ICM SMALL COMPANY PORTFOLIO

FOURTH QUARTER 2009

JANUARY 11, 2010

Much better than expected. That is probably how most people would characterize the performance of the financial markets around the world in 2009. Thanks to one of the most powerful rallies in history off the lows in early March, the U.S. equity market provided a very solid return for the year. However, the market remains well below its all time highs, and, using the S&P 500 Index as a gauge, the last ten years have proved to be a disappointing decade for stocks.

Due to a very strong advance in December, small capitalization stocks (the Russell 2000® Index) outperformed large cap stocks (the S&P 500 Index) for the year. Within the small cap sector, the Russell 2000® Growth Index outperformed the Russell 2000® Value Index. The ICM Small Company Portfolio (the Portfolio or the Fund) outperformed its primary benchmark, the Russell 2000® Value Index (the Index), in the fourth quarter and for the year.

TOTAL RETURN (%)
PERIODS ENDING 12/31/09

				4th Quarter 2009					Periods Ending 12/31/09 Annualized			
	1st Qtr	2nd Qtr	3rd Qtr	Oct	Nov	Dec	4th Qtr	2009 Year	3 Yrs	5 Yrs	10 Yrs	4/19/89 Since Inception
ICM Small Co. Portfolio[1]	-17.53	28.17	21.26	-5.33	2.28	8.34	4.91	34.46	-3.39	2.50	9.70	12.42
Russell 2000® Value Index	-19.64	18.00	22.70	-6.64	3.18	7.57	3.63	20.58	-8.22	-0.01	8.27	10.01
Russell 2000® Index	-14.95	20.69	19.28	-6.79	3.14	8.05	3.87	27.17	-6.07	0.51	3.51	8.24
Russell 2000® Growth Index	-9.74	23.38	15.95	-6.95	3.09	8.56	4.14	34.47	-4.00	0.87	-1.37	5.94
S&P 500 Index	-11.01	15.93	15.61	-1.86	6.00	1.93	6.04	26.46	-5.63	0.42	-0.95	8.75

[1] *The returns shown for the ICM Small Company Portfolio are net of all fees and expenses.*
Total annual Fund operating expenses are 0.89%.
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.

The performance of the Fund in 2009 was virtually identical to the performance of the Russell 2000® Growth Index. We want to assure our shareholders that we have not changed our stripes and become “growth” investors. We continue to employ the same value-oriented stock selection process that we have used since the inception of the Fund in 1989. We thought it would be interesting to perform an attribution analysis comparing the Russell 2000® Growth and Value Indexes. According to our attribution analysis, well over 90% of the Growth Index’s excess return was due to the Allocation Effect (different sector weightings) with the Selection Effect (stock performance within sectors) accounting for less than 100 basis points of Growth’s outperformance. The Growth Index’s significant underweighting in Financial Services (7.5% average weight versus 34.9% average weight in the Value Index) provided over half of the excess return. The Value Index’s components in the two best performing Growth sectors (Technology and Consumer Discretionary) actually outperformed their Growth counterparts. This study suggests to us that, in general, value stocks and growth stocks performed about the same in 2009.

The Portfolio did also benefit from an underweight position in Financial Services relative to the Index (20.1% average weight versus 34.9% average weight). However, the total Allocation Effect accounted for less than half of the Fund's excess return. The Portfolio's holdings in the Financial Services sector significantly outperformed their counterparts in the Index (19.9% return versus -2.2%). Very strong relative performance by the Fund's holdings in the Health Care (9.9% average weight) and Producer Durables (17.0% average weight) sectors also contributed to a very strong Selection Effect in 2009. The two most important negative factors were the effect of an average cash reserve position of 4.2% and underperformance by the Portfolio's holdings in the Materials & Processing sector (12.7% average weight).

The argument about whether or not the recession is over seems to have been settled. Attention has now turned to how strong the recovery will be and the potential for a "double dip" recession. We do not think that the economy can slip back into a recession this year unless oil prices rise quickly to levels well above $100 per barrel. This would have a very negative impact on the consumer and would interrupt the strong recovery in corporate profits that we are experiencing and which is the driving force behind the stock market. There is a very strong and cogent argument that the Federal government's monetary and fiscal policies are going to have serious negative consequences at some point in the future. But, over the near term, a shock to the system from an unexpected geo-political event (i.e. a big increase in energy prices) appears to be the major risk in regards to the equity market.

From a valuation perspective, the market, based on the current level of the S&P 500 Index, looks fairly valued at 15x – 16x estimated 2010 earnings. To date, price-to-earnings ratio expansion has accounted for much of the advance off last year's lows. Going forward, revenue and earnings growth have to pick up the ball as P/E ratios could even contract in the face of rising interest rates and potential negative regulatory and tax developments. Over the near term, the earnings outlook is for "better than expected" results.

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. The material represents the manager's assessment of the portfolio and market environment at a specific point in time and should not be relied upon by the reader as research or investment advice regarding any stock. 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 and REIT investments include illiquidity and interest rate risk. Products of the companies in the technology (or biotech) sector are subject to severe competition and rapid obsolescence. Current and future holdings are subject to risk.

Top Ten Holdings as of December 31, 2009:

Holding	*% of Portfolio*
Bio-Rad Laboratories Inc. (Cl A)	1.83
AptarGroup Inc.	1.64
Whiting Petroleum Corp.	1.58
Oceaneering International Inc.	1.46
Sirona Dental Systems Inc.	1.44
CommScope Inc.	1.39
Ametek Inc.	1.33
Actuant Corp. (Cl A)	1.30
Littelfuse Inc.	1.29
Granite Construction Inc.	1.27