

SCM Trust
Form N-14/A
May 30, 2018

As filed with the Securities and Exchange Commission on May 29, 2018

Registration Nos.

U.S. SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM N-14

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Pre-Effective Amendment No. 4

Post-Effective Amendment No. ____

(Check appropriate Box or Boxes)

SCM TRUST

(Exact Name of Registrant as Specified in Charter)

1050 17th Street Suite 1710, Denver, CO 80265

(Address of Principal Executive Offices)

(800) 955-9988

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(Registrant's Telephone Number, including Area Code)

| | |
|---|-------------------------------------|
| Name and Address of Agent for Service: | with a copy to: |
| Gregory Pusch, CCO | Peter H. Schwartz, Esq. |
| SCM Trust | Davis Graham & Stubbs |
| | LLP |
| 1050 17 th Street Suite 1710 | 1550 17 th Street, Suite |
| | 500 |
| Denver, CO 80265 | Denver, CO 80202 |

Approximate Date of Proposed Public Offering: **As soon as practicable after this Registration Statement becomes effective under the Securities Act of 1933, as amended.**

Title of Securities Being Registered: Shares of beneficial interest

It is proposed that this filing shall become effective on May 29, 2018 pursuant to Rule 488 under Securities Act of 1933 and in accordance Section 8(a) of the Securities Exchange Act of 1933 or when this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to Section 8(a), may determine.

An indefinite amount of the Registrant's securities has been registered under the Securities Act of 1933 pursuant to Rule 24f-2 under the Investment Company Act of 1940. In reliance upon such Rule, no filing fee is being paid at this time.

Shelton Funds

European Growth and Income Fund

1050 17th Street, Suite 1710

Denver, CO 80265

May __, 2018

Dear Shareholder:

A Special Meeting of Shareholders of the European Growth and Income Fund, a series of Shelton Funds has been scheduled for June 15, 2018 (the “Special Meeting”) to vote on the proposal to reorganize (the “Reorganization”) of the European Growth and Income Fund into Shelton International Select Equity Fund (the “International Select Equity Fund”), a series of SCM Trust.

The Reorganization is expected to take effect on our about July 13, 2018.

The investment objectives of the European Growth and Income Fund and the International Select Equity Fund are similar. Both seek to provide long-term capital appreciation, the European Growth and Income Fund also seeks to provide income. Under normal market conditions the European Growth and Income Fund is limited to investing at least 80% of its total assets (which includes the amount of any borrowings for investment purposes) in large European companies, whereas the Shelton International Select Equity Fund under normal market conditions invests at least 80% of the Fund’s net assets (plus borrowings for investment purposes) in non-U.S. companies worldwide.

For the reasons discussed below and in the attached Combined Proxy Statement/Prospectus, and based on the recommendations of Shelton, the Board of Trustees of the European Growth and Income Fund (the “Board”) has determined that the Reorganization is in the best interests of the European Growth and Income Fund and its shareholders, and that the interests of the shareholders of the European Growth and Income Fund will not be diluted as a result of the Reorganization. As a result, the Board—including the trustees who are not “interested persons” within the meaning of Section 2(a)(19) of the Investment Company Act of 1940, as amended—has approved the Reorganization and directed that the Reorganization be submitted to the European Growth and Income Fund’s shareholders for approval.

The Board recommends that shareholders vote “FOR” the Reorganization.

If the Reorganization is approved by the European Growth and Income Fund’s shareholders, each shareholder of the European Growth and Income Fund will receive shares of the Shelton International Select Equity Fund, with no dilution in the dollar amount of his or her investment. Shareholders of the Class K and Direct Class shares of the European Growth and Income Fund will receive the same number of full and fractional shares of, respectively, the Investor Class and Institutional Class shares of the Shelton International Select Equity Fund, as they originally held in the European Growth and Income Fund. The European Growth and Income Fund would then be dissolved. The Reorganization is not expected result in the recognition of taxable gain or loss for federal income tax purposes for the European Growth and Income Fund or its shareholders. The attached Combined Proxy Statement/Prospectus is designed to give you more information about the proposals.

If you have any questions regarding the proposals to be voted on, please do not hesitate to call (800) 290-6433.

If you are a shareholder of record of the European Growth and Income Fund as of the close of business on May 1, 2018, the record date for the Special Meeting, you are entitled to vote at the Special Meeting and at any adjournment or postponement thereof. While you are welcome to join us at the Special Meeting, most shareholders will cast their votes by completing and signing the enclosed Proxy Card.

Whether or not you are planning to attend the Special Meeting, we need your vote. Please mark, sign and date the enclosed Proxy Card and promptly return it so that the maximum number of shares may be voted. In the alternative, please call the toll-free number on your Proxy Card to vote by telephone. You should use the enclosed instructions to vote by telephone. You can also vote on the Internet at the website address listed on your Proxy Card. You may revoke your proxy before it is exercised at the Special Meeting, either by writing to Shelton Funds at the address noted in the Combined Proxy Statement/Prospectus or in person at the time of the Special Meeting. A prior proxy vote can also be revoked by voting the proxy again at the Special Meeting, through the toll-free number or the Internet address listed in the enclosed voting instructions.

Thank you for taking the time to consider these important proposals.

Sincerely,

/s/ Stephen C. Rogers
Chairman of Shelton Funds

Shelton Funds

European Growth and Income Fund

1050 17th Street, Suite 1710

Denver, CO 80265

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON JULY 11, 2018**

NOTICE IS HEREBY GIVEN that a SPECIAL MEETING OF SHAREHOLDERS (the “Special Meeting”) of the European Growth and Income Fund will be held on July 11, 2018 at 10:00 a.m., Eastern Time, at the offices of Shelton Capital Management, the European Growth and Income Fund’s administrator, at 1050 17th Street, Suite 1710, Denver, CO 80265. At the Special Meeting, you and the other shareholders of the European Growth and Income Fund will be asked to consider and vote upon two proposals.

Proposal 1. Approval of Agreement and Plan of Reorganization:

By voting in favor of Proposal 1, shareholders are being asked to approve an Agreement and Plan of Reorganization providing for the transfer of all of the assets of the European Growth and Income Fund to, and the assumption of all of the liabilities of the European Growth and Income Fund by, Shelton Funds Trust, which shall assign such assets and liabilities to the Shelton International Select Equity Fund, an existing series of SCM Trust (the “International Select Equity Fund”), in exchange for shares of the International Select Equity Fund to be distributed pro rata by the European Growth and Income Fund to its shareholders upon the fund’s liquidation (the “Reorganization”). The European Growth and Income Fund has two classes of shares: Class K and Direct Class. Class K shareholders of the European Growth and Income Fund will receive Investor Class shares of the International Select Equity Fund. Direct Class shareholders of the European Growth and Income Fund will receive Institutional Class shares of the International Select Equity Fund.

Proposal 2. To consider and transact such other business as may properly come before the Meeting and any adjournments, postponements or delays thereof, including obtaining votes necessary for a quorum.

By voting in favor of Proposal 2, shareholders are being asked to grant authority for the consideration of other business, and specifically to allow the adjournment of the meeting in the event sufficient votes are not received to constitute a quorum. In the event sufficient votes are not received to attain a quorum, it is anticipated that the meeting will be adjourned until such time as a quorum is attained. Adjournment of the meeting will only take place under

circumstances that are consistent with applicable law.

Only shareholders of record at the close of business on May 1, 2018 will be entitled to notice of, and to vote at, the Special Meeting or any adjournments or postponements thereof.

YOUR VOTE IS IMPORTANT. PLEASE RETURN YOUR PROXY CARD PROMPTLY OR VOTE YOUR PROXY ON THE INTERNET OR BY TELEPHONE USING THE WEBSITE ADDRESS OR TOLL-FREE TELEPHONE NUMBER FOUND ON YOUR PROXY CARD.

THE BOARD OF TRUSTEES OF THE EUROPEAN GROWTH AND INCOME FUND RECOMMENDS THAT YOU VOTE “FOR” THE PROPOSALS.

As a shareholder, you are asked to attend the Special Meeting either in person or by proxy. If you are unable to attend the Special Meeting in person, we urge you to authorize proxies to cast your vote, commonly referred to as “proxy voting.” Whether or not you expect to attend the Special Meeting, please submit your vote by toll-free telephone or through the Internet according to the enclosed voting instructions. You may also vote by completing, dating and signing your Proxy Card and mailing it in the enclosed postage prepaid envelope. Your prompt voting by proxy will help ensure a quorum at the Special Meeting. Voting by proxy will not prevent you from voting your shares in person at the Special Meeting. You may revoke your proxy before it is exercised at the Special Meeting, either by writing to the Secretary of the Shelton Funds at the address noted in the Combined Proxy Statement/Prospectus or in person at the time of the Special Meeting. A prior proxy can also be revoked by voting your proxy again through the toll-free number or Internet website address listed in the enclosed voting instructions.

By Order of the Board of Trustees of Shelton Funds

/s/ Stephen C. Rogers
Chairman of Shelton Funds

Shelton Funds

European Growth and Income Fund

1050 17th Street, Suite 1710

Denver, CO 80265

QUESTIONS AND ANSWERS

YOUR VOTE IS VERY IMPORTANT!

Dated: May __, 2018

Question: What is this document and why did you send it to me?

Answer: At a meeting of the Board of Trustees (the “Board”) of Shelton Funds (the “Trust”) held on February 8, 2018, the Board—including the trustees who are not “interested persons” (the “Independent Trustees”) within the meaning of Section 2 (a)(19) of the Investment Company Act of 1940, as amended (the “1940 Act”)—approved, upon the recommendation of its investment adviser, Shelton Capital Management (“Shelton”), a plan to reorganize the European Growth and Income Fund into an existing series, the Shelton International Select Equity Fund (the “International Select Equity Fund”), of SCM Trust, which also is advised by Shelton Capital Management. Additionally, The Trustees of SCM Trust are the same individuals who are the Trustees of Shelton Funds. The Reorganization of the European Growth and Income Fund into the International Select Equity Fund is referred to herein as the “Reorganization.”

In approving the Reorganization, the Board determined that the Reorganization is in the best interests of the European Growth and Income Fund’s shareholders, and the Board directed that the Reorganization be submitted to the European Growth and Income Fund’s shareholders for approval.

This document provides you with information on the Reorganization and how to vote. If the European Growth and Income Fund’s shareholders approve the Reorganization, each shareholder of the European Growth and Income Fund will receive shares of the International Select Equity Fund with no dilution in the dollar amount of his or her investment.

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The table below summarizes the share classes of the European Growth and Income Fund and International Select Equity Fund involved in the Reorganization, and the approximate date the Reorganization will take effect.

| European Growth and Income Fund | International Select Equity Fund | Reorganization will take effect on or about |
|--|--|--|
| European Growth and Income Fund – Class K | International Select Equity Fund – Investor Class | July 13, 2018 |
| European Growth and Income Fund – Direct Class | International Select Equity Fund – Institutional Class | July 13, 2018 |

The Board recommends that you for “FOR” the Reorganization.

For more information regarding the factors considered by the Board in coming to these conclusions, please review “Reasons for the Reorganization” in the attached Combined Proxy Statement/Prospectus.

Shareholder approval is needed to proceed with the Reorganization and a special shareholder meeting will be held on July 11, 2018 (the “Special Meeting”) to consider the proposals. We are sending this document to you for your use in deciding whether to vote in favor of the Reorganization at the Special Meeting. This document includes a Notice of Special Meeting of Shareholders, the Combined Proxy Statement/Prospectus, and a Proxy Card.

Question: Why is the Reorganization being proposed?

Answer: At a meeting held on February 8, 2018, the Board, including the Board’s Independent Trustees, considered and approved a proposal by Shelton Capital Management to reorganize the European Growth and Income Fund into the International Select Equity Fund. The relatively smaller size of the European Growth and Income Fund means that its expenses are relatively higher than those of the Shelton International Select Equity Fund. Therefore, following the Reorganization, shareholders will have the benefit of lower overall costs. Furthermore, to the extent shareholders invest in the European Growth and Income Fund to seek long term capital appreciation diversified outside the United States, becoming shareholders in the International Select Equity Fund offers the same investment objective, implemented by the same portfolio management team using a very similar portfolio management approach across a much greater investible universe of companies, namely companies anywhere outside the United States including Europe. Finally, the Board determined that the future prospects of material increases in the size of the European Growth and Income Fund are very limited given its more narrow focus, and therefore the opportunity for it to achieve significant scale and lower its expenses also is very limited, to the detriment of the existing shareholders.

The Board unanimously approved the terms of the Reorganization and approved the agreement and plan of reorganization. The Board, including the Board’s Independent Trustees also directed that the Reorganization and the agreement and plan of reorganization be submitted to the European Growth and Income Fund’s shareholders for approval. Therefore, the Board is soliciting the approval of the European Growth and Income Fund’s shareholders. It is anticipated that the Reorganization would occur as soon as practicable after the Reorganization is approved by the European Growth and Income Fund’s shareholders.

Question: Who is Shelton?

Shelton Capital Management, or Shelton, is the current investment adviser to both the European Growth and Income Fund and the International Select Equity Fund. Further, the same portfolio management team manages both funds. Shelton is also the investment adviser and administrator for 14 other mutual funds in Shelton Funds and SCM Trust. The International Select Equity Fund is a series of SCM Trust.

As of January 26, 2018 Shelton managed 16 mutual funds and separate accounts with over \$2.07 billion in aggregate assets. Shelton operates offices located in Denver, Greenwich, CT and San Francisco. More information about Shelton is available at www.Sheltoncap.com.

Question: Why did the Board approve the Reorganization?

After considering potential courses of action with respect to future management of the European Growth and Income Fund and the Trust, the Board, including the Board's Independent Trustees, determined that the Reorganization was in the best interests of the European Growth and Income Fund and its shareholders based upon the following factors, among others, with no single factor being controlling or dispositive:

Investment Objectives, Principal Investment Strategies and Principal Risks. The investment objectives of the European Growth and Income Fund and the International Select Equity Fund are similar. Both seek to provide long-term capital appreciation, although the European Growth and Income Fund also seeks to provide income and is limited to investing in large European companies, whereas the International Select Equity Fund may invest in companies of any size anywhere outside the United States.

The principal investment strategies and principal risks of the Funds are different in that the European Growth and Income Fund generally limits the geographic scope of its investments to Europe, whereas the International Select Equity Fund generally invests in issuers located anywhere outside the United States (including Europe). This different geographic scope also means that while the Funds are subject to many of the same investment risks, certain risks are either different or different in their degree for the two Funds. These risks are explained in the Comparison of Investment Objectives, Strategies and Policies section of the Combined Proxy Statement and Prospectus.

To the extent shareholders invest in the European Growth and Income Fund to seek long term capital appreciation diversified outside the United States, becoming shareholders in the International Select Equity Fund offers the same investment objective, implemented by the same portfolio management team using a very similar portfolio management approach across a much greater investible universe of companies, namely companies anywhere outside the United States including Europe.

Portfolio Management. The portfolio managers for the European Growth and Income Fund also are the portfolio managers of the International Select Equity Fund responsible for the day-to-day portfolio management activities of both Funds, which promotes continuity of asset management and investment expectations for European Growth and Income Fund's shareholders.

Investment Advisory Fees and Operating Expenses. The total annual operating expenses (*i.e.*, the total fund operating expenses after expense reimbursement) of each share class of the International Select Equity Fund immediately after the Reorganization is expected to be lower than the corresponding share class of the European Growth and Income Fund immediately before the Reorganization. Specifically:

- the total annual operating expenses of the Investor Class shares of the International Select Equity Fund are expected to be 1.24%, compared to total annual operating expenses of the Class K shares of the European Growth and Income Fund which are 1.50%;

- the total annual operating expenses of the Institutional Class shares of the International Select Equity Fund are expected to be 0.99%, compared to as total annual operating expenses of the Direct Class shares of the European Growth and Income Fund which are 1.00%.

Expected Tax-Deferred Conversion of the European Growth and Income Fund's Shares. The Board also considered the expected tax-deferred nature of the Reorganization. If you were to redeem your investment in the European Growth and Income Fund and invest the proceeds in another mutual fund or other investment product, you generally would recognize a gain or loss for U.S. federal income tax purposes upon your redemption of the shares. By contrast, upon completion of the Reorganization, it is expected that for U.S. federal income tax purposes: (1) you will not recognize a taxable gain or loss on the transfer of your investment to the International Select Equity Fund; (2) you will have the same tax basis in your International Select Equity Fund shares as you had in your European Growth and Income Fund shares; and (3) assuming that you hold your European Growth and Income Fund shares as a capital asset, the holding period for your International Select Equity Fund shares will include the holding period for your European Growth and Income Fund shares. As a shareholder of a mutual fund, you will continue to have the right to redeem any or all of your International Select Equity Fund shares at net asset value at any time. At that time, you generally would recognize a gain or loss for U.S. federal income tax purposes.

Prospective Economies of Scale. The Board determined that the future prospects of material increases in the size of the European Growth and Income Fund are very limited given its more narrow focus, and therefore the opportunity for it to achieve significant scale and lower its expenses also is very limited, to the detriment of the existing shareholder. As part of a larger fund with greater market appeal, shareholders could benefit not only from immediate economies of scale, but from any future asset growth of the International Select Equity Fund.

Question: What happens if the Reorganization is not approved?

Answer: If the Reorganization is not approved, the Board will consider other options for the future management and organization of the European Growth and Income Fund. These options may include a continuation of the Fund or the closure and liquidation of the Fund given its size and other factors, such as market conditions. As noted above, the Board considered several factors with respect to future management of the Fund, and determined that the Reorganization is in the best interests of the Fund's shareholders in comparison to alternative potential courses of action, including a continuation of the Fund.

Question: What is the anticipated timing of the Reorganization?

Answer: The Special Meeting is scheduled to occur on July 11, 2018. If all necessary approvals are obtained, the proposed Reorganization will likely take place on or about July 13, 2018.

Question: Are there any significant differences between the investment objectives and policies of the European Growth and Income Fund and the International Select Equity Fund?

Answer: The investment objectives of the European Growth and Income Fund and the International Select Equity Fund are similar. Both seek to provide long-term capital appreciation, although the European Growth and Income Fund also seeks to provide income and is limited to investing in large European companies, whereas the International Select Equity Fund may invest in companies of any size anywhere outside the United States.

Question: What changes are anticipated in the current investments held by the European Growth and Income Fund after the Reorganization?

Answer: Given the similarity of the investment objectives and the continuity of the portfolio management team and its approach to investing, there are no material changes expected in these investments due to the reorganization, given that European securities are an expected sub-component of the International Select Equity Fund's investible universe. As of May 29, 2018 the European Growth and Income Fund invested approximately 98% of its portfolio in European securities, and immediately following the expected date of the Reorganization the International Select Equity Fund is currently expected to invest approximately 89% of its portfolio in European securities. Changes in portfolio holdings may occur in the ordinary course of investment decision-making as the newly combined Fund invests and seeks to fulfill its investment objective in the context of market movements, an individual company's performance, and all the other factors described in this prospectus/proxy statement.

Question: How will the proposed Reorganization affect fees and expenses?

Answer: The total annual operating expenses (*i.e.*, the total fund operating expenses after expense reimbursement) of each share class of the International Select Equity Fund immediately after the Reorganization is expected to be lower than the corresponding share class of the European Growth and Income Fund immediately before the Reorganization. Specifically:

the total annual operating expenses of the Investor Class shares of the International Select Equity Fund are expected to be 1.24%, compared to total annual operating expenses of the Class K shares of the European Growth and Income Fund which are 1.50%; and

the total annual operating expenses of the Institutional Class shares of the International Select Equity Fund are expected to be 0.99%, compared to total annual operating expenses of the Direct Class shares of the European Growth and Income Fund which are 1.00%.

Shelton Capital Management has contractually agreed to waive a portion or all of its management fees and pay certain expenses to the extent necessary to ensure that the International Select Equity 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, certain compliance expenses, and extraordinary expenses) does not exceed 1.24% and 0.99% of the Investor and Institutional class shares, respectively, (on an annual basis) of average daily net assets of the Fund's shares (the "Expense Reimbursement"). The Expense Reimbursement will remain in effect until at least July 29, 2018, and may be terminated before that date only by the Board of Trustees of SCM Trust. Shelton Capital Management may recover any previously waived fees and paid expenses from the Fund for three (3) years from the date they were waived or paid. Shelton Capital Management'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. A recapture, if it is implemented, will have the effect of increasing the total fund operating expenses paid by shareholders for the period in which it is paid.

With respect to particular fees:

The International Select Equity Fund has a lower management fee (0.74%) compared to the European Growth and Income Fund (0.85%).

The Class K shares of the European Growth and Income Fund assesses a 0.25% 12b-1 fee. The Investor Class of the International Select Equity Fund also charge a 0.25% 12b-1 fee. Neither the Direct Class shares of the European Growth and Income Fund nor the Institutional Class shares of the International Select Equity Fund impose a 12b-1 fee.

- Neither the European Growth and Income Fund nor the International Select Equity Fund assess sales charges upon purchase, exchange fees or deferred sales charges.

Question: Will I be charged a sales charge or contingent deferred sales charge as a result of the Reorganization

No. If the Reorganization is approved and effected, shareholders of the European Growth and Income Fund will receive shares of the International Select Equity Fund without the imposition of any sales charges or contingent deferred sales charges.

Question: Will there be changes in the management and operation of the European Growth and Income Fund?

Answer: The International Select Equity Fund is a series of SCM Trust, and the Trustees of SCM Trust are the same individuals who are the Trustees of Shelton Funds, and therefore of the European Growth and Income Fund.

Shelton Capital Management is the current investment adviser to both the European Growth and Income Fund and the International Select Equity Fund. Further, the same portfolio management team manages both funds using a very similar investment management approach. Shelton is also the investment adviser and administrator for 14 other mutual funds in Shelton Funds and SCM Trust.

The International Select Equity Fund uses the same service providers as the European Growth and Income Fund.

Question: How will the Reorganization work?

Answer: Pursuant to the Agreement and Plan of Reorganization (the “Plan”) (attached as Appendix A to the Combined Proxy Statement/Prospectus), the European Growth and Income Fund will transfer all of its assets and liabilities to SCM Trust, which shall assign all such assets and liabilities to the International Select Equity Fund, in exchange for shares of the International Select Equity Fund. The European Growth and Income Fund will then distribute the shares it receives to its shareholders upon its liquidation. As a result, shareholders of the European Growth and Income Fund will become shareholders of the International Select Equity Fund, with no dilution in the dollar amount of any shareholder’s investment. The International Select Equity Fund has two classes of shares: Investor Class and Institutional Class. Class K shareholders of the European Growth and Income Fund will receive Investor Class shares of the International Select Equity Fund. Direct Class shareholders of the European Growth and Income Fund will receive Institutional Class shares of the International Select Equity Fund. The shares of the European Growth and Income Fund will be cancelled following the Reorganization.

If the Plan is carried out as proposed, we expect that the Reorganization will not result in the recognition of taxable gain or loss for the European Growth and Income Fund or its shareholders for federal income tax purposes. Please refer to the Combined Proxy Statement/Prospectus for a detailed explanation of the proposals.

Shareholders of the European Growth and Income Fund will receive shares of the International Select Equity Fund based upon the European Growth and Income Fund's and International Select Equity Fund's respective net asset values as of the close of the New York Stock Exchange (typically 4:00 pm Eastern Time) on the date the Reorganization is affected. The Reorganization will not change the dollar value of your investment at the time that the Reorganization is affected.

Question: Why do I need to vote?

Answer: Your vote is needed to ensure that the proposals can be acted upon at the Special Meeting. Your immediate response, even if you are a small investor, on the enclosed Proxy Card will help prevent the need for any further solicitations for a shareholder vote. We encourage all shareholders to participate.

Question: How does the Board suggest that I vote?

Answer: After careful consideration and upon recommendation of Shelton, the Board recommends that you vote "FOR" the Reorganization and Proposal 2 with respect consideration and transaction of such other business as may properly come before the Meeting and any adjournments, postponements or delays thereof, including obtaining votes necessary for a quorum.

Question: Who is paying for expenses related to the Special Meeting and the Reorganization?

Answer: The estimated cost for the Reorganization is \$45,000 and will be allocated between the European Growth and Income Fund and the International Select Equity Fund based on their relative net assets. Assuming the Reorganization is completed, the costs effectively will therefore be borne by the combined International Select Equity Fund to the extent they are paid after completion of the Reorganization.

Question: How do I cast my vote?

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Answer: You may vote on the Internet at the website provided on your Proxy Card or you may vote by telephone using the toll free number found on your Proxy Card. You may also use the enclosed postage-paid envelope to mail your Proxy Card. Please follow the enclosed instructions to use these methods of voting. You also may vote in person at the Special Meeting.

Question: Whom do I call if I have questions?

Answer: We will be happy to answer your questions about the proxy solicitation. Please call (877) 478-5042.

COMBINED PROXY STATEMENT AND PROSPECTUS

May __, 2018

FOR THE REORGANIZATION OF

European Growth and Income Fund,

Series of the Shelton Funds

1050 17th Street, Suite 1710

Denver, CO 80265

(800) 955-9988

INTO

Shelton International Select Equity Fund,

Series of SCM Trust

1050 17th Street, Suite 1710

Denver, CO 90265

(800) 955-9988

This Combined Proxy Statement and Prospectus (the “Proxy Statement/Prospectus”) is being sent to you in connection with the solicitation of proxies by the Board of Trustees of Shelton Funds for use at a Special Meeting of Shareholders (the “Special Meeting”) of the European Growth and Income Fund, at the offices of Shelton Capital Management, the European Growth and Income Fund’s administrator, located at 1050 17th Street, Suite 1710, Denver, CO 80265 on July 11, 2018 at 10:00 a.m. Eastern Time. At the Special Meeting, shareholders of the European Growth and Income Fund will be asked to consider and vote upon two proposals:

Proposal 1. Approval of Agreement and Plan of Reorganization:

By voting in favor of Proposal 1, shareholders are being asked to approve an Agreement and Plan of Reorganization providing for the transfer of all of the assets of the European Growth and Income Fund to, and the assumption of all of the liabilities of the European Growth and Income Fund by, SCM Trust, which shall assign such assets and liabilities to the Shelton International Select Equity Fund, an existing series of SCM Trust (the “International Select Equity Fund”), in exchange for shares of the International Select Equity Fund to be distributed pro rata by the European Growth and Income Fund to its shareholders upon the fund’s liquidation (the “Reorganization”). The European Growth and Income Fund has two classes of shares: Class K and Direct Class. Class K shareholders of the European Growth and Income Fund will receive Investor Class shares of the International Select Equity Fund. Direct Class shareholders of the European Growth and Income Fund will receive Institutional Class shares of the International Select Equity Fund.

Proposal 2. To consider and transact such other business as may properly come before the Meeting and any adjournments, postponements or delays thereof, including obtaining votes necessary for a quorum.

By voting in favor of Proposal 2, shareholders are being asked to grant authority for the consideration of other business, and specifically to allow the adjournment of the meeting in the event sufficient votes are not received to constitute a quorum. In the event sufficient votes are not received to attain a quorum, it is anticipated that the meeting will be adjourned until such time as a quorum is attained. Adjournment of the meeting will only take place under circumstances that are consistent with applicable law.

The table below summarizes the share classes of the European Growth and Income Fund and the International Select Equity Fund involved in the Reorganization, and the approximate date the Reorganization will take effect.

| European Growth and Income Fund | International Select Equity Fund | Reorganization will take effect on or about |
|--|--|--|
| European Growth and Income Fund – Class K | International Select Equity Fund – Investor Class | July 13, 2018 |
| European Growth and Income Fund – Direct Class | International Select Equity Fund – Institutional Class | July 13, 2018 |

Shareholders of the European Growth and Income Fund at the close of business on May 1, 2018 (the “Record Date”) will be entitled to be present and vote at the Special Meeting. Shareholders who execute proxies may revoke them at any time before they are voted, either by writing to Shelton Funds, in person at the time of the Special Meeting, or by voting the proxy again through the toll-free number or through the Internet address listed in the enclosed voting instructions. Information on how to obtain directions to be able to attend the meeting and vote in person can be requested by calling (877) 478-5042.

The European Growth and Income Fund is a series of Shelton Funds, an open-end management investment company that is registered with the Securities and Exchange Commission (the “SEC”) and organized as a Delaware statutory trust. The International Select Equity Fund is a series of SCM Trust, an open-end management investment company that is registered with the SEC and organized as a Massachusetts business trust.

This Proxy Statement/Prospectus incorporates by reference the following documents, which contain information about the European Growth and Income Fund and the International Select Equity Fund:

(1) The Prospectus dated July 31, 2017 of Shelton International Select Equity Fund (Accession No. 0001398344-17-009834).

(2) The Statement of Additional Information dated July 31, 2017 of SCM Trust for Shelton International Select Equity Fund (Accession No. 0001398344-17-009616).

(3) The Shareholder Annual Report of SCM Trust for Shelton International Select Fund dated December 31, 2017 (Accession No. 0001398344-18-003843).

(4) The Shareholder Semi-Annual Report for Shelton Funds in respect of the European Growth and Income Fund, dated February 28, 2018 (Accession No. 0001398344-18-006179).

Copies of these documents are available upon request and without charge by writing to the SCM Trust through the internet at www.Sheltoncap.com or by calling (800) 955-9988. In addition, a current prospectus for the International Select Equity Fund accompanies this Proxy Statement/Prospectus.

This Proxy Statement/Prospectus includes as Appendix A the form of Agreement and Plan of Reorganization (the "Plan").

The European Growth and Income Fund expects that this Proxy Statement/Prospectus will be mailed to shareholders on or about May __, 2018.

This Proxy Statement/Prospectus sets forth the basic information you should know before voting on the proposal(s) and investing in the International Select Equity Fund. You should read it and keep it for future reference. A Statement of Additional Information dated _____, 2018, relating to this Proxy Statement/Prospectus, contains more information about the Reorganization and the International Select Equity Fund and is incorporated herein by reference. The Statement of Additional Information has been filed with the SEC and is available upon request without charge by writing to the Shelton Funds or by calling toll free (800) 955-9988.

THE U.S. SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED OR DISAPPROVED THESE SECURITIES OR PASSED UPON THE ADEQUACY OF THIS PROXY STATEMENT/PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The shares offered by this Proxy Statement/Prospectus are not deposits or obligations of any bank, and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. An investment in the International Select Equity Fund involves investment risk, including the possible loss of principal.

Important Notice Regarding Internet Availability of Proxy Materials for the Shareholder Meeting to be held on July 11, 2018

The Notice of Shareholder Meeting, this Proxy Statement/Prospectus and the Proxy Card are available at proxyonline.com/docs/sheltoninternational.pdf

The European Growth and Income Fund's annual and semi-annual reports are available by calling (800) 955-9988.

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OVERVIEW

This Overview is a summary of certain information contained elsewhere in this Proxy Statement/Prospectus or incorporated by reference into this Proxy Statement/Prospectus. Shareholders should read this entire Proxy Statement/Prospectus carefully. The Overview is qualified in its entirety by reference to the Prospectuses and Statements of Additional Information for the European Growth and Income Fund and International Select Equity Fund. For more complete information, please read the Prospectuses and Statements of Additional Information for the European Growth and Income Fund and International Select Equity Fund.

The Reorganization

Pursuant to the Plan, the European Growth and Income Fund will transfer all of its assets and liabilities to the SCM Trust, which shall assign all such assets and liabilities to the International Select Equity Fund, in exchange solely for shares of the International Select Equity Fund. The European Growth and Income Fund will then distribute the International Select Equity Fund shares that it receives to its shareholders upon its complete liquidation. The result of the Reorganization is that shareholders of the European Growth and Income Fund will become shareholders of the International Select Equity Fund. The International Select Equity Fund has two classes of shares: Investor Class and Institutional Class. Class K shareholders of the European Growth and Income Fund will receive Investor Class shares of the International Select Equity Fund. Direct Class shareholders of the European Growth and Income Fund will receive Institutional Class shares of the International Select Equity Fund. No front-end sales charges or contingent deferred sales charges will be imposed in connection with the Reorganization. The shares of the European Growth and Income Fund will be cancelled following the Reorganization.

If a Reorganization is not approved, the Board will consider other options for the future management and organization of the European Growth and Income Fund.

The Board of Trustees of the European Growth and Income Fund— including the trustees who are not “interested persons” (the “Independent Trustees”) within the meaning of Section 2 (a)(19) of the Investment Company Act of 1940, as amended (the “1940 Act”)—has concluded that the Reorganization is in the best interests of the European Growth and Income Fund and its shareholders.

The Board of Trustees of the European Growth and Income Fund recommends that you vote FOR the approval of the Reorganization.

The Reorganization is intended to qualify for federal income tax purposes as a tax-deferred reorganization. Assuming the Reorganization qualifies such, shareholders of the European Growth and Income Fund will not recognize gain or loss in the transaction.

The Funds

The International Select Equity Fund is a separate series of the SCM Trust, an open-end management investment company organized as a Massachusetts business trust. The International Select Equity Fund has two classes of shares: Investor Class and Institutional Class.

The European Growth and Income Fund is a separate series of Shelton Funds, an open-end management investment company organized as a Delaware statutory trust. The European Growth and Income Fund currently offers its shares to the public on a continuous basis. The European Growth and Income Fund offers two classes of shares: Class K and Direct Class.

If the Reorganization is approved, shareholders of the European Growth and Income Fund will receive shares of the International Select Equity Fund. Class K shareholders of the European Growth and Income Fund will receive Investor Class shares of the International Select Equity Fund. Direct Class shareholders of the European Growth and Income Fund will receive Institutional Class shares of the International Select Equity Fund.

The investment objectives of the European Growth and Income Fund and the International Select Equity Fund are similar. Both seek to provide long-term capital appreciation, although the European Growth and Income Fund also

seeks to provide income and is limited to investing in large European companies, whereas the Shelton International Select Equity Fund may invest in companies of any size anywhere outside the United States. Both Funds are managed by the same portfolio management team.

Comparison of Fees and Expenses

If the Reorganization is approved by the European Growth and Income Fund's shareholders, you will pay the fees and expenses of the International Select Equity Fund(s) in which you will be invested. Like all mutual funds, the European Growth and Income Fund and International Select Equity Fund incur certain fees and expenses in its operations and, as a shareholder, you pay these expenses indirectly.

The total annual operating expenses (*i.e.*, the total fund operating expenses after expense reimbursement) of each share class of the International Select Equity Fund immediately after the Reorganization is expected to be lower than the corresponding share class of the European Growth and Income Fund immediately before the Reorganization. Specifically:

the total annual operating expenses of the Investor Class shares of the International Select Equity Fund are expected to be 1.24%, compared to total annual operating expenses of the Class K shares of the European Growth and Income Fund which are 1.50%;

the total annual operating expenses of the Institutional Class shares of the International Select Equity Fund are expected to be 0.99%, compared to as total annual operating expenses of the Direct Class shares of the European Growth and Income Fund which are 1.00%.

Shelton Capital Management has contractually agreed to waive a portion or all of its management fees and pay certain expenses to the extent necessary to ensure that the International Select Equity 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, certain compliance expenses, and extraordinary expenses) does not exceed 1.24% and 0.99% of the Investor and Institutional class shares, respectively, (on an annual basis) of average daily net assets of the Fund's shares (the "Expense Reimbursement"). The Expense Reimbursement will remain in effect until at least July 29, 2018, and may be terminated before that date only by the Board of Trustees of SCM Trust. Shelton Capital Management may recover any previously waived fees and paid expenses from the Fund for three (3) years from the date they were waived or paid. Shelton Capital Management'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. A recapture, if it is implemented, will have the effect of increasing the total fund operating expenses paid by shareholders for the period in which it is paid.

With respect to particular fees:

The International Select Equity Fund has a lower management fee (0.74%) compared to the European Growth and Income Fund (0.85%).

The Class K shares of the European Growth and Income Fund assesses a 0.25% 12b-1 fee. The Investor Class of the International Select Equity Fund also charge a 0.25% 12b-1 fee. Neither the Direct Class shares of the European Growth and Income Fund nor the Institutional Class shares of the International Select Equity Fund impose a 12b-1 fee.

- Neither the European Growth and Income Fund nor the International Select Equity Fund assess sales charges upon purchase, exchange fees or deferred sales charges.

The following tables compare the fees and expenses of the European Growth and Income Fund for the most recent annual fiscal period ended August 31, 2017, and for the International Select Equity Fund for the most recent fiscal period ended December 31, 2017, with the current estimated fees and expenses for the International Select Equity Fund on a pro forma basis assuming consummation of the Reorganization.

Comparison of Fees and Expenses

| | European Growth & Income Fund Class K | International Select Equity Fund Investor Class | International Select Equity Fund Investor Class After Reorganization |
|---|--|--|---|
| Shareholder fees (fees paid directly from your investment) | None | None | None |
| Annual Fund Operating Expenses | | | |
| (expenses that you pay each year as a percentage of the value of your investment) | | | |
| Management Fees | 0.85% | 0.74% | 0.74% |
| Distribution and Service (12b-1) Fees | 0.25% | 0.25% | 0.25% |
| Other Expenses | 0.80% | 0.60% | 0.55% |
| Total Annual Fund Operating Expenses | 1.90% | 1.59% | 1.54% |
| Expense Reimbursement | (0.40)% ⁽¹⁾ | (0.35)% ⁽²⁾ | (0.30)% ⁽²⁾ |
| Total Fund Operating Expenses After Expense Reimbursement | 1.50% | 1.24% | 1.24% |

Shelton has contractually agreed to reimburse expenses incurred by the European Growth & Income Fund to the extent that total annual fund operating expenses (excluding extraordinary expenses such as litigation or merger and reorganization expenses, for example) exceed 1.50% until January 2, 2019. This agreement may only be terminated with the approval of the Board of Trustees of the Fund. Shelton may be reimbursed for any foregone advisory fees or unreimbursed expenses within three fiscal years following a particular reduction or expense, but only to the extent the reimbursement does not cause the Fund to exceed applicable expense limits, and the effect of the reimbursement is measured after all ordinary operating expenses are calculated. Any such reimbursement is subject to the review and approval of the Fund's Board of Trustees. Any reimbursement or recapture of previously waived fees or expenses would occur only if the current expense ratio of the Fund is less than the prior expense cap that was in place when such prior year fees and expenses were waived.

² Shelton Capital Management has contractually agreed to waive a portion or all of its management fees and pay certain expenses to the extent necessary to ensure that the International Select Equity 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, certain compliance expenses, and extraordinary expenses) does not exceed 1.24% of the Investor class shares (on an annual basis) of average daily net assets of the Fund's shares (the "Expense Reimbursement"). The Expense Reimbursement will remain in effect until at least May 1, 2019, and may be

terminated before that date only by the Board of Trustees of SCM Trust. Shelton Capital Management may recover any previously waived fees and paid expenses from the Fund for three (3) years from the date they were waived or paid. Shelton Capital Management'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. A recapture, if it is implemented, will have the effect of increasing the total fund operating expenses paid by shareholders for the period in which it is paid. Any reimbursement or recapture of previously waived fees or expenses would occur only if the current expense ratio of the Fund is less than the prior expense cap that was in place when such prior year fees and expenses were waived.

| | European Growth & Income Fund Direct Class | Shelton International Select Equity Fund Institutional Class | International Select Equity Fund Institutional Class After Reorganization |
|--|---|---|--|
| Shareholder fees (fees paid directly from your investment) | None | None | None |
| Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment) | | | |
| Management Fees | 0.85% | 0.74% | 0.74% |
| Distribution and Service (12b-1) Fees | None | None | None |
| Other Expenses | 0.56% | 0.31% | 0.55% |
| Total Annual Fund Operating Expenses | 1.41% | 1.34% | 1.29% |
| Expense Reimbursement | (0.41)% ⁽¹⁾ | (0.35)% ⁽²⁾ | (0.30)% ⁽²⁾ |
| Total Fund Operating Expenses After Expense Reimbursement | 1.00% | 0.99% | 0.99% |

Shelton has contractually agreed to reimburse expenses incurred by the European Growth & Income Fund to the extent that total annual fund operating expenses (excluding extraordinary expenses such as litigation or merger and reorganization expenses, for example) exceed 1.00% until January 2, 2019. This agreement may only be terminated with the approval of the Board of Trustees of the Fund. Shelton may be reimbursed for any foregone advisory fees or unreimbursed expenses within three fiscal years following a particular reduction or expense, but only to the extent the reimbursement does not cause the Fund to exceed applicable expense limits, and the effect of the reimbursement is measured after all ordinary operating expenses are calculated. Any such reimbursement is subject to the review and approval of the Fund's Board of Trustees. Any reimbursement or recapture of previously waived fees or expenses would occur only if the current expense ratio of the Fund is less than the prior expense cap that was in place when such prior year fees and expenses were waived.

² Shelton Capital Management has contractually agreed to waive a portion or all of its management fees and pay certain expenses to the extent necessary to ensure that the International Select Equity 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, certain compliance expenses, and extraordinary expenses) does not exceed 0.99% of the Institutional class shares (on an annual basis) of average daily net assets of the Fund's shares (the "Expense Reimbursement"). The Expense Reimbursement will remain in effect until at least May 1, 2019, and may be terminated before that date only by the Board of Trustees of SCM Trust. Shelton Capital Management may recover any previously waived fees and paid expenses from the Fund for three (3) years from the date they were waived or paid. Shelton Capital Management'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. A recapture, if it is implemented, will have the effect of increasing the total fund operating expenses paid by shareholders for the period in which it is paid. Any reimbursement or recapture of previously waived fees or expenses would occur only if the

current expense ratio of the Fund is less than the prior expense cap that was in place when such prior year fees and expenses were waived.

Example

This Example is intended to help you compare the cost of investing in each share class of the European Growth and Income Fund with the cost of investing in the corresponding share class of the International Select Equity Fund, assuming the Reorganization has been completed. The Example assumes that you invest \$10,000 in the European Growth and Income Fund and International Select Equity Fund for the time periods indicated, that your investment has a 5% return each year, and that the European Growth and Income Fund's and International Select Equity Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions you would pay the following expenses if you redeem or reinvest all of your shares at the end of the time periods indicated:

| | 1 Year | 3 Years | 5 Years | 10 Years |
|---|---------------|----------------|----------------|-----------------|
| European Growth and Income Fund, Class K | \$153 | \$558 | \$989 | \$2190 |
| International Select Equity Fund, Investor Class | \$126 | \$468 | \$833 | \$1,860 |
| International Select Equity Fund- Investor Class after Reorganization | \$126 | \$457 | \$811 | \$1,809 |

| | 1 Year | 3 Years | 5 Years | 10 Years |
|--|---------------|----------------|----------------|-----------------|
| European Growth and Income Fund, Direct Class | \$102 | \$406 | \$732 | \$1655 |
| International Select Equity Fund, Institutional Class | \$101 | \$390 | \$701 | \$1,582 |
| International Select Equity Fund- Institutional Class after Reorganization | \$101 | \$379 | \$679 | \$1,530 |

The Example above should not be considered a representation of future expenses. Actual expenses may be greater or less than those shown.

Pro Forma Capitalization

The following tables set forth the capitalization of the European Growth & Income Fund (and each share class thereof) as of December 31, 2017 and, on a pro forma basis, the capitalization of the International Select Equity Fund (and each share class thereof), assuming the Reorganization has been completed. The following is an example of the number of shares of the International Select Equity Fund that would be exchanged for shares of the European Growth & Income Fund if the Reorganization were consummated on December 31, 2017 and does not reflect the number of shares or value of shares that would actually be received if the Reorganization, as depicted, occurs. Each shareholder of the European Growth & Income Fund will receive the number of full and fractional corresponding shares of the International Select Equity Fund equal in value to the value (as of the Valuation Time) of the shares of the European Growth & Income Fund held by the shareholder. The International Select Equity Fund will be the accounting survivor for financial statement purposes.

European Growth & Income Fund – Direct Class

| European Growth & Income Fund-Direct Class (unaudited) | International Select Equity Fund – Institutional Class | Adjustments | International Select Equity Fund – Institutional Class after Reorganization (estimated) |
|--|--|-------------|---|
|--|--|-------------|---|

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(unaudited)

Net Assets \$ 6,892,603 \$ 42,823,887 \$ (38,976