the close of the regular session of trading on the New York Stock Exchange on the day the securities are being valued, or, if not traded on a particular day, at the closing bid price. Securities which are quoted by NASDAQ are valued at the NASDAQ Official Closing Price. Securities traded in the over-the-counter market are valued at the last reported sales price or, if there is no reported sale on the valuation date, at the most recently quoted bid. Securities which are traded both in the over-the-counter market and on a stock exchange are valued according to the broadest and most representative market. Investments representing shares of other open-end investment companies are valued at their net asset value as reported by such companies. Securities (and other assets) for which market quotations are not readily available are valued at their fair value as determined in good faith in accordance with consistently applied procedures established by and under the general supervision of the Board of Trustees, and will be classified as Level 2 or 3 within the fair value hierarchy, depending on the inputs used. Short-term instruments (those with remaining maturities of 60 days or less) are valued at amortized cost, which approximates market value.

Accounting principles generally accepted in the United States (“GAAP”) establish a single authoritative definition of fair value, set out a framework for measuring fair value and require additional disclosures about fair value measurements.

Various inputs are used in determining the value of the Fund’s investments. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs
- Level 3 – significant unobservable inputs

# SCHWARTZ VALUE FUND

## NOTES TO FINANCIAL STATEMENTS

### (continued)

The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement.

The following is a summary of the inputs used to value the Fund's investments by security type, as of December 31, 2010:

	Level 1	Level 2	Level 3	Total
Common Stocks	\$ 29,375,075	\$ —	\$ —	\$ 29,375,075
Exchange-Traded Funds	1,817,280	—	—	1,817,280
Open-End Funds	7,953	—	—	7,953
Money Market Funds	<u>4,020,942</u>	<u>—</u>	<u>—</u>	<u>4,020,942</u>
Total	<u>\$ 35,221,250</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 35,221,250</u>

Refer to the Fund's Schedule of Investments for a listing of the common stocks valued using Level 1 inputs by industry type. During the year ended December 31, 2010, the Fund did not have any significant transfers in and out of Level 1 or Level 2. There were no Level 2 or 3 securities or derivative instruments held by the Fund during or as of the year ended December 31, 2010.

**(b) Income taxes** — It is the Fund's policy to comply with the special provisions of Subchapter M of the Internal Revenue Code applicable to regulated investment companies. As provided therein, in any fiscal year in which the Fund so qualifies and distributes at least 90% of its taxable income, the Fund (but not the shareholders) will be relieved of federal income tax on the income distributed. Accordingly, no provision for income taxes has been made.

In order to avoid imposition of the excise tax applicable to regulated investment companies, it is also the Fund's intention to declare as dividends in each calendar year at least 98% of its net investment income and 98% of its net realized capital gains plus undistributed amounts from prior years.

The following information is computed on a tax basis for each item as of December 31, 2010:

Federal income tax cost	<u>\$ 29,296,501</u>
Gross unrealized appreciation	\$ 6,098,441
Gross unrealized depreciation	<u>(173,692)</u>
Net unrealized appreciation	\$ 5,924,749
Undistributed ordinary income	16
Capital loss carryforwards	<u>(7,025,379)</u>
Accumulated deficit	<u>\$ (1,100,614)</u>

# SCHWARTZ VALUE FUND

## NOTES TO FINANCIAL STATEMENTS

### (continued)

As of December 31, 2010, the Fund had capital loss carryforwards for federal income tax purposes of \$7,025,379, of which \$4,352,722 expires on December 31, 2016 and \$2,672,657 expires on December 31, 2017. These capital loss carryforwards may be utilized in future years to offset net realized capital gains, if any, prior to distributing such gains to shareholders.

During the year ended December 31, 2010, the Fund utilized \$5,107,513 of capital loss carryforwards to offset current year realized gains.

The Fund recognizes the tax benefits or expenses of uncertain tax positions only when the position is “more-likely-than-not” to be sustained assuming examination by tax authorities. Management has reviewed the tax positions taken on federal income tax returns for all open tax years (tax years ended December 31, 2007 through December 31, 2010) and has concluded that no provision for unrecognized tax benefits or expenses is required in these financial statements.

**(c) Security transactions and investment income** — Security transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recognized on the accrual basis. Realized gains and losses on security transactions are determined on the identified cost basis.

**(d) Dividends and distributions** — Dividends from net investment income and net capital gains, if any, are declared and paid annually in December. Dividends and distributions to shareholders are recorded on the ex-dividend date. The tax character of distributions paid during the years ended December 31, 2010 and December 31, 2009 was as follows:

Year Ended	Ordinary Income	Total Distributions
December 31, 2010	\$ 176,383	\$ 176,383
December 31, 2009	\$ —	\$ —

**(e) Repurchase agreements** — The Fund may enter into repurchase agreements (agreements to purchase securities subject to the seller’s agreement to repurchase them at a specified time and price) with well-established registered securities dealers or banks. Repurchase agreements may be deemed to be loans by the Fund. The Fund’s policy is to take possession of U.S. Government obligations as collateral under a repurchase agreement and, on a daily basis, mark-to-market such obligations to ensure that their value, including accrued interest, is at least equal to the amount to be repaid to the Fund under the repurchase agreement. If the seller defaults, and the fair value of the collateral declines, realization of the collateral by the Fund may be delayed or limited. There were no outstanding repurchase agreements at December 31, 2010.

**(f) Estimates** — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

# SCHWARTZ VALUE FUND

## NOTES TO FINANCIAL STATEMENTS

### (continued)

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(g) **Common expenses** — Common expenses of the Trust are allocated among the Fund and the other series of the Trust based on relative net assets of each series or the nature of the services performed and the relative applicability to each series.

## 2. Investment Advisory Agreement and Transactions with Related Parties

The Chairman and President of the Trust is also the President and Chief Investment Officer of Schwartz Investment Counsel, Inc. (the “Adviser”). Certain other officers of the Trust are officers of the Adviser, or of Ultimus Fund Solutions, LLC (“Ultimus”), the administrative, accounting and transfer agent for the Fund, or of Ultimus Fund Distributors, LLC (the “Distributor”), the Fund’s principal underwriter.

Pursuant to an Investment Advisory Agreement between the Trust and the Adviser, the Adviser is responsible for the management of the Fund and provides investment advice along with the necessary personnel, facilities, equipment and certain other services necessary to the operations of the Fund. Effective May 1, 2010, the Adviser receives from the Fund a quarterly fee at the annual rate of 0.95% per annum of the Fund’s average daily net assets. Prior to May 1, 2010, the Adviser received from the Fund a quarterly fee at the annual rate of 1.00% per annum of the Fund’s average daily net assets.

The Chief Compliance Officer of the Trust (the “CCO”) is an employee of the Adviser. The Trust pays the Adviser \$25,000 annually for providing CCO services, of which the Fund pays its proportionate share along with the other series of the Trust. In addition, the Trust reimburses the Adviser for out-of-pocket expenses incurred, if any, for providing these services.

Pursuant to a Mutual Fund Services Agreement between the Trust and Ultimus, Ultimus supplies regulatory and compliance services, calculates the daily net asset value per share, maintains the financial books and records of the Fund, maintains the records of each shareholder’s account, and processes purchases and redemptions of the Fund’s shares. For the performance of these services, the Fund pays Ultimus a fee, payable monthly, at an annual rate of 0.15% of its average daily net assets, subject to a minimum monthly fee of \$4,000.

Pursuant to a Distribution Agreement between the Trust and the Distributor, the Distributor serves as the Fund’s exclusive agent for the distribution of its shares. The Distributor is an affiliate of Ultimus.

## 3. Investment Transactions

During the year ended December 31, 2010, cost of purchases and proceeds from sales and maturities of investment securities, excluding short-term investments and U.S. government securities, amounted to \$21,399,532 and \$23,242,403, respectively.

# **SCHWARTZ VALUE FUND**

## **NOTES TO FINANCIAL STATEMENTS**

### **(continued)**

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#### **4. Contingencies and Commitments**

The Fund indemnifies the Trust's officers and Trustees for certain liabilities that might arise from their performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.

#### **5. Subsequent Events**

The Fund is required to recognize in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed as of the date of the Statement of Assets and Liabilities. For non-recognized subsequent events that must be disclosed to keep the financial statements from being misleading, the Fund is required to disclose the nature of the event as well as an estimate of its financial effect, or a statement that such an estimate cannot be made. Management has evaluated subsequent events through the issuance of these financial statements and has noted no such events.

#### **6. Recent Accounting Pronouncement**

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2010-06 "Improving Disclosures about Fair Value Measurements." ASU No. 2010-06 amends FASB Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosures, to require additional disclosures regarding fair value measurements. Certain disclosures required by ASU No. 2010-06 are effective for interim and annual reporting periods beginning after December 15, 2009 and others for fiscal years beginning after December 15, 2010 and for interim periods within those fiscal years. Management has determined that ASU No. 2010-06 has no monetary impact on the Fund's financial statements but will continue to evaluate the impact of those portions that are effective next fiscal year.

# **SCHWARTZ VALUE FUND**

## **REPORT OF INDEPENDENT REGISTERED**

### **PUBLIC ACCOUNTING FIRM**

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To the Shareholders and Board of Trustees of  
Schwartz Value Fund:

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Schwartz Value Fund (the “Fund”) as of December 31, 2010, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of December 31, 2010, by correspondence with the custodian and brokers. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Schwartz Value Fund as of December 31, 2010, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

/s/ DELOITTE & TOUCHE LLP

Chicago, Illinois  
February 22, 2011

# SCHWARTZ VALUE FUND

## BOARD OF TRUSTEES AND EXECUTIVE OFFICERS

### (Unaudited)

Overall responsibility for management of the Trust rests with the Board of Trustees. The Trustees serve during the lifetime of the Trust and until its termination, or until death, resignation, retirement or removal. The Trustees, in turn, elect the officers of the Trust to actively supervise its day-to-day operations. The officers have been elected for an annual term. The following are the Trustees and executive officers of the Trust:

Trustee/Officer	Address	Age	Position Held with the Trust	Length of Time Served
<i>Interested Trustees:</i>				
* George P. Schwartz, CFA	3707 W. Maple Road, Bloomfield Hills, MI	66	Chairman of the Board/President/Trustee	Since 1992
<i>Independent Trustees:</i>				
John E. Barnds	3707 W. Maple Road, Bloomfield Hills, MI	78	Trustee	Since 2005
Louis C. Bosco, Jr.	3707 W. Maple Road, Bloomfield Hills, MI	74	Trustee	Since 2008
Donald J. Dawson, Jr.	3707 W. Maple Road, Bloomfield Hills, MI	63	Trustee	Since 1993
Joseph M. Grace	3707 W. Maple Road, Bloomfield Hills, MI	74	Trustee	Since 2007
<i>Executive Officers:</i>				
* Richard L. Platte, Jr., CFA	3707 W. Maple Road, Bloomfield Hills, MI	59	Vice President and Secretary	Since 1993
* Timothy S. Schwartz, CFA	3707 W. Maple Road, Bloomfield Hills, MI	39	Treasurer	Since 2000
* Cathy M. Stoner, CPA	3707 W. Maple Road, Bloomfield Hills, MI	40	Chief Compliance Officer	Since 2010

\* George P. Schwartz, Richard L. Platte, Jr., Timothy S. Schwartz and Cathy M. Stoner, as affiliated persons of Schwartz Investment Counsel, Inc., the Fund's investment adviser, are "interested persons" of the Trust within the meaning of Section 2(a)(19) of the Investment Company Act of 1940. George P. Schwartz is the father of Timothy S. Schwartz.

Each Trustee oversees seven portfolios of the Trust: the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, the Ave Maria Rising Dividend Fund, the Ave Maria Opportunity Fund, the Ave Maria World Equity Fund, the Ave Maria Bond Fund and the Schwartz Value Fund. The principal occupations of the Trustees and executive officers of the Trust during the past five years and public directorships held by the Trustees are set forth on the following page:

# **SCHWARTZ VALUE FUND**

## **BOARD OF TRUSTEES AND EXECUTIVE OFFICERS**

### **(Unaudited) (continued)**

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George P. Schwartz, CFA is President and Chief Investment Officer of Schwartz Investment Counsel, Inc. and is the co-portfolio manager of the Fund.

John E. Barnds is retired First Vice President of National Bank of Detroit (JPMorgan Chase).

Louis C. Bosco, Jr. is a partner in Bosco Development Company (a real estate firm).

Donald J. Dawson, Jr. is Chairman of Payroll 1, Inc. (a payroll processing company).

Joseph M. Grace is retired Senior Vice President of National Bank of Detroit (JPMorgan Chase).

Richard L. Platte, Jr., CFA is Executive Vice President and Secretary of Schwartz Investment Counsel, Inc.

Timothy S. Schwartz, CFA is Vice President and Treasurer of Schwartz Investment Counsel, Inc. and is the co-portfolio manager of the Fund.

Cathy M. Stoner, CPA is Chief Compliance Officer and Operations Manager of Schwartz Investment Counsel, Inc. Prior to July 2009, she was an Audit Manager with Deloitte & Touche LLP.

Additional information about members of the Board of Trustees and executive officers is available in the Statement of Additional Information (“SAI”). To obtain a free copy of the SAI, please call (888) 726-0753.

# SCHWARTZ VALUE FUND

## ABOUT YOUR FUND'S EXPENSES

### (Unaudited)

We believe it is important for you to understand the impact of costs on your investment. As a shareholder of the Fund, you incur ongoing costs, including management fees and other Fund expenses. The following examples are intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

A mutual fund's ongoing costs are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The ongoing costs reflected in the table below are based on an investment of \$1,000 made at the beginning of the most recent semi-annual period (July 1, 2010) and held until the end of the period (December 31, 2010).

The table below illustrates the Fund's costs in two ways:

**Actual fund return** – This section helps you to estimate the actual expenses that you paid over the period. The “Ending Account Value” shown is derived from the Fund's actual return, and the third column shows the dollar amount of operating expenses that would have been paid by an investor who started with \$1,000 in the Fund. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for the Fund under the heading “Expenses Paid During Period.”

**Hypothetical 5% return** – This section is intended to help you compare the Fund's ongoing costs with those of other mutual funds. It assumes that the Fund had an annual return of 5% before expenses during the period shown, but that the expense ratio is unchanged. In this case, because the return used is not the Fund's actual return, the result does not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission (“SEC”) requires all mutual funds to calculate expenses based on a 5% return. You can assess the Fund's ongoing costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that expenses shown in the table are meant to highlight and help you compare ongoing costs only. The Fund does not charge sales loads or redemption fees.

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

More information about the Fund's expenses, including historical annual expense ratios, can be found in this report. For additional information on operating expenses and other shareholder costs, please refer to the Fund's Prospectus.

	Beginning Account Value July 1, 2010	Ending Account Value December 31, 2010	Expenses Paid During Period*
Based on Actual Fund Return	\$ 1,000.00	\$ 1,152.30	\$ 7.43
Based on Hypothetical 5% Return (before expenses)	\$ 1,000.00	\$ 1,018.30	\$ 6.97

\* Expenses are equal to the Fund's annualized expense ratio of 1.37% for the period, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

## **SCHWARTZ VALUE FUND**

### **OTHER INFORMATION**

#### **(Unaudited)**

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A description of the policies and procedures the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge upon request by calling toll-free (888) 726-0753, or on the SEC's website at <http://www.sec.gov>. Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is also available without charge upon request by calling toll-free (888) 726-0753, or on the SEC's website at <http://www.sec.gov>.

The Trust files a complete listing of portfolio holdings for the Fund with the SEC as of the first and third quarters of each fiscal year on Form N-Q. The filings are available free of charge, upon request, by calling (888) 726-0753. Furthermore, you may obtain a copy of the filings on the SEC's website at <http://www.sec.gov>. The Trust's Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330.

## **SCHWARTZ VALUE FUND**

### **INVESTMENT PHILOSOPHY**

#### **(Unaudited)**

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Schwartz Value Fund (the "Fund") seeks long-term capital appreciation through value investing – purchasing shares of strong, growing companies at reasonable prices. The Fund invests in companies of all sizes from large-caps to micro-caps. Fundamental analysis is used to identify companies with outstanding business characteristics. Sometimes the best values are issues not followed closely by Wall Street analysts.

Most value investors buy fair companies at an excellent price. The Fund attempts to buy excellent companies at a fair price. The essence of value investing is finding companies with great business characteristics, which by their nature offer a margin of safety. A truly fine business requires few assets to provide a consistently expanding stream of income. The Fund purchases shares which are temporarily out-of-favor and selling below intrinsic value.

A common thread in the Fund's investments is that the market price is often below what a corporate or entrepreneurial buyer might be willing to pay for the entire business. The auction nature and the inefficiencies of the stock market are such that the Fund can sometimes buy a minority interest in a fine company at a small fraction of the price per share necessary to acquire the entire company.

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**Schwartz Value Fund**

series of Schwartz Investment Trust  
3707 W. Maple Road  
Suite 100  
Bloomfield Hills, Michigan 48301

**Board of Trustees**

George P. Schwartz, CFA, Chairman  
John E. Barnds  
Louis C. Bosco, Jr.  
Donald J. Dawson, Jr., Lead Independent Trustee  
Joseph M. Grace

**Executive Officers**

George P. Schwartz, CFA, President  
Richard L. Platte, Jr., CFA, V.P./Secretary  
Timothy S. Schwartz, CFA, Treasurer  
Cathy M. Stoner, CPA, Chief Compliance Officer

**Investment Adviser**

SCHWARTZ INVESTMENT COUNSEL, INC.  
3707 W. Maple Road  
Suite 100  
Bloomfield Hills, Michigan 48301

**Distributor**

ULTIMUS FUND DISTRIBUTORS, LLC  
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Cincinnati, Ohio 45246

**Custodian**

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Cincinnati, Ohio 45202

**Administrator**

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P.O. Box 46707  
Cincinnati, Ohio 45246

**Independent Registered  
Public Accounting Firm**

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Chicago, Illinois 60606

**Legal Counsel**

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