

SCHWARTZ INVESTMENT TRUST

Ave Maria Catholic Values Fund

Ave Maria Growth Fund

Ave Maria Rising Dividend Fund

Ave Maria World Equity Fund

Ave Maria Bond Fund

UNAUDITED
Semi-Annual Report
JUNE 30, 2016

Shareholder Services

c/o Ultimus Fund Solutions, LLC
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Dear Fellow Shareholders of:

Ave Maria Catholic Values Fund (AVEMX)
Ave Maria Growth Fund (AVEGX)
Ave Maria Rising Dividend Fund (AVEDX)
Ave Maria World Equity Fund (AVEWX)
Ave Maria Bond Fund (AVEFX)
Ave Maria Money Market Account

So many aspects of finance currently seem upside down. With near 0% interest rates in the U.S. and negative interest rates overseas, many economists are starting to ask, “Do low or negative rates actually stimulate growth?” But the jury is still out, and the conventional wisdom is in doubt. Unprecedented global central bank stimulation through money growth is putting upward pressure on bond prices, equity prices, gold prices, property prices, and Ferrari prices. With the problems around the world manifold and stock prices making new all-time highs, one could ask, “Are stock prices too high?” Well, we learned a long time ago that trying to outguess the near-term direction of stock prices is a fool’s errand. There have always been, and always will be problems, uncertainty, and reasons to be fearful of economic and geopolitical developments. Notwithstanding, we believe our investment team’s continuing focus on the fundamentals of superior companies will continue to produce favorable investment performance for the Ave Maria Mutual Fund shareholders. The long term is what matters, and we’re convinced the long-term direction for the U.S. economy and for stock prices is up — and maybe the short-term, too.

Sincerely,

A handwritten signature in black ink that reads "George P. Schwartz". The signature is written in a cursive, flowing style.

George P. Schwartz, CFA
Chairman & CEO

July 31, 2016

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, is available at the Ave Maria Mutual Funds website at www.avemariafunds.com or by calling 1-888-726-9331.

The Letter to Shareholders and the Portfolio Manager Commentaries that follow seek 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. Keep in mind that the information and opinions cover the period through the date of this report.

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AVE MARIA MUTUAL FUNDS

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AVE MARIA MUTUAL FUNDS

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This report is for the information of the shareholders of the Ave Maria Mutual Funds. To obtain a copy of the prospectus, please visit our website at www.avemariafunds.com or call 1-888-726-9331 and a copy will be sent to you free of charge. Please read the prospectus carefully before you invest. The Ave Maria Mutual Funds are distributed by Ultimus Fund Distributors, LLC.

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, is available at the Ave Maria Mutual Funds website at www.avemariafunds.com or by calling 1-888-726-9331.

AVE MARIA CATHOLIC VALUES FUND

PORTFOLIO MANAGER COMMENTARY

(Unaudited)

Dear Fellow Shareowner:

The Ave Maria Catholic Values Fund (the “Fund”) had a total return of 3.59% for the six-month period ended June 30, 2016 compared to 3.84% for the S&P 500 Index and 5.50% for the Russell Midcap Index. Since inception on May 2, 2001, the Fund’s total return compared to the S&P 500 and the Russell Midcap Index are as follows:

	Since 5-01-01 Inception through 6-30-16 Total Returns	
	Cumulative	Annualized
Ave Maria Catholic Values Fund (AVEMX)	132.53%	5.72%
S&P 500 Index	124.30%	5.47%
Russell Midcap Index	249.39%	8.60%

Some of the headwinds that previously worked against our value-conscious investment style started to abate in 2016. As discussed in last year’s annual report, due to falling oil and gas prices, the Fund’s energy-related holdings were a notable drag on performance in 2015. However, with energy prices bottoming earlier this year, a number of our oil and gas related holdings have experienced strong share price appreciation. Two of the best performers have been Halliburton Company and Noble Energy, Inc., up 59% and 40%, respectively, from their February lows. Also, a new purchase in the energy sector, Pioneer Natural Resources Company, at quarter end was up 21% from our cost. The Fund’s five best performing securities in the first half of 2016 were:

<u>Company</u>	<u>Industry</u>	<u>YTD Return</u>
Dundee Corporation	Asset Management	+80.09%
Equinix, Inc.	Internet Software & Services	+59.17%
Halliburton Company	Oil & Gas Equipment & Services	+34.21%
MSC Industrial Direct Company, Inc.	Industrial Equipment	+27.17%
World Fuel Services Corporation	Oil & Gas Marketing	+23.81%

Dundee Corporation, a Canadian-based asset management company, rebounded from a deeply oversold level at year-end, as the firm’s commodity-related businesses saw dramatic improvement in their operations. Equinix, Inc. was another strong performer, as demand for the company’s interconnect data center services continues to grow with the proliferation of cloud computing. A long-

AVE MARIA CATHOLIC VALUES FUND

PORTFOLIO MANAGER COMMENTARY

(Unaudited) (Continued)

time Fund holding, Unico American Corporation also contributed positively to first half results, gaining 11%. In early April, its board of directors appointed a special committee of independent directors to review strategic alternatives aimed at enhancing shareholder value. Such actions are usually a good sign.

On the negative side, the Fund's worst performing stock in the first half was Platform Specialty Products Corporation (specialty chemicals). Platform has struggled mightily this year due to a number of factors, including weakness in certain agricultural end markets, adverse foreign currency movements, a management shake-up resulting in the appointment of a new CEO, and higher than expected corporate and IT expenses. Despite the company's disappointing start to the year, we believe the shares have significant upside from current levels. Financials have been one of the worst performing sectors this year, owing to persistently low interest rates and meager economic growth, both in the U.S. and abroad. Ultra-low interest rates pressure bank earnings as net interest margins remain compressed. The Fund's holdings in this sector, PNC Financial Services Group, Inc. (common stock and warrants) and Fifth Third Bancorp (regional banking) were laggards. Another stock which hurt performance in the first half was ARRIS International plc, which makes telecommunications equipment for cable and satellite companies. ARRIS came under pressure as its customers have delayed purchases of ARRIS's set-top box equipment due to industry changes brought about by increased regulation by the FTC. We view the weakness in ARRIS's stock price as temporary and increased the Fund's position accordingly. The Fund's five worst performing securities so far this year are listed below:

<u>Company</u>	<u>Industry</u>	<u>YTD Return</u>
Platform Specialty Products Corporation	Specialty Chemicals	-52.49%
PNC Financial Services Group, Inc. (warrants)	Regional Banking	-30.33%
ARRIS International plc	Communications Equipment	-25.27%
HP, Inc.	Computer Hardware & Printers	-15.47%
PNC Financial Services Group, Inc. (common)	Regional Banking	-14.92%

During the past six months, eight stocks were liquidated, having reached our estimate of intrinsic value: Aaron's, Inc. (retailing), Advance Auto Parts, Inc. (automotive parts retailing), Cubic Corporation (transportation systems & defense), EMC Corporation (data storage systems), HP, Inc. (computer hardware & printers), Kennedy-Wilson Holdings, Inc. (real estate development), Lowe's Companies, Inc. (home improvement retailing), and PNC Financial

AVE MARIA CATHOLIC VALUES FUND

PORTFOLIO MANAGER COMMENTARY

(Unaudited) (Continued)

Services Group, Inc. - common (regional banking). We sold four stocks due to deteriorating fundamentals: Chico's FAS, Inc. (apparel retailing), Devon Energy Corporation (oil & gas exploration/production), Range Resources Corporation (oil & gas exploration/production), Rowan Companies plc (oil & gas drilling & exploration).

Proceeds from the sales were used to establish new positions in nine securities: AMETEK, Inc. (electronic instruments & machinery), Colfax Corporation (industrial products & services), Eaton Corporation plc (electrical products & machinery), Emerson Electric Company (industrial electrical equipment), Liberty Interactive Corporation (consumer goods retailing), Moody's Corporation (financial services), Nordstrom, Inc. (apparel retailing), Pioneer Natural Resources Company (oil & gas exploration/production), and Texas Pacific Land Trust (real estate). These are businesses with sound financials and run by experienced, shareholder-friendly management teams. In each instance, the shares are selling at prices well below our estimate of intrinsic value.

Thank you for being a shareholder in the Ave Maria Catholic Values Fund.

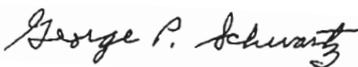
Sincerely,



Timothy S. Schwartz, CFA
Lead Portfolio Manager



Joseph W. Skornicka, CFA
Co-Portfolio Manager



George P. Schwartz, CFA
Co-Portfolio Manager

AVE MARIA CATHOLIC VALUES FUND

TEN LARGEST EQUITY HOLDINGS

June 30, 2016 (Unaudited)

Shares	Company	Market Value	% of Net Assets
65,000	Laboratory Corporation of America Holdings	\$ 8,467,550	4.1%
100,000	St. Jude Medical, Inc.	7,800,000	3.8%
50,000	Pioneer Natural Resources Company	7,560,500	3.7%
100,000	MSC Industrial Direct Company, Inc. - Class A	7,056,000	3.4%
183,740	Noble Energy, Inc.	6,590,754	3.2%
300,000	ARRIS International plc	6,288,000	3.1%
12,000	Graham Holdings Company - Class B	5,874,480	2.9%
10,536	Alleghany Corporation	5,790,375	2.8%
150,000	InterXion Holding N.V.	5,532,000	2.7%
60,000	ANSYS, Inc.	5,445,000	2.6%

ASSET ALLOCATION (Unaudited)

Sector	% of Net Assets
Consumer Discretionary	17.6%
Energy	13.1%
Financials	17.1%
Health Care	11.2%
Industrials	17.9%
Information Technology	14.1%
Materials	2.3%
Money Market Funds, Liabilities in Excess of Other Assets	6.7%
	<u>100.0%</u>

AVE MARIA CATHOLIC VALUES FUND
SCHEDULE OF INVESTMENTS
June 30, 2016 (Unaudited)

COMMON STOCKS — 91.2%	Shares	Market Value
Consumer Discretionary — 17.6%		
<i>Diversified Consumer Services — 2.9%</i>		
Graham Holdings Company - Class B	12,000	\$ 5,874,480
<i>Household Durables — 4.1%</i>		
Garmin Ltd.	85,000	3,605,700
PulteGroup, Inc.	250,000	4,872,500
		<u>8,478,200</u>
<i>Internet & Catalog Retail — 1.5%</i>		
Liberty Interactive Corporation QVC Group - Series A *	125,000	3,171,250
<i>Leisure Products — 1.8%</i>		
Polaris Industries, Inc.	45,000	3,679,200
<i>Media — 2.5%</i>		
Discovery Communications, Inc. - Series A *	200,000	5,046,000
<i>Multi-Line Retail — 2.3%</i>		
Nordstrom, Inc.	125,000	4,756,250
<i>Textiles, Apparel & Luxury Goods — 2.5%</i>		
VF Corporation	85,000	5,226,650
Energy — 13.1%		
<i>Energy Equipment & Services — 5.3%</i>		
Baker Hughes Incorporated	80,000	3,610,400
FMC Technologies, Inc. *	75,000	2,000,250
Halliburton Company	120,000	5,434,800
		<u>11,045,450</u>
<i>Oil, Gas & Consumable Fuels — 7.8%</i>		
Noble Energy, Inc.	183,740	6,590,754
Pioneer Natural Resources Company	50,000	7,560,500
World Fuel Services Corporation	40,000	1,899,600
		<u>16,050,854</u>
Financials — 15.0%		
<i>Banks — 1.1%</i>		
Fifth Third Bancorp	125,000	2,198,750
<i>Capital Markets — 1.8%</i>		
Dundee Corporation - Class A *	384,200	2,259,096
Federated Investors, Inc. - Class B	50,000	1,439,000
		<u>3,698,096</u>

AVE MARIA CATHOLIC VALUES FUND
SCHEDULE OF INVESTMENTS
(Continued)

COMMON STOCKS — 91.2% (Continued)	Shares	Market Value
Financials — 15.0% (Continued)		
<i>Consumer Finance — 2.6%</i>		
Discover Financial Services	100,000	\$ 5,359,000
<i>Diversified Financial Services — 3.3%</i>		
Moody's Corporation	20,000	1,874,200
Texas Pacific Land Trust	7,000	1,180,550
Western Union Company (The)	200,000	3,836,000
		<u>6,890,750</u>
<i>Insurance — 6.2%</i>		
Alleghany Corporation *	10,536	5,790,375
Reinsurance Group of America, Inc.	40,000	3,879,600
Unico American Corporation * #	282,945	3,188,790
		<u>12,858,765</u>
Health Care — 11.2%		
<i>Health Care Equipment & Supplies — 5.8%</i>		
St. Jude Medical, Inc.	100,000	7,800,000
Varian Medical Systems, Inc. *	50,000	4,111,500
		<u>11,911,500</u>
<i>Health Care Providers & Services — 4.1%</i>		
Laboratory Corporation of America Holdings *	65,000	8,467,550
<i>Life Sciences Tools & Services — 1.3%</i>		
Waters Corporation *	20,000	2,813,000
Industrials — 17.9%		
<i>Aerospace & Defense — 2.6%</i>		
HEICO Corporation - Class A	100,000	5,365,000
<i>Construction & Engineering — 1.4%</i>		
Fluor Corporation	60,000	2,956,800
<i>Electrical Equipment — 3.4%</i>		
AMETEK, Inc.	40,000	1,849,200
Eaton Corporation plc	50,000	2,986,500
Emerson Electric Company	40,000	2,086,400
		<u>6,922,100</u>
<i>Machinery — 4.9%</i>		
Colfax Corporation *	150,000	3,969,000
Donaldson Company, Inc.	100,000	3,436,000
Graco, Inc.	35,000	2,764,650
		<u>10,169,650</u>

AVE MARIA CATHOLIC VALUES FUND
SCHEDULE OF INVESTMENTS
(Continued)

COMMON STOCKS — 91.2% (Continued)	Shares	Market Value
Industrials — 17.9% (Continued)		
<i>Trading Companies & Distributors — 5.6%</i>		
MSC Industrial Direct Company, Inc. - Class A	100,000	\$ 7,056,000
W.W. Grainger, Inc.	20,000	4,545,000
		<u>11,601,000</u>
Information Technology — 14.1%		
<i>Communications Equipment — 3.1%</i>		
ARRIS International plc *	300,000	<u>6,288,000</u>
<i>Electronic Equipment, Instruments & Components — 3.9%</i>		
Arrow Electronics, Inc. *	75,000	4,642,500
Avnet, Inc.	85,000	3,443,350
		<u>8,085,850</u>
<i>Internet Software & Services — 0.9%</i>		
Equinix, Inc.	4,948	<u>1,918,488</u>
<i>IT Services — 2.7%</i>		
InterXion Holding N.V. *	150,000	<u>5,532,000</u>
<i>Software — 2.6%</i>		
ANSYS, Inc. *	60,000	<u>5,445,000</u>
<i>Technology Hardware, Storage & Peripherals — 0.9%</i>		
Hewlett Packard Enterprise Company	100,000	<u>1,827,000</u>
Materials — 2.3%		
<i>Chemicals — 2.3%</i>		
H.B. Fuller Company	55,000	2,419,450
Platform Specialty Products Corporation *	250,000	2,220,000
		<u>4,639,450</u>
Total Common Stocks (Cost \$166,209,428)		\$ 188,276,083
WARRANTS — 2.1%	Shares	Market Value
Financials — 2.1%		
<i>Banks — 2.1%</i>		
PNC Financial Services Group, Inc. (The) * (Cost \$5,104,539)	248,251	\$ 4,324,533

AVE MARIA CATHOLIC VALUES FUND
SCHEDULE OF INVESTMENTS
(Continued)

MONEY MARKET FUNDS — 6.9%	Shares	Market Value
Federated Government Obligations Tax-Managed Fund - Institutional Shares, 0.23% ^(a)	9,340,460	\$ 9,340,460
Federated Treasury Obligations Fund - Institutional Shares, 0.24% ^(a)	4,855,879	<u>4,855,879</u>
Total Money Market Funds (Cost \$14,196,339)		<u>\$ 14,196,339</u>
Total Investments at Market Value — 100.2% (Cost \$185,510,306)		\$ 206,796,955
Liabilities in Excess of Other Assets — (0.2%)		<u>(286,676)</u>
Net Assets — 100.0%		<u>\$ 206,510,279</u>

* Non-income producing security.

The Fund owned 5% or more of the company's outstanding voting shares thereby making the company an affiliated company as that term is defined in the Investment Company Act of 1940 (Note 5).

^(a) The rate shown is the 7-day effective yield as of June 30, 2016.

See notes to financial statements.

AVE MARIA GROWTH FUND

PORTFOLIO MANAGER COMMENTARY

(Unaudited)

Dear Fellow Shareholders:

For the first six months of 2016, the Ave Maria Growth Fund (the “Fund”) had a total return of 6.91%, compared with the benchmark S&P 500 Index total return of 3.84%.

The Fund’s strong relative performance was broad-based, with approximately 70% of the portfolio holdings during the first six months generating a positive return. The five strongest contributors were Copart, Inc. (salvaged vehicles), St. Jude Medical, Inc. (cardiac medical devices), MSC Industrial Direct Company, Inc. (industrial distribution), Schlumberger Ltd. (oilfield services), and The Toro Company (landscaping equipment and services). The five worst performing issues were AMETEK, Inc. (electronic instruments and electromechanical electronic instruments), W. W. Grainger, Inc. (industrial distribution), MasterCard Incorporated (global payments networks), Amgen, Inc. (biotechnology), and Moody’s Corporation (credit ratings, analytical services).

There was one extraordinary corporate transaction effecting one of our holdings (St. Jude Medical, Inc.) during the period. Abbott Laboratories announced an agreement to acquire St. Jude Medical for a 35% premium to St. Jude’s price prior to the announcement. The combined company will have a broad product portfolio in cardiovascular, diabetes, vision, and neuromodulation patient care. It’s always affirming to see our assessment of value confirmed by corporate acquirers.

New additions during the period included Lowe’s Companies, Inc. (home improvement retailer) and VF Corporation (apparel). Historically, Lowe’s has generated strong returns on invested capital, and represents one of the few “Un-Amazon-Able” retailers. Many consumers working on home improvement projects take multiple trips to Lowe’s (or Home Depot), and in some cases, lug home heavy and bulky objects. This sort of shopping doesn’t easily lend itself to e-commerce. VF Corporation historically has generated returns on invested capital of about 20%, which is among the highest in the apparel industry. VF Corporation owns well-known brands, such as The North Face, Timberland, and Vans, among several others.

We exited Wolverine World Wide, Inc. (shoes) and McCormick & Company (spices and seasonings) during the period. Our reasons for selling Wolverine were fundamental in nature. In our ongoing analysis of the company, we concluded that it didn’t exhibit the strong operating characteristics we initially

AVE MARIA GROWTH FUND

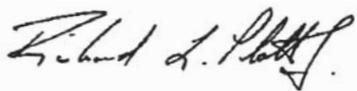
PORTFOLIO MANAGER COMMENTARY

(Unaudited) (Continued)

thought. McCormick is a great company, but the stock had become very popular, hence overpriced. McCormick remains on our farm team and could return to the portfolio, if and when the stock is priced below our appraisal of intrinsic value.

No one knows the near-term direction of stock prices, but we remain confident that our disciplined approach to purchasing stocks of fine companies at attractive prices will continue to produce favorable results over the long run. Your participation in the Ave Maria Growth Fund is appreciated.

With best regards,



Richard L. Platte, Jr., CFA
Lead Portfolio Manager



Brian D. Milligan, CFA
Co-Portfolio Manager

AVE MARIA GROWTH FUND

TEN LARGEST EQUITY HOLDINGS

June 30, 2016 (Unaudited)

Shares	Company	Market Value	% of Net Assets
270,000	Copart, Inc.	\$ 13,232,700	4.0%
90,000	Laboratory Corporation of America Holdings	11,724,300	3.5%
145,000	Schlumberger Limited	11,466,600	3.5%
195,000	Cerner Corporation	11,427,000	3.4%
140,000	Omnicom Group, Inc.	11,408,600	3.4%
160,000	MSC Industrial Direct Company, Inc. - Class A	11,289,600	3.4%
191,400	Cognizant Technology Solutions Corporation - Class A	10,955,736	3.3%
120,000	Medtronic plc	10,412,400	3.1%
130,000	Lowe's Companies, Inc.	10,292,100	3.1%
130,000	Graco, Inc.	10,268,700	3.1%

ASSET ALLOCATION (Unaudited)

Sector	% of Net Assets
Consumer Discretionary	21.5%
Energy	3.5%
Financials	5.7%
Health Care	18.2%
Industrials	33.5%
Information Technology	10.6%
Materials	2.5%
Money Market Funds, Liabilities in Excess of Other Assets	4.5%
	<u>100.0%</u>

AVE MARIA GROWTH FUND
SCHEDULE OF INVESTMENTS
June 30, 2016 (Unaudited)

COMMON STOCKS — 95.5%	Shares	Market Value
Consumer Discretionary — 21.5%		
<i>Leisure Products — 2.8%</i>		
Polaris Industries, Inc.	115,000	\$ 9,402,400
<i>Media — 7.3%</i>		
Discovery Communications, Inc. - Series A *	315,000	7,947,450
Omnicom Group, Inc.	140,000	11,408,600
Scripps Networks Interactive, Inc. - Class A	80,000	4,981,600
		<u>24,337,650</u>
<i>Specialty Retail — 8.5%</i>		
Lowe's Companies, Inc.	130,000	10,292,100
Ross Stores, Inc.	165,000	9,353,850
Sally Beauty Holdings, Inc. *	120,000	3,529,200
TJX Companies, Inc. (The)	65,000	5,019,950
		<u>28,195,100</u>
<i>Textiles, Apparel & Luxury Goods — 2.9%</i>		
VF Corporation	155,000	9,530,950
Energy — 3.5%		
<i>Energy Equipment & Services — 3.5%</i>		
Schlumberger Limited	145,000	11,466,600
Financials — 5.7%		
<i>Diversified Financial Services — 5.7%</i>		
MasterCard, Inc. - Class A	105,000	9,246,300
Moody's Corporation	105,000	9,839,550
		<u>19,085,850</u>
Health Care — 18.2%		
<i>Biotechnology — 3.0%</i>		
Amgen, Inc.	65,000	9,889,750
<i>Health Care Equipment & Supplies — 8.3%</i>		
Medtronic plc	120,000	10,412,400
St. Jude Medical, Inc.	100,000	7,800,000
Varian Medical Systems, Inc. *	112,000	9,209,760
		<u>27,422,160</u>
<i>Health Care Providers & Services — 3.5%</i>		
Laboratory Corporation of America Holdings *	90,000	11,724,300
<i>Health Care Technology — 3.4%</i>		
Cerner Corporation *	195,000	11,427,000

AVE MARIA GROWTH FUND

SCHEDULE OF INVESTMENTS

(Continued)

COMMON STOCKS — 95.5% (Continued)	Shares	Market Value
Industrials — 33.5%		
<i>Air Freight & Logistics — 6.0%</i>		
Expeditors International of Washington, Inc.	200,000	\$ 9,808,000
United Parcel Service, Inc. - Class B	95,000	10,233,400
		<u>20,041,400</u>
<i>Commercial Services & Supplies — 5.0%</i>		
Copart, Inc. *	270,000	13,232,700
Rollins, Inc.	120,000	3,512,400
		<u>16,745,100</u>
<i>Electrical Equipment — 5.3%</i>		
AMETEK, Inc.	192,600	8,903,898
Rockwell Automation, Inc.	75,000	8,611,500
		<u>17,515,398</u>
<i>Industrial Conglomerates — 4.1%</i>		
Danaher Corporation	101,500	10,251,500
Roper Technologies, Inc.	20,000	3,411,200
		<u>13,662,700</u>
<i>Machinery — 9.7%</i>		
Colfax Corporation *	270,000	7,144,200
Donaldson Company, Inc.	285,000	9,792,600
Graco, Inc.	130,000	10,268,700
Toro Company (The)	55,000	4,851,000
		<u>32,056,500</u>
<i>Trading Companies & Distributors — 3.4%</i>		
MSC Industrial Direct Company, Inc. - Class A	160,000	11,289,600
		<u>11,289,600</u>
Information Technology — 10.6%		
<i>Internet Software & Services — 2.3%</i>		
Equinix, Inc.	20,000	7,754,600
		<u>7,754,600</u>
<i>IT Services — 5.7%</i>		
Accenture plc - Class A	70,000	7,930,300
Cognizant Technology Solutions Corporation - Class A *	191,400	10,955,736
		<u>18,886,036</u>
<i>Software — 2.6%</i>		
ANSYS, Inc. *	95,000	8,621,250
		<u>8,621,250</u>
Materials — 2.5%		
<i>Chemicals — 2.5%</i>		
Praxair, Inc.	75,000	8,429,250
		<u>8,429,250</u>
Total Common Stocks (Cost \$241,448,734)		<u>\$ 317,483,594</u>

AVE MARIA GROWTH FUND

SCHEDULE OF INVESTMENTS

(Continued)

MONEY MARKET FUNDS — 4.9%	Shares	Market Value
Federated Government Obligations Tax-Managed Fund - Institutional Shares, 0.23% ^(a)	15,759,461	\$ 15,759,461
Federated Treasury Obligations Fund - Institutional Shares, 0.24% ^(a)	699,370	699,370
Total Money Market Funds (Cost \$16,458,831)		<u>\$ 16,458,831</u>
Total Investments at Market Value — 100.4% (Cost \$257,907,565)		\$ 333,942,425
Liabilities in Excess of Other Assets — (0.4%)		(1,350,464)
Net Assets — 100.0%		<u>\$ 332,591,961</u>

* Non-income producing security.

^(a) The rate shown is the 7-day effective yield as of June 30, 2016.

See notes to financial statements.

AVE MARIA RISING DIVIDEND FUND

PORTFOLIO MANAGER COMMENTARY

(Unaudited)

Dear Fellow Shareholder,

Through the first six months of 2016, stock prices have been volatile, which is a fancy way of saying up and down a lot with the emphasis on down. Given the excitement, it's somewhat surprising to discover that for the first half of 2016, the return on the S&P 500 was 3.84%. The Ave Maria Rising Dividend Fund (the "Fund") produced a return of 8.44% during the period.

In our 2015 year-end letter, we commented on how energy stocks and industrials were being negatively impacted by low energy prices and the strong dollar. The first six months of 2016 saw some improvement in both of those factors, and quoted prices for our industrial and energy stocks improved significantly. By economic sector, the greatest contributions to return came from the Fund's large position in industrials, consumer discretionary, healthcare and energy. Conversely, performance was hampered by financials and regional bank holdings. Taken individually, our biggest positive contributors were The Hershey Company (confectionary products), St. Jude Medical, Inc. (cardiovascular medical products), Halliburton Company (energy services), and Kraft Heinz Company (food and beverage). The prices of both Hershey's and St. Jude's stocks appreciated significantly on news of possible corporate takeovers during the period. Positions in PNC Financial and Fifth Third Bancorp, both regional banks, acted as a drag on performance.

At present, the outlook for banks, and regional banks in particular, looks unexciting at best. Rock-bottom interest rates have crushed the spread on which their profitability is based, and regulators have more than taken their pound of flesh. In a more positive vein, banks have significantly rebuilt their capital structure, and the prospects for returns to shareholders in the form of dividends and share repurchases has improved significantly. Investors' low expectations also means the stocks are selling at depressed prices. We expect the macro environment for regional banks to improve gradually, which should be reflected in higher stock prices. In the meantime, we expect them to continue raising their dividends.

As you know, the objective in managing the Fund is to hold shares of companies that are expected to increase their dividends regularly, and are selling inexpensively in relation to our estimate of long-term value. That generally means leaning against the wind in terms of what's popular. We expect this contrarian discipline to continue to produce favorable results for Ave Maria Rising Dividend Fund shareholders.

AVE MARIA RISING DIVIDEND FUND

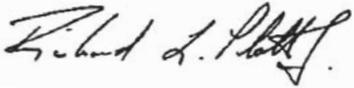
PORTFOLIO MANAGER COMMENTARY

(Unaudited) (Continued)

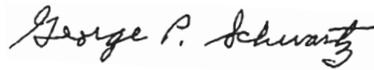
The remainder of 2016 should be “interesting”, with a presidential election that no one seems to be looking forward to, Europe has Brexit to sort out, and growth in China has slowed dramatically. The difference between average companies and exceptional ones is that the exceptional ones have an enhanced ability to adapt to change and have greater control of their own destiny. We believe owning pieces of these great businesses, which are compounding machines, is the essence of investing.

Thank you. We appreciate your participation in the Fund.

With best regards,



Richard L. Platte, Jr., CFA
Lead Portfolio Manager



George P. Schwartz, CFA
Co-Portfolio Manager

AVE MARIA RISING DIVIDEND FUND

TEN LARGEST EQUITY HOLDINGS

June 30, 2016 (Unaudited)

Shares	Company	Market Value	% of Net Assets
340,000	Exxon Mobil Corporation	\$ 31,871,600	4.0%
1,000,000	Cisco Systems, Inc.	28,690,000	3.6%
350,000	Omnicom Group, Inc.	28,521,500	3.6%
325,000	Medtronic plc	28,200,250	3.6%
340,000	Lowe's Companies, Inc.	26,917,800	3.4%
600,000	Johnson Controls, Inc.	26,556,000	3.4%
150,000	3M Company	26,268,000	3.3%
230,000	Diageo plc - ADR	25,962,400	3.3%
240,000	United Parcel Service, Inc. - Class B	25,852,800	3.3%
325,000	Schlumberger Limited	25,701,000	3.3%

ASSET ALLOCATION (Unaudited)

Sector	% of Net Assets
Consumer Discretionary	22.2%
Consumer Staples	9.0%
Energy	9.4%
Financials	13.8%
Health Care	9.4%
Industrials	22.0%
Information Technology	6.5%
Materials	2.9%
Money Market Funds, Liabilities in Excess of Other Assets	4.8%
	<u>100.0%</u>

AVE MARIA RISING DIVIDEND FUND
SCHEDULE OF INVESTMENTS
June 30, 2016 (Unaudited)

COMMON STOCKS — 94.4%	Shares	Market Value
Consumer Discretionary — 22.2%		
<i>Auto Components — 3.4%</i>		
Johnson Controls, Inc.	600,000	\$ 26,556,000
<i>Leisure Products — 2.8%</i>		
Polaris Industries, Inc.	275,000	22,484,000
<i>Media — 3.6%</i>		
Omnicom Group, Inc.	350,000	28,521,500
<i>Specialty Retail — 9.3%</i>		
Lowe's Companies, Inc.	340,000	26,917,800
Ross Stores, Inc.	165,000	9,353,850
TJX Companies, Inc. (The)	275,000	21,238,250
Williams-Sonoma, Inc.	300,000	15,639,000
		<u>73,148,900</u>
<i>Textiles, Apparel & Luxury Goods — 3.1%</i>		
VF Corporation	400,000	24,596,000
Consumer Staples — 9.0%		
<i>Beverages — 3.3%</i>		
Diageo plc - ADR	230,000	25,962,400
<i>Food Products — 5.7%</i>		
Hershey Company (The)	200,000	22,698,000
Kraft Heinz Company (The)	250,000	22,120,000
		<u>44,818,000</u>
Energy — 9.4%		
<i>Energy Equipment & Services — 5.4%</i>		
Halliburton Company	375,000	16,983,750
Schlumberger Limited	325,000	25,701,000
		<u>42,684,750</u>
<i>Oil, Gas & Consumable Fuels — 4.0%</i>		
Exxon Mobil Corporation	340,000	31,871,600
Financials — 13.0%		
<i>Banks — 7.8%</i>		
BB&T Corporation	425,000	15,134,250
Fifth Third Bancorp	900,000	15,831,000
PNC Financial Services Group, Inc. (The)	150,000	12,208,500
U.S. Bancorp	450,000	18,148,500
		<u>61,322,250</u>

AVE MARIA RISING DIVIDEND FUND

SCHEDULE OF INVESTMENTS

(Continued)

COMMON STOCKS — 94.4% (Continued)	Shares	Market Value
Financials — 13.0% (Continued)		
<i>Capital Markets — 2.3%</i>		
Bank of New York Mellon Corporation (The)	475,000	\$ 18,453,750
<i>Insurance — 2.9%</i>		
Chubb Limited	175,000	22,874,250
Health Care — 9.4%		
<i>Biotechnology — 2.9%</i>		
Amgen, Inc.	150,000	22,822,500
<i>Health Care Equipment & Supplies — 6.5%</i>		
Medtronic plc	325,000	28,200,250
St. Jude Medical, Inc.	300,000	23,400,000
		51,600,250
Industrials — 22.0%		
<i>Air Freight & Logistics — 3.3%</i>		
United Parcel Service, Inc. - Class B	240,000	25,852,800
<i>Electrical Equipment — 3.1%</i>		
Emerson Electric Company	475,000	24,776,000
<i>Industrial Conglomerates — 3.3%</i>		
3M Company	150,000	26,268,000
<i>Machinery — 6.6%</i>		
Donaldson Company, Inc.	500,000	17,180,000
Dover Corporation	260,000	18,023,200
Illinois Tool Works, Inc.	160,000	16,665,600
		51,868,800
<i>Road & Rail — 2.5%</i>		
Norfolk Southern Corporation	235,000	20,005,550
<i>Trading Companies & Distributors — 3.2%</i>		
W.W. Grainger, Inc.	110,000	24,997,500
Information Technology — 6.5%		
<i>Communications Equipment — 3.6%</i>		
Cisco Systems, Inc.	1,000,000	28,690,000
<i>Semiconductors & Semiconductor Equipment — 2.9%</i>		
Microchip Technology, Inc.	450,000	22,842,000

AVE MARIA RISING DIVIDEND FUND

SCHEDULE OF INVESTMENTS

(Continued)

COMMON STOCKS — 94.4% (Continued)	Shares	Market Value
Materials — 2.9%		
<i>Chemicals — 2.9%</i>		
Praxair, Inc.	200,000	\$ <u>22,478,000</u>
Total Common Stocks (Cost \$640,964,371)		\$ <u>745,494,800</u>
WARRANTS — 0.8%	Shares	Market Value
Financials — 0.8%		
<i>Banks — 0.8%</i>		
PNC Financial Services Group, Inc. (The) * (Cost \$6,561,753)	335,000	\$ <u>5,835,700</u>
MONEY MARKET FUNDS — 4.9%	Shares	Market Value
Federated Government Obligations Tax-Managed Fund - Institutional Shares, 0.23% ^(a)	36,657,498	\$ 36,657,498
Federated Treasury Obligations Fund - Institutional Shares, 0.24% ^(a)	2,197,566	<u>2,197,566</u>
Total Money Market Funds (Cost \$38,855,064)		\$ <u>38,855,064</u>
Total Investments at Market Value — 100.1% (Cost \$686,381,188)		\$ 790,185,564
Liabilities in Excess of Other Assets — (0.1%)		<u>(704,419)</u>
Net Assets — 100.0%		<u>\$ 789,481,145</u>

ADR - American Depositary Receipt.

* Non-income producing security.

^(a) The rate shown is the 7-day effective yield as of June 30, 2016.

See notes to financial statements.

AVE MARIA WORLD EQUITY FUND

PORTFOLIO MANAGER COMMENTARY

(Unaudited)

Dear Fellow Shareholder:

The Ave Maria World Equity Fund (the “Fund”) had a total return of 2.83% for the six months ended June 30, 2016. The return for the S&P Global 1200 Index was 1.53%.

Since inception on April 30, 2010, the cumulative and annualized returns for the Fund compared to its benchmark were:

	Since 4-30-2010 Inception through 6-30-16 Total Returns	
	Cumulative	Annualized
Ave Maria World Equity Fund (AVEWX)	40.53%	5.67%
S&P Global 1200 Index	60.69%	7.99%

The first six months of 2016 was a volatile period for the global equity market. The year started with a market dip due to the continued steep decline in energy prices, the specter of negative global interest rates and the possibility of a global recession. From there, the markets made a nice move upward, seemingly comforted by a possible bottom in oil prices, continued strength in the U.S. economy, and signals that the Federal Reserve would not be aggressive on raising interest rates. In late June, the unexpected Brexit vote routed equities for a few days, before the market recovered somewhat at the end of the period. In total the S&P Global 1200 Index was up 1.53% for the six month period, with the U.S. market delivering the strongest returns of developed markets, up low single digits, while the European and Japanese markets were down mid-single digit (in U.S. dollars). Interestingly, emerging markets produced the strongest returns globally, up mid-single digits. As we enter the second half of the year, the U.S. economy continues to be a bright spot globally, while Europe and Japan continue to try to prop up their economies with aggressive monetary policy. While we grow increasingly more concerned about the impact of “lower interest rates for longer”, especially for financial companies, we continue to find attractively priced opportunities in which to invest.

The Fund benefitted in the period from St Jude Medical, Inc., one of the Fund’s largest holdings, agreeing to be acquired by Abbott Labs at a substantial premium. Some timely buying activity when the equity market pulled back earlier in the year also helped performance. From a sector standpoint, the Fund saw positive relative performance attribution from its healthcare, technology, industrials and financials holdings. The primary negative impact on performance was under-weighted positions in utilities and telecommunication services, as these were the two strongest performing sectors in the global equity markets.

AVE MARIA WORLD EQUITY FUND

PORTFOLIO MANAGER COMMENTARY

(Unaudited) (Continued)

In Healthcare, two of our largest holdings, St. Jude Medical, Inc. and Medtronic plc, were up double digits during the period. St. Jude rallied due to the previously mentioned acquisition announcement, and Medtronic was likely up due to its solid organic sales growth. Long time holding Taiwan Semiconductor Manufacturing, Inc. was the leader for the Fund's strong technology showing, which saw six holdings up solidly during the period. Taiwan Semiconductor, the largest semi-conductor foundry in the world, benefitted from its leading position in making more powerful chips for the smartphone industry. The Fund's industrial holdings also delivered strong performance with five holdings up double digits for the period. A position in Emerson Electronic Company, repurchased in January 2016, was helpful here. The Fund had previously owned Emerson, but had sold it in 2014. With the price pulling back substantially, we decided to repurchase the shares of this high quality company, which has raised its dividend annually since 1956!

Holdings in the financial sector were boosted by a couple of insurance companies, Chubb Corporation (Formerly Ace Limited) and Reinsurance Group of America, as well as Equinix, Inc., which hosts data centers and is structured as a real estate investment trust (REIT). The strong performance by these non-bank financials helped to offset weak price performance from bank holding companies – Citigroup Inc., Barclays plc and Sumitomo Mitsui Financial Group, Inc. Due primarily to the global pressure on interest rates, we elected to sell Barclays and Sumitomo during the period.

Eight new positions, all of which comply with the Ave Maria Mutual Funds' moral screens, were added to the Fund since December 31, 2015: Emerson Electric Company (electrical components & equipment), Halliburton Company (oil & gas equipment & services), InterXion Holding NV (data center services), Level 3 Communications, Inc. (telecomm services), Lowe's Companies (home improvement retail), Pioneer Natural Resources Company (oil & gas exploration & production), PNC Financial Services Group Equity - Warrants (banks), and WPP plc (advertising).

Nine positions were eliminated, in favor of what we believe to be more attractive investment opportunities: Baker Hughes, Inc. (oil & gas equipment services), Barclays (financial services), Canadian Natural Resources (oil and gas exploration and production), Fluor Corporation (construction & engineering), FMC Corporation (diversified chemicals), McDonald's (restaurants), Michelin (tires & rubber), Sumitomo Mitsui (financial services), and Validus Holdings, Inc. (insurance).

AVE MARIA WORLD EQUITY FUND

PORTFOLIO MANAGER COMMENTARY

(Unaudited) (Continued)

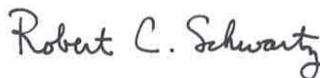
As of June 30, 2016, geographic weights in the Fund versus the S&P Global 1200 Index, were approximately:

	Ave Maria World Equity Fund	S&P Global 1200 Index
Americas	57%	63%
Europe Developed	19%	16%
United Kingdom	9%	7%
Japan	6%	8%
Asia Developed	0%	2%
Asia Emerging	3%	2%
Australasia	0%	2%
Cash Equivalents	6%	—

The portfolio management team continues to focus on higher quality, larger capitalization, globally oriented companies, with attractive valuations. Thank you for your continued interest in the Ave Maria World Equity Fund.



Joseph W. Skornicka, CFA
Lead Portfolio Manager



Robert C. Schwartz, CFP
Co-Portfolio Manager

AVE MARIA WORLD EQUITY FUND

TEN LARGEST EQUITY HOLDINGS

June 30, 2016 (Unaudited)

Shares	Company	Market Value	% of Net Assets
26,500	St. Jude Medical, Inc.	\$ 2,067,000	4.8%
14,500	Chubb Ltd.	1,895,295	4.5%
41,500	Citigroup, Inc.	1,759,185	4.1%
18,619	Medtronic plc	1,615,571	3.8%
14,000	Diageo plc - ADR	1,580,320	3.7%
8,500	Shire plc - ADR	1,564,680	3.7%
30,000	Heineken N.V. - ADR	1,389,600	3.3%
24,000	TE Connectivity Ltd.	1,370,640	3.2%
22,000	Eaton Corporation plc	1,314,060	3.1%
50,000	Taiwan Semiconductor Manufacturing Company Ltd. - ADR	1,311,500	3.1%

ASSET ALLOCATION (Unaudited)

Sector	% of Net Assets
Consumer Discretionary	13.2%
Consumer Staples	11.7%
Energy	7.7%
Financials	17.7%
Health Care	15.0%
Industrials	13.1%
Information Technology	12.9%
Materials	1.2%
Telecommunication Services	1.5%
Money Market Funds, Other Assets in Excess of Liabilities	6.0%
	<u>100.0%</u>

AVE MARIA WORLD EQUITY FUND
SCHEDULE OF INVESTMENTS
June 30, 2016 (Unaudited)

COMMON STOCKS — 93.5%	Shares	Market Value
Consumer Discretionary — 13.2%		
<i>Auto Components — 2.5%</i>		
Bridgestone Corporation - ADR	66,500	\$ 1,062,005
<i>Automobiles — 3.0%</i>		
Toyota Motor Corporation - ADR	12,800	1,279,872
<i>Leisure Products — 1.9%</i>		
Polaris Industries, Inc.	10,000	817,600
<i>Media — 3.3%</i>		
Discovery Communications, Inc. - Series A *	22,500	567,675
WPP plc - ADR	8,000	836,160
		1,403,835
<i>Specialty Retail — 2.5%</i>		
Lowe's Companies, Inc.	13,500	1,068,795
Consumer Staples — 11.7%		
<i>Beverages — 7.0%</i>		
Diageo plc - ADR	14,000	1,580,320
Heineken N.V. - ADR	30,000	1,389,600
		2,969,920
<i>Food Products — 4.7%</i>		
Mondelēz International, Inc. - Class A	24,000	1,092,240
Nestlé S.A. - ADR	11,500	889,065
		1,981,305
Energy — 7.7%		
<i>Energy Equipment & Services — 4.7%</i>		
Halliburton Company	25,000	1,132,250
Schlumberger Limited	11,000	869,880
		2,002,130
<i>Oil, Gas & Consumable Fuels — 3.0%</i>		
Exxon Mobil Corporation	5,000	468,700
Pioneer Natural Resources Company	5,400	816,534
		1,285,234
Financials — 17.2%		
<i>Banks — 4.1%</i>		
Citigroup, Inc.	41,500	1,759,185
<i>Consumer Finance — 1.5%</i>		
Discover Financial Services	12,300	659,157
<i>Diversified Financial Services — 1.8%</i>		
Western Union Company (The)	40,000	767,200

AVE MARIA WORLD EQUITY FUND

SCHEDULE OF INVESTMENTS

(Continued)

COMMON STOCKS — 93.5% (Continued)	Shares	Market Value
Financials — 17.2% (Continued)		
<i>Insurance — 8.7%</i>		
AXA S.A. - ADR	55,000	\$ 1,106,600
Chubb Limited	14,500	1,895,295
Reinsurance Group of America, Inc.	7,000	678,930
		<u>3,680,825</u>
<i>Real Estate Management & Development — 1.1%</i>		
Brookfield Asset Management, Inc. - Class A	14,000	462,980
Health Care — 15.0%		
<i>Biotechnology — 2.7%</i>		
Amgen, Inc.	7,500	1,141,125
<i>Health Care Equipment & Supplies — 8.6%</i>		
Medtronic plc	18,619	1,615,571
St. Jude Medical, Inc.	26,500	2,067,000
		<u>3,682,571</u>
<i>Pharmaceuticals — 3.7%</i>		
Shire plc - ADR	8,500	1,564,680
Industrials — 13.1%		
<i>Aerospace & Defense — 1.2%</i>		
United Technologies Corporation	5,000	512,750
<i>Electrical Equipment — 4.5%</i>		
Eaton Corporation plc	22,000	1,314,060
Emerson Electric Company	11,000	573,760
		<u>1,887,820</u>
<i>Industrial Conglomerates — 4.9%</i>		
Koninklijke Philips Electronics N.V.	45,008	1,122,499
Siemens AG - ADR	9,500	974,605
		<u>2,097,104</u>
<i>Road & Rail — 2.5%</i>		
Canadian National Railway Company	18,000	1,063,080
Information Technology — 12.9%		
<i>Electronic Equipment, Instruments & Components — 3.2%</i>		
TE Connectivity Ltd.	24,000	1,370,640
<i>Internet Software & Services — 1.0%</i>		
Equinix, Inc.	1,100	426,503

AVE MARIA WORLD EQUITY FUND
SCHEDULE OF INVESTMENTS
(Continued)

COMMON STOCKS — 93.5% (Continued)	Shares	Market Value
Information Technology — 12.9% (Continued)		
<i>IT Services — 2.7%</i>		
Accenture plc - Class A	5,000	\$ 566,450
InterXion Holding N.V. *	16,000	590,080
		<u>1,156,530</u>
<i>Semiconductors & Semiconductor Equipment — 4.5%</i>		
QUALCOMM Incorporated	11,000	589,270
Taiwan Semiconductor Manufacturing Company Ltd. - ADR	50,000	1,311,500
		<u>1,900,770</u>
<i>Technology Hardware, Storage & Peripherals — 1.5%</i>		
EMC Corporation	23,300	633,061
Materials — 1.2%		
<i>Chemicals — 1.2%</i>		
International Flavors & Fragrances, Inc.	4,000	504,280
Telecommunication Services — 1.5%		
<i>Diversified Telecommunication Services — 1.5%</i>		
Level 3 Communications, Inc. *	12,000	617,880
Total Common Stocks (Cost \$36,406,475)		<u>\$ 39,758,837</u>
WARRANTS — 0.5%	Shares	Market Value
Financials — 0.5%		
<i>Banks — 0.5%</i>		
PNC Financial Services Group, Inc. (The) * (Cost \$201,466)	13,000	\$ 226,460

AVE MARIA WORLD EQUITY FUND

SCHEDULE OF INVESTMENTS

(Continued)

MONEY MARKET FUNDS — 6.0%	Shares	Market Value
Federated Government Obligations Tax-Managed Fund - Institutional Shares, 0.23% ^(a)	1,897,985	\$ 1,897,985
Federated Treasury Obligations Fund - Institutional Shares, 0.24% ^(a)	643,305	643,305
Total Money Market Funds (Cost \$2,541,290)		<u>\$ 2,541,290</u>
Total Investments at Market Value — 100.0% (Cost \$39,149,231)		\$ 42,526,587
Other Assets in Excess of Liabilities — 0.0% ^(b)		<u>18,079</u>
Net Assets — 100.0%		<u>\$ 42,544,666</u>

ADR - American Depositary Receipt.

* Non-income producing security.

^(a) The rate shown is the 7-day effective yield as of June 30, 2016.

^(b) Percentage rounds to less than 0.1%.

SUMMARY OF EQUITY SECURITIES BY COUNTRY

June 30, 2016 (Unaudited)

Country	Value	% of Net Assets
United States	\$ 22,856,956	53.7%
United Kingdom	3,981,160	9.4%
Netherlands	3,102,179	7.3%
Switzerland	2,784,360	6.5%
Japan	2,341,877	5.5%
Canada	1,526,060	3.6%
Taiwan	1,311,500	3.1%
France	1,106,600	2.6%
Germany	974,605	2.3%
	<u>\$ 39,985,297</u>	<u>94.0%</u>

See notes to financial statements.

AVE MARIA BOND FUND

PORTFOLIO MANAGER COMMENTARY

(Unaudited)

Dear Fellow Shareholders:

For the six months ended June 30, 2016, the Ave Maria Bond Fund (the “Fund”) had a total return of 4.16%, compared to 4.07% for the Barclays U.S. Intermediate Government/Credit Index.

Interest rates continued their downward march for the first half of the year. The ten-year U.S. Treasury yield started the year at 2.28% and finished the second quarter at 1.49%. A number of events occurred during the first half of the year, including the following: an economic slowdown in China, negative interest-rates (that’s right, negative) engineered by both the European and Japanese central banks, and most recently, the Brexit – the United Kingdom’s exit from the European Union. Here at home, the Federal Reserve (the “Fed”) continues to send mixed signals.

The Fed first raised interest rates in December 2015 with the implication to raise rates an additional four times in 2016. But they’re off to a very slow start with no additional rate increases so far. Bloomberg places the probability of any additional increase this year at less than 12%. This inaction seems to stand in contradiction to the dual mandate the Fed imposed upon itself with the stated goals of an unemployment rate under 5% and inflation rate over 2%. Since last December, inflation (as measured by CPI ex-food & energy) has been over 2%, and unemployment has been at or below 5% since the end of last October. So, why the delay? It’s difficult to raise U.S. interest rates when every other central bank is slashing theirs. The probable effects would be a stronger dollar, higher imports and lower exports, resulting in slower economic growth here at home.

As for interest rates around the world, it’s shaping up to be a contest of, “how low can you go?” The ten-year bonds of Germany, Switzerland and Japan are yielding -0.13%, -0.61% and -0.22%, respectively, as of June 30th. According to *Bloomberg*, almost \$10 trillion in sovereign bonds now have negative yields. It’s no surprise that foreign investors have flocked to the safety and yield of U.S. Treasuries.

For the first half of 2016, the three top-performing assets in the Fund were the common stocks of Hershey Company (packaged food), Exxon Mobil Corporation (integrated oils), and Texas Instruments Incorporated (semiconductor devices). The Fund’s worst-performing assets were the common stocks of Fifth Third Bancorp (banking), PNC Financial Services Group, Inc. (banking), and Williams-Sonoma, Inc. (home products stores). Dividend-paying common stocks contributed positively to performance.

AVE MARIA BOND FUND

PORTFOLIO MANAGER COMMENTARY

(Unaudited) (Continued)

The Fund continues to be managed in a conservative manner, with the full expectation that at some point, interest rates will rise to a level more consistent with historical averages. Therefore, short-maturity, high-quality bonds and carefully selected dividend-paying common stocks will continue to be emphasized.

We appreciate your investment in the Ave Maria Bond Fund.

Sincerely,



Brandon S. Scheitler
Lead Portfolio Manager



Richard L. Platte, Jr., CFA
Co-Portfolio Manager

AVE MARIA BOND FUND

TEN LARGEST HOLDINGS*

June 30, 2016 (Unaudited)

Par Value (\$) / Shares	Holding	Market Value	% of Net Assets
\$ 5,000,000	U.S. Treasury Notes, 3.875%, due 05/15/18 ..	\$ 5,311,135	2.3%
\$ 5,000,000	U.S. Treasury Notes, 3.500%, due 02/15/18 ..	5,234,765	2.2%
\$ 2,500,000	U.S. Treasury Bonds, 8.000%, due 11/15/21 ...	3,403,613	1.4%
\$ 3,000,000	U.S. Treasury Notes, 3.500%, due 05/15/20 ..	3,297,423	1.4%
30,000	United Parcel Service, Inc. - Class B	3,231,600	1.4%
\$ 3,000,000	U.S. Treasury Notes, 2.125%, due 09/30/21 ..	3,161,484	1.3%
\$ 3,000,000	Colgate-Palmolive Company, 2.450%, due 11/15/21	3,144,021	1.3%
50,000	Texas Instruments, Inc.	3,132,500	1.3%
27,500	Hershey Company (The)	3,120,975	1.3%
\$ 2,940,000	Occidental Petroleum Corporation, 3.125%, due 02/15/22	3,081,276	1.3%

* Excludes cash equivalents.

ASSET ALLOCATION (Unaudited)

	% of Net Assets
U.S. TREASURY OBLIGATIONS	26.9%
CORPORATE BONDS	
Sector	
Consumer Discretionary	4.5%
Consumer Staples	13.2%
Energy	4.7%
Financials	3.3%
Health Care	3.0%
Industrials	11.2%
Information Technology	3.2%
Materials	1.2%
Utilities	1.9%
COMMON STOCKS	
Sector	
Consumer Discretionary	2.2%
Consumer Staples	2.5%
Energy	2.0%
Financials	2.4%
Industrials	5.1%
Information Technology	3.3%
Materials	1.2%
MONEY MARKET FUNDS, OTHER ASSETS	
IN EXCESS OF LIABILITIES	8.2%
	<u>100.0%</u>

AVE MARIA BOND FUND
SCHEDULE OF INVESTMENTS
June 30, 2016 (Unaudited)

U.S. TREASURY OBLIGATIONS — 26.9%	Par Value	Market Value
U.S. Treasury Bonds — 2.6%		
8.125%, due 05/15/21	\$ 2,000,000	\$ 2,678,438
8.000%, due 11/15/21	2,500,000	<u>3,403,613</u>
		<u>6,082,051</u>
U.S. Treasury Inflation-Protected Notes — 3.4%		
2.500%, due 07/15/16	2,369,120	2,374,488
2.625%, due 07/15/17	1,154,240	1,201,371
0.125%, due 04/15/18	2,069,760	2,100,484
1.125%, due 01/15/21	2,187,160	<u>2,339,292</u>
		<u>8,015,635</u>
U.S. Treasury Notes — 20.9%		
0.625%, due 08/15/16	2,000,000	2,000,950
3.250%, due 12/31/16	2,500,000	2,535,235
0.875%, due 01/31/17	3,000,000	3,007,473
1.000%, due 03/31/17	2,500,000	2,509,280
0.875%, due 04/30/17	2,500,000	2,507,595
0.625%, due 09/30/17	2,500,000	2,502,345
0.875%, due 11/15/17	3,000,000	3,012,423
0.750%, due 12/31/17	2,000,000	2,005,234
0.875%, due 01/15/18	3,000,000	3,013,476
3.500%, due 02/15/18	5,000,000	5,234,765
3.875%, due 05/15/18	5,000,000	5,311,135
1.500%, due 01/31/19	3,000,000	3,062,694
1.250%, due 01/31/20	3,000,000	3,043,827
3.500%, due 05/15/20	3,000,000	3,297,423
2.125%, due 09/30/21	3,000,000	3,161,484
1.500%, due 01/31/22	3,000,000	<u>3,060,702</u>
		<u>49,266,041</u>
Total U.S. Treasury Obligations (Cost \$62,602,215)		\$ <u>63,363,727</u>

CORPORATE BONDS — 46.2%	Par Value	Market Value
Consumer Discretionary — 4.5%		
Lowe's Companies, Inc., 3.120%, due 04/15/22	\$ 2,000,000	\$ 2,138,000
McDonald's Corporation, 5.350%, due 03/01/18	2,000,000	2,138,776
TJX Companies, Inc. (The), 6.950%, due 04/15/19	1,285,000	1,480,442
TJX Companies, Inc. (The), 2.750%, due 06/15/21	2,305,000	2,434,269
VF Corporation, 5.950%, due 11/01/17	2,270,000	<u>2,414,944</u>
		<u>10,606,431</u>
Consumer Staples — 13.2%		
Coca-Cola Company (The), 1.650%, due 11/01/18	1,500,000	1,522,578
Coca-Cola Company (The), 3.300%, due 09/01/21	2,000,000	2,172,448

AVE MARIA BOND FUND
SCHEDULE OF INVESTMENTS
(Continued)

CORPORATE BONDS — 46.2% (Continued)	Par Value	Market Value
Consumer Staples — 13.2% (Continued)		
Colgate-Palmolive Company, 2.450%, due 11/15/21	\$ 3,000,000	\$ 3,144,021
Colgate-Palmolive Company, 1.950%, due 02/01/23	2,263,000	2,294,614
Colgate-Palmolive Company, 3.250%, due 03/15/24	795,000	882,358
Dr Pepper Snapple Group, Inc., 3.200%, due 11/15/21 .	2,000,000	2,118,024
Hershey Company (The), 2.625%, due 05/01/23	2,831,000	2,871,189
Hormel Foods Corporation, 4.125%, due 04/15/21	2,000,000	2,229,038
J.M. Smucker Company (The), 3.500%, due 10/15/21 .	2,000,000	2,150,636
Kellogg Company, 4.150%, due 11/15/19	2,042,000	2,212,450
Kimberly-Clark Corporation, 6.125%, due 08/01/17	1,475,000	1,557,960
Kimberly-Clark Corporation, 2.400%, due 03/01/22 ...	2,311,000	2,400,678
McCormick & Company, Inc., 3.900%, due 07/15/21 ...	2,500,000	2,745,255
McCormick & Company, Inc., 3.500%, due 09/01/23 ..	2,500,000	2,693,572
		<u>30,994,821</u>
Energy — 4.7%		
ConocoPhillips, 1.050%, due 12/15/17	1,750,000	1,739,203
Exxon Mobil Corporation, 2.397%, due 03/06/22	2,000,000	2,051,192
Exxon Mobil Corporation, 3.176%, due 03/15/24	1,634,000	1,755,870
Occidental Petroleum Corporation, 3.125%, due 02/15/22	2,940,000	3,081,276
Occidental Petroleum Corporation, 2.700%, due 02/15/23	2,350,000	2,389,285
		<u>11,016,826</u>
Financials — 3.3%		
Bank of New York Mellon Corporation (The), 2.300%, due 07/28/16	1,500,000	1,501,480
Bank of New York Mellon Corporation (The), 2.100%, due 08/01/18	1,000,000	1,018,823
MasterCard, Inc., 2.000%, due 04/01/19	2,000,000	2,050,866
PACCAR Financial Corporation, 1.600%, due 03/15/17	2,000,000	2,012,152
U.S. Bancorp, 2.200%, due 04/25/19	1,173,000	1,203,028
		<u>7,786,349</u>
Health Care — 3.0%		
Amgen, Inc., 3.875%, due 11/15/21	2,108,000	2,298,475
Stryker Corporation, 2.000%, due 09/30/16	1,150,000	1,153,353
Stryker Corporation, 4.375%, due 01/15/20	1,000,000	1,089,529
Zimmer Holdings, Inc., 4.625%, due 11/30/19	2,310,000	2,511,501
		<u>7,052,858</u>
Industrials — 11.2%		
3M Company, 1.375%, due 09/29/16	1,393,000	1,395,549
3M Company, 1.000%, due 06/26/17	2,000,000	2,005,136
3M Company, 2.000%, due 06/26/22	1,073,000	1,099,189
Emerson Electric Company, 5.250%, due 10/15/18	1,600,000	1,753,171

AVE MARIA BOND FUND
SCHEDULE OF INVESTMENTS
(Continued)

CORPORATE BONDS — 46.2% (Continued)	Par Value	Market Value
Industrials — 11.2% (Continued)		
Emerson Electric Company, 4.250%, due 11/15/20	\$ 2,109,000	\$ 2,347,210
General Dynamics Corporation, 2.250%, due 07/15/16 ..	1,650,000	1,650,731
Illinois Tool Works, Inc., 1.950%, due 03/01/19	2,000,000	2,047,028
Illinois Tool Works, Inc., 6.250%, due 04/01/19	1,000,000	1,130,745
John Deere Capital Corporation, 1.400%, due 03/15/17	1,700,000	1,706,487
John Deere Capital Corporation, 1.700%, due 01/15/20	2,000,000	2,015,430
Norfolk Southern Corporation, 5.750%, due 04/01/18 ..	885,000	953,082
Norfolk Southern Corporation, 5.900%, due 06/15/19 ..	441,000	495,587
Ryder System, Inc., 5.850%, due 11/01/16	285,000	289,518
Snap-on, Inc., 6.125%, due 09/01/21	1,000,000	1,214,453
Union Pacific Corporation, 2.250%, due 02/15/19	2,000,000	2,054,876
United Parcel Service, Inc., 5.500%, due 01/15/18	1,500,000	1,605,395
United Parcel Service, Inc., 5.125%, due 04/01/19	1,500,000	1,661,022
United Technologies Corporation, 5.375%, due 12/15/17	839,000	891,802
		<u>26,316,411</u>
Information Technology — 3.2%		
CA, Inc., 5.375%, due 12/01/19	1,000,000	1,098,942
CA, Inc., 4.500%, due 08/15/23	2,000,000	2,185,904
Cisco Systems, Inc., 4.450%, due 01/15/20	606,000	669,363
National Semiconductor Corporation, 6.600%, due 06/15/17	1,605,000	1,689,861
Texas Instruments, Inc., 1.650%, due 08/03/19	2,000,000	2,026,328
		<u>7,670,398</u>
Materials — 1.2%		
PPG Industries, Inc., 6.650%, due 03/15/18	207,000	223,969
Praxair, Inc., 2.250%, due 09/24/20	2,000,000	2,072,216
Praxair, Inc., 4.050%, due 03/15/21	500,000	555,748
		<u>2,851,933</u>
Utilities — 1.9%		
Consolidated Edison Company of New York, Inc., 5.300%, due 12/01/16	2,000,000	2,034,410
Consolidated Edison Company of New York, Inc., 6.650%, due 04/01/19	800,000	913,270
Georgia Power Company, 4.250%, due 12/01/19	1,500,000	1,632,643
		<u>4,580,323</u>
Total Corporate Bonds (Cost \$106,242,603)		<u>\$ 108,876,350</u>

AVE MARIA BOND FUND
SCHEDULE OF INVESTMENTS
(Continued)

COMMON STOCKS — 18.7%	Shares	Market Value
Consumer Discretionary — 2.2%		
<i>Media — 1.1%</i>		
Omnicom Group, Inc.	30,000	\$ <u>2,444,700</u>
<i>Specialty Retail — 1.1%</i>		
Williams-Sonoma, Inc.	50,000	<u>2,606,500</u>
Consumer Staples — 2.5%		
<i>Beverages — 1.2%</i>		
Diageo plc - ADR	25,000	<u>2,822,000</u>
<i>Food Products — 1.3%</i>		
Hershey Company (The)	27,500	<u>3,120,975</u>
Energy — 2.0%		
<i>Oil, Gas & Consumable Fuels — 2.0%</i>		
Exxon Mobil Corporation	30,000	2,812,200
Occidental Petroleum Corporation	25,000	<u>1,889,000</u>
		<u>4,701,200</u>
Financials — 2.4%		
<i>Banks — 1.3%</i>		
Fifth Third Bancorp	110,000	1,934,900
PNC Financial Services Group, Inc. (The)	14,000	<u>1,139,460</u>
		<u>3,074,360</u>
<i>Insurance — 1.1%</i>		
Chubb Limited	20,000	<u>2,614,200</u>
Industrials — 5.1%		
<i>Air Freight & Logistics — 1.4%</i>		
United Parcel Service, Inc. - Class B	30,000	<u>3,231,600</u>
<i>Electrical Equipment — 1.1%</i>		
Emerson Electric Company	50,000	<u>2,608,000</u>
<i>Industrial Conglomerates — 1.2%</i>		
3M Company	16,000	<u>2,801,920</u>
<i>Road & Rail — 0.5%</i>		
Norfolk Southern Corporation	13,500	<u>1,149,255</u>
<i>Trading Companies & Distributors — 0.9%</i>		
Fastenal Company	50,000	<u>2,219,500</u>

AVE MARIA BOND FUND

SCHEDULE OF INVESTMENTS

(Continued)

COMMON STOCKS — 18.7% (Continued)	Shares	Market Value
Information Technology — 3.3%		
<i>Communications Equipment — 1.0%</i>		
Cisco Systems, Inc.	80,000	\$ <u>2,295,200</u>
<i>Semiconductors & Semiconductor Equipment — 2.3%</i>		
Microchip Technology, Inc.	45,000	2,284,200
Texas Instruments, Inc.	50,000	<u>3,132,500</u>
		<u>5,416,700</u>
Materials — 1.2%		
<i>Chemicals — 1.2%</i>		
Praxair, Inc.	25,000	<u>2,809,750</u>
Total Common Stocks (Cost \$38,593,141)		\$ <u>43,915,860</u>
<hr style="border: 1px solid #0056b3;"/>		
MONEY MARKET FUNDS — 7.6%	Shares	Market Value
Federated Government Obligations Tax-Managed Fund - Institutional Shares, 0.23% ^(a)	10,995,371	\$ 10,995,371
Federated Treasury Obligations Fund - Institutional Shares, 0.24% ^(a)	6,919,446	<u>6,919,446</u>
Total Money Market Funds (Cost \$17,914,817)		\$ <u>17,914,817</u>
Total Investments at Market Value — 99.4% (Cost \$225,352,776)		\$ 234,070,754
Other Assets in Excess of Liabilities — 0.6%		<u>1,481,409</u>
Net Assets — 100.0%		<u>\$ 235,552,163</u>

ADR - American Depositary Receipt.

^(a) The rate shown is the 7-day effective yield as of June 30, 2016.

See notes to financial statements.

AVE MARIA MUTUAL FUNDS
STATEMENTS OF ASSETS AND LIABILITIES
June 30, 2016 (Unaudited)

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund
ASSETS			
Investment securities:			
At cost	\$ 184,403,214	\$ 257,907,565	\$ 686,381,188
At market value (Note 1)	\$ 203,608,165	\$ 333,942,425	\$ 790,185,564
Affiliated investments, at market value (Cost \$1,107,092) (Note 5)	3,188,790	—	—
Cash	43,350	—	—
Receivable for investment securities sold	—	—	2,730,515
Receivable for capital shares sold	93,497	334,555	532,153
Dividends receivable	141,766	236,786	1,247,478
Other assets	20,414	25,463	40,342
TOTAL ASSETS	<u>207,095,982</u>	<u>334,539,229</u>	<u>794,736,052</u>
LIABILITIES			
Dividends payable	—	—	253,035
Payable for investment securities purchased	—	874,311	2,586,370
Payable for capital shares redeemed	47,851	238,771	848,473
Payable to Adviser (Note 2)	496,477	776,601	1,452,579
Payable to administrator (Note 2)	23,415	35,989	75,622
Other accrued expenses	17,960	21,596	38,828
TOTAL LIABILITIES	<u>585,703</u>	<u>1,947,268</u>	<u>5,254,907</u>
NET ASSETS	<u>\$ 206,510,279</u>	<u>\$ 332,591,961</u>	<u>\$ 789,481,145</u>
NET ASSETS CONSIST OF:			
Paid-in capital	\$ 187,318,147	\$ 246,603,501	\$ 674,933,011
Accumulated net investment income (loss) ...	(71,249)	101,106	1,829
Accumulated net realized gains (losses) from security transactions	(2,023,268)	9,852,494	10,741,929
Net unrealized appreciation on investments ...	21,286,649	76,034,860	103,804,376
NET ASSETS	<u>\$ 206,510,279</u>	<u>\$ 332,591,961</u>	<u>\$ 789,481,145</u>
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value)	<u>12,139,108</u>	<u>12,432,112</u>	<u>47,056,354</u>
Net asset value, offering price and redemption price per share (Note 1)	<u>\$ 17.01</u>	<u>\$ 26.75</u>	<u>\$ 16.78</u>

See notes to financial statements.

AVE MARIA MUTUAL FUNDS
STATEMENTS OF ASSETS AND LIABILITIES
June 30, 2016 (Unaudited) (Continued)

	Ave Maria World Equity Fund	Ave Maria Bond Fund
ASSETS		
Investment securities:		
At cost	\$ 39,149,231	\$ 225,352,776
At market value (Note 1)	\$ 42,526,587	\$ 234,070,754
Cash	5,967	—
Receivable for investment securities sold	642,994	—
Receivable for capital shares sold	33,174	488,132
Dividends and interest receivable	109,294	1,251,585
Other assets	17,257	25,987
TOTAL ASSETS	<u>43,335,273</u>	<u>235,836,458</u>
LIABILITIES		
Dividends payable	—	33,200
Payable for investment securities purchased	673,571	—
Payable for capital shares redeemed	21,391	37,851
Payable to Adviser (Note 2)	80,516	173,845
Payable to administrator (Note 2)	4,683	19,370
Other accrued expenses	10,446	20,029
TOTAL LIABILITIES	<u>790,607</u>	<u>284,295</u>
NET ASSETS	<u>\$ 42,544,666</u>	<u>\$ 235,552,163</u>
NET ASSETS CONSIST OF:		
Paid-in capital	\$ 39,219,421	\$ 225,512,091
Accumulated net investment income	172,708	1,958
Accumulated net realized gains (losses)		
from security transactions	(224,819)	1,320,136
Net unrealized appreciation on investments	3,377,356	8,717,978
NET ASSETS	<u>\$ 42,544,666</u>	<u>\$ 235,552,163</u>
Shares of beneficial interest outstanding		
(unlimited number of shares authorized, no par value)	<u>3,347,526</u>	<u>20,654,582</u>
Net asset value, offering price and		
redemption price per share (Note 1)	<u>\$ 12.71</u>	<u>\$ 11.40</u>

See notes to financial statements.

AVE MARIA MUTUAL FUNDS
STATEMENTS OF OPERATIONS
For the Six Months Ended June 30, 2016 (Unaudited)

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund
INVESTMENT INCOME			
Dividends	\$ 1,163,199	\$ 1,931,768	\$ 8,397,858
EXPENSES			
Investment advisory fees (Note 2)	959,136	1,471,597	2,795,877
Administration, accounting and transfer agent fees (Note 2)	136,718	205,257	442,526
Trustees' fees and expenses (Note 2)	29,229	29,229	29,229
Legal and audit fees	34,128	27,201	37,091
Postage and supplies	25,156	34,771	50,373
Registration and filing fees	13,016	17,809	21,453
Custodian and bank service fees	6,863	10,234	23,448
Insurance expense	6,885	8,626	21,826
Advisory board fees and expenses (Note 2)	6,094	6,094	6,094
Printing of shareholder reports	4,763	5,715	8,129
Compliance service fees and expenses (Note 2)	2,412	3,823	9,012
Other expenses	10,048	10,306	21,543
TOTAL EXPENSES	<u>1,234,448</u>	<u>1,830,662</u>	<u>3,466,601</u>
NET INVESTMENT INCOME (LOSS)	<u>(71,249)</u>	<u>101,106</u>	<u>4,931,257</u>
REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS			
Net realized gains (losses) from security transactions	(1,188,119)	9,963,118	10,741,929
Net change in unrealized appreciation (depreciation) on investments	7,635,057	10,798,884	45,849,828
Net change in unrealized appreciation on affiliated investments (Note 5)	381,976	—	—
NET REALIZED AND UNREALIZED GAINS ON INVESTMENTS	<u>6,828,914</u>	<u>20,762,002</u>	<u>56,591,757</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$ 6,757,665</u>	<u>\$ 20,863,108</u>	<u>\$ 61,523,014</u>

See notes to financial statements.

AVE MARIA MUTUAL FUNDS
STATEMENTS OF OPERATIONS
For the Six Months Ended June 30, 2016 (Unaudited) (Continued)

	Ave Maria World Equity Fund	Ave Maria Bond Fund
INVESTMENT INCOME		
Dividends	\$ 500,286	\$ 591,047
Foreign withholding taxes on dividends	(41,421)	—
Interest	—	1,531,228
TOTAL INCOME	<u>458,865</u>	<u>2,122,275</u>
EXPENSES		
Investment advisory fees (Note 2)	192,356	340,910
Administration, accounting and transfer agent fees (Note 2)	27,419	114,596
Trustees' fees and expenses (Note 2)	29,229	29,229
Legal and audit fees	20,498	25,093
Postage and supplies	8,115	16,419
Registration and filing fees	11,763	19,567
Custodian and bank service fees	1,745	7,301
Insurance expense	1,263	5,847
Advisory board fees and expenses (Note 2)	6,094	6,094
Printing of shareholder reports	1,337	2,961
Compliance service fees and expenses (Note 2)	488	2,792
Other expenses	<u>5,056</u>	<u>13,913</u>
TOTAL EXPENSES	305,363	584,722
Less fee reductions by the Adviser (Note 2)	<u>(19,206)</u>	—
NET EXPENSES	<u>286,157</u>	<u>584,722</u>
NET INVESTMENT INCOME	<u>172,708</u>	<u>1,537,553</u>
REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS		
Net realized gains (losses) from security transactions	(224,819)	1,320,026
Net change in unrealized appreciation (depreciation) on investments ...	<u>1,252,088</u>	<u>6,655,150</u>
NET REALIZED AND UNREALIZED GAINS ON INVESTMENTS	<u>1,027,269</u>	<u>7,975,176</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$ 1,199,977</u>	<u>\$ 9,512,729</u>

See notes to financial statements.

AVE MARIA CATHOLIC VALUES FUND

STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2016 (Unaudited)	Year Ended December 31, 2015
FROM OPERATIONS		
Net investment income (loss)	\$ (71,249)	\$ 141,330
Net realized losses from security transactions	(1,188,119)	(246,314)
Net change in unrealized appreciation (depreciation) on investments ..	7,635,057	(45,665,271)
Net change in unrealized appreciation (depreciation) on affiliated investments (Note 5)	<u>381,976</u>	<u>(517,790)</u>
Net increase (decrease) in net assets resulting from operations	<u>6,757,665</u>	<u>(46,288,045)</u>
FROM DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	—	(140,481)
From net realized gains on investments	—	(119,860)
Decrease in net assets from distributions to shareholders	<u>—</u>	<u>(260,341)</u>
FROM CAPITAL SHARE TRANSACTIONS		
Net assets received in conjunction with fund merger (Note 1)	—	36,285,741
Proceeds from shares sold	7,704,468	18,561,949
Reinvestment of distributions to shareholders	—	244,520
Payments for shares redeemed	<u>(19,830,799)</u>	<u>(43,454,457)</u>
Net increase (decrease) in net assets from capital share transactions ...	<u>(12,126,331)</u>	<u>11,637,753</u>
TOTAL DECREASE IN NET ASSETS	(5,368,666)	(34,910,633)
NET ASSETS		
Beginning of period	<u>211,878,945</u>	<u>246,789,578</u>
End of period	<u>\$ 206,510,279</u>	<u>\$ 211,878,945</u>
ACCUMULATED NET INVESTMENT INCOME (LOSS)	\$ (71,249)	\$ —
SUMMARY OF CAPITAL SHARE ACTIVITY		
Shares received in conjunction with fund merger (Note 1)	—	1,858,403
Shares sold	478,482	975,841
Shares issued in reinvestment of distributions to shareholders	—	14,810
Shares redeemed	<u>(1,240,320)</u>	<u>(2,305,573)</u>
Net increase (decrease) in shares outstanding	(761,838)	543,481
Shares outstanding, beginning of period	<u>12,900,946</u>	<u>12,357,465</u>
Shares outstanding, end of period	<u>12,139,108</u>	<u>12,900,946</u>

See notes to financial statements.

AVE MARIA GROWTH FUND

STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2016 (Unaudited)	Year Ended December 31, 2015
FROM OPERATIONS		
Net investment income	\$ 101,106	\$ 750,055
Net realized gains from security transactions	9,963,118	26,341,032
Net change in unrealized appreciation (depreciation) on investments ..	<u>10,798,884</u>	<u>(35,373,175)</u>
Net increase (decrease) in net assets resulting from operations	<u>20,863,108</u>	<u>(8,282,088)</u>
FROM DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	—	(750,152)
From net realized gains on investments	—	<u>(26,393,498)</u>
Decrease in net assets from distributions to shareholders	<u>—</u>	<u>(27,143,650)</u>
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	34,290,100	53,372,551
Reinvestment of distributions to shareholders	—	25,479,551
Payments for shares redeemed	<u>(22,680,063)</u>	<u>(47,147,747)</u>
Net increase in net assets from capital share transactions	<u>11,610,037</u>	<u>31,704,355</u>
TOTAL INCREASE (DECREASE) IN NET ASSETS	32,473,145	(3,721,383)
NET ASSETS		
Beginning of period	<u>300,118,816</u>	<u>303,840,199</u>
End of period	<u>\$ 332,591,961</u>	<u>\$ 300,118,816</u>
ACCUMULATED NET INVESTMENT INCOME	\$ 101,106	\$ —
SUMMARY OF CAPITAL SHARE ACTIVITY		
Shares sold	1,328,673	1,877,497
Shares issued in reinvestment of distributions to shareholders	—	1,010,692
Shares redeemed	<u>(890,793)</u>	<u>(1,653,370)</u>
Net increase in shares outstanding	437,880	1,234,819
Shares outstanding, beginning of period	<u>11,994,232</u>	<u>10,759,413</u>
Shares outstanding, end of period	<u>12,432,112</u>	<u>11,994,232</u>

See notes to financial statements.

AVE MARIA RISING DIVIDEND FUND

STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2016 (Unaudited)	Year Ended December 31, 2015
FROM OPERATIONS		
Net investment income	\$ 4,931,257	\$ 11,308,513
Net realized gains from security transactions	10,741,929	40,146,505
Net change in unrealized appreciation (depreciation) on investments ..	<u>45,849,828</u>	<u>(101,327,744)</u>
Net increase (decrease) in net assets resulting from operations	<u>61,523,014</u>	<u>(49,872,726)</u>
FROM DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	(5,304,177)	(10,933,195)
From net realized gains on investments	<u>—</u>	<u>(40,147,214)</u>
Decrease in net assets from distributions to shareholders	<u>(5,304,177)</u>	<u>(51,080,409)</u>
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	62,852,268	170,712,568
Reinvestment of distributions to shareholders	4,720,721	46,076,735
Payments for shares redeemed	<u>(85,200,550)</u>	<u>(213,041,809)</u>
Net increase (decrease) in net assets from capital share transactions ..	<u>(17,627,561)</u>	<u>3,747,494</u>
TOTAL INCREASE (DECREASE) IN NET ASSETS	38,591,276	(97,205,641)
NET ASSETS		
Beginning of period	<u>750,889,869</u>	<u>848,095,510</u>
End of period	<u>\$ 789,481,145</u>	<u>\$ 750,889,869</u>
ACCUMULATED NET INVESTMENT INCOME	\$ 1,829	\$ 374,749
SUMMARY OF CAPITAL SHARE ACTIVITY		
Shares sold	4,003,898	9,847,012
Shares issued in reinvestment of distributions to shareholders	288,743	2,898,743
Shares redeemed	<u>(5,442,021)</u>	<u>(12,391,093)</u>
Net increase (decrease) in shares outstanding	(1,149,380)	354,662
Shares outstanding, beginning of period	<u>48,205,734</u>	<u>47,851,072</u>
Shares outstanding, end of period	<u>47,056,354</u>	<u>48,205,734</u>

See notes to financial statements.

AVE MARIA WORLD EQUITY FUND

STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2016 (Unaudited)	Year Ended December 31, 2015
FROM OPERATIONS		
Net investment income	\$ 172,708	\$ 226,829
Net realized gains (losses) from security transactions	(224,819)	526,539
Net change in unrealized appreciation (depreciation) on investments ..	<u>1,252,088</u>	<u>(3,013,908)</u>
Net increase (decrease) in net assets resulting from operations	<u>1,199,977</u>	<u>(2,260,540)</u>
FROM DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	—	(233,923)
From net realized gains on investments	—	(526,573)
Decrease in net assets from distributions to shareholders	<u>—</u>	<u>(760,496)</u>
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	3,277,565	12,203,950
Reinvestment of distributions to shareholders	—	687,264
Payments for shares redeemed	<u>(3,131,701)</u>	<u>(11,338,307)</u>
Net increase in net assets from capital share transactions	<u>145,864</u>	<u>1,552,907</u>
TOTAL INCREASE (DECREASE) IN NET ASSETS	1,345,841	(1,468,129)
NET ASSETS		
Beginning of period	<u>41,198,825</u>	<u>42,666,954</u>
End of period	<u>\$ 42,544,666</u>	<u>\$ 41,198,825</u>
ACCUMULATED NET INVESTMENT INCOME	<u>\$ 172,708</u>	<u>\$ —</u>
SUMMARY OF CAPITAL SHARE ACTIVITY		
Shares sold	270,438	918,380
Shares issued in reinvestment of distributions to shareholders	—	55,158
Shares redeemed	<u>(256,993)</u>	<u>(868,084)</u>
Net increase in shares outstanding	13,445	105,454
Shares outstanding, beginning of period	<u>3,334,081</u>	<u>3,228,627</u>
Shares outstanding, end of period	<u>3,347,526</u>	<u>3,334,081</u>

See notes to financial statements.

AVE MARIA BOND FUND

STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2016 (Unaudited)	Year Ended December 31, 2015
FROM OPERATIONS		
Net investment income	\$ 1,537,553	\$ 2,654,822
Net realized gains from security transactions	1,320,026	1,337,200
Net change in unrealized appreciation (depreciation) on investments ..	<u>6,655,150</u>	<u>(2,892,405)</u>
Net increase in net assets resulting from operations	<u>9,512,729</u>	<u>1,099,617</u>
FROM DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	(1,565,934)	(2,624,600)
From net realized gains on investments	<u>—</u>	<u>(1,337,090)</u>
Decrease in net assets from distributions to shareholders	<u>(1,565,934)</u>	<u>(3,961,690)</u>
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	29,795,058	79,697,296
Reinvestment of distributions to shareholders	1,370,969	3,435,000
Payments for shares redeemed	<u>(27,402,772)</u>	<u>(37,145,763)</u>
Net increase in net assets from capital share transactions	<u>3,763,255</u>	<u>45,986,533</u>
TOTAL INCREASE IN NET ASSETS	11,710,050	43,124,460
NET ASSETS		
Beginning of period	<u>223,842,113</u>	<u>180,717,653</u>
End of period	<u>\$ 235,552,163</u>	<u>\$ 223,842,113</u>
ACCUMULATED NET INVESTMENT INCOME	\$ 1,958	\$ 30,339
SUMMARY OF CAPITAL SHARE ACTIVITY		
Shares sold	2,665,210	7,137,744
Shares issued in reinvestment of distributions to shareholders	122,128	309,462
Shares redeemed	<u>(2,450,910)</u>	<u>(3,330,439)</u>
Net increase in shares outstanding	336,428	4,116,767
Shares outstanding, beginning of period	<u>20,318,154</u>	<u>16,201,387</u>
Shares outstanding, end of period	<u>20,654,582</u>	<u>20,318,154</u>

See notes to financial statements.

AVE MARIA CATHOLIC VALUES FUND

FINANCIAL HIGHLIGHTS

Per Share Data for a Share Outstanding Throughout Each Period

	Six Months Ended June 30, 2016 (Unaudited)	Year Ended December 31, 2015	Year Ended December 31, 2014	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011
Net asset value at beginning of period	\$ 16.42	\$ 19.97	\$ 21.21	\$ 17.78	\$ 16.20	\$ 16.42
Income (loss) from investment operations:						
Net investment income (loss)	(0.01)	0.01	(0.01)	(0.00) ^(a)	0.06	(0.01)
Net realized and unrealized gains (losses) on investments	0.60	(3.54)	0.63	4.66	2.09	(0.21)
Total from investment operations	0.59	(3.53)	0.62	4.66	2.15	(0.22)
Less distributions:						
From net investment income	—	(0.01)	—	—	(0.06)	—
From net realized gains on investments	—	(0.01)	(1.86)	(1.23)	(0.51)	—
Total distributions	—	(0.02)	(1.86)	(1.23)	(0.57)	—
Net asset value at end of period	\$ 17.01	\$ 16.42	\$ 19.97	\$ 21.21	\$ 17.78	\$ 16.20
Total return ^(b)	3.6% ^(c)	(17.7%)	2.9%	26.2%	13.3%	(1.3%)
Ratios/Supplementary Data:						
Net assets at end of period (000's) ...	\$ 206,510	\$ 211,879	\$ 246,790	\$ 246,801	\$ 191,100	\$ 180,050
Ratio of total expenses to average net assets	1.22% ^(d)	1.18%	1.29%	1.42%	1.48%	1.50%
Ratio of net investment income (loss) to average net assets	(0.07%) ^(d)	0.06%	(0.04%)	(0.02%)	0.35%	(0.08%)
Portfolio turnover rate	26% ^(c)	63%	31%	29%	25%	29%

^(a) Amount rounds to less than \$0.01 per share.

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

^(c) Not annualized.

^(d) Annualized.

See notes to financial statements.

AVE MARIA GROWTH FUND

FINANCIAL HIGHLIGHTS

Per Share Data for a Share Outstanding Throughout Each Period

	Six Months Ended June 30, 2016 (Unaudited)	Year Ended December 31, 2015	Year Ended December 31, 2014	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011
Net asset value at beginning of period	\$ 25.02	\$ 28.24	\$ 30.19	\$ 23.71	\$ 20.67	\$ 20.56
Income (loss) from investment operations:						
Net investment income (loss)	0.01	0.07	(0.03)	(0.08)	(0.04)	(0.06)
Net realized and unrealized gains (losses) on investments	1.72	(0.81)	2.33	7.55	3.08	0.17
Total from investment operations ..	1.73	(0.74)	2.30	7.47	3.04	0.11
Less distributions:						
From net investment income	—	(0.07)	—	—	—	—
From net realized gains on investments	—	(2.41)	(4.25)	(0.99)	—	—
Total distributions	—	(2.48)	(4.25)	(0.99)	—	—
Net asset value at end of period	\$ 26.75	\$ 25.02	\$ 28.24	\$ 30.19	\$ 23.71	\$ 20.67
Total return ^(a)	6.9% ^(b)	(2.7%)	7.5%	31.5%	14.7%	0.5%
Ratios/Supplementary Data:						
Net assets at end of period (000's) ...	\$ 332,592	\$ 300,119	\$ 303,840	\$ 285,132	\$ 198,761	\$ 162,072
Ratio of total expenses to average net assets	1.18% ^(c)	1.17%	1.28%	1.43%	1.50%	1.50%
Ratio of net investment income (loss) to average net assets	0.07% ^(c)	0.24%	(0.10%)	(0.29%)	(0.17%)	(0.29%)
Portfolio turnover rate	18% ^(b)	32%	36%	18%	33%	10%

^(a) Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

^(b) Not annualized.

^(c) Annualized.

See notes to financial statements.

AVE MARIA RISING DIVIDEND FUND

FINANCIAL HIGHLIGHTS

Per Share Data for a Share Outstanding Throughout Each Period

	Six Months Ended June 30, 2016 (Unaudited)	Year Ended December 31, 2015	Year Ended December 31, 2014	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011
Net asset value at beginning of period	\$ 15.58	\$ 17.72	\$ 17.56	\$ 13.49	\$ 12.68	\$ 12.51
Income (loss) from investment operations:						
Net investment income	0.10	0.24	0.18	0.17	0.23	0.18
Net realized and unrealized gains (losses) on investments	1.21	(1.27)	1.46	4.38	1.51	0.40
Total from investment operations ...	1.31	(1.03)	1.64	4.55	1.74	0.58
Less distributions:						
From net investment income	(0.11)	(0.23)	(0.18)	(0.17)	(0.23)	(0.18)
From net realized gains on investments	—	(0.88)	(1.30)	(0.31)	(0.70)	(0.23)
Total distributions	(0.11)	(1.11)	(1.48)	(0.48)	(0.93)	(0.41)
Net asset value at end of period	\$ 16.78	\$ 15.58	\$ 17.72	\$ 17.56	\$ 13.49	\$ 12.68
Total return ^(a)	8.4% ^(b)	(5.9%)	9.3%	33.9%	13.9%	4.6%
Ratios/Supplementary Data:						
Net assets at end of period (000's) ...	\$ 789,481	\$ 750,890	\$ 848,096	\$ 710,150	\$ 303,909	\$ 223,982
Ratio of total expenses to average net assets	0.93% ^(c)	0.92%	0.92%	0.97%	0.99%	1.02%
Ratio of net investment income to average net assets	1.32% ^(c)	1.38%	1.01%	1.16%	1.75%	1.45%
Portfolio turnover rate	9% ^(b)	35%	29%	14%	37%	22%

^(a) Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

^(b) Not annualized.

^(c) Annualized.

See notes to financial statements.

AVE MARIA WORLD EQUITY FUND

FINANCIAL HIGHLIGHTS

Per Share Data for a Share Outstanding Throughout Each Period

	Six Months Ended June 30, 2016 (Unaudited)	Year Ended December 31, 2015	Year Ended December 31, 2014	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011
Net asset value at beginning of period	\$ 12.36	\$ 13.22	\$ 13.90	\$ 11.46	\$ 10.11	\$ 11.24
Income (loss) from investment operations:						
Net investment income	0.05	0.07	0.04	0.03	0.05	0.05
Net realized and unrealized gains (losses) on investments	0.30	(0.70)	0.04	2.66	1.35	(1.13)
Total from investment operations ...	0.35	(0.63)	0.08	2.69	1.40	(1.08)
Less distributions:						
From net investment income	—	(0.07)	(0.04)	(0.03)	(0.05)	(0.05)
From net realized gains on investments	—	(0.16)	(0.72)	(0.22)	—	—
Total distributions	—	(0.23)	(0.76)	(0.25)	(0.05)	(0.05)
Net asset value at end of period	\$ 12.71	\$ 12.36	\$ 13.22	\$ 13.90	\$ 11.46	\$ 10.11
Total return ^(a)	2.8% ^(b)	(4.8%)	0.5%	23.5%	13.8%	(9.6%)
Ratios/Supplementary Data:						
Net assets at end of period (000's) ...	\$ 42,545	\$ 41,199	\$ 42,667	\$ 39,870	\$ 24,236	\$ 20,324
Ratio of total expenses to average net assets	1.51% ^(d)	1.50%	1.50%	1.55%	1.63%	1.78%
Ratio of net expenses to average net assets ^(c)	1.41% ^(d)	1.50%	1.50%	1.50%	1.50%	1.50%
Ratio of net investment income to average net assets ^(c)	0.85% ^(d)	0.51%	0.29%	0.28%	0.46%	0.58%
Portfolio turnover rate	23% ^(b)	35%	36%	31%	33%	13%

^(a) Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

^(b) Not annualized.

^(c) Ratio was determined after advisory fee reductions (Note 2).

^(d) Annualized.

See notes to financial statements.

AVE MARIA BOND FUND

FINANCIAL HIGHLIGHTS

Per Share Data for a Share Outstanding Throughout Each Period

	Six Months Ended June 30, 2016 (Unaudited)	Year Ended December 31, 2015	Year Ended December 31, 2014	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011
Net asset value at beginning of period	\$ 11.02	\$ 11.15	\$ 11.38	\$ 11.04	\$ 10.87	\$ 10.90
Income (loss) from investment operations:						
Net investment income	0.08	0.14	0.12	0.11	0.18	0.21
Net realized and unrealized gains (losses) on investments	0.38	(0.06)	0.12	0.56	0.32	0.15
Total from investment operations ...	0.46	0.08	0.24	0.67	0.50	0.36
Less distributions:						
From net investment income	(0.08)	(0.14)	(0.12)	(0.11)	(0.18)	(0.21)
From net realized gains on investments	—	(0.07)	(0.35)	(0.22)	(0.15)	(0.18)
Total distributions	(0.08)	(0.21)	(0.47)	(0.33)	(0.33)	(0.39)
Net asset value at end of period	\$ 11.40	\$ 11.02	\$ 11.15	\$ 11.38	\$ 11.04	\$ 10.87
Total return ^(a)	4.2% ^(b)	0.7%	2.2%	6.1%	4.6%	3.3%
Ratios/Supplementary Data:						
Net assets at end of period (000's) ...	\$ 235,552	\$ 223,842	\$ 180,718	\$ 149,750	\$ 113,043	\$ 92,401
Ratio of net expenses to average net assets	0.51% ^(d)	0.51%	0.54%	0.70%	0.70% ^(c)	0.70% ^(c)
Ratio of net investment income to average net assets	1.35% ^(d)	1.30%	1.10%	1.01%	1.64%	1.96%
Portfolio turnover rate	9% ^(b)	25%	21%	17%	21%	27%

^(a) Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

^(b) Not annualized.

^(c) Absent investment advisory fee reductions by the Adviser, the ratios of expenses to average net assets would have been 0.71% and 0.73% for the years ended December 31, 2012 and 2011, respectively.

^(d) Annualized.

See notes to financial statements.

AVE MARIA MUTUAL FUNDS

NOTES TO FINANCIAL STATEMENTS

June 30, 2016 (Unaudited)

1. Organization and Significant Accounting Policies

The Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, the Ave Maria Rising Dividend Fund, the Ave Maria World Equity Fund and the Ave Maria Bond Fund (individually, a “Fund” and collectively, the “Funds”) are each a diversified series of the Schwartz Investment Trust (the “Trust”), an open-end management investment company registered under the Investment Company Act of 1940 and established as an Ohio business trust under a Declaration of Trust dated August 31, 1992. The Ave Maria Catholic Values Fund commenced the public offering of its shares on May 1, 2001. The public offering of shares of the Ave Maria Growth Fund and the Ave Maria Bond Fund commenced on May 1, 2003. The Ave Maria Rising Dividend Fund commenced the public offering of its shares on May 2, 2005. The Ave Maria World Equity Fund commenced the public offering of its shares on April 30, 2010.

The investment objective of the Ave Maria Catholic Values Fund is to seek long-term capital appreciation from equity investments in companies that do not violate core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria Growth Fund is to seek long-term capital appreciation, using the growth style, from equity investments in companies that do not violate core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria Rising Dividend Fund is to provide increasing dividend income over time, long-term growth of capital, and a reasonable level of current income from investments in dividend-paying common stocks of companies that do not violate core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria World Equity Fund is to seek long-term capital appreciation from equity investments in U.S. and non-U.S. companies that do not violate core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria Bond Fund is to seek preservation of principal with a reasonable level of current income in corporate debt and equity securities that do not violate core values and teachings of the Roman Catholic Church. See the Funds’ Prospectus for information regarding the investment strategies of each Fund.

Shares of each Fund are sold at net asset value. To calculate the net asset value, a 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 for each Fund.

AVE MARIA MUTUAL FUNDS

NOTES TO FINANCIAL STATEMENTS

(Continued)

On August 1, 2015, the Ave Maria Catholic Values Fund consummated a tax-free merger with the Ave Maria Opportunity Fund, previously a series of the Trust. Pursuant to the terms of the merger agreement, each share of the Ave Maria Opportunity Fund was converted into an equivalent dollar amount of shares of the Ave Maria Catholic Values Fund, based on the net asset value of the Ave Maria Catholic Values Fund and the Ave Maria Opportunity Fund as of July 31, 2015 (\$19.53 and \$10.03, respectively), resulting in a conversion ratio of 0.513864 shares of the Ave Maria Catholic Values Fund for each share of the Ave Maria Opportunity Fund. The Ave Maria Catholic Values Fund issued 1,858,403 shares to shareholders of the Ave Maria Opportunity Fund. The basis of the assets transferred from the Ave Maria Opportunity Fund reflected the historical basis of the assets as of the date of the tax-free merger. Net assets of the Ave Maria Catholic Values Fund and the Ave Maria Opportunity Fund as of the merger date were \$230,192,193 and \$36,285,741, respectively, including unrealized appreciation (depreciation) on investments of \$39,134,887 and (\$2,883,304), respectively. The Ave Maria Opportunity Fund's net assets at the time of the merger included accumulated realized capital losses of \$104,851. Total net assets of the Ave Maria Catholic Values Fund immediately after the merger were \$266,477,934. Because the combined investment portfolio has been managed as a single integrated portfolio since the merger was completed, it is not practical to state the amounts of net investment income (loss), net realized gains (losses) and change in unrealized appreciation (depreciation) on investments, and net increase (decrease) in net assets resulting from operations, of the former investment portfolio of the Ave Maria Opportunity Fund that has been included in the Ave Maria Catholic Values Fund's Statement of Operations since August 1, 2015.

	Ave Maria Opportunity Fund	Ave Maria Catholic Values Fund
Exchange ratio	0.513864	N/A
Ave Maria Opportunity Fund's shares	3,616,521	N/A
Ave Maria Catholic Values Fund's shares	N/A	11,789,464
Ave Maria Opportunities Fund's unrealized depreciation	\$ 2,883,304	N/A
Net assets before the merger	\$ 36,285,741	\$ 230,192,193
Aggregated net assets immediately after the merger	N/A	\$ 266,477,934

AVE MARIA MUTUAL FUNDS

NOTES TO FINANCIAL STATEMENTS

(Continued)

The tables below summarize the results of operations of the Ave Maria Opportunity Fund for the period from January 1, 2015 to July 31, 2015, and the Ave Maria Catholic Values Fund's results of operations for the fiscal year ended December 31, 2015.

For the period from January 1, 2015 to July 31, 2015:	Net Investment Loss	Net Realized Losses and Net Change in Unrealized Depreciation on Investments	Net Decrease in Net Assets Resulting from Operations
Ave Maria Opportunity Fund	\$ (106,238)	\$ (7,851,130)	\$ (7,957,368)

For the fiscal year ended December 31, 2015:	Net Investment Income	Net Realized Losses and Net Change in Unrealized Depreciation on Investments	Net Decrease in Net Assets Resulting from Operations
Ave Maria Catholic Values Fund	\$ 141,330	\$(46,429,375)	\$(46,228,045)

The following is a summary of significant accounting policies followed by the Funds. The policies are in conformity with accounting principles generally accepted in the United States of America ("GAAP"). As an investment company, as defined in Financial Accounting Standards Board ("FASB") Accounting Standards Update 2013-08, each Fund follows accounting and reporting guidance under FASB Accounting Standards Codification Topic 946, "Financial Services – Investment Companies."

(a) Valuation of investments – Securities which are traded on stock exchanges 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 or, if an Official Closing Price is not available, at the most recently quoted bid 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 price. 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. Fixed income securities are generally valued using prices provided by an independent pricing service. The independent pricing service uses information with respect to transactions in bonds, quotations from bond dealers, market transactions in comparable securities and various relationships between securities in determining these prices. Investments in shares of other open-end investment companies are valued at their net asset value as reported by such companies. Securities for which market quotations are not readily

AVE MARIA MUTUAL FUNDS

NOTES TO FINANCIAL STATEMENTS

(Continued)

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 (see below), depending on the inputs used. Fair value pricing may be used, for example, in situations where (i) a security is so thinly traded that there have been no transactions for that stock over an extended period of time; (ii) the exchange on which the security is principally traded closes early; or (iii) trading of the security is halted during the day and does not resume prior to a Fund's net asset value calculation. A security's "fair value" price may differ from the price next available for that security using the Funds' normal pricing procedures.

GAAP establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements.

Various inputs are used in determining the value of each 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

U.S. Treasury Obligations and Corporate Bonds held by the Ave Maria Bond Fund are classified as Level 2 since the values for such securities are based on prices provided by an independent pricing service that utilizes various "other significant observable inputs" including bid and ask quotations, prices of similar securities and interest rates, among other factors.

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 Funds' investments, by security type, as of June 30, 2016:

Ave Maria Catholic Values Fund	Level 1	Level 2	Level 3	Total
Common Stocks	\$ 188,276,083	\$ —	\$ —	\$ 188,276,083
Warrants	4,324,533	—	—	4,324,533
Money Market Funds	14,196,339	—	—	14,196,339
Total	<u>\$ 206,796,955</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 206,796,955</u>

AVE MARIA MUTUAL FUNDS

NOTES TO FINANCIAL STATEMENTS

(Continued)

Ave Maria Growth Fund	Level 1	Level 2	Level 3	Total
Common Stocks	\$ 317,483,594	\$ —	\$ —	\$ 317,483,594
Money Market Funds	16,458,831	—	—	16,458,831
Total	<u>\$ 333,942,425</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 333,942,425</u>

Ave Maria Rising Dividend Fund	Level 1	Level 2	Level 3	Total
Common Stocks	\$ 745,494,800	\$ —	\$ —	\$ 745,494,800
Warrants	5,835,700	—	—	5,835,700
Money Market Funds	38,855,064	—	—	38,855,064
Total	<u>\$ 790,185,564</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 790,185,564</u>

Ave Maria World Equity Fund	Level 1	Level 2	Level 3	Total
Common Stocks	\$ 39,758,837	\$ —	\$ —	\$ 39,758,837
Warrants	226,460	—	—	226,460
Money Market Funds	2,541,290	—	—	2,541,290
Total	<u>\$ 42,526,587</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 42,526,587</u>

Ave Maria Bond Fund	Level 1	Level 2	Level 3	Total
U.S. Treasury Obligations	\$ —	\$ 63,363,727	\$ —	\$ 63,363,727
Corporate Bonds	—	108,876,350	—	108,876,350
Common Stocks	43,915,860	—	—	43,915,860
Money Market Funds	17,914,817	—	—	17,914,817
Total	<u>\$ 61,830,677</u>	<u>\$ 172,240,077</u>	<u>\$ —</u>	<u>\$ 234,070,754</u>

Refer to each Fund's Schedule of Investments for a listing of the securities by security type and sector or industry type. As of June 30, 2016, the Funds did not have any transfers into and out of any Level. There were no Level 3 securities or derivative instruments held by the Funds as of June 30, 2016. It is the Funds' policy to recognize transfers into and out of all Levels at the end of the reporting period.

(b) Income taxes – Each Fund has qualified and intends to continue to qualify as a regulated investment company under the Internal Revenue Code of 1986 (the "Code"). Qualification generally will relieve each Fund of liability for federal income taxes to the extent 100% of its net investment income and net realized capital gains are distributed in accordance with the Code.

AVE MARIA MUTUAL FUNDS

NOTES TO FINANCIAL STATEMENTS

(Continued)

In order to avoid imposition of the excise tax applicable to regulated investment companies, it is also each Fund's intention to declare as dividends in each calendar year at least 98% of its net investment income and 98.2% 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 June 30, 2016:

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund	Ave Maria World Equity Fund	Ave Maria Bond Fund
Accumulated ordinary income (loss)	\$ (71,249)	\$ 101,106	\$ 1,829	\$ 172,708	\$ 1,958
Capital loss carryforwards	(707,949)	—	—	—	—
Net unrealized appreciation	21,238,022	75,976,668	103,804,376	3,377,356	8,717,978
Accumulated other gains (losses)	<u>(1,266,692)</u>	<u>9,910,686</u>	<u>10,741,929</u>	<u>(224,819)</u>	<u>1,320,136</u>
Total distributable earnings	<u>\$ 19,192,132</u>	<u>\$ 85,988,460</u>	<u>\$ 114,548,134</u>	<u>\$ 3,325,245</u>	<u>\$ 10,040,072</u>

The following information is based upon the federal income tax cost of the Funds' investment securities as of June 30, 2016:

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund	Ave Maria World Equity Fund	Ave Maria Bond Fund
Gross unrealized appreciation	\$ 31,238,209	\$ 84,373,451	\$ 118,245,102	\$ 4,949,805	\$ 9,407,984
Gross unrealized depreciation	<u>(10,000,187)</u>	<u>(8,396,783)</u>	<u>(14,440,726)</u>	<u>(1,572,449)</u>	<u>(690,006)</u>
Net unrealized appreciation	<u>\$ 21,238,022</u>	<u>\$ 75,976,668</u>	<u>\$ 103,804,376</u>	<u>\$ 3,377,356</u>	<u>\$ 8,717,978</u>
Federal income tax cost	<u>\$ 185,558,933</u>	<u>\$ 257,965,757</u>	<u>\$ 686,381,188</u>	<u>\$ 39,149,231</u>	<u>\$ 225,352,776</u>

The difference between the federal income tax cost of portfolio investments and the financial statement cost of portfolio investments for the Ave Maria Catholic Values Fund and the Ave Maria Growth Fund is due to certain timing differences in the recognition of capital gains and losses under income tax regulations and GAAP. These "book/tax" differences are temporary in nature and are due to the tax deferral of losses on wash sales. There is no difference between the federal income tax cost and the financial statement cost of portfolio investments for the Ave Maria Rising Dividend Fund, the Ave Maria World Equity Fund and the Ave Maria Bond Fund as of June 30, 2016.

As of December 31, 2015, the Ave Maria Catholic Values Fund had a short-term capital loss carryforward of \$707,949 for federal income tax purposes. This capital loss carryforward, which does not expire, may be utilized in the current and future years to offset net realized capital gains, if any, prior to distributing such gains to shareholders.

AVE MARIA MUTUAL FUNDS

NOTES TO FINANCIAL STATEMENTS

(Continued)

The Funds recognize 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 the current and all open tax years (tax years ended December 31, 2012 through December 31, 2015) 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 and includes amortization of premiums and accretion of discounts using the effective yield method. Cost of investments includes amortization of premiums and accretion of discounts. Realized gains and losses on securities sold are determined on a specific identification basis. Withholding taxes on foreign dividends have been recorded in accordance with each Fund’s understanding of the appropriate country’s rules and tax rates.

(d) Dividends and distributions – Dividends from net investment income, if any, are declared and paid annually in December for the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund and the Ave Maria World Equity Fund. Dividends from net investment income, if any, are declared and paid quarterly for the Ave Maria Rising Dividend Fund and are declared and paid monthly for the Ave Maria Bond Fund. Each Fund expects to distribute any net realized capital gains annually. Dividends and distributions to shareholders are recorded on the ex-dividend date. The tax character of distributions paid to shareholders during the periods ended June 30, 2016 and December 31, 2015 was as follows:

Periods Ended	Ordinary Income	Long-Term Capital Gains	Total Distributions
Ave Maria Catholic Values Fund:			
June 30, 2016	\$ —	\$ —	\$ —
December 31, 2015	\$ 140,481	\$ 119,860	\$ 260,341
Ave Maria Growth Fund:			
June 30, 2016	\$ —	\$ —	\$ —
December 31, 2015	\$ 2,998,414	\$ 24,145,236	\$ 27,143,650
Ave Maria Rising Dividend Fund:			
June 30, 2016	\$ 5,304,177	\$ —	\$ 5,304,177
December 31, 2015	\$ 11,446,317	\$ 39,634,092	\$ 51,080,409
Ave Maria World Equity Fund:			
June 30, 2016	\$ —	\$ —	\$ —
December 31, 2015	\$ 233,923	\$ 526,573	\$ 760,496

AVE MARIA MUTUAL FUNDS

NOTES TO FINANCIAL STATEMENTS

(Continued)

Periods Ended	Ordinary Income	Long-Term Capital Gains	Total Distributions
Ave Maria Bond Fund			
June 30, 2016	\$ 1,565,934	\$ —	\$ 1,565,934
December 31, 2015	\$ 2,624,600	\$ 1,337,090	\$ 3,961,690

(e) **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 as of 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.

(f) **Common expenses** – Common expenses of the Trust are allocated among the 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 Agreements and Transactions with Related Parties

The Chairman and President of the Trust is also the Chairman and Chief Executive 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 Funds, or of Ultimus Fund Distributors, LLC (the “Distributor”), the Funds’ principal underwriter.

Pursuant to Investment Advisory Agreements between the Trust and the Adviser, the Adviser is responsible for the management of each Fund and provides investment advice along with the necessary personnel, facilities, equipment and certain other services necessary to the operations of the Funds. The Adviser receives from each of the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, and the Ave Maria World Equity Fund a quarterly fee at the annual rate of 0.95% of its average daily net assets. The Adviser receives from the Ave Maria Rising Dividend Fund and the Ave Maria Bond Fund a quarterly fee at the annual rate of 0.75% and 0.30%, respectively, of average daily net assets.

Effective May 1, 2016, the Adviser has contractually agreed to reduce its advisory fees or reimburse a portion of operating expenses until at least May 1, 2017 so that operating expenses of each of the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, the Ave Maria Rising Dividend Fund and the Ave Maria World Equity Fund do not exceed 1.25% per annum of average daily net assets; and the ordinary operating expenses of the Ave Maria Bond Fund do not exceed 0.60% per annum of average daily net assets. Prior to May 1, 2016, the Adviser had contractually agreed to reduce its advisory fees or reimburse a portion of operating expenses so that the ordinary operating expenses of the Ave Maria

AVE MARIA MUTUAL FUNDS

NOTES TO FINANCIAL STATEMENTS

(Continued)

World Equity Fund did not exceed 1.50% per annum of average daily net assets. During the six months ended June 30, 2016, the Adviser reduced its investment advisory fees by \$19,206 with respect to the Ave Maria World Equity Fund.

Any investment advisory fee reductions or expense reimbursements by the Adviser are subject to repayment by the Funds for a period of three years from the end of the fiscal year during which such reductions or reimbursements occurred, provided the Funds are able to effect such repayment and remain in compliance with any undertaking by the Adviser to limit expenses of the Funds. As of June 30, 2016, the Adviser may seek recoupment of investment advisory fee reductions from the Ave Maria World Equity Fund totaling \$22,094 no later than the dates stated below:

December 31, 2016	December 31, 2019
\$2,888	\$19,206

The Chief Compliance Officer of the Trust (the “CCO”) is an employee of the Adviser. The Trust pays the Adviser a fee for providing CCO services, of which each 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 of each Fund, maintains the financial books and records of the Funds, maintains the records of each shareholder’s account, and processes purchases and redemptions of each Fund’s shares. For the performance of these services, Ultimus receives fees from each Fund computed as a percentage of such Fund’s average daily net assets, subject to a minimum monthly fee.

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

Trustees and officers affiliated with the Adviser or Ultimus are not compensated by the Trust for their services. Each Trustee who is not an affiliated person of the Adviser or Ultimus (“Independent Trustee”) receives from the Trust an annual retainer of \$35,000 (except that such fee is \$45,000 for the Lead Independent Trustee and \$39,000 for the Chairman of the Audit Committee), payable quarterly; a fee of \$5,500 for attendance at each meeting of the Board of Trustees; plus reimbursement of travel and other expenses incurred in attending meetings. Each Fund pays its proportionate share of the Independent Trustees’ fees and expenses along with the other series of the Trust.

AVE MARIA MUTUAL FUNDS

NOTES TO FINANCIAL STATEMENTS

(Continued)

Each member of the Catholic Advisory Board (“CAB”), including Emeritus members, receives an annual retainer of \$2,000 (except that such fee is \$14,000 for the CAB chairman), payable quarterly; a fee of \$2,500 for attendance at each meeting of the CAB (except that such fee is \$2,750 for the CAB chairman); plus reimbursement of travel and other expenses incurred in attending meetings. Each Fund pays its proportionate share of CAB members’ fees and expenses. Effective July 1, 2016, each member, including Emeritus members, will receive an annual retainer of \$4,000 (except that such fee is \$14,000 for the CAB Chairman), payable quarterly; a fee of \$3,000 for attendance at each meeting of the CAB (including the Chairman); plus reimbursement of travel and other expenses incurred in attending meetings.

3. Investment Transactions

During the six months ended June 30, 2016, cost of purchases and proceeds from sales and maturities of investment securities, excluding short-term investments and U.S. government securities, were as follows:

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund	Ave Maria World Equity Fund	Ave Maria Bond Fund
Purchases of investment securities	\$ 49,716,955	\$ 71,916,172	\$ 63,347,872	\$ 8,713,339	\$ 11,758,895
Proceeds from sales and maturities of investment securities	\$ 72,249,419	\$ 55,112,429	\$ 83,873,369	\$ 9,049,536	\$ 11,449,277

4. Contingencies and Commitments

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

AVE MARIA MUTUAL FUNDS

NOTES TO FINANCIAL STATEMENTS

(Continued)

5. Affiliated Investment

A company is considered an affiliate of a Fund under the Investment Company Act of 1940 if the Fund's holdings in that company represent 5% or more of the outstanding voting shares of that company. As of June 30, 2016, the Ave Maria Catholic Values Fund owns 5.33% of the outstanding voting shares of Unico American Corporation. Further information on this holding for the period ended June 30, 2016 appears below:

AVE MARIA CATHOLIC VALUES FUND
Affiliated Issuer Report

UNICO AMERICAN CORPORATION
From December 31, 2015 to June 30, 2016

Shares at beginning of period	282,945
Shares at end of period	<u>282,945</u>
Market value at beginning of period	\$ 2,806,814
Change in unrealized appreciation	<u>381,976</u>
Market value at end of period	\$ <u>3,188,790</u>
Net realized gains (losses) during the period	\$ —
Dividend income earned during the period	<u>\$ —</u>

6. Sector Risk

If a Fund has significant investments in the securities of issuers in industries within a particular sector, any development affecting that sector will have a greater impact on the value of the net assets of the Fund than would be the case if the Fund did not have significant investments in that sector. In addition, this may increase the risk of loss of an investment in the Fund and increase the volatility of the Fund's net asset value per share. From time to time, circumstances may affect a particular sector and the companies within such sector. For instance, economic or market factors, regulation or deregulation, and technological or other developments may negatively impact all companies in a particular sector and therefore the value of a Fund's portfolio will be adversely affected. As of June 30, 2016, the Ave Maria Growth Fund had 33.5% of the value of its net assets invested in stocks within the industrials sector.

AVE MARIA MUTUAL FUNDS

NOTES TO FINANCIAL STATEMENTS

(Continued)

7. Subsequent Events

The Funds are 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 Statements of Assets and Liabilities. For non-recognized subsequent events that must be disclosed to keep the financial statements from being misleading, the Funds are 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.

AVE MARIA MUTUAL FUNDS

ABOUT YOUR FUNDS' EXPENSES

(Unaudited)

We believe it is important for you to understand the impact of costs on your investment. As a shareholder of the Funds, 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 Funds 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 tables below are based on an investment of \$1,000 made at the beginning of the most recent semi-annual period (January 1, 2016) and held until the end of the period (June 30, 2016).

The tables that follow illustrate each Fund's ongoing 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 each Fund's actual return, and the fourth column shows the dollar amount of operating expenses that would have been paid by an investor who started with \$1,000 in the Funds. 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 Funds under the heading “Expenses Paid During Period.”

Hypothetical 5% return – This section is intended to help you compare each Fund's ongoing costs with those of other mutual funds. It assumes that each 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 Funds' actual returns, the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission (the “SEC”) requires all mutual funds to calculate expenses based on a 5% return. You can assess each 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 Funds do 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 Funds' 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 Funds' Prospectus.

AVE MARIA MUTUAL FUNDS

ABOUT YOUR FUNDS' EXPENSES

(Unaudited) (Continued)

	Beginning Account Value January 1, 2016	Ending Account Value June 30, 2016	Net Expense Ratio ^(a)	Expenses Paid During Period ^(b)
Ave Maria Catholic Values Fund				
Based on Actual Fund Return	\$1,000.00	\$1,035.90	1.22%	\$6.18
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$1,018.80	1.22%	\$6.12
Ave Maria Growth Fund				
Based on Actual Fund Return	\$1,000.00	\$1,069.10	1.18%	\$6.07
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$1,019.00	1.18%	\$5.92
Ave Maria Rising Dividend Fund				
Based on Actual Fund Return	\$1,000.00	\$1,084.40	0.93%	\$4.82
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$1,020.24	0.93%	\$4.67
Ave Maria World Equity Fund				
Based on Actual Fund Return	\$1,000.00	\$1,028.30	1.41%	\$7.11
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$1,017.85	1.41%	\$7.07
Ave Maria Bond Fund				
Based on Actual Fund Return	\$1,000.00	\$1,041.60	0.51%	\$2.59
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$1,022.33	0.51%	\$2.56

^(a) Annualized, based on the Fund's most recent one-half year expenses.

^(b) Expenses are equal to each Fund's annualized expense ratio multiplied by the average account value over the period, multiplied by 182/366 (to reflect the one-half year period).

AVE MARIA MUTUAL FUNDS

OTHER INFORMATION

(Unaudited)

A description of the policies and procedures the Funds use to determine how to vote proxies relating to portfolio securities is available without charge upon request by calling toll-free (888) 726-9331, or on the SEC's website at <http://www.sec.gov>. Information regarding how the Funds 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) 726-9331, or on the SEC's website at <http://www.sec.gov>.

The Trust files a complete listing of portfolio holdings for each of the Funds with the SEC as of the end 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) 726-9331. 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.

AVE MARIA MUTUAL FUNDS

APPROVAL OF ADVISORY AGREEMENTS

(Unaudited)

At an in-person meeting held on February 13, 2016 (the “Board Meeting”), the Board of Trustees, including the Independent Trustees voting separately, approved the continuation of the Advisory Agreement with the Adviser on behalf of each Fund.

The Independent Trustees were advised and assisted throughout the process of their evaluation by independent legal counsel experienced in matters relating to the investment management industry. The Independent Trustees received advice from their independent legal counsel, including a legal memorandum, on the standards and obligations in connection with their consideration of the continuation of the Advisory Agreements. The Trustees also received and reviewed relevant information provided by the Adviser in response to requests of the Independent Trustees and their legal counsel to assist in their evaluation of the terms of the Advisory Agreements, including whether the Advisory Agreements continue to be in the best interests of the Funds and their shareholders. The Independent Trustees also retained an independent consultant (Strategic Insight) to prepare an expense and performance analysis for the Funds and met separately with the consultant prior to the Board Meeting to discuss the methodologies that Strategic Insight used to construct its report. During this meeting, the independent consultant discussed the Morningstar, Inc. (“Morningstar”) categories that Strategic Insight identified upon which to base its peer group comparisons for each Fund and other aspects of its report. To further prepare for the Board Meeting, the Independent Trustees met separately with independent counsel to discuss the continuance of the Advisory Agreements, at which no representatives of the Adviser were present.

The Independent Trustees took into account that they meet with the portfolio managers of the Funds at regularly scheduled meetings over the course of the year to discuss the investment results, portfolio composition, and investment program for each of the Funds. They also considered that the portfolio managers had also discussed the overall condition of the economy and the markets, including an analysis of the factors that have influenced the markets, investor preferences and market sentiment.

The Trustees reviewed, among other things: (1) industry data comparing the advisory fees and expense ratios of each Fund with those of comparable investment companies and any separately managed accounts under the management of the Adviser; (2) comparative performance information of each Fund; (3) the Adviser’s revenues and profitability from providing services to each Fund; and (4) information about the Adviser’s portfolio managers, research analysts, investment process, compliance program and risk management processes.

As part of this process, the Trustees considered various factors, among them:

- the nature, extent and quality of the services provided by the Adviser;
- the fees charged for those services and the Adviser’s profitability with respect to each Fund (and the methodology by which such profitability was calculated);

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- each Fund's performance;
- the extent to which economies of scale may be realized as a Fund grows; and
- whether current fee levels reflect these economies of scale for the benefit of a Fund's shareholders.

In their consideration of the nature, extent and quality of services provided to the Funds, the Trustees evaluated the responsibilities of the Adviser under the Advisory Agreements and the investment management process applied to each Fund. The Trustees reviewed the background, education, professional designations and experience of the Adviser's key investment, research and operational personnel. The Trustees considered recent changes to the portfolio management structure that have resulted in the assignment of a lead portfolio manager and one or more co-portfolio manager(s) for each of the Funds. They noted that the organizational changes were designed to enhance the structure of the portfolio management process and to facilitate succession planning. The Trustees next discussed the Adviser's responsibilities in monitoring the administrative and shareholder services provided to the Funds and the Adviser's various ongoing responsibilities with regard to the compliance program of the Trust. The Trustees considered the overall strength and stability of the Adviser, the efforts that have been made to guard against potential cybersecurity threats, and the Adviser's overall compliance record.

The Trustees reviewed information provided by the independent consultant on the advisory fees paid by each Fund and compared such fees to the advisory fees paid by similar mutual funds, as compiled by Morningstar. The Trustees compared the net advisory fee of each Fund with the net advisory fees of representative funds within its Morningstar peer group, with the Morningstar information showing that the net advisory fees are lower than the median net advisory fees of the Morningstar peer group as it relates to the Ave Maria Rising Dividend Fund and the Ave Maria Bond Fund, but higher than the median net advisory fees of the Morningstar peer group as it relates to the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund and the Ave Maria World Equity Fund. The Trustees compared the net expense ratio of each Fund with the net expense ratios of representative funds within its Morningstar peer group, with the Morningstar information showing that the net expense ratio of each Fund (except the Ave Maria World Equity Fund) is lower than the median net expense ratio of its Morningstar peers. The Independent Trustees took into account that the fee reductions made by the Adviser on behalf of the Ave Maria World Equity Fund had the effect of reducing the net operating expenses of the Fund during the 2015 calendar year. The Independent Trustees also took note that the annual operating expense ratio of the Ave Maria Bond Fund had declined and that the annual operating expense ratios of the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund and the Ave Maria Rising Dividend Fund were unchanged during the 2015 calendar year. The Trustees considered the fees the Adviser charges to manage separately managed accounts having similar

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(Unaudited) (Continued)

strategies to certain of the Funds. The Independent Trustees considered the Adviser's explanation that the differences between the advisory fees paid by these Funds and the advisory fees paid by separately managed accounts reflect operational and regulatory differences between advising these Funds and the separately managed accounts, and the resources required of the Adviser for managing separate accounts are generally less than those required for managing the Funds. The Trustees concluded that, based upon the investment strategies of each Fund and the quality of services provided by the Adviser, the advisory fees paid by each Fund are acceptable.

The Trustees reviewed the Adviser's analysis of its profitability in managing the Funds during calendar year 2015, including the methodology by which that profitability analysis was calculated. The Trustees considered that the Adviser may receive, in addition to the advisory fee, certain indirect benefits from serving as the Funds' investment adviser, including various research services as a result of the placement of the Funds' portfolio brokerage. The Trustees considered the costs of the Adviser to provide ongoing services to the Funds, including staffing costs and costs to maintain systems and resources that support portfolio trading, research and other portfolio management functions. They also discussed the amount of intermediary fees paid by the Adviser on behalf of the Funds in a broader context, as compared to the Adviser's profitability related exclusively to its investment advisory services. Based upon their review of the Adviser's profitability analysis, the Board concluded that the Adviser's profits are reasonable.

The Trustees considered both the short-term and long-term investment performance of each Fund in light of its investment objective(s). The Trustees considered each Fund's historical performance over various periods ended November 30, 2015, as it compared to the returns of relevant indices. The Trustees observed that each Fund underperformed its respective benchmark index during the 1-year period ended November 30, 2015. The Independent Trustees took into account the Adviser's explanations for the relative underperformance, including the Adviser's views that market returns during calendar year 2015 were driven by the performance of a select number of large-cap, high priced technology and internet stocks. The Trustees further considered the investment performance of each Fund compared to similarly managed mutual funds as compiled by Morningstar for selected periods ending November 30, 2015. The Trustees noted that the Ave Maria Bond Fund placed in the first quartile of its Morningstar peers for the one- and three-year periods and has operated for thirteen calendar years without negative returns. The Trustees took into account that the Adviser's stock selection process was largely out of favor in 2015. The Trustees considered that the Adviser's long-term investment approach has remained consistent over the years of service to the Funds. They also considered how the Adviser has integrated the morally responsible criteria adopted by the Funds into its investment decision-making process. The Trustees considered the longer-term performance results of the Funds, given the dynamics of the market in 2015, and noted that the Ave Maria Growth Fund and the Ave Maria Rising Dividend Fund

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(Unaudited) (Continued)

each placed in the first quartile of its Morningstar peers for the ten-year period. The Trustees concluded that each Fund's investment results have been acceptable and the quality of the services provided by the Adviser, combined with its long-term record of managing the Funds, supports their view that its continued management should benefit each Fund and its shareholders.

The Trustees also considered the existence of any economies of scale and whether those would be passed along to the Funds' shareholders. The Trustees observed that as the Funds' assets have grown, their respective expense ratios generally have fallen. The Trustees discussed whether a reduction in the advisory fees paid by the Funds by means of a breakpoint would be appropriate. The Trustees noted information presented by the independent consultant indicating that a majority of the mutual funds within the applicable peer groups do not necessarily have advisory fee breakpoints and considered whether setting a limitation on overall operating expenses might be equally effective in sharing economies of scale.

No single factor was considered in isolation or to be determinative to the decision of the Trustees to approve the continuance of the Advisory Agreements and each Trustee may have attributed different weights to certain factors. Rather, the Trustees concluded, in light of a weighing and balancing of all factors considered, that it was in the best interests of each Fund and its shareholders to renew the Advisory Agreements for an additional annual period.

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Ave Maria Catholic Values Fund

Ave Maria Growth Fund

Ave Maria Rising Dividend Fund

Ave Maria World Equity Fund

Ave Maria Bond Fund

Ave Maria Mutual Funds

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