

Prospectus

January 1, 2017

SHELTON GREEN ALPHA FUND

Ticker: NEXTX

(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 Fund is not a bank deposit and is not guaranteed, endorsed or insured by any financial institution or government entity or the Federal Deposit Insurance Corporation (FDIC).

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Investment Objective

The Fund’s investment objective is to achieve long-term capital appreciation by investing in stocks in the green economy.

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

Management fees	1.00%
Distribution (12b-1) fees	None
Other expenses	0.31%
Total Annual Fund Operating Expenses*	1.31%

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

* Effective January 2, 2015 Shelton will no longer reimburse expenses above a voluntary fee cap. For the fiscal year ended August 31, 2016 the Fund’s total annual operating expenses were 1.31%.

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	3 years	5 years	10 years
	\$133	\$415	\$718	\$1,579

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 Fund invests primarily in common stocks of companies that Green Alpha Advisors (the “Sub-Advisor”) believes are leaders in managing environmental risks and opportunities, have above average growth potential and are reasonably valued. Under normal market conditions, at least 80% of the Fund’s total assets (which includes the amount of any borrowings for investment purposes) will be invested in U.S. common stocks and American Depository Receipts (“ADRs”). The Fund may invest in companies of all sizes and seeks diversification by economic sector and geography.

The Sub-Advisor maintains a proprietary universe of green economy companies based on proprietary set of qualitative criteria. A “green economy” company is one that works to improve human well-being and increase economic efficiencies, while significantly reducing environmental risks and ecological scarcities. Green economy companies provide products and services that help economies to adapt to, solve or mitigate the effects of key environmental and economic systemic risks, namely resource scarcity and climate change. The Sub-Advisor maintains a proprietary list of at least 400 companies from multiple industries and economic sectors that, at its sole and absolute discretion, meet their qualitative criteria. This list is created after a review of a company’s business plan, activities and operating policies, as well as other qualitative criteria, including but not limited to, strength of management team, corporate governance practices, brand and product reputation, competitive positioning, industry growth probabilities, market size analysis, assessment of barriers to entry, assessment of aggregate sustainability risks and defensible patents and intellectual property. Stocks to be purchased by the fund are selected from this green economy universe by the Sub-Advisor using quantitative and qualitative analyses. Quantitative analysis refers to a mathematical review of the companies’ operating performance and characteristics related to its investment attractiveness, while qualitative analysis refers to the Sub-Advisor’s exercise of judgment when evaluating the green economy and sustainability characteristics as related to the future prospects of a company.

In addition to applying qualitative criteria derived from macro-economics, the Fund's Sub-Advisor employs both qualitative and quantitative fundamental analysis designed to evaluate each company's financial condition and relative industry position. Fundamental criteria used to evaluate financial condition include, but are not limited to, earnings and revenue history, operating margins, growth rates, strength of balance sheet, and valuation metrics including price to book, price to sales, price to earnings and price/earnings to growth ratio. Criteria used to evaluate relative industry position can additionally include both qualitative and quantitative parameters

including, but not limited to, geographic and industry sources of revenues, and comparative data allowing ranking of investments relative to their competitors, suppliers and customers, such as perceived strength of management team.

The Fund's Sub-Advisor seeks to purchase equity securities for the Fund's portfolio consistent with the Fund's investment objectives. The Fund's Sub-Advisor generally will consider selling equity securities from the Fund's portfolio when the Sub-Advisor believes that such securities are no longer consistent with the Fund's investment objectives or desired valuation metrics, other securities appear to offer more compelling opportunities, to meet redemption requests and in other circumstances that the Sub-Advisor deems consistent with the Fund's investment objectives.

Although the Fund will attempt to invest as much of its assets as is practical in common stocks, the Fund may maintain a reasonable (up to 20%) position in U.S. Treasury Bills and money market instruments to meet redemption requests and other liquidity needs.

The Fund may invest in stock futures contracts when the Sub-Advisor is holding cash or cash equivalents and want to keep the Fund fully exposed to the equity markets. Utilizing futures allows the Sub-Advisor to maintain a high percentage of the portfolio in the market while maintaining cash for short-term liquidity needs and other purposes.

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 may lose money.

Common Stock Risk. Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value.

Liquidity Risk. The Fund may invest in securities in the green economy that cannot be traded quickly enough in the market to prevent a loss or make the required profit.

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

Equity Investing Risk. The Fund may invest in small, medium and large-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 in, for example, fossil fuel green energy securities outperform Fund portfolio stocks, we expect the performance of the Fund to underperform other mutual funds that invest in these alternative categories.

Environmental Investing Risk. The Fund's environmental criteria limits the available investments compared to similar funds that do not have the same criteria limits. Accordingly, the Fund may forego opportunities to buy certain securities when it might otherwise be advantageous to do so, or may sell securities for environmental reasons when it might be otherwise disadvantageous for it to do so.

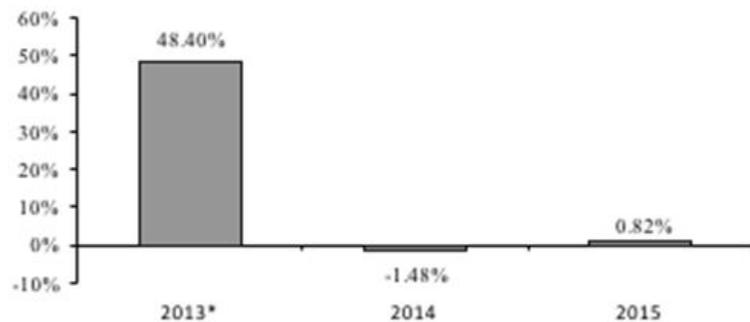
MidCap Stock Risk. Investing in securities of small and medium-sized companies may involve greater volatility than investing in larger and more established companies.

ADR Risk. ADR's maintain an element of foreign investment risk even though they are traded in U.S. denominations on U.S. Stock markets. Foreign companies operate differently than U.S. Companies; as a result, 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 stocks of similar U.S. companies. Additionally, foreign stock exchanges, brokers and companies generally have less government supervision and regulation than their counterparts in the United States. As a result, these factors could negatively impact the return of the Fund.

All mutual funds take investment risk. Therefore, it is possible to lose money by investing in the Fund. These and other risks are discussed in more detail in the Statement of Additional Information.

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 15.47% (Q2, 2013)

Worst Quarter: -14.91% (Q3, 2015)

Year-to-date performance as of 9/30/16: -2.51%%

Date of inception: 3/8/13

*Not annualized

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 12/31/15)

Shelton Green Alpha Fund	1 year
Return Before Taxes	0.82%
Return After Taxes on Distributions	0.82%
Return After Taxes on Distributions and Sale of Fund Shares	0.50%
S&P 500 Composite Stock Price Index ¹	1.38%

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

Investment Advisor and Sub-Advisor Shelton Capital Management ("the Advisor") serves as investment advisor to the Fund. Green Alpha Advisors serves as sub-advisor, pursuant to an agreement between Shelton Capital Management and Green Alpha Advisors and approved by the Board of Trustees of the Fund.

Portfolio Managers Jeremy Deems and Garvin Jabusch have served as Co-Portfolio Managers of the Fund since its inception. Messrs. Deems and Jabusch have served as portfolio managers of privately managed assets since July 2007.

Purchase and Sale of Fund Shares

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

	Minimum Initial Investment	Minimum Subsequent Investment
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 Fund is 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

The Shelton Green Alpha Fund is a diversified mutual fund that seeks to achieve long-term capital appreciation by investing in U.S. common stock equities and sponsored ADRs in the green economy. Sponsored ADRs are issued in cooperation with the underlying foreign company whose equity shares will underlie the ADR shares. With the corporation's sponsorship, the ADRs created in the issuance usually afford their owners the same rights normally given to stockholders, such as voting rights. The Fund's manager seeks to purchase equity securities for the Fund's portfolio consistent with the Fund's investment objective, for example when the manager believes such securities have potential for capital appreciation, value potential, or income producing 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 growth and value stocks in the green economy, the Fund may maintain a reasonable (up to 20%) position in U.S. 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 portion of the portfolio in cash equivalents. Utilizing futures allows the manager to maintain a high level of exposure to the equity markets while maintaining cash for liquidity needs.

The Fund is subject to 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 fluctuate. During a declining stock market, an investment in this Fund may lose money.

Small or Medium-Sized Company Risk. The Fund invests in small 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. These types of companies may have narrower markets for their goods and services as well as limited markets and financial resources. There will generally be less publicly available information concerning these securities and adverse publicity and investor perceptions, can decrease the value and liquidity of the securities held by the Fund. As a result, their performance can be more volatile and they face greater risk of business failure, which could increase the volatility of the Fund.

Economic and Political Risks. These risks 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 last for many years. Some factors 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. and non U.S. growth and value stocks and is designed to provide potential for long-term capital appreciation. At times the Fund may hold a significant position in a specific sector, therefore the Fund's performance may be significantly impacted by the performance of a single sector.

Equity Investing Risks. The Fund may invest in small and illiquid, medium and large-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 in, for example, fossil fuel energy securities outperform Fund portfolio 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.

Environmental Investing Risk. The Fund's environmental criteria limit the available investments compared with funds with no such criteria. Under certain economic conditions, this could cause the Fund's investment performance to be worse or better than similar funds with no such criteria.

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 Fund is Shelton Capital Management, A California limited partnership, 1050 17th Street, Suite 1710, Denver, CO 80265 (the "Advisor"). Shelton Capital Management has \$1.8 billion of assets under management as of August 31, 2016. Shelton Capital has been managing mutual funds since 1985. Shelton Capital is responsible for managing the Fund and handling the administrative requirements of the Fund. As compensation for managing the portfolio, Shelton Capital Management receives a management fee from the Fund. For the fiscal year ended August 31, 2016, the fee net of reimbursements was 1.00% of the Fund's average daily net assets. A discussion regarding the basis for the Board's approval of the investment advisory agreements for the Fund is available in the Semi-Annual Report for the Semi-Annual Report for the period ended February 28, 2016. Shelton Capital has contractually delegated the day-to-day portfolio management responsibilities of the Fund to Green Alpha Advisors, LLC. Green Alpha Advisors (the "Sub-Advisor"), who have their offices in Boulder, Colorado and as of August 31, 2016, managed approximately \$70 million in assets.

Garvin Jabusch has been the co-portfolio manager of the Fund since its inception on March 8, 2013. Mr. Jabusch is co-founder of Green Alpha Advisors. Mr. Jabusch co-founded Green Alpha Advisors in 2007 and he serves as the Chief Investment Officer of Green Alpha Advisors. Mr. Jabusch holds an MBA in international management and finance from the American Graduate School of International Management. Mr. Jabusch earned a BS in Anthropology from the University of Utah. Jeremy Deems has been the co-portfolio manager of the Fund since its inception on March 8, 2013. Mr. Deems co-founded Green Alpha Advisors in 2007 and he serves as the Chief Financial Officer, Chief Operating Officer and Chief Compliance Officer of Green Alpha Advisors. Mr. Deems holds an MBA in Finance from Saint Mary's College of California. Mr. Deems earned a BS in business administration, honors concentration in financial services and Minor in accounting from Saint Mary's College of California. Mr. Deems is a CPA and a member of the American Institute of Certified Public Accountants.

The Fund's 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 Fund.

Additional Non-Principal Investment Related Risks American Depository Receipts (ADRs)

The Fund may invest in unsponsored ADRs. Such investments may subject the Fund to significant investment risks that are different from, and in addition to, those related to investments of U.S. domestic issuers or in the U.S. markets. Unsponsored ADRs may involve additional risks in that they are organized without the cooperation of the issuer of the underlying securities. As a result, available information concerning the issuer may not be as current as that for sponsored ADRs.

Portfolio Turnover

The Fund generally intends to purchase securities for long-term investments rather than short-term gains. However, a security may be held for a shorter than expected period of time if, among other things, the manager needs to raise cash in the Fund 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, the 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. During the most recent fiscal year, the Fund's portfolio turnover rate was 13% of the average value of the portfolio.

Temporary Defensive Positions

In drastic market conditions, the manager may sell all or some of the Fund's securities and temporarily invest the 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 Fund might 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.

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 it believes 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 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' website. 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 the Form N-Q filing. The portfolio holdings of the U.S. Treasury Trust are posted on Shelton's public website as of the last business day of the previous month, no later than the fifth business day of each following 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 Fund may be purchased through the Fund's distributor or through third party distributors, brokerage firms and retirement plans. The following information is specific to buying directly from the Fund's 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 third party distributors. You will find all the necessary application materials included in the packet accompanying this Prospectus, or you may open an account online by accessing our website at www.sheltoncap.com. Additional paperwork may be required for corporations, associations, and certain fiduciaries. The minimum initial investments and subsequent investments for the Fund are as follows:

	Minimum Initial Investment	Minimum Subsequent Investment
Accounts with Automatic Investment Plan ("AIP")	\$500	\$100
All other 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:

- The Fund may take up to 7 business 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 Fund 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 separately.
- 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 Fund 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, which is 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 the Fund by exchanging shares from an account in one of the other Shelton 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 and an exchange authorization in effect, 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 wire 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 United States. 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). Payments by check or other negotiable bank deposit will normally be effective within 2 business days for checks drawn on a member of the Federal Reserve System and longer for most other checks. You can wire federal funds from your bank or broker, which may charge you a fee. The Fund does 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 Fund's transfer agent or the Fund.

Purchasing Additional Shares

Make your check payable to 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 Fund's Automatic Investment Plan, or 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 Fund 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 enroll on our website or by calling the Funds and obtaining a paper form. The share prices of the Fund 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 the Fund for a period of time and to reject any specific purchase order in whole or in part. The Fund does 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 Fund is 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 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 per share of the 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 the Fund. The Fund's accounting service provider calculates the NAV 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. Occasionally, the Pricing Committee, subject to the supervision of the Fund's 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. Please refer to "Fair Value Pricing" below for additional information. 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 Fund will vary over time as interest rates and the value of its securities vary. Portfolio securities of the Fund 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. The share price of the Fund is reported by the Nasdaq Mutual Fund Quotation Service in the mutual funds section of various newspapers after the heading "Shelton Funds".

Fair Value Pricing

Occasionally, reliable market quotations are not readily available or there may be events affecting the value of foreign securities or other securities held by the Fund. When such events occur after the close of regular trading on foreign or other exchanges, but before trading on the NYSE is closed (a "Significant Event") the Fund must determine the "fair value" of the affected security or securities. Fair value determinations are made in good faith in accordance with procedures adopted by the Board of Trustees. Generally fair value of a portfolio security or other assets shall be the amount the owner of the security or asset might reasonably expect to receive upon its current sale. Generally speaking, the procedure adopted by the Board of Trustees requires the valuation committee or pricing committee, to convene, consider all available information regarding the affected security or securities, and based upon "general valuation considerations" set out in the procedures, arrive at a fair value in light of all of these factors and considerations. To help determine whether a Significant Event has occurred with respect to securities traded principally in foreign markets, the Fund's accounting service provider has engaged a third party service provider to systematically recommend the adjustment of closing market prices of non-U.S. securities based upon changes in a designated U.S. securities market index occurring from the time of the close of the relevant foreign market and the close of trading on the NYSE. Attempts to determine the fair value of securities introduces an element of subjectivity to the pricing of securities. As a result, the price of a security determined through fair valuation techniques may differ from the price quoted or published by other sources and may not accurately reflect the market value of the security when trading resumes. If a reliable market quotation becomes available for a security formerly valued through fair valuation techniques, the Fund would compare the new market quotation to the fair value price to evaluate the effectiveness of its fair valuation.

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 Fund is open for business. Your shares will be redeemed at the net asset value next calculated (after the close of the NYSE which is 4 pm Eastern Time) 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 the Fund may hold redemption proceeds until we are satisfied that we have collected the purchase price for any shares purchased by check. To avoid 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 specify (i) the name of the Fund, (ii) the number of shares to be sold, (iii) your name, and (iv) your account number. The letter of instruction is to be mailed to the Fund's offices. If you have additional questions, please contact us at (800) 955-9988. The Fund's Transfer Agent requires that each individual's signature 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 Exchange

You must meet the minimum investment requirement of the Fund into which you are exchanging. You can only exchange between accounts with identical account 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 recently added banking information or changed your address online, there is a 15-day delay from the date of the change to when the redemption will be sent out.

By Telephone

You must have telephone privileges set up in advance of any transaction on your account. Provide the name of the Fund from 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 enrollment form 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 Fund to accept and act upon telephone, online, and fax instructions for exchanges involving your account or any other account with the same registration. The Fund employs reasonable procedures in an effort to confirm the authenticity of your instructions. These procedures will require a redeeming shareholder to give a special authorization number or password. Provided these procedures are followed, you further agree that neither the Fund nor the Fund's 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 Fund at (800) 955-9988.

Other Redemption Policies

Payment of Redemption Proceeds: The Trust is committed 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.

Redemption-in-Kind: 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 Redemptions: 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 within no later than 7 business 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.

Low Balance Accounts: 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 that falls below the minimum 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 Fund will fluctuate and you may receive more or less than your original investment when you redeem your shares.

THE FUND AND SHELTON 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 the 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 Fund 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 the 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 Fund reserves 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 the 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 Fund will receive statements at least quarterly and after every transaction (other than AIP transactions) that affects their share balance and/or account registration. Shareholders receiving paper statements may be required to pay an account fee of \$25. 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. Special services would include a request for a historical transcript of an account. You may be required to pay a separate fee for these special services. As an alternative to requesting special services, you can establish an online account. Once the online account is established, 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. 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.

Electronic Delivery of Documents

You may sign up for electronic statements online or by calling shareholder services at (800) 955-9988. If you sign up over the telephone, a temporary password will be issued to you and you must reset the password to secure your account and access.

Dividends & Taxes

Any investment in the Fund 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 the Fund. As a shareholder, you are entitled to your share of the dividends your Fund earns. The Fund distributes substantially all of its dividends annually. Shareholders of record on the second to last business day of November of each year 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 the Fund share drops by the amount of the distribution. If you purchase shares of the Fund 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

Shelton, out of its own resources, and without additional cost to the Fund or its shareholders, may provide additional cash payments or non-cash compensation to intermediaries who sell shares of the Fund. Such payments and compensation are in addition to service fees paid by the Fund. 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 the inclusion of the Fund on the 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 Fund with your taxpayer identification number and other information the Fund considers appropriate to assist the Fund in verifying your identity. Until such verification is made, the Fund may temporarily limit additional share purchases. In addition, the Fund may limit additional share purchases or close an account if it is unable to verify a customer's identity. As required by law, the Fund may employ various procedures to ensure that the information supplied by you is correct. These procedures may incorporate comparing the information provided to fraud databases or requesting additional information or documentation from you. Your information will be handled by us as discussed in our privacy statement below.

Privacy Statement General Privacy Policy

When you become a shareholder of the Shelton Green Alpha Fund, you entrust us not only with your hard-earned assets but also with your non-public personal and financial information ("Shareholder Information"). We consider your Shareholder 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 Shareholder Information to persons or organizations outside the Fund who are doing business on our behalf (e.g., non-affiliated third parties), for their own marketing purposes.
- We afford prospective and former shareholders the same protections as existing shareholders with respect to the use of Shareholder 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 Shareholder 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 Fund will only use information about you and your Fund 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.

Information Disclosure:

We do not disclose any non-public personal information about our shareholders or former shareholders to non-affiliated third parties without the shareholder's authorization. However, we may disclose Shareholder 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 Shareholder 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 Shareholder 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 shareholders 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 since the inception of the Fund. 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.

SHELTON GREEN ALPHA FUND DIRECT SHARES

	Year Ended August 31, 2016	Year Ended August 31, 2015	Year Ended August 31, 2014	March 12, 2013 ^(c) to August 31, 2013
Net asset value, beginning of year	\$ 13.67	\$ 15.90	\$ 11.96	\$ 10.00
INCOME FROM INVESTMENT OPERATIONS				
Net investment income (loss) ^(a)	(0.03)	(0.08)	(0.08)	(0.01)
Net gain (loss) on securities (both realized and unrealized)	0.89	(2.15)	4.02	1.97
Total from investment operations	0.86	(2.23)	3.94	1.96
LESS DISTRIBUTIONS				
Dividends from net investment income	—	—	—	—
Distributions from capital gains	—	— ^(b)	—	—
Total distributions	—	—	—	—
Net asset value, end of year	\$ 14.53	\$ 13.67	\$ 15.90	\$ 11.96
Total return	6.29%	(14.02)%	32.94%	19.60%
RATIOS / SUPPLEMENTAL DATA				
Net assets, end of year (000s)	\$ 36,880	\$ 29,596	\$ 22,436	\$ 4,623
Ratio of expenses to average net assets:				
Before expense reimbursements	1.31%	1.34%	1.54%	5.16%
After expense reimbursements	1.31%	1.34%	1.31%	1.24%
Ratio of net investment income (loss) to average net assets				
Before expense reimbursements	(0.22)%	(0.53)%	(0.78)%	(4.11)%
After expense reimbursements	(0.22)%	(0.53)%	(0.55)%	(0.19)%
Portfolio turnover	13%	22%	5%	12%

(a) Calculated based upon average shares outstanding.

(b) Less than \$0.01 per share.

(c) Commencement of operations.

To Learn More

This Prospectus contains important information on the Fund 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 the Fund's performance during its most recent fiscal year.

Statement of Additional Information

This includes more details about the Fund, 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 Fund 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

The Fund is not a bank deposit and is not guaranteed, endorsed or insured by any financial institution or government entity such as the Federal Deposit Insurance Corporation(FDIC).

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Investment Company Act File Number 811-04417