

**MH Elite Portfolio of Funds Trust
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Scotch Plains NJ 07076
1-800-318-7969**

Cost Basis Election Form

Mandatory Cost Basis Reporting Requirement

On October 12, 2010 the Internal Revenue Service (IRS) released the final mandatory cost basis regulations. These regulations were enacted as a result of the Economic Stabilization Act of 2008. As part of the new regulations, effective January 1, 2012, mutual fund companies are now required to provide cost basis reporting to the IRS. When you sell or exchange shares of a mutual fund you may have a capital gain or loss that must be reported to the IRS. To calculate the gains or losses from shares sold, you must know the cost of the different shares you own. Cost basis is the original price paid for those shares. Any transactions that increase or decrease the number of shares in an account can affect cost basis.

Below is a list of cost basis methods available to you and a brief description of each method. You may also want to consult with your tax adviser before making your selection. You may select only ONE option. If you do not elect a cost basis method, then the Fund's default cost basis calculation method, which is currently the Average Cost method, will be applied to your account. Please initial your selection, sign and return with your application.

1. _____ Average Cost (ACST)
A method for valuating the cost of shares in an account by averaging the effect of all transactions in the account. The gain/loss is calculated by taking the cumulative dollar cost of the shares owned and dividing by the total number of shares in the account to determine an average cost per share.
2. _____ First In First Out (FIFO)
A standing order to sell the oldest shares in the account first.
3. _____ Last In First Out (LIFO)
A standing order to sell the newest shares in an account first.
4. _____ High Cost First Out (HIFO)
A standing order to sell shares purchased at the highest cost first.
5. _____ Low Cost First Out (LOFO)
A standing order to sell shares purchased at the lowest cost first.
6. _____ Loss/Gain Utilization (LGUT)
A method that evaluates losses and gains then strategically selects lots based on that gain/loss in conjunction with a holding period.
7. _____ Specific Lot Identification (SLID)
The shareholder needs to designate which specific shares to redeem when placing their redemption request.

Signature: _____

Signature: _____

Date: _____

Date: _____