There was no shortage of nerve rattling headlines to contend with in the third quarter of 2019. In fairly quick succession investors were confronted with an escalation in the trade war with China, the prospect of Great Britain falling out of the European Union without a backstop deal, an attack on Saudi oil production facilities and finally the very real prospect of the President being impeached. All of this occurred against the backdrop of a slowing U.S. economy that is being buffeted by a contraction in manufacturing activity and global trade.

Despite these headwinds, large cap U.S. equities managed to record a modest 1.4% gain, as measured by the Russell 1000® Index, for the quarter. Small cap shares, as measured by the Russell 2000® Index, did not fare as well, falling 2.4%, but thanks to a September surge, small cap value shares, as measured by the Russell 2000® Value Index, outperformed their growth counterparts, with a smaller 0.6% decline. We are pleased to report that the ICM Small Company Portfolio (the “Fund” or the “Portfolio”) exceeded its primary benchmark, the Russell 2000® Value Index (the “Benchmark”), with a return of 0.74%.

Although oil prices spiked briefly above $60 after the drone strike in Saudi Arabia, the commodity ultimately finished the quarter 11% lower, putting pressure on the Energy sector which declined 22.6%. The Fund’s underweight of the sector was the largest source of relative outperformance in the period. This was offset somewhat by the underperformance of the Portfolio’s Energy holdings, which declined 31.1%, but this was due primarily to our lack of exposure to “downstream” industry participants like refining, marketing and pipeline companies that performed significantly better.

Energy shares—particularly those of small cap exploration and production companies—have struggled for several years now and are inexpensive relative to history. We are skeptical of the prospects for near term improvement, however, and are comfortable remaining below market weight in the sector for now. In many cases, balance sheets are still stretched from the pre-2015 shale boom years and with access to capital limited, companies are forced to drill new wells from existing cash flow which, in turn, will pressure production and ultimately future cash flow. This Catch-22 puts the drillers in a box from which it is difficult to escape.

Producer Durable stocks struggled this quarter, falling 1.6% as both manufacturing and global trade continue to contract. The Portfolio’s holdings fared better posting a modest 1.8% gain due to a lesser exposure to global industrial companies that are experiencing declining earnings. Domestically oriented companies such as trucking operator Saia, Inc. (up 44.9%) and Federal Signal Corp. (up 22.7%), which sells equipment to state and local governments in North America, helped deliver this outperformance.

<table>
<thead>
<tr>
<th>TOTAL RETURN (%) NET OF FEES</th>
<th>PERIODS ENDING 9/30/19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3rd Quarter 2019</td>
</tr>
<tr>
<td>ICM Small Co. Portfolio¹</td>
<td>14.12</td>
</tr>
<tr>
<td>Russell 2000® Value Index</td>
<td>11.93</td>
</tr>
<tr>
<td>Russell 2000® Growth Index</td>
<td>17.14</td>
</tr>
<tr>
<td>Russell 1000® Index</td>
<td>14.00</td>
</tr>
</tbody>
</table>

¹ The returns shown for the ICM Small Company Portfolio are net of all fees and expenses.
Total annual Fund operating expenses are 0.93%.
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 2-3 of this letter.
The Fund recorded a similarly modest 1.7% return in the economically sensitive Materials & Processing sector, but outpaced the 2.3% decline for the Benchmark constituents. Specialty ingredient provider Innophos Holdings and industrial packaging supplier Greif, Inc., which climbed 13.5% and 17.7% respectively, were the main contributors to the outperformance.

The Consumer Discretionary sector was a notable source of both absolute and relative strength in the third quarter, advancing 7.1% versus a 3.6% return for the benchmark peers. The consumer, for now, is the main engine of economic growth as unemployment is exceptionally low and workers, especially at lower skill levels, are seeing rising wages. This led to strong gains this quarter in retailing and homebuilder shares, which gained 7.5% and 29.5% respectively. The Portfolio maintains above benchmark weightings in both of these subsectors of the market.

Aside from the underweight of the interest rate sensitive Utility and Real Estate Investment Trust (REITs) sectors, the only significant drag to relative performance this quarter came from the Technology sector, where the 2.0% return for the Fund’s holdings lagged the strong 5.4% gain for the Benchmark. Most of this underperformance came from the 8.1% decline in the Portfolio’s software stocks, particularly Progress Software and Verint Systems which each dropped in excess of 10%. Both companies reported solid earnings during the quarter, but failed to live up to investor expectations after posting very strong share price gains in the first half of the year.

Most investors, including ourselves, are focused on one important question: Will the current manufacturing contraction, the third during this economic expansion, eventually spill over to the broader economy and lead to a recession? The answer depends on the U.S. consumer sector where, for now, strong employment, rising wages and positive sentiment are supportive of continued economic growth. We will be monitoring each of these metrics closely moving forward.

We have written in the past about the extended period of underperformance of small cap value stocks versus their small cap growth counterparts. We were encouraged to see this trend broken in the recent quarter after a surge in value relative to growth in September. For a more sustained period of outperformance, however, we will need to see a much more aggressive Federal Reserve rate cutting effort and/or a resolution to the current trade war between the U.S. and China that is dragging down business confidence and global growth.

As always, we appreciate your business. Please feel free to contact us with any questions or concerns.

Sincerely,

William V. Heaphy, CFA
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 Russell 1000 Index is an unmanaged index composed of the 1,000 largest stocks in the Russell 3000 index. The Russell 2000® 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.

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, investments in smaller companies typically exhibit higher volatility. Current and future holdings are subject to risk.

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Top Ten Equity Holdings as of September 30, 2019:

<table>
<thead>
<tr>
<th>Holding</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>QTS Realty Trust, Inc. Class A</td>
<td>1.57</td>
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<tr>
<td>M.D.C. Holdings, Inc.</td>
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<tr>
<td>Methode Electronics, Inc.</td>
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<tr>
<td>TRI Pointe Group Inc</td>
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<tr>
<td>Federal Signal Corporation</td>
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<tr>
<td>Benchmark Electronics, Inc.</td>
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<tr>
<td>Advanced Energy Industries, Inc.</td>
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<tr>
<td>Kite Realty Group Trust</td>
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<tr>
<td>Argo Group International Holdings, Ltd.</td>
<td>1.27</td>
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<tr>
<td>ICF International, Inc.</td>
<td>1.26</td>
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</tbody>
</table>