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# **Hand Composite Employee Benefit Trust Sterling Capital Core Fixed Income CIF**

**Independent Auditor's Report and  
Financial Statements**

December 31, 2023

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**Hand Composite Employee Benefit Trust**  
**December 31, 2023**

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## Independent Auditor's Report

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

### ***Opinion***

We have audited the financial statements of the selected fund, Sterling Capital Core Fixed Income CIF, included in the Hand Composite Employee Benefit Trust, which comprise the statement of assets and liabilities, including the schedule of investments, as of December 31, 2023, 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 fund, included in the Hand Composite Employee Benefit Trust, as of December 31, 2023, and the results of its operations and the changes in its net assets for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

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 fund 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 opinion.

### ***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 fund's ability to continue as a going concern 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 fund's 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 fund's ability to continue as a going concern 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 fund's basic financial statements. The schedule of investment purchases and sales listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 basic financial statements as a whole.

**FORVIS, LLP**

Houston, Texas  
May 31, 2024

**Hand Composite Employee Benefit Trust**  
**Statement of Assets and Liabilities – Selected Fund**  
**December 31, 2023**

	<b>Sterling Capital Core Fixed Income CIF</b>
<b>Assets</b>	
Investments, at cost	\$ 114,204,440
Investments, at fair value	\$ 113,744,146
Receivable for:	
Dividends and interest	769,902
Investment advisor	11,770
Total assets	\$ 114,525,818
<b>Liabilities</b>	
Payable for investment securities purchased	\$ 2,081,740
Accounts payable and accrued liabilities	66,825
Total liabilities	\$ 2,148,565
Net assets held for participants:	
Class R	\$ 112,377,244
Units outstanding:	
Class R	12,090,420
Net asset value per unit:	
Class R	\$ 9.29

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments**  
**Sterling Capital Core Fixed Income CIF**  
**December 31, 2023**

Number of Shares / Principal Amount		Cost	Fair Value
<b><u>Short Term Investments</u></b>			
2,803,221	Blackrock Liquidy Treasury Instl	\$ 2,803,221	\$ 2,803,221
	Total Short Term Investments	2.49% <u>2,803,221</u>	<u>2,803,221</u>
<b><u>U.S. Government Obligations</u></b>			
\$ 9,472,600	U.S. Treasury Bond 2.500% 02/15/2045 DD 02/15/15	6,811,029	7,202,876
453,000	U.S. Treasury Note 2.625% 02/15/2029 DD 02/15/19	416,127	426,953
15,094,500	U.S. Treasury Note 4.125% 11/15/2032 DD 11/15/22	14,746,582	15,372,215
	Total U.S. Government Obligations	20.47% <u>21,973,738</u>	<u>23,002,044</u>
<b><u>Agencies</u></b>			
<b><u>Federal National Mortgage Association (FNMA)</u></b>			
46,181	FNMA Pool #0AL9222 4.000% 10/01/2046 DD 10/01/16	47,202	44,578
49,070	FNMA Pool #0AL9570 5.000% 06/01/2044 DD 12/01/16	52,251	49,918
648,445	FNMA Pool #0AM7018 3.751% 10/01/2029 DD 10/01/14	702,440	625,493
32,362	FNMA Pool #0AS7568 4.500% 07/01/2046 DD 06/01/16	33,671	32,130
189,416	FNMA Pool #0AS9837 3.000% 06/01/2032 DD 06/01/17	198,930	180,869
47,509	FNMA Pool #0BD2425 3.500% 01/01/2047 DD 01/01/17	47,132	44,393
166,550	FNMA Pool #0BM3900 4.000% 04/01/2048 DD 04/01/18	175,173	160,436
82,925	FNMA Pool #0BM5822 3.000% 11/01/2048 DD 04/01/19	87,441	75,321
136,986	FNMA Pool #0BO1766 4.500% 07/01/2049 DD 07/01/19	148,063	134,932
496,749	FNMA Pool #0BP9342 2.500% 07/01/2050 DD 06/01/20	508,944	425,850
179,438	FNMA Pool #0BQ0538 2.500% 09/01/2050 DD 09/01/20	165,922	153,771
672,353	FNMA Pool #0BQ2863 2.500% 09/01/2050 DD 09/01/20	688,872	577,435
120,549	FNMA Pool #0BQ2883 2.500% 09/01/2050 DD 10/01/20	111,595	103,419
127,192	FNMA Pool #0BR0479 2.000% 12/01/2050 DD 11/01/20	113,893	104,532
896,683	FNMA Pool #0BV9958 4.000% 06/01/2052 DD 06/01/22	888,213	857,049
958,530	FNMA Pool #0BW0022 4.000% 07/01/2052 DD 07/01/22	961,600	917,538
104,609	FNMA Pool #0CA0241 4.000% 08/01/2047 DD 08/01/17	112,391	100,935
25,616	FNMA Pool #0CA2219 5.000% 08/01/2048 DD 07/01/18	26,691	25,759
161,186	FNMA Pool #0CA4431 3.500% 10/01/2049 DD 09/01/19	166,465	150,213
80,543	FNMA Pool #0CA6307 2.500% 07/01/2050 DD 06/01/20	76,651	69,097
265,888	FNMA Pool #0CA6613 3.000% 08/01/2050 DD 07/01/20	278,046	236,970
254,803	FNMA Pool #0CA6799 2.000% 08/01/2050 DD 08/01/20	255,305	210,645
680,669	FNMA Pool #0CA7019 2.000% 09/01/2050 DD 08/01/20	679,103	562,425

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**Sterling Capital Core Fixed Income CIF (Continued)**  
**December 31, 2023**

Principal Amount		Cost	Fair Value
<i>Federal National Mortgage Association (Continued)</i>			
\$	340,846 FNMA Pool#0CB2170 3.000% 11/01/2051 DD 10/01/21	\$347,327.00	\$302,134.00
	768,781 FNMA Pool#0CB6304 4.500% 05/01/2053 DD 04/01/23	750,350	746,265
	239,766 FNMA Pool#0FM2714 3.000% 03/01/2050 DD 03/01/20	242,305	214,505
	755,484 FNMA Pool#0FM2870 3.000% 03/01/2050 DD 04/01/20	705,649	681,354
	522,030 FNMA Pool#0FM6523 2.500% 03/01/2051 DD 03/01/21	534,716	447,252
	490,111 FNMA Pool#0FM7346 3.000% 05/01/2051 DD 05/01/21	510,270	438,267
	801,746 FNMA Pool#0FS1185 3.500% 04/01/2052 DD 03/01/22	795,570	737,230
	211,760 FNMA Pool#0FS1380 3.500% 04/01/2052 DD 04/01/22	208,046	196,908
	470,965 FNMA Pool#0FS1475 3.500% 04/01/2052 DD 04/01/22	462,698	438,299
	661,035 FNMA Pool#0FS2157 4.500% 06/01/2052 DD 06/01/22	665,623	646,802
	642,701 FNMA Pool#0FS3809 4.500% 11/01/2052 DD 01/01/23	632,681	623,878
	723,561 FNMA Pool#0FS3925 5.500% 03/01/2053 DD 02/01/23	725,690	733,002
	1,058,004 FNMA Pool#0FS4524 5.000% 05/01/2053 DD 04/01/23	1,038,961	1,048,659
	933,696 FNMA Pool#0FS4571 5.500% 05/01/2053 DD 04/01/23	939,931	940,211
	855,543 FNMA Pool#0FS5233 6.000% 07/01/2053 DD 07/01/23	852,885	870,734
	48,721 FNMA Pool#0AB2467 4.500% 03/01/2041 DD 02/01/11	50,963	48,713
	229,009 FNMA Pool#0MA1510 4.000% 07/01/2043 DD 06/01/13	248,727	222,478
	62,668 FNMA Pool#0MA2655 4.000% 06/01/2036 DD 05/01/16	63,907	61,284
	85,526 FNMA Pool#0MA2079 4.000% 11/01/2034 DD 10/01/14	92,454	83,776
	41,155 FNMA Pool#0MA2808 4.000% 11/01/2046 DD 10/01/16	41,919	39,727
	77,067 FNMA Pool#0MA2873 3.500% 01/01/2037 DD 12/01/16	76,302	73,824
	207,696 FNMA Pool#0MA2923 3.500% 03/01/2037 DD 02/01/17	219,383	198,350
	112,395 FNMA Pool#0MA3333 4.000% 03/01/2048 DD 03/01/18	120,013	108,366
	823,948 FNMA Pool#0MA4446 2.000% 09/01/2041 DD 09/01/21	699,523	704,899
	97,019 FNMA Pool#0MA4202 1.500% 11/01/2040 DD 11/01/20	84,809	81,065
	450,041 FNMA Pool#0MA4334 2.500% 05/01/2041 DD 04/01/21	462,130	395,941
	842,195 FNMA Pool#0MA4617 3.000% 04/01/2042 DD 03/01/22	802,862	770,078
	Total FNMA Pools	15.75% <u>18,901,687</u>	<u>17,697,709</u>
<i>Federal National Mortgage Association (FNMA) REMIC</i>			
	295,998 FNMA Gtd REMIC P/T 12-55 PD 3.000% 05/25/2042 DD 04/01/12	310,138	275,874
	20,104 FNMA Gtd REMIC P/T 13-16 A 1.750% 01/25/2040 DD 02/01/13	19,690	19,459
	128,508 FNMA Gtd REMIC P/T 16-53 AV 3.000% 12/25/2027 DD 07/01/16	127,431	123,122
	119,789 FNMA Gtd REMIC P/T 16-46 UP 3.000% 11/25/2044 DD 06/01/16	117,093	112,007
	352,547 FNMA Gtd REMIC P/T 17-M11 A2 2.980% 08/25/2029 DD 09/01/17	373,843	329,169
	207,706 FNMA Gtd REMIC P/T 17-M7 A2 VAR RT 02/25/2027 DD 06/01/17	207,712	199,132
	Total FNMA REMIC Pools	0.94% <u>1,155,906</u>	<u>1,058,763</u>

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**Sterling Capital Core Fixed Income CIF (Continued)**  
**December 31, 2023**

Principal Amount		Cost	Fair Value
<i>Federal Home Loan Mortgage Corporation (FHLMC)</i>			
\$	37,005 FHLMC Pool #ZS-4673 4.000% 08/01/2046 DD 09/01/18	\$ 37,680	\$ 35,720
	72,902 FHLMC Pool #ZS-4678 3.500% 09/01/2046 DD 09/01/18	72,570	68,388
	844,043 FHLMC Pool #SD-1692 5.000% 10/01/2052 DD 09/01/22	831,612	844,570
	840,621 FHLMC Pool #SD-1710 5.000% 10/01/2052 DD 10/01/22	804,694	833,629
	969,636 FHLMC Pool #SD-1515 4.500% 08/01/2052 DD 08/01/22	970,826	941,237
	327,665 FHLMC Pool #SD-2952 4.500% 05/01/2053 DD 05/01/23	318,709	320,162
	1,479,872 FHLMC Pool #SD-3009 5.500% 06/01/2053 DD 05/01/23	1,487,930	1,494,609
	592,920 FHLMC Pool #SD-3072 6.000% 05/01/2053 DD 05/01/23	602,226	602,914
	1,465,107 FHLMC Pool #SD-3223 6.000% 07/01/2053 DD 06/01/23	1,480,603	1,500,490
	208,986 FHLMC Pool #SD-8184 3.000% 11/01/2051 DD 11/01/21	199,163	185,513
	1,372,846 FHLMC Pool #SD-4222 6.000% 10/01/2053 DD 10/01/23	1,360,004	1,395,212
	85,142 FHLMC Pool #QA-4396 2.500% 11/01/2049 DD 11/01/19	78,861	73,106
	42,238 FHLMC Pool #QA-4336 3.000% 11/01/2049 DD 11/01/19	40,687	38,100
	82,037 FHLMC Pool #QA-6230 3.000% 01/01/2050 DD 01/01/20	78,488	73,630
	60,702 FHLMC Pool #QB-5838 2.500% 11/01/2050 DD 11/01/20	56,142	51,899
	899,560 FHLMC Pool #QF-8052 5.500% 02/01/2053 DD 02/01/23	904,158	905,180
	57,039 FHLMC Pool #RA-2794 3.500% 06/01/2050 DD 05/01/20	55,961	53,082
	709,252 FHLMC Pool #RA-7191 3.500% 04/01/2052 DD 04/01/22	701,304	653,358
	555,248 FHLMC Pool #RA-7306 4.000% 05/01/2052 DD 04/01/22	557,608	528,043
	920,726 FHLMC Pool #RA-7936 5.000% 09/01/2052 DD 09/01/22	924,285	912,642
	415,646 FHLMC Pool #RB-5049 3.000% 04/01/2040 DD 04/01/20	384,807	384,769
	Total FHLMC Pools	10.46% <u>11,948,318</u>	<u>11,896,253</u>
<i>Federal Home Loan Mortgage Corporation (FHLMC) Multiclass</i>			
	24,688 FHLMC Multiclass Mtg 4427 Ka 2.250% 07/15/2044 DD 01/01/15	23,583	22,594
	1,040,183 FHLMC Multiclass Mtg 4691 Ha 2.500% 06/15/2040 DD 06/01/17	994,621	945,757
	65,000 FHLMC Multiclass Mtg K068 A2 3.244% 08/25/2027 DD 10/01/17	65,396	62,534
	160,000 FHLMC Multiclass Mtg K155 A3 3.750% 04/25/2033 DD 06/01/18	164,166	151,412
	1,694,030 FHLMC Multiclass Mtg 5190 EC 2.000% 12/25/2051 DD 01/01/22	1,449,088	1,477,952
	Total FHLMC Multiclass Pools	2.37% <u>2,696,854</u>	<u>2,660,249</u>
<i>Government National Mortgage Association (GNMA)</i>			
	264,209 GNMA II Pool #0MA0219 3.000% 07/20/2042 DD 07/01/12	276,903	243,702
	642,747 GNMA II Pool #0786280 4.000% 07/20/2052 DD 08/01/22	614,881	615,307
	Total GNMA Pools	0.76% <u>891,785</u>	<u>859,009</u>



**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**Sterling Capital Core Fixed Income CIF (Continued)**  
**December 31, 2023**

Principal Amount		Cost	Fair Value
<b><i>Government National Mortgage Association (GNMA) REMIC</i></b>			
\$ 166,961	GNMA Gtd REMIC P/T 08-49 PB 4.750% 06/20/2038 DD 06/01/08	\$ 179,618	\$ 165,239
206,898	GNMA Gtd REMIC P/T 10-105 BH 3.000% 01/16/2040 DD 08/01/10	214,494	196,801
	Total GMNA REMIC Pools	0.32% <u>394,112</u>	<u>362,040</u>
<b><i>Federal Farm Credit Bank</i></b>			
518,000	Federal Farm CR BKCons BD 2.400% 03/24/2036 DD 03/24/21	412,672	411,141
330,000	Federal Farm CR BK Cons BD 4.125% 12/15/2032 DD 12/15/22	330,195	325,769
	Total Federal Farm Credit Bank	0.66% <u>742,867</u>	<u>736,910</u>
	Total Agencies	31.26% <u>36,731,529</u>	<u>35,270,932</u>
<b><u>Collateralized Mortgage Obligations</u></b>			
<b><i>Asset Backed Securities</i></b>			
180,000	Americredit Automobile Rec 3 B 1.170% 08/18/2027 DD 11/17/21	173,100	170,571
780,000	Carmax Auto Owner Trust 2 3 A4 4.060% 02/15/2028 DD 07/20/22	779,992	765,172
1,020,000	Carmax Auto Owner Trust 2 4 A4 5.960% 05/15/2029 DD 10/18/23	1,019,759	1,060,687
200,000	Carvana Auto Receivables P3 A4 1.030% 06/10/2027 DD 09/29/21	191,224	183,304
170,000	Carvana Auto Receivables P2 B 1.270% 03/10/2027 DD 06/24/21	161,217	154,999
39,385	Ford Credit Auto Owner Tr A A3 0.300% 08/15/2025 DD 02/22/21	38,893	38,828
900,000	Santander Drive Auto Rec 5 B 6.160% 12/17/2029 DD 10/18/23	899,778	920,539
	Total Asset Backed Securities	2.93% <u>3,263,961</u>	<u>3,294,102</u>
<b><i>Collateralized Mortgage Backed Securities</i></b>			
102,000	Bank 2020-Bnk29 Bn29 A4 1.997% 11/15/2053 DD 11/01/20	97,224	80,054
400,000	BBCMS Mortgage Trust 201 C2 A5 4.314% 12/15/2051 DD 12/01/18	454,183	386,880
153,000	BBCMS Mortgage Trust 202 C7 A5 2.037% 04/15/2053 DD 06/01/20	135,722	128,681
54,000	Benchmark 2020-B21 Mort B21 A5 1.978% 12/17/2053 DD 11/01/20	47,203	43,888
415,000	CD 2016-cd2 Mortgage TR CD2 A4 Var RT 11/10/2049 DD 12/01/16	447,408	385,300
200,000	CD 2017-CD3 Mortgage TR CD3 A4 3.631% 02/10/2050 DD 02/01/17	199,224	185,690
155,000	CFCRE Commercial Mortgag C7 A3 3.839% 12/10/2054 DD 12/01/16	155,653	147,328
400,000	Citigroup Commercial MOR P7 A4 3.712% 04/14/2050 DD 04/01/17	434,911	375,984
44,946	Comm 2013-CCRE12 Mortg CR12 A4 4.046% 10/10/2046 DD 11/01/13	45,250	43,129
471,000	Comm 2014-CCRE16 Mortg CR16 A4 4.051% 04/10/2047 DD 04/01/14	496,943	467,286
371,000	CSAIL 2015-C3 Commercial C3 A4 3.718% 08/15/2048 DD 08/01/15	396,864	358,111
310,000	CSAIL 2015-C4 Commercial C4 A4 3.808% 11/15/2048 DD 11/01/15	334,539	299,653
141,000	DBJPM 20-C9 Mortgage Tru C9 A5 1.926% 08/15/2053 DD 08/01/20	133,670	115,222

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**Sterling Capital Core Fixed Income CIF (Continued)**  
**December 31, 2023**

Principal Amount		Cost	Fair Value
<i>Collateralized Mortgage Backed Securities (Continued)</i>			
\$	95,334 Fresb 2018-SB52 Mort SB52 A10f Var Rt 06/25/2028 DD 08/01/18	\$ 94,690	\$ 91,399
	175,000 GS Mortgage Securities GS4 A4 Var RT 11/10/2049 DD 11/01/16	187,762	166,204
	425,000 Morgan Stanley Bank C29 A4 3.325% 05/15/2049 DD 05/01/16	452,249	403,856
	350,000 Morgan Stanley Bank C32 A4 3.720% 12/15/2049 DD 12/01/16	371,723	332,503
	185,000 Morgan Stanley Capital IH3 A5 4.177% 07/15/2051 DD 07/01/18	187,743	175,322
	259,000 Wells Fargo Commercial LC18 A5 3.405% 12/15/2047 DD 12/01/14	257,221	252,142
	725,000 WFRBS Commercial Mortga C20 A5 3.995% 05/15/2047 DD 05/01/14	760,024	716,173
	600,000 WFRBS Commercial Mortga C21 A5 3.678% 08/15/2047 DD 08/01/14	591,730	589,936
	1,176,000 WFRBS Commercial Mortga C23 A5 3.917% 10/15/2057 DD 09/01/14	1,141,760	1,148,165
	Total Collateralized Mortgage Backed Securities	6.13% <u>7,423,697</u>	<u>6,892,905</u>
	Total Collateralized Mortgage Obligations	9.07% <u>10,687,658</u>	<u>10,187,007</u>
<b><u>Municipals</u></b>			
<i>Taxable Municipals</i>			
	400,000 California St 5.100% 03/01/2029 DD 03/15/23	405,845	412,025
	300,000 California St Univ Revenue 1.361% 11/01/2027 DD 07/29/21	296,454	268,545
	300,000 Connecticut St 5.295% 10/01/2029 DD 10/19/10	304,268	309,898
	40,000 Illinois St Sales Tax Revenue 3.481% 06/15/2026 DD 05/17/12	39,761	38,736
	350,000 Los Angeles Ca Wstwrtr SYS Reve 3.860% 06/01/2032 DD 04/19/22	329,526	330,315
	265,000 Met Transprt Auth NY Revenue 5.175% 11/15/2049 DD 05/14/20	334,577	258,365
	250,000 New York City NY Transitional 1.350% 05/01/2027 DD 09/24/20	247,676	227,080
	555,000 New York City NY Transitional 3.330% 02/01/2028 DD 04/19/17	519,725	533,636
	400,000 New York NY 1.880% 08/01/2031 DD 08/26/21	327,966	331,240
	230,000 New York St Dorm Auth St Personal 2.558% 02/15/2027 DD 01/03/20	223,614	219,203
	275,000 North Carolina St Univ At Rate 1.754% 10/01/2029 DD 07/07/20	272,484	239,912
	400,000 Pennsylvania St 1.850% 08/01/2029 DD 05/20/21	348,030	348,929
	120,000 Pittsburgh PA 1.189% 09/01/2026 DD 08/27/20	117,544	110,481
	610,000 Port Auth of New York & New Jersey 6.040% 12/01/2029 DD 07/01/09	651,845	658,754
	650,000 Sales Tax Securitization Corp 4.736% 01/01/2030 DD 02/02/23	636,044	651,854
	Total Taxable Municipals	4.39% <u>5,055,358</u>	<u>4,938,972</u>
	Total Municipals	4.39% <u>5,055,358</u>	<u>4,938,972</u>
<b><u>Private Placements</u></b>			
	282,000 Aker BP ASA 144a 3.750% 01/15/2030 DD 01/15/20	248,865	259,280

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**Sterling Capital Core Fixed Income CIF (Continued)**  
**December 31, 2023**

Principal Amount		Cost	Fair Value
<i>Private Placements (Continued)</i>			
\$	110,000 American Tower Trust #1 144a 3.652% 03/15/2048 DD 03/29/18	\$ 112,293	\$ 103,991
	298,000 Athene Global Funding 144a 2.500% 01/14/2025 DD 01/14/20	291,852	287,074
	1,475,000 Avis Budget Rental C 1a A 144a 1.380% 08/20/2027 DD 05/18/21	1,367,453	1,341,937
	302,000 Avolon Holdings Funding L 144a 2.875% 02/15/2025 DD 01/14/20	292,368	291,325
	228,000 Bacardi Ltd / Bacardi-Mar 144a 5.400% 06/15/2033 DD 06/20/23	218,545	229,815
	330,000 Blue Owl Finance LLC 144a 4.125% 10/07/2051 DD 10/07/21	209,912	220,154
	266,000 Broadcom Inc 144a 4.926% 05/15/2037 DD 04/18/22	233,818	258,066
	164,500 BX Commercial Mort Acent C 144a Var RT 11/15/2038 DD 11/19/21	164,152	161,299
	383,000 BX Commercial Mortg Cip A 144a Var Rt 12/15/2038 DD 12/21/21	382,501	374,948
	149,935 BX Trust 2021-Rise Rise C 144a Var RT 11/15/2036 DD 12/15/21	149,935	146,924
	233,000 Cargill Inc 144a 3.875% 05/23/2049 DD 05/23/19	186,896	192,301
	73,000 Carrier Global Corp 144a 6.200% 03/15/2054 DD 11/30/23	72,877	84,800
	66,333 Chesapeake Funding 1a A1 144a 0.870% 08/15/2032 DD 07/22/20	66,547	65,877
	217,000 CSL Finance PLC 144a 4.250% 04/27/2032 DD 04/27/22	204,642	211,946
	186,000 Daimler Truck Finance Nor 144a 2.000% 12/14/2026 DD 12/14/21	169,461	171,046
	345,000 Enterprise Fleet Fin 1 A3 144a 3.270% 01/20/2028 DD 03/30/22	344,988	333,313
	15,084 Enterprise Fleet Fin 2 A2 144a 0.610% 07/20/2026 DD 09/30/20	15,088	15,031
	27,219 Enterprise Fleet Fun 1 A2 144a 0.440% 12/21/2026 DD 02/24/21	27,193	26,922
	194,000 ERAC USA Finance LLC 144a 4.200% 11/01/2046 DD 10/18/16	183,427	169,946
	670,000 Ford Credit Auto Owne 2 A 144a 1.060% 04/15/2033 DD 10/09/20	663,235	624,718
	177,000 Gartner Inc 144a 4.500% 07/01/2028 DD 06/22/20	166,976	167,801
	663,000 Greatamerica Leasing 1 A4 144a 5.350% 07/16/2029 DD 10/12/22	672,441	667,697
	775,000 Hertz Vehicle Financ 2a A 144a 1.680% 12/27/2027 DD 06/30/21	770,447	702,152
	805,000 Hertz Vehicle Financ 2a A 144a 2.330% 06/26/2028 DD 01/19/22	804,228	732,299
	164,000 IQVIA Inc 144a 6.250% 02/01/2029 DD 11/28/23	163,762	171,355
	148,000 KKR Group Finance Co III 144a 5.125% 06/01/2044 DD 05/29/14	128,544	135,756
	313,000 Macquarie Group Ltd 144a Var RT 01/12/2027 DD 01/12/21	282,812	287,658
	250,000 Meiji Yasuda Life Insuran 144a Var RT 10/20/2045 DD 10/20/15	242,106	245,961
	279,000 Mercedes-Benz Finance Nor 144a 5.050% 08/03/2033 DD 08/03/23	266,208	287,470
	830,000 Onemain Financial I 1a A1 144a 1.550% 06/16/2036 DD 05/26/21	821,400	744,939
	239,000 S&P Global Inc 144a 5.250% 09/15/2033 DD 09/12/23	235,524	250,551
	151,000 Sammons Financial Group I 144a 3.350% 04/16/2031 DD 04/16/21	135,553	121,372
	200,000 SBA Tower Trust 2a C 144a Var RT 10/15/2049 DD 10/15/14	206,951	196,650
	142,000 SBL Holdings Inc 144a 5.000% 02/18/2031 DD 02/16/21	115,195	116,662
	250,000 SC Johnson & Son Inc 144a 4.750% 10/15/2046 DD 10/16/15	227,379	233,016
	195,000 Sempra Global 144a 3.250% 01/15/2032 DD 01/11/22	149,249	160,493
	155,000 Toyota Auto Loan Ext 1a A 144a 1.350% 05/25/2033 DD 06/08/20	155,445	147,129
	260,000 Toyota Auto Loan Ext 1a A 144a 2.560% 11/25/2031 DD 06/19/19	268,610	256,725
	395,000 UBS Group Ag 144a Var RT 08/05/2033 DD 08/05/22	358,671	382,411
	301,958 Wheels SPV 2 LLC 1a A3 144a 0.620% 08/20/2029 DD 09/21/20	301,382	299,144
	Total Private Placements	10.57% 12,078,932	11,877,953

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**Sterling Capital Core Fixed Income CIF (Continued)**  
**December 31, 2023**

Principal Amount		Cost	Fair Value
<i>Corporate Bonds</i>			
<i>Consumer Discretionary</i>			
\$ 225,000	WarnerMedia Holdings Inc 4.054% 03/15/2029 DD 03/15/23	\$ 206,909	\$ 213,569
	Total Consumer Discretionary	0.19% 206,909	213,569
<i>Consumer Staples</i>			
	160,000 Anheuser-Busch Inbev Worldwide 5.800% 01/23/2059 DD 01/23/19	162,531	180,213
	179,000 BAT Capital Corp 6.421% 08/02/2033 DD 08/02/23	176,263	187,871
	244,000 General Mills Inc 4.950% 03/29/2033 DD 03/29/23	235,707	247,458
	251,000 Kenvue Inc 5.000% 03/22/2030 DD 09/22/23	250,854	259,443
	183,000 Kraft Heinz Foods Co 4.875% 10/01/2049 DD 10/01/20	145,119	173,799
	203,000 Lowe's Cos Inc 5.150% 07/01/2033 DD 03/30/23	197,210	209,000
	242,000 Philip Morris International In 5.625% 09/07/2033 DD 09/07/23	235,531	253,182
	Total Consumer Staples	1.34% 1,403,215	1,510,966
<i>Energy</i>			
	186,000 Cheniere Corpus Christi Holdin 3.700% 11/15/2029 DD 05/15/20	168,406	175,786
	193,000 Cheniere Energy Inc 4.625% 10/15/2028 DD 04/15/21	182,616	188,168
	179,000 Energy Transfer LP 6.550% 12/01/2033 DD 10/13/23	178,781	194,283
	217,000 Enterprise Products Operating 5.950% 02/01/2041 DD 01/13/11	256,223	233,241
	169,000 EQT Corp Var RT 02/01/2030 DD 01/21/20	177,113	181,378
	164,000 Hess Corp 7.875% 10/01/2029 DD 10/01/99	188,859	188,637
	213,000 HF Sinclair Corp 5.875% 04/01/2026 DD 10/01/22	214,520	215,194
	166,000 Orintiv Inc 6.250% 07/15/2033 DD 05/31/23	161,165	171,916
	234,000 Pioneer Natural Resources Co 1.900% 08/15/2030 DD 08/11/20	184,735	198,976
	204,000 Schlumberger Investment SA 2.650% 06/26/2030 DD 06/26/20	178,540	183,585
	Total Energy	1.72% 1,890,958	1,931,163
<i>Financials</i>			
	268,000 Aercep Ireland Capital Dac / A 6.150% 09/30/2030 DD 09/25/23	299,283	282,619
	165,000 Ares Management Corp 6.375% 11/10/2028 DD 11/10/23	164,681	173,162
	203,000 Athene Holding Ltd 5.875% 01/15/2034 DD 12/12/23	199,310	205,198
	223,000 Axis Specialty Finance LLC 3.900% 07/15/2029 DD 06/19/19	201,102	211,454
	409,000 Bank of America Corp Var RT 04/25/2034 DD 04/25/23	389,281	411,160
	360,000 Bank of America Corp Var RT 12/20/2028 DD 12/20/17	330,725	338,957
	172,000 Barings BDC Inc 3.300% 11/23/2026 DD 05/23/22	163,796	156,931

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**Sterling Capital Core Fixed Income CIF (Continued)**  
**December 31, 2023**

Principal Amount		Cost	Fair Value
<i>Financials (Continued)</i>			
\$ 251,000.00	BlackRock Inc 1.900% 01/28/2031 DD 05/06/20	\$ 217,175	\$ 212,047
179,000	Blue Owl Capital Corp 3.400% 07/15/2026 DD 12/08/20	167,391	166,446
264,000	Charles Schwab Corp Var RT 05/19/2029 DD 05/19/23	260,700	271,028
340,000	Citigroup Inc Var RT 01/25/2033 DD 01/25/22	268,434	290,575
106,000	Citigroup Inc Var RT 05/25/2034 DD 05/25/23	106,359	109,882
189,000	Corebridge Financial Inc 3.900% 04/05/2032 DD 04/05/23	163,189	170,873
224,000	Enstar Group Ltd 3.100% 09/01/2031 DD 08/24/21	177,976	183,005
248,000	Fifth Third Bancorp Var RT 04/25/2028 DD 04/25/22	229,334	236,588
122,000	Fifth Third Bancorp Var RT 04/25/2033 DD 04/25/22	103,797	113,693
271,000	First Citizens Bancshares Inc/ Var RT 03/15/2030 DD 03/04/20	255,598	256,138
214,000	General Motors Financial Co In 5.850% 04/06/2030 DD 04/06/23	211,506	221,017
189,000	Huntington Bancshares Inc/oh Var RT 08/21/2029 DD 08/21/23	189,607	195,053
168,000	Jefferies Financial Group Inc 4.150% 01/23/2030 DD 01/23/18	156,213	157,944
410,000	JPMorgan Chase & Co Var RT 04/22/2027 DD 04/22/21	403,972	409,140
448,000	JPMorgan Chase & Co Var RT 07/25/2033 DD 07/25/22	443,666	443,663
197,000	Keycorp 2.550% 10/01/2029 DD 09/11/19	156,669	167,763
200,000	Lloyds Banking Group PLC 4.582% 12/10/2025 DD 06/10/16	210,247	195,759
205,000	Mitsubishi UFJ Financial Group Var Rt 02/22/2029 DD 02/22/23	206,284	208,903
222,000	Morgan Stanley Var RT 04/21/2034 DD 04/21/23	214,539	222,517
449,000	Morgan Stanley Var RT 07/22/2028 DD 07/24/17	408,947	429,039
276,000	PNC Financial Services Group I Var RT 01/24/2034 DD 01/24/23	264,347	270,541
194,000	Prudential Financial Inc 3.935% 12/07/2049 DD 12/07/17	145,376	160,277
60,000	Reinsurance Group of America I 3.150% 06/15/2030 DD 06/09/20	53,045	53,925
168,000	Sumitomo Mitsui Financial Group 4.306% 10/16/2028 DD 10/16/18	161,852	164,680
335,000	Toronto-Dominion Bank Var Rt 09/15/2031 DD 09/15/16	322,737	321,523
194,000	Transatlantic Holdings Inc 8.000% 11/30/2039 DD 11/23/09	256,619	250,865
160,000	UA Bancorp Var RT 10/21/2033 DD 10/21/22	156,085	165,193
218,000	Visa Inc 2.700% 04/15/2040 DD 04/02/20	160,345	168,727
404,000	Wells Fargo & Co Var RT 04/30/2041 DD 04/30/20	302,770	306,382
161,000	Wells Fargo & Co Var RT 07/25/2028 DD 07/25/22	155,738	159,881
218,000	Westpac Banking Corp Var RT 11/23/2031 DD 11/23/16	209,679	209,704
	Total Financials	7.72% <u>8,488,377</u>	<u>8,672,251</u>
<i>Healthcare</i>			
290,000	Abbvie Inc 4.875% 11/14/2048 DD 09/18/18	266,153	283,697
206,000	Amgen Inc 5.250% 03/02/2030 DD 03/02/23	204,155	212,050
259,000	Bristol-Myers Squibb Co 4.625% 05/15/2044 DD 05/15/20	237,400	240,924
363,000	CVS Health Corp 2.700% 08/21/2040 DD 08/21/20	285,196	259,691

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**Sterling Capital Core Fixed Income CIF (Continued)**  
**December 31, 2023**

Principal Amount		Cost	Fair Value
<i>Healthcare (Continued)</i>			
\$	176,000 Elevance Health Inc 3.600% 03/15/2051 DD 03/17/21	\$ 132,269	\$ 138,502
	159,000 GE Healthcare Technologies Inc 5.857% 03/15/2030 DD 03/15/23	159,649	167,224
	153,000 HCA Inc 3.125% 03/15/2027 DD 03/15/23	144,896	145,115
	234,000 Pfizer Investment Enterprises 4.750% 05/19/2033 DD 05/19/23	226,865	234,572
	Total Healthcare	1.50% <u>1,656,583</u>	<u>1,681,774</u>
<i>Industrials</i>			
	459,000 Boeing Co 5.705% 05/01/2040 DD 05/04/20	456,404	476,337
	245,000 Burlington Northern Santa FE L 4.950% 09/15/2041 DD 08/22/11	232,915	243,881
	338,000 Canadian Pacific Railway Co 4.200% 11/15/2069 DD 04/19/23	264,936	281,074
	195,000 Deere & Co 3.750% 04/15/2050 DD 03/30/20	173,866	171,234
	177,000 L3Harris Technologies Inc 5.400% 07/31/2033 DD 07/31/23	166,367	184,396
	189,000 Lockheed Martin Corp 4.450% 05/15/2028 DD 05/25/23	185,798	190,134
	148,000 RTX Corp 6.400% 03/15/2054 DD 11/08/23	147,580	171,994
	306,000 Waste Connections Inc 2.950% 01/15/2052 DD 09/20/21	208,213	216,456
	Total Industrials	1.72% <u>1,836,079</u>	<u>1,935,505</u>
<i>Information Technology</i>			
	60,000 Advanced Micro Devices Inc 3.924% 06/01/2032 DD 06/09/22	56,354	58,138
	279,000 Amazon.com Inc 2.700% 06/03/2060 DD 06/03/20	188,246	185,508
	211,000 Discovery Communications LLC 5.200% 09/20/2047 DD 09/21/17	169,808	182,342
	143,000 Factset Research Systems Inc 2.900% 03/01/2027 DD 03/01/22	133,262	134,048
	212,000 Factset Research Systems Inc 3.450% 03/01/2032 DD 03/01/22	178,596	190,133
	264,000 Lam Research Corp 2.875% 06/15/2050 DD 05/05/20	174,628	188,607
	242,000 Marvell Technology Inc 2.950% 04/15/2031 DD 04/12/21	201,267	211,820
	97,000 Marvell Technology Inc 5.950% 09/15/2033 DD 09/18/23	95,558	103,115
	209,000 Meta Platforms Inc 4.600% 05/15/2028 DD 05/03/23	206,275	212,240
	218,000 Nvidia Corp 2.850% 04/01/2030 DD 03/31/20	194,700	201,940
	247,000 NXP BV/ NXP Funding LLC 5.000% 01/15/2033 DD 05/16/22	233,105	247,909
	385,000 Oracle Corp 4.900% 02/06/2033 DD 02/06/23	368,570	383,877
	236,000 Take-Two Interactive Software 5.000% 03/28/2026 DD 04/14/23	233,842	237,146
	186,000 Time Warner Cable LLC 6.550% 05/01/2037 DD 04/09/07	181,942	183,645
	Total Information Technology	2.42% <u>2,616,153</u>	<u>2,720,467</u>
<i>Materials</i>			
	249,000 Albemarle Corp 5.450% 12/01/2044 DD 11/24/14	236,407	232,572
	182,000 FMC Corp 3.450% 10/01/2029 DD 09/20/19	168,255	164,520

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**Sterling Capital Core Fixed Income CIF (Continued)**  
**December 31, 2023**

Principal Amount		Cost	Fair Value
<i>Materials (Continued)</i>			
\$ 226,000	Newmont Corp 2.250% 10/01/2030 DD 03/18/20	\$ 185,373	\$ 195,338
200,000	Vulcan Materials Co 4.500% 06/15/2047 DD 06/15/17	180,589	179,918
	Total Materials	0.69% <u>770,624</u>	<u>772,348</u>
<i>Real Estate</i>			
212,000	American Tower Corp 3.600% 01/15/2028 DD 12/08/17	199,685	202,117
166,000	Brixmor Operating Partnership 4.125% 05/15/2029 DD 05/10/19	146,131	158,145
203,000	Invitation Homes Operating Par 4.150% 04/15/2032 DD 04/05/22	179,621	186,916
156,000	Kimco Realty Op LLC 6.400% 03/01/2034 DD 10/12/23	155,363	171,360
165,000	LXP Industrial Trust 2.700% 09/15/2030 DD 08/28/20	146,716	136,921
119,000	LXP Industrial Trust 6.750% 11/15/2028 DD 11/13/23	118,329	125,176
222,000	Retail Opportunity Investments 6.750% 10/15/2028 DD 09/21/23	219,461	233,409
215,000	Tanger Properties LP 2.750% 09/01/2031 DD 08/10/21	163,489	173,268
	Total Real Estate	1.23% <u>1,328,795</u>	<u>1,387,312</u>
<i>Utilities</i>			
163,000	American Electric Power Co Inc 5.750% 11/01/2027 DD 11/02/22	163,132	168,682
281,000	AT&T Inc 3.850% 06/01/2060 DD 05/28/20	206,687	210,486
277,000	Centerpoint Energy Inc 2.950% 03/01/2030 DD 08/14/19	258,774	245,231
293,000	CMS Energy Corp 4.700% 03/31/2043 DD 03/22/13	263,448	262,978
131,000	Consolidated Edison Co of New 5.900% 11/15/2053 DD 11/22/23	129,803	144,628
259,000	DTE Electric Co 5.200% 04/01/2033 DD 03/03/23	255,881	269,429
186,000	Duke Energy Florida LLC 6.200% 11/15/2053 DD 11/09/23	184,872	213,082
416,000	Duke Energy Progress LLC 3.600% 09/15/2047 DD 09/08/17	316,568	320,276
262,000	Entergy Louisiana LLC 2.350% 06/15/2032 DD 03/10/21	207,084	218,330
236,000	Georgia Power Co 4.950% 05/17/2033 DD 05/04/23	228,377	238,330
315,000	Indiana Michigan Power Co 4.550% 03/15/2046 DD 03/03/16	277,695	282,740
237,000	National Grid PLC 5.809% 06/12/2033 DD 06/12/23	233,377	249,532
398,000	Nextera Energy Capital Holding 2.440% 01/15/2032 DD 12/13/21	322,155	334,104
332,000	Puget Sound Energy Inc 4.223% 06/15/2048 DD 06/14/18	271,100	280,165
454,000	Sempra 3.800% 02/01/2038 DD 01/12/18	386,822	388,950
238,000	Southern California Edison Co 5.950% 11/01/2032 DD 11/08/22	244,687	256,147
304,000	Sprint LLC 7.625% 03/01/2026 DD 02/22/18	313,120	317,442
166,000	T-Mobile USA Inc 6.000% 06/15/2054 DD 09/14/23	157,157	182,795
274,000	Verizon Communications Inc 1.450% 03/20/2026 DD 03/22/21	255,573	255,334
	Total Utilities	4.31% <u>4,676,313</u>	<u>4,838,661</u>
	Total Corporate Bonds	22.84% <u>24,874,005</u>	<u>25,664,017</u>
	Total Investments	101.09% <u>\$ 114,204,440</u>	<u>\$ 113,744,146</u>

**Hand Composite Employee Benefit Trust**  
**Statement of Operations – Selected Fund**  
**Year Ended December 31, 2023**

	<b>Sterling Capital Core Fixed Income CIF</b>
<b>Income</b>	
Interest	\$ 4,691,460
<b>Expenses</b>	
Investment management and administrative	44,722
Custody	73,771
Audit	8,250
Class level expenses	223,616
Total expenses before reimbursement of fees	350,359
Reimbursement of fees	(72,068)
Net expenses	278,291
<b>Net Investment Income</b>	4,413,169
<b>Net Realized and Unrealized Gains (Losses) on Investments</b>	
Net realized losses	(7,129,275)
Change in unrealized appreciation/depreciation	9,447,387
Net realized and unrealized gains on investments	2,318,112
<b>Net Increase in Net Assets Resulting From Operations</b>	\$ 6,731,281



**Hand Composite Employee Benefit Trust**  
**Statement of Changes in Net Assets – Selected Fund**  
**Year Ended December 31, 2023**

	<b>Sterling Capital Core Fixed Income CIF</b>
<b>Operations</b>	
Net investment income	\$ 4,413,169
Net realized losses	(7,129,275)
Change in unrealized appreciation/depreciation	9,447,387
Net increase in net assets from operations	6,731,281
<b>Net Increase in Net Assets From Participant Transactions</b>	9,467,654
<b>Increase in Net Assets Held for Participants</b>	16,198,935
<b>Net Assets Held for Participants</b>	
Beginning of year	96,178,318
End of year	\$ 112,377,253

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2023

### Note 1: Nature of Operations and Summary of Significant Accounting Policies

#### ***Nature of Operations***

Hand Composite Employee Benefit Trust (“HB&T” or “the 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 (the IRC), are exempt from taxation under the provisions of the IRC. The Trust is comprised of 76 portfolios (the Funds); the financial statements of one of these funds are included in this report.

#### ***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 accounted for on trade date. Realized gains and losses from investment transactions and unrealized appreciation or depreciation of investments are reported on 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 Fund 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 Fund are reinvested, thereby increasing the respective unit values.

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2023

### ***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 Fund is valued daily.

### ***Federal Income Taxes***

The Fund complies with the requirements under Section 501(a) of the IRC and apportions all of its taxable income to its participants. Therefore, no federal income tax provision is required.

### ***Subsequent Events***

Subsequent events have been evaluated through May 31, 2024, which is the date the financial statements were available to be issued.

### ***Investment Management Advisor***

The investment management advisor for the Fund is Sterling Capital Management LLC.

## **Note 2: Investment Advisory Fees and Other Transactions with Affiliates**

The Fund is charged an administrative fee by HB&T for trustee/administrative services (fund accounting services, transfer agency services, trustee services, etc.). The Fund 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.

During the year ended December 31, 2023, the investment advisor voluntarily reimbursed the Fund for a portion of its expenses.

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

<b>Fund</b>	<b>Trustee/ Administrative Fees</b>	<b>Investment Advisory Fees</b>	<b>Custody Fees</b>	<b>Other Fees</b>	<b>Total Fees</b>
<b>Sterling Capital Core Fixed Income CIF:</b>					
Class R	0.04%	0.20%	0.05%	0.01%	0.30%

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2023

### Note 3: Financial Highlights

	<b>Sterling Capital Core Fixed Income CIF Class R</b>
Net asset value, beginning of year	\$ 8.80
Net investment income	0.36
Net realized and unrealized gains	0.13
Net increase from investment operations	0.49
Net asset value, end of year	\$ 9.29
Total return	5.57%
Ratio to average net assets:	
Net investment income	3.93%
Expenses without reimbursements	0.31%
Expenses with reimbursements	0.24%

### Note 4: Participant Unit Transactions

	<b>Sterling Capital Core Fixed Income CIF</b>	
	<b>Units</b>	<b>Dollars</b>
<b>Class R:</b>		
Proceeds from sales of units	6,317,751	\$ 55,684,359
Cost of units redeemed	(5,160,413)	(46,216,705)
Net change in Class R from participant transactions	<u>1,157,338</u>	<u>9,467,654</u>
Net increase in net assets from participant transactions		<u>\$ 9,467,654</u>

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2023

### 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 Fund 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 statement 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 year ended December 31, 2023.

**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.

**U.S. Government and Agency Obligations.** U.S. Government and agency obligations are valued using a model that incorporates market observable data, such as reported sales of similar securities, broker quotes, yields, bids, offers and reference data. Certain securities are valued principally using dealer quotations. U.S. Government and agency obligations are categorized as Level 2 in the hierarchy.

**Corporate and Municipal Bonds.** The fair value of these bonds is estimated using various techniques, which may consider recently executed transactions in securities of the issuer or comparable issuers, market price quotations (where observable), bond spreads, fundamental data relating to the issuer, and credit default swap spreads adjusted for any basis difference between cash and derivative instruments. These securities are categorized as Level 2 in the hierarchy.

**Preferred Securities.** Securities traded on a national securities exchange (or reported on the NASDAQ national market) 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. Certain foreign securities may be fair

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

### December 31, 2023

valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments, such as American Depository Receipts and the movement of certain indexes of securities based on a statistical analysis of the historical relationship and are categorized as either Level 1 or 2 of the hierarchy.

**Private Placements.** Private placements are primarily determined using discounted cash flow models. These models primarily use observable inputs that include Treasury or similar base rates plus estimated credit spreads to value each security. The credit spreads are obtained through a survey of private market intermediaries who are active in both primary and secondary transactions, and consider, among other factors, the credit quality and industry sector of the issuer and the reduced liquidity associated with private placements. Since most private placements are valued using standard market observable inputs and inputs derived from, or corroborated by, market observable data including observed prices and spreads for similar publicly traded or privately traded issues, they have been reflected within Level 2 of the hierarchy.

**Mortgage-backed and Asset-backed Securities.** These securities are valued using models that incorporate observable data, such as prepayments, delinquencies, yields, bids, offers, collateral seasoning and other factors. Deal specific scenarios are derived from historical performance information and loan level details. These securities are categorized as Level 2 in the hierarchy.

The following table presents the fair value measurements of assets recognized in the accompanying statement 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, 2023:

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Sterling Capital Core Fixed Income CIF</b>				
Short Term Investment	\$ 2,803,221	\$ 2,803,221	\$ -	\$ -
US Government Obligations	23,002,044	23,002,044	-	-
US Government Agency Securities	35,270,932	-	35,270,932	-
Municipals	4,938,972	-	4,938,972	-
Corporate Bonds	25,664,017	-	25,664,017	-
Private Placements	11,877,953	-	11,877,953	-
Mortgage-backed Securities	6,892,905	-	6,892,905	-
Asset-backed Securities	3,294,102	-	3,294,102	-
<b>Total</b>	<b>\$ 113,744,146</b>	<b>\$ 25,805,265</b>	<b>\$ 87,938,881</b>	<b>\$ 0</b>

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2023

### Note 6: Risk Factors

#### *Investment Securities Risk*

The Fund invests 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 changes could materially affect the amounts reported in the accompanying statement of assets and liabilities.

## **Supplemental Information**



**Hand Composite Employee Benefit Trust**  
**Schedule of Investment Purchases and Sales – Selected Fund**  
**Sterling Capital Core Fixed Income CIF**  
**Year Ended December 31, 2023**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
U.S. Government Agencies	\$ 23,853,684
Asset-backed Securities	1,919,529
Corporate Bonds	26,501,063
Mortgage-backed Securities	3,139,803
Municipals	5,182,382
Preferred Securities	70,214
Private Placements	6,409,417
U.S. Government Obligations	59,123,559
Total Investments Purchased	\$ 126,199,651

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gains (Losses)</b>
U.S. Government Agencies	\$ 11,237,167	\$ 11,350,054	\$ (112,887)
Asset-backed Securities	3,393,203	3,415,440	(22,237)
Corporate Bonds	21,235,629	23,192,242	(1,956,613)
Mortgage-backed Securities	4,983,803	5,283,733	(299,930)
Municipals	3,436,626	3,538,383	(101,757)
Preferred Securities	17,052	17,000	52
Private Placements	5,853,888	6,352,596	(498,708)
U.S. Government Obligations	54,613,938	58,751,133	(4,137,195)
Total Investments Sold	\$ 104,771,306	\$ 111,900,581	\$ (7,129,275)