



Prospectus for Direct Shares

January 1, 2015

	<u>Ticker Symbols</u>		<u>Ticker Symbols</u>
California Tax-Free Income Fund	CFNTX	Nasdaq-100 Index Fund	NASDAQ
S&P 500 Index Fund	SPFIX	European Growth & Income Fund	EUGIX
S&P MidCap Index Fund	SPMIX	U.S. Government Securities Fund	CAUSX
S&P SmallCap Index Fund	SMCIX	Short-Term U.S. Government Bond Fund	STUSX
Shelton Core Value Fund	EQTIX	The United States Treasury Trust	UTSXX

(800) 955-9988
www.sheltoncap.com
email us at info@sheltoncap.com

As with all mutual funds, the Securities and Exchange Commission has not approved or disapproved these securities or passed on whether the information in this prospectus is adequate or accurate. Any representation to the contrary is a criminal offense.

The Funds are not bank deposits and are not guaranteed, endorsed or insured by any financial institution or government entity such as the Federal Deposit Insurance Corporation (FDIC).

Some funds or classes in this Prospectus may not be available in your state. Please check with your Advisor to determine those funds and classes available for sale in your state.

The information contained in this Prospectus relates to the Direct Shares of the Funds unless otherwise noted.



Table of Contents

Summaries	
California Tax-Free Income Fund	1
S&P 500 Index Fund	3
S&P MidCap Index Fund	5
S&P SmallCap Index Fund	7
Shelton Core Value Fund	9
Nasdaq-100 Index Fund	12
European Growth & Income Fund	14
U.S. Government Securities Fund	16
Short-Term U.S. Government Bond Fund	19
The United States Treasury Trust	21
Investment Objectives, Strategies and Risk	22
Management and Organization	30
Additional Non-Principal Investment Related Risks	31
How to Buy Shares	32
How to Sell Shares	34
Other Policies	35
Dividends & Taxes	36
Privacy Statement	36
Financial Highlights	38

Investment Objective

The Fund’s investment objective is to seek high current tax-free income for California residents.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay when you buy and hold shares of the Fund.

Shareholder Fees (fee paid directly from your investment)

Sales and redemption charges **none**

Annual Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

Management fees 0.50%

Distribution (12b-1) fees **none**

Other expenses 0.23%

Total Annual Fund Operating Expense **0.73%**

A \$10 account fee may be charged to accounts with a balance of less than \$10,000.

Example of Expenses

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. This example also assumes that your investment has a 5% return each year and that the Fund’s operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
\$75	\$233	\$406	\$906

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 10% of the average value of its portfolio.

Principal Investment Strategies

The Manager invests in municipal bonds issued by the State of California and various municipalities located within California. Generally, these bonds are rated in one of the four highest ratings (investment grade) by an independent rating organization currently Standard & Poor’s, Moody’s and Fitch. In some cases, securities are not rated by independent agencies. The Manager will seek to invest in municipal bonds that in the judgment of the Manager, meet environmental, social and governance screens, so that the fund may be considered a green municipal bond fund. In evaluating environmental, social and governance considerations, the Manager uses criteria including, but not limited to, use of bond proceeds, expected environmental impact, source of revenues for repayment and reputation of issuer. The Manager will generally purchase an unrated security only if it believes the security is of similar quality to an investment-grade issue. Generally, the interest on municipal bonds is not subject to federal and California personal income taxes. Under normal market conditions, it is the Fund’s fundamental policy to invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in California municipal bonds, but as a general rule the percentage is much higher. The Fund’s duration typically ranges from four to twelve years. Although the Fund is not prevented from doing so, the Manager seeks to invest primarily in non-AMT bonds (bonds that pay interest not subject to federal alternative minimum tax (“AMT”)). The Fund’s manager generally will consider selling fixed income securities from the Fund’s portfolio when the manager believes that such securities are no longer consistent with the Fund’s investment objectives, other securities appear to offer more compelling opportunities, to meet redemption requests and in other circumstances that the manager deems appropriate consistent with the Fund’s investment objectives. Therefore, changes in the rating of a security will not necessary result in the sale of that security.

Principal Risks

The Fund is subject to several risks, any of which could cause the Fund to lose money. The Fund is considered non-diversified which means it may invest a large percentage of its assets in the securities of a particular issuer as compared with other types of mutual funds. Accordingly, a chance exists that the Fund’s performance may be hurt disproportionately by poor performance of a relatively few number of securities or by factors that impact a relatively small number of issuers. The principal risks include:

Interest Rate Risk. The chance that bond prices over all will decline over short and long-term periods due to rising interest rates. The longer the maturity of a bond, the greater the interest rate risk. Many factors can cause interest rates to rise. Some examples include central bank monetary policy (such as tapering of the Federal Reserve Board’s quantitative easing program), rising inflation rates and general economic conditions. Currently, interest rates in the United States are at, or near, historic lows, which may increase the Fund’s exposure to risks associated with rising interest rates.

State-Specific Risk. Since the Fund only invests in issuers in the state of California, it is exposed to economic and political developments in California that negatively impact the issuers.

Income Risk. The chance that declining interest rates will reduce the amount of income paid by the Fund.

Call Risk. The chance that during declining interest rates, a bond issuer will call or prepay a high-yielding bond before the bond's maturity date. This would force the Fund to purchase lower yielding bonds which would reduce the income generated from the portfolio and could potentially result in capital gains paid out by the Fund.

Credit Risk. The chance that a bond issuer will fail to pay interest and principal in a timely manner, reducing the Fund's return. The Manager attempts to minimize this risk by investing in investment grade bonds.

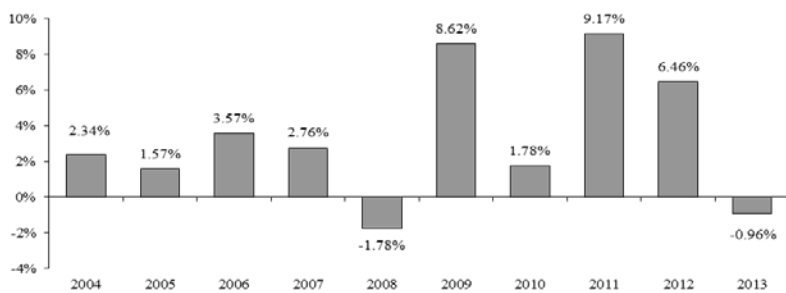
Bankruptcy Risk. The risk that an issuer seeks protection under bankruptcy laws. In such a circumstance, the principal value of the bond would be expected to decline.

Management Risk. The chance that poor security selection will cause the Fund to underperform other mutual funds with similar investment objective.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

Bar Chart and Performance Table

The bar chart shows calendar year returns and the average annual total return table indicates risk by illustrating how much returns can differ from one year to the next and how fund performance compares with that of a comparable market index. These figures assume that all distributions are reinvested. *The Fund's performance will fluctuate, and past performance (before and after taxes) is no guarantee of future results.* Updated performance information may be obtained on our website www.sheltoncap.com or by calling 1-800-955-9988.



Best Quarter 6.97% (Q3, 2009)
Worst Quarter: -4.24% (Q4, 2010)
Year-to-date performance as of 9/30/14: 5.62%
Date of inception: 12/4/85

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Average Annual Total Return (for the period ended 12/31/13)

<u>California Tax Free Income Fund</u>	<u>1 year</u>	<u>5 years</u>	<u>10 years</u>
Return Before Taxes	(0.96)%	4.94%	3.30%
Return After Taxes on Distributions	(2.22)%	3.56%	1.79%
Return After Taxes on Distributions and Sale of Fund Shares	(0.58)%	3.37%	2.00%
Barclays Municipal Bond Index ¹	(2.55)%	5.89%	4.29%

¹It is not possible for individuals to invest directly into an index. Performance figures for an index do not reflect deductions for sales charges, commissions, expenses or taxes.

Investment Advisor Shelton Capital Management, (the "Advisor"), serves as the investment advisor for the Fund.

Portfolio Managers William Mock has been the Fund's lead portfolio manager since 2010. Stephen C. Rogers has served as a member of the portfolio management team since 2003. Charles Sandmel will also serve as a member of the portfolio management team effective January 2015.

Purchase and Sale of Fund Shares

The Fund's initial and subsequent investment minimums are as follows:

	<u>Minimum Initial Investment</u>	<u>Minimum Subsequent Investment</u>
Accounts with Automatic Investment Plan ("AIP")	\$ 500	\$100
All other accounts	\$1,000	\$100

You may redeem all or a portion of your shares on any business day that the Funds are open for business by mail, telephone or our website (www.sheltoncap.com). You may receive the redemption by wire, electronic funds transfer or check.

Taxes Fund distributions of interest on municipal bonds are generally not subject to federal income tax. However, the fund may distribute taxable dividends, including distributions of net long-term capital gains which are taxable as long-term capital gains for federal income tax purposes, and of short-term capital gains, which are subject to federal taxation as ordinary income. To the extent the fund is permitted to invest in bonds subject to the federal alternative minimum tax, interest on certain bonds may be subject to the federal alternative minimum tax.

Payments to Broker-Dealers and other Financial Intermediaries If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

S&P 500 INDEX FUND Ticker Symbol: SPFIX

Investment Objective

The Fund's investment objective is to attempt to replicate the total return of the U.S. stock market as measured by the S&P 500 Composite Stock Price Index.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay when you buy and hold shares of the Fund.

Shareholder Fees (fee paid directly from your investment)

Sales and redemption charges	none
------------------------------	------

Annual Account fee	\$10.00
---------------------------	----------------

Annual Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

Management fees	0.25%
Distribution (12b-1) fees	none
Other expenses	0.25%

Total annual operating expenses	0.50%
--	--------------

Fee Waiver and/or Expense Reimbursement*	(0.14)%
--	---------

Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement	0.36%
---	--------------

*The Fund's investment manager, Shelton Capital Management, has contractually agreed to reimburse expenses incurred by the Fund to the extent that total annual fund operating expenses (excluding extraordinary expenses such as litigation or merger and reorganization expenses, for example), exceed 0.36% until January 2, 2016. This agreement may only be terminated with the approval of the Board of Trustees of the Fund. Shelton Capital Management may be reimbursed for any foregone advisory fees or unreimbursed expenses within three fiscal years following a particular reduction or expense, but only to the extent the reimbursement does not cause the Fund to exceed applicable expense limits and the effect of the reimbursement is measured after all ordinary operating expenses are calculated. Any such reimbursement is subject to the review and approval of the Fund's Board of Trustees.

Example of Expenses

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. This example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
\$47	\$176	\$316	\$715

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 1% of the average value of its portfolio.

Principal Investment Strategies

The S&P 500 Index includes the common stocks of 500 leading U.S. companies from a broad range of industries. Standard & Poor's, the company that maintains the index, makes all determinations regarding the inclusion of stocks in the index. Each stock is weighted in proportion to its total market value. The Fund is passively managed. It invests primarily in the stocks that make up the index so that the weighting of each stock in the portfolio approximates the index. The Manager's goal is to maintain a return correlation of at least .95 to the S&P 500 Index (a return correlation of 1.0 is perfect). Under normal market conditions, it is the Fund's policy to invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in the underlying stocks of the index. The S&P 500 is a well-known stock market index that includes common stocks of companies representing approximately 88.76% of the total market Index as measured by the S&P Composite 1500. As of October 31, 2014, companies included in the Index range from \$3.57 billion to \$646.69 billion in market capitalization. The Manager believes that the performance of the S&P 500 is representative of the performance of publicly traded common stocks in general. The median market capitalization of the stocks in the S&P 500 Index is approximately \$18.26 billion. The Fund may invest in futures contracts. The Fund generally maintains some short-term securities and cash equivalents in the portfolio to meet redemptions and needs for liquidity. The Manager will typically buy futures contracts so that the market value of the futures replicates the difference between the net assets of the fund and the equity holdings. This helps minimize the tracking error of the Fund.

Principal Risks

Market Exposure Risk: The Fund is primarily invested in the U.S. stock market and is designed to passively track the performance of the large cap sector. In an attempt to accurately track the performance of the S&P 500 Index, the Fund does not intend to take steps to reduce its market exposure in any market.

Stock Market Risk The chance that stock prices overall will decline. The Fund’s target index may, at times, become focused in stocks of a particular sector, category or group of companies, which could cause the Fund to underperform the overall stock market.

Economic and Political Risks. The impact of positive or negative economic and political events could be short-term (by causing a change in the market that is corrected in a year or less) or long-term (by causing a change in the market that may last for many years). Events may affect one sector of the economy or a single stock, but may not have a significant impact on the overall market.

Large Company Investing Risk. The Fund invests in large companies from many sectors. In doing so, the Fund is not as sensitive to the movements of a single company’s stock or a single economic sector. However, during periods where alternative investments such as mid cap stocks, small cap stocks, bonds and money market instruments outperform large cap stocks, we expect the performance of the Fund to underperform other mutual funds that invest in these alternative categories.

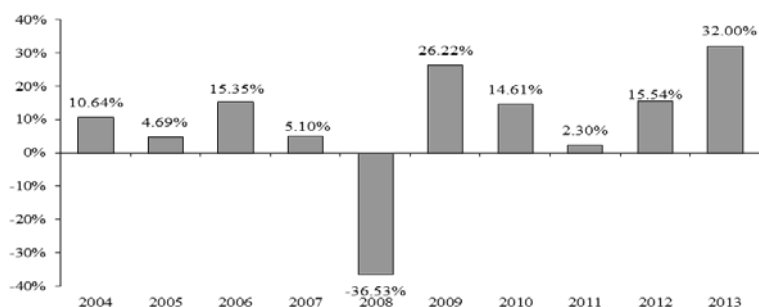
Investment Style Risk. The S&P 500 Index is a capitalization weighted index, meaning companies are weighted based on their size. Thus, poor performance of the largest companies could result in negative performance of the index and the Fund.

Stock Futures Risk. Although the Fund’s primary risks are associated with changes in the stock market, there are other risks associated with the Fund. These risks generally apply to how well the Fund tracks the index. For example, the Fund invests in futures contracts to the extent that it holds cash in the portfolio. If these futures contracts do not track the index, the Fund’s performance relative to the index will change.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

Bar Chart and Performance Table

The bar chart shows calendar year returns and the average annual total return table indicates risk by illustrating how much returns can differ from one year to the next and how fund performance compares with that of a comparable market index. These figures assume that all distributions are reinvested. *The Fund’s performance will fluctuate, and past performance (before and after taxes) is no guarantee of future results.* Updated performance information may be obtained on our website www.sheltoncap.com or by calling 1-800-955-9988.



Best Quarter: 15.73% (Q2, 2009)
 Worst Quarter: -21.58% (Q4, 2008)
 Year-to-date performance as of 9/30/14: 7.95%
 Date of inception: 4/20/92

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor’s tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Average Annual Return (for the period ended 12/31/13)

<u>S&P 500 Index Fund</u>	<u>1 year</u>	<u>5 years</u>	<u>10 years</u>
Return Before Taxes	32.00%	17.68%	7.24%
Return After Taxes on Distributions	30.59%	16.86%	6.54%
Return After Taxes on Distributions and Sale of Fund Shares	19.49%	14.45%	5.68%
S&P 500 Composite Stock Price Index ¹	32.36%	17.91%	7.39%

¹It is not possible for individuals to invest directly into an index. Performance figures for an index do not reflect deductions for sales charges, commissions, expenses or taxes.

Investment Advisor Shelton Capital Management, (the “Advisor”), serves as the investment advisor for the Fund.

Portfolio Manager Stephen C. Rogers has been the Fund’s portfolio manager since 2003.

Purchase and Sale of Fund Shares

The Fund's initial and subsequent investment minimums are as follows:

	<u>Minimum Initial Investment</u>	<u>Minimum Subsequent Investment</u>
Accounts with Automatic Investment Plan ("AIP")	\$ 500	\$100
All other accounts	\$1,000	\$100

You may redeem all or a portion of your shares on any business day that the Funds are open for business by mail, telephone or our website (www.sheltoncap.com). You may receive the redemption by wire, electronic funds transfer or check.

Taxes Dividends and capital gain distributions you receive from the Fund are subject to federal income taxes and may also be subject to state and local taxes. If you invest through a retirement plan such as an IRA or other tax-deferred account, the earnings on that account may be tax-deferred.

Payments to Broker-Dealers and other Financial Intermediaries If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

S&P MIDCAP INDEX FUND Ticker Symbol: SPMIX

Investment Objective

The Fund's investment objective is to attempt to replicate the performance of medium-sized U.S. companies as measured by the S&P MidCap 400 Index.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay when you buy and hold shares of the Fund.

Shareholder Fees (fee paid directly from your investment)

Sales and redemption charges	none
Annual account fee	\$10.00

Annual Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

Management fees	0.40%
Distribution (12b-1) fees	none
Other expenses	0.23%

Total annual operating expenses

Fee Waiver and/or Expense Reimbursement*	(0.05)%
--	---------

Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement

0.58%

*The Fund's investment manager, Shelton Capital Management, has contractually agreed to reimburse expenses incurred by the Fund to the extent that total annual fund operating expenses (excluding extraordinary expenses such as litigation or merger and reorganization expenses, for example) exceed 0.58% until January 2, 2016. This agreement may only be terminated with the approval of the Board of Trustees of the Fund. Shelton Capital Management may be reimbursed for any foregone advisory fees or unreimbursed expenses within three fiscal years following a particular reduction or expense, but only to the extent the reimbursement does not cause the Fund to exceed applicable expense limits and the effect of the reimbursement is measured after all ordinary operating expenses are calculated. Any such reimbursement is subject to the review and approval of the Fund's Board of Trustees.

Example of Expenses

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. This example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
\$69	\$227	\$396	\$882

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 10% of the average value of its portfolio.

Principal Investment Strategies

The S&P MidCap Index includes the common stocks of 400 medium-sized U.S. companies from a broad range of industries. Standard & Poor's, the company that maintains the index, makes all determinations regarding the inclusion of stocks in the index. Each stock is

weighted in proportion to its total market value. The Fund is passively managed. It invests primarily in the stocks that make up the S&P MidCap Index so that the weighting of each stock in the portfolio approximates the index. The Manager's goal is to maintain a return correlation of at least .95 to the S&P MidCap Index (a return correlation of 1.0 is perfect). Under normal market conditions, it is the Fund's policy to invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in the underlying stocks of the index. The MidCap Index is a well-known stock market index that includes common stocks of companies representing approximately 7.78% of the total market index as measured by the S&P Composite 1500. As of October 31, 2014, companies included in the MidCap Index range from \$1.03 billion to \$11.11 billion in market capitalization. The median market capitalization of the stocks in the MidCap Index is approximately \$3.74 billion. The Fund may invest in futures contracts. The Fund generally maintains some short-term securities and cash equivalents in the portfolio to meet redemptions and needs for liquidity. The Manager will typically buy futures contracts so that the market value of the futures replicates the difference between the net assets of the fund and the equity holdings. This helps minimize the tracking error of the Fund.

Principal Risks

Market Exposure Risk. The Fund is primarily invested in the U.S. stock market and is designed to passively track the performance of the mid cap sector. In an attempt to accurately track the performance of the S&P MidCap 400 Index, the Fund does not intend to take steps to reduce its market exposure in any market.

Stock Market Risk. The chance that stock prices overall will decline. The Fund's target index may, at times, become focused in stocks of a particular sector, category or group of companies, which could cause the Fund to underperform the overall stock market.

Economic and Political Risks. The impact of positive or negative economic and political events could be short-term (by causing a change in the market that is corrected in a year or less) or long-term (by causing a change in the market that may last for many years). Events may affect one sector of the economy or a single stock, but may not have a significant impact on the overall market.

Medium Company Investing Risk. The Fund invests in medium-sized companies from many sectors. In doing so, the Fund is not as sensitive to the movements of a single company's stock or a single economic sector. However, during periods where alternative investments such as large cap stocks, small cap stocks, bonds and money market instruments out-perform mid cap stocks, we expect the performance of the Fund to underperform other mutual funds that invest in these alternative categories.

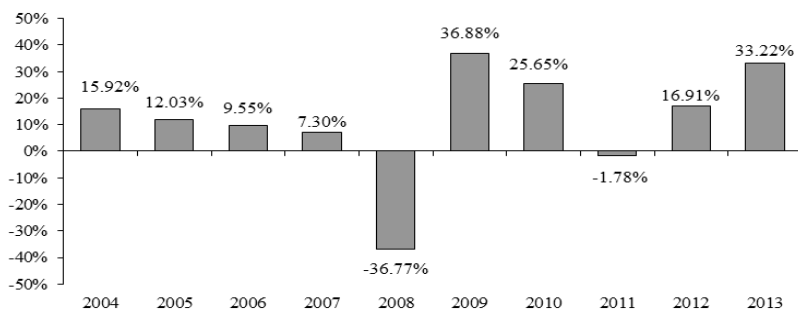
Investment Style Risk. The S&P MidCap Index is a capitalization weighted index, meaning companies are weighted based on their size. Thus, poor performance of the largest of these medium sized companies could result in negative performance of the index and the Fund.

Stock Futures Risk. Although the Fund's primary risks are associated with changes in the stock market, there are other risks associated with the Fund. These risks generally apply to how well the Fund tracks the index. For example, the Fund invests in futures contracts to the extent that it holds cash in the portfolio. If these futures contracts do not track the index, the Fund's performance relative to the index will change.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

Bar Chart and Performance Table

The bar chart shows calendar year returns and the average annual total return table indicates risk by illustrating how much returns can differ from one year to the next and how fund performance compares with that of a comparable market index. These figures assume that all distributions are reinvested. The Fund's performance will fluctuate, and past performance (before and after taxes) is no guarantee of future results. Updated performance information may be obtained on our website www.sheltoncap.com or by calling 1-800-955-9988.



Best Quarter: 19.39% (Q3, 2009)
Worst Quarter: -25.56% (Q4, 2008)
Year-to-date performance as of 9/30/14: 2.97%
Date of inception: 4/20/92

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Average Annual Return (for the period ended 12/31/13)

<u>S&P MidCap Index Fund</u>	<u>1 year</u>	<u>5 years</u>	<u>10 years</u>
Return Before Taxes	33.22%	21.35%	9.77%
Return After Taxes on Distributions	31.56%	20.37%	8.72%
Return After Taxes on Distributions and Sale of Fund Shares	21.03%	17.90%	8.02%
S&P MidCap 400 Index ¹	33.44%	21.84%	10.33%

¹It is not possible for individuals to invest directly into an index. Performance figures for an index do not reflect deductions for sales charges, commissions, expenses or taxes.

Investment Advisor Shelton Capital Management, (the “Advisor”), serves as the investment advisor for the Fund.

Portfolio Manager Stephen C. Rogers has been the Fund’s portfolio manager since 2003.

Purchase and Sale of Fund Shares

The Fund’s initial and subsequent investment minimums are as follows:

	<u>Minimum Initial Investment</u>	<u>Minimum Subsequent Investment</u>
Accounts with Automatic Investment Plan (“AIP”)	\$ 500	\$100
All other accounts	\$1,000	\$100

You may redeem all or a portion of your shares on any business day that the Funds are open for business by mail, telephone or our website (www.sheltoncap.com). You may receive the redemption by wire, electronic funds transfer or check.

Taxes Dividends and capital gain distributions you receive from the Fund are subject to federal income taxes and may also be subject to state and local taxes. If you invest through a retirement plan such as an IRA or other tax-deferred account, the earnings on that account may be tax-deferred.

Payments to Broker-Dealers and other Financial Intermediaries If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary’s website for more information.

S&P SMALLCAP INDEX FUND Ticker Symbol: SMCIX**Investment Objective**

The Fund’s investment objective is to attempt to replicate the performance of small-sized U.S. companies as measured by the S&P SmallCap 600 Stock Index.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay when you buy and hold shares of the Fund.

Shareholder Fees (fee paid directly from your investment)

Sales and redemption charges none

Annual Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

Management fees 0.50%

Distribution (12b-1) fees none

Other expenses 0.32%

Total annual operating expenses **0.82%**

Fee Waiver and/or Expense Reimbursement* (0.08)%

Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement **0.74%**

A \$10 account fee may be charged to accounts with a balance of less than \$10,000.

*The Fund’s investment manager, Shelton Capital Management, has contractually agreed to reimburse expenses incurred by the Fund to the extent that total annual fund operating expenses (excluding extraordinary expenses such as litigation or merger and reorganization expenses, for example) exceed 0.74% until January 2, 2016. This agreement may only be terminated with the approval of the Board of Trustees of the Fund. Shelton Capital Management may be reimbursed for any foregone advisory fees or unreimbursed expenses within three fiscal years following a particular reduction or expense, but only to the extent the reimbursement does not cause the Fund to exceed applicable expense limits and the effect of the reimbursement is measured after all ordinary operating expenses are calculated. Any such reimbursement is subject to the review and approval of the Fund’s Board of Trustees.

Example of Expenses

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. This example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
\$76	\$254	\$447	\$1,006

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 13% of the average value of its portfolio.

Principal Investment Strategies

The S&P SmallCap 600 Index includes common stocks of 600 small U.S. companies from a broad range of industries. Standard & Poor's, the company that maintains the index, makes all determinations regarding the inclusion of stocks in the index. Each stock is weighted in proportion to its total market value. The Fund is passively managed. It invests primarily in the stocks that make up the S&P SmallCap 600 Index so that the weighting of each stock in the portfolio approximates the index. The Manager's goal is to maintain a return correlation of at least .95 to the S&P SmallCap 600 Index (a return correlation of 1.0 is perfect). Under normal market conditions, it is the Fund's policy to invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in the underlying stocks. The SmallCap Index is a well-known stock market index that includes common stocks of companies representing approximately 3.46% of the total market index as measured by the S&P Composite 1500. As of October 31, 2014, companies included in the SmallCap Index range from \$97 million to \$4.64 billion in market capitalization. The median market capitalization of the stocks in the SmallCap Index is approximately \$1.06 billion. The Fund may invest in futures contracts. The Fund generally maintains some short-term securities and cash equivalents in the portfolio to meet redemptions and needs for liquidity. The Manager will typically buy futures contracts so that the market value of the futures replicates the difference between the net assets of the fund and the equity holdings. This helps minimize the tracking error of the Fund.

Principal Risks

Market Exposure Risk. The Fund is primarily invested in the U.S. stock market and is designed to passively track the performance of the small cap sector. In an attempt to accurately track the performance of the S&P SmallCap 600 Index, the Fund does not intend to take steps to reduce its market exposure in any market.

Stock Market Risk. The chance that stock prices overall will decline. The Fund's target index may, at times, become focused in stocks of a particular sector, category or group of companies, which could cause the Fund to underperform the overall stock market.

Economic and Political Risks. The impact of positive or negative economic and political events could be short-term (by causing a change in the market that is corrected in a year or less) or long-term (by causing a change in the market that lasts for many years). Events may affect one sector of the economy or a single stock, but may not have a significant impact on the overall market.

Small Company Investing Risk. The Fund invests in small-sized companies from many sectors. In doing so, the Fund is not as sensitive to the movements of a single company's stock or a single economic sector. However, during periods where alternative investments such as large cap stocks, mid cap stocks, bonds and money market instruments outperform small cap stocks, we expect the performance of the Fund to underperform other mutual funds that invest in these alternative categories.

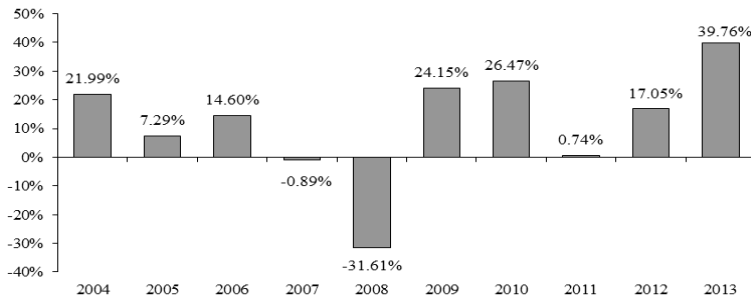
Investment Style Risk. The S&P SmallCap 600 Index is a capitalization weighted index, meaning companies are weighted based on their size. Thus, poor performance of the largest of these small sized companies could result in negative performance of the index and the Fund.

Stock Futures Risk: Although the Fund's primary risks are associated with changes in the stock market, there are other risks associated with the Fund. These risks generally apply to how well the Fund tracks the index. For example, the Fund invests in futures contracts to the extent that it holds cash in the portfolio. If these futures contracts do not track the index, the Fund's performance relative to the index will change.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

Bar Chart and Performance Table

The bar chart shows calendar year returns and the average annual total return table indicates risk by illustrating how much returns can differ from one year to the next and how fund performance compares with that of a comparable market index. These figures assume that all distributions are reinvested. *The Fund's performance will fluctuate, and past performance (before and after taxes) is no guarantee of future results.* Updated performance information may be obtained on our website www.sheltoncap.com or by calling 1-800-955-9988.



Best Quarter: 19.63% (Q2, 2009)
Worst Quarter: -25.47% (Q4, 2008)
Year-to-date performance as of 9/30/14: -4.19%
Date of inception: 10/2/96

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Average Annual Return (for the period ended 12/31/13)

S&P SmallCap Index Fund	<u>1 year</u>	<u>5 years</u>	<u>10 years</u>
Return Before Taxes	39.76%	20.94%	10.16%
Return After Taxes on Distributions	37.54%	20.08%	8.89%
Return After Taxes on Distributions and Sale of Fund Shares	25.38%	17.57%	8.27%
S&P SmallCap 600 Index ¹	41.29%	21.33%	10.62%

¹It is not possible for individuals to invest directly into an index. Performance figures for an index do not reflect deductions for sales charges, commissions, expenses or taxes.

Investment Advisor Shelton Capital Management, (the "Advisor"), serves as the investment advisor for the Fund.

Portfolio Manager Stephen C. Rogers has been the Fund's portfolio manager since 2003.

Purchase and Sale of Fund Shares

The Fund's initial and subsequent investment minimums are as follows:

	<u>Minimum Initial Investment</u>	<u>Minimum Subsequent Investment</u>
Account with Automatic Investment Plan ("AIP")	\$ 500	\$100
All other accounts	\$1,000	\$100

You may redeem all or a portion of your shares on any business day that the Funds are open for business by mail, telephone or our website (www.sheltoncap.com). You may receive the redemption by wire, electronic funds transfer or check.

Taxes Dividends and capital gain distributions you receive from the Fund are subject to federal income taxes and may also be subject to state and local taxes. If you invest through a retirement plan such as an IRA or other tax-deferred account, the earnings on that account may be tax-deferred.

Payments to Broker-Dealers and other Financial Intermediaries If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

SHELTON CORE VALUE FUND Ticker Symbol: EQTIX

Investment Objective

The Fund's investment objective is to achieve a high level of income and capital appreciation (when consistent with high income) by investing primarily in income-producing U.S. equity securities.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay when you buy and hold shares of the Fund.

Shareholder Fees (fee paid directly from your investment)

Sales and redemption charges none

Annual Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

Management fees 0.50%

Distribution (12b-1) fees none

Other expenses 0.33%

Total Annual Fund Operating Expense

0.83%

A \$10 account fee may be charged to accounts with a balance of less than \$10,000.

Example of Expenses

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. This example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
\$85	\$265	\$460	\$1,025

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 3% of the average value of its portfolio.

Principal Investment Strategies

In order to meet its investment objectives the Fund invests primarily in U.S. equity securities which generate a relatively high level of dividend income (relative to other equities in the same industry) and have potential for capital appreciation. These securities will generally be stocks of medium and large U.S. corporations. It is the Fund's policy that under normal market conditions it will invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in common stocks. The Fund's manager seeks to purchase equity securities for the Fund's portfolio consistent with the Fund's investment objectives, such as when the manager believes such securities have income producing potential, a potential for capital appreciation or value potential. The Fund's manager generally will consider selling equity securities from the Fund's portfolio when the manager believes that such securities are no longer consistent with the Fund's investment objectives, other securities appear to offer more compelling opportunities, to meet redemption requests and in other circumstances that the manager deems appropriate consistent with the Fund's investment objectives. Although the Fund will attempt to invest as much of its assets as is practical in income-producing stocks, the Fund may maintain a reasonable (up to 20%) position in cash, US Treasury bills or money market instruments to meet redemption requests and other liquidity needs. The Fund may invest in stock futures contracts when the Manager wants to keep the net assets of the fund fully invested in the equity markets but is holding some treasury bills or money market instruments in the portfolio. Utilizing futures allows the Manager to maintain a high percentage of the portfolio in the market while maintaining cash for liquidity needs.

Principal Risks

The Fund is subject to several risks, any of which could cause the Fund to lose money. The principal risks include:

Stock Market Risk. The stock market goes up and down every day. As with any investment whose performance is linked to these markets, the value of an investment in the Fund will change. During a declining stock market, an investment in this Fund would lose money.

Economic and Political Events Risks. Many factors will affect the performance of the stock market. Two major factors are economic and political events. The impact of positive or negative events could be short-term (by causing a change in the market that is corrected in a year or less) or long-term (by causing a change in the market that may last for many years). Events may affect one sector of the economy or a single stock, but may not have a significant impact on the overall market.

Sector Risks. The Fund is primarily invested in U.S. value stocks and is designed to provide a dividend yield as well as potential for capital appreciation. At times the Fund may hold a concentrated position in the banking and financial sector, therefore the Funds' performance may be significantly impacted by the performance of this sector.

Large and Medium-Sized Company Risks and Value Investing Risks. The Fund invests in large and medium-sized companies from many sectors. In doing so, the Fund is not as sensitive to the movements of a single company's stock or a single economic sector. However, during periods where alternative investments such as growth stocks, small cap stocks, bonds and money market instruments outperform value stocks, we expect the performance of the Fund to underperform other mutual funds that invest in these alternative categories.

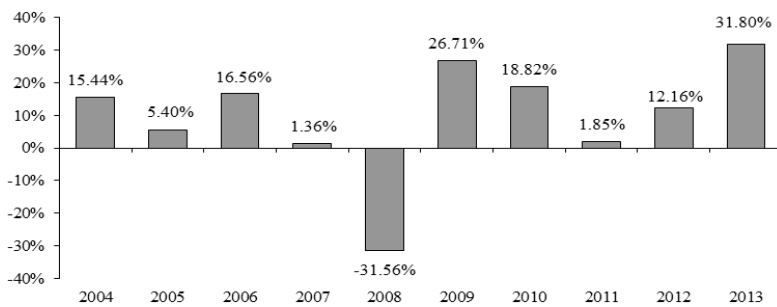
Stock Futures Risk. The Fund’s primary risks are associated with changes in the stock market, however, there are other risks associated with the Fund. For example, the Fund may invest in futures contracts to the extent that it holds cash in the portfolio. If these futures contracts owned by the Fund do not perform well, the Fund’s performance will be impacted.

Option/Put Risk. The Fund’s option strategy may limit the upside performance of any position for which a call is sold and may increase costs when puts are purchased. When selling a call, the Fund is effectively selling upside stock performance in exchange for immediate cash flow. In markets where a stock position goes up dramatically, this could cause the Fund to under-perform its benchmark and the equity markets in general. When buying a put, the Fund is spending premium to protect the downward movement of the value of a position in the Fund’s portfolio. In the event the value of the position went up during the life of the put option, the option would expire worthless and the Fund will have lost the premium paid.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

Bar Chart and Performance Table

The bar chart shows calendar year returns and the average annual total return table indicates risk by illustrating how much returns can differ from one year to the next and how fund performance compares with that of a comparable market index. These figures assume that all distributions are reinvested. *The Fund’s performance will fluctuate, and past performance (before and after taxes) is no guarantee of future results.* Updated performance information may be obtained on our website www.sheltoncap.com or by calling 1-800-955-9988.



Best Quarter: 18.63% (Q2, 2009)
Worst Quarter: -20.02% (Q4, 2008)
Year-to-date performance as of 9/30/14: 7.91%
Date of inception: 9/4/96

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes.

Actual after-tax returns depend on the investor’s tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Average Annual Return (for the period ended 12/31/13)

<u>Shelton Core Value Fund</u>	<u>1 year</u>	<u>5 years</u>	<u>10 years</u>
Return Before Taxes	31.80%	17.78%	8.35%
Return After Taxes on Distributions	30.96%	17.11%	7.59%
Return After Taxes on Distributions and Sale of Fund Shares	19.18%	14.61%	6.67%
S&P/Citigroup Value Index ¹	31.95%	16.58%	7.04%
S&P 500 Composite Stock Price Index ¹	32.36%	17.91%	7.39%

¹It is not possible for individuals to invest directly into an index. Performance figures for an index do not reflect deductions for sales charges, commissions, expenses or taxes.

Investment Advisor Shelton Capital Management, (the “Advisor”), serves as the investment advisor for the Fund.

Portfolio Manager Stephen C. Rogers has been the Fund’s portfolio manager since 2003.

Purchase and Sale of Fund Shares

The Fund’s initial and subsequent investment minimums are as follows:

	<u>Minimum Initial Investment</u>	<u>Minimum Subsequent Investment</u>
Accounts with Automatic Investment Plan (“AIP”)	\$ 500	\$100
All other accounts	\$1,000	\$100

You may redeem all or a portion of your shares on any business day that the Funds are open for business by mail, telephone or our website (www.sheltoncap.com). You may receive the redemption by wire, electronic funds transfer or check.

Taxes Dividends and capital gain distributions you receive from the Fund are subject to federal income taxes and may also be subject to state and local taxes. If you invest through a retirement plan such as an IRA or other tax-deferred account, the earnings on that account may be tax-deferred.

Payments to Broker-Dealers and other Financial Intermediaries If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

NASDAQ-100 INDEX FUND Ticker Symbol: NASDX

Investment Objective

The Fund's investment objective is to attempt to replicate the performance of the largest non-financial companies as measured by the Nasdaq-100 Index®.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay when you buy and hold shares of the Fund.

Shareholder Fees (fee paid directly from your investment)

Sales and redemption charges none

Annual Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

Management fees 0.50%

Distribution (12b-1) fees none

Other expenses 0.23%

Total annual operating expenses 0.73%

Fee Waiver and/or Expense Reimbursement* (0.24)%

Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement 0.49%

A \$10 account fee may be charged to accounts with a balance of less than \$10,000.

*The Fund's investment manager, Shelton Capital Management, has contractually agreed to reimburse expenses incurred by the Fund to the extent that total annual fund operating expenses (excluding extraordinary expenses such as litigation or merger and reorganization expenses, for example) exceed 0.49% until January 2, 2016. For the fiscal year ended August 31, 2014 the Fund's total annual operating expenses were 0.79% and after the expense fee waiver the annual operating expenses were 0.49%. The total annual fund operating expenses reflected in the expense table above have been restated to reflect the estimated expenses the Fund will incur for fiscal year 2015. This agreement may only be terminated with the approval of the Board of Trustees of the Fund. Shelton Capital Management may be reimbursed for any foregone advisory fees or unreimbursed expenses within three fiscal years following a particular reduction or expense, but only to the extent the reimbursement does not cause the Fund to exceed applicable expense limits and the effect of the reimbursement is measured after all ordinary operating expenses are calculated. Any such reimbursement is subject to the review and approval of the Fund's Board of Trustees.

Example of Expenses

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. This example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
\$50	\$209	\$382	\$884

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 3% of the average value of its portfolio.

Principal Investment Strategies

The Fund is managed passively in that the Manager is seeking to replicate the performance of the Nasdaq-100 Index®. To do this, the Fund invests primarily in the stocks comprising this index. The Fund will attempt to buy stocks so that the holdings in the portfolio approximate those of the Nasdaq-100 Index®. The Manager's goal is to maintain a return correlation of at least 0.95 to the Nasdaq 100 Index® (a return correlation of 1.0 is perfect). Under normal market conditions, it is the Fund's policy to invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in the stocks comprising the index. The Fund may invest in securities issued by other investment companies if those companies invest in securities consistent with the Fund's investment objective and policies. Companies included in The Nasdaq-100 Index range from \$5.09 billion to \$682.16 billion in market capitalization as of November 20, 2014. The majority of portfolio transactions in the Fund (other than those made in response to shareholder activity) will be made to adjust the Fund's portfolio to track the Index or to reflect occasional changes in the Index's composition. The Fund may invest in futures contracts. The Fund generally maintains some short-term securities and cash equivalents

in the portfolio to meet redemptions and needs for liquidity. The Manager will typically buy futures contracts so that the market value of the futures replicates the difference between the net assets of the fund and the equity holdings. This helps minimize the tracking error of the Fund.

Principal Risks

Market Exposure Risk. The Fund primarily invests in U.S. stocks and is designed to track the overall performance of the Nasdaq-100 Index®. In an attempt to accurately represent the Index, the Fund will typically not take steps to reduce its market exposure so that in a declining market, the Manager will not take steps to minimize the exposure of the Fund.

Economic and Political Risks. These effects may be short-term by causing a change in the market that is corrected in a year or less; or they may have long-term impacts which may cause changes in the market that may last for many years. Some factors may affect changes in one sector of the economy or one stock, but don't have an impact on the overall market. The particular sector of the economy or the individual stock may be affected for a short or long-term.

Investment Style Risk. The Fund invests in the largest, non-financial companies that are traded on the Nasdaq Stock Market. They may comprise various sectors of the economy, but are currently concentrated in the technology sector. During periods in which the Nasdaq-100 Index underperform alternative investments such as bond, money market and alternative stock sectors, the Manager expects the Fund to underperform other mutual funds that invest in these alternative categories.

Concentration Risk. The Nasdaq-100 Index is subject to concentration risk. First, it is a modified-capitalization weighted index, meaning that except for some modifications, companies are weighted based on their size. Thus, poor performance of the largest companies within the index could result in negative performance of the index and the Fund. Additionally, the significant concentration of technology stocks makes the Fund's performance particularly sensitive to this specific sector. Negative performance in the technology sector will result in negative fund performance.

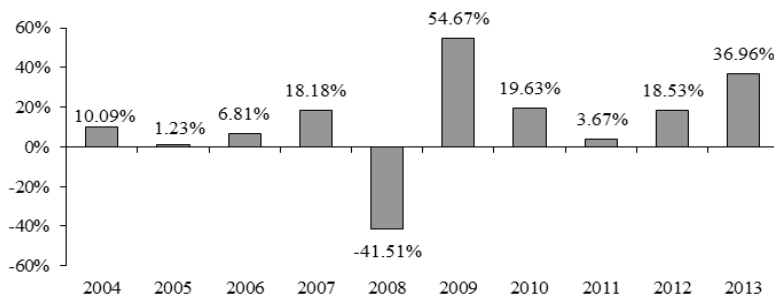
Other Investment Company Investing Risk. To the extent the Fund invests in securities issued by other investment companies, the Fund, as a shareholder in another investment company, bears its ratable share of that investment company's expenses, including advisory and administration fees, resulting in an additional layer of management fees and expenses for Fund shareholders.

Stock Futures Risk. Although the Fund's primary risks are associated with changes in the stock market, there are other risks associated with the Fund. These risks generally apply to how well the Fund tracks the index. For example, the Fund invests in futures contracts to the extent that it holds cash in the portfolio. If these futures contracts do not track the index, the Fund's performance relative to the index will change.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

Bar Chart and Performance Table

The bar chart shows calendar year returns and the average annual total return table indicates risk by illustrating how much returns can differ from one year to the next and how fund performance compares with that of a comparable market index. These figures assume that all distributions are reinvested. *The Fund's performance will fluctuate, and past performance (before and after taxes) is no guarantee of future results.* Updated performance information may be obtained on our website www.sheltoncap.com or by calling 1-800-955-9988.



Best Quarter: 21.04% (Q1, 2012)
Worst Quarter: -23.81% (Q4, 2008)
Year-to-date performance as of 9/30/14: 13.06%
Date of inception: 1/18/00

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Average Annual Return (for the period ended 12/31/13)

<u>Nasdaq-100 Index Fund</u>	<u>1 year</u>	<u>5 years</u>	<u>10 years</u>
Return Before Taxes	36.96%	25.51%	9.87%
Return After Taxes on Distributions	36.51%	25.29%	9.75%
Return After Taxes on Distributions and Sale of Fund Shares	22.29%	21.76%	8.37%
Nasdaq-100 Index ¹	36.93%	25.65%	10.46%

¹It is not possible for individuals to invest directly into an index. Performance figures for an index do not reflect deductions for sales charges, commissions, expenses or taxes.

Investment Advisor Shelton Capital Management, (the "Advisor"), serves as the investment advisor for the Fund.

Portfolio Manager Stephen C. Rogers has been the Fund's portfolio manager since 2003.

Purchase and Sale of Fund Shares

The Fund's initial and subsequent investment minimums are as follows:

	<u>Minimum Initial Investment</u>	<u>Minimum Subsequent Investment</u>
Accounts with Automatic Investment Plan ("AIP")	\$ 500	\$100
All other accounts	\$1,000	\$100

You may redeem all or a portion of your shares on any business day that the Funds are open for business by mail, telephone or our website (www.sheltoncap.com). You may receive the redemption by wire, electronic funds transfer or check.

Taxes Dividends and capital gain distributions you receive from the Fund are subject to federal income taxes and may also be subject to state and local taxes. If you invest through a retirement plan such as an IRA or other tax-deferred account, the earnings on that account may be tax-deferred.

Payments to Broker-Dealers and other Financial Intermediaries If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

EUROPEAN GROWTH & INCOME FUND Ticker Symbol: EUGIX**Investment Objective**

The Fund's investment objective is to provide long-term capital appreciation and income by investing in large-sized European companies.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay when you buy and hold shares of the Fund.

Shareholder Fees (fee paid directly from your investment)

Sales and redemption charges none

Annual Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

Management fees 0.85%

Distribution (12b-1) fees none

Other expenses 0.44%

Total annual operating expenses

1.29%

Fee Waiver and/or Expense Reimbursement* (0.29)%

Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement

1.00%

A \$10 account fee may be charged to accounts with a balance of less than \$10,000.

*The Fund's investment manager, Shelton Capital Management, has contractually agreed to reimburse expenses incurred by the Fund to the extent that total annual fund operating expenses (excluding extraordinary expenses such as litigation or merger and reorganization expenses, for example) exceed 1.00% until January 2, 2016. This agreement may only be terminated with the approval of the Board of Trustees of the Fund. Shelton Capital Management may be reimbursed for any foregone advisory fees or unreimbursed expenses within three fiscal years following a particular reduction or expense, but only to the extent the reimbursement does not cause the Fund to exceed applicable expense limits and the effect of the reimbursement is measured after all ordinary operating expenses are calculated. Any such reimbursement is subject to the review and approval of the Fund's Board of Trustees.

Example of Expenses

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. This example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
\$102	\$380	\$680	\$1,531

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 15% of the average value of its portfolio.

Principal Investment Strategies

The Fund seeks to invest primarily in the sponsored and non-sponsored ADRs stocks of large-sized companies located in Europe. In selecting securities, the Fund attempts to use the Dow Jones European STOXX 50 Index as a target portfolio and a basis for selecting investments. Most companies considered for the Fund will have market capitalizations of at least \$10 billion (U.S. dollars). The Fund invests principally using sponsored and non-sponsored American Depositary Receipts, commonly referred to as ADRs. ADRs are traded on U.S. stock exchanges and are available for some, but not all, securities that make up the target portfolio. If a company that is in the target portfolio does not have an ADR available on a U.S. exchange or if, in the Manager's opinion, the Fund is better served, the Manager will invest in ADRs of other companies that the Manager believes best serve the Fund and its investors. The Fund is not considered an index fund because it will not attempt to precisely track the performance or invest in securities that make up the Dow Jones European STOXX 50 Index. However, similar to index funds, the Fund will generally remain fully invested and its performance will track the Dow Jones European STOXX 50 Index to the extent that the Fund is successful in investing in the companies that make up the index. Additionally, the Manager will attempt to minimize portfolio turnover. Under normal market conditions, it is the Fund's policy to invest 80% of its total assets (which includes the amount of any borrowings for investment purposes) in ADRs of companies located in Europe. The Manager may elect to purchase futures contracts and/or options to attempt to remain fully invested in the markets. The percentage of futures held in the portfolio will typically not exceed the cash (or cash equivalents) balance of the Fund.

Principal Risks

Stock Market Risk. The stock markets go up and down every day. As with any investment whose performance is linked to these markets, the value of your investment in the Fund will fluctuate. If the Fund's value drops during the period in which you hold the Fund, you could lose money.

Foreign Investment Risk. Although the Fund principally invests in ADRs which are traded in U.S. denominations on U.S. stock markets, there is still some underlying foreign investment risk. For example, because foreign companies operate differently than U.S. companies, the Fund may encounter risks not typically associated with those of U.S. companies. For instance, foreign companies are not subject to the same accounting, auditing, and financial reporting standards and procedures as required from U.S. companies; and their stocks may not be as liquid as the stocks of similar U.S. companies. In addition, foreign stock exchanges, brokers, and companies generally have less government supervision and regulation than their counterparts in the United States. These factors, among others, could negatively impact the return of the Fund.

Country Risk. When investing in an international fund such as this Fund, there is always country risk, which is the chance that a country's economy will be hurt by political troubles, financial problems, or natural disasters.

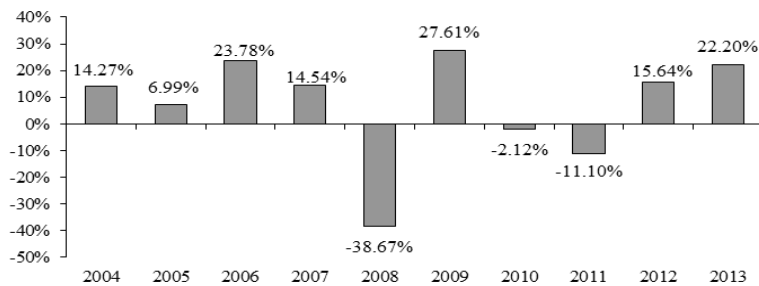
Currency Risk. There is also currency risk which is the chance that returns will be hurt by a rise in the value of one currency against the value of another.

Liquidity Risk. There is also liquidity risk with ADRs, some of which may have a low daily trading volume. In the event the Fund is forced to liquidate its holdings of an ADR with limited trading volume, it is likely that the Fund would be forced to sell the ADR at a price lower than what it might otherwise receive.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

Bar Chart and Performance Table

The bar chart shows calendar year returns and the average annual total return table indicates risk by illustrating how much returns can differ from one year to the next and how fund performance compares with that of a comparable market index. These figures assume that all distributions are reinvested. *The Fund's performance will fluctuate, and past performance (before and after taxes) is no guarantee of future results.* Updated performance information may be obtained on our website www.sheltoncap.com or by calling 1-800-955-9988.



Best Quarter: 23.71% (Q2, 2009)
Worst Quarter: -23.16% (Q3, 2011)
Year-to-date performance as of 9/30/14: -1.39%
Date of inception: 1/18/00

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Average Annual Return (for the period ended 12/31/13)

<u>European Growth & Income Fund</u>	<u>1 year</u>	<u>5 years</u>	<u>10 years</u>
Return Before Taxes	22.20%	9.43%	5.25%
Return After Taxes on Distributions	20.98%	8.36%	4.32%
Return After Taxes on Distributions and Sale of Fund Shares	13.31%	7.19%	3.86%
Dow Jones European Stoxx 50 Index ¹	22.39%	10.56%	5.19%

¹It is not possible for individuals to invest directly into an index. Performance figures for an index do not reflect deductions for sales charges, commissions, expenses or taxes.

Investment Advisor Shelton Capital Management, (the "Advisor"), serves as the investment advisor for the Fund.

Portfolio Manager Stephen C. Rogers has been the Fund's portfolio manager since 2003.

Purchase and Sale of Fund Shares

The Fund's initial and subsequent investment minimums are as follows:

	<u>Minimum Initial Investment</u>	<u>Minimum Subsequent Investment</u>
Accounts with Automatic Investment Plan ("AIP")	\$ 500	\$100
All other Funds' accounts	\$1,000	\$100

You may redeem all or a portion of your shares on any business day that the Funds are open for business by mail, telephone or our website (www.sheltoncap.com). You may receive the redemption by wire, electronic funds transfer or check.

Taxes Dividends and capital gain distributions you receive from the Fund are subject to federal income taxes and may also be subject to state and local taxes. If you invest through a retirement plan such as an IRA or other tax-deferred account, the earnings on that account may be tax-deferred.

Payments to Broker-Dealers and other Financial Intermediaries

If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

U.S. GOVERNMENT SECURITIES FUND Ticker Symbol: CAUSX

Investment Objective

The Fund's investment objective is to seek liquidity, safety from credit risk and as high a level of income as is consistent with these objectives.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay when you buy and hold shares of the Fund.

Shareholder Fees (fee paid directly from your investment)

Sales and redemption charges none

Annual Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

Management fees 0.50%

Distribution (12b-1) fees none

Other expenses 0.36%

Total annual operating expenses

0.86%

Fee Waiver and/or Expense Reimbursement* (0.12)%

Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement

0.74%

A \$10 account fee may be charged to accounts with a balance of less than \$10,000.

*The Fund's investment manager, Shelton Capital Management, has contractually agreed to reimburse expenses incurred by the Fund to the extent that total annual fund operating expenses (excluding extraordinary expenses such as litigation or merger and reorganization expenses, for example) exceed 0.74% until January 2, 2016. This agreement may only be terminated with the approval of the Board of Trustees of the Fund. Shelton Capital Management may be reimbursed for any foregone advisory fees or unreimbursed expenses within three fiscal years following a particular reduction or expense, but only to the extent the reimbursement does not cause the Fund to exceed applicable expense limits and the effect of the reimbursement is measured after all ordinary operating expenses are calculated. Any such reimbursement is subject to the review and approval of the Fund's Board of Trustees.

Example of Expenses

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. This example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 year
\$76

3 years
\$262

5 years
\$465

10 years
\$1,050

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 32% of the average value of its portfolio.

Principal Investment Strategies

In order to meet its investment objective, the Fund invests primarily in high-quality bonds whose interest is guaranteed by the full faith and credit of the United States government and its agencies or instrumentalities. The government securities in which the Fund invests primarily include U.S. Treasury Securities and Government National Mortgage Association (GNMA) Certificates. Under normal market conditions, it is the Fund's policy to invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in securities issued by the U.S. government and its agencies and instrumentalities. The Fund invests in intermediate and long-term fixed income securities. While the Fund is not limited to any duration, the Fund's manager generally seeks to target the Fund's dollar weighted average portfolio duration in a range between three to twelve years. During periods where alternative investments such as stocks and money market instruments outperform bonds, the Fund's manager expects the performance of the Fund to underperform other mutual funds that invest in these alternative strategies. The Fund's manager seeks to purchase securities for the Fund's portfolio consistent with the Fund's investment objectives, such as when the manager believes such securities will provide the best balance between risk and return within the Fund's range of allowable investments. Generally, the manager selects a balance between U.S. Treasury bonds and GNMA pass-through securities in an attempt to maximize the overall performance of the Fund. The Fund's manager generally will consider selling such securities from the Fund's portfolio when the manager believes that such securities are no longer consistent with the Fund's investment objective, when altering the duration of the fund or the balance or investments among treasuries and GNMA's to meet redemption requests and in other circumstances that the manager deems appropriate consistent with the Fund's investment objective.

Principal Risks

The Fund is subject to several risks, any of which could cause the Fund to lose money. The principal risks include:

Interest Rate Risk. The chance that bond prices overall will decline over short and long-term periods due to rising interest rates. This is the primary risk of this Fund. Many factors can cause interest rates to rise. Some examples include central bank monetary policy (such as tapering of the Federal Reserve Board's quantitative easing program), rising inflation rates and general economic conditions. Currently, interest rate risks in the United States are at, or near, historic lows, which may increase the Fund's exposure to risks associated with rising interest rates.

Income Risk. The chance that declining interest rates will reduce the amount of income paid by the Fund over long periods of time.

Call Risk. The chance that during declining interest rates, the bond issuer will call or prepay a high-yielding bond before the bond's maturity date. This would force the Fund to purchase lower yielding bonds which would reduce the income generated from the portfolio and could potentially result in capital gains paid out by the Fund.

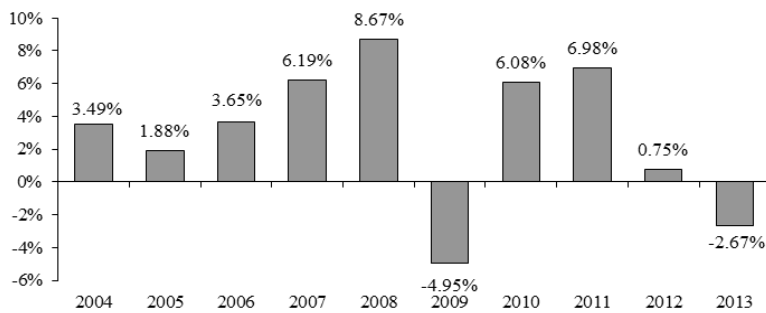
Prepayment Risk is similar to call risk. In the case of GNMA securities, payments to the Fund are based on payments from the underlying mortgages. During periods where homeowners refinance their mortgages, these securities are paid off and the Fund may have to reinvest the principal in lower yielding securities. This would reduce the income generated from the portfolio.

Management Risk. The chance that poor security selection will cause the Fund to underperform other mutual funds with similar investment objectives.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

Bar Chart and Performance Table

The bar chart shows calendar year returns and the average annual total return table indicates risk by illustrating how much returns can differ from one year to the next and how fund performance compares with that of a comparable market index. These figures assume that all distributions are reinvested. *The Fund's performance will fluctuate, and past performance (before and after taxes) is no guarantee of future results.* Updated performance information may be obtained on our website www.sheltoncap.com or by calling 1-800-955-9988.



Best Quarter: 5.45% (Q2, 2010)
Worst Quarter: -5.07% (Q2, 2009)
Year-to-date performance as of 9/30/14: 1.43%
Date of inception: 12/4/85

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Average Annual Return (for the period ended 12/31/13)

<u>U. S. Government Securities Fund</u>	<u>1 year</u>	<u>5 years</u>	<u>10 years</u>
Return Before Taxes	(2.67)%	1.13%	2.92%
Return After Taxes on Distributions	(3.34)%	0.31%	1.82%
Return After Taxes on Distributions and Sale of Fund Shares	(1.61)%	0.54%	1.86%
Barclays GNMA Index ¹	(2.12)%	3.99%	4.69%
Barclays Treasury Index ¹	(2.75)%	2.15%	4.23%

¹It is not possible for individuals to invest directly into an index. Performance figures for an index do not reflect deductions for sales charges, commissions, expenses or taxes.

Investment Advisor Shelton Capital Management, (the "Advisor"), serves as the investment advisor for the Fund.

Portfolio Managers William Mock has been the Fund's lead portfolio manager since 2010. Stephen C. Rogers has served as a member of the portfolio management team since 2003.

Purchase and Sale of Fund Shares

The Fund's initial and subsequent investment minimums are as follows:

	<u>Minimum Initial Investment</u>	<u>Minimum Subsequent Investment</u>
Accounts with Automatic Investment Plan ("AIP")	\$ 500	\$100
All other Funds' accounts	\$1,000	\$100

You may redeem all or a portion of your shares on any business day that the Funds are open for business by mail, telephone or our website (www.sheltoncap.com). You may receive the redemption by wire, electronic funds transfer or check.

Taxes Dividends and capital gain distributions you receive from the Fund are subject to federal income taxes and may also be subject to state and local taxes. If you invest through a retirement plan such as an IRA or other tax-deferred account, the earnings on that account may be tax-deferred.

Payments to Broker-Dealers and other Financial Intermediaries If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary’s website for more information.

SHORT-TERM U.S. GOVERNMENT BOND FUND Ticker Symbol: STUSX

Investment Objective

The Fund’s investment objective is to seek liquidity, safety from credit risk, preservation of investors principal and as high a level of income as is consistent with these objectives.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay when you buy and hold shares of the Fund.

Shareholder Fees (fee paid directly from your investment)

Sales and redemption charges none

Annual Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

Management fees 0.50%

Distribution (12b-1) fees none

Other expenses 0.56%

Total annual operating expenses 1.06%

Fee Waiver and/or Expense Reimbursement* (0.47)%

Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement 0.59%

A \$10 account fee may be charged to accounts with a balance of less than \$10,000.

*The Fund’s investment manager, Shelton Capital Management, has contractually agreed to reimburse expenses incurred by the Fund to the extent that total annual fund operating expenses (excluding extraordinary expenses such as litigation or merger and reorganization expenses, for example) exceed 0.59% until January 2, 2016. This agreement may only be terminated with the approval of the Board of Trustees of the Fund. Shelton Capital Management may be reimbursed for any foregone advisory fees or unreimbursed expenses within three fiscal years following a particular reduction or expense, but only to the extent the reimbursement does not cause the Fund to exceed applicable expense limits and the effect of the reimbursement is measured after all ordinary operating expenses are calculated. Any such reimbursement is subject to the review and approval of the Fund’s Board of Trustees.

Example of Expenses

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. This example also assumes that your investment has a 5% return each year and that the Fund’s operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
\$60	\$290	\$539	\$1,252

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 28% of the average value of its portfolio.

Principal Investment Strategies

The Fund typically invests in short and intermediate-term fixed income securities whose principal and interest are backed by the full faith and credit of the U.S. Federal Government and its agencies or instrumentalities. The Manager will invest at least 80% of the Fund’s assets (which includes the amount of any borrowings for investment purposes) in securities issued by the U.S. government and its agencies or instrumentalities. In addition, the Manager may invest in higher yielding securities which are not backed by the full faith and credit of the U.S. Federal Government. The Fund intends to maintain an average duration between 0 and 3 years in an effort to reduce share price volatility. The Fund’s manager generally will consider selling fixed income securities from the Fund’s portfolio when the manager believes that such securities are no longer consistent with the Fund’s investment objectives, other securities appear to offer more compelling opportunities, to meet redemption requests and in other circumstances that the manager deems appropriate consistent with the Fund’s investment objectives.

Principal Risks

This Fund is subject to several risks, any of which could cause the Fund to lose money. These include:

Interest rate Risk. The chance that bond prices overall will decline over short and long-term periods due to rising interest rates. Many factors can cause interest rates to rise. Some examples include central bank monetary policy (such as tapering of the Federal Reserve

Board's quantitative easing program), rising inflation rates and general economic conditions. Currently, interest rate risks in the United States are at, or near, historic lows, which may increase the Fund's exposure to risks associated with rising interest rates.

Income Risk. The chance that declining interest rates will reduce the amount of income paid by the Fund. Income risk is generally moderate for short and intermediate-term bonds.

Call Risk. The chance that during declining interest rates, the bond issuer will call or prepay a high-yielding bond before the bond's maturity date. This would force the Fund to purchase lower yielding bonds which would reduce the income generated from the portfolio and could potentially result in capital gains paid out by the Fund.

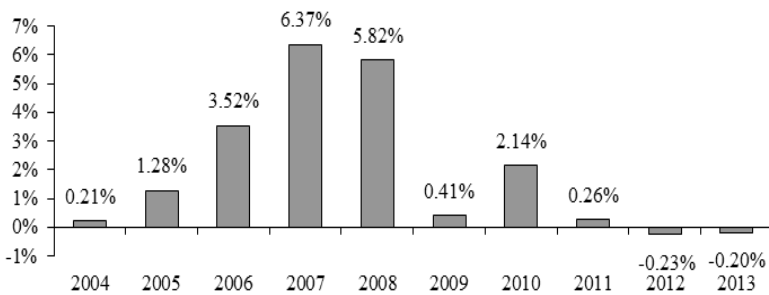
Prepayment Risk is similar to call risk. In the case of GNMA securities, payments to the Fund are based on payments from the underlying mortgages. During periods where homeowners refinance their mortgages, these securities are paid off and the Fund may have to reinvest the principal in lower yielding securities. This would reduce the income generated from the portfolio.

Management Risk. The chance that the Manager's security selection strategy may cause the Fund to underperform other mutual funds with similar investment objectives.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

Bar Chart and Performance Table

The bar chart shows calendar year returns and the average annual total return table indicates risk by illustrating how much returns can differ from one year to the next and how fund performance compares with that of a comparable market index. These figures assume that all distributions are reinvested. *The Fund's performance will fluctuate, and past performance (before and after taxes) is no guarantee of future results.* Updated performance information may be obtained on our website www.sheltoncap.com or by calling 1-800-955-9988.



Best Quarter: 2.80% (Q1, 2008)
Worst Quarter: -0.96% (Q2, 2008)
Year-to-date performance as of 9/30/14: -0.10%
Date of inception: 1/18/00

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Average Annual Return (for the period ended 12/31/13)

<u>Short Term U.S. Government Bond Fund</u>	<u>1 year</u>	<u>5 years</u>	<u>10 years</u>
Return Before Taxes((0.20)%	0.47%	1.93%
Return After Taxes on Distributions	(0.20)%	0.23%	1.28%
Return After Taxes on Distributions and Sale of Fund Shares	(0.12)%	0.29%	1.27%
Barclays 1-3 yr. Treasury Index ¹	0.36%	1.11%	2.57%

¹It is not possible for individuals to invest directly into an index. Performance figures for an index do not reflect deductions for sales charges, commissions, expenses or taxes.

Investment Advisor Shelton Capital Management, (the "Advisor"), serves as the investment advisor for the Fund.

Portfolio Managers William Mock has been the Fund's lead portfolio manager since 2010. Stephen C. Rogers has served as a member of the portfolio management team since 2003.

Purchase and Sale of Fund Shares

The Fund's initial and subsequent investment minimums are as follows:

	<u>Minimum Initial Investment</u>	<u>Minimum Subsequent Investment</u>
Accounts with Automatic Investment Plan ("AIP")	\$ 500	\$100
All other Funds' accounts	\$1,000	\$100

You may redeem all or a portion of your shares on any business day that the Funds are open for business by mail, telephone or our website (www.sheltoncap.com). You may receive the redemption by wire, electronic funds transfer or check.

Taxes Dividends and capital gain distributions you receive from the Fund are subject to federal income taxes and may also be subject to state and local taxes. If you invest through a retirement plan such as an IRA or other tax-deferred account, the earnings on that account may be tax-deferred.

Payments to Broker-Dealers and other Financial Intermediaries If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

THE UNITED STATES TREASURY TRUST Ticker Symbol: UTSXX

Investment Objective

The Fund's investment objective is to seek high current income exempt from state income taxes while maintaining a stable net asset value of \$1.00 per share.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay when you buy and hold shares of the Fund.

Shareholder Fees (fee paid directly from your investment)

Sales and redemption charges none

Annual Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

Management fees 0.50%

Distribution (12b-1) fees none

Other expenses 0.23%

Total annual operating expenses 0.73%

Fee Waiver and/or Expense Reimbursement* (0.20)%

Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement 0.53%

A \$24 annual account fee is charged to accounts with a balance of less than \$10,000.

*The Fund's investment manager, Shelton Capital Management, has contractually agreed to reimburse expenses incurred by the Fund to the extent that total annual fund operating expenses (excluding extraordinary expenses such as litigation or merger and reorganization expenses, for example) exceed 0.53% until January 2, 2016. This agreement may only be terminated with the approval of the Board of Trustees of the Fund. Shelton Capital Management may be reimbursed for any foregone advisory fees or unreimbursed expenses within three fiscal years following a particular reduction or expense, but only to the extent the reimbursement does not cause the Fund to exceed applicable expense limits and the effect of the reimbursement is measured after all ordinary operating expenses are calculated. Any such reimbursement is subject to the review and approval of the Fund's Board of Trustees.

Example of Expenses

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. This example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
\$54	\$213	\$386	\$888

Principal Investment Strategies

The Fund primarily invests its assets in high-quality, short-term Treasury bills whose interest is guaranteed by the full faith and credit of the United States government. The Fund buys securities that have a maturity of less than 397 days, so that the fund's weighted average maturity does not exceed the rule 2A-7 requirements, currently 60 days. Under normal market conditions, it is the Fund's policy to invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in securities issued by the U.S. government, but as a general rule the percentage is much higher.

Principal Risks

The Fund is subject to some risks which could cause the Fund to lose money. It is important to remember that this Fund is not a FDIC-insured money market account. The risks include:

Interest rate Risk. The chance that short-term security prices overall, will decline due to rising interest rates. In an extreme case, a short-term movement could potentially change the Fund's share price to something other than the \$1.00 target. Many factors can cause interest rates to rise. Some examples include central bank monetary policy (such as tapering of the Federal Reserve Board's quantitative easing program), rising inflation rates and general economic conditions.

Income Risk. The chance that declining interest rates will reduce the amount of income paid by the Fund.

Management Risk. The chance that poor security selection will cause the Fund to underperform other mutual funds with similar investment objectives.

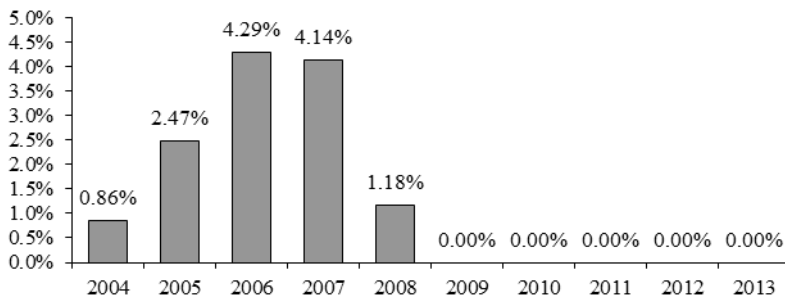
The securities that the Fund holds are backed by the full faith and credit of the United States federal government and are those that the Manager believes do not represent credit risk to the Fund. It is important to note that the U.S. government backs the securities held by the Fund, but not the Fund itself.

An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. Although the Fund seeks to preserve the \$1.00 per share price, it is possible to lose money by investing in the Fund.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

Bar Chart and Performance Table

The bar chart shows calendar year returns and the average annual total return table indicates risk by illustrating how much returns can differ from one year to the next and how fund performance compares with that of a comparable market index. These figures assume that all distributions are reinvested. *The Fund's performance will fluctuate, and past performance (before and after taxes) is no guarantee of future results.* Updated performance information may be obtained on our website www.sheltoncap.com or by calling 1-800-955-9988.



Best Quarter: 1.15% (Q4, 2006)
Worst Quarter: 0.00% (Q4, 2013)
Year-to-date performance as of 9/30/14: 0.00%
Date of inception: 4/26/89

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Average Annual Return (for the period ended 12/31/13)

	<u>1 year</u>	<u>5 years</u>	<u>10 years</u>
The United States Treasury Trust	0.00%	0.00%	1.28%

Seven-day yield as of 12/31/13: 0.00%

To obtain a current 7-day yield for the Fund call toll-free 1-800-955-9988.

Investment Advisor Shelton Capital Management, ("the "Advisor"), serves as the investment advisor for the Fund.

Portfolio Managers William Mock has been the Fund's lead portfolio manager since 2010. Stephen C. Rogers has served as a member of the portfolio management team since 2003.

Purchase and Sale of Fund Shares

The Fund's initial and subsequent investment minimums are as follows:

	<u>Minimum Initial Investment</u>	<u>Minimum Initial Investment</u>
Accounts with Automatic Investment Plan ("AIP")	\$ 500	\$100
All other Funds' accounts	\$1,000	\$100

You may redeem all or a portion of your shares on any business day that the Funds are open for business by mail, telephone or our website (www.sheltoncap.com). You may receive the redemption by wire, electronic funds transfer or check.

Taxes Dividends and capital gain distributions you receive from the Fund are subject to federal income taxes and may also be subject to state and local taxes. If you invest through a retirement plan such as an IRA or other tax-deferred account, the earnings on that account may be tax-deferred.

Payments to Broker-Dealers and other Financial Intermediaries If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

Investment Objectives, Principal Strategies and Risks

California Tax-Free Income Fund – The California Tax-Free Income Fund seeks to achieve high current tax-free income for California residents. The California Tax-Free Income Fund seeks as high a level of income, exempt from regular federal and California personal

income taxes, as is consistent with prudent investment management and safety of capital. The Fund invests in intermediate and long-term municipal bonds. The Manager invests in municipal bonds issued by the State of California and various municipalities located within California. Generally, these bonds are rated in one of the four highest ratings categories (investment grade) by an independent rating organization currently Standard & Poor's, Moody's and Fitch. In some cases, securities are not rated by independent agencies. The Manager will generally purchase an unrated security only if it believes the security is of similar quality to an investment-grade issue. Generally, the interest on municipal bonds is not subject to federal and California personal income taxes. Under normal market conditions, it is the Fund's fundamental policy to invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in municipal bonds from within the state of California, but as a general rule the percentage will be much higher. The Fund's duration typically ranges from four to twelve years. Although the Fund is not prevented from doing so, the Manager seeks to invest primarily in non-AMT (bonds that pay interest not subject to federal alternative minimum tax ("AMT")). The Manager attempts to select securities that it believes will provide the best balance between risk and return within the Fund's range of allowable investments. The Fund is actively managed for total return. In managing the portfolio, a number of factors are considered including general market and economic conditions and their likely effects on the level and term-structure of interest rates, yield spreads among securities, and the credit type and quality of the issuer. Tax-free income to shareholders is achieved through the purchase of municipal bonds that are not subject to federal and California personal income taxes. Generally, income represents the greatest portion of return over time, the total return from a municipal security includes both income and price losses and gains. The Fund's manager generally will consider selling fixed income securities from the Fund's portfolio when the manager believes that such securities are no longer consistent with the Fund's investment objectives, other securities appear to offer more compelling opportunities, to meet redemption requests and in other circumstances that the manager deems appropriate consistent with the Fund's investment objectives. Therefore, changes in the rating of a security will not necessarily result in the sale of that security. The Fund is subject to several risks, any of which could cause the Fund to lose money. The Fund is considered non-diversified which means it may invest a large percentage of its assets in the securities of a particular issuer as compared with other types of mutual funds. Accordingly, a chance exists that the Fund's performance may be hurt disproportionately by poor performance of a relatively few number of securities or by factors that impact a relatively small number of issuers. The principal risks include:

Interest Rate Risk. The risk an increase in interest rates will cause debt securities held by a Fund to decline in value, and thereby lower a Fund's value and the overall return on your investment. The magnitude of this decrease is often greater for longer-term fixed income securities than shorter-term securities. Many factors can cause interest rates to rise. Some examples include central bank monetary policy (such as tapering of the Federal Reserve Board's quantitative easing program), rising inflation rates and general economic conditions. Currently, interest rates in the United States are at, or near, historic lows, which may increase the Fund's exposure to risks associated with rising interest rates.

Income Risk. The income you earn from a Fund may decline due to declining interest rates. This is because, in a falling interest rate environment, a Fund generally will have to invest the proceeds from sales of Fund shares, as well as the proceeds from maturing portfolio securities (or portfolio securities that have been called, see "Call Risk" below), in lower-yielding securities.

Call Risk. The chance that during declining interest rates, the bond issuer will call or prepay a high-yielding bond before the bond's maturity date. This would force the Fund to purchase lower yielding bonds which would reduce the income generated from the portfolio and could potentially result in capital gains paid out by the Fund.

Management Risk. The risk a Fund's performance will reflect in part the Advisor's ability to implement its investment strategy and make investment decisions which are suited to achieving a Fund's investment objective. A strategy used by the investment management team may fail to produce the intended results. A Fund could underperform its benchmark or other mutual funds with similar investment objectives.

Credit Risk. The issuer of a debt security or a guarantor of a security held by a Fund or counterparty to a transaction may default on its payment obligations or experience a decline in credit quality. Generally, the lower the credit rating of a security, issuer, guarantor or counterparty, the higher the degree of risk as to the payment of interest and return of principal. Also, a downgrade in the credit quality of a security or its issuer or guarantor may cause the security to decline in value and could affect the bond's liquidity and make it more difficult for a Fund to sell. When a Fund purchases unrated securities, it will depend on the Advisor's analysis of credit risk without the assessment of an independent rating organization, such as Moody's or Standard & Poor's. There is always the risk that the Advisor's analysis of creditworthiness is incorrect or may change due to market conditions.

State-Specific Risk. Since the Fund only invests in issuers in the state of California, it is exposed to economic and political developments in California that negatively impact the issuers and lacks the geographic diversification of multi-state funds that will tend to mitigate the impact of regional economic downturns.

Bankruptcy Risk is the risk that an issuer seeks protection under bankruptcy laws. In such a circumstance, the principal value of the bond would be expected to decline. If a bond held by the Fund is issued by a municipality that experiences significant financial difficulty that can potentially lead to bankruptcy or default, the Fund would be expected to lose value.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

S&P 500 Index Fund – The S&P 500 Index Fund seeks to replicate the total return of the U.S. stock market as measured by the S&P 500 Composite Stock Price Index. The S&P 500 Index Fund is a diversified mutual fund that seeks to provide investment results that correspond to the total return of common stocks publicly traded in the United States, as represented by the Standard & Poor's 500 Composite Stock Price Index. The S&P 500 Index includes the common stocks of 500 leading U.S. companies from a broad range of

industries. Standard & Poor's, the company that maintains the index, makes all determinations regarding the inclusion of stocks in the index. Each stock is weighted in proportion to its total market value. The Fund is passively managed. It invests primarily in the stocks that make up the index so that the weighting of each stock in the portfolio approximates the index. The Manager's goal is to maintain a return correlation of at least .95 to the S&P 500 Index (a return correlation of 1.0 is perfect). Under normal market conditions, it is the Fund's policy to invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in the underlying stocks of the index. The Fund may invest in futures contracts in an attempt to minimize the performance variation between the Fund and the index. This performance gap occurs because, unlike the index, the Fund must pay operating expenses and contend with the flow of cash in and out of the fund primarily from shareholder activity. While the Manager expects the Fund's performance to closely represent the index, the Fund will generally underperform the index.

Stock Market Risk. The stock market goes up and down every day. As with any investment whose performance is linked to these markets, the value of an investment in the Fund will change. During a declining stock market, an investment in this Fund would lose money.

Market Exposure Risk. The Fund is primarily invested in the U.S. stock market and is designed to passively track the performance of the large cap sector. In an attempt to accurately track the performance of the S&P 500 Index, the Fund does not intend to take steps to reduce its market exposure in any market.

Economic and Political Risks. The impact of positive or negative economic and political events could be short-term (by causing a change in the market that is corrected in a year or less) or long-term (by causing a change in the market that may last for many years). Events may affect one sector of the economy or a single stock, but may not have a significant impact on the overall market.

Large Company Investing and Investment Style Risk. The Fund invests in large companies from many sectors. In doing so, the Fund is not as sensitive to the movements of a single company's stock or a single economic sector. However, during periods where investment alternatives such as mid cap stocks, small cap stocks, bonds and money market instruments outperform large cap stocks, we expect the performance of the Fund to underperform other mutual funds that invest in these alternatives. The S&P 500 Index is a capitalization weighted index, meaning companies are weighted based on their size. Thus, poor performance of the largest companies could result in negative performance of the index and the Fund.

Stock Futures Risk. Although the Fund's primary risks are associated with changes in the stock market, there are other risks associated with the Fund. These risks generally apply to how well the Fund tracks the index. For example, the Fund invests in futures contracts to the extent that it holds cash in the portfolio. If these futures contracts do not track the index, the Fund's performance relative to the index will change.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

S&P MidCap Index Fund – The S&P MidCap Index Fund seeks to replicate the performance of medium-sized U.S. companies as measured by the S&P MidCap 400 Index. The S&P MidCap Index Fund is a diversified mutual fund that seeks to provide investment results that correspond to the total return of publicly traded common stocks of medium-size domestic companies, as represented by the S&P MidCap 400 Index. The S&P MidCap Index includes the common stocks of 400 medium-sized U.S. companies from a broad range of industries. Standard & Poor's, the company that maintains the index, makes all determinations regarding the inclusion of stocks in the index. Each stock is weighted in proportion to its total market value. The Fund is passively managed. It invests primarily in the stocks that make up the S&P MidCap Index so that the weighting of each stock in the portfolio approximates the index. The Manager's goal is to maintain a return correlation of at least .95 to the S&P MidCap Index (a return correlation of 1.0 is perfect). Under normal market conditions, it is the Fund's policy to invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in the underlying stocks of the index. The Fund may invest in futures contracts in an attempt to minimize the performance variation between the Fund and the index. This performance gap occurs because, unlike the index, the Fund must pay operating expenses and contend with the flow of cash in and out of the portfolio. While the Manager expects the Fund's performance to closely represent the index, the Fund will generally underperform the index.

Stock Market Risk. The stock market goes up and down every day. As with any investment whose performance is linked to these markets, the value of an investment in the Fund will change. During a declining stock market, an investment in this Fund would lose money.

Market Exposure Risk. The Fund is primarily invested in the U.S. stock market and is designed to passively track the performance of the mid cap sector. In an attempt to accurately track the performance of the S&P MidCap 400 Index, the Fund does not intend to take steps to reduce its market exposure in any market.

Economic and Political Risks. The impact of positive or negative economic and political events could be short-term (by causing a change in the market that is corrected in a year or less) or long-term (by causing a change in the market that may last for many years). Events may affect one sector of the economy or a single stock, but may not have a significant impact on the overall market.

Medium-Sized Company Investing and Investment Style Risks. The Fund invests in medium-sized companies from many sectors. In doing so, the Fund is not as sensitive to the movements of a single company's stock or a single economic sector. However, during periods where investment alternatives such as large cap stocks, small cap stocks, bonds and money market instruments out-perform MidCap stocks, we expect the performance of the Fund to underperform other mutual funds that invest in these alternatives. The S&P MidCap Index is a capitalization weighted index, meaning companies are weighted based on their size. Thus, poor performance of the largest of these medium sized companies could result in negative performance of the index and the Fund.

Stock Futures Risk. Although the Fund's primary risks are associated with changes in the stock market, there are other risks associated with the Fund. These risks generally apply to how well the Fund tracks the index. For example, the Fund invests in futures contracts to the extent that it holds cash in the portfolio. If these futures contracts do not track the index, the Fund's performance relative to the index will change.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

S&P SmallCap Index Fund – The S&P SmallCap Index Fund seeks to replicate the performance of small-sized U.S. companies as measured by the S&P SmallCap 600 Stock Index. The S&P SmallCap Index Fund is a diversified mutual fund that seeks to provide investment results that correspond to the total return of publicly traded common stocks of small-sized companies, as represented by the S&P SmallCap 600 Index. The S&P SmallCap 600 Index includes common stocks of 600 small U.S. companies from a broad range of industries. Standard & Poor's, the company that maintains the index, makes all determinations regarding the inclusion of stocks in the index. Each stock is weighted in proportion to its total market value. The Fund is passively managed. It invests primarily in the stocks that make up the S&P SmallCap 600 Index so that the weighting of each stock in the portfolio approximates the index. The Manager's goal is to maintain a return correlation of at least .95 to the S&P SmallCap 600 Index (a return correlation of 1.0 is perfect). Under normal market conditions, it is the Fund's policy to invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in the underlying stocks. The Fund may invest in futures contracts in an attempt to minimize the performance variation between the Fund and the index. This performance gap occurs because, unlike the index, the Fund must pay operating expenses and contend with the flow of cash in and out of the portfolio. While the Manager expects the Fund's performance to closely represent the index, the Fund will generally underperform the index.

Stock Market Risk. The stock market goes up and down every day. As with any investment whose performance is linked to these markets, the value of an investment in the Fund will change. During a declining stock market, an investment in this Fund would lose money.

Market Exposure Risk. The Fund is primarily invested in the U.S. stock market and is designed to passively track the performance of the small cap sector. In an attempt to accurately track the performance of the S&P SmallCap 600 Index, the Fund does not intend to take steps to reduce its market exposure in any market. Many factors will affect the performance of the stock market.

Economic and Political Risks. The impact of positive or negative economic and political events could be short-term (by causing a change in the market that is corrected in a year or less) or long-term (by causing a change in the market that lasts for many years). Events may affect one sector of the economy or a single stock, but may not have a significant impact on the overall market.

Small Company Investing and Investment Style Risks. The Fund invests in small-sized companies from many sectors. In doing so, the Fund is not as sensitive to the movements of a single company's stock or a single economic sector. However, during periods where investment alternatives such as large cap stocks, mid cap stocks, bonds and money market instruments outperform small cap stocks, we expect the performance of the Fund to underperform other mutual funds that invest in these alternatives. The S&P SmallCap 600 Index is a capitalization weighted index, meaning companies are weighted based on their size. Thus, poor performance of the largest of these small sized companies could result in negative performance of the index and the Fund.

Stock Futures Risk. Although the Fund's primary risks are associated with changes in the stock market, there are other risks associated with the Fund. These risks generally apply to how well the Fund tracks the index. For example, the Fund invests in futures contracts to the extent that it holds cash in the portfolio. If these futures contracts do not track the index, the Fund's performance relative to the index will change.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

Shelton Core Value Fund – The Shelton Core Value Fund seeks to achieve a high level of income and capital appreciation (when consistent with high income) by investing primarily in income-producing U.S. equity securities. The Shelton Core Value Fund is a diversified mutual fund that seeks a high level of current income by investing primarily in income producing equity securities. As a secondary objective, the Fund will also consider the potential for price appreciation when consistent with seeking current income. In order to meet its investment objectives, the Fund invests primarily in U.S. equity securities which generate a relatively high level of dividend income (relative to other equities in the same industry) and have potential for capital appreciation. These securities will generally be stocks of medium and large U.S. corporations. It is the Fund's policy that under normal market conditions it will invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in common stocks. The Fund's manager seeks to purchase equity securities for the Fund's portfolio consistent with the Fund's investment objectives, such as when the manager believes such securities have income producing potential, a potential for capital appreciation or value potential. The Fund's manager generally will consider selling equity securities from the Fund's portfolio when the manager believes that such securities are no longer consistent with the Fund's investment objectives, other securities appear to offer more compelling opportunities, or to meet redemption requests and in other circumstances that the manager deems appropriate consistent with the Fund's investment objectives. Although the Fund will attempt to invest as much of its assets as is practical in income-producing stocks, the Fund may maintain a reasonable (up to 20%) position in US Treasury bills and money market instruments to meet redemption requests and other liquidity needs. The Fund may invest in stock futures contracts when the Manager wants to keep the net assets of the fund fully invested in the equity markets but is holding some treasury bills or money market instruments in the portfolio. Utilizing futures allows the Manager to maintain a high percentage of the portfolio in the market while maintaining cash for liquidity needs. The Fund's option strategy may limit the upside performance of any position for which a call is sold and may increase costs when puts are purchased. When selling a call, the Fund is effectively selling upside stock performance in exchange for

immediate cash flow. In markets where a stock position goes up dramatically, this could cause the Fund to under-perform its benchmark and the equity markets in general. When buying a put, the Fund is spending premium to protect the downward movement of the value of a position in the Fund's portfolio. In the event the value of the position went up during the life of the put option, the option would expire worthless and the Fund will have lost the premium paid. The Fund may buy or sell options in an effort to generate additional cash flow above and beyond the dividends paid by the stocks or hedge the portfolio from potential losses. A call option is a right for the buyer to purchase the stock from the Fund at a predetermined price. When the Fund sells a call option, the Fund is paid cash and the buyer of the option may exercise the right to purchase the stock at a fixed price over the life of the option. The Fund may do this in order to generate additional cash flow for one or more positions in the portfolio beyond the current dividend yield. A put option is the right to sell a stock to the seller at a predetermined price. When the Fund buys a put option, it pays the seller for the write to sell a stock at a predetermined price. The Fund may do this in order to protect the value of one or more positions in the portfolio. While there is no assurance that a strategy will work as planned, option strategies used by the Fund will generally be used in an effort to reduce the risk exposure of the Fund's portfolio. While there are several factors impacting option values, typically, the higher the share price relative to the strike price of the option and the longer the life of the option, the higher the call premium paid to the Fund. The Fund is subject to several risks, any of which could cause the Fund to lose money. The principal risks include:

Stock Market Risk. The stock market goes up and down every day. As with any investment whose performance is linked to these markets, the value of an investment in the Fund will change. During a declining stock market, an investment in this Fund would lose money.

Economic and Political Events Risks. Many factors will affect the performance of the stock market. Two major factors are economic and political events. The impact of positive or negative events could be short-term (by causing a change in the market that is corrected in a year or less) or long-term (by causing a change in the market that may last for many years). Events may affect one sector of the economy or a single stock, but may not have a significant impact on the overall market.

Sector Risks. The Fund is primarily invested in U.S. value stocks and is designed to provide a dividend yield as well as potential for capital appreciation. At times the Fund may hold a concentrated position in the banking and financial sector, therefore the Fund's performance may be significantly impacted by the performance of this sector.

Large and Medium-Sized Company Risks and Value Investing Risks. The Fund invests in large and medium-sized companies from many sectors. In doing so, the Fund is not as sensitive to the movements of a single company's stock or a single economic sector. However, during periods where alternative investments such as growth stocks, small cap stocks, bonds and money market instruments outperform value stocks, we expect the performance of the Fund to underperform other mutual funds that invest in these alternative categories.

Stock Futures Risk. The Fund's primary risks are associated with changes in the stock market, however, there are other risks associated with the Fund. For example, the Fund may invest in futures contracts to the extent that it holds cash in the portfolio. If these futures contracts owned by the Fund do not perform well, the Fund's performance will be impacted. Under normal circumstances the Fund may follow a number of investment policies to achieve its objective. The Fund may invest in stock futures. Losses involving futures can sometimes be substantial in part because a relatively small price movement in a futures contract may result in an immediate and substantial loss for the Fund. In an effort to minimize this risk, the Fund will not use futures for speculative purposes or as leverage. It is the Fund's policy to hold cash deposits equal or greater than the total market value of any futures position. The value of all futures and options contracts in which the Fund acquires an interest will not exceed 20% of current total assets.

Option/Put Risk. The Fund's option strategy may limit the upside performance of any position for which a call is sold and may increase costs when puts are purchased. When selling a call, the Fund is effectively selling upside stock performance in exchange for immediate cash flow. In markets where a stock position goes up dramatically, this could cause the Fund to under-perform its benchmark and the equity markets in general. When buying a put, the Fund is spending premium to protect the downward movement of the value of a position in the Fund's portfolio. In the event the value of the position went up during the life of the put option, the option would expire worthless and the Fund will have lost the premium paid.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

Nasdaq-100 Index Fund – The Nasdaq-100 Index Fund seeks to replicate the performance of the largest non-financial companies as measured by the Nasdaq-100 Index[®]. The Fund is managed passively in that the Manager is seeking to replicate the performance of the Nasdaq-100 Index[®]. To do this, the Fund invests primarily in the stocks comprising this index. The Fund will attempt to buy stocks so that the holdings in the portfolio approximate those of the Nasdaq-100 Stock Index[®]. The Manager's goal is to maintain a return correlation of at least 0.95 to the Nasdaq-100 Index[®] (a return correlation of 1.0 is perfect). Under normal market conditions, it is the Fund's policy to invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in the stocks comprising the index. The Fund may invest in securities issued by other investment companies if those companies invest in securities consistent with the Fund's investment objective and policies. The majority of portfolio transactions in the Fund (other than those made in response to shareholder activity) will be made to adjust the Fund's portfolio to track the Index or to reflect occasional changes in the Index's composition. The Fund may invest in futures contracts. The Fund generally maintains some short-term securities and cash equivalents in the portfolio to meet redemptions and needs for liquidity. The Manager will typically buy futures

contracts so that the market value of the futures replicates the difference between the net assets of the fund and the equity holdings. This helps minimize the tracking error of the Fund.

Stock Market Risk. The stock markets go up and down every day. As with any investment whose performance is linked to these markets, the value of your investment in the Fund will fluctuate. If the Fund's value drops during the period in which you hold the Fund, you could lose money.

Market Exposure Risk. The Fund primarily invests in U.S. stocks and is designed to track the overall performance of the Nasdaq-100 Index[®]. In an attempt to accurately represent the Index, the Fund will typically not take steps to reduce its market exposure so that in a declining market, the Manager will not take steps to minimize the exposure of the Fund.

Economic and Political Risks. These risks effect may be short-term by causing a change in the market that is corrected in a year or less; or they may have long-term impacts which may cause changes in the market that may last for many years. Some factors may affect changes in one sector of the economy or one stock, but don't have an impact on the overall market. The particular sector of the economy or the individual stock may be affected for a short or long-term.

Investment Style Risk. The Fund invests in the largest, non-financial companies that are traded on the Nasdaq Stock Market. They may comprise various sectors of the economy, but are currently concentrated in the technology sector. During periods in which the Nasdaq-100 Index underperforms alternative investments such as bond, money market and alternative stock sectors, the Manager expects the Fund to underperform other mutual funds that invest in these alternative categories.

Concentration Risk. The Nasdaq-100 Index is subject to concentration risk. First, it is a modified-capitalization weighted index, meaning that except for some modifications; companies are weighted based on their size. Thus, poor performance of the largest companies within the index could result in negative performance of the index and the Fund. Additionally, the significant concentration of technology stocks makes the Fund's performance particularly sensitive to this specific sector. Negative performance in the technology sector will result in negative fund performance.

Other Investment Company Investment Risk. To the extent the Fund invests in securities issued by other investment companies, the Fund, as a shareholder in another investment company, bears its ratable share of that investment company's expenses, including advisory and administration fees, resulting in an additional layer of management fees and expenses for Fund shareholders.

Stock Futures Risk. The Fund's primary risks are associated with changes in the stock market, however, there are other risks associated with the Fund. These risks generally apply to how well the Fund tracks the index. For example, the Fund invests in futures contracts to the extent that it holds cash in the portfolio. If the futures contracts owned by the Fund do not track the index, the Fund's performance relative to the index will change. Some mutual funds are able to lend portfolio securities in order to offset expenses. The Fund does not expect to engage in this strategy; however, in the event that it did, there is a slight risk that this practice could negatively impact the net assets value of the Fund.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

European Growth & Income Fund – The European Growth & Income Fund seeks to provide long-term capital appreciation and income by investing in large-sized European companies. The Fund seeks to invest primarily in the sponsored and non-sponsored ADRs stocks of large-sized companies located in Europe. In selecting securities, the Fund attempts to use the Dow Jones European STOXX 50 Index as a target portfolio and a basis for selecting investments. Most companies considered for the Fund will have market capitalizations of at least \$10 billion (U.S. dollars). The Fund invests principally using sponsored and non-sponsored American Depository Receipts, commonly referred to as ADRs. ADRs are traded on U.S. stock exchanges and are available for some, but not all, securities that make up the target portfolio. If a company that is in the target portfolio does not have an ADR available on a U.S. exchange or if, in the Manager's opinion, the Fund is better served, the Manager will invest in ADRs of other companies that the Manager believes best serve the Fund and its investors. The Fund is not considered an index fund because it will not invest in securities that make up the Dow Jones European STOXX 50 Index. However, similar to index funds, the Fund will generally remain fully invested and its performance will track the Dow Jones European STOXX 50 Index to the extent that the Fund is successful in investing in the companies that make up the index. Additionally, the Manager will attempt to minimize portfolio turnover. Under normal market conditions, it is the Fund's policy to invest 80% of its total assets (which includes the amount of any borrowings for investment purposes) in ADRs of companies located in Europe. The Manager may elect to purchase futures contracts to attempt to remain fully invested in the markets. This percentage of futures held in the portfolio will typically not exceed the cash (or cash equivalents) balance of the Fund.

Stock Market Risk. The stock markets go up and down every day. As with any investment whose performance is linked to these markets, the value of your investment in the Fund will fluctuate. If the Fund's value drops during the period in which you hold the Fund, you could lose money.

Foreign Investment Risk. Although the Fund principally invests in ADRs which are traded in U.S. denominations on U.S. stock markets, there is still some underlying foreign investment risk. For example, because foreign companies operate differently than U.S. companies, the Fund may encounter risks not typically associated with those of U.S. companies. For instance, foreign companies are not subject to the same accounting, auditing, and financial reporting standards and procedures as required of U.S. companies, and their stocks may not be as liquid as the stocks of similar U.S. companies. In addition, foreign stock exchanges, brokers, and companies generally have less government supervision and regulation than their counterparts in the United States. These factors, among others, could negatively impact the return of the Fund.

Country Risk. When investing in an international fund such as this Fund, there is always country risk, which is the chance that a country's economy will be hurt by political troubles, financial problems, or natural disasters.

Currency Risk. There is also currency risk which is the chance that returns will be hurt by a rise in the value of one currency against the value of another.

Liquidity Risk. There is also liquidity risk with ADRs, some of which may have a low daily trading volume. In the event the Fund is forced to liquidate its holdings of an ADR with limited trading volume, it is likely that the Fund would be forced to sell the ADR at a price lower than what it might otherwise receive.

Income Risk. There is a risk that the dividend policies of the companies that comprise the Dow Jones European STOXX 50 may change and the Fund's ability to produce income may be negatively impacted. Under normal circumstances the Fund may follow a number of investment policies to achieve its objective.

Stock Futures Risk. The Fund may invest in futures contracts and options. Losses involving futures and options can sometimes be substantial, in part because a relatively small price movement in a futures contract or an option may result in an immediate and substantial loss for the Fund. In an effort to minimize this risk, the Fund will not use futures or options for speculative purposes or as leverage. It is the Fund's policy to hold cash deposits equal to or greater than the total market value of any futures and/or options position. The value of all futures contracts and/or options in which the Fund acquires an interest will not exceed 20% of current total assets.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

U.S. Government Securities Fund – The U.S. Government Securities Fund seeks liquidity, safety from credit risk and as high a level of income as is consistent with these objectives by investing in full faith and credit obligations of the U.S. government and its agencies or instrumentalities, primarily in U.S. Treasury securities and Government National Mortgage Association Certificates ("GNMA"). In order to meet its investment objective, the Fund invests primarily in high-quality bonds whose interest is guaranteed by the full faith and credit of the United States government and its agencies or instrumentalities. The Fund invests in intermediate and long-term fixed income securities. While the Fund is not limited to any duration, the Fund's manager generally seeks to target the Fund's dollar weighted average portfolio duration in a range between three to twelve years. During periods where alternative investments such as stocks and money market instruments outperform bonds, the Fund's manager expects the performance of the Fund to underperform other mutual funds that invest in these alternative strategies. The Fund's manager seeks to purchase securities for the Fund's portfolio consistent with the Fund's investment objectives, such as when the manager believes such securities will provide the best balance between risk and return within the Fund's range of allowable investments. Generally, the manager selects a balance between U.S. Treasury bonds and GNMA pass-through securities in an attempt to maximize the overall performance of the Fund. The Fund's manager generally will consider selling such securities from the Fund's portfolio when the manager believes that such securities are no longer consistent with the Fund's investment objective, to meet redemption requests and in other circumstances that the manager deems appropriate consistent with the Fund's investment objective. In managing the portfolio, a number of factors are considered including general market and economic conditions and their likely effects on the level and term-structure of interest rates, yield spreads, and mortgage prepayment rates on GNMA pass-through securities. While income is the most important part of return over time, the total return for a bond fund includes both income and price losses and gains. Under normal market conditions, it is the Fund's policy to invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in securities issued by the U.S. government and its agencies or instrumentalities, but as a general rule the percentage will be much higher. The Fund is subject to several risks, any of which could cause the Fund to lose money. The principal risks include:

Interest Rate Risk. The risk an increase in interest rates will cause debt securities held by a Fund to decline in value, and thereby lower a Fund's value and the overall return on your investment. The magnitude of this decrease is often greater for longer-term fixed income securities than shorter-term securities. Many factors can cause interest rates to rise. Some examples include central bank monetary policy (such as tapering of the Federal Reserve Board's quantitative easing program), rising inflation rates and general economic conditions. Currently, interest rates in the United States are at, or near, historic lows, which may increase the Fund's exposure to risks associated with rising interest rates.

Income Risk. The income you earn from a Fund may decline due to declining interest rates. This is because, in a falling interest rate environment, a Fund generally will have to invest the proceeds from sales of Fund shares, as well as the proceeds from maturing portfolio securities (or portfolio securities that have been called, see "Call Risk" below), in lower-yielding securities.

Call Risk. The chance that during declining interest rates, the bond issuer will call or prepay a high-yielding bond before the bond's maturity date. This would force the Fund to purchase lower yielding bonds which would reduce the income generated from the portfolio and could potentially result in capital gains paid out by the Fund.

Prepayment and Extension Risk. The risk declining interest rates may compel borrowers to prepay mortgages and debt obligations underlying the securities owned by a Fund. The proceeds received by a Fund from prepayments will likely be reinvested at interest rates lower than the original investment, thus resulting in a reduction of income to a Fund. Likewise, rising interest rates could reduce prepayments and extend the life of securities with lower interest rates, which may increase the sensitivity of a Fund's value to rising interest rates.

Management Risk. The risk a Fund's performance will reflect in part the Advisor's ability to implement its investment strategy and make investment decisions which are suited to achieving a Fund's investment objective. A strategy used by the investment

management team may fail to produce the intended results. A Fund could underperform its benchmark or other mutual funds with similar investment objectives.

U.S. Government Securities Risk. The U.S. Government agency securities in which the Fund usually invests include securities issued by the Government National Mortgage Association (“Ginnie Mae”). Securities issued by Ginnie Mae are backed by the full faith and credit of the U.S. Government. Other U.S. Government securities are supported only by the credit of the issuer or instrumentality. There is a risk that the U.S. government will not provide financial support to U.S. government agencies or instrumentalities if it is not obligated to do so by law.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

Short-Term U.S. Government Bond Fund – The Short-Term U.S. Government Bond Fund seeks liquidity, safety from credit risk, preservation of investors principal and as high a level of income as is consistent with these objectives by investing in mainly U.S. government securities. The Fund typically invests in short and intermediate-term fixed income securities whose principal and interest are backed by the full faith and credit of the U.S. Federal Government and its agencies or instrumentalities. The Manager will invest at least 80% of the Fund’s assets (which includes the amount of any borrowings for investment purposes) in securities issued by the U.S. government and its agencies or instrumentalities. In addition, the Manager may invest in higher yielding securities which are not backed by the full faith and credit of the U.S. Federal Government. The Fund intends to maintain an average duration between 0 and 3 years in an effort to reduce share price volatility. The Manager selects securities that it believes will provide the best balance between risk and return within the Fund’s range of allowable investments. The Manager’s investments will typically consist of full faith and credit obligations of the U.S. Federal Government and its agencies or instrumentalities, as well as other securities which the Manager believes will enhance the Fund’s total return. The Manager considers a number of factors, including general market and economic conditions, to balance the portfolio. While income is the most important part of return over time, the total return from a bond or note includes both income and price gains or losses. The Fund’s focus on income does not mean it invests only in the highest-yielding securities available, or that it can avoid losses of principal. The Fund’s manager generally will consider selling fixed income securities from the Fund’s portfolio when the manager believes that such securities are no longer consistent with the Fund’s investment objectives, other securities appear to offer more compelling opportunities, to meet redemption requests and in other circumstances that the manager deems appropriate consistent with the Fund’s investment objectives. This Fund tends to be conservative in nature. However, it is subject to several risks, any of which could cause the Fund to lose money. The principal risks include:

Interest Rate Risk. The risk an increase in interest rates will cause debt securities held by a Fund to decline in value, and thereby lower a Fund’s value and the overall return on your investment. The magnitude of this decrease is often greater for longer-term fixed income securities than shorter-term securities. Many factors can cause interest rates to rise. Some examples include central bank monetary policy (such as tapering of the Federal Reserve Board’s quantitative easing program), rising inflation rates and general economic conditions. Currently, interest rates in the United States are at, or near, historic lows, which may increase the Fund’s exposure to risks associated with rising interest rates.

Income Risk. The income you earn from a Fund may decline due to declining interest rates. This is because, in a falling interest rate environment, a Fund generally will have to invest the proceeds from sales of Fund shares, as well as the proceeds from maturing portfolio securities (or portfolio securities that have been called, see “Call Risk” below), in lower-yielding securities.

Call Risk. The chance that during declining interest rates, the bond issuer will call or prepay a high-yielding bond before the bond’s maturity date. This would force the Fund to purchase lower yielding bonds which would reduce the income generated from the portfolio and could potentially result in capital gains paid out by the Fund.

Prepayment and Extension Risk. The risk declining interest rates may compel borrowers to prepay mortgages and debt obligations underlying the securities owned by a Fund. The proceeds received by a Fund from prepayments will likely be reinvested at interest rates lower than the original investment, thus resulting in a reduction of income to a Fund. Likewise, rising interest rates could reduce prepayments and extend the life of securities with lower interest rates, which may increase the sensitivity of a Fund’s value to rising interest rates.

Management Risk. The risk a Fund’s performance will reflect in part the Advisor’s ability to implement its investment strategy and make investment decisions which are suited to achieving a Fund’s investment objective. A strategy used by the investment management team may fail to produce the intended results. A Fund could underperform its benchmark or other mutual funds with similar investment objectives.

U.S. Government Securities Risk. The U.S. Government agency securities in which the Fund usually invests include securities issued by the Government National Mortgage Association (“Ginnie Mae”). Securities issued by Ginnie Mae are backed by the full faith and credit of the U.S. Government. Other U.S. Government securities are supported only by the credit of the issuer or instrumentality. There is a risk that the U.S. government will not provide financial support to U.S. government agencies or instrumentalities if it is not obligated to do so by law.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

The United States Treasury Trust – The United States Treasury Trust seeks capital preservation, safety, liquidity, and, consistent with these objectives, the highest attainable current income exempt from state income taxes. The Fund will invest its assets only in short-term U.S. Treasury securities and its income will be exempt from California (and most other states) personal income taxes. The Fund

primarily invests its assets in high-quality, short-term Treasury bills whose interest is guaranteed by the full faith and credit of the United States government. The Fund generally buys only securities that have a maturity of less than 397 days, such that the fund's weighted average maturity does not exceed the rule 2A-7 requirements, which is currently 60 days. Under normal market conditions, it is the Fund's policy to invest at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in securities issued by the U.S. government, but as a general rule the percentage is much higher. The Manager selects securities that it believes will attain the highest possible yield and maintain the \$1.00 per share price. The Manager generally purchases only U.S. Treasury bills, notes and bonds, but may invest in other securities from time to time. The Fund is subject to some risks which could cause the Fund to lose money. It is important to remember that this Fund is not a FDIC-insured money market account. The principal risks include:

Interest Rate Risk. The risk an increase in interest rates will cause debt securities held by a Fund to decline in value, and thereby lower a Fund's value below the \$1.00 NAV and the overall return on your investment. The magnitude of this decrease is often greater for longer-term fixed income securities than shorter-term securities. Many factors can cause interest rates to rise. Some examples include central bank monetary policy (such as tapering of the Federal Reserve Board's quantitative easing program), rising inflation rates and general economic conditions. Currently, interest rates in the United States are at, or near, historic lows, which may increase the Fund's exposure to risks associated with rising interest rates.

Income Risk. The income you earn from a Fund may decline due to declining interest rates. This is because, in a falling interest rate environment, a Fund generally will have to invest the proceeds from sales of Fund shares, as well as the proceeds from maturing portfolio securities, in lower-yielding securities.

Management Risk. The risk a Fund's performance will reflect in part the Advisor's ability to implement its investment strategy and make investment decisions which are suited to achieving a Fund's investment objective. A strategy used by the investment management team may fail to produce the intended results. A Fund could underperform its benchmark or other mutual funds with similar investment objectives.

The securities that the Fund holds are backed by the full faith and credit of the United States federal government and are those that the Manager believes do not represent credit risk to the Fund. It is important to note that the U.S. government backs the securities held by the Fund, but not the Fund itself. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. Although the Fund seeks to preserve the \$1.00 per share price, it is possible to lose money by investing in the Fund.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund.

Management and Organization

Fund Management

The investment advisor for the Funds is Shelton Capital Management, 1050 17th Street, Suite 1710, Denver, CO 80265. Shelton Capital Management manages \$977 million in mutual fund assets as of August 31, 2014 and has been managing mutual funds since 1985. Shelton Capital Management is responsible for managing the portfolios and handling the administrative requirements of the Funds. As compensation for managing the portfolios, Shelton Capital Management receives a management fee from each Fund. For the fiscal year ended August 31, 2014, the fees, net of reimbursements, were 0.50% for the California Tax-Free Income Fund; 0.11% for the S&P 500 Index Fund; 0.35% for the S&P MidCap Index Fund; 0.42% for the S&P SmallCap Index Fund; 0.50% for the Shelton Core Value Fund; 0.38% for the U.S. Government Securities Fund; 0.00% for The United States Treasury Trust; 0.20% for the Nasdaq-100 Index Fund; 0.03% for the Short-Term U.S. Government Bond Fund; and 0.56% for the European Growth & Income Fund. A discussion regarding the basis for the Board's approval of the investment advisory agreements for each Fund is available in the Fund's semi-annual report for the period year ended February 28, 2014.

Stephen C. Rogers has been the portfolio manager for the S&P 500 Index Fund, S&P MidCap Index Fund, S&P SmallCap Index Fund, European Growth & Income Fund, Nasdaq-100 Index Fund and the Shelton Core Value Fund since 2003. Mr. Rogers is a member of the portfolio management team for the Bond Funds and the Treasury Trust Fund. He joined Shelton Capital Management in 1993 and serves as Chief Executive Officer of Shelton Capital Management. Mr. Rogers graduated from the University of Iowa in 1988 and earned his MBA from the University of California at Berkeley in 2000.

William Mock has served as the lead portfolio manager for the U.S. Government Securities Fund, Short-Term U.S. Government Bond Fund, California Tax-Free Income Fund and United States Treasury Trust since 2010. Mr. Mock has served as portfolio manager of the Shelton Greater China Fund since 2012. He served as a portfolio manager for Shelton Capital Management from 2001 to 2003, managing the Short-Term U.S. Government Bond Fund, U.S. Government Securities Fund, California Tax-Free Income Fund and United States Treasury Trust. He left the firm in 2003 to work for TKI Capital Management, a convertible arbitrage hedge fund, where he served as head Trader until 2006. In 2007, Mr. Mock rejoined an affiliate of Shelton Capital Management, ETSpreads, and continues as a partner in this affiliate. Prior to 2001, Mr. Mock gained investment and trading experience at Societe Generale and Citibank, N.A. Mr. Mock earned a BS in engineering from Kansas State University and is an honors graduate of the University of Chicago Graduate School of Business MBA Program, with an emphasis in finance.

Charles Sandmel is a member of the portfolio management team for the California Tax-Free Income Fund. For over twenty years before joining Shelton Capital, Mr. Sandmel has managed bond portfolios for individual and institutional clients. He has performed in this capacity working for two insurance companies and a Registered Investment Advisor. He previously performed municipal bond analysis for work a major brokerage house and a financial guaranty firm. Mr. Sandmel graduated with a Masters in Public

Administration from New York University and took further courses in finance at Boston University and the University of Michigan. He is a past Chairman of the Municipal Analysts Group of New York.

The statement of additional information (“SAI”) provides additional information about the portfolio managers’ compensation, other accounts managed by the portfolio managers and the portfolio managers’ ownership of securities of the Funds.

Additional Non-Principal Investment Related Risks

Portfolio Turnover

The Funds generally intend to purchase securities for long-term investments rather than short-term gains except for the U.S. Treasury Trust. However, a security may be held for a shorter than expected period of time if, among other things, the Manager needs to raise cash or feels that it is appropriate to do so. Portfolio holdings may also be sold sooner than anticipated due to unexpected changes in the markets. Buying and selling securities may involve incurring some expense to a fund, such as commissions paid to brokers and other transaction costs. By selling a security, a Fund may realize taxable capital gains that it will subsequently distribute to shareholders. Generally speaking, the higher a Fund’s annual portfolio turnover, the greater its brokerage costs and the greater likelihood that it will realize taxable capital gains. Increased brokerage costs may affect a Fund’s performance. Also, unless you are a tax-exempt investor or you purchase shares through a tax-deferred account, the distributions of capital gains may affect your after-tax return. For some Funds, annual portfolio turnover of 100% or more is considered high.

Temporary Defensive Positions

In drastic market conditions, the Manager may sell all or some of a Fund’s securities and temporarily invest that Fund’s money in U.S. government securities or money market instruments backed by U.S. government securities, if it believes it is in the best interest of shareholders to do so. As of the date of this Prospectus, this has never happened; but if it were to occur, the investment goals of the relevant Funds may not be achieved.

Valuation Risk

Some or all of the securities held by a Fund may be valued using “fair value” techniques, rather than market quotations, under the circumstances described in this Prospectus under “How Fund Shares Are Priced.” Security values may differ depending on the methodology used to determine their values, and may differ from the last quoted sales or closing prices. No assurance can be given that the use of these fair value procedures will always best represent the price at which a Fund could sell the affected portfolio security or result in a more accurate net asset value per share of a Fund.

Risks of Frequent Trading in Fund Shares

Frequent trading of significant portions of a Fund’s shares may adversely affect Fund performance and therefore, the interests of long-term investors. Volatility in portfolio cash balances resulting from excessive purchases or sales or exchanges of Fund shares, especially involving large dollar amounts, may disrupt efficient portfolio management and make it difficult to implement long-term investment strategies. In particular, frequent trading of Fund shares may:

- Cause a Fund to keep more assets in money market instruments or other very liquid holdings than it would otherwise like, causing the Fund to miss out on gains in a rising market, or
- Force a Fund to sell some of its investments sooner than it would otherwise like in order to honor redemptions, and
- Increase brokerage commissions and other portfolio transaction expenses if securities are constantly being bought and sold by the Fund as assets and move in and out.

To the extent any fund significantly invests in illiquid or restricted securities, such as high yield bonds or small-cap equity securities, because these securities are often infrequently traded, investors may seek to trade Fund shares in an effort to benefit from their understanding of the value of these securities.

Procedures to Limit Short-Term Trading in Fund Shares

The Funds have adopted policies and procedures designed to discourage short-term trading. Although market-timing can take place in many forms, the Funds generally define a market-timing account as an account that habitually redeems or exchanges Fund shares in an effort to profit from short-term movements in the price of securities held by the Funds. The Funds seek to eliminate such purchases and have taken steps that each deem to be reasonable to discourage such activity. The Funds’ frequent trading policies and procedures seek to identify frequent trading by monitoring purchase and redemption activities in each Fund over certain periodic intervals and above certain dollar thresholds. The policies include reporting trading activity to the Funds’ Board of Trustees, communicating with relevant shareholders or financial intermediaries, and placing restrictions on share transactions, when deemed appropriate by the Fund. The Fund reserves the right to reject any purchase order. While the Funds make efforts to identify and restrict frequent trading that could impact the management of a Fund, the Funds receive purchase and sales orders through financial intermediaries and cannot always know or detect frequent trading that may be facilitated by the use of intermediaries or by the use of combined or omnibus accounts by those intermediaries. If a shareholder, in the opinion of a Fund, continues to attempt to use the Fund for market-timing strategies after being notified by the Fund or its agent, the account(s) of that shareholder may be closed to new purchases and exchange privileges may be suspended. Additionally, if any transaction is deemed to have the potential to adversely impact a Fund, the Fund has certain rights listed and detailed later in this prospectus.

The restrictions above may not apply to shares held in omnibus accounts for which the Funds do not receive sufficient transactional detail to enforce such restrictions.

Disclosure of Portfolio Holdings

Shelton Funds (the "Trust") will make the portfolio holdings of the Funds publicly available within sixty days from the end of each fiscal quarter. Shareholders will receive portfolio holdings information via annual and semi-annual reports, which will be mailed to shareholders and posted on the Funds' web site. Additionally, a schedule of portfolio holdings will be filed with the Securities and Exchange Commission (the "SEC"), which provides public viewing via EDGAR, in accordance with the then current rules governing Form N-Q filings. Portfolio holdings will be made available by the Trust's fund accountant as of the month end, calendar quarter end, and fiscal quarter end by releasing the information to ratings agencies. Shareholders may contact the Funds at (800) 955-9988 for a copy of this report. The portfolio holdings of the U.S. Treasury Trust are posted on the Advisor's public web site as of the last business day of the previous month, no later than the fifth business day of each month. A more complete description of the Funds' policies and procedures with respect to the disclosure of the Funds' portfolio securities is available in the Funds' SAI.

Opening an Account

Shares of the Funds may be purchased through the Funds' distributor or through third party distributors, brokerage firms and retirement plans. The following information is specific to buying directly from the Funds' distributor. If you invest through a third party distributor, many of the policies, options and fees charged for the transaction may be different. You should contact them directly for information regarding how to invest or redeem through them. You'll find all the necessary application materials included in the packet accompanying this Prospectus or you may download an investment kit by accessing our website at www.sheltoncap.com. Additional paperwork may be required for corporations, associations, and certain other fiduciaries. The minimum initial investments and subsequent investments for each Fund are as follows:

	<u>Minimum Initial Investment</u>	<u>Minimum Subsequent Investment</u>
Accounts with Automatic Investment Plan ("AIP")	\$ 500	\$100
All other Funds' accounts	\$1,000	\$100

The Fund's distributor may change the minimum investment amounts at any time or waive them at its discretion. To protect against fraud, it is the policy of the Funds not to accept unknown third party checks for the purposes of opening new accounts or purchasing additional shares. If you have any questions concerning the application materials, wire transfers, our yields and net asset values, or our investment policies and objectives, please call us, toll-free at (800) 955-9988.

Buying and Selling Shares

You can open an account online or by downloading an application from our website at www.sheltoncap.com and mailing the completed form to us. For questions, call us at (800) 955-9988. Keep in mind the following important policies:

- A Fund may take up to 7 days to pay redemption proceeds.
- If your shares were recently purchased by check, the Fund will not release your redemption proceeds until payment of the check can be verified which may take up to 15 days.
- Exchange purchases must meet the minimum investment amounts of the Fund you are purchasing.
- You must obtain and read the Prospectus for the Fund you are buying prior to making the exchange.
- If you have not selected the convenient exchange privileges on your original account application, you must provide a medallion signature guaranteed letter of instruction to the Fund, directing any changes in your account.
- The Funds may refuse any purchase or exchange purchase transaction for any reason.
- Each signature on a request for redemption or account registration change must be medallion signature guaranteed.
- All share activity is subject to federal and state rules and regulations. These are in place to prevent, among other things, money laundering and other illegal movements of money.

How to Buy Shares

Initial Purchase

Make your check payable to the name of the Fund in which you are investing and mail it with the application to the transfer agent of the Funds, Gemini Fund Services, LLC, at the address indicated below. Please note the minimum initial investments previously listed.

Shelton Funds
C/O Gemini Fund Services, LLC
17605 Wright Street
Omaha, NE 68130

You may also forward your check (and application, for new accounts) to the Funds' offices, which will in turn forward your check (and application, for new accounts) on your behalf to the Funds' agent for processing. You will receive the share price next determined after your check has been received by the agent. Please note that this means that the shares will be purchased at the next calculated price after receipt by the agent, typically the next business day following receipt at the Funds' offices. The Funds' office is located at the following address:

Shelton Funds
1050 17th Street, Suite 1710
Denver, CO 80265-2077

You also may buy shares of a Fund through selected securities brokers. Your broker is responsible for the transmission of your order to Gemini Fund Services, LLC, the Fund's transfer agent, and may charge you a fee. You will generally receive the share price next

determined after your order is placed with your broker, in accordance with your broker's agreed upon procedures with the Funds. Your broker can advise you of specific details.

Purchasing by Exchange

You may purchase shares in a Fund by exchanging shares from an account in one of our other Funds. Such exchanges must meet the minimum amounts required for initial or subsequent investments. When opening an account by exchanging shares, your new account must be established with the same registration and an exchange authorization must be in effect. If you have an existing account with us, call (800) 955-9988 during normal business hours (8:00 a.m. to 5:00 p.m. Pacific Time) to exchange shares. You may also exchange shares by accessing our website at www.sheltoncap.com. You must complete the online access agreement in order to access your account online. Each exchange actually represents the sale of shares of one Fund and the purchase of shares in another, which may produce a gain or loss for tax purposes. All transactions are processed at the share price next calculated after receiving the instructions in good form (as defined below), normally at 4:00 p.m. Eastern Time (1:00 p.m. Pacific Time).

Wire Instructions:

For wiring money to your account, you can obtain specific instructions by calling (800) 955-9988. In order to make your order effective, we must have your order in good form. "Good form" means that the Fund's transfer agent has all the information and documentation it deems necessary to affect your order. Please note a Fund and its Manager reserve the right to reject any purchase. Your purchase will be processed at the net asset value next calculated after your order has been received by the Fund's agent. You will begin to earn dividends as of the first business day following the day of your purchase. All your purchases must be made in U.S. dollars and checks must be drawn on banks located in the U.S. We reserve the right to limit the number of investment checks processed at one time. If a check does not clear, we will cancel your purchase. You will be liable for any losses and fees incurred in connection with a check that does not clear for any reason, including insufficient funds. When you purchase by check, redemption proceeds will not be sent until we are satisfied that the investment has been collected (confirmation of clearance may take up to 15 days). You can wire federal funds from your bank or broker, which may charge you a fee. The Funds do not consider the U.S. Postal Service or other independent delivery services to be their agents. Therefore, deposit in the mail or with such delivery services does not constitute receipt by the Funds transfer agent or the Funds.

Purchasing Additional Shares

Make your check payable to the name of the Fund in which you are investing, write your account number on the check, and mail your check with your confirmation stub to the address printed on your account statement. There is a \$100 minimum for subsequent investments. After setting up your online account, you may obtain a history of transactions for your account(s) by accessing our website at www.sheltoncap.com.

Automatic Investment Plan

Using the Funds' AIP, you may arrange to make additional purchases automatically by electronic funds transfer ("EFT") from your checking or savings account. Your bank must be a member of the Automated Clearing House. You can terminate the program with ten days written notice. There is no fee to participate in this program, however, a service fee of \$25.00 will be deducted from your account for any AIP purchase that does not clear due to insufficient funds, or if prior to notifying the Funds in writing or by telephone to terminate the plan, you close your bank account or take other action in any manner that prevents withdrawal of the funds from the designated checking or savings account. Investors may obtain more information concerning this program, including the application form, from the Funds. The share prices of the Funds are subject to fluctuations. Before undertaking any plan for systematic investment, you should keep in mind that such a program does not assure a profit or protect against a loss. We reserve the right to suspend the offering of shares of any of the Funds for a period of time and to reject any specific purchase order in whole or in part. The Funds do not send individual transaction confirmations to individuals participating in an automatic investment plan. You will receive a quarterly statement of all transactions occurring during the most recent calendar quarter.

How Fund Shares are Priced

The Funds are open for business every day that the New York Stock Exchange (NYSE) is open, with the exception of Columbus Day (observed) and Veterans Day (observed). The California Tax-Free Income Fund will be closed Columbus Day and Veterans Day. All other Shelton Funds will be open. Each Fund will calculate its net asset value each day that it is open for the processing of transactions, and may calculate its net asset value on certain other days as noted below. The net asset value of each Fund is computed by adding all of its portfolio holdings and other assets, deducting its liabilities, and then dividing the result by the number of shares outstanding for that Fund. Our fund accounting service provider calculates this value as of market close, normally 4:00 p.m. Eastern Time (1:00 p.m. Pacific Time), on each day that the markets are open. However, the Funds may, but do not expect to, determine the net asset value on any day the NYSE is closed for trading. Occasionally, the Pricing Committee, subject to the supervision of the Funds' Board of Trustees, will make a good faith estimate of a security's "fair value" when market quotations are not readily available or deemed unreliable. The number of shares your money buys is determined by the share price of the Fund on the day your transaction is processed. Orders that are received in good form by Gemini Fund Services, LLC are executed at the net asset value next calculated. The share prices of the Funds, (except the U.S. Treasury Trust), will vary over time as interest rates and the value of their securities vary. Portfolio securities of the Stock Funds that are listed on a national exchange are valued at the last reported sale price. Futures contracts are valued at their final settlement price as determined by the Chicago Mercantile Exchange. U.S. Treasury Bills are valued at amortized cost, which approximates market value. Securities with remaining maturities of 60 days or less are valued using the amortized cost method as reflecting fair value. All other securities are valued at their fair value as determined in good faith by the Board of Trustees using consistently applied procedures established by Board of Trustees. The effect

of valuing securities held by the Funds at fair value may be that the price so determined may be different than the price that would be determined if reliable market quotations were available or if another methodology were used. The share price of the Funds are reported by the Nasdaq Mutual Fund Quotation Service in the mutual funds section of various newspapers after the heading "Shelton Funds".

Performance Information

All performance information published in advertisements, sales literature and communications to investors, including various expressions of current yield, effective yield, tax equivalent yield, total return and distribution rate, is calculated and presented in accordance with the rules prescribed by the SEC. In each case, performance information will be based on past performance and will reflect all recurring charges against fund income. Performance information is based on historical data and does not indicate the future performance of any fund.

How to Sell Shares

You may redeem all or a portion of your shares on any business day that the Funds are open for business. Your shares will be redeemed at the net asset value next calculated after we have received your redemption request in good form. Good form requires that we have clear, actionable instructions that are properly executed by authorized signers on the account. In cases where the transaction requires a medallion signature guarantee, this will be required to meet the good form standard. Remember that a Fund may hold redemption proceeds until we are satisfied that we have collected the funds which were deposited by check. To avoid these possible delays, which could be up to 15 days, you should consider making your investment by wire, following the instructions as described in the section titled "Wire Instructions" in this Prospectus.

By Mail

If you have not elected telephone redemption or transfer privileges, you must send a letter of instruction. Additionally, if the check is to be made payable to a third party or sent to an address other than the address of record, you must obtain a "medallion signature guarantee" on the letter of instruction. The letter of instruction must (i) specify the name of the Fund, (ii) the number of shares to be sold and/or the dollar amount, (iii) your name(s), and (iv) your account number(s). The letter of instruction is to be mailed to the Funds' offices. If you have additional questions, please contact us at (800) 955-9988. The Funds' Transfer Agent requires that each individual's signature(s) appearing on a redemption request be guaranteed by an eligible signature guarantor such as a commercial bank, broker-dealer, credit union, securities exchange or association, clearing agency or savings association. This policy is designed to protect shareholders who do not elect telephone privileges on their accounts.

By Check

With check writing offered in our US Treasury Trust, our most convenient redemption procedure, your investment may continue to earn income until the check clears your account. You must apply for the check writing feature for your account. You may redeem by check provided that the proper signatures you designated are on the check. The minimum redemption amount by check is \$500. There is no charge for this service. You should not attempt to close your account by check, since you cannot be sure of the number of shares and value of your account. You must use the phone, online or mail redemption feature to close your account. Please note that a \$25.00 fee will be charged to your account for any returned check.

By Exchange

You must meet the minimum investment requirement of the Fund into which you are exchanging. You can only exchange between accounts with identical registrations. Same day exchanges are accepted until market close, normally 4:00 p.m. Eastern Time (1:00 p.m. Pacific Time).

By Wire

You must have applied for the wire feature on your account. We will notify you when this feature is active and you may then make wire redemptions by calling us before 4:00 p.m. Eastern Time (1:00 p.m., Pacific Time). This means your money will be wired to your bank the next business day.

By Electronic Funds Transfer

You must have applied for the EFT withdrawal feature on your account. Typically, money sent by EFT will be sent to your bank within 3 business days after the sales of your securities. There is no fee for this service.

Online

You can sell shares in a regular account by accessing our website at www.sheltoncap.com. You may not buy or sell shares in a retirement account using our online feature. . If you have added banking information or changed your address online, there is a 15-day holding period before redemptions will be sent out.

By Telephone

You must have this feature set up in advance on your account. Give the name of the Fund in which you are redeeming shares, the exact name in which your account is registered, your account number, the required identification information and the number of shares or dollar amount that you wish to redeem. Unless you submit an account application that indicates that you have declined telephone and/or online exchange privileges, you agree, by signing your account enrollment form, to authorize and direct the Funds to accept and act upon telephone, online and fax instructions for exchanges involving your account or any other account with the same registration. The Funds employ reasonable procedures in an effort to confirm the authenticity of your instructions, such as requiring a seller to give a special authorization number or password. Provided these procedures are followed, you further agree that

neither the Funds nor the Funds' agent will be responsible for any loss, damage, cost or expense arising out of any instructions received for an account. You should realize that by electing the telephone privileges and online access options, you may be giving up a measure of security that you might otherwise have if you were to exchange your shares in writing. For reasons involving the security of your account, telephone transactions may be tape recorded.

Systematic Withdrawal Plan

If you own shares of a Fund with a value of \$10,000 or more, you may establish a Systematic Withdrawal Plan. You may receive monthly or quarterly payments in amounts of not less than \$100 per payment. Details of this plan may be obtained by calling the Funds at (800) 955-9988.

Other Redemption Policies

The Trust has committed itself to pay in cash all requests for redemption by any shareholder of record, limited in amount, however, during any 90-day period to the lesser of \$250,000 or 1% of the value of the applicable Fund's net assets at the beginning of such period. Such commitment is irrevocable without the prior approval of the SEC. In the case of requests for redemption in excess of such amounts, the Trustees reserve the right to make payments in whole or in part in securities or other assets of the Fund from which the shareholder is redeeming in case of an emergency, or if the payment of such a redemption in cash would be detrimental to the existing shareholders of that Fund or the Trust. In such circumstances, the securities distributed would be valued at the price used to compute such Fund's net asset value. Should a Fund do so, a shareholder would likely incur transaction fees in converting the securities to cash. Retirement Plan shareholders should complete a Rollover Distribution Election Form in order to sell shares of the Funds so that the sale is treated properly for tax purposes. Once your shares are redeemed, we will normally mail you the proceeds on the next business day, but no later than within 7 days. When the markets are closed (or when trading is restricted) for any reason other than its customary weekend or holiday closing, or under any emergency circumstances as determined by the SEC to merit such action, we may suspend redemption or postpone payment dates. If you want to keep your account(s) open, please be sure that the value of your account does not fall below \$1,000, because of redemptions. The Manager may elect to close an account and mail you the proceeds to the address of record. We will give you 30 days written notice that your account(s) will be closed unless you make an investment to increase your account balance(s) to the \$1,000. If you close your account, any accrued dividends will be paid as part of your redemption proceeds. The share prices of the Funds will fluctuate and you may receive more or less than your original investment when you redeem your shares.

THE FUNDS AND THE MANAGER RESERVE CERTAIN RIGHTS, INCLUDING THE FOLLOWING:

- To automatically redeem your shares if your account balance falls below the minimum balance due to the sale of shares.
- To modify or terminate the exchange privilege on 60 days written notice.
- To refuse any purchase or exchange purchase order.
- To change or waive a Fund's minimum investment amount.
- To suspend the right to redeem shares, and delay sending proceeds, during times when trading on the principal markets for the Funds are restricted or halted, or otherwise as permitted by the SEC.
- To withdraw or suspend any part of the offering made by this Prospectus.
- To automatically redeem your shares if you fail to provide all required enrollment information and documentation.

Other Policies

Tax-Saving Retirement Plans

We can set up your new account in a Fund under one of several tax-sheltered plans. The following plans let you save for your retirement and shelter your investment earnings from current income taxes: *IRAs/Roth IRAs*: You can also make investments in the name of your spouse if your spouse has no earned income. *SIMPLE, SEP, 401(k)/Profit-Sharing and Money-Purchase Plans (Keogh)*: Open to corporations, self-employed people and partnerships, to benefit themselves and their employees. *403(b) Plans*. Open to eligible employees of certain states and non-profit organizations. Each IRA is subject to an annual custodial fee of \$10.00 per social security number. The annual custodial fee will be waived for IRAs with a balance greater than \$10,000. The Funds reserve the right to change, modify or eliminate this waiver at any time. We can provide you with complete information on any of these plans, including information that discusses benefits, provisions and fees.

Cash Distributions

Unless you otherwise indicate on the account application, we will reinvest all dividends and capital gains distributions back into your account. You may indicate on the application that you wish to receive either income dividends or capital gains distributions in cash. EFT is available to those investors who would like their dividends electronically transferred to their bank accounts. For those investors who do not request this feature, dividend checks will be mailed via regular mail. If you elect to receive distributions by mail and the U.S. Postal Service cannot deliver your checks or if the checks remain uncashed for six months or more, we will void such checks and reinvest your money in your account at the then current net asset value and reinvest your subsequent distributions.

Statements and Reports

Shareholders of the Funds will receive statements at least quarterly and after every transaction that affects their share balance and/or account registration. A statement with tax information will be mailed to you by January 31 of each year, a copy of which will be filed with the IRS if it reflects any taxable distributions. Twice a year you will receive our financial statements, at least one of which will be audited. The account statements you receive will show the total number of shares you own and a current market value. You may rely on these statements in lieu of share certificates which are not necessary and are not issued. You should keep your statements to assist in record keeping and tax calculations. We pay for regular reporting services, but not for special services, such as

a request for an historical transcript of an account. You may be required to pay a separate fee for these special services. After setting up your online account, you may also obtain a transaction history for your account(s) by accessing our website at www.sheltoncap.com.

Consolidated Mailings & Householding

Consolidated statements offer convenience to investors by summarizing account information and reducing unnecessary mail. We send these statements to all shareholders, unless shareholders specifically request otherwise. These statements include a summary of all funds held by each shareholder as identified by the first line of registration, social security number and zip code. Householding refers to the practice of mailing one Prospectus, Annual Report and Semi-Annual Report to each home for all household investors. The Funds will use this practice for all future mailings. If you would like extra copies of these reports, please download a copy from www.sheltoncap.com or call the Funds at (800) 955-9988.

Dividends & Taxes

Any investment in the Funds typically involves several tax considerations. The information below is meant as a general summary for U.S. citizens and residents. Because your situation may be different, it is important that you consult your tax advisor about the tax implications of your investment in any of the Funds. As a shareholder, you are entitled to your share of the dividends your Fund earns. The Stock Funds distribute substantially all of their dividends quarterly. Shareholders of record on the second to last business day of the quarter will receive the dividends. The Bond Funds distribute substantially all of their dividends monthly. The Money Market Fund pays dividends daily and distribute their dividends monthly. Shareholders of record on the second to last business day of the month will receive the dividends. Capital gains are generally paid on the last day of November, to shareholders of record on the second to last business day of November of each year. At the beginning of each year, shareholders are provided with information detailing the tax status of any dividend the Funds have paid during the previous year. After every distribution, the value of a Fund share drops by the amount of the distribution. If you purchase shares of one of the Funds before the record date of a distribution and elect to have distributions paid to you in cash, you will pay the full price for the shares and then receive some portion of that price back in the form of a taxable distribution. This is sometimes referred to as buying a dividend.

Revenue Sharing

The Manager, out of its own resources, and without additional cost to the Funds or their shareholders, may provide additional cash payments or non-cash compensation to intermediaries who sell shares of the Funds. Such payments and compensation are in addition to service fees paid by the Funds. These additional cash payments are generally made to intermediaries that provide shareholder servicing, marketing support and/or access to sales meetings, sales representatives and management representatives of the intermediary. Cash compensation may also be paid to intermediaries for inclusion of the Funds on sales list, including a preferred or select sales list, in other sales programs or as an expense reimbursement in cases where the intermediary provides shareholder services to Fund shareholders.

Identity Verification Procedures Notice

The USA PATRIOT Act requires financial institutions, including mutual funds, to adopt certain policies and programs to prevent money-laundering activities, including procedures to verify the identity of customers opening new accounts. When completing the account application, you will be required to supply the Funds with information, such as your taxpayer identification number, that will assist the Funds in verifying your identity. Until such verification is made, the Funds may temporarily limit additional share purchases. In addition, the Funds may limit additional share purchases or close an account if it is unable to verify a customer's identity. As required by law, the Funds may employ various procedures, such as comparing the information to fraud databases or requesting additional information or documentation from you, to ensure that the information supplied by you is correct. Your information will be handled by us as discussed in our privacy statement below.

Privacy Statement

Notice of Privacy Policy

When you become a client with the Shelton Funds, you entrust us not only with your hard-earned assets but also with your non-public personal and financial information ("client information"). We consider your client information to be private and confidential, and we hold ourselves to the highest standards of trust and fiduciary duty in their safekeeping and use.

Our Privacy Principles:

- We do not sell client information.
- We do not provide client information to persons or organizations outside the Shelton Funds who are doing business on our behalf (e.g., non-affiliated third parties), for their own marketing purposes.
- We afford prospective and former clients the same protections as existing clients with respect to the use of client information.

Information We May Collect:

We collect and use information we believe is necessary to administer our business, to advise you about our products and services, and to provide you with customer service. We may collect and maintain several types of client information needed for these purposes, such as:

- From you, (application and enrollment forms, transfer forms, distribution forms, checks, correspondence, or conversation), such as your address, telephone number, and social security number.
- From your transactions with our transfer agent, such as your transaction history, and account balance.
- From electronic sources, such as our website or e-mails.

How We Use Information About You:

The Shelton Funds will only use information about you and your Shelton Funds accounts to help us better serve your investment needs or to suggest Shelton Funds services or educational materials that may be of interest to you.

Use of E-Mail Addresses:

If you have requested information regarding Shelton Funds products and services and supplied your e-mail address to us, we may occasionally send you follow-up communications or information on additional products or services. Additionally, registered clients can subscribe to the following e-mail services:

- Prospectus and Shareholder Reports – Receive prospectuses and shareholder reports online instead of by U. S. Mail.
- Paperless Statements – Receive an e-mail with a link to our Web site informing you that our client statements are available online to view, print or download.
- Tax Forms – Receive an e-mail with a link to our Web site informing you that our client tax forms are available online to view, print or download.

We also include instructions and links for unsubscribing from Shelton Capital Management e-mails. We do not sell email addresses to anyone, although we may disclose e-mail addresses to third parties that perform administrative or marketing services for us. We may track receipt of e-mails to gauge the effectiveness of our communications.

Information Disclosure:

We do not disclose any non-public personal information about our clients or former clients to non-affiliated third parties without the client's authorization. However, we may disclose client information to persons or organizations inside or outside our family of funds, as permitted or required by law. For example, we will provide the information, as described above, to our transfer agent to process your requests or authorized transactions.

How We Protect Your Information:

We restrict access to your client information to authorized persons who have a need for these records in order to provide products or services to you. We also maintain physical, electronic, and procedural safeguards to guard client information. To further protect your privacy, our website uses the highest levels of internet security, including data encryption, Secure Sockets Layer protocol, user names and passwords, and other tools. As an added measure, we do not include personal or account information in non-secure e-mails that we send you via the Internet. For clients with Internet access, Shelton Funds recommends that you do not provide your user name or password for any reason to anyone. In the event that you hold shares of one or more Funds through a financial intermediary, including, but not limited to, a broker-dealer, bank, or trust company, the privacy policy of that financial intermediary would govern how your nonpublic personal information would be shared with non-affiliated third parties.

Financial Highlights

The financial highlights table is intended to help you understand the Fund's performance for the past five fiscal years. Certain information reflects financial results of a single Fund share. The total returns in the table represent the rate that an investor would have earned (or lost) on an investment in the Fund (assuming reinvestment of all dividends and distributions). This information has been audited by Tait, Weller & Baker LLP, whose report, along with the Fund's financial statements, are included in the Annual Report, available upon request.

California Tax-Free Income Fund Direct Shares	Year Ended August 31, 2014	Year Ended August 31, 2013	Year Ended August 31, 2012	Year Ended August 31, 2011	Year Ended August 31, 2010
Net asset value, beginning of period	\$ 11.27	\$ 11.89	\$ 11.38	\$ 11.69	\$ 11.27
INCOME FROM INVESTMENT OPERATIONS					
Net investment income (b)	0.33	0.38	0.41	0.44	0.46
Net gain (loss) on securities (both realized and unrealized)	0.54	(0.62)	0.51	(0.25)	0.42
Total from investment operations	0.87	(0.25)	0.92	0.19	0.88
LESS DISTRIBUTIONS					
Dividends from net investment income	(0.33)	(0.38)	(0.41)	(0.45)	(0.46)
Distributions from capital gains	—	—	—	(0.05)	0.00(a)
Total distributions	(0.33)	(0.38)	(0.41)	(0.50)	(0.46)
Net asset value, end of period	\$ 11.81	\$ 11.27	\$ 11.89	\$ 11.38	\$ 11.69
Total return	7.80%	(2.12)%	8.17%	1.73%	7.98%
RATIOS / SUPPLEMENTAL DATA					
Net assets, end of period (000s)	\$ 97,111	\$ 100,233	\$ 105,786	\$ 99,223	\$ 111,786
Ratio of expenses to average net assets	0.73%	0.71%	0.72%	0.72%	0.73%
Ratio of net investment income to average net assets	2.88%	3.29%	3.50%	3.93%	4.02%
Portfolio turnover	10%	11%	10%	2%	10%

(a) Less than \$0.01 per share.

(b) Calculated based upon average shares outstanding.

S&P 500 Index Fund Direct Shares	Year Ended August 31, 2014	Year Ended August 31, 2013	Year Ended August 31, 2012	Year Ended August 31, 2011	Year Ended August 31, 2010
Net asset value, beginning of period	\$ 33.59	\$ 28.78	\$ 24.91	\$ 21.41	\$ 20.81
INCOME FROM INVESTMENT OPERATIONS					
Net investment income (b)	0.62	0.57	0.50	0.44	0.39
Net gain on securities (both realized and unrealized)	7.57	4.71	3.85	3.50	0.58
Total from investment operations	8.19	5.28	4.35	3.94	0.97
LESS DISTRIBUTIONS					
Dividends from net investment income	(0.60)	(0.47)	(0.48)	(0.44)	(0.37)
Distributions from capital gains	(0.57)	—	—	—	—
Total distributions	(1.17)	(0.47)	(0.48)	(0.44)	(0.37)
Paid-in capital from redemption fee (Note 1)	—	—	—	—	—
Net asset value, end of period	\$ 40.61	\$ 33.59	\$ 28.78	\$ 24.91	\$ 21.41
 Total return	 24.75%	 18.50%	 17.68%	 18.36%	 4.62%

RATIOS / SUPPLEMENTAL DATA

Net assets, end of period (000s)	\$ 123,654	\$ 101,124	\$ 85,269	\$ 74,717	\$ 65,837
Ratio of expenses to average net assets:					
Before expense reimbursements	0.50%	0.52%	0.54%	0.51%	0.56%
After expense reimbursements	0.36%	0.36%	0.36%	0.36%	0.36%
Ratio of net investment income to average net assets					
Before expense reimbursements	1.52%	1.65%	1.70%	1.55%	1.52%
After expense reimbursements	1.66%	1.81%	1.88%	1.70%	1.72%
Portfolio turnover	1%	3%	3%	1%	7%

(b) Calculated based upon average shares outstanding.

S&P MidCap Index Fund Direct Shares	Year Ended August 31, 2014	Year Ended August 31, 2013	Year Ended August 31, 2012	Year Ended August 31, 2011	Year Ended August 31, 2010
Net asset value, beginning of period	\$ 26.54	\$ 23.11	\$ 21.68	\$ 17.84	\$ 16.17
INCOME FROM INVESTMENT OPERATIONS					
Net investment income (b)	0.24	0.30	0.18	0.17	0.16
Net gain on securities (both realized and unrealized)	5.61	4.81	2.35	3.83	1.71
Total from investment operations	5.85	5.11	2.53	4.00	1.87
LESS DISTRIBUTIONS					
Dividends from net investment income	(0.24)	(0.27)	(0.15)	(0.16)	(0.17)
Distributions from capital gains	(1.20)	(1.41)	(0.95)	—	(0.03)
Total distributions	(1.44)	(1.68)	(1.10)	(0.16)	(0.20)
Paid-in capital from redemption fee (Note 1)	—	—	—	—	—
Net asset value, end of period	\$ 30.95	\$ 26.54	\$ 23.11	\$ 21.68	\$ 17.84
 Total return	 22.63%	 23.39%	 12.22%	 22.38%	 11.54%

RATIOS / SUPPLEMENTAL DATA

Net assets, end of period (000s)	\$ 169,020	\$ 143,699	\$ 123,478	\$ 120,089	\$ 104,162
Ratio of expenses to average net assets:					
Before expense reimbursements	0.63%	0.64%	0.65%	0.63%	0.66%
After expense reimbursements	0.58%	0.58%	0.58%	0.58%	0.58%
Ratio of net investment income to average net assets					
Before expense reimbursements	0.76%	1.04%	0.72%	0.69%	0.80%
After expense reimbursements	0.81%	1.10%	0.80%	0.74%	0.88%
Portfolio turnover	10%	8%	11%	16%	10%

(b) Calculated based upon average shares outstanding.

S&P SmallCap Index Fund Direct Shares	Year Ended August 31, 2014	Year Ended August 31, 2013	Year Ended August 31, 2012	Year Ended August 31, 2011	Year Ended August 31, 2010
Net asset value, beginning of period	\$ 19.62	\$ 15.71	\$ 14.59	\$ 11.72	\$ 10.98
INCOME FROM INVESTMENT OPERATIONS					
Net investment income (b)	0.10	0.14	0.09	0.07	0.03
Net gain on securities (both realized and unrealized)	3.26	3.94	2.28	2.87	0.74
Total from investment operations	3.36	4.08	2.37	2.94	0.77
LESS DISTRIBUTIONS					
Dividends from net investment income	(0.09)	(0.14)	(0.08)	(0.06)	(0.01)
Distributions from capital gains	(1.34)	(0.03)	(1.17)	(0.01)	—
Return of capital distribution	—	—	—	—	(0.02)
Total distributions	(1.43)	(0.17)	(1.25)	(0.07)	(0.03)
Paid-in capital from redemption fee (Note 1)	—	—	—	—	—
Net asset value, end of period	\$ 21.55	\$ 19.62	\$ 15.71	\$ 14.59	\$ 11.72
Total return	17.28%	26.14%	17.35%	25.11%	7.03%
RATIOS / SUPPLEMENTAL DATA					
Net assets, end of period (000s)	\$ 41,651	\$ 34,838	\$ 26,325	\$ 22,203	\$ 18,394
Ratio of expenses to average net assets:					
Before expense reimbursements	0.82%	0.89%	0.92%	0.89%	0.95%
After expense reimbursements	0.74%	0.74%	0.74%	0.74%	0.74%
Ratio of net investment income to average net assets					
Before expense reimbursements	0.38%	0.57%	0.45%	0.34%	0.02%
After expense reimbursements	0.46%	0.72%	0.63%	0.49%	0.24%
Portfolio turnover	13%	15%	0%	23%	5%

(b) Calculated based upon average shares outstanding.

Shelton Core Value Fund Direct Shares	Year Ended August 31, 2014	Year Ended August 31, 2013	Year Ended August 31, 2012	Year Ended August 31, 2011	Year Ended August 31, 2010
Net asset value, beginning of period	\$ 21.58	\$ 18.13	\$ 16.17	\$ 14.03	\$ 13.14
INCOME FROM INVESTMENT OPERATIONS					
Net investment income (b)	0.38	0.37	0.32	0.27	0.23
Net gain on securities (both realized and unrealized)	4.42	3.37	1.95	2.12	0.82
Total from investment operations	4.80	3.74	2.27	2.39	1.05
LESS DISTRIBUTIONS					
Dividends from net investment income	(0.40)	(0.29)	(0.31)	(0.25)	(0.16)
Distributions from capital gains	—	—	—	—	—
Total distributions	(0.40)	(0.29)	(0.31)	(0.25)	(0.16)
Net asset value, end of period	\$ 25.98	\$ 21.58	\$ 18.13	\$ 16.17	\$ 14.03
Total return	22.45%	20.80%	14.20%	17.01%	8.00%
RATIOS / SUPPLEMENTAL DATA					
Net assets, end of period (000s)	\$ 196,820	\$ 157,350	\$ 140,741	\$ 129,317	\$ 123,305
Ratio of expenses to average net assets:					
Ratio of net investment income to average net assets	0.83%	0.84%	0.88%	0.87%	0.99%
Portfolio turnover	3%	5%	4%	13%	76%

(b) Calculated based upon average shares outstanding.

Nasdaq-100 Index Fund Direct Shares	Year Ended August 31, 2014	Year Ended August 31, 2013	Year Ended August 31, 2012	Year Ended August 31, 2011	Year Ended August 31, 2010
Net asset value, beginning of period	\$ 7.92	\$ 7.04	\$ 5.67	\$ 4.47	\$ 4.12
INCOME FROM INVESTMENT OPERATIONS					
Net investment income (b)	0.11	0.08	0.04	0.03	0.01
Net gain on securities (both realized and unrealized)	2.55	0.86	1.36	1.19	0.35
Total from investment operations	2.66	0.94	1.40	1.22	0.36
LESS DISTRIBUTIONS					
Dividends from net investment income	(0.11)	(0.06)	(0.03)	(0.02)	(0.01)
Return of capital distribution	—	—	—	—	(0.00)
Total distributions	(0.11)	(0.06)	(0.03)	(0.02)	(0.01)
Paid-in capital from redemption fee (Note 1)	—	—	—	—	—
Net asset value, end of period	\$ 10.47	\$ 7.92	\$ 7.04	\$ 5.67	\$ 4.47
Total return	33.77%	13.46%	24.78%	27.31%	8.73%

RATIOS / SUPPLEMENTAL DATA					
Net assets, end of period (000s)	\$ 106,475	\$ 54,259	\$ 36,220	\$ 17,912	\$ 14,146
Ratio of expenses to average net assets:					
Before expense reimbursements	0.79%	0.83%	0.88%	0.90%	0.96%
After expense reimbursements	0.49%	0.49%	0.49%	0.49%	0.49%
Ratio of net investment income (loss) to average net assets					
Before expense reimbursements	0.95%	0.73%	0.27%	0.08%	(0.24)%
After expense reimbursements	1.25%	1.08%	0.66%	0.50%	0.24%
Portfolio turnover	3%	13%	24%	24%	4%

(a) Less than \$0.01 per share.

(b) Calculated based upon average shares outstanding.

European Growth & Income Fund Direct Shares	Year Ended August 31, 2014	Year Ended August 31, 2013	Year Ended August 31, 2012	Year Ended August 31, 2011	Year Ended August 31, 2010
Net asset value, beginning of period	\$ 8.37	\$ 7.40	\$ 7.62	\$ 7.42	\$ 8.17
INCOME FROM INVESTMENT OPERATIONS					
Net investment income (b)	0.20	0.23	0.22	0.21	0.19
Net gain (loss) on securities (both realized and unrealized)	1.30	0.94	(0.21)	0.20	(0.73)
Total from investment operations	1.50	1.17	0.01	0.41	(0.54)
LESS DISTRIBUTIONS					
Dividends from net investment income	(0.23)	(0.20)	(0.23)	(0.21)	(0.21)
Net asset value, end of period	\$ 9.64	\$ 8.37	\$ 7.40	\$ 7.62	\$ 7.42
Total return	17.92%	15.96%	0.20%	5.25%	(6.64)%

RATIOS / SUPPLEMENTAL DATA					
Net assets, end of period (000s)	\$ 8,452	\$ 7,306	\$ 6,314	\$ 5,871	\$ 5,637
Ratio of expenses to average net assets:					
Before expense reimbursements	1.29%	1.38%	1.43%	1.35%	1.38%
After expense reimbursements	1.00%	1.00%	1.00%	1.00%	1.00%
Ratio of net investment income to average net assets					
Before expense reimbursements	1.81%	2.46%	2.58%	2.17%	2.01%
After expense reimbursements	2.10%	2.84%	3.01%	2.52%	2.38%
Portfolio turnover	15%	3%	0%	8%	0%

(b) Calculated based upon average shares outstanding.

U.S. Government Securities Fund Direct Shares	Year Ended August 31, 2014	Year Ended August 31, 2013	Year Ended August 31, 2012	Year Ended August 31, 2011	Year Ended August 31, 2010
Net asset value, beginning of period	\$ 10.38	\$ 10.93	\$ 10.79	\$ 10.68	\$ 10.38
INCOME FROM INVESTMENT OPERATIONS					
Net investment income (b)	0.19	0.19	0.20	0.21	0.31
Net gain (loss) on securities (both realized and unrealized)	0.02	(0.56)	0.13	0.11	0.30
Total from investment operations	0.21	(0.37)	0.33	0.32	0.61
LESS DISTRIBUTIONS					
Dividends from net investment income	(0.19)	(0.18)	(0.19)	(0.21)	(0.31)
Net asset value, end of period	\$ 10.40	\$ 10.38	\$ 10.93	\$ 10.79	\$ 10.68
)					
Total return	2.03%	(3.38%)	3.13%	3.09%	6.04%
RATIOS / SUPPLEMENTAL DATA					
Net assets, end of period (000s)	\$ 22,746	\$ 22,968	\$ 26,927	\$ 28,080	\$ 32,467
Ratio of expenses to average net assets:					
Before expense reimbursements	0.86%	0.86%	0.87%	0.86%	0.94%
After expense reimbursements	0.72%	0.74%	0.74%	0.74%	0.74%
Ratio of net investment income to average net assets					
Before expense reimbursements	1.68%	1.62%	1.69%	1.85%	2.79%
After expense reimbursements	1.82%	1.74%	1.82%	1.97%	2.99%
Portfolio turnover	32%	6%	9%	62%	54%

(b) Calculated based upon average shares outstanding.

Short-Term U.S. Government Bond Fund Direct Shares	Year Ended August 31, 2014	Year Ended August 31, 2013	Year Ended August 31, 2012	Year Ended August 31, 2011	Year Ended August 31, 2010
Net asset value, beginning of period	\$ 10.17	\$ 10.23	\$ 10.32	\$ 10.41	\$ 10.26
INCOME FROM INVESTMENT OPERATIONS					
Net investment income (loss) (b)	(0.01)	(0.01)	0.05	0.07	0.09
Net gain (loss) on securities (both realized and unrealized)	0.01	(0.04)	(0.07)	(0.04)	0.15
Total from investment operations	—	(0.05)	(0.02)	0.03	0.24
LESS DISTRIBUTIONS					
Dividends from net investment income	—	—	(0.05)	(0.07)	(0.09)
Distributions from capital gains	—	(0.01)	(0.02)	(0.05)	—
Total distributions	—	(0.01)	(0.07)	(0.12)	(0.09)
Net asset value, end of period	\$ 10.17	\$ 10.17	\$ 10.23	\$ 10.32	\$ 10.41
Total return	0.00%	(0.43)%	(0.20)%	0.33%	2.32%
RATIOS / SUPPLEMENTAL DATA					
Net assets, end of period (000s)	\$ 5,789	\$ 6,819	\$ 9,021	\$ 11,668	\$ 12,581
Ratio of expenses to average net assets:					
Before expense reimbursements	1.06%	1.07%	0.98%	0.92%	0.89%
After expense reimbursements	0.59%	0.59%	0.59%	0.59%	0.59%
Ratio of net investment income to average net assets					
Before expense reimbursements	(0.60)%	(0.53)%	0.10%	0.37%	0.59%
After expense reimbursements	(0.13)%	(0.05)%	0.49%	0.70%	0.89%
Portfolio turnover	28%	50%	13%	28%	42%

(b) Calculated based upon average shares outstanding.

The United States Treasury Trust Direct Shares	Year Ended August 31, 2014	Year Ended August 31, 2013	Year Ended August 31, 2012	Year Ended August 31, 2011	Year Ended August 31, 2010
Net asset value, beginning of period	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000
INCOME FROM INVESTMENT OPERATIONS					
Net investment income (b)	—	—	—	—	—
Net gain (loss) on securities (both realized and unrealized)	—	(0.000)(a)	(0.000)(a)	(0.000)(a)	0.001
Total from investment operations	—	(0.000)	(0.000)	(0.000)	0.001
LESS DISTRIBUTIONS					
Dividends from net investment income	—	—	—	—	—
Distributions from capital gains	—	—	—	(0.000)(a)	(0.001)
Total distributions	—	—	—	(0.000)	(0.001)
Net asset value, end of period	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000
Total return	0.00%	0.00%	0.00%	0.00%	0.11%
RATIOS / SUPPLEMENTAL DATA					
Net assets, end of period (000s)	\$ 105,897	\$ 69,479	\$ 74,617	\$ 61,459	\$ 67,354
Ratio of expenses to average net assets:					
Before expense reimbursements	0.73%	0.76%(c)	0.78%(c)	0.78%(c)	0.94%(c)
After expense reimbursements	0.03%(c)	0.07%(c)	0.05%(c)	0.12%(c)	0.15%(c)
Ratio of net investment income (loss) to average net assets					
Before expense reimbursements	(0.70)%	(0.69)%(c)	(0.73)%(c)	(0.66)%(c)	(0.79)%(c)
After expense reimbursements	0.00%(c)	0.00%(c)	0.00%(c)	0.00%(c)	0.00%(c)

(a) Less than \$0.01 per share.

(b) Calculated based upon average shares outstanding.

(c) Includes negative yield waiver adjustment.

Learn More

This Prospectus contains important information on the Funds and should be read and kept for future reference. You can also get more information from the following sources:

Annual and Semi-Annual Reports

These are automatically mailed to all shareholders without charge. In the Annual Report, you will find a discussion of market conditions and investment strategies that significantly affected each fund's performance during its most recent fiscal year. The Annual Report is incorporated by reference into this Prospectus, making it a legal part of the Prospectus.

Statement of Additional Information

This includes more details about the Funds, including a detailed discussion of the risks associated with the various investments. The SAI is incorporated by reference into this Prospectus, making it a legal part of the Prospectus. You may obtain a copy of these documents free of charge by calling the Funds at (800) 955-9988, by accessing the Funds' website at www.sheltoncap.com, or by emailing the Funds at info@sheltoncap.com, or by contacting the SEC at the address noted below or via e-mail at publicinfo@sec.gov. The SEC may charge you a duplication fee. You can also review these documents in person at the SEC's Public Reference Room, or by visiting the SEC's Internet Site at www.sec.gov.

Securities and Exchange Commission
Public Reference Section
Washington, DC 20549-01520
1-202-551-8090
www.sec.gov



1050 17th Street, Suite 1710
Denver, CO 80265-2077
(800) 955-9988
www.sheltoncap.com
Investment Company Act File Number 811-04417