TOCQUEVILLE
40 West 57th Street
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800.697.3863

The Delafield Fund

January 17, 2017

Dear Fellow Shareholders:

During the past quarter, the Delafield Fund's net asset value increased 7.08%, versus increases of 3.82% for the Standard & Poor's 500 Index ("S&P 500") and 8.83% for the Russell 2000 Index ("Russell 2000"), each on a total return basis.* The Fund's net asset value as of December 31, 2016 was $24.66 per share after a long-term capital dividend of $4.834 per share paid on December 15, 2016.

Despite some volatility, we are satisfied with our 2016 performance, especially considering that we held large cash reserves throughout the year. For the 2016 calendar year the Fund's net asset value increased 22.87% versus increases of 11.96% for the S&P 500 and 21.31% for the Russell 2000, each on a total return basis.* At the beginning of the year the Fund's commitment to equities was 84.81% and at year-end it was 76.54%.

The market's advance in the fourth quarter was a pleasant surprise since we had been concerned about the outcome of the presidential election and its ramifications for the economy. Despite the post-election surge, the Trump victory brings uncertainty as there are always unanticipated consequences associated with change. Early in the year we expect the new administration to set forth its programs for tax reform, especially corporate tax, the repatriation of international profits and an infrastructure improvement program. None of these initiatives, however, will commence immediately which may lead to short-term disappointment.

In the U.S., the dollar is strong, labor markets are tight, the minimum wage has increased in twenty states and consumer net-worth is at an all-time high. Further, while energy prices have increased on a worldwide basis, the strong dollar has tempered the impact on U.S. companies and has generally restrained the negative economic impact of rising commodity prices.

Following the modest rate hike in December, the Federal Reserve Board has indicated the likelihood of further increases over the course of 2017 given the strength of the economy and tight labor markets which could lead to inflationary pressures. Overall, we view a policy of gradual rate hikes as favorable. As interest rates increase, pension funds will become less stressed and consumers will begin to earn a modest return on their savings. This increased income could lead to a boost in spending, particularly among retirees, which in turn could help to offset the restraint on our economy coming from a stronger dollar. This potential consumer stimulation combined with restrained dollar commodity prices could lead to an improvement in American industrial activity. Recent surveys of consumer sentiment are at an all-time high underpinning a favorable outlook.

Not all is rosy however, and a cautious approach to the market seems prudent. Automobile sales have reached record levels but at the same time automobile financing defaults are increasing as are student loan defaults. Further, as mortgage rates increase even slightly, cash out refinancings which have helped the consumer in recent years will diminish. Likewise, higher gasoline prices could sap discretionary income.

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* *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.

As a rule markets do not move forever in one direction. Accordingly, we will keep sizeable reserves to allow us to take advantage of reverses when they occur and to invest in new opportunities as we uncover them. We expect amplified market volatility to continue since high frequency computerized trading, hedge fund activity and the growth of ETFs at the expense of mutual funds have eviscerated market depth. As always, we will refrain from making any predictions on the macro-economic outcome. Rather, we will simply reiterate our approach toward seeking to increase your wealth over time, after inflation and taxes, through investing in companies we believe to be undervalued and harvesting them when they have become fairly valued in order to invest in new undervalued opportunities.

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 that 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 that 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.

This past fall we made an investment in U.S. Concrete, Inc. The company operates 170 concrete plants, 15 aggregate quarries, 1,590 ready-mix trucks and three import terminals. They generate annual revenues of approximately $1.3 billion by selling ready-mix concrete and aggregates in three main geographic markets - NY/NJ, Northern California and Northern Texas. In 2011 the company emerged from reorganization with a new more disciplined management team, $60 million in debt and EBITDA at breakeven levels. The company divested their pre-cast and concrete block business, choosing instead to focus on ready-mix concrete in markets where they could have meaningful scale. Helped by a strong recovery within their markets and over 20 acquisitions in these core markets, the company now has a highly defensible position with $200 million in EBITDA expected in 2017. Ready-mix concrete has to be delivered from facility to job site in 60 to 90 minutes, making their market position in NY/NJ and San Francisco extremely valuable. No new concrete plants have been constructed in these markets for many years due to high land prices and an extensive permitting/environmental process. This enables the company to charge higher prices as their market share grows. The disciplined acquisition strategy involves purchasing competitors for 5 to 6 times trailing EBITDA and using their scale to purchase raw materials at cheaper prices while simultaneously increasing margins. Over the next few years we expect the company will enter an additional region. With a strong backlog of projects including LaGuardia Airport, Manhattan West Tower, San Antonio Village and Toyota's North American Headquarters, material margin expansion and future acquisitions, we believe earnings could approach $6 per share in the next few years (or even higher if the corporate income tax rate is reduced). At a little over 10 times our future earnings expectations we believe the shares represent sound value.

One of our biggest stock disappointments in 2016 was our investment in Xerium Technologies, Inc. An acceleration of the decline in newsprint and printing paper demand plus the negative impact from a strengthening Brazilian currency were the main culprits. A leveraged balance sheet coupled with much of the debt coming due in 2018 compounded investor worries. In the third quarter the company refinanced its debt and extended the maturity to 2021. They also committed to paying down $25 to $30 million of debt per year made possible by a more focused capital spending plan. Newsprint and writing grade paper are now about 19% of total sales and should be less of a drag going forward. While a tempting year-end tax loss candidate, the balance sheet relief, a reasonable valuation of 5 times EV/EBITDA and the potential for appreciation from current levels led us to hold on to our shares.

With the Trump victory, there has been much speculation on how potential changes in the tax code might impact U.S. corporations. Based on Mr. Trump's campaign commentary and a draft of a Republican tax plan, it appears that companies which are net importers of product may be the most impacted. The current House Republican corporate tax reform plan shifts the U.S. to a destination based cash flow tax. Under this plan, border adjustment would exempt exports from corporate taxation but disallow the deduction of import expenses. This tax policy would generally harm companies that are dependent on imports such as PVH Corp., Ralph Lauren Corporation, G-III Apparel Group, Ltd. and Ascena Retail Group, Inc. Textbook trade theory would assume that in reaction the dollar would appreciate to offset the additional tax burden. We are monitoring the situation and expect more clarity in the next few months.

We are grateful for your loyalty through what has been a very challenging and frustrating period and thank you for your continued support. Our entire investment team remains dedicated to growing the wealth of our shareholders.

We are aware that many shareholders have not been receiving our quarterly letter since it is not 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 (212-698-0750) or write to us and we will be happy to add you to the distribution list.

With very best wishes.

Sincerely,

J. Dennis Delafield
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Vincent Sellecchia
Tel. 212.698.0751

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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

This discussion reflects the views of the authors as of the date or dates cited and may change at any time. The information should not be construed as investment advice. No representation is made concerning the accuracy of cited data, nor is there any guarantee that any projection, forecast or opinion will be realized.

References to stocks, securities or investments in this writing should not be considered recommendations to buy or sell. Past performance is not a guide to future performance. Securities that are referenced may be held in portfolios managed by Tocqueville or by principals, employees and associates of Tocqueville, and such references should not be deemed as an understanding of any future position, buying or selling, that may be taken by Tocqueville.

TOTAL RETURN WITH INCOME*

Cumulative	Delafield Fund**	S&P 500 Total Index†	Russell 2000 Total Index†
Quarter ended December 31, 2016	7.08%	3.82%	8.83%
Twelve months ended December 31, 2016	22.87	11.96	21.31
Inception, November 19, 1993 to December 31, 2016	959.79	661.42	639.54
Annual Average			
One year ended December 31, 2016	22.87	11.96	21.31
Three years ended December 31, 2016	-1.23	8.87	6.74
Five years ended December 31, 2016	8.37	14.66	14.46
Ten years ended December 31, 2016	5.89	6.95	7.07
Inception, November 19, 1993 to December 31, 2016	10.75	9.18	9.04

TEN LARGEST HOLDINGS‡

Security Name	% of Total Assets
Diebold Nixdorf, Inc.	4.22%
TrueBlue, Inc.	4.13%
Eastman Chemical Co.	3.42%
Hewlett Packard Enterprise Co.	2.77%
TEGNA, Inc.	2.69%
U.S. Concrete, Inc.	2.67%
Boardwalk Pipeline Partners LP	2.30%
KBR, Inc.	2.26%
TTM Technologies, Inc.	2.20%
HB Fuller Co.	2.14%
TOTAL	**28.80%**

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	0.73%
Distribution and Service (12b-1) Fee	0.25%
Other Expenses	0.28%
Total Annual Fund Operating Expenses	**1.25%**

ASSET MIX

	12/31/16	*9/30/16*	*6/30/16*	*3/31/16*	*12/31/15*
Equities	76.54	80.42	77.48	81.21	84.81
Corporate Bonds	0.00	0.00	0.00	0.00	0.00
Real Estate Investment Trust	0.00	0.00	0.00	0.00	0.00
Cash Equivalents	23.46	19.58	22.52	18.79	15.19
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 26, 2016. Effective November 1, 2016, the Advisor has contractually agreed to waive management fees and/or reimburse expenses in order to ensure that Fund's expense ratio does not exceed 1.25% (excluding taxes, interest expense, acquired fund fees and expenses, or extraordinary expenses such as litigation) until at least 3/1/2018. In the absence of these fee waivers, total returns would be lower.**

STATEMENT OF NET ASSETS
December 31, 2016
(Unaudited)

Common Stocks - 76.54%	Shares	Value
Aerospace & Defense - 2.83%		
Ducommun, Inc. (a)	190,000	$ 4,856,400
Honeywell International, Inc.	60,000	6,951,000
		11,807,400
Auto Components - 2.97%		
Gentex Corp.	325,000	6,399,250
Horizon Global Corp. (a)	250,000	6,000,000
		12,399,250
Chemicals - 10.44%		
Calgon Carbon Corp.	225,000	3,825,000
Eastman Chemical Co.	190,000	14,289,900
HB Fuller Co.	185,000	8,937,350
Minerals Technologies, Inc.	100,000	7,725,000
PolyOne Corp.	275,000	8,811,000
		43,588,250
Commercial Services & Supplies - 1.64%		
Team, Inc. (a)	175,000	6,868,750
Construction & Engineering - 3.76%		
KBR, Inc.	565,000	9,429,850
Aegion Corp. (a)	265,000	6,280,500
		15,710,350
Construction Materials - 2.67%		
U.S. Concrete, Inc. (a)	170,000	11,135,000
Electrical Equipment - 0.99%		
Babcock & Wilcox Enterprises, Inc. (a)	250,000	4,147,500
Electronic Equipment, Instruments & Components - 6.59%		
Electro Scientific Industries, Inc. (a)	351,350	2,079,992
Flex Ltd. (a)(b)	575,000	8,262,750
Kemet Corp. (a)	550,000	3,646,500
Plexus Corp. (a)	80,000	4,323,200
TTM Technologies, Inc. (a)	675,000	9,200,250
		27,512,692
Energy Equipment & Services - 0.59%		
Aspen Aerogels, Inc. (a)	600,000	2,478,000
Health Care Equipment & Supplies - 2.88%		
Abbott Laboratories	160,000	6,145,600
Invacare Corp.	450,000	5,872,500
		12,018,100
Insurance - 0.98%		
XL Group Ltd. (b)	110,000	4,098,600
Machinery - 10.63%		
Barnes Group, Inc	147,500	6,994,450
Crane Co.	90,000	6,490,800
Dover Corp.	115,000	8,616,950
Harsco Corp.	575,000	7,820,000
SPX FLOW, Inc. (a)	25,000	801,500
Stanley Black & Decker, Inc.	75,000	8,601,750
Xerium Technologies, Inc. (a)(c)	900,000	5,058,000
		44,383,450

Common Stocks - 76.54%	Shares	Value
Media - 2.69%		
TEGNA, Inc.	525,000	$ 11,229,750
Metals & Mining - 1.04%		
Carpenter Technology Corp.	95,000	3,436,150
Real Industry, Inc. (a)	150,000	915,000
		4,351,150
Oil, Gas & Consumable Fuels - 2.93%		
Boardwalk Pipeline Partners LP	554,500	9,626,120
Marathon Petroleum Corp.	51,500	2,593,025
		12,219,145
Professional Services - 6.00%		
Korn/Ferry International	265,000	7,798,950
TrueBlue, Inc. (a)	700,000	17,255,000
		25,053,950
Semiconductors & Semiconductor Equipment - 1.46%		
Teradyne, Inc.	240,000	6,096,000
Specialty Retail - 1.28%		
Ascena Retail Group, Inc. (a)	725,000	4,487,750
Stage Stores, Inc.	200,000	874,000
		5,361,750
Technology Hardware, Storage & Peripherals - 6.98%		
Diebold Nixdorf, Inc.	700,000	17,605,000
Hewlett Packard Enterprise Co.	500,000	11,570,000
		29,175,000
Textiles, Apparel & Luxury Goods - 3.72%		
G-III Apparel Group Ltd. (a)	100,000	2,956,000
PVH Corp.	42,000	3,790,080
Ralph Lauren Corp.	45,000	4,064,400
Sequential Brands Group, Inc. (a)	660,000	3,088,800
Unifi, Inc. (a)	50,000	1,631,500
		15,530,780
Trading Companies & Distributors - 3.47%		
Rush Enterprises, Inc. - Class A (a)	183,000	5,837,700
WESCO International, Inc. (a)	130,000	8,651,500
		14,489,200
Total Common Stocks (Cost $232,448,017)		**319,654,067**

STATEMENT OF NET ASSETS, continued
December 31, 2016
(Unaudited)

Short-Term Investments - 23.76%	Shares	Value
Money Market Fund - 5.03%		
STIT - Teasury Portfolio - Institutional Class - 0.37%(d)	21,026,181	$ 21,026,181
	Principal Amount	
Money Market Deposit Account - 18.73%		
U.S. Bank Money Market Deposit Account, 0.10%	$78,209,262	78,209,262
Total Short-Term Investments (Cost $99,235,443)		**99,235,443**
Total Investments (Cost $331,683,460) - 100.30%		**418,889,510**
Liabilities in Excess of Other Assets - (0.30)%		**(1,244,241)**
Total Net Assets - 100.0%		**$417,645,269**

Percentages are stated as a percent of net assets.
(a) Non-income producing security.
(b) Foreign issued security. Foreign concentration was as follows: Bermuda 0.98%; Singapore 1.98%.
(c) Affiliated company.
(d) Rate listed is the 7-day effective yield.

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