

ICM SMALL COMPANY PORTFOLIO

SECOND QUARTER 2017

JULY 17, 2017

Against a backdrop of solid, but unspectacular, economic growth in the United States and most other developed countries, the market, as measured by the S&P 500 Index, gained 3.09% in the second quarter and is up 9.34% in the first half of 2017. Particularly notable has been the ease of the path higher, with the S&P 500 recording 24 record highs without even a 3% pullback, and a volatility index (the VIX) that has averaged an historically low 11.6 year to date. This favorable market environment can be attributed to two things: a strong rebound in corporate earnings so far this year and a plunge in inflation expectations that has kept longer dated interest rates in check despite the Federal Reserve raising short rates. In fact, the market has advanced despite the reversal of the “Trump bump” that fueled the strong post-election rally in the fourth quarter of 2016. Stocks that did particularly well after the election, for example Financials and Energy, have been laggards so far in 2017 as investors have grown more skeptical that the pro-growth agenda of the President and the Republican controlled Congress can be passed into law. This reversal of the “Trump trade” is also a good reason why small cap value stocks, as measured by the Russell 2000[®] Value Index (the “Benchmark”), the sector of the market that stands to gain the most from the President’s proposals, lagged this quarter, gaining just 0.67%. The ICM Small Company Portfolio (the “Fund” or the “Portfolio”) outperformed its Benchmark again this quarter with a 1.90% return.

TOTAL RETURN (%) NET OF FEES PERIODS ENDING 6/30/17											
	2017 1Q	2 nd Quarter 2017			2017 2Q	YTD	1 yr	Periods Ending 6/30/17 Annualized			
		April	May	June				3 yrs	5 yrs	10 yrs	4/19/89 Since Inception
ICM Small Co. Portfolio¹	0.57	0.95	-2.35	3.36	1.90	2.48	25.27	8.84	14.65	7.32	12.56
Russell 2000 [®] Value Index	-0.13	0.39	-3.11	3.50	0.67	0.54	24.86	7.02	13.39	5.92	10.62
Russell 2000 [®] Index	2.47	1.10	-2.03	3.46	2.46	4.99	24.60	7.36	13.70	6.92	9.50
Russell 2000 [®] Growth Index	5.35	1.84	-0.91	3.44	4.39	9.97	24.40	7.64	13.98	7.82	7.96
S&P 500 Index	6.07	1.03	1.41	0.62	3.09	9.34	17.90	9.61	14.63	7.18	9.94

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

Total annual Fund operating expenses are 0.95%.

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 of this letter.

After trailing in the first quarter, the Fund’s Health Care holdings made up a lot of ground this quarter, gaining 17.7% versus the 5.1% return for the Benchmark constituents. After last year’s pullback in healthcare stocks, we increased our exposure to this sector in recent months, including a new investment in Liva Nova, which has contributed right away with a 24.9% gain. Liva Nova is an underfollowed medical device manufacturer with leading shares in both the Epilepsy and Cardiac Surgery markets, and even with the recent move higher, trades at a substantial discount to other medical technology companies.

The Portfolio’s Technology investments had another good relative quarter, advancing 5.7%, which outpaced the Benchmark peers’ 1.1% return. The strength was broad based but Novanta Inc. and Rogers Corporation were major contributors, climbing 35.6% and 26.5% respectively. The Technology sector has been a strong absolute and relative performance contributor to the Fund in recent years, but with several holdings exceeding our price targets, we have begun to reduce the Fund’s weighting in this sector.

The Portfolio also benefitted in the second quarter from its below benchmark exposure to commodity oriented sectors, particularly energy stocks, which declined 17.7% percent this quarter as oil prices fell to a nine month low. Oil had an impressive rally in 2016 after OPEC agreed to curtail production, but the U.S. shale operators have continued to improve their production costs and have ramped up production again after receiving fresh capital from the equity markets. Although the Fund remains underweight Energy, we did use the recent pullback in the sector to add to our positions at the end of June.

The biggest disappointment this quarter was the relative performance of the Portfolio's Producer Durable stocks, which gained 0.8% but trailed the Benchmark constituents' 5.3% return. As skepticism grew that the President's agenda would stall, or be delayed materially, a number of the Fund's engineering and construction stocks declined. Most notable was utility construction services provider MYR Group, which fell 24.3% after reporting a weak first quarter result due to weather disruptions. The company continues to experience solid bidding activity, giving us confidence that earnings will recover even without the passage of a major federal infrastructure spending bill.

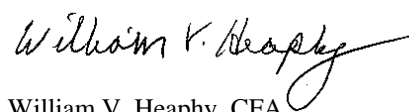
The Financial Services sector was the only other area of relative weakness in the quarter, primarily due to modest underperformance of the Fund's regional bank holdings, which declined 0.4% compared to a 0.6% gain for the Benchmark peers. The recent decline in interest rates and the inability of Congress to move forward on tax reform, has pressured bank stocks so far this year but despite the recent underperformance, the Fund's bank stocks have fared better than their peers falling 1.9%, year-to-date, versus the 3.1% decline for the benchmark.

From a market perspective, the most important news in the second quarter came from the U.S. Federal Reserve, which indicated that, in addition to raising the Fed Funds rate, it will soon begin to shrink the multi-trillion dollar balance sheet of bonds that it has accumulated since the beginning of the financial crisis in 2008. The size of the Fed's balance sheet, of course, is unprecedented, so it is unclear what, if any, impact this will have on the markets. But we cannot help but think that the absence of the Fed as a buyer of bonds will put some upward pressure on nominal interest rates and, more importantly, real rates if inflation remains subdued. For this reason, it is likely that a contraction in earnings multiples will be a headwind to stock returns. It also increases the risk of a policy error by the Fed, which comes at a time when complacency in the stock market, at least as measured by the VIX, seems elevated.

On the positive side, consumer and business confidence remains high, and corporate earnings continue to climb, although the rate of growth is likely to slow in the second half of this year. The wildcard remains Congress and its ability to advance its pro-growth legislative agenda, particularly meaningful corporate tax reform. As we stated above, there is very little conviction in the market that this will occur, so any successes are likely to provide a lift to stock prices.

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 Standard & Poor's 500 Stock Index is an unmanaged index composed of 400 industrial, 40 financial, 40 utilities and 20 transportation stocks.*

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.

NOTICE: Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. This letter may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. Russell Investment Group is not responsible for the formatting or configuration of this material or for any inaccuracy in ICM's presentation thereof.

Top Ten Equity Holdings as of June 30, 2017:

<u> Holding </u>	<u> % of Portfolio </u>
Rogers Corporation	1.53
Novanta Inc	1.50
McDermott International, Inc.	1.44
Sterling Bancorp	1.43
U.S. Concrete, Inc.	1.38
Bryn Mawr Bank Corporation	1.38
Ameris Bancorp	1.35
Heritage Financial Corporation	1.29
Quanex Building Products Corporation	1.27
Dycom Industries, Inc.	1.26

ICM Small Company Portfolio

Quarter-to-Date through June 30, 2017 Performance Attribution

Sector	ICM Small Company Portfolio			Russell 2000® Value Index			Attribution Analysis		
	Average Weight (%)	Total Return (%)	Contribution To Return (%)	Average Weight (%)	Total Return (%)	Contribution To Return (%)	Allocation Effect	Selection Effect	Total Effect
Technology	15.88	5.72	0.94	9.85	1.11	0.14	0.03	0.72	0.75
Health Care	3.76	17.68	0.62	4.75	5.14	0.23	-0.01	0.41	0.40
Energy	2.56	-19.01	-0.56	4.84	-17.72	-0.89	0.39	-0.03	0.36
Materials & Processing	9.67	2.56	0.20	5.43	-2.78	-0.16	-0.12	0.47	0.35
Consumer Discretionary	7.76	4.79	0.38	10.29	2.25	0.25	-0.05	0.18	0.14
Real Estate Investment Trusts	8.09	4.00	0.32	12.03	2.00	0.26	-0.05	0.16	0.12
Consumer Staples	0.76	-13.74	-0.12	2.19	-8.72	-0.20	0.14	-0.05	0.09
Utilities	3.48	4.16	0.15	7.15	2.36	0.18	-0.05	0.06	0.01
Cash	1.60	0.22	0.00	--	--	--	0.00	--	0.00
Financial Services	23.28	-0.01	0.03	30.65	0.96	0.24	0.01	-0.23	-0.21
Producer Durables	23.17	0.80	0.18	12.84	5.27	0.62	0.50	-1.04	-0.54
Total	100.00		2.14	100.00		0.67	0.81	0.66	1.47
Actual Results*		1.90			0.67				

*Actual results for the ICM Small Company Portfolio are net of fees and expenses.

Source: FactSet Portfolio Analysis

Primary Contributors to Portfolio's Relative Performance:

Positive

1. Relative outperformance by the Portfolio's holdings in the Technology sector.
2. Relative outperformance by the Portfolio's holdings in the Health Care sector.
3. Underweight position in the Energy sector.

Negative

1. Relative underperformance by the Portfolio's holdings in the Producer Durables sector.
2. Relative underperformance by the Portfolio's holdings in the Financial Services sector.

ICM Small Company Portfolio

Best & Worst Contributors Quarter-to-Date through June 30, 2017

TEN BEST CONTRIBUTORS TO QUARTER-TO-DATE RETURN			
COMPANY	AVERAGE WEIGHT %	SECTOR	CONTRIBUTION TO RETURN (BASIS POINTS)
Novanta Inc	1.52	Technology	47
Rogers Corporation	1.62	Technology	39
U.S. Concrete, Inc.	1.19	Materials & Processing	25
Triumph Group, Inc.	0.93	Producer Durables	22
Federal Signal Corporation	0.88	Producer Durables	20
Winnebago Industries, Inc.	0.87	Consumer Discretionary	18
LivaNova Plc	0.82	Health Care	17
Alamo Group Inc.	0.92	Producer Durables	17
Albany International Corp. Class A	1.05	Producer Durables	16
M.D.C. Holdings, Inc.	0.90	Consumer Discretionary	15

TEN WORST CONTRIBUTORS TO QUARTER-TO-DATE RETURN			
COMPANY	AVERAGE WEIGHT %	SECTOR	CONTRIBUTION TO RETURN (BASIS POINTS)
Carrizo Oil & Gas, Inc.	0.68	Energy	-33
Whiting Petroleum Corporation	0.58	Energy	-31
MYR Group Inc.	0.93	Producer Durables	-27
Innophos Holdings, Inc.	0.74	Materials & Processing	-19
Kforce Inc.	0.95	Producer Durables	-18
Knoll, Inc.	0.95	Producer Durables	-16
Knowles Corp.	1.26	Technology	-13
Group 1 Automotive, Inc.	0.79	Consumer Discretionary	-13
Brady Corporation Class A	1.01	Producer Durables	-13
Snyder's-Lance, Inc.	0.76	Consumer Staples	-12

Source: FactSet Portfolio Analysis

Portfolio holdings are as of a specific point in time, are subject to change, and should not be considered as investment recommendations to buy individual securities. Current and future holdings are subject to risk. **This material must be preceded or accompanied by a current prospectus. Please read it carefully before you invest or send money.** The ICM Small Company Portfolio is distributed by SEI Investments Distribution Co., 1 Freedom Valley Drive, Oaks, PA, 19456, which is not affiliated with Investment Counselors of Maryland (ICM) or its affiliates. There can be no assurance that the portfolio will meet its stated objectives. 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.

ICM Small Company Portfolio

Year-to-Date through June 30, 2017 Performance Attribution

Sector	ICM Small Company Portfolio			Russell 2000® Value Index			Attribution Analysis		
	Average Weight (%)	Total Return (%)	Contribution To Return (%)	Average Weight (%)	Total Return (%)	Contribution To Return (%)	Allocation Effect	Selection Effect	Total Effect
Technology	15.80	17.42	2.63	10.05	7.73	0.81	0.39	1.39	1.78
Energy	2.80	-31.79	-1.09	5.17	-26.58	-1.51	0.66	-0.19	0.47
Financial Services	23.49	-1.19	-0.26	30.81	-2.04	-0.75	0.23	0.23	0.46
Consumer Staples	0.78	-8.94	-0.08	2.18	-12.33	-0.28	0.20	0.02	0.22
Materials & Processing	9.89	2.03	0.15	5.55	-0.55	-0.02	0.03	0.14	0.17
Real Estate Investment Trusts	7.88	5.96	0.48	11.73	2.88	0.36	-0.09	0.24	0.15
Health Care	3.47	20.59	0.71	4.63	14.74	0.62	-0.13	0.22	0.09
Cash	1.97	0.37	0.01	--	--	--	0.05	--	0.05
Utilities	3.36	8.74	0.29	6.92	6.04	0.41	-0.18	0.09	-0.09
Consumer Discretionary	7.97	-0.16	-0.04	10.12	2.24	0.26	-0.06	-0.23	-0.29
Producer Durables	22.57	0.80	0.20	12.85	5.46	0.64	0.54	-1.10	-0.56
Total	100.00		3.00	100.00		0.55	1.65	0.81	2.46
Actual Results*		2.48			0.54				

*Actual results for the ICM Small Company Portfolio are net of fees and expenses.

Source: FactSet Portfolio Analysis

Primary Contributors to Portfolio's Relative Performance:

Positive

1. Overweight position and relative outperformance by the Portfolio's holdings in the Technology sector.
2. Underweight position in the Energy sector.
3. Underweight position and relative outperformance by the Portfolio's holdings in the Financial Services sector.

Negative

1. Relative underperformance by the Portfolio's holdings in the Producer Durables sector.
2. Underweight position and relative underperformance by the Portfolio's holdings in the Consumer Discretionary sector.
3. Underweight position in the Utilities sector.

ICM Small Company Portfolio

Best & Worst Contributors Year-to-Date through June 30, 2017

TEN BEST CONTRIBUTORS TO YEAR-TO-DATE 2017 RETURN			
COMPANY	AVERAGE WEIGHT %	SECTOR	CONTRIBUTION TO RETURN (BASIS POINTS)
Novanta Inc	1.35	Technology	75
Rogers Corporation	1.51	Technology	54
M.D.C. Holdings, Inc.	0.87	Consumer Discretionary	30
Virtusa Corporation	0.95	Technology	26
U.S. Concrete, Inc.	1.12	Materials & Processing	23
Electro Scientific Industries, Inc.	0.58	Technology	22
Triumph Group, Inc.	0.89	Producer Durables	22
Bio-Rad Laboratories, Inc. Class A	0.93	Health Care	21
Regal Beloit Corp	1.10	Producer Durables	19
IXYS Corporation	0.48	Technology	17

TEN WORST CONTRIBUTORS TO YEAR-TO-DATE 2017 RETURN			
COMPANY	AVERAGE WEIGHT %	SECTOR	CONTRIBUTION TO RETURN (BASIS POINTS)
Carrizo Oil & Gas, Inc.	0.72	Energy	-56
Whiting Petroleum Corporation	0.69	Energy	-50
Vista Outdoor Inc	0.79	Consumer Discretionary	-47
Lydall, Inc.	1.12	Producer Durables	-22
Hanmi Financial Corporation	1.06	Financial Services	-21
MYR Group Inc.	0.99	Producer Durables	-18
Group 1 Automotive, Inc.	0.87	Consumer Discretionary	-18
Matson, Inc.	1.10	Producer Durables	-17
DSW Inc. Class A	0.73	Consumer Discretionary	-17
ConnectOne Bancorp, Inc.	1.16	Financial Services	-16

Source: FactSet Portfolio Analysis

Portfolio holdings are as of a specific point in time, are subject to change, and should not be considered as investment recommendations to buy individual securities. Current and future holdings are subject to risk. **This material must be preceded or accompanied by a current prospectus. Please read it carefully before you invest or send money.** The ICM Small Company Portfolio is distributed by SEI Investments Distribution Co., 1 Freedom Valley Drive, Oaks, PA, 19456, which is not affiliated with Investment Counselors of Maryland (ICM) or its affiliates. There can be no assurance that the portfolio will meet its stated objectives. 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.