Tocqueville

40 West 57th Street
New York, NY 10019
800.697.3863

The Delafield Fund

January 21, 2016

Dear Fellow Shareholders:

During the past quarter, the Delafield Fund's net asset value increased 1.20%, versus increases of 7.04% for the Standard & Poor's 500 Index ("S&P500") and 3.59% for the Russell 2000 Index ("Russell 2000"), each on a total return basis.* The Fund's net asset value as of December 31, 2015 was $23.95 per share after a long-term capital gain dividend of $2.801 per share paid on December 15, 2015.

For the 2015 calendar year the Fund's net asset value declined 18.12% versus an increase of 1.38% for the S&P 500 and a decline of 4.41% for the Russell 2000, each on a total return basis.* At the beginning of the year the Fund's commitment to equities was 87.29% and at year-end it was 84.81%.

Our performance in 2015 was a close parallel to the back half of 2014. The Fund's performance during the last 18 months has been extraordinarily disappointing. After many years of success we have been put to the test. The explanation for this is multi-fold. First, several of our investments proved severe disappointments and were sold, but not soon enough. Further, though we explore all market sectors for the unloved and misunderstood opportunities in which we invest, we have traditionally made our best discoveries in a core group which includes industrial, material, energy and retail. Unfortunately, these sectors were severely challenged in 2015 by a strong dollar, the economic slowdown in China and consequent weakness in commodity prices, as well as by the collapse in the price of oil and natural gas. Moreover, while consumer purchasing power and retail sales should have improved with the reduced price of gasoline, the expected benefits were largely offset by increased healthcare costs. While the majority of our holdings continued to make progress with their respective operational initiatives, these accomplishments were overshadowed by these external issues.

Market dynamics clearly impacted our results. This year, as last, the final three months witnessed heavy tax-loss selling and we are witnessing tumult in the early weeks of 2016. The market's leadership has become increasingly narrow, dominated by healthcare, internet technology and companies where activists are involved. Consider that the so called FANG stocks (Facebook, Amazon, Netflix and Google) rose by an average of 82% in 2015, substantially lifting the popular averages. In fact, the non-weighted average S&P 500 Index declined in 2015, and the percentage of large-cap and small-cap names that experienced price declines in excess of 20% rose to 20% and 62%, respectively.

Early in the year we reduced our holdings in some of our favorite companies. In retrospect we might have sold more heavily, but since we like these companies and their managements, and, in most cases had sizeable gains, we held the positions. In the latter half of the year many of these declined sharply in price. We have owned some of these for a number of years and still have significant gains despite the declines and we still think they are fine investments.

---

* *The performance data quoted above represents past performance. Past performance does not guarantee future results. The investment return and principle value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. The current performance may be lower or higher than performance data quoted.*

Please visit our website (www.tocqueville.com/mutual-funds/delafield-fund/performance) to obtain the most recent month-end performance data.

So, how are we positioned leading into 2016? As the year drew to a close we believe that much of the impact of these external pressures have worked their way through the economy, but we remain aware that inventories remain high, worldwide geo-political tensions continue unsettled and credit conditions, especially in the high-yield sector, could pose a difficult environment for companies which need to finance or refinance. With this backdrop in mind, we reaffirm that we like our managements, and believe they are investing for a bright future and where necessary, are proactively restructuring to take out costs and become more efficient. Moreover, most of our companies are generating sizeable free cash flow which should make them more valuable. Despite the fact that we lagged badly for the past year and a half we will stick to our guns and believe that fundamental value will always win out. We will, however, make a determined effort to widen the scope of our searches.

Just as last year, we will refrain from making any predictions on the macro-economic outcome. Rather, we will simply reiterate our approach toward seeking to increase the Fund's wealth over time, and after inflation and taxes, through investing in companies we believe to be undervalued and harvesting them when they become fairly valued in order to invest in new undervalued opportunities. We've planted seeds in the ground as usual and while we experienced a drought in 2015, we expect better weather in 2016.

This approach has resulted in above average returns for many years. We believe it is logical and will lead to attractive returns in the years ahead.

1. We search for companies that we believe are selling at prices which seem modest in relation to the company's intrinsic value.
2. We meet with management, visit plants, talk to competitors, consider the makeup of the Board of Directors and make a judgment as to whether we wish to be in business with the management. In other words, we try to understand the business of the companies in which we invest and the individuals who direct the company's future.
3. We search for companies wherein something may change which will alter the company's future for the better. These can be simple matters ranging from a change in management, management's attitudes, shareholder control, business opportunities or the dynamics of a company's cash flow and its use.
4. If we perform our analysis correctly, the value added we bring to you is an earlier and better understanding of the companies in our portfolio than that of other investors. Then, if the companies begin to improve, their earnings should increase and they should be valued at a higher multiple of earnings.
5. We have never worried about the profits we did not make. We worry much more about what we might lose. We believe that stock selection is much more relevant to successful investing than total commitment to equities. In the volatile markets which have developed over the last 15 to 20 years, we have come to believe that the long-term investor's best hedge against volatility is to have cash with which to invest in companies when prices seem unduly depressed.

Last quarter we discussed the outlook for Allegheny Technologies and Carpenter Steel with special reference to their favorable prospects as we move closer to increased deliveries for new commercial aerospace engine parts for which sizeable orders are in hand. Unfortunately, Allegheny Technologies is now engaged in an unpleasant labor contract negotiation which has resulted in a lock-out of their work force in a number of facilities. Furthermore, given the poor outlook Allegheny has decided to close their commodity stainless steel sheet operations as these have been unprofitable for some time. We hope the labor situation will be resolved in the near future as we believe Allegheny's commercial aerospace business outlook is very bright.

In November Fairchild Semiconductor International announced they had executed a merger agreement whereby ON Semiconductor would purchase Fairchild for $20 per share. This represented only a modest premium to the previous day closing price but almost 40% above where the shares were trading before merger reports began to surface in October. The Board of Directors reviewed multiple proposals throughout the quarter and chose to recommend the ON Semiconductor offer because it was presented with fewer contingencies than a higher rival offer from China Resources for $20.20 per share. After the announcement we took the opportunity to sell our shares as is our usual practice.

We initially began accumulating shares of Avery Dennison Corporation in early 2012, when it became apparent to us that management was set to embark on a shift in company strategy. At the time, the stock was trading at roughly 5.4 times our estimated one year forward EBITDA estimate. While Avery had previously been managed for growth and had made some questionable capital allocation decisions, we believed that Chief Executive Officer, Dean A. Scarborough, and then Chief

Financial Officer (now COO), Mitchell R. Butier, were prepared to refocus efforts internally to drive improved operational performance from core segments as well as to maximize free cash flow generation. We believed that they could execute on these initiatives, and indeed they have, generating substantial shareholder value through organic topline growth, margin improvement and consequently, earnings growth and multiple expansion. Robust free cash flow along with proceeds from the sale of non-strategic assets has been used for debt reduction as well as to return about $1.5 billion to shareholders through common dividends and share repurchases. The company's solid operational performance was recognized and Avery became a successful investment. During the fourth quarter, at a valuation of more than 8.5 times our 2016 EBITDA estimate, the price approached what we believed to be full value and we sold our remaining shares.

We are grateful for your loyalty during what has been a very challenging and frustrating period and thank you for your continued support. With the decline in the market early in the new year, we are growing more optimistic about finding truly misunderstood and appropriately valued investments and beginning to redeploy our reserves. Our entire investment team of Don, Josh, James, Michael and both of us are dedicated to returning your, and our, wealth to its former peak and then growing it beyond.

We are aware that many shareholders have not been receiving our quarterly letters since they may not be distributed to those who are not direct shareholders of the Fund. Accordingly, anyone who wishes to be on our mailing list should either call Cleo Kotis or write to us and we will be happy to add you to the list. Cleo can be reached at 212.698.0750.

With very best wishes.

Sincerely,

J. Dennis Delafield
Tel. 212.698.0752

Vincent Sellecchia
Tel. 212.698.0751

P.S. The net asset value per share of the Fund is determined as of the close of regular trading on the New York Stock Exchange (normally 4:00 P.M., Eastern Time) on each Fund Business Day (as fully described in the Fund prospectus). In addition to the Fund's published NASDAQ listing (symbol: DEFIX), you may check its net asset value by calling 800.697.3863 to speak directly to a Fund representative during the normal business hours of 8:00 A.M.-7:00 P.M., Central Standard Time. During off business hours, you may use the same telephone numbers for a pre-recorded message. The 3-digit code number for The Delafield Fund is 924.

Our website address is: www.tocqueville.com/mutual-funds

TOTAL RETURN WITH INCOME*

Cumulative	Delafield Fund**	S&P 500 Total Index†	Russell 2000 Total Index†
Quarter ended December 31, 2015	1.20%	7.04%	3.59%
Twelve months ended December 31, 2015	-18.12	1.38	-4.41
Inception, November 19, 1993 to December 31, 2015	762.55	580.08	509.64
Annual Average			
One year ended December 31, 2015	-18.12	1.38	-4.41
Three years ended December 31, 2015	0.40	15.13	11.65
Five years ended December 31, 2015	2.47	12.57	9.19
Ten years ended December 31, 2015	5.67	7.31	6.80
Inception, November 19, 1993 to December 31, 2015	10.23	9.06	8.52

TEN LARGEST HOLDINGS‡

Security Name	% of Total Assets
Eastman Chemical Co.	5.00%
Flextronics International Ltd.	4.45%
Dover Corp.	4.44%
TrueBlue, Inc.	4.25%
Minerals Technologies, Inc.	4.12%
PolyOne Corp.	3.27%
Ascena Retail Group, Inc.	3.09%
Stanley Black & Decker, Inc.	3.07%
Plexus Corp.	3.05%
Teradyne, Inc.	2.94%
TOTAL	**37.68%**

FEES[(a)]

Shareholder Fees	
(fees paid directly from your investment)	
Maximum Sales Charge Imposed on Purchases	None
Maximum Deferred Sales Charge	None
Maximum Sales Charge Imposed on Reinvested Dividends/Distributions	None
Exchange Fee	None
Annual Fund Operating Expenses	
(expenses that are deducted from Fund assets)	
Management Fees	0.70%
Distribution and Service (12b-1) Fee	0.25%
Other Expenses	0.26%
Total Annual Fund Operating Expenses	**1.21%**

ASSET MIX

	12/31/15	*9/30/15*	*6/30/15*	*3/31/15*	*12/31/14*
Equities	84.81	88.70	87.66	84.79	87.29
Corporate Bonds	0.00	0.00	2.37	2.10	3.07
Real Estate Investment Trust	0.00	0.00	0.00	0.00	0.00
Cash Equivalents	15.19	11.30	9.97	13.11	9.64
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%

* **The performance data quoted above 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 the original cost. The current performance may be lower or higher than performance data quoted.**
Please visit our website (www.tocqueville.com/mutual-funds/delafield-fund/performance) to obtain the most recent month-end performance data.
The Delafield Fund may invest in the stocks of smaller companies which carry special risks including narrower markets, limited financial and management resources, less liquidity, and greater volatility than the stocks of larger companies. The Fund's investments, which are often value or special situations, are likely to not correlate with the overall market averages. Hence, there may be periods when the Fund's performance may lag these measures.
Kindly consider the investment objectives, risks, and charges and expenses of the Fund carefully before investing. The prospectus contains this and other information about the Fund. Please contact us to obtain a prospectus, which should be read carefully before investing. The Tocqueville Mutual Funds may be offered only to persons in the United States and by way of a prospectus. This letter should not be considered a solicitation or offering of any investment products or services to investors residing outside of the United States.
The Delafield Fund is distributed by Tocqueville Securities L.P., 40 West 57th Street, 19th Floor, New York, NY 10019.

** **The Delafield Fund performance is stated after fees.**
Returns for the periods prior to 9/27/09 reflect the performance of Delafield Fund, Inc. (the "Predecessor Delafield Fund"), which was reorganized into the Delafield Fund on 9/28/09. The Predecessor Delafield Fund had the same Portfolio Managers, investment objectives and investment strategies as the Delafield Fund. Performance since 9/28/09 reflects actual Delafield Fund performance.

† **The S&P 500 Index is an unmanaged broad market-weighted average of U.S. blue-chip companies and the Russell 2000 Index is an unmanaged, market-weighted index, with dividends reinvested, of 2,000 small companies, formed by taking the largest 3,000 companies and eliminating the largest 1,000 of those companies. You may not invest directly in the S&P 500 Index or the Russell 2000 Index and, unlike the Fund, they do not incur fees and expenses.**

‡ **Holdings are expressed as a percentage of total investments and will vary over time. Because the Fund is actively managed there can be no assurances the Fund continues to invest in the securities referenced. Additionally, references to specific securities or industries should not be considered a recommendation for investors.**

(a) **Represents information from the prospectus, dated February 27, 2015.**

STATEMENT OF NET ASSETS
December 31, 2015
(Unaudited)

Common Stocks - 84.81%	Shares	Value
Aerospace & Defense - 2.26%		
Honeywell International, Inc.	125,000	$ 12,946,250
Auto Components - 0.77%		
Horizon Global Corp.(a)(b)	425,000	4,407,250
Chemicals - 14.14%		
Eastman Chemical Co.	425,000	28,691,750
HB Fuller Co.	275,000	10,029,250
Minerals Technologies, Inc.	515,000	23,617,900
PolyOne Corp.	590,000	18,738,400
		81,077,300
Commercial Services & Supplies - 0.19%		
ACCO Brands Corp.(a)	150,000	1,069,500
Construction & Engineering - 3.85%		
Aegion Corp.(a)	350,000	6,758,500
KBR, Inc.	700,000	11,844,000
MasTec, Inc.(a)	200,000	3,476,000
		22,078,500
Containers & Packaging - 1.67%		
Owens-Illinois, Inc.(a)	550,000	9,581,000
Electronic Equipment, Instruments & Components - 14.33%		
Checkpoint Systems, Inc.	450,000	2,821,500
Flextronics International Ltd.(a)(c)	2,275,000	25,502,750
Ingram Micro, Inc. - Class A	490,000	14,886,200
Jabil Circuit, Inc.	330,000	7,685,700
Kemet Corp.(a)(b)	2,600,000	6,162,000
Plexus Corp.(a)	500,000	17,460,000
Zebra Technologies Corp. - Class A(a)	110,000	7,661,500
		82,179,650
Energy Equipment & Services - 2.82%		
Aspen Aerogels, Inc.(a)	200,000	1,214,000
Frank's International NV(c)	525,000	8,762,250
McDermott International, Inc.(a)(c)	1,850,000	6,197,500
		16,173,750
Industrial Conglomerates - 1.93%		
Carlisle Cos., Inc.	125,000	11,086,250
Insurance - 1.03%		
XL Group PLC(c)	150,000	5,877,000

Common Stocks - 84.81%	Shares	Value
Machinery - 16.31%		
Crane Co.	325,000	$ 15,548,000
Dover Corp.	415,000	25,443,650
Harsco Corp.	1,800,000	14,184,000
Kennametal, Inc.	525,000	10,080,000
Stanley Black & Decker, Inc.	165,000	17,610,450
Xerium Technologies, Inc.(a)(b)	900,000	10,665,000
		93,531,100
Metals & Mining - 3.33%		
Allegheny Technologies, Inc.	200,000	2,250,000
Carpenter Technology Corp.	325,000	9,837,750
Ryerson Holding Corp.(a)	1,000,000	4,670,000
Universal Stainless & Alloy Products, Inc.(a)	250,000	2,322,500
		19,080,250
Oil, Gas & Consumable Fuels - 4.99%		
Boardwalk Pipeline Partners LP	1,075,000	13,953,500
CNX Coal Resources LP	300,000	2,781,000
CONSOL Energy, Inc.	1,500,000	11,850,000
		28,584,500
Professional Services - 4.25%		
TrueBlue, Inc.(a)	946,268	24,375,864
Semiconductors & Semiconductor Equipment - 2.94%		
Teradyne, Inc.	815,000	16,846,050
Specialty Retail - 3.46%		
Ascena Retail Group, Inc.(a)	1,800,000	17,730,000
Pier 1 Imports, Inc.	416,000	2,117,440
		19,847,440
Technology Hardware, Storage & Peripherals - 2.18%		
Diebold, Inc.	175,000	5,265,750
Hewlett Packard Enterprise Co.	475,000	7,220,000
		12,485,750
Textiles, Apparel & Luxury Goods - 0.07%		
Sequential Brands Group, Inc.(a)	50,000	395,500
Trading Companies & Distributors - 4.29%		
Rush Enterprises, Inc. - Class A(a)	425,000	9,303,250
WESCO International, Inc.(a)	350,000	15,288,000
		24,591,250
Total Common Stocks (Cost $409,516,063)		**486,214,154**

STATEMENT OF NET ASSETS, continued
December 31, 2015
(Unaudited)

Short-Term Investment - 5.06%	Shares	Value
Money Market Fund - 5.06%		
STIT-Treasury Portfolio - Institutional Class, 0.130%(d)	28,998,375	$ 28,998,375
Total Short-Term Investment (Cost $28,998,375)		**28,998,375**
Total Investments (Cost $438,514,438) - 89.87%		**515,212,529**
Other Assets in Excess of Liabilities - 10.13%		**58,074,685**
Total Net Assets - 100.00%		**$ 573,287,214**

Percentages are stated as a percent of net assets.
(a) Non-income producing security.
(b) Affiliated company.
(c) Foreign issued security. Foreign concentration was as follows: Ireland 1.03%; Netherlands 1.53%; Panama 1.08%; Singapore 4.45%.
(d) Rate listed is the 7-day effective yield

The Global Industry Classification Standard (GICS(r)) was developed by and/or is the exlusive property of MSCI, Inc. and Standard & Poor Financial Services LLC ("S&P"). GICS is a service mark of MSCI and S&P and has been licensed for use by U.S. Bancorp Fund Services, LLC.