



## BRANDON SCHEITLER ON RELEVANT RADIO MORNING AIR

MARCH 2024

**John Morales:** Good morning, Brandon. Thanks so much for joining us once again. It is great to be with you.

**Brandon Scheitler:** Great to be with you, John.

**John Morales:** So, Brandon, first of all, tell us what makes the Ave Maria Mutual Funds so unique.

**Brandon Scheitler:** Yeah. What makes us so unique is our morally responsible investing that adheres to the to the Roman Catholic Church. And by that, I mean we screen out companies. We have zero tolerance policies. So, they cannot violate these in any way. We screen out abortion, embryonic stem cell research, Planned Parenthood, and pornography, both the producers and the distributors of pornography.

**John Morales:** And I know that because of the great job that Ave Maria Mutual Funds do day in and day out, you just came back from the Big Apple, from New York, where you guys were actually honored.

**Brandon Scheitler:** We were. Yeah, it was it was a great trip, a short one, but yeah, our Ave Maria Bond Fund was recognized by Lipper. Lipper is a third-party agency that rates mutual funds on a risk adjusted basis against a group. We won all three time periods, both the three-year, the five-year and the ten-year periods. So, we are really excited about that. And it is a great honor to be recognized by Lipper.

**John Morales:** Well, congratulations on being part of the bond fund that was recognized.

What type of investors do Ave Maria mutual funds typically cater to? Specifically, who do you go after?

**Brandon Scheitler:** Practicing Catholics are usually the ones that this appeals to. But there's other Christians that these screens find value in. But yeah, it is more practicing Catholics. I would say it is probably 90% of our shareholder base.

**John Morales:** And I imagine it is practicing Catholics to whom the actual teachings of the church really matter. And especially, you know the moral teachings because obviously we are going to talk about some of these companies that are just not okay for us as Catholics, to invest in. The whole other question is actually going to those companies and buying stuff from some of these places. And the I would imagine the average Catholic does not even know who these people are.

**Brandon Scheitler:** Sure. Yeah. And a lot of them are very large household names.

**John Morales:** So, what are the criteria? How do you screen or determine who is acceptable and who is not from the Ave Maria Mutual Funds perspective?

**Brandon Scheitler:** We take the entire investment universe that is roughly three thousand companies, and we apply these moral screens. It is a proprietary process, but we look into a company, we make sure, contact the management or the investor relations team and make sure they do not violate any of the criteria that I mentioned.

**John Morales:** Obviously, there's different industries involved. You guys have a zero-tolerance policy?

**Brandon Scheitler:** That is correct. Yeah. If they violate any of those four moral screens, we cannot invest in those companies.

**John Morales:** What are the typical industries that we are talking about?

**Brandon Scheitler:** The ones that really get screened out heavier are a lot of the pharmaceutical companies because of embryonic stem cell research. Hospitals because of

abortion and stem cell research. A lot of the media companies and retailers get screened out because of pornography and contributions to Planned Parenthood. A lot of tech-based companies, as you can imagine, get screened out of that.

**John Morales:** It is mind boggling really, when you think about it, three thousand companies. And for someone who is sincerely trying to practice their Catholic faith, it is hard to keep track of them all and really to keep score. I mean, just looking at the list, Nike. I mean, I love my Nike running shoes. My wife heads over to Walmart all the time to buy stuff. And yet, you know, the average Catholic is not consciously aware of what these companies represent in terms of what they support when it comes to abortion, embryonic stem cell research and even pornography.

**Brandon Scheitler:** Right, correct. Yeah. I mean, a lot of them are not out there blatantly advertising such. But yeah, I mean, if there's corporate dollars that are going towards Planned Parenthood, they get screened out and there are a lot of big companies that do as you mentioned, Nike being the big one.

**John Morales:** Yeah. Nike and there are a few others. What are some of the other big names that come to mind when it comes to abortion and the embryonic stem cell research issue?

**Brandon Scheitler:** Yeah. Uh, CVS is a big one as Lauder, Johnson and Johnson, Merck, and Pfizer, two big pharmaceutical companies and Target and Walmart being two big retailers.

**John Morales:** It is so incredible that we even have to do this exercise because these companies are out there doing things that are contrary to what we believe. What about pornography? There are a number of big names, Fortune 500 companies, which are investing in pornography.

**Brandon Scheitler:** If it is not directly making it, it is distributing it and making it readily available to everybody. But yeah, there are a lot of really big companies out there that are unfortunately doing this. Alphabet, which is the parent company of Google, Amazon, Apple, AT&T, Comcast, Facebook is another big one and uh, Verizon. So, a lot of big

companies, they are all those are all consumer facing. And we probably interact with them to some capacity on a daily basis.

**John Morales:** I am just looking at this. I have an Apple iPhone right in front of me. I have a Verizon service. We have Xfinity for the internet at home. I mean, it is so challenging, and it is so difficult for the average Catholic to decide where they want to draw the line and who they want to deal with. How do we make a transition if we want to phase out some of these companies?

**Brandon Scheitler:** I mean, you can look for alternatives, right? And in some situations, you almost can't, right? Verizon. You know, if you have Xfinity, you might have that might be the only provider that you have. Certainly, for Apple, not sure if Samsung's in offender because it's a South Korean based company and only trades a foreign, but it might be an alternative to explore. So, you know, there's ways to work around it from the from the consumer side of it.

**John Morales:** What do you hear from your investors? People that invest in the Ave Maria Mutual Funds, about how much they appreciate what you do and the fact that you do it with a moral perspective?

**Brandon Scheitler:** We have a very energetic investor base, and they are very loyal. They stick with the funds during market swings. And that is important, right? We talked about market timing in the past and how detrimental that can be. So yeah, it is a very passionate shareholder base. And we are very lucky, to have such passionate shareholders. Most of the time it is the abortion screen that really hits home and really appeals to our average shareholder. And they like what we are doing there with screening out those companies for them.

**John Morales:** Do you find Catholics saying that that they go with Ave Maria Mutual Funds specifically because you do promote the culture of life and do not support these companies that support the culture of death?

**Brandon Scheitler:** Yeah, absolutely. And, you know, a lot of investors do not even realize they are investing in a lot of those companies. You can have your 401(k) through your

employer. And it could just be something broad based like an ETF or an index fund and you own a lot of the companies that we just mentioned just by default. So yeah, they do like the screens that we provide. And you know, we have had some pretty good investment performance to boot.

**John Morales:** Well, tell us about the Ave Maria Rising Dividend Fund and the Ave Maria Bond Fund that I know that you are personally involved with there.

**Brandon Scheitler:** Yeah, they are both more on the conservative end of the spectrum. The Rising Dividend Fund consists of mature companies that pay a dividend and a rising dividend at that. And so, it is more conservative. There are names that you have heard before. It is just a really strong, steady, portfolio that tends to do better in market sell offs, but it holds its own when we are in a bull market as well. So that is a good all-around portfolio. And then the Bond Fund as I mentioned, the three-time Lipper award winner has had just tremendous performance. It is invested primarily in corporate bonds, and it is pretty conservative. It has about an A credit rating on average in the corporate debt that we own. So, these are very strong companies, very strong balance sheets. It has done well, and I believe it will continue to do well.

**John Morales:** Obviously, we are talking about all of these companies that affect so many millions of people across our country, let alone everyday Catholics who want to practice their faith. How has the moral approach of Ave Maria Mutual Funds affected your own perspective on where you go to buy your stuff and support?

**Brandon Scheitler:** Yeah. I mean, it certainly has an effect on the investment side of it. I try to steer around those companies the best I can. In some situations, it makes it very tough, but I try to limit how much I spend or frequent those places.

**John Morales:** Yeah, there's some companies that are more blatant and obvious than others that are public about their support of the LGBTQ agenda and things like that. I mean, my wife refuses to go to Target just on that basis alone, which again, goes against our Catholic faith.

**Brandon Scheitler:** Yeah, Target was one. They are really out there.

**John Morales:** Where can our listeners learn more about some of these companies that are, uh, blatantly supporting abortion, embryonic stem cell research and even pornography?

**Brandon Scheitler:** On our website, [www.avemariafunds.com](http://www.avemariafunds.com) we have a marketing piece posted. It is called *Do you Know What You Own?* And you can find that on our website. If you would like to talk to somebody, we also have a toll-free number. It is 866-AVE-MARIA.

**John Morales:** That sounds awesome, and I'm sure that our conversation here will stimulate some of our listeners to look into it and to find out who some of these companies actually are. Fascinating discussion. Brandon, thanks so much for joining us, as always.

**Brandon Scheitler:** Thank you. John.

**John Morales:** Brandon Scheitler, the Senior Vice President, and Chief Investment Officer of Ave Maria Mutual Funds.

## IMPORTANT INFORMATION FOR INVESTORS

### **Past performance does not guarantee future results.**

The Ave Maria Bond Fund was awarded 2024 LSEG Lipper Awards for Consistent Return among 12 Corporate Debt A-Rated Funds for the three-year period ended 11-30-23, 12 funds for the five-year period ended 11-30-23 and 11 funds for the 10-year period ended 11-30-23. The LSEG Lipper Fund Awards are based on the Lipper Leader for Consistent Return rating, which is an objective, quantitative, risk-adjusted performance measure calculated over 36, 60 and 120 months. Lipper Leaders fund ratings do not constitute and are not intended to constitute investment advice or an offer to sell or the solicitation of an offer to buy any security of any entity in any jurisdiction. For more information, see [lipperfundawards.com](http://lipperfundawards.com).

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