

Introduction

Shelton Capital Management is registered with the Securities and Exchange Commission (SEC) as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/crs), which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

We provide retail investors investment advisory services through separately managed accounts (SMAs). These services include co-advisory investment management, sub-advisory investment management, and direct investment management. Most often these services are provided through wrap programs, UMA programs or other arrangements offered or sponsored by investment advisers and financial planners (and their associated firms) to retail investors. In our SMAs we offer Covered ETF Portfolio Strategies, Option Overlay Strategies, Equity Income Strategies, Fixed Income Strategies, International Select Equity, International Small Cap Equity, Small Cap Strategies and Sustainable Equity.

Most of our investment advisory services are discretionary, meaning we make all investment decisions relating to an investor's account, or that part of the account which we are designated to manage. The specific limits and nature of our discretionary investment authority are based on the applicable investment advisory agreement and instructions from our clients or their advisors. In limited circumstances, we may participate in the management of products that include a non-discretionary component. In such cases, the client or his or her advisor makes the ultimate decision regarding the purchase or sale of investments subject to non-discretionary authority.

Generally, as part of our standard advisory services, we provide daily or other frequent monitoring of investments consistent with the account's investment goals and limitations, and with our fiduciary obligations. Availability of our SMA investment advisory services is subject to certain requirements including investment minimums ranging from \$100K to \$1M and other investor qualifications or relationships with sponsors or advisors as described in our Form ADV Part 2: Firm Brochure available at <https://www.sheltoncap.com/wp-content/uploads/2024/03/Shelton-Capital-Management-ADV-Part-II.pdf>.

A Conversation Starters: Ask your financial professional:

- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

What fees will I pay?

The table below shows our fees based on assets under management for each SMA strategy and their availability through different channels. With limited exceptions, we do not charge performance-based fees. Because these are asset-based fees, the more assets there are in your account, the more you will pay in fees. Therefore, both your advisor and Shelton Capital Management may have an incentive to encourage you to increase the assets in your account. Other direct and indirect fees and costs related to our investment advisory services in addition to fees shown below may include custodian fees, account maintenance fees, brokerage fees, commissions, other transactional fees and product-level fees, interest expenses, taxes and other governmental charges. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For additional information, please see our Form ADV Part 2: Firm Brochure available at <https://www.sheltoncap.com/wp-content/uploads/2024/03/Shelton-Capital-Management-ADV-Part-II.pdf>.

		Advisor (BD, RIA)	Solicitor	Retail Direct
Covered ETF Strategies	Minimum Investment	\$100,000	\$100,000	
	Fees	75 bps — \$100K - \$250K 60 bps — Every dollar greater than \$250k \$750 annual minimum per account	200 bps — \$100K - \$250K 150 bps — Every dollar greater than \$250k \$2,000 annual minimum per account	Not Offered
Option Overlay	Minimum Investment	\$500,000	\$500,000	
	Fees	60 bps — All dollar amounts \$3,000 annual minimum per account	150 bps — All dollar amounts \$750 annual minimum per account	Not Offered
Equity Income	Minimum Investment	\$250,000	\$250,000	
	Fees	60 bps — All dollar amounts \$1,500 annual minimum per account	200 bps — \$250K - \$500K 150 bps — Every dollar greater than \$500k \$5,000 annual minimum per account	Not Offered
Sustainable Equity Income	Minimum Investment	\$250,000	\$250,000	
	Fees	60 bps — All dollar amounts \$1,500 annual minimum per account	200 bps — \$250K - \$500K 150 bps — Every dollar greater than \$500k \$5,000 annual minimum per account	Not Offered
Corporate Bond Strategy	Minimum Investment	\$250,000	Not Applicable	\$500,000
	Fees	50 bps — All dollar amounts \$1,250 annual minimum per account	Not Applicable	99 bps — All dollar amounts \$4,950 annual minimum per account
ESG Corporate Bond	Minimum Investment	\$250,000	Not Applicable	\$500,000
	Fees	50 bps — All dollar amounts \$1,250 annual minimum per account	Not Applicable	99 bps — All dollar amounts \$4,950 annual minimum per account
ESG Municipal Bond	Minimum Investment	\$250,000	Not Applicable	\$500,000
	Fees	50 bps — All dollar amounts \$1,250 annual minimum per account	Not Applicable	99 bps — All dollar amounts \$4,950 annual minimum per account
ESG Taxable Municipal Bond	Minimum Investment	\$250,000	Not Applicable	\$500,000
	Fees	50 bps — All dollar amounts \$1,250 annual minimum per account	Not Applicable	99 bps — All dollar amounts \$4,950 annual minimum per account
Tactical Credit	Minimum Investment	\$10,000,000	Not Applicable	
	Fees	75 bps — All dollar amounts \$7,500 annual minimum per account	Not Applicable	Not Offered

Aggregate Bond	Minimum Investment	\$500,000	Not Applicable	\$1,000,000
	Fees	40 bps – First \$5,000,000 30 bps – Next \$10,000,000 20 bps – Next \$35,000,000 15 bps – Next \$50,000,000 10 bps – All thereafter \$4,500 annual minimum per account	Not Applicable	99 bps — All dollar amounts \$19,800 annual minimum per account
Intermediate Aggregate Bond	Minimum Investment	\$500,000	Not Applicable	\$1,000,000
	Fees	40 bps – First \$5,000,000 30 bps – Next \$10,000,000 20 bps – Next \$35,000,000 15 bps – Next \$50,000,000 10 bps – All thereafter \$4,500 annual minimum per account	Not Applicable	99 bps — All dollar amounts \$19,800 annual minimum per account
Low Volatility Bond	Minimum Investment	\$500,000	Not Applicable	\$1,000,000
	Fees	40 bps – First \$5,000,000 30 bps – Next \$10,000,000 20 bps – Next \$35,000,000 15 bps – Next \$50,000,000 10 bps – All thereafter \$4,500 annual minimum per account	Not Applicable	99 bps — All dollar amounts \$19,800 annual minimum per account
International Select Equity	Minimum Investment	\$100,000	Not Applicable	\$100,000
	Fees	75 bps — All dollar amounts \$750 annual minimum per account	Not Applicable	150 bps — All dollar amounts \$1,500 annual minimum per account
International Small Cap Equity	Minimum Investment	\$500,000	Not Applicable	\$500,000
	Fees	110 bps — First \$50,000,000 Negotiable – Over \$50,000,000	Not Applicable	220 bps — All dollar amounts \$11,000 annual minimum per account
Small Cap Equity	Minimum Investment	\$100,000	Not Applicable	\$100,000
	Fees	80 bps — First \$50,000,000 Negotiable – Over \$50,000,000	Not Applicable	160 bps — All dollar amounts \$1,600 annual minimum per account
Sustainable Equity	Minimum Investment	\$100,000	Not Applicable	\$100,000
	Fees	75 bps — All dollar amounts \$750 annual minimum per account	Not Applicable	100 bps — All dollar amounts \$1,000 annual minimum per account

A Conversation Starters: Ask your financial professional:

- Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

**What are your legal obligations to me when acting as my investment adviser?
How else does your firm make money and what conflicts of interest do you have?**

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here is an example to help you understand what this means: in general, the management of multiple funds and accounts may give rise to potential conflicts of interest if, for example, the accounts have different objectives, benchmarks, time horizons, and fees as the portfolio manager must allocate his or her time and investment ideas across multiple funds and accounts. This is called “side-by-side” investment conflict of interests.

Conversation Starters

- How might your conflicts of interest affect me, and how will you address them?

For additional information, please see our Form ADV Part 2: Firm Brochure available at <https://www.sheltoncap.com/wp-content/uploads/2024/03/Shelton-Capital-Management-ADV-Part-II.pdf>.

How do your financial professionals make money?

Depending on their role (e.g., portfolio management, sales or client services), our financial professionals are compensated through salary, bonus, products sold and related assets (which may be different for different products) and related revenue earned by our firm. These payments may raise conflicts of interests due to financial incentives to increase the assets we manage.

Do you or your financial professionals have legal or disciplinary history?

No. Visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research us and our financial professionals.

Conversation Starters: Ask your financial professional:

- As a financial professional, do you have any disciplinary history? For what type of conduct?

Additional Information

For additional information about our investment advisory services, please see our Form ADV Part 2: Firm Brochure available on our website at <https://www.sheltoncap.com/wp-content/uploads/2024/03/Shelton-Capital-Management-ADV-Part-II.pdf>.

Conversation Starters: Ask your financial professional:

- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer?
- Who can I talk to if I have concerns about how this person is treating me?