



Hand Composite Employee Benefit Trust Directions Funds

**Independent Auditor's Report, Financial Statements,
and Supplementary Information**

December 31, 2024



Hand Composite Employee Benefit Trust
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December 31, 2024

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Independent Auditor's Report

Unitholders and Board of Directors
Hand Composite Employee Benefit Trust
Houston, Texas

Opinions

We have audited the financial statements of the selected funds, Directions 1 – Conservative, Directions 2 – Moderately Conservative, Directions 3 – Moderate, Directions 4 – Moderately Aggressive, and Directions 5 – Aggressive (five funds), included in the Hand Composite Employee Benefit Trust, which comprise the statements of assets and liabilities, including the schedules of investments, as of December 31, 2024 and the related statements of operations and changes in net assets for the year then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the selected funds, included in the Hand Composite Employee Benefit Trust, as of December 31, 2024, and the results of their operations and the changes in their net assets for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Hand Composite Employee Benefit Trust and the selected funds and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Hand Composite Employee Benefit Trust and the selected funds' ability to continue as going concerns within one year after the date that these financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Hand Composite Employee Benefit Trust and the selected funds' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Hand Composite Employee Benefit Trust and the selected funds' ability to continue as going concerns for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the selected funds' financial statements. The schedules of investment purchases and sales listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Forvis Mazars, LLP

Houston, Texas
May 27, 2025

Hand Composite Employee Benefit Trust
Statements of Assets and Liabilities – Selected Funds
December 31, 2024

	Directions 1 – Conservative	Directions 2 – Moderately Conservative	Directions 3 – Moderate
ASSETS			
Investments, at cost	<u>\$ 38,469,649</u>	<u>\$ 39,165,956</u>	<u>\$ 130,463,820</u>
Investments, at fair value	\$ 41,361,652	\$ 43,722,495	\$ 148,562,186
Receivable for Capital shares sold	<u>9,047</u>	<u>11,577</u>	<u>33,943</u>
Total Assets	<u><u>\$ 41,370,699</u></u>	<u><u>\$ 43,734,072</u></u>	<u><u>\$ 148,596,129</u></u>
LIABILITIES			
Payable for capital shares redeemed	\$ 279	\$ 6	\$ 7,122
Accounts payable and accrued liabilities	<u>2,557</u>	<u>2,722</u>	<u>9,789</u>
Total Liabilities	<u><u>\$ 2,836</u></u>	<u><u>\$ 2,728</u></u>	<u><u>\$ 16,911</u></u>
Net assets held for participants Class I	<u>\$ 41,367,863</u>	<u>\$ 43,731,344</u>	<u>\$ 148,579,218</u>
Total net assets held for participants	<u><u>\$ 41,367,863</u></u>	<u><u>\$ 43,731,344</u></u>	<u><u>\$ 148,579,218</u></u>
Units outstanding Class I	<u>3,754,326</u>	<u>3,836,856</u>	<u>12,747,086</u>
Total units outstanding	<u><u>3,754,326</u></u>	<u><u>3,836,856</u></u>	<u><u>12,747,086</u></u>
Net asset value per unit Class I	<u><u>\$ 11.02</u></u>	<u><u>\$ 11.40</u></u>	<u><u>\$ 11.66</u></u>

Hand Composite Employee Benefit Trust
Statements of Assets and Liabilities – Selected Funds
December 31, 2024

(Continued)

	Directions 4 – Moderately Aggressive	Directions 5 – Aggressive
ASSETS		
Investments, at cost	<u>\$ 202,196,115</u>	<u>\$ 233,214,281</u>
Investments, at fair value	\$ 233,292,759	\$ 270,506,942
Receivable for Capital shares sold	<u>21,179</u>	<u>17,920</u>
Total Assets	<u><u>\$ 233,313,938</u></u>	<u><u>\$ 270,524,862</u></u>
LIABILITIES		
Payable for capital shares redeemed	\$ 415,510	\$ 21,531
Accounts payable and accrued liabilities	<u>15,790</u>	<u>17,971</u>
Total Liabilities	<u><u>\$ 431,300</u></u>	<u><u>\$ 39,502</u></u>
Net assets held for participants Class I	<u>\$ 232,882,638</u>	<u>\$ 270,485,360</u>
Total net assets held for participants	<u><u>\$ 232,882,638</u></u>	<u><u>\$ 270,485,360</u></u>
Units outstanding Class I	<u>19,722,932</u>	<u>22,560,976</u>
Total units outstanding	<u><u>19,722,932</u></u>	<u><u>22,560,976</u></u>
Net asset value per unit Class I	<u><u>\$ 11.81</u></u>	<u><u>\$ 11.99</u></u>

Hand Composite Employee Benefit Trust
Directions 1 – Conservative
Schedule of Investments
December 31, 2024

<u>Number of Shares</u>		<u>Cost</u>	<u>Fair Value</u>
<u>Short Term Investments</u>			
743,010	State Street Instl US Govt Money Market Fund Premier CL	\$ 743,010	\$ 743,010
	Total Short Term Investments	1.80%	743,010
<u>Common Trust Funds</u>			
Equity			
188,005	State Street S&P 500 Index II	3,805,250	4,865,760
175,298	State Street Gbl All Cap Eqty EX-US II	2,295,799	2,452,768
43,230	State Street Russell Sm/mid Cap Indx CL II	647,122	796,163
	Total Equity	19.62%	6,748,171
Fixed Income			
1,959,650	Retirement Right Stable Value II ^[1]	20,441,808	21,301,399
269,028	State Street US Bond Sec Lending CL XIV	2,790,356	2,895,817
	State Street US High Yield Bond Index SEC Lending Series CL I	2,186,230	2,490,071
475,140	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index	5,560,074	5,816,664
	Total Fixed Income	78.57%	30,978,468
	Total Common Trust Funds	98.19%	37,726,639
	Total Investments	99.98%	\$ 38,469,649

^[1] Retirement Right Stable Value II holds shares in United of Omaha Contract Save-29974, with a fair value of \$447,185,864. United of Omaha Contract Save-29974 is a Fixed Rate Guaranteed Interest Contract (GIC) underwritten by Mutual of Omaha Insurance Company. The Fund's proportionate share of this investment is valued at \$21,138,130 as of December 31, 2024.

Hand Composite Employee Benefit Trust
Directions 2 – Moderately Conservative
Schedule of Investments
December 31, 2024

<u>Number of Shares</u>		<u>Cost</u>	<u>Fair Value</u>
<u>Short Term Investments</u>			
744,502	State Street Instl US Govt Money Market Fund Premier CL	\$ 744,502	\$ 744,502
	Total Short Term Investments	1.70% 744,502	744,502
<u>Common Trust Funds</u>			
Equity			
285,965	State Street S&P 500 Index II	5,560,161	7,401,069
343,015	State Street Gbl All Cap Eqty EX-US II	4,433,834	4,799,471
224,767	State Street Russell Sm/mid Cap Indx CL II	3,245,187	4,139,538
	Total Equity	37.36% 13,239,182	16,340,078
Fixed Income			
1,480,794	Retirement Right Stable Value II ^[1]	15,384,445	16,096,230
244,483	State Street US Bond Sec Lending CL XIV	2,518,145	2,631,612
	State Street US High Yield Bond Index SEC Lending Series CL I	1,913,320	2,219,381
396,442	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index	4,590,713	4,853,244
	Total Fixed Income	59.00% 24,406,623	25,800,467
Other			
71,497	State Street Global Real Estate Securities Index SEC Lending CL I	775,649	837,448
	Total Other	1.91% 775,649	837,448
	Total Common Trust Funds	98.28% 38,421,454	42,977,993
	Total Investments	99.98% \$ 39,165,956	\$ 43,722,495

^[1] Retirement Right Stable Value II holds shares in United of Omaha Contract Save-29974, with a fair value of \$447,185,864. United of Omaha Contract Save-29974 is a Fixed Rate GIC underwritten by Mutual of Omaha Insurance Company. The Fund's proportionate share of this investment is valued at \$15,972,857 as of December 31, 2024.

Hand Composite Employee Benefit Trust
Directions 3 – Moderate
Schedule of Investments
December 31, 2024

<u>Number of Shares</u>			<u>Cost</u>	<u>Fair Value</u>
	<u>Short Term Investments</u>			
2,216,170	State Street Instl US Govt Money Market Fund Premier CL		\$ 2,216,169	\$ 2,216,169
	Total Short Term Investments	1.49%	<u>2,216,169</u>	<u>2,216,169</u>
	<u>Common Trust Funds</u>			
	Equity			
1,325,160	State Street S&P 500 Index II		25,722,036	34,296,469
2,029,317	State Street Gbl All Cap Eqty EX-US II		26,206,744	28,394,209
923,850	State Street Russell Sm/mid Cap Indx CL II		<u>13,408,329</u>	<u>17,014,551</u>
	Total Equity	53.64%	<u>65,337,109</u>	<u>79,705,229</u>
	Fixed Income			
3,236,858	Retirement Right Stable Value II ^[1]		33,548,960	35,184,650
557,574	State Street US Bond Sec Lending CL XIV		5,743,396	6,001,725
	State Street US High Yield Bond Index SEC Lending Series CL I		5,288,338	6,115,353
452,118	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index		<u>10,036,726</u>	<u>10,598,026</u>
865,710				
	Total Fixed Income	38.97%	<u>54,617,420</u>	<u>57,899,754</u>
	Other			
302,422	State Street Bloomberg Roll Select Commodity Index Non – Lending Securities CL A		2,979,700	3,056,881
485,286	State Street Global Real Estate Securities Index SEC Lending CL I		<u>5,313,422</u>	<u>5,684,153</u>
	Total Other	5.88%	<u>8,293,122</u>	<u>8,741,034</u>
	Total Common Trust Funds	98.50%	<u>128,247,651</u>	<u>146,346,017</u>
	Total Investments	99.99%	<u>\$ 130,463,820</u>	<u>\$ 148,562,186</u>

^[1] Retirement Right Stable Value II holds shares in United of Omaha Contract Save-29974, with a fair value of \$447,185,864. United of Omaha Contract Save-29974 is a Fixed Rate GIC underwritten by Mutual of Omaha Insurance Company. The Fund's proportionate share of this investment is valued at \$34,914,971 as of December 31, 2024.

Hand Composite Employee Benefit Trust
Directions 4 – Moderately Aggressive
Schedule of Investments
December 31, 2024

<u>Number of Shares</u>		<u>Cost</u>	<u>Fair Value</u>
<u>Short Term Investments</u>			
3,175,914	State Street Instl US Govt Money Market Fund Premier CL	\$ 3,175,914	\$ 3,175,914
	Total Short Term Investments	1.36% 3,175,914	3,175,914
<u>Common Trust Funds</u>			
Equity			
2,276,274	State Street S&P 500 Index II	43,975,722	58,912,245
4,219,711	State Street Gbl All Cap Eqty EX-US II	54,398,169	59,042,201
1,824,946	State Street Russell Sm/mid Cap Indx CL II	26,389,118	33,610,037
	Total Equity	65.08% 124,763,009	151,564,483
Fixed Income			
2,892,739	Retirement Right Stable Value II ^[1]	29,964,562	31,444,071
661,270	State Street US Bond Sec Lending CL XIV	6,813,227	7,117,913
355,447	State Street US High Yield Bond Index SEC Lending Series CL I	4,147,584	4,807,776
977,197	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index	11,330,725	11,962,845
	Total Fixed Income	23.76% 52,256,098	55,332,605
Other			
964,519	State Street Bloomberg Roll Select Commodity Index Non – Lending Securities CL A	9,518,922	9,749,356
1,150,038	State Street Global Real Estate Securities Index SEC Lending CL I	12,482,172	13,470,401
	Total Other	9.97% 22,001,094	23,219,757
	Total Common Trust Funds	98.81% 199,020,201	230,116,845
	Total Investments	100.18% \$ 202,196,115	\$ 233,292,759

^[1] Retirement Right Stable Value II holds shares in United of Omaha Contract Save-29974, with a fair value of \$447,185,864. United of Omaha Contract Save-29974 is a Fixed Rate GIC underwritten by Mutual of Omaha Insurance Company. The Fund's proportionate share of this investment is valued at \$31,203,061 as of December 31, 2024.

Hand Composite Employee Benefit Trust
Directions 5 – Aggressive
Schedule of Investments
December 31, 2024

<u>Number of Shares</u>		<u>Cost</u>	<u>Fair Value</u>
<u>Short Term Investments</u>			
5,524,814	State Street Instl US Govt Money Market Fund Premier CL	\$ 5,524,814	\$ 5,524,814
	Total Short Term Investments	2.04% 5,524,814	5,524,814
<u>Common Trust Funds</u>			
Equity			
2,845,083	State Street S&P 500 Index II	55,187,247	73,633,595
5,860,148	State Street Gbl All Cap Eqty EX-US II	75,882,694	81,995,193
2,675,258	State Street Russell Sm/mid Cap Indx CL II	39,208,367	49,270,235
	Total Equity	75.75% 170,278,308	204,899,023
Fixed Income			
1,548,583	Retirement Right Stable Value II ^[1]	16,074,577	16,833,101
452,373	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index	5,258,872	5,537,948
	Total Fixed Income	8.27% 21,333,449	22,371,049
Other			
1,674,074	State Street Bloomberg Roll Select Commodity Index Non – Lending Securities CL A	16,502,810	16,921,543
1,774,995	State Street Global Real Estate Securities Index SEC Lending CL I	19,574,900	20,790,513
	Total Other	13.94% 36,077,710	37,712,056
	Total Common Trust Funds	97.97% 227,689,467	264,982,128
	Total Investments	100.01% \$ 233,214,281	\$ 270,506,942

^[1] Retirement Right Stable Value II holds shares in United of Omaha Contract Save-29974, with a fair value of \$447,185,864. United of Omaha Contract Save-29974 is a Fixed Rate GIC underwritten by Mutual of Omaha Insurance Company. The Fund's proportionate share of this investment is valued at \$16,704,080 as of December 31, 2024.

Hand Composite Employee Benefit Trust
Statements of Operations – Selected Funds
Year Ended December 31, 2024

	Directions 1 – Conservative	Directions 2 – Moderately Conservative	Directions 3 – Moderate
Income			
Interest	\$ 41,444	\$ 39,030	\$ 139,706
Total Income	<u>41,444</u>	<u>39,030</u>	<u>139,706</u>
Expenses			
Investment management and administrative	13,750	16,004	54,480
Other fees	<u>5,174</u>	<u>5,726</u>	<u>22,414</u>
Total Expenses	<u>18,924</u>	<u>21,730</u>	<u>76,894</u>
Net Investment Income	<u>22,520</u>	<u>17,300</u>	<u>62,812</u>
Net Realized and Unrealized Gains on Investments			
Net realized gains	652,489	1,129,973	4,252,631
Net change in unrealized appreciation/depreciation	<u>1,780,159</u>	<u>2,673,822</u>	<u>11,193,523</u>
Net Realized and Unrealized Gains on Investments	<u>2,432,648</u>	<u>3,803,795</u>	<u>15,446,154</u>
Net Increase in Net Assets Resulting From Operations	<u>\$ 2,455,168</u>	<u>\$ 3,821,095</u>	<u>\$ 15,508,966</u>

**Hand Composite Employee Benefit Trust
Statements of Operations – Selected Funds
Year Ended December 31, 2024**

(Continued)

	Directions 4 – Moderately Aggressive	Directions 5 – Aggressive
Income		
Interest	\$ 198,843	\$ 251,726
Total Income	<u>198,843</u>	<u>251,726</u>
Expenses		
Investment management and administrative	83,698	92,612
Other fees	<u>34,349</u>	<u>37,803</u>
Total Expenses	<u>118,047</u>	<u>130,415</u>
Net Investment Income	<u>80,796</u>	<u>121,311</u>
Net Realized and Unrealized Gains on Investments		
Net realized gains	5,919,277	5,741,507
Net change in unrealized appreciation/depreciation	<u>19,702,618</u>	<u>24,953,351</u>
Net Realized and Unrealized Gains on Investments	<u>25,621,895</u>	<u>30,694,858</u>
Net Increase in Net Assets Resulting From Operations	<u>\$ 25,702,691</u>	<u>\$ 30,816,169</u>

Hand Composite Employee Benefit Trust
Statements of Changes in Net Assets – Selected Funds
Year Ended December 31, 2024

	Directions 1 – Conservative	Directions 2 – Moderately Conservative	Directions 3 – Moderate
Operations			
Net investment income	\$ 22,520	\$ 17,300	\$ 62,812
Net realized gains	652,489	1,129,973	4,252,631
Change in unrealized appreciation/depreciation	<u>1,780,159</u>	<u>2,673,822</u>	<u>11,193,523</u>
Net Increase in Net Assets From Operations	2,455,168	3,821,095	15,508,966
Net Decrease in Net Assets From Participant Transactions	<u>(84,735)</u>	<u>(7,015,493)</u>	<u>(26,197,804)</u>
Increase (Decrease) in Net Assets	2,370,433	(3,194,398)	(10,688,838)
Net Assets			
Beginning of year	<u>38,997,430</u>	<u>46,925,742</u>	<u>159,268,056</u>
End of year	<u>\$ 41,367,863</u>	<u>\$ 43,731,344</u>	<u>\$ 148,579,218</u>

Hand Composite Employee Benefit Trust
Statements of Changes in Net Assets – Selected Funds
Year Ended December 31, 2024

(Continued)

	Directions 4 – Moderately Aggressive	Directions 5 – Aggressive
Operations		
Net investment income	\$ 80,796	\$ 121,311
Net realized gains	5,919,277	5,741,507
Change in unrealized appreciation/depreciation	19,702,618	24,953,351
Net Increase in Net Assets From Operations	25,702,691	30,816,169
Net Decrease in Net Assets From Participant Transactions	(30,374,544)	(15,283,735)
Increase (Decrease) in Net Assets	(4,671,853)	15,532,434
Net Assets		
Beginning of year	237,554,491	254,952,926
End of year	<u>\$ 232,882,638</u>	<u>\$ 270,485,360</u>

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Hand Composite Employee Benefit Trust (HB&T or Trust) was created in order to provide broad and uniform diversification programs for pension and profit-sharing plans which, having complied with the requirements of the Internal Revenue Code (IRC), are exempt from taxation under the provisions of the IRC. The Trust is comprised of 70 portfolios (Funds); the financial statements of five of those funds (Funds) are included in this report.

Each class of units has equal rights as to earnings and assets except that each class bears different distribution, shareholder servicing, and transfer-agent expenses. Income, expenses (other than expenses attributable to a specific class), and realized and unrealized gains or losses on investments are allocated to each class of units based on its relative net assets.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of investment income and expenses during the reporting period. Actual results could differ from those estimates.

Investment Valuation

All investments in securities are recorded at their estimated fair value. Transfers in and out of Level 1 (quoted market prices), Level 2 (significant other observable inputs), and Level 3 (significant unobservable inputs) are recognized on the period ending date.

Investment Transactions

Investment transactions are recorded on the trade date. Realized gains and losses from investment transactions and unrealized appreciation or depreciation on investments are determined using the identified cost basis.

Investment Income and Distribution of Income

Dividend income less foreign taxes withheld, if any, is recorded on the ex-dividend date, and interest income is recorded on the accrual basis. Investment income is allocated ratably on the valuation dates among all participants. No distributions are made to participants in the Funds until units owned are redeemed, at which time the market value of redeemed units is distributed. Investment income and realized gains (if any) earned by the Funds are reinvested, thereby increasing the respective unit values.

Valuation of Participants' Interest

Units of participation may be purchased or redeemed on the valuation dates at the fair value per unit on such valuation dates. The Funds are valued daily.

Federal Income Taxes

The Funds comply with the requirements under Section 501(a) of the IRC and apportion all of their taxable income to their participants. Therefore, no federal income tax provision is required.

Subsequent Events

As a result of recently implemented global economic policies, economic uncertainties have arisen that may negatively affect the financial position, results of operations, and cash flows of the Funds. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2024

Subsequent events have been evaluated through May 27, 2025, which is the date the financial statements were available to be issued.

Investment Management Advisor

The investment management advisor for the Funds is Mesirow Financial Holdings, Inc.

Note 2. Investment Advisory Fees and Other Transactions With Affiliates

The Funds are charged an administrative fee by HB&T for trustee/administrative services (fund accounting services, transfer agency services, trustee services, etc.). The Funds have also entered into investment advisory and service agreements with a third-party advisor. These fees compensate the advisor for the services it provides and for expenses borne by the advisor under the agreement.

The following table indicates the fees charged to the Funds and the various classes of units within the Funds (as a percentage of net assets). These charges are calculated using each Fund's average daily net assets.

Fund	Administrative Fees	Total Fees
Directions 1 Conservative Class I	0.04%	0.04%
Directions 2 Moderately Conservative Class I	0.04%	0.04%
Directions 3 Moderate Class I	0.04%	0.04%
Directions 4 Moderately Aggressive Class I	0.04%	0.04%
Directions 5 Aggressive Class I	0.04%	0.04%

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2024

Note 3. Financial Highlights

	Class I				
	Directions 1 – Conservative	Directions 2 – Moderately Conservative	Directions 3 – Moderate	Directions 4 – Moderately Aggressive	Directions 5 – Aggressive
Net asset value, beginning of the year	\$ 10.35	\$ 10.49	\$ 10.56	\$ 10.61	\$ 10.66
Net investment income	0.01	-	0.01	-	0.01
Net realized and unrealized gains	0.66	0.91	1.09	1.20	1.32
Net increase from investment operations	0.67	0.91	1.10	1.20	1.33
Net asset value, end of the year	\$ 11.02	\$ 11.40	\$ 11.66	\$ 11.81	\$ 11.99
Total return	6.44%	8.71%	10.40%	11.32%	12.47%
Ratio to average net assets					
Net investment income	0.06%	0.04%	0.04%	0.03%	0.05%
Expenses	0.05%	0.05%	0.05%	0.05%	0.05%

Note 4. Participant Unit Transactions

	Directions 1 – Conservative		Directions 2 – Moderately Conservative		Directions 3 – Moderate	
	Units	Dollars	Units	Dollars	Units	Dollars
Class I						
Proceeds from sales of units	1,541,466	\$ 16,576,499	637,851	\$ 6,934,817	2,443,493	\$ 26,760,916
Cost of units redeemed	(1,553,812)	(16,661,234)	(1,275,668)	(13,950,310)	(4,775,394)	(52,958,720)
Net change in Class I from participant unit transactions	(12,346)	(84,735)	(637,817)	(7,015,493)	(2,331,901)	(26,197,804)
Net change in net assets from participant unit transactions		\$ (84,735)		\$ (7,015,493)		\$ (26,197,804)

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2024

	Directions 4 – Moderately Aggressive		Directions 5 – Aggressive	
	Units	Dollars	Units	Dollars
Class I				
Proceeds from sales of units	3,015,488	\$ 33,366,014	1,617,370	\$ 18,256,035
Cost of units redeemed	<u>(5,683,809)</u>	<u>(63,740,558)</u>	<u>(2,970,852)</u>	<u>(33,539,770)</u>
Net change in Class I from participant transactions	<u>(2,668,321)</u>	<u>(30,374,544)</u>	<u>(1,353,482)</u>	<u>(15,283,735)</u>
Net change in total net assets from participant transactions		<u>\$ (30,374,544)</u>		<u>\$ (15,283,735)</u>

Note 5. Disclosures About Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities that the Funds can access at the measurement date
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of assets and liabilities, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the period ended December 31, 2024.

Short Term Investments – Short term investments, including money market funds, for which market quotations are readily available, are valued at the last reported sales price or official closing price as reported by an independent pricing service on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy.

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2024

The following tables present the fair value measurements of assets recognized in the accompanying statements of assets and liabilities measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2024:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Inputs (Level 3)
	Fair Value			
Directions 1 – Conservative				
Short Term Investment	\$ 743,010	\$ 743,010	\$ -	\$ -
Common Trust Fund – Equity (A)	8,114,691			
Common Trust Fund – Fixed Income (A)	32,503,951			
Total	<u>\$ 41,361,652</u>			
Directions 2 – Moderately Conservative				
Short Term Investment	\$ 744,502	\$ 744,502	\$ -	\$ -
Common Trust Fund – Equity (A)	16,340,078			
Common Trust Fund – Fixed Income (A)	25,800,467			
Common Trust Fund – Other (A)	837,448			
Total	<u>\$ 43,722,495</u>			
Directions 3 – Moderate				
Short Term Investment	\$ 2,216,169	\$ 2,216,169	\$ -	\$ -
Common Trust Fund – Equity (A)	79,705,229			
Common Trust Fund – Fixed Income (A)	57,899,754			
Common Trust Fund – Other (A)	8,741,034			
Total	<u>\$ 148,562,186</u>			
Directions 4 – Moderately Aggressive				
Short Term Investment	\$ 3,175,914	\$ 3,175,914	\$ -	\$ -
Common Trust Fund – Equity (A)	151,564,483			
Common Trust Fund – Fixed Income (A)	55,332,605			
Common Trust Fund – Other (A)	23,219,757			
Total	<u>\$ 233,292,759</u>			
Directions 5 – Aggressive				
Short Term Investment	\$ 5,524,814	\$ 5,524,814	\$ -	\$ -
Common Trust Fund – Equity (A)	204,899,023			
Common Trust Fund – Fixed Income (A)	22,371,049			
Common Trust Fund – Other (A)	37,712,056			
Total	<u>\$ 270,506,942</u>			

- (A) Certain investments that are measured at fair value using net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the accompanying statements of assets and liabilities.

Note 6. Risk Factors

The Funds invest in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the accompanying statements of assets and liabilities.

Supplementary Information

Hand Composite Employee Benefit Trust
Directions 1 – Conservative
Schedule of Investment Purchases and Sales
Year Ended December 31, 2024

Purchases	
Investment Class	Cost
Common Trust Funds – Fixed Income	\$ 8,243,879
Common Trust Funds – Equity	<u>1,386,718</u>
Total investments purchased	<u><u>\$ 9,630,597</u></u>

Sales			
Investment Class	Proceeds	Cost	Gains
Common Trust Funds – Fixed Income	\$ 5,240,584	\$ 5,039,420	\$ 201,164
Common Trust Funds – Equity	<u>2,381,193</u>	<u>1,929,868</u>	<u>451,325</u>
Total investments sold	<u><u>\$ 7,621,777</u></u>	<u><u>\$ 6,969,288</u></u>	<u><u>\$ 652,489</u></u>

Hand Composite Employee Benefit Trust
Directions 2 – Moderately Conservative
Schedule of Investment Purchases and Sales
Year Ended December 31, 2024

Purchases	
Investment Class	Cost
Common Trust Funds – Fixed Income	\$ 2,287,822
Common Trust Funds – Equity	482,331
Total investments purchased	<u>\$ 2,770,153</u>

Sales			
Investment Class	Proceeds	Cost	Gains
Common Trust Funds – Fixed Income	\$ 4,256,430	\$ 4,068,802	\$ 187,628
Common Trust Funds – Equity	5,326,997	4,400,350	926,647
Common Trust Funds – Other	153,665	137,967	15,698
Total investments sold	<u>\$ 9,737,092</u>	<u>\$ 8,607,119</u>	<u>\$ 1,129,973</u>

Hand Composite Employee Benefit Trust
Directions 3 – Moderate
Schedule of Investment Purchases and Sales
Year Ended December 31, 2024

Purchases	
Investment Class	Cost
Common Trust Funds – Fixed Income	\$ 3,788,433
Common Trust Funds – Equity	1,645,254
Common Trust Funds – Other	<u>743,579</u>
Total investments purchased	<u><u>\$ 6,177,266</u></u>

Sales			
Investment Class	Proceeds	Cost	Gains
Common Trust Funds – Fixed Income	\$ 7,011,284	\$ 6,708,360	\$ 302,924
Common Trust Funds – Equity	22,168,898	18,354,734	3,814,164
Common Trust Funds – Other	<u>1,844,426</u>	<u>1,708,883</u>	<u>135,543</u>
Total investments sold	<u><u>\$ 31,024,608</u></u>	<u><u>\$ 26,771,977</u></u>	<u><u>\$ 4,252,631</u></u>

Hand Composite Employee Benefit Trust
Directions 4 – Moderately Aggressive
Schedule of Investment Purchases and Sales
Year Ended December 31, 2024

Purchases	
Investment Class	Cost
Common Trust Funds – Fixed Income	\$ 3,022,662
Common Trust Funds – Equity	2,658,599
Common Trust Funds – Other	<u>1,321,111</u>
Total investments purchased	<u><u>\$ 7,002,372</u></u>

Sales			
Investment Class	Proceeds	Cost	Gains
Common Trust Funds – Fixed Income	\$ 3,343,462	\$ 3,143,657	\$ 199,805
Common Trust Funds – Equity	31,299,677	25,775,610	5,524,067
Common Trust Funds – Other	<u>2,710,035</u>	<u>2,514,630</u>	<u>195,405</u>
Total investments sold	<u><u>\$ 37,353,174</u></u>	<u><u>\$ 31,433,897</u></u>	<u><u>\$ 5,919,277</u></u>

Hand Composite Employee Benefit Trust
Directions 5 – Aggressive
Schedule of Investment Purchases and Sales
Year Ended December 31, 2024

Purchases	
Investment Class	Cost
Common Trust Funds – Fixed Income	\$ 2,443,676
Common Trust Funds – Equity	9,339,846
Common Trust Funds – Other	<u>5,422,666</u>
Total investments purchased	<u>\$ 17,206,188</u>

Sales			
Investment Class	Proceeds	Cost	Gains
Common Trust Funds – Fixed Income	\$ 479,174	\$ 463,890	\$ 15,284
Common Trust Funds – Equity	28,717,673	23,410,634	5,307,039
Common Trust Funds – Other	<u>4,543,632</u>	<u>4,124,448</u>	<u>419,184</u>
Total investments sold	<u>\$ 33,740,479</u>	<u>\$ 27,998,972</u>	<u>\$ 5,741,507</u>