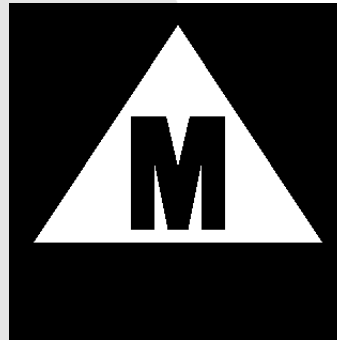


Member of

---

**100%** No-Load™  
Mutual Fund  
Council

---



**MUHLENKAMP FUND**

**Investment Advisor**  
Muhlenkamp & Co., Inc.  
12300 Perry Highway  
Wexford, PA 15090  
(724) 935-5520

**Custodian**  
Star Bank  
425 Walnut Street  
Cincinnati, OH 45201

**Auditors**  
Deloitte & Touche  
2500 1 PPG Place  
Pittsburgh, PA 15222

**Transfer Agent**  
American Data Services, Inc.  
150 Motor Pkwy.  
Suite 109  
Hauppauge, NY 11788

**SEMI-ANNUAL REPORT**

Muhlenkamp Fund

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(724) 935-5520 • (800) 860-3863

---

Internet Address: [www.muhlenkamp.com](http://www.muhlenkamp.com)  
E-mail: [click here](#)

ANo-Load Fund



**MUHLENKAMP FUND**

P.O. Box 598, Wexford, PA 15090

(724) 935-5520 • (800) 860-3863

**SEMI-ANNUAL REPORT**

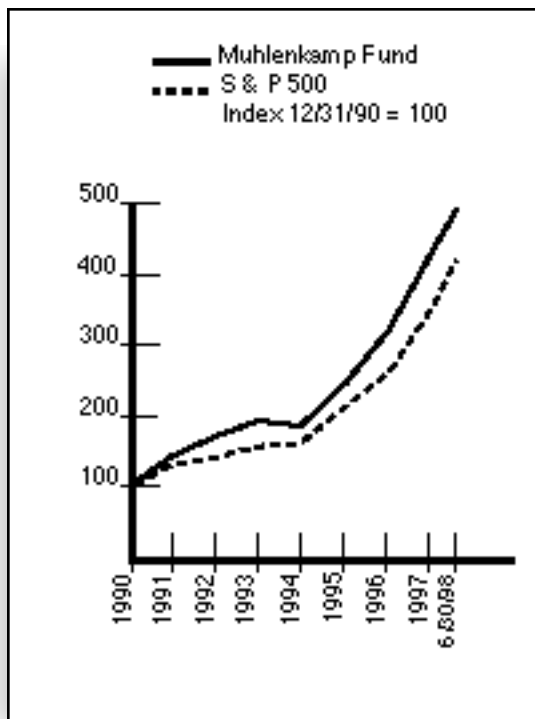
**June 30, 1998**

Dear Fellow Shareholders:

The Trustees and Management of the Muhlenkamp Fund are pleased to present this semi-annual report of your fund.

As of June 30, 1998, the Net Asset Value (NAV) of your fund was \$42.59, up 16.5% year to date.

Period Ending	Total Return %		Cumulative Return %	
	Muhlenkamp Fund	S&P 500	Muhlenkamp Fund	S&P 500
1991	45.4	30.5	45.4	30.5
1992	15.8	7.7	68.4	40.6
1993	18.1	9.9	98.8	54.5
1994	(7.2)	1.3	84.5	56.5
1995	33.0	37.1	145.4	114.5
1996	30.0	22.9	219.1	163.7
1997	33.3	33.4	325.3	251.7
6/30/98	16.5	17.7	379.1	296.3



*(Letter Continued)*

The Second Quarter of 1998 witnessed a continuing drama, but few real surprises. In May and June, the U. S. stock market digested the strong upmove of February through April. As it did so, the economic effects of the Asian problems began to be visible in the U.S. economy. These effects are most visible in import-export data, but are also starting to be visible in areas such as plans for hiring and capital spending.

We are also getting a better reading on which individual U.S. firms are most affected by the Asian problem, as well as which may be largely immune. Individual stock prices have begun to reflect these differences, a process which we expect to accelerate with the current reporting of second quarter earnings. As a result, stock prices are almost certain to remain quite volatile and large companies which appear unaffected may well receive a continuing “security blanket” premium.

Meanwhile, you can add Russia to the list of basket-case economies which are now seeking help from the I.M.F. (and ultimately, the U.S. taxpayer). Our judgement concerning Russia is similar to the smaller southeast Asian economies. It is obviously a negative but not sufficient to reverse the strong economic trends in the U.S. and western Europe. Still, the effects are cumulative and every bit hurts.

The linchpin in all of this remains Japan. Japan continues to do very little toward solving its problems. Despite a new Prime Minister, we expect Japan to continue to do very little. We do expect these events will slow the U.S. economy and squeeze corporate profits. There also remains the risk that an additional problem or two could coalesce into a worldwide recession. Obviously, we will monitor this closely.

Barring such an outcome, we expect the U.S. stock market to remain quite volatile, with a focus on individual stocks. Some stocks will do well and some will do poorly.

Ronald H. Muhlenkamp

President

July 1998

**THE MUHLENKAMP FUND**  
**(A Portfolio of the Wexford Trust)**

**STATEMENT OF ASSETS AND LIABILITIES**  
**June 30, 1998 (Unaudited)**

**ASSETS**

INVESTMENTS, AT MARKET VALUE (Identified Cost \$147,630,123)		\$ 206,483,377
RECEIVABLES		
	Dividends	101,181
	Interest	72,399
	Subscriptions	790,334
	Total Receivables	963,914
PREPAID EXPENSES		78
	Total Assets	\$207,447,369

**LIABILITIES**

ACCOUNTS PAYABLE		
	Advisor Fee	7,591
	Redemptions	117,833
	Accrued Expenses	38,991
	Total Liabilities	164,415
	Total Net Assets	\$207,282,954

**NET ASSETS**

CAPITAL PAID IN ON SHARES OF BENEFICIAL INTEREST		
(shares authorized-unlimited)		\$148,250,400
UNDISTRIBUTED NET INVESTMENT INCOME		219,478
ACCUMULATED NET REALIZED LOSS ON INVESTMENTS		(40,178)
NET UNREALIZED APPRECIATION OF INVESTMENTS AS OF		
JUNE 30, 1998 (Note 6)		58,853,254
	Total Net Assets	\$207,282,954
NUMBER OF SHARES OF BENEFICIAL		
INTEREST OUTSTANDING (Note 4)		4,867,259
NET ASSET VALUE PER SHARE		
(Net assets divided by shares outstanding as of June 30, 1998)		\$ 42.59

See notes to financial statements.

**THE MUHLENKAMP FUND**  
**(A Portfolio of the Wexford Trust)**

**STATEMENT OF OPERATIONS**

**For six month period ending June 30, 1998 (Unaudited)**

INVESTMENT INCOME

Interest	\$ 506,379
Dividends	<u>783,151</u>
Total Investment Income	\$ 1,289,530

EXPENSES

Investment Advisor	834,583
Transfer Agent Fees	74,944
Printing	25,581
Registrations and Filing	21,383
Postage	23,651
Custodian	14,165
Audit	22,873
Fund Accounting	13,570
Legal	2,017
Security & Exchange Fees	20,525
Misc.	5,358
Proxy Vote	26,000
Fidelity Bond	<u>2,929</u>

Total Expenses \$ 1,087,579

Fees Paid Indirectly (Note 7) (13,300)

Net Expenses \$ 1,074,279

Net Investment Income \$ 215,251

REALIZED AND UNREALIZED (LOSS) GAIN ON INVESTMENTS

Net Realized Gain on Investments 87,394

Change in Unrealized Appreciation in Value of Investments  
for the Six Month Period Ending June 30, 1998 (Note 6) 24,126,905

Net Gain on Investments 24,214,299

Net Increase in Net Assets Resulting from Operations \$ 24,429,550

**THE MUHLENKAMP FUND**  
**(A Portfolio of the Wexford Trust)**

**PORTFOLIO OF INVESTMENTS**  
**June 30, 1998 (Unaudited)**

Name of Issuer or Title of Issue	Principal Amount or Number of Shares	Value
<b>COMMON STOCK - 81.89%</b>		
<b>Aerospace - 3.07%</b>		
* BE Aerospace, Inc.	167,000	\$ 4,863,875
Lockheed Martin	14,000	<u>1,482,250</u>
		<u>6,346,125</u>
<b>Airlines -4.44%</b>		
Air Express International Corp.	32,343	865,175
* AMR	100,000	<u>8,325,000</u>
		<u>9,190,175</u>
<b>Autos - 7.45%</b>		
Ford Motor Company	92,000	5,428,000
* National RV Holdings	135,000	6,091,875
Superior Industries	53,180	1,499,012
* Dana Corp.	45,000	<u>2,407,500</u>
		<u>15,426,387</u>
<b>Buildings - 1.8%</b>		
Armstrong World	23,000	1,549,625
* Griffon Corp.	161,000	2,062,813
* Int'l. Comfort Prod.	10,000	<u>121,250</u>
		<u>3,733,688</u>
<b>Banks - 5.25%</b>		
Chase Manhattan	24,000	1,812,000
Citicorp	20,000	2,985,000
Mellon Bank Corp.	70,000	4,873,750
National City Corp.	16,852	<u>1,196,492</u>
		<u>10,867,242</u>
<b>Brokerage - 5.53%</b>		
A.G. Edwards	18,750	800,391
Merrill Lynch	62,000	5,719,500
Southwest Securities, Inc.	218,700	<u>4,920,750</u>
		<u>11,440,641</u>
<b>Capital Goods - 6.77%</b>		
Aeroquip-Vickers Inc.	69,700	4,068,738
Commercial Intertech	175,900	3,188,188
General Electric	18,000	1,638,000
Graco, Inc.	105,825	3,690,647
Idex Corp.	41,250	<u>1,423,125</u>
		<u>14,008,697</u>
<b>Diversified Operations - 1.26%</b>		
Loews Corp.	30,000	<u>2,613,750</u>

**THE MUHLENKAMP FUND**  
**(A Portfolio of the Wexford Trust)**

**PORTFOLIO OF INVESTMENTS (Continued)**  
**June 30, 1998 (Unaudited)**

Name of Issuer or Title of Issue	Principal Amount or Number of Shares	Value
Electronics - 0.55%		
Computer Associates Int'l., Inc.	15,000	\$ 833,438
Intel Corp.	4,000	<u>296,500</u>
		<u>1,129,938</u>
Finance - 12.04%		
Fidelity National Financial	88,529	3,524,561
* Friedman Billings Ramsey	5,000	72,188
Morgan Stanley Dean Witter	81,500	7,447,063
Green Tree Financial	280,800	12,021,750
Associates First Capital - A	24,111	<u>1,853,533</u>
		<u>24,919,094</u>
Furniture - 4.93%		
* Stanely Furniture, Inc.	285,500	7,244,563
* Winsloew Furniture	109,600	<u>2,959,200</u>
		<u>10,203,763</u>
Healthcare - 0.5%		
* Lincare Holdings, Inc.	20,000	<u>841,250</u>
Homebuilding - 3.42%		
American Woodmark	40,000	1,095,000
* Crossman Communities	140,000	4,252,500
* NVR, Inc.	42,000	<u>1,724,625</u>
		<u>7,072,125</u>
Industrial Equipment - 3.48%		
AGCO Corp.	149,000	3,063,813
Deere & Co.	40,000	2,115,000
JLG Industries, Inc.	100,000	<u>2,025,000</u>
		<u>7,203,813</u>
Insurance - 8.36%		
Conseco, Inc.	87,255	4,079,171
Frontier Insurance	108,737	2,453,383
Reliance Group Holdings, Inc.	220,000	3,850,000
Sun America	82,500	4,738,594
Vesta	102,500	<u>2,184,531</u>
		<u>17,305,679</u>
Metals - 2.60%		
* RMI Titanium Co.	179,200	4,076,800
Matthews Int'l. Corp.	16,000	393,000
Allegheny Teledyne, Inc.	40,000	<u>915,000</u>
		<u>5,384,800</u>

**THE MUHLENKAMP FUND**  
**(A Portfolio of the Wexford Trust)**

**PORTFOLIO OF INVESTMENTS (Continued)**  
**June 30, 1998 (Unaudited)**

Name of Issuer or Title of Issue	Principal Amount or Number of Shares	Value
Oils, Natural Gas, Energy Related - 4.37%		
Calpine Corp.	160,000	3,230,000
*Global Marine, Inc.	130,000	2,429,375
Nabors Industries	60,000	1,188,750
Omni Energy Services	127,500	1,737,188
R&B Falcon Corp	20,000	<u>452,500</u>
		<u>9,037,813</u>
Rails - 2.04%		
Burlington Northern Ind., Inc.	43,000	<u>4,222,063</u>
Savings and Loan - 2.18%		
Federal National Mortgage Assoc.	74,400	<u>4,519,800</u>
Technology - 0.60%		
*Scios, Inc.	140,000	<u>1,242,500</u>
Tobacco - 0.67%		
Philip Morris	35,280	<u>1,389,150</u>
Transportation - 0.66%		
*Coach USA	30,000	<u>1,368,750</u>
Total Common Stocks (Cost \$114,056,741)		<u>\$ 169,467,240</u>
BONDS AND NOTES - 12.87%		
General Motors Acceptance Corp. 0%, due 2013	\$ 5,990,000	\$ 1,952,740
U.S. Treasury Stripped Interest 0%, due 2013	800,000	349,176
U.S. Treasury Stripped Interest 0%, due 2024	30,000,000	7,036,290
U.S. Treasury 7.25%, due 2016	3,250,000	3,809,611
U.S. Treasury Stripped Interest 0%, due 2024	26,900,000	6,063,179
U.S. Treasury Stripped Interest 0%, due 2023	30,000,000	7,428,060
Total Bonds and Notes (cost \$23,196,302)		<u>\$ 26,639,056</u>
REGISTERED INVESTMENT COMPANY - 5.01%		
Star Trust for U.S. Treasury (cost \$10,377,080)	\$ 10,377,080	<u>\$ 10,377,080</u>
Total (identified and tax cost of \$147,630,123)		<u>\$ 206,483,377</u>

\*Non-Income Producing



**THE MUHLENKAMP FUND**  
(A Portfolio of the Wexford Trust)

**SELECTED PER SHARE DATA AND RATIOS**  
**FOR THE YEARS ENDED DECEMBER 31, 1997 TO 1991 AND THE SIX MONTH PERIOD ENDING JUNE 30, 1998**

	Six month period ending <u>June 30, 1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	—
NET ASSET VALUE, BEGINNING OF YEAR	\$ 36.55	\$ 27.52	\$ 21.26	\$ 16.23	\$ 17.86	\$
Income from Investment Operations:						
Net investment income (1)	0.04	0.18	0.14	0.21	0.11	
Net gains or (losses) on securities	<u>6.00</u>	<u>8.98</u>	<u>6.23</u>	<u>5.14</u>	<u>(1.39)</u>	
Total from investment operations	6.04	9.16				
			6.37	5.35	(1.28)	
Less Distributions:						
Dividends (from net investment income)	-	(0.13)				
Distributions (from net realized capital gains)	-	-	(0.11)	(0.21)	(0.10)	
Return of capital	-	-	-	(0.11)	(0.25)	
Total Distributions	<u>-</u>	<u>(0.13)</u>	<u>-</u>	<u>-</u>	<u>-</u>	
NET ASSET VALUE, END OF PERIOD	\$ <u>42.59</u>	\$ <u>36.55</u>	<u>(0.11)</u>	<u>(0.32)</u>	<u>(0.35)</u>	
Total Return (2)(3)	<u>16.53%</u>	<u>33.28%</u>	<u>27.52</u>	<u>21.26</u>	<u>16.23</u>	\$
Net Assets, End of Period (000)	\$ 207,283	\$ 125,461	29.96%	32.90%	(7.20)%	
Ratio of Total Expenses to Average Net Assets (2)	1.30%	1.44%	\$ 42,039	\$ 23,571	\$ 16,611	\$
Ratio of Net Expenses to Average Net Assets (2)	1.28%	1.33%	1.56%	1.40%	1.57%	
Ratio of Net Investment Income to Average Net Assets (3)	0.52%	0.53%	1.54%	1.35%	1.52%	
Portfolio Turnover Rate (3)	13.85%	13.89%	0.58%	1.10%	0.70%	
Average Commission Rate Paid (dollar per share)	\$ 0.0465	\$ 0.0205	16.90%	22.70%	25.60%	
			\$ 0.0382	\$ 0.0442	\$ 0.0471	\$

(1) Computed on weighted average number of shares outstanding during the year.

(2) During the years ended December 31, 1992 through the six month period ending June 30, 1998, the Fund utilized the commission credits of \$4,240, \$5,950, \$8,830, \$11,000, \$5 certain expenses of the Fund. The total return for the Fund would have been 15.6%, 18.0%, (7.2%), 32.9%, 29.9%, 33.2% and 16.53% for the years ended December 31, 1992 to June 30, 1998, respectively, without the credits.

(3) Annualized except for Total Return. If Total Return were annualized the result would be 36.13%.

See notes to financial statements.

**THE MUHLENKAMP FUND**  
**(A Portfolio of the Wexford Trust)**

**STATEMENTS OF CHANGES IN NET ASSETS**

**For the year ended December 31, 1997 and six month period ended June 30, 1998 (Unaudited)**

	<u>Six Month Period</u>	
	<u>Ending 6/30/98</u>	<u>1997</u>
<b>INCREASE IN NETASSETS FROM OPERATIONS</b>		
Net investment income	\$ 215,251	\$ 428,990
Net realized (loss) gain on investments	87,394	33,958
Unrealized appreciation in value of investments	<u>24,126,905</u>	<u>20,691,181</u>
Net increase in net assets resulting from operations	<u>24,429,550</u>	<u>21,154,129</u>
<b>DISTRIBUTION TO SHAREHOLDERS</b>		
Net investment income	-	(435,040)
Net realized gain from investments	<u>-</u>	<u>-</u>
	<u>-</u>	<u>(435,040)</u>
<b>CAPITAL SHARE TRANSACTIONS</b>		
Net proceeds from sale of shares	69,849,328	76,279,489
Net asset value of shares issued to shareholders on reinvestment of dividends	-	419,401
Cost of shares redeemed	<u>(12,456,562)</u>	<u>(13,996,297)</u>
Net increase in net assets resulting from capital share transactions	<u>57,392,766</u>	<u>62,702,593</u>
Total increase in net assets	81,822,316	83,421,682
<b>NETASSETS</b>		
Beginning of the year	<u>125,460,638</u>	<u>42,038,956</u>
End of period (including undistributed investment income of \$219,478 for the six month period ended June 30, 1998, and \$4,321 in 1997)	<u>\$ 207,282,954</u>	<u>\$ 125,460,638</u>

See notes to financial statements.

**THE MUHLENKAMP FUND**  
**(A Portfolio of the Wexford Trust)**

**NOTES TO THE FINANCIAL STATEMENTS**

**Six Month Period Ended June 30, 1998**

**NOTE 1 - ORGANIZATION**

The Wexford Trust (the "Trust") was organized as a Massachusetts Business Trust on September 21, 1987 and operations commenced on November 1, 1988. The Trust is registered under the Investment Company Act of 1940, as amended. The Muhlenkamp Fund (the "Fund") is a portfolio of the Wexford Trust and is currently the only fund in the Trust.

The Fund operates as a diversified open-end mutual fund that continuously offers its shares for sale to the public. The Fund will manage its assets to seek a maximum total return to its shareholders, primarily through a combination of interest and dividends and capital appreciation by holding a diversified list of publicly traded stocks. The Fund may acquire and hold fixed-income or debt investments as market conditions warrant and when, in the opinion of its advisor, it is deemed desirable or necessary in order to attempt to achieve its investment objective.

The primary focus of the Fund is long-term and the investment options diverse. This allows for greater flexibility in the daily management of fund assets. However, with flexibility also comes the risk that assets will be invested in various classes of securities at the wrong time and price.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of significant accounting policies applied by management in the preparation of the accompanying financial statement follows.

- a. *Investment Valuations* - Stocks and Bonds are valued at the latest sales price on the last business day of the fiscal period as reported by the securities exchange on which the issued is traded. If no sale is reported, the security is valued at the last quoted bid price.
- b. *Investment Transactions and Related Investment Income* - Investment transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recorded daily on the yield to maturity basis. Discounts and premiums on securities are amortized over the life of the respective securities. The Fund uses the specific identification method computing gain or loss on the sale of investment securities.
- c. *Federal Income Taxes* - It is the Fund's policy to comply with the requirements of the Internal Revenue Code that are applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.
- d. *Dividends and Distributions to Shareholders of Beneficial Interest* - Dividends and distributions are recorded by the Fund on the record date.

**THE MUHLENKAMP FUND**  
**(A Portfolio of the Wexford Trust)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Six Month Period Ended June 30, 1998**

(Note 2 - Continued)

- e. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

**NOTE 3 - INVESTMENT MANAGEMENT AND OTHER TRANSACTIONS WITH AFFILIATES**

Muhlenkamp & Co., Inc., an affiliate of which an officer-stockbroker is a trustee of the Trust, receives a fee for investment management. The fee is computed and accrued daily based on the net asset value at the close of business and is equal to 1% per annum. The advisor is permitted to charge the Fund for some or all of its routine administration costs which totaled \$46,742 for the period ended June 30, 1998. An expense reimbursement of \$46,742 was requested for the period ended June 30, 1998. The reimbursement consists of the following:

Printing	\$ 15,092
Registration and filings	17,640
Postage	12,412
Legal and accounting	885
Insurance	<u>713</u>
Total	<u>\$ 46,742</u>

Certain affiliated persons held in the aggregate 40,641 shares with a net asset value of \$1,730,900 in the Fund on June 30, 1998. In addition, the Muhlenkamp & Co., Inc. Pension & Trust Fund held 15,675 shares with a net asset value of \$667,589 on June 30, 1998.

**THE MUHLENKAMP FUND**  
**(A Portfolio of the Wexford Trust)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Six Month Period Ended June 30, 1998**

**NOTE 4 - CAPITAL SHARE TRANSACTIONS**

The Declaration of Trust permits the Trustees to issues an unlimited number of full and fractional shares of beneficial interest with a par value of \$.001 per share. Transaction in capital stock for the six-month period ended June 30, 1998 and the year ended December 31, 1997 were as follows:

	June 30, 1998		1997	
	Shares	Amount	Shares	Amount
Shares outstanding, beginning of period	3,432,778	\$90,857,672	1,527,718	\$28,155,079
Shares sold	1,744,691	69,849,290	2,311,675	76,279,489
Share issued to shareholders in reinvestment of dividend	-	-	11,928	419,401
Shares redeemed	(310,210)	(12,456,562)	(418,543)	(13,996,297)
Shares outstanding, end of period	4,867,259	\$148,250,400	3,432,778	\$90,857,672

**NOTE 5 - CAPITALLOSS CARRYFORWARD**

As of June 30, 1998, the Fund had available for federal income tax purposes a capital loss carry forward of approximately \$127,600, which expires December 31, 2004.

**NOTE 6 - INVESTMENTTRANSACTIONS**

Purchases and sales of investment securities, excluding short-term securities, were \$60,479,370 and \$8,873,661, respectively, during the six month period ending June 30, 1998.

The components of the net unrealized appreciation in the value of the investments held June 30, 1998 for both financial reporting and tax purposes are as follows:

Gross unrealized appreciation of investments	\$ 62,888,722
Gross unrealized depreciation of investments	<u>(4,035,468)</u>
Net unrealized appreciation of investments	<u>\$ 58,583,254</u>

**THE MUHLENKAMP FUND**  
**(A Portfolio of the Wexford Trust)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Six Month Period Ended June 30, 1997**

**NOTE 7 - DIRECTED BUSINESS ARRANGEMENT**

The Fund has a directed business arrangement with Capital Institution Services, Inc. ("CIS"). Upon the purchase and/or sale of investment securities, the Fund pays brokerage commissions to CIS. These commission payments generate nonrefundable cumulative credits which are available to pay certain expenses of the Fund, such as performance measurement, pricing information, custodian and record keeping services, legal, accounting and other administrative costs. The commission credits redeemed during the year were utilized by the Fund to pay accounting fees due the Independent Auditors, transfer agent fees and fund accounting.

The following is an analysis of commissions credits generated, utilized and available to pay future expenses of the Fund:

	<u>Amount</u>
Balance, January 1, 1998	\$ (2,452)
Commission credits generated during six month period ended June 30, 1998	33,756
Commission credits utilized:	
Auditor fees	<u>(13,300)</u>
Balance, June 30, 1998	\$ <u>31,304</u>

Annual fund operating expenses, as a percentage of average net assets, were 1.28% without the commission credits. Utilizing commission credits, operating expenses as a percentage of average net assets were 1.27%.

**SPECIAL MEETING OF SHAREHOLDERS  
MUHLENKAMP FUND  
HELD ON MAY 28, 1998**

On May 28, 1998 a Special Meeting of the Shareholders of the Muhlenkamp Fund (A Series of the Wexford Trust), was conducted at the Chadwick in Ballroom C, One Wexford Square, Wexford Pa. All Trustees were present at the meeting. Aquorum of 2,504,282.05 shares from a total of 3,979,925 was present at the meeting for the transaction of business.

The matters acted upon at the meeting were:

- (1) Election of Trustees;
- (2) One proposed change to your Fund's fundamental investment restriction permitting it to purchase or sell options on securities, which would not alter your Fund's investment objectives;
- (3) Any other business properly brought before the meeting.

**1. ELECTION OF TRUSTEES**

The nominees for trustee were Alfred E. Kraft and Terrence McElligott. The nominees were replacing Richard R. Rice and Edgar C. Belle who were retiring from the board after having served it since the inception of the Fund. Ronald H. Muhlenkamp is currently a trustee who was elected by the shareholders of the Fund on November 18, 1998. He was not up for election. During the meeting Mr. Kraft and Mr. McElligott were elected as the new trustees of the Fund by a majority of the shares outstanding. The results are tabulated below:

Nominee	Shares Voted FOR	% of Voted FOR	% of Total FOR	Shares Withheld Authority	% of Voted Withheld	% Total Withheld
Mr. Kraft	2,436,238.05	97.28%	61.21%	68,044.00	2.72%	1.71%
Mr. McElligott	2,442,251.05	97.52%	61.36%	62,031.00	2.48%	1.56%

**2. CHANGE TO COMPANY'S INVESTMENT RESTRICTIONS**

The Trustees recommended that the shareholders approve a change to the Fund's fundamental investment restrictions to allow the Fund to purchase and sell put and call options on stock or bonds. The Trustees believe that the premiums offered on some option contracts are attractive relative to interest rates on bonds and other investments. This change would not alter your Fund's investment objectives. A majority of the shares present at the meeting voted in favor of allowing the Fund to change it's fundamental investment restriction and allow it to purchase and sell put and call options on stocks or bonds. The result of this vote are tabulated below.

	Shares Voted	% of Voted
For	1,804,786.05	72.07%
Against	261,324.00	10.44%
Abstain	68,711.00	2.74%
Broker Non-Vote	<u>369,461.00</u>	<u>14.75%</u>
	2,504,282.05	100.00%

**3. OTHER BUSINESS**

There was no other business brought before the meeting which required a vote.

During the Special Meeting Ronald Muhlenkamp thanked Mr. Rice and Mr. Belle for their years of dedicated service to the shareholders of the Muhlenkamp Fund.

Questions were entertained and then the meeting was adjourned.