

SHELTON TACTICAL CREDIT FUND

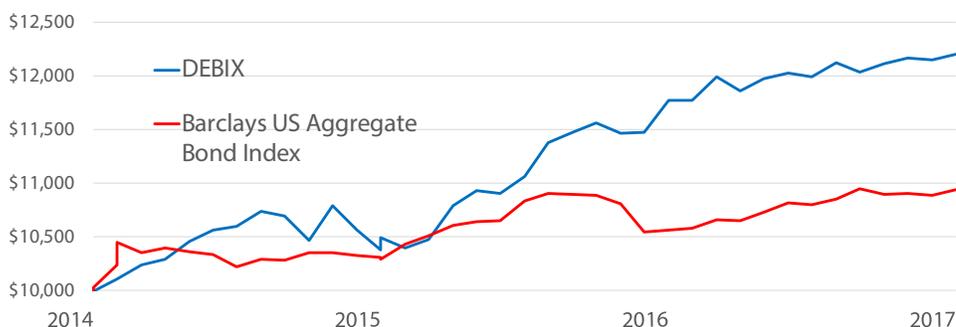
December 31, 2017 | Investor: DEBTX | Institutional: DEBIX



STRATEGIC OVERVIEW

The Fund seeks to deliver current income and capital appreciation by investing primarily, under normal market conditions, in corporate fixed income and/or equity securities that it believes are undervalued. It employs relative value, event-driven, and hedging investment styles in allocating Fund assets across asset classes and capital structures including both long and/or short positions in seeking to achieve its investment objective and reduce risk.

PERFORMANCE OF A \$10,000 INVESTMENT — INSTITUTIONAL SHARES



A hypothetical initial investment of \$10,000 on 12/16/14, the inception date of DEBIX, would have grown to \$12,198 (including reinvested dividends) as of 12/31/17. The information above shows the performance of Institutional class shares only. The performance of Investor class shares will differ from the performance shown because the Investor class shares have different expenses than the Institutional class shares.

AVERAGE ANNUAL TOTAL RETURNS

	4Q17	YTD	1YR	3YR	SINCE INCEPTION
DEBIX	0.68%	3.65%	3.65%	6.88%	6.75%
DEBTX	0.52%	3.34%	3.34%	6.59%	6.46%
Barclays US Aggregate Bond Index	0.39%	3.54%	3.54%	2.27%	2.28%

Total returns include changes in share price and the reinvestment of income dividends and all capital gains distributions. All performance figures reflect an expense reimbursement, where applicable. Without the expense reimbursement, the performance figures would be lower.

Performance figures represent past performance and are not a guarantee of future results. The investment return and the principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost; current performance may be lower or higher than the performance data quoted. For more current month-end Fund performance information, please call our office at (800) 955-9988 or visit us on the web at www.sheltoncap.com.

FUND CORRELATION TO RELEVANT INDEXES

S&P 500® Index	0.62
Barclays US Aggregate Bond Index	0.18

Correlation is a statistical measure of how two securities move in relationship to each other. A correlation of +1 implies identical movement, -1 implies movement in the opposite direction, and 0 implies random movement. Correlations shown are based upon the daily returns of Institutional shares at net asset value since inception.

FUND PORTFOLIO STATISTICS¹

Average duration	3.12 yrs	Annualized standard deviation	2.88
Average maturity	6.24 yrs	Annualized Sharpe ratio	0.97
Average position size	\$1.04M	(0% risk free rate)	
Up/Down capture ratio to Barclays US Aggregate Bond Index	165.5%/-360.3%	Annualized Sortino ratio	1.06
		(0% risk free rate)	

Source: Bloomberg. Portfolio statistics apply to the Fund's holdings, not to the Fund itself, and do not represent the Fund's valuation, performance, or distributions.

Average duration is a calculation of the average life of the bonds in the portfolio that is a useful measure of the portfolio's sensitivity to interest rate changes. Average maturity is the weighted average of the maturities of the underlying bonds in a portfolio of bonds.

Shelton Capital Management contractually reimburses expenses to the extent total annual fund operating expenses exceed the net expense ratio until 03/17/18.

FUND INFORMATION

TICKER	SHARE PRICE	GROSS EXPENSE RATIO	NET EXPENSE RATIO
DEBIX	\$10.36	1.52%	1.44%
DEBTX	\$10.31	1.77%	1.69%

FUND OBJECTIVE

Seeks to achieve current income and capital appreciation

BENCHMARK

Barclays US Aggregate Bond Index

NET ASSETS

\$25.5M

NUMBER OF HOLDINGS

34

TURNOVER (% ANNUALIZED)

284

INCEPTION DATE

12/16/14

MORNINGSTAR CATEGORY

Long-Short Credit

DIVIDEND FREQUENCY

Quarterly

PORTFOLIO CHARACTERISTICS

PORTFOLIO COMPOSITION

High-yield	93.43%
Equities	5.16%
Investment Grade	0.00%
Bank Debt	0.00%
Convertibles	0.00%
Cash and other	1.41%

CREDIT QUALITY

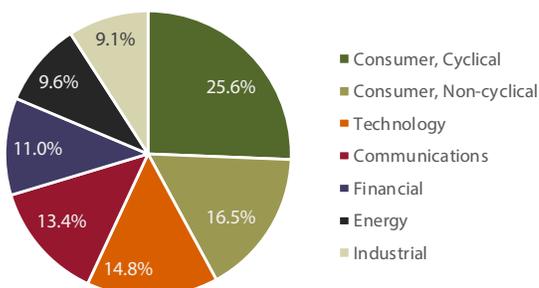
BB+	5.41%
BB	0.00%
BB-	4.40%
B+	9.93%
B	45.53%
B-	13.16%
CCC+	21.57%
CCC	0.00%
CCC-	0.00%

Source: Bloomberg.

The credit quality letter ratings are provided by Standard and Poor's to indicate the creditworthiness of the underlying bonds in the Fund and not of the Fund itself. These credit ratings range from AAA (highest; extremely strong capacity to meet its financial commitments) to D (lowest; payment default). Bonds rated BB or lower are considered to be "below investment-grade" and commonly are known as "junk bonds."

SHELTON TACTICAL CREDIT FUND

SECTOR ALLOCATION



TOP TEN HOLDINGS

ISSUE	COUPON/MATURITY	HOLDINGS
Golden Nugget Inc	8.75%/2025	8.25%
Rackspace Hosting Inc	8.62%/2024	6.29%
Icahn Enterprises LP / Icahn Enterprises Finance Corp	6.75%/2024	5.04%
Altice Luxembourg SA	7.62%/2025	4.70%
Kinetic Concepts Inc / KCI USA Inc	12.5%/2021	4.41%
TRANSOCEAN INC	9.00%/2023	4.35%
BCD Acquisition Inc	9.62%/2023	4.32%
Scientific Games International Inc	10.0%/2022	4.31%
BlueLine Rental Finance Corp / BlueLine Rental LLC	9.25%/2024	4.19%
First Data Corp	7.00%/2023	4.15%

Holdings percentages are based upon the net assets. Portfolio holdings are subject to change. The securities identified do not represent all of the securities purchased, sold, or held by the Fund, and it should not be assumed that investments in the securities identified were or will be profitable.

DEFINITIONS AND IMPORTANT INFORMATION

Average duration: a calculation of the average life of the bonds in the portfolio that is a useful measure of the portfolio's sensitivity to interest rate changes.

Average maturity: weighted average of the maturities of the underlying bonds in a portfolio of bonds.

Sharpe Ratio: average return earned in excess of the risk-free rate per unit of volatility or total risk.

Sortino Ratio: a variation of the Sharpe ratio that differentiates harmful volatility from total overall volatility by using the asset's standard deviation of negative asset returns or downside deviation.

Upside/downside capture ratio: Upside/downside capture ratio indicates whether a fund has outperformed a broad market benchmark during periods of market strength and weakness and by how much.

It is possible to lose money by investing in the Fund. Past performance does not guarantee future results.

The Fund invests without restriction as to issuer capitalization, country, credit quality and without restriction as to the maturity of fixed income securities. The Fund generally will take long positions in securities believed to be undervalued and short positions in securities believed to be overvalued. The Fund typically employs derivatives for hedging purposes, such as futures contracts, options, credit-default swaps, and total return swaps.

The risk for loss on short selling is greater than the original value of the securities sold short, and theoretically is unlimited, because the price of the borrowed security may rise, thereby increasing the price at which the security must be purchased. Although the Fund intends to use derivatives to reduce risk, they may have the opposite effect and increase the volatility or magnitude of loss by the Fund. Derivatives may be illiquid and subject to the risk of default by a counter-party.

The value of the Fund's investments in fixed income securities will fluctuate with changes in interest rates. Typically, a rise in interest rates causes a decline in the value of fixed income securities. The Fund may invest in non-investment grade fixed income securities, sometimes known as "high-yield bonds" or "junk bonds," which may subject the Fund to greater credit risk, price volatility and risk of loss than investment grade securities. Some of the "junk bonds" may include securities issued by distressed companies experiencing acquisition, merger, spinoff, restructuring, bankruptcy, downgrade, delinquency, default, or relatively poor financial performance. Distressed securities are speculative and involve substantial risks in addition to the risks of investing in junk bonds, including potential loss of the Fund's entire investment.

Investors should consider a fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus contains this and other information about the fund. To obtain a prospectus, visit www.sheltoncap.com or call (800) 955-9988. A prospectus should be read carefully before investing. Shelton Tactical Credit Fund is distributed by RFS Partners, a member of FINRA and affiliate of Shelton Capital Management. (01/2018)

INVESTMENTS ARE NOT FDIC INSURED OR BANK GUARANTEED AND MAY LOSE VALUE.

FUND MANAGEMENT

Shelton Capital Management is the Fund's advisor. Shelton Capital Management has served as the investment advisor and administrator to the Shelton Funds since 1985.

JOHN HARNISCH, CFA, PORTFOLIO MANAGER



- 13 years experience analyzing and trading credit and derivative markets having managed fixed income portfolios at major insurance companies.

- B.A., Economics, Trinity College; CFA, Charter designation and member of Hartford CFA Society and CFA Institute.

WILLIAM MOCK, PORTFOLIO MANAGER



- 19 years experience as a trader and portfolio manager of fixed income and derivative portfolios. William has been a

portfolio manager at Shelton Capital since 2010.

- B.S., Electrical Engineering, Kansas State University; MBA, University of Chicago Booth School of Business.

CHRIS WALSH, PORTFOLIO ANALYST



- Three years experience analyzing credit and equity markets.

- B.A. Economics, Villanova University.



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