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Form 485BPOS  
October 20, 2016

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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Form N-1A

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933 /X/  
Post-Effective Amendment No. 15  
and/or

REGISTRATION STATEMENT UNDER THE INVESTMENT COMPANY ACT OF 1940 /X/  
Amendment No. 16

SCM Trust  
(Exact Name of Registrant as Specified in Charter)

1050 17<sup>th</sup> Street, Suite 1710  
Denver, CO 80265  
(Address of Principal Office)

Telephone Number: (415) 398-2727  
Stephen C. Rogers  
1050 17<sup>th</sup> Street, Suite 1710  
Denver, CO 80265  
(Name and Address of Agent for Service)

With copy to:  
Timothy S. Johnson  
Reed Smith LLP  
225 Fifth Avenue  
Pittsburgh, Pennsylvania 15222  
Telephone Number: (412) 288-1484

It is proposed that this filing will become effective:

- on October 20, 2016 pursuant to Rule 485(b)  
 60 days after filing pursuant to Rule 485(a)(1)  
 75 days after filing pursuant to Rule 485(a)(2)  
 on \_\_\_\_\_ pursuant to Rule 485(a)
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Shelton International Select Equity Fund – Investor Class [SIXLX]

Shelton International Select Equity Fund – Institutional Class [SISEX]

PROSPECTUS

August 5, 2016

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 such as the Federal Deposit Insurance Corporation (FDIC). The Fund or its classes may not be available in your state. Please check with your Advisor to determine availability for sale in your state.

This Prospectus provides important information about the shares of the Shelton International Select Equity Fund that you should know before investing. Please read it carefully and keep for future reference.

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## FUND SUMMARY

## Shelton International Select Equity Fund

Investor Class Ticker Symbol SISLX

Institutional Class Ticker Symbol SISEX

## Investment Objective

The Fund seeks to achieve long-term capital appreciation.

## Fees and Expenses of the Fund

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

	Investor Class	Institutional Class
Shareholder Fees (fees paid directly from your investment)	None	None
Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)		
Management Fees	0.74%	0.74%
Distribution and Service (12b-1) Fees	0.25%	None
Other Expenses	0.26%	0.26%
Total Annual Fund Operating Expenses	1.25%	1.00%
Expense Reimbursement <sup>(1)</sup>	(0.01)%	(0.01)%
Total Annual Fund Operating Expenses After Expense Reimbursement	1.24%	0.99%

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- (1) Shelton Capital Management, the Fund's investment advisor (the "Advisor") has contractually agreed to waive a portion or all of its management fees and pay certain Fund expenses to the extent necessary to ensure that the Fund's total operating expenses (excluding acquired fund fees and expenses, interest, taxes, any class-specific expenses such as Rule 12b-1 distribution fees, shareholder servicing fees, transfer agency fees, dividend and interest and securities sold short, brokerage commissions and extraordinary expenses) does not exceed 0.99% (on an annual basis) of average daily net assets of the Fund's shares (referred to in this Fund Summary as the "Expense Reimbursement"). The Expense Reimbursement will remain in effect for at least one year following the consummation of the Reorganization, and may be terminated before that date only by the Board of Trustees (also referred to herein as the "Board") of the SCM Trust (the "Trust"). The Advisor may recover any previously waived fees and paid expenses from the Fund pursuant to this agreement for three (3) years from the date they were waived or paid. The Advisor's ability to recover any previously waived fees and paid expenses is subject to the Expense Reimbursement as in effect at the time such fees were waived or expenses were paid.

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Example: 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 either redeem all of your shares or continue to own all of your shares at the end of those periods. The 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 Year
Investor Class	\$136	\$423
Institutional Class	\$111	\$345

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## 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 Fund 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. It is anticipated that the Fund's portfolio turnover rate will be 50% of the average value of its portfolio in the first year of operation.

## Summary of Principal Investment Strategies

The Fund primarily invests, under normal market conditions, at least 80% of the Fund's net assets (plus borrowings for investment purposes) in a combination of equity securities of foreign (i.e., non-U.S.) companies with a suitable potential for earnings growth. The Fund invests its assets in equity securities of non-U.S. companies located in countries with developed markets, but may also invest in companies domiciled in emerging markets.

Under normal market conditions, the Fund seeks to achieve its investment objective by investing in a universe of stocks listed within the MSCI ACWI ex USA index, as well as those in other developed, emerging, and frontier markets with a market capitalization of \$2.5 billion or higher. The Advisor anticipates that the percentage of the Fund's investable universe not included in the MSCI ACWI ex USA index will be approximately 20%. The Fund ordinarily invests in no fewer than three different countries outside the U.S. Under normal market conditions, the Fund will invest at least 40% of its net assets, plus any borrowings for investment purposes, in securities of non-U.S. companies. However, the Fund may invest a lesser amount of its assets in securities of non-U.S. companies when market conditions are not deemed favorable, in which case the Fund would invest at least 30% of its net assets, plus any borrowings for investment purposes, in securities of non-U.S. companies. The Fund will normally invest in the securities of approximately 30 to 50 issuers.

The Fund's investments in equity securities may include common and preferred stock, convertible preferred stock, warrants and rights.

The Advisor implements its investment strategy by first using a proprietary global "life-cycle" screen to narrow the Fund's investable universe. The Advisor then uses a fundamental, "bottom-up" research selection and disciplined portfolio construction process which is focused on identifying stocks that the Advisor believes have the ability to generate sustainable returns, regardless of sector or country.

The Advisor's "life-cycle" screen classifies companies according to one of the following five categories:

- Innovation: Companies characterized as having high level of capital investment and below the cost of capital returns.
- Expansion: Companies characterized by aggressive investment to compound their high and rising returns, achieving a peak in both growth and cash flow returns.
- Deceleration: Companies characterized as having very high returns, combined with good, but slowing growth prospects.
- Maturity: Companies characterized as earning a small positive spread above the cost of capital.
- Distress: Companies characterized as having returns driven down below the cost of capital.

The Advisor's investment team actively invests across all five categories of the "life-cycle", building a diversified portfolio of high-growth, high-return, income-oriented and distressed investments.

In managing the portfolio, the investment team seeks to balance the portfolio's risk and return by maximizing stock specific risk (risk from security selection) while at the same time minimizing systematic factor risks (which includes, but is not limited to, sector selection, country selection, currency management).

The Fund may engage in frequent and active trading of securities as a part of its principal investment strategy.



The Advisor will sell or reallocate a Fund's securities if the Advisor believes the issuer of such securities no longer meets certain growth criteria, if certain political and economic events occur, or if it believes that more attractive opportunities are available. The team strives to preserve capital as part of its investment process.

#### SUMMARY OF PRINCIPAL RISKS

The Fund is subject to the principal risks summarized below. These risks could adversely affect the Fund's net asset value ("NAV"), yield and total return. It is possible to lose money by investing in the Fund.

**Equity Securities Risk:** Stock markets are volatile. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions. This risk may be considered generic to stocks of all companies while other risks may apply to small and mid-cap stocks.

**Foreign Investing Risks:** Foreign stocks may underperform U.S. stocks and may be more volatile than U.S. stocks. Risks relating to investments in foreign securities (including, but not limited to, depositary receipts) include: currency exchange rate fluctuation; less available public information about the issuers of securities; less stringent regulatory standards; lack of uniform accounting, auditing and financial reporting standards; and country risks including less liquidity, high inflation rates, unfavorable economic practices; political instability and expropriation and nationalization risks.

**Emerging Market Risk:** Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop. Investments in emerging markets may be considered speculative. Emerging markets are more likely to experience hyperinflation and currency devaluations, which adversely affect returns to U.S. investors. In addition, many emerging securities markets have far lower trading volumes and less liquidity than developed markets.

**Growth Securities Risks:** Growth stocks may fall out of favor with investors and underperform other asset types during given periods. A company may never achieve the earnings growth the Advisor anticipates.

**Mid Cap Stock Risk:** Mid cap stock risk is the risk that stocks of mid-sized companies may be subject to more abrupt or erratic market movements than stocks of larger, more established companies. Mid-sized companies may have limited product lines or financial resources, and may be dependent upon a particular niche of the market.

**Small Cap Stock Risk:** The risk that stocks of smaller capitalization companies may be subject to more abrupt or erratic market movements than stocks of larger, more established companies. Small capitalization companies may have limited product lines or financial resources, or may be dependent upon a small or inexperienced management group, and their securities may trade less frequently and in lower volume than the securities of larger companies, which could lead to higher transaction costs. Generally the smaller the company size, the greater the risk.

**Management Risk:** As with any managed fund, the Advisor may not be successful in selecting the best-performing securities or investment techniques, and the Fund's performance may lag behind that of similar funds. The Advisor may also miss out on an investment opportunity because the assets necessary to take advantage of the opportunity are tied up in less advantageous investments.

**Market Risk:** The risk that the market value of a security may, sometimes rapidly and unpredictably, fluctuate. The prices of securities change in response to many factors including the historical and prospective earnings of the issuer, the value of its assets, general economic conditions, interest rates, investor perceptions and market liquidity.

**Currency Risk:** The risk that foreign currencies will fluctuate in value relative to the U.S. dollar, adversely affecting the value of the Fund's investments and its returns. Because the Fund's NAV is determined on the basis of U.S. dollars, you may lose money if the local currency of a foreign market depreciates against the U.S. dollar, even if the



market value of the Fund's holdings appreciates.

Portfolio Turnover Risk: The risk that high portfolio turnover is likely to lead to increased Fund expenses that may result in lower investment returns. High portfolio turnover also is likely to result in higher short-term capital gains taxable to shareholders.

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Valuation Risk: The risk that the Fund has valued certain of its securities at a higher price than it can sell them.

#### Performance Information

Because the Fund does not have a full calendar year of operations as of the date of this prospectus, performance information is not included in the Fund summary.

#### Management of the Fund

##### Investment Advisor

Shelton Capital Management (“Shelton”) serves as investment advisor to the Fund.

##### Portfolio Managers

Mr. Matthias Knerr has served as the Fund’s lead portfolio manager since the Fund’s inception. Messrs. Chris LaJaunie and Andrew Manton have served as members of the portfolio management team since the Fund’s inception.

##### Purchase and Sale of Fund Shares

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

	Minimum Initial Investment		Minimum Subsequent Investment	
	Investor Class	Institutional Class	Investor Class	Institutional Class
Accounts with Automatic Investment Plan	\$500	\$500,000	\$500	\$1,000
All other Fund accounts	\$1,000	\$500,000	\$1,000	\$2,000

The Fund reserves the right to waive these minimum amounts pursuant to agreements with financial intermediaries.

You may redeem all or portion of your shares on any business day that the Fund is open for business by mail, telephone or our website ([www.sheltoncap.com](http://www.sheltoncap.com)). You may receive the redemption by wire, electronic funds transfer or check.

##### Taxes

The Fund intends to make distributions that may be taxed as ordinary income or capital gains. Such distributions are not currently taxable when shares are held through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account. However, subsequent withdrawals from any tax-deferred account in which the shares are held may be subject to federal income tax.

##### Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the financial 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 financial intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

ADDITIONAL INFORMATION ABOUT THE FUND

Investment Objective

The investment objective of the Fund is to achieve long-term capital appreciation. The Fund's investment objective may be changed by the Board of Trustees without shareholder approval upon sixty (60) day's written notice to shareholders. There is no guarantee that the Fund will achieve its investment objective.

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## Additional Investment Strategies and Information

The Fund's principal investment strategies are discussed in the "Fund Summary" section. Principal investment strategies are those that the Advisor will use on a day-to-day basis to achieve the Fund's investment objective. This section provides more information about these strategies, as well as information about some additional strategies that the Fund's Advisor uses, or may use, to achieve the Fund's objective. Additional information about these investment strategies and practices and related risks is also provided in the Fund's Statement of Additional Information ("SAI"). The Fund may also use strategies and invest in securities that are not described in this prospectus, but that are described in the Fund's SAI. The investments and strategies discussed below are those that the Advisor will use under normal market conditions.

The Fund has a policy to invest, under normal market conditions, at least 80% of its net assets (plus borrowings for investment purposes) at the time of initial purchase, in equity securities. This non-fundamental policy may be changed by the Board of Trustees of the Trust without shareholder approval upon sixty (60) days' written notice to shareholders. The Fund's investments in equity and equity-related securities include common and preferred stock, exchange-traded funds, convertible preferred stock, warrants and rights.

The following describes the types of securities the Fund may purchase under normal market conditions to achieve its principal investment strategy.

### Equity Securities

Can include common stock and securities convertible into stock of both U.S. and non-U.S. corporations.

### Equity Securities of Foreign Companies Traded on U.S. Exchanges

Can include common stock and preferred stock of non-U.S. corporations. Also may include American Depositary Receipts (ADRs), Global Depositary Receipts (GDRs), which are receipts issued by a bank or trust company and evidence ownership of underlying securities issued by a foreign corporation, and ETFs.

### Convertible Preferred Stock

A class of stock that pays dividends at a specified rate, has preference over common stock in the payment of dividends and the liquidation of assets, and is convertible into common stock.

### Exchange Traded Funds

The Fund may invest in shares of exchange traded funds or "ETFs" whose underlying investments are consistent with the Fund's investment objective. ETFs are registered investment companies whose shares are publicly traded on a securities exchange and track a securities market index. As a shareholder in an investment company, the Fund would bear its pro-rata portion of an ETF's expenses, including advisory fees, in addition to its own expenses. Although the 1940 Act limits investments by registered investment companies in the securities of other investment companies, registered investment companies, including the Fund, are permitted to invest in certain ETFs beyond the limits set forth in the 1940 Act, subject to certain terms and conditions including entering into an agreement with such ETF.

The Advisor may use several types of investments in furtherance of the Fund's overall investment objective. The following describes the types of securities that may be purchased but the Advisor does not consider them to be a part of the Fund's principal investment strategy. Additional securities that the Fund may purchase are included in the Fund's SAI.

### Forward Currency Contracts

Contracts that attempt to eliminate currency exposure between the time of a securities transaction and settlement of that transaction. A forward foreign currency contract is an agreement to buy or sell a country's currency at a specific price on a specific date, usually 30, 60, or 90 days in the future. In other words, the contract guarantees an exchange rate on a given date.

**Warrants**

Securities that give the Fund the right to purchase equity securities from the issuer at a specific price (the strike price) for a limited period of time.

**Futures Contracts and Options on Futures Contracts**

Contracts involving the right or obligation to deliver or receive assets or money depending on the performance of one or more assets or an economic index. To reduce the effects of leverage, liquid assets equal to the contract commitment are set aside to cover the commitment. The Fund may invest in futures in an effort to hedge against market or currency risk, as a temporary substitute for buying or selling securities or for temporary cash management purposes. There is no assurance that the Fund will engage in any hedging transactions.

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## OTHER INVESTMENT STRATEGIES AND POLICIES

The Fund considers foreign (or non-U.S. companies) to be companies that (i) have their principal securities trading market in a foreign country; (ii) alone or on a consolidated basis derive 50% or more of annual revenue from goods produced, sales made or services performed in foreign countries; (iii) are organized under the laws of, and have a principal office in, a foreign country, (iv) are depositary receipts of issuers described in (i) and (iii) above, or (v) are exchange-traded funds that invest in a foreign country or countries.

The Fund considers emerging market companies and frontier market companies to be companies that (i) have their principal securities trading market in an emerging country and a frontier market country, respectively; (ii) alone or on a consolidated basis derive 50% or more of annual revenue from goods produced, sales made or services performed in emerging countries and frontier market countries, respectively; (iii) are organized under the laws of, and have a principal office in, an emerging country and frontier market country, respectively, (iv) are depositary receipts of issuers described in (i) and (iii) above, or (v) are exchange-traded funds that invest in an emerging country or countries and a frontier market country or countries, respectively. "Emerging countries" include those currently considered to be an emerging or developing country by the World Bank, the International Finance Corporation, the United Nations, or the countries' authorities, and all countries represented in any widely-recognized index of emerging market securities. Typically, emerging markets are in countries that are in the process of industrialization, with lower gross national products (GNP) than more developed countries. The Fund currently considers each of the countries in the MSCI Emerging Markets Index to be emerging countries. "Frontier market countries" are a subset of emerging countries with even smaller national economies and include all countries represented in any widely-recognized index of frontier market securities. The Fund currently considers each of the countries in the MSCI Frontier Markets Index to be frontier market countries.

The Fund may borrow to the extent permitted by the Investment Company Act of 1940, as amended (the "1940 Act"). At times, the Fund may be required to segregate or earmark certain assets determined to be liquid by the Advisor (generally, short-term investment grade fixed income securities) to cover borrowings.

The Fund may invest directly in foreign securities traded domestically or in foreign markets, or indirectly through shares of ADRs, International Depositary Receipts, GDRs and European Depositary Receipts (together, "Depositary Receipts") and New York Registry Shares.

The Advisor may sell securities in anticipation of market declines, trade securities actively or sell securities in order to make cash available for new investment opportunities, which could increase the Fund's transaction costs (thus lowering performance) and increase your taxable distributions.

Any percentage limitations with respect to the investment of the Fund's assets or quality requirement of issues or issuers in which the Fund invests are applied at the time of purchase.

In anticipation of or in response to adverse market or other conditions or atypical circumstances as determined by the portfolio manager, such as unusually large cash inflows or redemptions, a Fund may temporarily hold all or a portion of its assets in U.S. Government securities, money market funds, cash or cash equivalents. Under such conditions, the Fund may not invest in accordance with its investment objective or principal investment strategies and may not achieve its investment objective.

### Risks

The following is a list of certain principal risks that may apply to your investment in the Fund. Further information about investment risks is available in the Fund's SAI:

Equity Securities Risk: Common and preferred stocks represent equity ownership in a company. Stock markets are volatile. The price of equity securities held by the Fund may fluctuate and can decline and reduce the value of a portfolio investing in equities. The value of equity securities purchased by the Fund could decline if the financial condition of the companies the Fund invests in decline or if overall market and economic conditions deteriorate. They may also decline due to factors that affect a particular industry or industries, such as labor shortages or an increase in production costs and competitive conditions within an industry. In addition, they may decline due to general market conditions that are not specifically related to a company or industry, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or generally adverse investor sentiment.

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**Foreign Investing Risk:** Foreign (non-U.S.) securities may experience more rapid and extreme changes in value than investments in securities of U.S. companies, due to less liquid securities and markets, and adverse economic, political, diplomatic, financial, and regulatory factors. For example, recent developments in certain Eurozone countries have caused the prices of securities to decline throughout the region. In addition, there may be fewer investors on foreign exchanges and a smaller number of securities traded each day, making it more difficult for an account to buy and sell securities on those exchanges. Foreign governments also may impose limits on investment and repatriation and impose taxes. Income from foreign issuers may be subject to non-U.S. withholding taxes. In some countries, investor accounts also may be subject to taxes on trading profits and, on certain securities transactions, transfer or stamp duties tax. Settlement and clearance procedures in certain foreign markets differ significantly from those in the U.S. and may involve certain risks (such as delays on payment for or delivery of securities) not typically associated with the settlement of U.S. investments. Foreign companies generally are not subject to uniform accounting, auditing and financial reporting standards or to other regulatory requirements that apply to U.S. companies. As a result, less information may be available concerning non-U.S. issuers. Accounting and financial reporting standards in emerging markets may be especially lacking. Further, it is often more expensive to trade securities in foreign markets as commissions are generally higher than in the U.S., and foreign exchanges and investment professionals are subject to less governmental regulation than in the U.S. Any of these events could cause the value of the foreign securities in which a Fund invests in to decline.

**Emerging Market Risk:** Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop. Investments in emerging markets may be considered speculative. Emerging markets are more likely to experience hyperinflation and currency devaluations, which adversely affect returns to U.S. investors. In addition, many emerging securities markets have far lower trading volumes and less liquidity than developed markets. Since these markets are often small, they may be more likely to suffer sharp and frequent price changes or long term price depression because of adverse publicity, investor perceptions or the actions of a few large investors. Also, there may be less publicly available information about issuers in emerging markets than would be available about issuers in more developed capital markets, and these issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those in developed markets. Many emerging markets have histories of political instability and abrupt changes in policies. As a result, their governments may be more likely to take actions that are hostile or detrimental to private enterprise or foreign investment than those of more developed countries, including expropriation of assets, confiscatory taxation, high rates of inflation or unfavorable diplomatic developments. In the past, governments of certain emerging market countries have expropriated substantial amounts of private property, and many claims of the property owners under such circumstances have never been fully settled. In the event of expropriation of private property, it is possible that an entire investment in an affected market could be lost. Some countries have pervasiveness of corruption and crime that may hinder investments. Certain emerging markets may also face other significant internal or external risks, including the risk of war, and ethnic, religious and racial conflicts. In addition, governments in many emerging market countries participate to a significant degree in their economies and securities markets, which may impair investment and economic growth. Emerging markets may also have differing legal systems and the existence or possible imposition of exchange controls, custodial restrictions or other foreign or U.S. governmental laws or restrictions applicable to such investments. Sometimes, they may lack or be in the relatively early development of legal structures governing private and foreign investments and private property. In addition to withholding taxes on investment income, some countries with emerging markets may impose differential capital gains taxes on foreign investors.

**Growth Securities Risks:** Because growth securities typically trade at a higher multiple of earnings than other types of securities, the market values of growth securities may be more sensitive to changes in current or expected earnings than the market values of other types of securities. In addition, growth securities, at times, may not perform as well as value securities or the stock market in general, and may be out of favor with investors for varying periods of time.



**Mid Cap Stock Risk:** Mid cap stock risk is the risk that a company will be adversely affected or fail as a result of its smaller size. Mid sized companies are more likely than larger companies to have limited product lines, markets, or financial resources, or to depend on a less experienced management group. Stocks of these companies may trade less frequently and in limited volume, and their prices may fluctuate more than stocks of larger companies. Stocks of mid sized companies may, therefore, be more vulnerable to adverse developments than those of larger companies. Mid capitalization stocks could also underperform stocks of smaller companies.

**Small Cap Stock Risk:** Small cap risk is the risk that a company will be adversely affected or fail as a result of its small size. Smaller companies are more likely than larger companies to have limited product lines, markets, or financial resources, or to depend on a small, inexperienced management group. Stocks of these companies often trade less frequently and in limited volume, and their prices may fluctuate more than stocks of larger companies. Stocks of small companies may, therefore, be more vulnerable to adverse developments than those of larger companies.

**Management Risk:** As with any managed fund, the Advisor may not be successful in selecting the best performing securities or investment techniques, and a Fund's performance may lag behind that of similar funds. The Advisor may also miss out on an investment opportunity because the assets necessary to take advantage of the opportunity are tied up in less advantageous investments.

**Market Risk:** The risk that the market value of a security may fluctuate, sometimes rapidly and unpredictably. Securities may decline in value due to factors affecting securities markets generally or particular industries represented in the securities markets. The value of a security may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. The market value of a security may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. During a general downturn in the securities markets, multiple asset classes may decline in value simultaneously.

**Currency Risk:** The risk that foreign currencies will fluctuate in value relative to the U.S. dollar, adversely affecting the value of the Fund's investments and its returns. Because the Fund's NAV is determined on the basis of U.S. dollars, you may lose money if the local currency of a foreign market depreciates against the U.S. dollar, even if the market value of the Fund's holdings appreciates.

**Portfolio Turnover Risk:** The risk that high portfolio turnover is likely to lead to increased Fund expenses that may result in lower investment returns. High portfolio turnover also is likely to result in higher short-term capital gains taxable to shareholders.

**Valuation Risk:** The risk that a Fund has valued certain of its securities at a higher price than it can sell them.

#### Other Risks

The Advisor may use several types of investments in furtherance of the Fund's overall investment objective. The following risks are those that the Advisor does not consider to be principal risks of the Fund. Additional risks are included in the Funds' SAI.

**Futures and Options Risks:** Correlation risk is the risk that a hedge created using futures or options contracts (or any derivative, for that matter) does not, in fact, respond to economic or market conditions in the manner the portfolio manager expected. In such a case, the futures or options contract hedge may not generate gains sufficient to offset losses and may actually generate losses. There is no assurance that the Fund will engage in any hedging transactions. Futures contracts and options can also be used as a substitute for the securities to which they relate. Correlation risk is the risk that the market value of the futures contracts or options does not correspond to the market value of the underlying securities.

Other risks of investing in futures and options involves the risk that the Fund will be unable to sell the derivative because of an illiquid secondary market; the risk the counterparty is unwilling or unable to meet its obligation; and the risk that the derivative transaction could expose the Fund to the effects of leverage, which could increase the Fund's exposure to the market and magnify potential losses.

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**Strategic Cash and Cash Equivalents Risk:** Holding cash or cash equivalents, even strategically, may lead to missed investment opportunities. This is particularly true when the market for other investments in which the Fund may invest is rapidly rising. This could compromise the Fund's ability to achieve its investment objective.

**Derivative Instrument:** Indicates an instrument whose value is linked to or derived from another security, instrument or index. A more detailed discussion of various derivative instruments is included in the Fund's statement of additional information.

## MANAGEMENT AND ORGANIZATION

The Board of Trustees of the Trust supervises the management, activities and affairs of the Fund and has approved contracts with various organizations to provide, among other services, the day-to-day management required by the Fund and its shareholders.

On June 28, 2016, the Board of Trustees of the SCM Trust approved the appointment of Shelton Capital Management, a California limited partnership, to serve as the investment advisor to the Fund (the "Advisor"). The advisory agreement between the Advisor and the Trust was approved by the SCM Trust Board of Trustees to be effective upon consummation of the Reorganization and for an initial two-year term thereafter.

The investment advisor for the Fund is Shelton Capital Management, 1050 17th Street, Suite 1710, Denver, CO 80265. The Advisor has \$ 1.5 billion of assets under management as of June 30, 2016. The Advisor has been managing mutual funds since 1985. The Advisor is responsible for managing the Fund and handling the administrative requirements of the Fund. As compensation for managing the portfolios, the Advisor receives a management fee from the Fund. A discussion regarding the basis for the Board's approval of the investment advisory agreement will be available in the Fund's report to shareholders for the next annual or semi-annual report period ending after the date of such approval.

### Portfolio Managers

Mr. Matthias Knerr has served as the Fund's lead portfolio manager since the Fund's inception. Messrs. Chris LaJaunie and Andrew Manton have served as members of the portfolio management team since the Fund's inception.

The Statement of Additional Information ("SAI") provides additional information about the portfolio managers' compensation, other accounts managed by each portfolio manager and each portfolio manager's ownership of securities in the Fund.

### Management Fees

The Advisor receives an annual management fee from the Fund, of 0.74% of the average daily net assets of the Fund. A discussion regarding the basis for the Board's approval of the advisory agreement will be available in the Fund's report to shareholders for the next annual or semi-annual report period ending after the date of such approval.

## RELATED PERFORMANCE OF THE PORTFOLIO MANAGEMENT TEAM

### Select International Equity Strategy

Mr. Knerr serves as the lead portfolio manager of the Shelton International Select Equity Fund and is primarily responsible for the day-to-day management of the Fund. Mr. Knerr previously served as the lead portfolio manager of and was primarily responsible for the day-to-day management of a separately managed account (the "Account"), and another mutual fund (the "Comparable Fund"). Presented below is the performance of (i) the Account for the period from August 1, 2014 to December 31, 2015, (ii) the performance of the Comparable Fund for the period from

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November 25, 2008 to July 31, 2014 and (iii) the chronologically-linked performance of the Account and the Comparable Fund for the period from November 25, 2008 to December 31, 2015.

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The performance shown below is not that of the Shelton International Select Equity Fund and is provided solely to illustrate the prior performance of the Portfolio Manager and does not indicate the future performance of the Fund. Past performance does not guarantee future results. The performance shown represents the performance of the Account and the Comparable Fund and not the historical results of the Advisor, and there is no assurance that similar performance results will be achieved at the Advisor. Results may differ because of, among other things, differences in brokerage commissions, account expenses including management fees, the size of positions taken in relation to account size, diversification of the account, timing of purchases and sales and availability of cash for new investment.

The Fund has been advised that during the period from November 25, 2008 to December 31, 2015, the Portfolio Manager exercised final decision-making authority over all material aspects concerning the investment objective, policies, strategies, and security selection decisions of the Account and the Comparable Fund, that no other person played a significant role in the investment decision-making process and that the Portfolio Manager exercises the same level of authority and discretion in managing the International Fund. The investment objective, policies and strategies of the Account and Comparable Fund are substantially similar in all material respects to those of the International Fund.

Separate Account Performance

Shown below is performance information of a single account (the “Account”) invested pursuant to the Select International Equity Strategy. The Account is a discretionary, non-fee paying account that was initially invested on June 24 – 27, 2014 and is beneficially owned by Mr. Knerr and the other members of the portfolio management team. Performance for the account is shown from the date Mr. Knerr and the portfolio management team ceased to manage the Comparable Fund beginning on August 1, 2014. The account is not a registered mutual fund and was not subject to certain investment limitations and other restrictions imposed by the 1940 Act and the Internal Revenue Code of 1986, as amended (the “IRC”), which, if applicable, may have adversely affected the performance results of the Account. None of the performance or expense information regarding the Account has been independently verified. Returns include all dividends, interest, realized and unrealized gains and losses. The performance information is presented net and gross of the Fund’s. Account returns were calculated monthly using the Modified Dietz Method, a time-weighted return methodology with adjustments for cash flows. This method of calculation differs from the SEC’s formula for a registered investment company to calculate average annual total return.

The Account’s historical performance is not indicative of the potential future performance of the Shelton International Select Equity Fund. Further, the Account’s limited performance history may not be indicative of the Diversified International Equity Strategy's longer-term performance.

Total Returns

Period Ended December 31, 2015	Total Return (Net of Fees)	Total Return (Gross of Fees)	MSCI ACWI ex USA Index**
1 Year	-8.37%	-7.46%	-5.66%
Since Inception*	-8.47%	-7.56%	-9.53%

\*Inception date August 1, 2014.

\*\*MSCI ACWI Ex USA Index. The index is calculated net of taxes applicable to foreign investors who are subject to a foreign tax withholding on dividends received. The MSCI ACWI ex USA Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI ex USA consists of 45 country indexes comprising 22 developed and 23

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emerging market country indexes. The developed market country indexes included are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom. The emerging market country indexes included are: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey, and United Arab Emirates.

Comparable Fund Performance

The following table sets forth performance data relating to the historical performance of the Class I (institutional) shares of the Comparable Fund. The data provided, which is net of all actual fees and expenses (including account fees but, with respect to Annual Total Returns data, not including sales loads) of the Comparable Fund, illustrates the past performance of the Portfolio Manager in managing a substantially similar mutual fund as the International Fund, as measured against the MSCI ACWI ex USA Index. The performance presented was achieved by a prior firm unaffiliated with the Advisor. The performance should not be viewed as that of the Advisor or an indication of how the Advisor would have performed in the past or will perform in the future. If sales loads were reflected in the Annual Total Returns performance data, the returns would be less than those shown.

The Comparable Fund is a separate fund and its historical performance is not indicative of the potential future performance of the Shelton International Select Equity Fund.

The performance information of the Comparable Fund has not been adjusted to reflect the expenses of the Fund. The expenses of the International Select Equity Fund are estimated to be lower than the expenses of the Comparable Fund for the periods presented. During the period from November 25, 2008 to July 31, 2014 (the "Relevant Period"), the Portfolio Manager also managed other accounts with investment objectives, policies and strategies substantially similar to those of the Fund. Performance results for these other accounts have not been provided due to lack of supporting records. However, performance of these other accounts is not materially different than the Comparable Fund's performance.

The following data illustrates the past performance of the Portfolio Manager in managing the Comparable Fund and does not represent the performance of the International Fund.

Annual Total Returns

	Inception* through 2008	2009	2010	2011	2012	2013	Period from January 1, 2014 through July 31, 2014
Class I	6.40%	31.81%	15.12%	-14.81%	19.61%	20.60%	1.75%
MSCI ACWI ex USA (reflects no deduction for fees, expenses or taxes)	11.53%	41.45%	11.15%	-13.71%	16.83%	15.29%	4.51%

All returns for the Comparable Fund are total rates of return assuming reinvestment of income and distributions and are calculated net of investment management fees.

\*The Comparable Fund's inception date was November 25, 2008.

The performance presented reflects the fees and expenses of Class I shares of the Comparable Fund, which were not subject to a sales load. Other share classes of the Comparable Fund were subject to sales loads and distribution or servicing fees, which resulted in lower performance for such Classes relevant to performance for the Class I shares. All classes of shares of the Comparable Fund were charged a uniform investment advisory fee.

Chronologically Linked Performance of the Account and Comparable Fund ("Combined Performance")

Shown below is combined performance for (1) the Account as set forth above and (2) the Comparable Fund as set forth above. The presentation below links the two time periods during which the Portfolio Manager was primarily

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responsible for the day-to-day management of the Account and the Comparable Fund.

Average Annual Trailing Returns as of  
12/31/15

	1 Year	3 Years	5 Years	Since Inception*
Combined Performance**	-8.37%	2.68%	1.98%	8.46%
MSCI ACWI Ex USA (USD, Net)	-5.66%	1.50%	1.06%	9.03%



Calendar Year Returns

2008\*\*\* 2009 2010 2011 2012 2013