

ICM SMALL COMPANY PORTFOLIO

THIRD QUARTER 2009

OCTOBER 8, 2009

A combination of better than expected second quarter earnings, increased confidence in an economic rebound, and what some are calling a “wall of liquidity” propelled the equity market to another very strong quarter. Small capitalization stocks (the Russell 2000® Index) outperformed large cap stocks (the S&P 500 Index). Within the small cap sector, value stocks (the Russell 2000® Value Index) outperformed growth stocks (the Russell 2000® Growth Index). The ICM Small Company Portfolio (the Portfolio or Fund) underperformed its primary benchmark, the Russell 2000® Value Index (the Index), during the third quarter, but remained well ahead of the Index for the year-to-date.

TOTAL RETURN (%)												
PERIODS ENDING 9/30/09												
	1st Qtr	2nd Qtr	3rd Quarter 2009				YTD	1 Yr	Periods Ending 9/30/09 Annualized			
			July	Aug	Sept	3rd Qtr			3 Yrs	5 Yrs	10 Yrs	4/19/89 Since Inception
ICM Small Co. Portfolio*	-17.53	28.17	9.94	4.52	5.52	21.26	28.17	-8.66	-2.29	4.12	9.26	12.32
Russell 2000® Value Index	-19.64	18.00	11.56	4.73	5.02	22.70	16.36	-12.61	-6.65	1.78	8.05	9.95
Russell 2000® Index	-14.95	20.69	9.63	2.87	5.77	19.28	22.43	-9.55	-4.57	2.41	4.88	8.14
Russell 2000® Growth Index	-9.74	23.38	7.75	0.98	6.57	15.95	29.12	-6.32	-2.60	2.91	1.10	5.80
S&P 500 Index	-11.01	15.93	7.56	3.61	3.73	15.61	19.26	-6.91	-5.43	1.02	-0.15	8.55

¹ The returns shown for the ICM Small Company Portfolio are net of all fees and expenses.

Total annual Fund operating expenses are 0.87%.

Total returns assume reinvestment of all dividends and capital gains.

The performance data quoted represents past performance. Past performance does not guarantee future results.

The investment return and principal value of an investment will fluctuate so that an investor's shares when redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. For performance data current to the most recent month end, please call 1-866-234-5426 or visit our website at www.icomd.com.

Additional disclosures can be found on page 3.

As was the case in the second quarter, the more economically sensitive sectors of the Index provided the greatest impetus behind the strong advance. Once again, the Fund benefited by being overweight in most of these sectors and underweight in more defensive areas such as Utilities and Consumer Staples. This positive sector allocation effect was offset by a negative selection effect. The Portfolio's holdings in several of these cyclical sectors underperformed their counterparts in the Index. In addition, the drag of an average cash reserve position of just over 5% of the Portfolio cost the Portfolio an estimated 136 basis points of relative performance.

Due in part to the rebalancing of the Russell 2000® Value Index on June 30th, in part to the relative performance of the Portfolio's holdings in various sectors, and in part to the residual effect of purchases and sales, the Fund's relative weighting to the more cyclical sectors of the Index has been reduced and its weighting relative to the Index in the Financial Services and Utilities sectors has increased. In the bank sector we have participated in several secondary offerings by regional banks looking to raise funds to make acquisitions of weaker competitors. This strategy has worked well thus far. We have reduced our exposure to the Energy sector a bit by selling into strength.

While the economy certainly seems to have bottomed out in the early summer and the GDP report will show growth in the third quarter, there is still very little evidence to suggest a strong recovery is in the offing. Most economic forecasts call for a very slow and sluggish recovery despite historic precedent that shows sharp declines in the economy are followed by strong V-shaped rebounds. While we do not choose stocks or construct the Portfolio based on economic forecasts, we do believe that a strong recovery in corporate profits driven by moderate growth in revenues and expanding profit margins is at least partially baked into the equity market's current valuation. In other words, perhaps most of the easy money has been made and the going gets a little tougher in the months ahead.

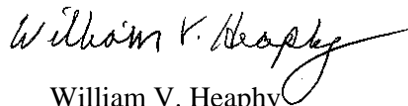
We believe that one of the primary drivers of the rise in equity prices has been the aggressively easy monetary policy and the quantitative easing that the Federal Reserve has employed over the last twelve months. These policies have created the "wall of liquidity" referred to above. The consequences of these policies are reflected not only in rising stock prices but also in rising gold and oil prices and the decline in the value of the dollar. As anyone with a CD or a money market account knows, cash is producing essentially a zero absolute return and a negative inflation adjusted return. People are literally being forced to take on risk in bonds, stocks or commodities. Thus we have experienced very strong bond and stock markets which have allowed public companies to extend maturities, refinance debt and raise equity capital. This much easier credit environment has not worked its way down to the small business and consumer levels, which is the main reason why the consensus outlook for the economy is so muted. The Federal Reserve has signaled that the zero interest rate environment will remain in place for an "extended period." It seems as though a slight pullback in quantitative easing may begin next year. How and when the Fed starts to remove the punch bowl of easy money may be the equity market's biggest hurdle over the foreseeable future.

Please feel free to call us if you have any questions or comments about the Portfolio.

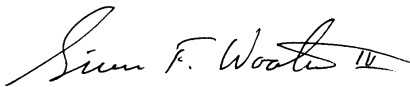
Sincerely,



Robert D. McDorman, Jr.
Principal



William V. Heaphy
Principal



Simeon F. Wooten, III
Principal



Gary J. Merwitz
Principal

This material must be preceded or accompanied by a current prospectus. Please read it carefully before you invest or send money.

**The Russell 2000® Index is an unmanaged index composed of the 2,000 smallest stocks in the Russell 3000, a market value weighted index of the 3,000 largest U.S. publicly-traded companies. The Standard & Poor's 500 Stock Index is an unmanaged index composed of 400 industrial, 40 financial, 40 utilities and 20 transportation stocks. The Russell Small-Cap Growth and Value Indexes are created by sorting the universe of Russell 2000 companies by book/price ratio and separately by I/B/E/S growth rate. (Reported book value is adjusted to reflect FAS 106 and 109 write-offs by adding back the unamortized portion of the charge.) Each of the sorted series is normalized and combined to arrive at a composite*

rank for each company. The composite rank is used to generate the probability that a stock is either growth or value. About 30% of the stocks in the Russell 2000 appear in both the growth and value indexes in different proportions based on the probability calculated; the sum of the shares in each index is the total number of shares floating. The remaining 70% of the companies are in one style index only. Please note that one cannot directly invest into an unmanaged index.

The ICM Small Company Portfolio is distributed by SEI Investments Distribution Co., which is not affiliated with Investment Counselors of Maryland (ICM) or its affiliates. Neither this material nor any accompanying oral presentation or remarks by a representative is intended to constitute a recommendation of the Fund or a determination of suitability.

There can be no assurance that the portfolio will meet its stated objectives. Portfolio holdings are subject to change and should not be considered investment advice or a recommendation to buy securities.

There are risks involved with investing in mutual funds, including loss of principal. In addition to the normal risks involved with investing in mutual funds, including loss of principal, smaller companies and narrowly focused investments typically exhibit higher volatility. Current and future holdings are subject to risk.

Top Ten Holdings as of September 30, 2009:

<u> Holding </u>	<u> % of Portfolio </u>
Bio-Rad Laboratories Inc. (Cl A)	1.77
AptarGroup Inc.	1.69
CommScope Inc.	1.54
Ametek Inc.	1.47
Oceaneering International Inc.	1.40
Sirona Dental Systems Inc.	1.33
Cooper Tire & Rubber Co.	1.32
Varian Inc.	1.32
Whiting Petroleum Corp.	1.25
Men's Wearhouse Inc.	1.23