



Shelton Capital Management

Advisory Services Disclosure Brochure

March 31, 2012

This brochure provides information about the qualifications and business practices of Shelton Capital Management ("Shelton Capital"). If you have any questions about the contents of this brochure, please contact us at 1-800-955-9988 or www.sheltoncap.com.

The information in this brochure has not been approved or verified by the United States Securities Exchange Commission (SEC) or any state securities authority.

We may sometimes refer to ourselves as a registered investment adviser under the Investment Advisers Act of 1940, as amended. However, registration does not imply a certain level of skill or training.

Additional information about Shelton Capital can be found on the SEC's website at <http://www.adviserinfo.sec.gov/> using the unique CRD search number 104720.

Please keep in mind that nothing in this brochure is to be construed as an offer of securities and, where appropriate, you should refer to applicable product disclosure documents.

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MATERIAL CHANGES

The following material changes have occurred since Shelton Capital Management's last annual update of June 2011.

Change in Business Name

Shelton Capital Management is a dba for CCM Partners, LP. The new business name was adopted January 1, 2012 in honor of CCM Partner's founder.

New Investment Company

In June, 2011 Shelton Capital Management acquired the assets of a closed-end fund, Taiwan Greater China Fund. The Fund was converted to an open-end fund and now operates under the name of Shelton Greater China Fund. The Fund's investment focus is the Greater China region.

Shelton uses Nikko Asset Management as sub-adviser for the day-to-day operation of the Fund's portfolio management under a sub-advisory agreement.

New Chief Compliance Officer

On November 1, 2011 Shelton Capital Management employed a new chief compliance officer with over 30 years of experience as a Chief Compliance Officer and 44 years of experience in the financial services industry. The individual's experience encompasses working for a dually registered investment adviser/broker-dealer and a mutual fund family. The individual currently serves as the Chief Compliance Officer for the Shelton Funds and Shelton Capital Management.

Currently, our brochure may be requested by contacting Shelton at (800) 955-9988 or via email at info@sheltoncap.com.

Item 4 ADVISORY BUSINESS

Shelton Capital Management is a limited partnership organized on August 1, 1985 under the laws of the State of California with its principal place of business located in San Francisco, California. Shelton Capital is controlled by a privately held partnership, RFS Partners, LP which is controlled by RFS, Inc. (a S-Corporation) which in turn, is controlled by a family trust. Mr. Stephen C. Rogers is the Chief Executive Officer of Shelton Capital and also serves as a co-trustee.

Shelton Capital offers its investment management expertise through mutual funds registered under the Investment Company Act of 1940, as amended and a series of Separately Managed Account ("SMA") strategies. The mutual funds consist of four U.S. equity index funds, an actively managed U.S. equity fund, four fixed income funds, two money market funds and two international equity funds. A number of the mutual funds are offered in multiple share classes.

The SMA strategies are primarily marketed through independent financial advisors for the benefit of their clientele. Advisors, acting in the capacity of a solicitor, can refer clients to Shelton Capital or, in other cases, the financial advisory firm may contract with Shelton Capital as a sub-adviser. In either case, Shelton Capital provides portfolio management services based upon the client's individual investment objectives, guidelines and restrictions on a discretionary basis.

Shelton Capital's client base consists of individuals, institutions and registered investment companies, among others (collectively, the "**Clients**" and any of them, a "**Client**"). Before establishing a Client relationship, we will enter into a written Client agreement with a Client to understand their particular needs and investment goals and to establish guidelines appropriate to the Client's account.

Shelton Capital cannot guarantee or assure a Client –

1. that the investment goals and objectives will be achieved,
2. of the future performance of an account or any specific level of performance;
3. of the success of any investment decision or strategy we may use; or
4. of the overall success of our management of a Client account.

The investment decisions we make are subject to various market, currency, economic, political and business risks and the risk that investment decisions will not always be profitable.

Client Assets Under Management

As of December 31, 2011, Shelton Capital had \$811,922,824 million Client assets under management all of which are managed on a discretionary basis.

Item 5 FEES AND COMPENSATION

Separately Managed Accounts (“SMA”)

The management fee paid to Shelton Capital for separately managed accounts (the “**Management Fee**”) is determined based on each Client’s individual needs and applicable portfolio restrictions and the distribution channel through which the account is established. The annual Management Fee is charged as a percentage of assets under management (discretionary and non-discretionary accounts) or a minimum fee arrangement and may be negotiable in the sole and absolute discretion of Shelton Capital.

The following table provides important information concerning the payment of the Management Fee and its calculation.

Prepayment of Fees	Management Fees are paid quarterly in advance generally within fifteen (15) Business Days of the end of the quarter.
Basis of Fee Calculation	Fee is based on net market value of an account as of the close of the market on the last day of the quarter.
New Account Establishment During a Quarter	Management Fee is calculated as of the effective date of the initial transaction based on the value of the assets and pro-rated for the number of days remaining in the quarter.
Additional Contributions to an Existing Account during a Quarter	Management Fee is calculated based on the value of the assets as of the investment date and pro-rated for the number of days remaining in the quarter.
Withdrawal of Assets	Assets can be withdrawn generally upon five (5) Business Days written notice to the Adviser subject to the usual and customary securities settlement procedures.
Withdrawals or Deposits equal to or greater than \$20,000 (cash and/or securities)	The Management Fee for the balance of the billing period will be pro-rated as of the date of the transaction to reflect the withdrawal or deposit and generally will be credited or due fifteen (15) Business Days from the date of the withdrawal or deposit.
Withdrawals or Deposits less than \$20,000 (cash and/or securities)	No fee adjustment will be made during the billing period of the transaction.

The following Management Fee schedules are based on the distribution channel establishing the account for Shelton Capital investment management services.

Broker-Dealer/Investment Advisor Distribution Channel

Account Value	Annual Management Fee Rate
\$0 to \$499,999	2.50%
\$500,000 to \$999,000	2.00%
\$1 million and over	1.50%

Direct Advisory Distribution Channel

Account Value	Annual Management Fee Rate
\$0 to \$499,999	1.25%
\$500,000 to \$999,000	1.00%
\$1 million and over	0.75%

Sub-Advisory Distribution Channel

Account Value	Annual Management Fee Rate
\$0 to \$499,999	\$2,500
\$500,000 and above	0.50%

There is a minimum annual management fee of \$2,500 for any Client. Shelton Capital generally requires a minimum of \$200,000 of assets under management for a SMA but may also waive these minimums in its sole and absolute discretion. If the account size falls below the minimum requirement due to market fluctuations only, a client will not be required to invest additional funds with the Adviser to meet the minimum account size.

While it is not the Adviser's policy to accept new accounts at fees other than those shown above, varying workloads between Clients can mean some variability of Management Fees. Management Fees are otherwise negotiable in the sole and absolute discretion of the Adviser. Clients should keep in mind that lower fees for comparable services may be available from other sources.

Registered Investment Companies

Each registered investment company Client (a mutual fund) pays Shelton Capital a Management Fee based on average daily net assets under management. The following schedules describe the current annual Management Fee rates paid to Shelton Capital under an Investment Advisory Agreement dated January 1, 2007. The Management Fee is accrued daily by each Fund and generally paid monthly on the first Business Day of the succeeding month in arrears.

Funds	Management Fee Per Annum	Range of Average Daily Net Assets of Each Fund
Income Fund, Insured Fund, Money Fund, Government Fund, Treasury Fund	1/2 of 1% (0.50%)	Up to and including assets of \$100 million
	45/100 of 1% (0.45%)	Over \$100 million up to & including \$500
	4/10 of 1% (0.40%)	Over \$500 million
MidCap Fund	4/10 of 1% (0.40%)	All assets
500 Fund	25/100 of 1% (0.25%)	All assets
European Fund	85/100 of 1% (0.85%)	All assets
SmallCap Fund, Shelton Core Value Fund, Nasdaq-100 Fund, Short-Term Government Fund	1/2 of 1% (0.50%)	Up to and including assets of \$500 million
	45/100 of 1% (0.45%)	Over \$500 million up to and including \$1 billion
	4/10 of 1% (0.40%)	Over \$1 billion
Shelton Greater China Fund	1.25%	All assets

Administrative Service Fees

Shelton Capital serves as the Funds Administrator pursuant to a Fund Administration Servicing Agreement. Under the agreement Shelton Capital is compensated for its administrative services based on each Trust's accrued assets and generally paid monthly on the first Business Day of the succeeding month in arrears.

Range of average daily net assets of Shelton Funds	Administration Fee per Annum
Up to and including \$500 million	0.10%
\$500 million up to and including \$1 billion	0.08%
Greater than \$1 billion	0.06%

Other Fees and Expenses

In addition to the fees discussed above, Client accounts will be subject to other investment expenses such as custodial charges, brokerage fees, commissions and related costs; interest expenses; taxes, duties and other governmental charges; transfer and registration fees or similar expenses; costs associated with foreign exchange transactions; other portfolio expenses; and costs, expenses and fees (including, investment advisory and other fees charged by investment advisers with, or funds in, which the Client's account invests) associated with products or services that may be necessary or incidental to such investments or accounts. Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for client's transactions and determining the reasonableness of their compensation (ie: commissions).

Client assets may be invested in stocks, bonds, exchange-traded funds (“ETFs”), derivatives or other registered investment companies. In these cases, the client will bear its *pro rata* share of the investment management fee and other fees of ETFs or other registered investment companies. These fees and expenses are described in the prospectus of each Fund, ETF or other registered investment company and may include a management fee, distribution fee (i.e., Rule 12b-1 fee), sales charge and other fund expenses.

Item 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Shelton Capital does not currently charge a performance-based fee to any Client. In other words, we do not charge fees based on a share of the capital gains of your assets or based on the capital appreciation of the assets in your account(s).

Accordingly, Shelton Capital does not manage accounts that charge performance-based fees side-by-side with accounts that charge asset-based fees.

Item 7 TYPES OF CLIENTS

Shelton Capital’s Clients consist of individuals; registered investment companies; pension and profit sharing plans; and trusts, or estates.

Requirements for Investing in Separately Managed Accounts

Shelton Capital provides investment management services to Clients on both an advisory and sub-advisory basis within its separately managed account relationships.

Requirements for Investing in the Shelton Funds

The minimum initial investment requirements for the Shelton Funds may vary by Fund and by Class. Generally, the minimum initial investment requirement is \$1,000 for each Fund with certain exceptions. The minimum investment requirement may be waived or modified by Shelton Funds as provided in the Funds’ current prospectuses and statements of additional information, available on Shelton Capital’s website at www.sheltoncap.com, for additional and up-to-date information regarding applicable minimum investment requirements.

Sub-Advised Accounts

Shelton Capital may be appointed by other investment management firms to serve as a sub-adviser to one or more of accounts managed by such firms (“**Sub-Advised Accounts**”). In return for sub-advisory services, the investment management firms pay Shelton Capital a sub-advisory fee which generally takes the form of a percentage of the investment management fee paid to the investment management firms by the Sub-Advised Account. If it is the preference of the investment management firm and its Client, and allowed by the chosen Custodian, Sub-Adviser may, with proper authorization, deduct its fees directly from Client’s account.

Item 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Shelton Capital's Investment Strategies

Separately Managed Accounts

Investment Strategy

Optima Equity Income Strategy Seek to deliver capital appreciation and an enhanced level of income through the building of a portfolio of thirty (30+) carefully selected U.S. stocks and then write (sell) covered calls on these portfolio positions to reduce overall volatility while adding incremental income. The covered calls are strategically written (sold) three to four times per year to generate premium income in addition to the portfolio's dividend yield.

[Generate cash flow by writing covered call options on the underlying stock positions in a diversified equity portfolio which may also provide a means for income-oriented Clients to diversify their distribution streams while reducing direct exposure to interest rate risk.]

Optima Single Stock Strategy Seek to enhance cash flow and improve the risk-adjusted total return on a single stock position by employing the use of covered call writing. This strategy involves selling potential upside return on a stock for current income in the form of option premium.

Optima Diversified ETF Strategy Provides a fully diversified portfolio of ETFs and on which the manager writes (sells) covered calls on some or all of those positions to reduce overall volatility while adding incremental income. Offers the Client three portfolios to choose from:

1. Conservative Strategy is to provide stability of capital with moderate growth. With its anticipated low volatility, this approach carries relatively low risk, yet provides a moderate current income.
2. Balanced Strategy is long-term capital growth, with a secondary focus on modest income through a mix of fixed-income and growth-oriented ETF's. Balanced portfolio clients are medium risk clients with a 5 to 10 year time horizon.
3. Growth Strategy is long-term capital growth, although seeking lower volatility through diversification and the use of the covered call writing overlay. Clients will have a longer time horizon than the Balance portfolio.

Risks:

- Covered call strategies limit upside potential for security appreciation and will typically underperform in strong markets
- Covered call strategies do not protect a security from downside risk. The loss for the client could be the current price of the security less the premium received for the call option.
- Withdrawals, such as systematic withdrawals as part of an income strategy, may result in a declining portfolio value over time.
- There are no assurances that we will be successful in reaching the investment objectives
- The sale of the stock will produce tax consequences for U.S. taxpayers. Each option transaction also produces a tax consequence – when closed
- An option writer may be assigned an exercise at any time during the period the option is exercisable
- The writer of a covered call forgoes the opportunity to benefit from an increase in the value of the underlying interest above the option price, but continues to bear the risk of a decline in the value of the underlying interest
- An option writer may be assigned an exercise that is made based on news that is published after the established exercise cut-off time and that the writer may not have an effective remedy to compensate for the violation of the option market's rules
- In a strong market advance where the buy back involves an in the money (i.e., an option with a strike price less than the current level of the benchmark index) option, and volatility levels have declined, there may be a "debit" roll, whereby the cash needed to close out the option position exceeds the new sale's proceeds

Investment Companies

	<u>Investment Objective/Strategy</u>
CA Tax-Free Income Fund	Seek high current tax-free income for California residents.
CA Insured Intermediate Fund	Seek high current tax-free income for California residents
CA Tax-Free Money Market Fund	Seek high tax-free income for California residents while maintaining a stable net asset value of \$1 per share
S&P 500 Index Fund	Attempt to replicate the total return of the U.S. stock market as measured by the S&P 500 Composite Stock Price Index
S&P MidCap Index Fund	Attempt to replicate the performance of medium-sized U.S. companies as measured by the S&P MidCap 400 Index
S&P SmallCap Index Fund	Attempt to replicate the performance of small-sized U.S. companies as measured by the S&P SmallCap 600 Stock Index
Shelton Core Value Fund	Achieve a high level of income and capital appreciation (when consistent with high income)
Nasdaq 100 Index Fund	Attempt to replicate the performance of the largest non-financial companies as measured by the Nasdaq-100 Index
European Growth & Income Fund	Provide long-term capital appreciation and income by investing in large-sized European companies
U.S. Government Securities Fund	Seek liquidity, safety from credit risk and as high a level of income as is consistent with these objectives.
Short-Term Government Bond Fund	Seek liquidity, safety from credit risk, preservation of investors principal and as high a level of income as is consistent with these objectives.
The United States Treasury Trust	Seek high current income exempt from state income taxes while maintaining a stable net asset value of \$1 per share
Shelton Greater China Fund	Long-term capital appreciation

Methods of Analysis and Investment Strategies

Shelton Capital utilizes a variety of methods and strategies to make investment decisions and recommendations. The methods of analysis include fundamental research, charting analysis, cyclical analysis or technical analytical tools and approaches using various information sources. These methods, strategies and investments involve the potential risk of loss to clients and clients must be prepared to bear the loss of their entire contribution/investment.

Fixed Income Investments	Fixed income investments, including U.S. Treasuries, municipal bonds, corporate bonds and mortgage backed securities, are actively managed for total return in both Funds and SMAs. Shelton Capital attempts to select securities that it believes will provide the best balance between risk and return within each client's range of allowable investments. Shelton Capital's fixed income security analysis is based in part on credit ratings issued by Standard & Poor's, Moody's and/or other rating services and, in some instances, on internal credit analysis.
Equity	Common Stocks, including potentially all U.S. publicly traded securities may be used depending on a Client's stated investment objective. In the case of passive management, stocks are purchased in an effort to closely track the underlying benchmark. In the case of active management, stocks are selected on Shelton's perception of what best balances risk and potential return, taking into account internal and external research, quantitative and fundamental analysis, industry analysis, relative value analysis. For Client portfolios that use options, the potential economic impact of an option strategy on the equity holding is also taken into consideration.
Common Stocks	Shelton Capital recommends the purchase of common stocks of a limited number of large and mid and small-cap companies with strong fundamentals that are undervalued in the present market based on our research.
ETFs	Shares of exchange traded funds may be purchased from time to time.

General Investment Strategies

The following investment strategies are generally employed with respect to our Clients:

Buy and Hold	A buy and hold investment strategy is when we buy securities and hold them for a relatively long period of time, sometimes regardless of short-term factors such as fluctuations in the market or volatility of the stock price. We will also trade around core positions to attempt to take advantage of price swings and market volatility.
Fundamental Value	We engage in a fundamental value investment strategy wherein we attempt to invest in asset-oriented securities we believe are undervalued by the market.
Growth	We primarily engage in a growth investment strategy wherein we attempt to select securities of a company whose earnings are expected to grow at an above-average rate compared to the company's specific industry or the overall market.
Hedging	We utilize a variety of financial instruments such as derivatives for risk management purposes.

Separately Managed Accounts Analysis and Investment Strategies

For separately managed accounts, the primary investment strategy is to maximize realized gains on certain equity securities by writing covered options on these securities in order to create cash flow that may be disbursed to Clients or reinvested in Client accounts.

Shelton Capital may provide option advisory services on a Client's stock or ETF portfolio. In those cases, Shelton Capital, the Client or another investment adviser would have responsibility for selection and purchase of all or a portion of the stocks in the Client's portfolio. After the purchase of a stock, the Shelton Capital subsequently writes covered call options on the stock, and directs a broker to execute trades. The call options written for a Client's account are considered "covered" because the account owns the stock against which the options are written. As a result, the number of covered call options that can be written against any particular stock is limited by the number of shares of that stock the Client holds.

If the Client's goal is to maximize option premiums generated, Shelton Capital generally writes as many covered call options as it can on the stocks the Client owns. Shelton Capital also writes options of duration and exercise price that it believes should provide the Client with the best expected outcome consistent with the Client's overall objective. For some Clients, the goal might be capital appreciation from the equities purchased in combination with cash flow from option premiums. In this case, Shelton Capital would write fewer covered call options on a portion of the portfolio, setting aside the remaining stocks on which options would not initially be written. The amount of covered call options written on the stocks held by a Client are determined by Shelton Capital, in its sole discretion, based on the written Client goals, investment opportunities presented by the overall financial

position of each common stock within the stock market, market volatility, implied volatility and any other market factors which may give rise to advantageous conditions for the writing of covered call options.

Shelton Capital may, under certain market conditions, seek to protect or “hedge” a client’s portfolio against a decline in the value of its stocks by purchasing put options. The purchase of a put option gives the right to sell or “put” a fixed number of shares of stock at a fixed price within a given time frame in exchange for the payment of a premium. The values of put options generally increase for the purchaser as stock prices decrease. The purchase of puts creates an additional expense, however, and may adversely affect the Client’s return.

Shelton Capital actively manages portfolios and may initiate transactions, as deemed necessary.

Shelton Capital may, upon a Client’s request, sell/write secured put options as a means to acquire underlying stocks at a price at or below the market price at the time the option was written. The put options written for a Client’s account are considered “secured” because the Client’s account has sufficient cash designated to cover the obligation to “purchase” the amount of the underlying stock at the put’s strike price. If the value of the underlying stock declines below the strike price of the put and the put is assigned, the Client would be obligated to purchase the stock at a price in excess of its then current market value.

In the case where the Client has not authorized the use of margin, if the Client’s withdrawals leave less than the amount necessary to cover the purchase of stock subject to the put and the put is assigned, then the account has a debit. If the Client’s account has a debit, then Shelton Capital is required to liquidate other account assets to cover the assignment. In the case where the Client has authorized the use of margin, the Client’s account is subject to any additional margin requirements and related costs as stated in their margin agreement. Using margin increases risk to the account and requires a margin agreement.

Material Risks

All investment strategies we offer involve risk and may result in loss of your original investment. Many of these risks apply to stocks, bonds, derivatives and any other investment or security. The following material risks may apply to some or all of our investment strategies.

Risk	Explanation
Market Risk	Market risk involves the possibility that an investment’s current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer’s operations or its financial condition.
Investment Strategy Risk	Shelton Capital’s strategy may fail to produce the intended results.

Risk	Explanation
Style Risk	Some of our strategies may invest in either “value” investments, “growth” investments, or both. With respect to securities and investments we consider undervalued, market prices may not reflect our determination that the security is undervalued, and its price may not increase to what we believe to be its full value. It may even decrease in value. With respect to “growth” investments, the underlying earnings or operational growth we anticipate may not occur, or the market price of the security may not increase as we expect it to
Defensive Risk	To the extent the strategy attempts to hedge its portfolio of stocks or takes defensive measures such as holding a significant portion of its assets in cash or cash equivalents, the objective may not be achieved.
Small and Medium Cap Company Risk	Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the Client’s portfolio.
Turnover Risk	At times, a strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in the realization of additional capital gains for tax purposes. These factors may negatively affect an account’s performance.
Developing Market Countries	Investments in developing market countries are subject to all of the risks of foreign investing generally, and may have additional heightened risks due to a lack of established legal, political, business and social frameworks to support securities markets, including: delays in settling portfolio securities transactions; currency and capital controls; greater sensitivity to interest rate changes; pervasiveness of corruption and crime; currency exchange rate volatility; and inflation, deflation or currency devaluation.
Availability of Information	Certain issuers, including municipalities, private companies, and foreign entities may not be subject to the same disclosure, accounting, auditing and financial reporting standards and practices as companies that are publicly-listed on U. S. stock markets. Thus, there may be less information publically available about these issuers and their current financial condition.

Risk	Explanation
Concentration Risk	Certain investment strategies focus on particular asset classes, countries, regions, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.
Interest Rate Risk	Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true, bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to those price changes. Most other investments are also sensitive to the level and direction of interest rates.
Credit Risk	An issuer of a debt securities may fail to make interest payments and repay principal when due, in whole or in part. Changes in an issuer's financial strength or in a security's credit rating may affect a security's value.
Prepayment or Call Risk	The issuer of a debt security may prepay or call the debt in whole or in part prior to the security's maturity date. We may be unable to reinvest the proceeds in a security of equivalent quality or paying a similar yield or coupon.
Trading Practices	Brokerage commissions and other fees may be higher in certain markets or for foreign securities. Government supervision and regulation of foreign securities markets, currency markets, trading systems and brokers may be less than those in the U.S. stock markets. The procedures and rules governing foreign transactions and custody also may involve delays in payment, delivery or recovery of money or investments
Legal or Legislative Risk	Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.
Inflation	Inflation may erode the buying power of your investment portfolio.
Liquidity	An inherent risk with any investment is that of liquidity. Liquidity is the risk of not being able to quickly dispose of a security due to its lack of marketability.
Lack of Diversification	Certain Client accounts may not be diversified among a wide range of types of securities, countries or industry sections. Accordingly, Client portfolios are subject to more rapid change in value than would be the case if a wider diversification strategy was maintained among types of securities and other instruments.

Risk	Explanation
Leverage	Performance may be more volatile if a Client's account employs leverage.
Hedging	There can be no assurances that a particular hedge strategy is appropriate or that certain risk is measured properly means a hedge strategy does not guarantee protection. Further, while we may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk for the investment portfolios than if we did not engage in hedging transactions.
Securities Futures	When using securities futures contracts, there may be an imperfect correlation between the change in market value of a security and the prices of the futures contracts in the Client's account. In addition, investors in futures may encounter an illiquid market for futures and the resulting inability to close a futures position prior to its maturity date at a fair market value.

Material Risks Associated with Options

There is no guarantee against loss or that all account objectives will be met. The downside risk of the potential loss in the value of the underlying equities in a declining market will be mitigated only to the extent of net option premiums received in the account and by any puts purchased for the account. At times, Shelton Capital may repurchase a written option and sell a replacement option at a higher strike price and/or further out in time. This may be done at times to reduce the risk of loss in an equity position during fluctuating markets and/or to maintain the overall investment style of the portfolio. This strategy may reduce the amount of cash flow available for distribution to the client.

The following factors, among others, can affect account performance with respect to investing and trading in options: market, sector, and stock-specific volatility, length of time invested, diversification, management and other account fees and charges, taxes, liquidity in options and equity markets, inflation and deflation, and various other economic and political factors. Early assignment of option contracts can also occur, and this may detract from dividends paid by the companies whose stocks are held in the account. The more money disbursed from the account over time, the less will be available for possible reinvestment and growth, which may affect performance, especially in a declining market.

Clients with secured puts written in their accounts give up upside potential of the stock above the option price for the option period and bears the risk that the value of the stock declines below the break-even point (strike price minus the premium received), and the loss could be substantial if the decline is significant. Such Clients also bear the risk of a decline in the value of the underlying cash collateral (if the cash is invested in a short-term debt instrument such as a treasury bill or note). For this assumption of risk, Clients holding secured puts earn cash premiums from selling the secured put and potential interest from a treasury bill or money market fund during the option period. Because the Client does not

yet own the stock, he/she is not entitled to any dividends paid on the stock during the option period.

There are other risks of covered calls and secured puts that are more fully explained in the OCC Risk Booklet "Characteristics and Risks of Standardized Options" and the newly issued Supplement. Such risks include, but not limited to, tax implications of covered writing, option market liquidity, and market volatility. Clients should be sure to read and ask any questions raised after reading the OCC Risk Booklet, the Supplement and the management agreements they received to understand the possible costs and risks as well as potential opportunities for an investment in one of these styles.

Item 9 DISCIPLINARY INFORMATION

Shelton Capital has no legal or disciplinary events.

Registered investment adviser representatives of Shelton Capital have no legal or disciplinary events.

Item 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Broker-Dealer Registration Status

RFS Partners, LP is General Partner of Shelton Capital and is registered with the SEC and a member of FINRA. RFS Partners serves as the distributor for the Shelton Funds and the Shelton Greater China Fund (collectively "Shelton Funds") for which Shelton Capital serves as the investment adviser. RFS Partners maintains a limited registration and does not place or clear trades for any advisory clients. Some of Shelton Capital's officers and employees are registered with RFS Partners as registered representatives and serve as officers of RFS Partners.

Investment Companies

Shelton Capital serves as investment adviser to the Shelton Funds. Some of our officers also serve as officers to the Shelton Funds and one of our officers serves as an interested trustee of the Shelton Funds.

Affiliated Adviser

Shelton Capital is the general partner of ETSpreads, LLC, a SEC registered investment adviser. Some of Shelton Capital's officers are also officers of ETSpreads.

Sub-Advisers

Shelton Capital currently has such an arrangement with Nikko AM to manage the assets of the Shelton Greater China Fund. For additional information on Nikko AM's practices you may obtain their Form ADV Part 2 at www.nikkoam.com.

401(k) Plan Administrator

Shelton Capital is the general partner and minority owner of California Plan Services, LLC, a pension administration firm providing fee-based administrative services to 401(k) and profit sharing plans.

Item 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

Shelton Capital is committed to upholding the highest standards of business ethics and conduct. We are proud of this commitment and consider it fundamental to earning and maintaining the trust of our Clients and prospective Clients.

Shelton operates under a Code of Ethics (the “Code”) that complies with Rule 204A-1 of the Investment Advisers Act of 1940, as amended and Section 17(j) of the Investment Company Act of 1940, as amended and Rule 17j-1 thereunder. Our Code obligates Shelton Capital and its related persons to put the interests of our clients before their own interests and to act honestly and fairly in all respects in their dealings with Clients. Shelton Capital’s personnel are also required to comply with applicable federal securities laws.

The Code also incorporates Shelton Capital’s personal trading policy (the “Policy”). The Policy is guided by the principle that as a fiduciary entrusted with the management of Client assets our foremost concern is and must always be to protect the interests of our Clients. The Policy establishes a framework for managing personal trading by officers and employees that protects the interest of our Clients, while permitting responsible investing by our officers and employees. The Code includes a standard of business conduct which includes but is not limited to:

1. Requiring acknowledgement and agreement to observe the requirements of the Code;
2. Prohibiting personnel from buying or selling securities for their own individual accounts if such purchase or sale represents \$50,000 or 1,000 shares, whichever is greater, and if the securities at the time of such purchase or sale:
 - i. are being considered for purchase or sale by the Shelton Funds (except the Index Funds)
 - ii. have been purchased or sold by a Shelton Fund within the most recent seven (7) days if such person participated in the recommendation to, or the decision by, the Fund to purchase or sell such security (except the Index Funds);
3. Requiring personnel, subject to the Code, to report personal holdings to Shelton Capital Management and the Shelton Funds on both an annual and a quarterly basis;

4. Requiring the reporting of violations of the Code to the Chief Compliance Officer.

Shelton Capital has also adopted a Gifts and Entertainment Policy to minimize and manage potential conflicts of interest in connection with our employees receiving gifts and entertainment in connection with their professional duties.

Our compliance department monitors and enforces our Code and the Gifts and Entertainment Policy.

Clients or prospective clients may obtain a copy of the Code by contacting Shelton Capital by telephone at (800) 955-9988 or by email at info@sheltoncap.com.

Please refer to the section entitled “other Financial Industry Activities and Affiliations” for a discussion of Shelton Capital’s affiliations and related persons.

Client Transactions in Securities where Adviser has a Material Financial Interest

Shelton Capital serves as the investment adviser of the Shelton Funds and receives an advisory fee for its services.

Item 12 BROKERAGE PRACTICES

Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions

Shelton Capital generally has discretion over the selection and amount of securities to buy or sell for a Client without obtaining specific Client consent to a transaction. We also generally have discretion to select the broker, dealer or other counterparty to effect a particular transaction and, where negotiable, the commission rates a Client pays with the exception of an equity focused SMA. To help manage the selection of counterparties and individual transactions, we have adopted a Trade Management Policy. This policy governs our trading activities for our Clients and helps us address potential conflicts of interest raised by brokerage practices.

We recognize that brokerage commissions are paid with Client assets. We manage these assets consistent with applicable law and our duty to seek best execution, and we seek to maximize the value of these assets wherever possible.

Best execution involves both quantitative and qualitative aspects and best execution does not always mean the lowest available commission rates for a transaction. From a quantitative perspective, best execution involves seeking the best available price and lowest transaction costs so that a Client’s total cost or proceeds are the most favorable under the circumstances. Cost includes transaction fees and expenses as well as other less quantifiable costs such as market impact, opportunity cost and market effects. These other costs although harder to quantify, can significantly impact the total cost of a transaction.

From a qualitative perspective, best execution involves considering a number of factors, including some or all of the following:

- Our actual experience with the counterparty
- The reputation of the counterparty
- The counterparty's financial strength and stability
- Efficiency of execution
- Promptness of execution
- Ability and willingness to maintain confidentiality and anonymity
- Frequency and manner of error resolution
- Special execution capabilities
- Block trading and block positioning capabilities
- Expertise
- Commission rates and dealer spreads
- Technological capabilities and infrastructure, including back office processing capabilities
- Willingness of the counterparty to commit capital
- Clearance and settlement efficiency
- Ability and willingness to accommodate any special needs (for example, step-outs)

In selecting counterparty for any transaction or series of transactions, we do not adhere to any rigid formula. Rather, we weight a combination of factors, like those listed above, depending on the circumstances. Relevant factors will vary for each transaction. While we generally seek reasonably competitive commission rates, we do not necessarily pay the lowest spread or commission available. In our experience, the lowest commission rate or the most expeditious execution does not necessarily correlate to the best trade for a client.

Investment Companies

Restrictions on the nature and amount of securities bought and sold are imposed by the Shelton Funds through their governing boards, and those guidelines are established in the fund's prospectuses and statement of additional information. The Shelton Funds may pay brokerage commissions in an amount higher than the lowest available rate for brokerage and research services, as authorized under certain circumstances, by the Securities Exchange Act of 1934, as amended. Although it is not anticipated that brokerage products or services other than execution of transactions will be purchased. Decisions to buy and sell securities for the Funds; assignment of their portfolio business; and negotiation of commission rates and prices are made by Shelton Capital, whose policy is to obtain the "best execution" (prompt and reliable execution at the most favorable security price) available. Since it is anticipated that most purchases made by the bond and money market funds will be principal transactions at net prices, the bond and money market funds will incur few or no brokerage costs.

Purchases of fixed income securities from underwriters may include a commission or concession paid by the issuer to the underwriter, and purchases from dealers will include a spread between the bid and ask price or mark-up.

When a broker-dealer is used for portfolio transactions, Shelton Capital will seek to determine that the amount of commissions paid is reasonable in relation to the value of the brokerage and research services and information provided, viewed in terms of either that particular transaction or its overall responsibilities with respect to the funds for which it exercises investment discretion.

Separately Managed Accounts

Transactions for SMA Clients generally will be effected independently from other accounts managed by Shelton Capital, unless we decide to purchase or sell the same securities for several of our SMA Clients. Shelton Capital may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among SMA Clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently.

Under this procedure, transactions will be averaged as to price and transaction costs and typically will be allocated among SMA Clients in proportion to the purchase and sale orders placed for each SMA Client account on any given day. If we cannot obtain execution of all the combined orders at prices or for transaction costs that Shelton Capital believes are desirable, we will allocate the securities bought or sold as part of the combined orders by following our Trade Management Policy.

A broker may provide research services to the Adviser in exchange for Adviser’s use of that broker for SMA Clients’ transactions and services. Such research generally will be used to service all of the Adviser’s SMA Clients, but brokerage commissions paid by an individual SMA Client may be used to pay for research that is not used in managing that SMA Client’s account. The Adviser may, in its discretion, cause the account to pay the broker a commission greater than another qualified broker might charge to effect the same transaction where the Adviser determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. As a result, an SMA Client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case if the Adviser used other or multiple brokers.

The Adviser will arrange for the execution of securities transactions through broker-dealers, selected by the Adviser, and at such prices and commissions that, in the Adviser’s good faith judgment, will be in the best interest of the account. If an SMA Client designates its own broker, that SMA Client may not receive best execution by effecting transactions through the specified broker. The Adviser will not negotiate brokerage commissions with client designated brokers, and as a result, the SMA Client may pay higher commissions or other transaction costs, greater spreads, or receive less favorable net prices.

The Adviser may receive some benefits from broker-dealers selected by Clients as custodian. There is no direct link between benefits that may be received from the custodian and the investment advice we give to our clients. However, we may receive economic benefits from such broker-dealers that are typically not available to such broker-dealers’ retail investors. These benefits may include the following products and services (provided without cost or at a discount): duplicate client statements and confirmations; research

related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; and discounts on compliance, marketing, research, technology, and practice management products or services provided to the Adviser by third party vendors. Some of the products and services made available by broker-dealers may benefit the Adviser but may not benefit our Clients. These products or services may assist us in managing and administering client accounts.

Clients' broker-dealers do not depend on the amount of brokerage transactions directed to the broker-dealer. Clients should be aware, however, that the receipt of economic benefits by the Adviser or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our recommendation of a broker-dealer for custody and brokerage services.

Directed Brokerage

In some instances, because of a prior relationship between a Client and one or more brokers, or for other reasons, a Client may instruct Shelton Capital to execute some or all securities transactions for its account with or through one or more brokers designated by the Client. When a Client directs Shelton Capital to use a specified broker-dealer to execute all or a portion of the Client's securities transactions, Shelton Capital treats the Client direction as a decision by the Client to retain, to the extent of the direction, the discretion Shelton Capital would otherwise have in selecting broker-dealers to effect transactions and in negotiating commissions for the Client's account. Although Shelton Capital attempts to effect such transactions in a manner consistent with its policy of seeking best execution, there may be occasions where it is unable to do so, in which case we will continue to comply with the Client's instructions.

Transactions in the same security for accounts that have directed the use of the same broker will be aggregated. When the directed broker-dealer is unable to execute a trade, we will select broker-dealers other than the directed broker-dealer to effect Client securities transactions. A Client who directs us to use a particular broker-dealer to effect transactions should consider whether such direction may result in certain costs or disadvantages to the Client. Such costs may include higher brokerage commissions (because Shelton Capital may not be able to aggregate orders to reduce transaction costs), less favorable execution of transactions, and the potential of exclusion from the Client's portfolio of certain foreign ordinary shares and/or small capitalization or illiquid securities due to the inability of the particular broker-dealer in question to provide adequate price and execution of all types of securities transactions.

By permitting a Client to direct Shelton Capital to execute the Client's trades through a specified broker-dealer, Shelton Capital will make no attempt to negotiate commissions on behalf of the Client and, as a result, in some transactions the Clients may pay materially disparate commissions depending on their commission arrangement with the specified broker-dealer and upon other factors such as number of shares, round and odd lots and the market for the security. The commissions charged to Clients that direct us to execute the Client's trades through a specified broker-dealer may in some transactions be materially different than those of Clients who do not direct the execution of their trades. Client's that

direct us to execute the Client's trades through a specified broker-dealer may also lose the ability to negotiate volume commission discounts on batched transactions that may otherwise be available to other Clients.

Order Aggregation

It is Shelton Capital's practice, where possible, to aggregate Client orders for the purchase or sale of the same security submitted contemporaneously (or near the same time) for execution using the same executing broker.

This aggregation may enable us to obtain for Clients a more favorable price or a better commission rate based upon the volume of a particular transaction. However, in cases where the Client has negotiated the commission rate directly with the broker, we will not be able to obtain more favorable commission rates based on an aggregated trade. In such cases, the Client will be precluded from receiving the benefit of any possible commission discounts that might otherwise be available as a result of the aggregated trade. In cases where trading or investment restrictions are placed on a Client's account, the Adviser may be precluded from aggregating that Client's transaction with others. In such a case, the Client may pay a higher commission rate and/or receive less favorable prices than Clients who are able to participate in an aggregated order.

When an aggregated order is completely filled, Shelton Capital allocates the securities purchased or proceeds of sale *pro rata* among the participating accounts, based on the purchase or sale order. Adjustments or changes may be made under certain circumstances, such as to avoid odd lots or excessively small allocations. If the order at a particular broker is filled at several different prices, through multiple trades, generally all such participating accounts will receive the average price and pay the average commission. If an aggregated order is only partially filled, our procedures provide that the securities or proceeds are to be allocated in a manner deemed fair and equitable to Clients. Depending on the investment strategy pursued and the type of security, this may result in a *pro rata* allocation to all participating Clients. Shelton Capital or its related persons may also participate in an aggregate order.

Item 13 REVIEW OF ACCOUNTS

Frequency and Nature of Review

Each Client of Shelton Capital may make cash payments to third-party solicitors for Client referrals, provided that, to the extent required, each such solicitor has entered into a written agreement with the Adviser pursuant to which the solicitor will provide each prospective Client with a copy of the Adviser's Form ADV Part 2, and a disclosure document setting forth the terms of the solicitation arrangement, including the nature of the relationship between the solicitor and Adviser and any fees to be paid to the solicitor. Where applicable, cash payments for Client solicitations will be structured to comply fully with (i) the requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended, and related SEC staff interpretations or (ii) with the laws of the relevant state(s).

Item 15 CUSTODY

Shelton Capital does not maintain possession or custody of the funds or securities of any Client. Clients are required to appoint custodians who are responsible for the safe custody of investments and money, settling transactions and registering investments. With Client consent, Shelton Capital may cause fees to be paid out of separately managed accounts by the Clients' custodian. To the extent Shelton Capital is deemed to have custody of Client assets, we will comply with the relevant requirements imposed on investment advisers that have custody of Client assets pursuant to Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended.

As part of Shelton Capital's billing process, the Client's custodian is provided an invoice stating the amount of the Management Fee to be deducted from each Client's account. On at least a quarterly basis, the custodian is required to send to the Client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the Management Fee to be deducted, it is important for Clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact Shelton Capital directly if they believe that there may be an error in their account statements.

Item 16 INVESTMENT DISCRETION

Shelton Capital receives discretionary authority from a Client at the outset of an advisory relationship. In all cases however, such discretion is exercised in a manner consistent with the stated investment guidelines established by the Client.

Unless otherwise instructed or directed by a discretionary Client, Shelton Capital has the authority to determine--

1. the securities to be purchased and sold for the Client account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines)
2. the amount of securities to be purchased or sold for the Client account.
3. Because of the differences in Client investment objectives and strategies, risk tolerances, tax status and other criteria, there may be differences among Clients in invested positions and securities held. Shelton Capital submits an allocation statement to the trading desk describing the allocation of securities to (or from) Client accounts for each trade/order submitted. Shelton Capital may consider the following factors, among others, in allocating securities among Clients:
 4. Client investment objectives and strategies;
 5. Client risk profiles;
 6. tax status and restrictions placed on a Client's portfolio by the Client or by applicable law;
 7. size of the Client account;

8. nature and liquidity of the security to be allocated;
9. size of available position;
10. current market conditions; and
11. account liquidity, account requirements for liquidity and timing of cash flows.

Although it is our policy to allocate securities to eligible Client accounts on a *pro rata* basis (based on the value of the assets of each participating account relative to value of the assets of all participating accounts), these factors may lead us to allocate securities to Client accounts in varying amounts. Even Client accounts that are typically managed on a *pari passu* basis may from time to time receive differing allocations of securities based on total assets of each account eligible to invest in the particular investment type (*e.g.*, equities) divided by the total assets of all accounts eligible to invest in the particular investment.

Securities acquired by Shelton Capital for its Clients through a limited offering will be allocated pursuant to the procedures set forth in our allocation policy. The policy provides that we will determine the proposed allocation of limited offering securities after considering the factors described above with respect to general allocations of securities and determining those Client accounts eligible to hold such securities. Eligibility will be based on the legal status of the Clients and the Client's investment objectives and strategies

If it appears that a trade error has occurred, Shelton Capital will review the relevant facts and circumstances to determine an appropriate course of action. To the extent that trade errors and breaches of investment guidelines and restrictions occur, our error correction procedure is to ensure that Clients are treated fairly and, following error correction, are in the same position they would have been if the error had not occurred. We maintain discretion to resolve a particular error in any appropriate manner that is consistent with the above stated policy.

Item 17 VOTING CLIENT SECURITIES

Shelton Capital has entered into a Proxy Research and Vote Agency Services Agreement with Glass Lewis & Co to research and vote proxies on behalf of Shelton Capital's Clients. The service provided includes the voting of proxies which includes complete account set-up, vote execution, reporting and record-keeping requirements under governing regulations. Shelton Capital has adopted the United States and International proxy voting guidelines established by Glass Lewis & Co. These guidelines are applied those advisory Clients for which Shelton Capital has been delegated proxy voting authority.

Investment Companies

Shelton Funds' Boards of Trustees have adopted the Proxy and Corporate Action Voting Policies and Procedures of Shelton Capital as well as Glass Lewis's voting guidelines for all portfolio securities. The Board of Trustees of the Shelton Greater China Fund have adopted the Proxy Voting Guidelines of Nikko AM. Nikko AM provides proxy services to the Shelton Greater China Fund through ISI, an unrelated third party. Information regarding the Funds proxy voting policy is available in the Statement of Additional Information which may be obtained, without charge, by calling Shelton Capital at (800) 955-9988.

Separately Managed Accounts

With the exception of certain Sub-Advised Accounts, Shelton Capital does not vote proxies on behalf of its SMA Clients. Therefore, proxy materials may be sent directly to such Clients for their consideration.

To the extent we accepted proxy voting authority on behalf of our SMA Clients (e.g., the Sub-Advised Accounts), we comply with our proxy voting policies and procedures that are reasonably designed to ensure that in cases where we vote proxies with respect to Client securities, such proxies are voted in the best interests of our Clients.

To the extent Shelton Capital accepted proxy voting authority on behalf of a Client, the Client may obtain a copy of our proxy voting policies and procedures and information about how we voted the Client's proxies by contacting Shelton Capital at (800) 955-9988 or by email at info@sheltoncap.com.

Item 18 FINANCIAL INFORMATION

Shelton Capital is required to provide you with certain financial information or disclosures about the firm's financial condition. Shelton Capital has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Anti-Money Laundering Policy

Shelton Capital maintains policies designed to detect and report any activities that raise suspicions of money laundering activities, and may modify these policies from time to time.

In that regard, Shelton Capital requires prospective Clients to provide such information as we deem necessary to comply with applicable legal or regulatory requirements, including, without limitation, anti-money laundering requirements. We may disclose information and file reports with governmental and/or regulatory or self-regulatory authorities respecting Clients to the extent that we deem required by applicable law or regulation. If required by applicable law, regulation or interpretation, we may suspend all activity with respect to a Client's account, including suspending the Client's right to withdraw funds or assets from the account pending our receipt of instructions regarding the account from the appropriate governmental or regulatory authority.

Privacy Statement

General Privacy Policy:

When you become a client of Shelton Capital Management, 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 shareholder information
- We do not provide client information to persons or organizations outside Shelton Capital Management 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 or custodian, such as your transaction history and account balance
- From electronic sources, such as our website or e-mails

How We Use Information About You:

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

Use of E-Mail Address:

If you have requested information regarding Shelton Capital Management 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 on line 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 on line to view, print or download

- **Tax Form Alerts** – Receive an e-mail in early January informing you if you will receive tax forms for your taxable Shelton mutual funds, including the approximate date they will be mailed.

We also include instructions and links for unsubscribing from Shelton Capital Management e-mails. We do not sell e-mail 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 nonpublic 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, the Shelton Capital Management 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.

*As referenced in this Policy Statement, Shelton Capital Management (formerly known as CCM Partners, LP) is a registered investment adviser to the Shelton Funds and the Shelton Greater China Fund and other advisory clients. RFS Partners, LP is the distributor of the mutual funds. This General Privacy Policy applies to all entities.