

**Hand Composite Employee Benefit Trust
Sage Funds**

Independent Auditor's Report and Financial Statements

December 31, 2015



Hand Composite Employee Benefit Trust

December 31, 2015

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Independent Auditor's Report

Board of Directors
Hand Composite Employee Benefit Trust
Houston, Texas

We have audited the accompanying financial statements of selected funds (Sage All Cap Equity Plus Fund, Sage Growth Fund, Sage Moderate Growth Fund, Sage Moderate Fund, Sage Conservative Fund, Sage Core Plus Fixed Income Fund, Sage Target Date 2015 Fund, Sage Target Date 2025 Fund, Sage Target Date 2035 Fund, Sage Target Date 2045 Fund, Sage Target Date 2055 Fund and Sage Target Date Retirement Income Fund) [12 funds] included in the Hand Composite Employee Benefit Trust ("Trust" or "Funds"), which statements comprise the statements of assets and liabilities, including the schedules of investments, as of December 31, 2015, and the related statements of operations and changes in net assets for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of these selected funds included in the Hand Composite Employee Benefit Trust as of December 31, 2015, and the results of their operations and changes in their net assets for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. 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 audits 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.

BKD, LLP

Houston, Texas
June 7, 2016

Hand Composite Employee Benefit Trust
Statements of Assets and Liabilities – Selected Funds
December 31, 2015

	Sage All Cap Equity Plus Fund	Sage Growth Fund	Sage Moderate Growth Fund	Sage Moderate Fund	Sage Conservative Fund	Sage Core Plus Fixed Income Fund
Assets						
Investments, at cost	\$ 535,052	\$ 170,160	\$ 105,011	\$ 136,353	\$ 68,366	\$ 57,305
Investments at fair value	\$ 527,467	\$ 167,809	\$ 103,367	\$ 133,907	\$ 67,222	\$ 55,987
Receivable for:						
Investment securities sold	-	-	-	-	-	-
Capital shares sold	-	542	198	-	48	-
Dividends and interest	1,527	361	171	150	38	-
Total assets	\$ 528,994	\$ 168,712	\$ 103,736	\$ 134,057	\$ 67,308	\$ 55,987
Liabilities						
Payable for investment securities purchased	\$ 1	\$ 542	\$ 198	\$ -	\$ 48	\$ -
Payable for capital shares redeemed	-	-	-	-	-	-
Accounts payable and accrued liabilities	167	53	33	42	21	18
Total liabilities	\$ 168	\$ 595	\$ 231	\$ 42	\$ 69	\$ 18
Net assets held for participants:						
Class R1	\$ 528,826	\$ 168,117	\$ 103,505	\$ 134,015	\$ 67,239	\$ 55,969
Units outstanding - Class R1	47,950	15,373	9,600	12,696	6,375	5,408
Net asset value per unit - Class R1	\$ 11.03	\$ 10.94	\$ 10.78	\$ 10.56	\$ 10.55	\$ 10.35

Hand Composite Employee Benefit Trust
Statements of Assets and Liabilities – Selected Funds (Continued)
December 31, 2015

	Sage Target Date 2015 Fund	Sage Target Date 2025 Fund	Sage Target Date 2035 Fund	Sage Target Date 2045 Fund	Sage Target Date 2055 Fund	Sage Target Date Retirement Income Fund
Assets						
Investments, at cost	\$ 127,111,995	\$ 260,786,175	\$ 153,803,058	\$ 58,457,516	\$ 4,717,507	\$ 41,915,699
Investments at fair value	\$ 125,062,457	\$ 257,062,270	\$ 152,007,689	\$ 57,854,563	\$ 4,666,727	\$ 41,205,455
Receivable for:						
Investment securities sold	233,855	-	-	-	-	-
Capital shares sold	-	767,120	550,863	474,165	69,413	23,270
Dividends and interest	144,307	436,222	326,550	136,226	10,699	40,763
Total assets	<u>\$ 125,440,619</u>	<u>\$ 258,265,612</u>	<u>\$ 152,885,102</u>	<u>\$ 58,464,954</u>	<u>\$ 4,746,839</u>	<u>\$ 41,269,488</u>
Liabilities						
Payable for investment securities purchased	\$ -	\$ 767,120	\$ 550,863	\$ 474,165	\$ 69,413	\$ 23,270
Payable for capital shares redeemed	233,855	-	-	-	-	-
Accounts payable and accrued liabilities	16,954	34,600	20,364	7,736	630	5,591
Total liabilities	<u>\$ 250,809</u>	<u>\$ 801,720</u>	<u>\$ 571,227</u>	<u>\$ 481,901</u>	<u>\$ 70,043</u>	<u>\$ 28,861</u>
Net assets held for participants:						
Class R1	\$ 46,225	\$ 88,588	\$ 130,475	\$ 454,738	\$ 152,045	\$ 45,374
Class R2	11	11	11	11	11	11
Class R-PL	<u>125,143,574</u>	<u>257,375,293</u>	<u>152,183,389</u>	<u>57,528,304</u>	<u>4,524,740</u>	<u>41,195,242</u>
Total net assets held for participants	<u>\$ 125,189,810</u>	<u>\$ 257,463,892</u>	<u>\$ 152,313,875</u>	<u>\$ 57,983,053</u>	<u>\$ 4,676,796</u>	<u>\$ 41,240,627</u>
Units outstanding:						
Class R1	4,296	8,220	11,974	41,493	14,111	4,265
Class R2	1	1	1	1	1	1
Class R-PL	<u>11,589,317</u>	<u>23,816,070</u>	<u>13,903,583</u>	<u>5,226,623</u>	<u>417,752</u>	<u>3,873,332</u>
Total units outstanding	<u>11,593,614</u>	<u>23,824,291</u>	<u>13,915,558</u>	<u>5,268,117</u>	<u>431,864</u>	<u>3,877,598</u>
Net asset value per unit:						
Class R1	<u>\$ 10.76</u>	<u>\$ 10.78</u>	<u>\$ 10.90</u>	<u>\$ 10.96</u>	<u>\$ 10.77</u>	<u>\$ 10.64</u>
Class R2	<u>\$ 10.82</u>	<u>\$ 10.83</u>	<u>\$ 10.96</u>	<u>\$ 11.02</u>	<u>\$ 10.84</u>	<u>\$ 10.65</u>
Class R-PL	<u>\$ 10.80</u>	<u>\$ 10.81</u>	<u>\$ 10.95</u>	<u>\$ 11.01</u>	<u>\$ 10.83</u>	<u>\$ 10.64</u>

Hand Composite Employee Benefit Trust
Schedules of Investments
Sage All Cap Equity Plus Fund
December 31, 2015

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
9,441	First American Treasury Obligation Fund Instl	\$ 9,441	\$ 9,441
	Total Short Term Investment	1.79% <u>9,441</u>	<u>9,441</u>
<u>Exchange-traded Funds</u>			
<i>Equity</i>			
455	iShares S&P500 Growth Index	52,739	52,689
1,335	iShares MSCI EAFE Index Fund	86,425	78,391
1,625	iShares MSCI EAFE Minimum Volatility ETF	105,381	105,414
3,405	Powershares S&P500 Low Volatility Portfolio	131,925	131,332
335	S & P 500 Depository Receipts	65,822	68,296
790	Vanguard Emerging Markets ETF	26,227	25,841
1,040	Vanguard FTSE Europe ETF	52,905	51,875
	Total Equity	97.42% <u>521,424</u>	<u>513,838</u>
	Total Exchange-traded Funds	97.42% <u>521,424</u>	<u>513,838</u>
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
4,188	HB&T Short Term Income Fund	4,187	4,188
	Total Fixed Income	0.79% <u>4,187</u>	<u>4,188</u>
	Total Common Trust Fund	0.79% <u>4,187</u>	<u>4,188</u>
	Total Investments	100.00% <u>\$ 535,052</u>	<u>\$ 527,467</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Growth Fund
December 31, 2015

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
4,314	First American Treasury Obligation Fund Instl	\$ 4,314	\$ 4,314
	Total Short Term Investment	2.57% <u>4,314</u>	<u>4,314</u>
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
15	iShares Barclays Tips Bond Fund	1,649	1,645
38	iShares Barclays 7-10 Year Treasury Bond	4,061	4,012
38	iShares Iboxx Hi Yld Corporate Bond	3,237	3,062
105	iShares Barclays Mbs Bond Fund	11,456	11,309
42	iShares Barclays Intermed Credit Bond	4,564	4,506
69	iShares 10+ Year Credit Bond	4,113	3,841
180	Powershares Financial Preferred Portfolio	3,355	3,389
	Total Fixed Income	18.93% <u>32,435</u>	<u>31,764</u>
<i>Equity</i>			
115	iShares S&P500 Growth Index	13,330	13,317
338	iShares MSCI EAFE Index Fund	21,758	19,847
412	iShares MSCI EAFE Minimum Volatility ETF	26,718	26,726
864	Powershares S&P500 Low Volatility Portfolio	33,477	33,326
85	S & P 500 Depository Receipts	16,585	17,329
201	Vanguard Emerging Markets ETF	6,673	6,575
264	Vanguard FTSE Europe ETF	13,427	13,168
	Total Equity	77.64% <u>131,968</u>	<u>130,288</u>
	Total Exchange-traded Funds	96.57% <u>164,403</u>	<u>162,052</u>
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
1,443	HB&T Short Term Income Fund	1,443	1,443
	Total Fixed Income	0.86% <u>1,443</u>	<u>1,443</u>
	Total Common Trust Fund	0.86% <u>1,443</u>	<u>1,443</u>
	Total Investments	100.00% <u>\$ 170,160</u>	<u>\$ 167,809</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Moderate Growth Fund
December 31, 2015

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
2,062	First American Treasury Obligation Fund Instl	\$ 2,062	\$ 2,062
	Total Short Term Investment	1.99% <u>2,062</u>	<u>2,062</u>
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
18	iShares Barclays Tips Bond Fund	1,978	1,974
46	iShares Barclays 7-10 Year Treasury Bond	4,922	4,857
48	iShares Iboxx Hi Yld Corporate Bond	4,091	3,868
133	iShares Barclays Mbs Bond Fund	14,508	14,324
53	iShares Barclays Intermed Credit Bond	5,764	5,686
87	iShares 10+ Year Credit Bond	5,272	4,843
217	Powershares Financial Preferred Portfolio	4,045	4,086
	Total Fixed Income	38.35% <u>40,580</u>	<u>39,638</u>
<i>Equity</i>			
52	iShares S&P500 Growth Index	6,027	6,022
153	iShares MSCI EAFE Index Fund	9,812	8,984
186	iShares MSCI EAFE Minimum Volatility ETF	12,062	12,066
391	Powershares S&P500 Low Volatility Portfolio	15,148	15,080
38	S & P 500 Depository Receipts	7,390	7,747
91	Vanguard Emerging Markets ETF	3,021	2,977
120	Vanguard FTSE Europe ETF	6,104	5,986
	Total Equity	56.95% <u>59,564</u>	<u>58,862</u>
	Total Exchange-traded Funds	95.30% <u>100,144</u>	<u>98,500</u>
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
2,805	HB&TShort Term Income Fund	2,805	2,805
	Total Fixed Income	2.71% <u>2,805</u>	<u>2,805</u>
	Total Common Trust Fund	2.71% <u>2,805</u>	<u>2,805</u>
	Total Investments	100.00% <u>\$ 105,011</u>	<u>\$ 103,367</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Moderate Fund
December 31, 2015

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
2,845	First American Treasury Obligation Fund Instl	\$ 2,845	\$ 2,845
	Total Short Term Investment	2.12% <u>2,845</u>	<u>2,845</u>
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
37	iShares Barclays Tips Bond Fund	4,067	4,058
91	iShares Barclays 7-10 Year Treasury Bond	9,734	9,609
96	iShares Iboxx Hi Yld Corporate Bond	8,182	7,736
263	iShares Barclays Mbs Bond Fund	28,721	28,325
106	iShares Barclays Intermed Credit Bond	11,530	11,372
172	iShares 10+ Year Credit Bond	10,250	9,575
432	Powershares Financial Preferred Portfolio	8,052	8,135
	Total Fixed Income	58.85% <u>80,536</u>	<u>78,810</u>
<i>Equity</i>			
46	iShares S&P500 Growth Index	5,332	5,327
135	iShares MSCI EAFE Index Fund	8,756	7,927
165	iShares MSCI EAFE Minimum Volatility ETF	10,700	10,704
346	Powershares S&P500 Low Volatility Portfolio	13,405	13,343
34	S & P 500 Depository Receipts	6,618	6,932
80	Vanguard Emerging Markets ETF	2,656	2,617
106	Vanguard FTSE Europe ETF	5,390	5,287
	Total Equity	38.94% <u>52,857</u>	<u>52,137</u>
	Total Exchange-traded Funds	97.79% <u>133,393</u>	<u>130,947</u>
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
115	HB&T Short Term Income Fund	115	115
	Total Fixed Income	0.09% <u>115</u>	<u>115</u>
	Total Common Trust Fund	0.09% <u>115</u>	<u>115</u>
	Total Investments	100.00% <u>\$ 136,353</u>	<u>\$ 133,907</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Conservative Fund
December 31, 2015

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
1,799	First American Treasury Obligation Fund Instl	\$ 1,799	\$ 1,799
	Total Short Term Investment	2.68% <u>1,799</u>	<u>1,799</u>
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
24	iShares Barclays Tips Bond Fund	2,638	2,632
60	iShares Barclays 7-10 Year Treasury Bond	6,430	6,335
64	iShares Iboxx Hi Yld Corporate Bond	5,447	5,157
171	iShares Barclays Mbs Bond Fund	18,601	18,417
69	iShares Barclays Intermed Credit Bond	7,511	7,402
112	iShares 10+ Year Credit Bond	6,761	6,235
284	Powershares Financial Preferred Portfolio	5,294	5,348
	Total Fixed Income	76.65% <u>52,682</u>	<u>51,526</u>
<i>Equity</i>			
11	iShares S&P500 Growth Index	1,275	1,274
33	iShares MSCI EAFE Index Fund	1,947	1,938
41	iShares MSCI EAFE Minimum Volatility ETF	2,659	2,660
85	Powershares S&P500 Low Volatility Portfolio	3,293	3,278
8	S & P 500 Depository Receipts	1,562	1,631
20	Vanguard Emerging Markets ETF	664	654
26	Vanguard FTSE Europe ETF	1,320	1,297
	Total Equity	18.94% <u>12,720</u>	<u>12,732</u>
	Total Exchange-traded Funds	95.59% <u>65,402</u>	<u>64,258</u>
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
1,165	HB&TShort Term Income Fund	1,165	1,165
	Total Fixed Income	1.73% <u>1,165</u>	<u>1,165</u>
	Total Common Trust Fund	1.73% <u>1,165</u>	<u>1,165</u>
	Total Investments	100.00% <u>\$ 68,366</u>	<u>\$ 67,222</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Core Plus Fixed Income Fund
December 31, 2015

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
1,770	First American Treasury Obligation Fund Instl	\$ 1,770	\$ 1,770
	Total Short Term Investment	3.16% <u>1,770</u>	<u>1,770</u>
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
25	iShares Barclays Tips Bond Fund	2,748	2,742
62	iShares Barclays 7-10 Year Treasury Bond	6,637	6,547
68	iShares Iboxx Hi Yld Corporate Bond	5,782	5,479
177	iShares Barclays Mbs Bond Fund	19,264	19,062
71	iShares Barclays Intermed Credit Bond	7,728	7,617
115	iShares 10+ Year Credit Bond	7,065	6,402
296	Powershares Financial Preferred Portfolio	5,517	5,574
	Total Fixed Income	95.42% <u>54,741</u>	<u>53,423</u>
	Total Exchange-traded Funds	95.42% <u>54,741</u>	<u>53,423</u>
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
794	HB&TShort Term Income Fund	794	794
	Total Fixed Income	1.42% <u>794</u>	<u>794</u>
	Total Common Trust Fund	1.42% <u>794</u>	<u>794</u>
	Total Investments	100.00% <u>\$ 57,305</u>	<u>\$ 55,987</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date 2015 Fund
December 31, 2015

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
1,953,595	First American Treasury Obligation Fund Instl	\$ 1,953,595	\$ 1,953,595
	Total Short Term Investment	1.56% <u>1,953,595</u>	<u>1,953,595</u>
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
26,680	iShares Barclays Tips Bond Fund	2,932,391	2,926,262
66,365	iShares Barclays 7-10 Year Treasury Bond	7,103,843	7,007,480
70,165	iShares Iboxx Hi Yld Corporate Bond	5,980,572	5,653,896
192,275	iShares Barclays Mbs Bond Fund	20,934,596	20,708,018
77,415	iShares Barclays Intermed Credit Bond	8,422,408	8,305,081
126,192	iShares 10+ Year Credit Bond	7,734,152	7,025,109
314,725	Powershares Financial Preferred Portfolio	5,866,474	5,926,272
191,183	Vanguard Short-term Bond ETF	15,421,747	15,212,431
	Total Fixed Income	58.18% <u>74,396,183</u>	<u>72,764,549</u>
<i>Equity</i>			
43,870	iShares S&P500 Growth Index	5,084,972	5,080,146
128,960	iShares MSCI EAFE Index Fund	8,094,424	7,572,531
157,185	iShares MSCI EAFE Minimum Volatility ETF	10,193,432	10,196,591
329,465	Powershares S&P500 Low Volatility Portfolio	12,764,804	12,707,465
32,310	S & P 500 Depository Receipts	6,287,367	6,587,040
76,650	Vanguard Emerging Markets ETF	2,544,681	2,507,222
100,875	Vanguard FTSE Europe ETF	5,130,864	5,031,645
	Total Equity	39.73% <u>50,100,544</u>	<u>49,682,640</u>
	Total Exchange-traded Funds	97.91% <u>124,496,727</u>	<u>122,447,189</u>
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
661,673	HB&TShort Term Income Fund	661,673	661,673
	Total Fixed Income	0.53% <u>661,673</u>	<u>661,673</u>
	Total Common Trust Fund	0.53% <u>661,673</u>	<u>661,673</u>
	Total Investments	100.00% <u>\$ 127,111,995</u>	<u>\$ 125,062,457</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date 2025 Fund
December 31, 2015

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
5,350,041	First American Treasury Obligation Fund Instl	\$ 5,350,041	\$ 5,350,041
	Total Short Term Investment	2.08% <u>5,350,041</u>	<u>5,350,041</u>
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
45,210	iShares Barclays Tips Bond Fund	4,969,018	4,958,633
112,460	iShares Barclays 7-10 Year Treasury Bond	12,029,612	11,874,651
118,295	iShares Iboxx Hi Yld Corporate Bond	10,080,981	9,532,211
324,170	iShares Barclays Mbs Bond Fund	35,345,459	34,913,109
130,520	iShares Barclays Intermed Credit Bond	14,194,275	14,002,186
212,757	iShares 10+ Year Credit Bond	12,925,478	11,844,182
533,335	Powershares Financial Preferred Portfolio	9,941,364	10,042,698
	Total Fixed Income	37.80% <u>99,486,187</u>	<u>97,167,670</u>
<i>Equity</i>			
133,290	iShares S&P500 Growth Index	15,449,644	15,434,982
391,830	iShares MSCI EAFE Index Fund	24,760,480	23,008,258
477,600	iShares MSCI EAFE Minimum Volatility ETF	30,972,311	30,981,912
1,001,055	Powershares S&P500 Low Volatility Portfolio	38,784,915	38,610,691
98,180	S & P 500 Depository Receipts	19,086,312	20,015,957
232,890	Vanguard Emerging Markets ETF	7,731,648	7,617,832
306,500	Vanguard FTSE Europe ETF	15,577,930	15,288,220
	Total Equity	58.72% <u>152,363,240</u>	<u>150,957,852</u>
	Total Exchange-traded Funds	96.52% <u>251,849,427</u>	<u>248,125,522</u>
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
3,586,707	HB&TShort Term Income Fund	3,586,707	3,586,707
	Total Fixed Income	1.40% <u>3,586,707</u>	<u>3,586,707</u>
	Total Common Trust Fund	1.40% <u>3,586,707</u>	<u>3,586,707</u>
	Total Investments	100.00% <u>\$ 260,786,175</u>	<u>\$ 257,062,270</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date 2035 Fund
December 31, 2015

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
3,151,288	First American Treasury Obligation Fund Instl	\$ 3,151,288	\$ 3,151,288
	Total Short Term Investment	2.07% <u>3,151,288</u>	<u>3,151,288</u>
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
15,025	iShares Barclays Tips Bond Fund	1,651,393	1,647,942
37,375	iShares Barclays 7-10 Year Treasury Bond	3,995,506	3,946,426
39,065	iShares Iboxx Hi Yld Corporate Bond	3,328,443	3,147,858
107,055	iShares Barclays Mbs Bond Fund	11,680,885	11,529,824
43,105	iShares Barclays Intermed Credit Bond	4,685,041	4,624,304
70,261	iShares 10+ Year Credit Bond	4,202,654	3,911,430
177,255	Powershares Financial Preferred Portfolio	3,304,033	3,337,712
	Total Fixed Income	21.15% <u>32,847,955</u>	<u>32,145,496</u>
<i>Equity</i>			
100,415	iShares S&P500 Growth Index	11,639,103	11,628,057
295,190	iShares MSCI EAFE Index Fund	18,661,306	17,333,557
359,805	iShares MSCI EAFE Minimum Volatility ETF	23,333,318	23,340,550
754,155	Powershares S&P500 Low Volatility Portfolio	29,219,012	29,087,757
73,965	S & P 500 Depository Receipts	14,400,226	15,079,245
175,450	Vanguard Emerging Markets ETF	5,824,714	5,738,970
230,905	Vanguard FTSE Europe ETF	11,740,908	11,517,541
	Total Equity	74.82% <u>114,818,587</u>	<u>113,725,677</u>
	Total Exchange-traded Funds	95.97% <u>147,666,542</u>	<u>145,871,173</u>
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
2,985,228	HB&T Short Term Income Fund	2,985,228	2,985,228
	Total Fixed Income	1.96% <u>2,985,228</u>	<u>2,985,228</u>
	Total Common Trust Fund	1.96% <u>2,985,228</u>	<u>2,985,228</u>
	Total Investments	100.00% <u>\$ 153,803,058</u>	<u>\$ 152,007,689</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date 2045 Fund
December 31, 2015

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
1,174,754	First American Treasury Obligation Fund Instl	\$ 1,174,754	\$ 1,174,754
	Total Short Term Investment	2.03% <u>1,174,754</u>	<u>1,174,754</u>
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
3,345	iShares Barclays Tips Bond Fund	367,648	366,880
8,325	iShares Barclays 7-10 Year Treasury Bond	888,617	879,037
8,635	iShares Iboxx Hi Yld Corporate Bond	735,391	695,808
23,660	iShares Barclays Mbs Bond Fund	2,578,946	2,548,182
9,525	iShares Barclays Intermed Credit Bond	1,034,377	1,021,842
15,527	iShares 10+ Year Credit Bond	908,716	864,388
39,470	Powershares Financial Preferred Portfolio	735,721	743,220
	Total Fixed Income	12.31% <u>7,249,416</u>	<u>7,119,357</u>
<i>Equity</i>			
42,205	iShares S&P500 Growth Index	4,891,982	4,887,339
124,070	iShares MSCI EAFE Index Fund	7,853,094	7,285,390
151,230	iShares MSCI EAFE Minimum Volatility ETF	9,807,250	9,810,290
316,980	Powershares S&P500 Low Volatility Portfolio	12,281,084	12,225,920
31,090	S & P 500 Depository Receipts	6,058,269	6,338,318
73,745	Vanguard Emerging Markets ETF	2,448,239	2,412,199
97,055	Vanguard FTSE Europe ETF	4,933,535	4,841,103
	Total Equity	82.62% <u>48,273,453</u>	<u>47,800,559</u>
	Total Exchange-traded Funds	94.93% <u>55,522,869</u>	<u>54,919,916</u>
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
1,759,893	HB&T Short Term Income Fund	1,759,893	1,759,893
	Total Fixed Income	3.04% <u>1,759,893</u>	<u>1,759,893</u>
	Total Common Trust Fund	3.04% <u>1,759,893</u>	<u>1,759,893</u>
	Total Investments	100.00% <u>\$ 58,457,516</u>	<u>\$ 57,854,563</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date 2055 Fund
December 31, 2015

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
104,858	First American Treasury Obligation Fund Instl	\$ 104,858	\$ 104,858
	Total Short Term Investment	2.25% <u>104,858</u>	<u>104,858</u>
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
205	iShares Barclays Tips Bond Fund	22,531	22,484
505	iShares Barclays 7-10 Year Treasury Bond	53,789	53,323
505	iShares Iboxx Hi Yld Corporate Bond	43,001	40,693
1,380	iShares Barclays Mbs Bond Fund	150,386	148,626
555	iShares Barclays Intermed Credit Bond	60,229	59,540
905	iShares 10+ Year Credit Bond	52,431	50,381
2,405	Powershares Financial Preferred Portfolio	44,829	45,286
	Total Fixed Income	9.01% <u>427,196</u>	<u>420,333</u>
<i>Equity</i>			
3,455	iShares S&P500 Growth Index	400,469	400,089
10,160	iShares MSCI EAFE Index Fund	643,472	596,595
12,385	iShares MSCI EAFE Minimum Volatility ETF	803,166	803,415
25,955	Powershares S&P500 Low Volatility Portfolio	1,005,603	1,001,086
2,545	S & P 500 Depository Receipts	500,750	518,849
6,040	Vanguard Emerging Markets ETF	200,520	197,568
7,945	Vanguard FTSE Europe ETF	403,836	396,297
	Total Equity	83.86% <u>3,957,816</u>	<u>3,913,899</u>
	Total Exchange-traded Funds	92.87% <u>4,385,012</u>	<u>4,334,232</u>
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
227,637	HB&TShort Term Income Fund	227,637	227,637
	Total Fixed Income	4.88% <u>227,637</u>	<u>227,637</u>
	Total Common Trust Fund	4.88% <u>227,637</u>	<u>227,637</u>
	Total Investments	100.00% <u>\$ 4,717,507</u>	<u>\$ 4,666,727</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date Retirement Income Fund
December 31, 2015

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
637,112	First American Treasury Obligation Fund Instl	\$ 637,112	\$ 637,112
	Total Short Term Investment	1.55% <u>637,112</u>	<u>637,112</u>
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
9,280	iShares Barclays Tips Bond Fund	1,019,962	1,017,830
23,090	iShares Barclays 7-10 Year Treasury Bond	2,471,228	2,438,073
25,270	iShares Iboxx Hi Yld Corporate Bond	2,154,012	2,036,257
66,470	iShares Barclays Mbs Bond Fund	7,235,276	7,158,819
27,160	iShares Barclays Intermed Credit Bond	2,954,905	2,913,725
43,634	iShares 10+ Year Credit Bond	2,686,611	2,429,105
109,500	Powershares Financial Preferred Portfolio	2,041,080	2,061,885
77,272	Vanguard Short-term Bond ETF	6,243,911	6,148,533
	Total Fixed Income	63.59% <u>26,806,985</u>	<u>26,204,227</u>
<i>Equity</i>			
12,245	iShares S&P500 Growth Index	1,419,318	1,417,971
36,005	iShares MSCI EAFE Index Fund	2,248,921	2,114,214
43,885	iShares MSCI EAFE Minimum Volatility ETF	2,845,938	2,846,820
91,980	Powershares S&P500 Low Volatility Portfolio	3,563,679	3,547,669
9,020	S & P 500 Depository Receipts	1,756,694	1,838,907
21,400	Vanguard Emerging Markets ETF	710,452	699,994
28,160	Vanguard FTSE Europe ETF	1,432,680	1,404,621
	Total Equity	33.66% <u>13,977,682</u>	<u>13,870,196</u>
	Total Exchange-traded Funds	97.25% <u>40,784,667</u>	<u>40,074,423</u>
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
493,920	HB&T Short Term Income Fund	493,920	493,920
	Total Fixed Income	1.20% <u>493,920</u>	<u>493,920</u>
	Total Common Trust Fund	1.20% <u>493,920</u>	<u>493,920</u>
	Total Investments	100.00% <u>\$ 41,915,699</u>	<u>\$ 41,205,455</u>

Hand Composite Employee Benefit Trust
Statements of Operations – Selected Funds
Year Ended December 31, 2015

	Sage All Cap Equity Plus Fund	Sage Growth Fund	Sage Moderate Growth Fund	Sage Moderate Fund	Sage Conservative Fund	Sage Core Plus Fixed Income Fund
Income						
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dividends	11,580	3,274	2,217	2,720	2,898	1,305
Total income	<u>11,580</u>	<u>3,274</u>	<u>2,217</u>	<u>2,720</u>	<u>2,898</u>	<u>1,305</u>
Expenses						
Investment management and administrative	1,838	513	339	385	438	186
Custody fees	100	28	19	21	24	10
Other	-	2	-	-	5	1
Class R1 expenses	-	-	-	-	-	-
Class R-PL expenses	-	-	-	-	-	-
Total expenses	<u>1,938</u>	<u>543</u>	<u>358</u>	<u>406</u>	<u>467</u>	<u>197</u>
Net Investment Income	<u>9,642</u>	<u>2,731</u>	<u>1,859</u>	<u>2,314</u>	<u>2,431</u>	<u>1,108</u>
Net Realized and Unrealized Gains (Losses) on Investments						
Net realized gains (losses) on investments	(626)	(356)	388	(2,283)	1,274	557
Net change in unrealized appreciation/ depreciation on investments	<u>(23,341)</u>	<u>(5,852)</u>	<u>(3,711)</u>	<u>(3,093)</u>	<u>(3,237)</u>	<u>(1,859)</u>
Net realized and unrealized losses	<u>(23,967)</u>	<u>(6,208)</u>	<u>(3,323)</u>	<u>(5,376)</u>	<u>(1,963)</u>	<u>(1,302)</u>
Net Increase (Decrease) in Net Assets Resulting From Operations						
	<u>\$ (14,325)</u>	<u>\$ (3,477)</u>	<u>\$ (1,464)</u>	<u>\$ (3,062)</u>	<u>\$ 468</u>	<u>\$ (194)</u>

Hand Composite Employee Benefit Trust
Statements of Operations – Selected Funds (Continued)
Year Ended December 31, 2015

	Sage Target Date 2015 Fund	Sage Target Date 2025 Fund	Sage Target Date 2035 Fund	Sage Target Date 2045 Fund	Sage Target Date 2055 Fund	Sage Target Date Retirement Income Fund
Income						
Interest	\$ 11	\$ 34	\$ 25	\$ 11	\$ 1	\$ 3
Dividends	<u>2,849,168</u>	<u>5,766,294</u>	<u>3,269,808</u>	<u>1,186,113</u>	<u>85,632</u>	<u>971,338</u>
Total income	<u>2,849,179</u>	<u>5,766,328</u>	<u>3,269,833</u>	<u>1,186,124</u>	<u>85,633</u>	<u>971,341</u>
Expenses						
Investment management and administrative	-	-	-	-	-	-
Custody fees	25,411	49,641	28,591	10,517	-	8,739
Other	-	-	-	-	751	67
Class R1 expenses	153	290	417	1,453	475	150
Class R-PL expenses	<u>182,086</u>	<u>358,182</u>	<u>207,529</u>	<u>75,710</u>	<u>5,278</u>	<u>62,512</u>
Total expenses	<u>207,650</u>	<u>408,113</u>	<u>236,537</u>	<u>87,680</u>	<u>6,504</u>	<u>71,468</u>
Net Investment Income	<u>2,641,529</u>	<u>5,358,215</u>	<u>3,033,296</u>	<u>1,098,444</u>	<u>79,129</u>	<u>899,873</u>
Net Realized and Unrealized Gains (Losses) on Investments						
Net realized gains on investments	1,664,055	3,262,297	1,356,622	416,075	19,920	513,839
Net change in unrealized appreciation/ depreciation on investments	<u>(4,530,985)</u>	<u>(10,381,516)</u>	<u>(6,101,265)</u>	<u>(2,275,241)</u>	<u>(162,343)</u>	<u>(1,439,365)</u>
Net realized and unrealized losses	<u>(2,866,930)</u>	<u>(7,119,219)</u>	<u>(4,744,643)</u>	<u>(1,859,166)</u>	<u>(142,423)</u>	<u>(925,526)</u>
Net Decrease in Net Assets Resulting From Operations	<u>\$ (225,401)</u>	<u>\$ (1,761,004)</u>	<u>\$ (1,711,347)</u>	<u>\$ (760,722)</u>	<u>\$ (63,294)</u>	<u>\$ (25,653)</u>

Hand Composite Employee Benefit Trust
Statements of Changes in Net Assets – Selected Funds
Year Ended December 31, 2015

	Sage All Cap Equity Plus Fund	Sage Growth Fund	Sage Moderate Growth Fund	Sage Moderate Fund	Sage Conservative Fund	Sage Core Plus Fixed Income Fund
Operations						
Net investment income	\$ 9,642	\$ 2,731	\$ 1,859	\$ 2,314	\$ 2,431	\$ 1,108
Net realized gains (losses)	(626)	(356)	388	(2,283)	1,274	557
Change in unrealized appreciation/depreciation	(23,341)	(5,852)	(3,711)	(3,093)	(3,237)	(1,859)
Net increase (decrease) in net assets from operations	(14,325)	(3,477)	(1,464)	(3,062)	468	(194)
Net Increase (Decrease) in Net Assets From Participant Transactions	<u>111,873</u>	<u>61,979</u>	<u>27,328</u>	<u>106,975</u>	<u>(55,781)</u>	<u>10,711</u>
Increase (Decrease) in Net Assets	97,548	58,502	25,864	103,913	(55,313)	10,517
Net Assets						
Beginning of year	<u>431,278</u>	<u>109,615</u>	<u>77,641</u>	<u>30,102</u>	<u>122,552</u>	<u>45,452</u>
End of year	<u>\$ 528,826</u>	<u>\$ 168,117</u>	<u>\$ 103,505</u>	<u>\$ 134,015</u>	<u>\$ 67,239</u>	<u>\$ 55,969</u>

Hand Composite Employee Benefit Trust
Statements of Changes in Net Assets – Selected Funds (Continued)
Year Ended December 31, 2015

	Sage Target Date 2015 Fund	Sage Target Date 2025 Fund	Sage Target Date 2035 Fund	Sage Target Date 2045 Fund	Sage Target Date 2055 Fund	Sage Target Date Retirement Income Fund
Operations						
Net investment income	\$ 2,641,529	\$ 5,358,215	\$ 3,033,296	\$ 1,098,444	\$ 79,129	\$ 899,873
Net realized gains	1,664,055	3,262,297	1,356,622	416,075	19,920	513,839
Change in unrealized appreciation/depreciation	<u>(4,530,985)</u>	<u>(10,381,516)</u>	<u>(6,101,265)</u>	<u>(2,275,241)</u>	<u>(162,343)</u>	<u>(1,439,365)</u>
Net decrease in net assets from operations	(225,401)	(1,761,004)	(1,711,347)	(760,722)	(63,294)	(25,653)
Net Increase (Decrease) in Net Assets From Participant Transactions	<u>(4,804,240)</u>	<u>8,473,539</u>	<u>12,841,909</u>	<u>7,774,297</u>	<u>1,255,293</u>	<u>(4,949,816)</u>
Increase (Decrease) in Net Assets	(5,029,641)	6,712,535	11,130,562	7,013,575	1,191,999	(4,975,469)
Net Assets						
Beginning of year	<u>130,219,451</u>	<u>250,751,357</u>	<u>141,183,313</u>	<u>50,969,478</u>	<u>3,484,797</u>	<u>46,216,096</u>
End of year	<u>\$ 125,189,810</u>	<u>\$ 257,463,892</u>	<u>\$ 152,313,875</u>	<u>\$ 57,983,053</u>	<u>\$ 4,676,796</u>	<u>\$ 41,240,627</u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2015

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 94 funds (the Funds); the financial statements of 12 of those funds are included in this report.

For those funds with more than one class of units, each class 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 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.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2015

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. All 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

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

Investment Management Advisors

The investment management advisors for each Fund are as follows:

Fund	Investment Management Advisors
Sage All Cap Equity Plus Fund	Sage Advisory Services, Ltd. Co.
Sage Growth Fund	Sage Advisory Services, Ltd. Co.
Sage Moderate Growth Fund	Sage Advisory Services, Ltd. Co.
Sage Moderate Fund	Sage Advisory Services, Ltd. Co.
Sage Conservative Fund	Sage Advisory Services, Ltd. Co.
Sage Core Plus Fixed Income Fund	Sage Advisory Services, Ltd. Co.
Sage Target Date 2015 Fund	Sage Advisory Services, Ltd. Co.
Sage Target Date 2025 Fund	Sage Advisory Services, Ltd. Co.
Sage Target Date 2035 Fund	Sage Advisory Services, Ltd. Co.
Sage Target Date 2045 Fund	Sage Advisory Services, Ltd. Co.
Sage Target Date 2055 Fund	Sage Advisory Services, Ltd. Co.
Sage Target Date Retirement Income Fund	Sage Advisory Services, Ltd. Co.

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 various third-party advisors. These fees compensate the advisors for the services they provide and for expenses borne by the advisors under the various agreements.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2015

The following table indicates the fees charged each of 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	Investment Advisory Fees	Custody Fees	Total Fees
Sage All Cap Equity Plus Fund				
Class R1	0.10%	0.25%	0.02%	0.37%
Sage Growth Fund				
Class R1	0.10%	0.25%	0.02%	0.37%
Sage Moderate Growth Fund				
Class R1	0.10%	0.25%	0.02%	0.37%
Sage Moderate Fund				
Class R1	0.10%	0.25%	0.02%	0.37%
Sage Conservative Fund				
Class R1	0.10%	0.25%	0.02%	0.37%
Sage Core Plus Fixed Income Fund				
Class R1	0.10%	0.25%	0.02%	0.37%
Sage Target Date 2015 Fund				
Class R1	0.08%	0.25%	0.02%	0.35%
Class R2	0.08%	0.00%	0.02%	0.10%
Class R-PL	0.04%	0.10%	0.02%	0.16%
Sage Target Date 2025 Fund				
Class R1	0.08%	0.25%	0.02%	0.35%
Class R2	0.08%	0.00%	0.02%	0.10%
Class R-PL	0.04%	0.10%	0.02%	0.16%
Sage Target Date 2035 Fund				
Class R1	0.08%	0.25%	0.02%	0.35%
Class R2	0.08%	0.00%	0.02%	0.10%
Class R-PL	0.04%	0.10%	0.02%	0.16%
Sage Target Date 2045 Fund				
Class R1	0.08%	0.25%	0.02%	0.35%
Class R2	0.08%	0.00%	0.02%	0.10%
Class R-PL	0.04%	0.10%	0.02%	0.16%
Sage Target Date 2055 Fund				
Class R1	0.08%	0.25%	0.02%	0.35%
Class R2	0.08%	0.00%	0.02%	0.10%
Class R-PL	0.04%	0.10%	0.02%	0.16%
Sage Target Date Retirement Income Fund				
Class R1	0.08%	0.25%	0.02%	0.35%
Class R2	0.08%	0.00%	0.02%	0.10%
Class R-PL	0.04%	0.10%	0.02%	0.16%

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2015

Note 3: Financial Highlights

	Class R1					
	Sage All Cap Equity Plus Fund	Sage Growth Fund	Sage Moderate Growth Fund	Sage Moderate Fund	Sage Conservative Fund	Sage Core Plus Fixed Income Fund
Net asset value, beginning of year	\$ 11.26	\$ 11.07	\$ 10.88	\$ 10.57	\$ 10.52	\$ 10.36
Net investment income	0.21	0.21	0.21	0.22	0.21	0.22
Net realized and unrealized losses	(0.44)	(0.34)	(0.31)	(0.23)	(0.18)	(0.23)
Net increase (decrease) from investment operations	(0.23)	(0.13)	(0.10)	(0.01)	0.03	(0.01)
Net asset value, end of year	<u>\$ 11.03</u>	<u>\$ 10.94</u>	<u>\$ 10.78</u>	<u>\$ 10.56</u>	<u>\$ 10.55</u>	<u>\$ 10.35</u>
Total return	(2.04)%	(1.17)%	(0.92)%	(0.09)%	0.29%	(0.10)%
Ratio to average net assets:						
Net investment income	1.83%	1.85%	1.91%	2.04%	2.01%	2.07%
Expenses	0.37%	0.37%	0.37%	0.36%	0.39%	0.37%

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2015

	Class R1 (continued)					
	Sage Target Date 2015 Fund	Sage Target Date 2025 Fund	Sage Target Date 2035 Fund	Sage Target Date 2045 Fund	Sage Target Date 2055 Fund	Sage Target Date Retirement Income Fund
Net asset value, beginning of year	\$ 10.82	\$ 10.89	\$ 11.05	\$ 11.12	\$ 10.95	\$ 10.70
Net investment income	0.21	0.21	0.21	0.20	0.18	0.21
Net realized and unrealized losses	(0.27)	(0.32)	(0.36)	(0.36)	(0.36)	(0.27)
Net decrease from investment operations	(0.06)	(0.11)	(0.15)	(0.16)	(0.18)	(0.06)
Net asset value, end of year	<u>\$ 10.76</u>	<u>\$ 10.78</u>	<u>\$ 10.90</u>	<u>\$ 10.96</u>	<u>\$ 10.77</u>	<u>\$ 10.64</u>
Total return	(0.55)%	(1.01)%	(1.36)%	(1.44)%	(1.64)%	(0.56)%
Ratio to average net assets:						
Net investment income	1.93%	1.91%	1.87%	1.77%	1.59%	1.99%
Expenses	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2015

Class R - PL

	Sage Target Date 2015 Fund	Sage Target Date 2025 Fund	Sage Target Date 2035 Fund	Sage Target Date 2045 Fund	Sage Target Date 2055 Fund	Sage Target Date Retirement Income Fund
Net asset value, beginning of year	\$ 10.82	\$ 10.88	\$ 11.06	\$ 11.13	\$ 10.97	\$ 10.66
Net investment income	0.22	0.23	0.23	0.23	0.22	0.22
Net realized and unrealized losses	(0.24)	(0.30)	(0.34)	(0.35)	(0.36)	(0.24)
Net decrease from investment operations	(0.02)	(0.07)	(0.11)	(0.12)	(0.14)	(0.02)
Net asset value, end of year	\$ 10.80	\$ 10.81	\$ 10.95	\$ 11.01	\$ 10.83	\$ 10.64
Total return	(0.18)%	(0.64)%	(0.99)%	(1.08)%	(1.28)%	(0.19)%
Ratio to average net assets:						
Net investment income	2.03%	2.09%	2.05%	2.01%	2.02%	2.02%
Expenses	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2015

Note 4: Participant Unit Transactions

	Sage All Cap Equity Plus Fund		Sage Growth Fund		Sage Moderate Growth Fund		Sage Moderate Fund		Sage Conservative Fund		Sage Core Plus Fixed Income Fund	
	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars
Class R1:												
Proceeds from sales of units	9,782	\$ 113,405	5,515	\$ 62,415	2,486	\$ 27,612	9,882	\$ 107,312	1,112	\$ 11,932	1,036	\$ 10,865
Cost of units redeemed	(135)	(1,532)	(39)	(436)	(26)	(284)	(32)	(337)	(6,382)	(67,713)	(15)	(154)
Net increase (decrease) in total net assets from participant transactions	9,647	\$ 111,873	5,476	\$ 61,979	2,460	\$ 27,328	9,850	\$ 106,975	(5,270)	\$ (55,781)	1,021	\$ 10,711
	Sage Target Date 2015 Fund		Sage Target Date 2025 Fund		Sage Target Date 2035 Fund		Sage Target Date 2045 Fund		Sage Target Date 2055 Fund		Sage Target Date Retirement Income Fund	
	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars
Class R1:												
Proceeds from sales of units	317	\$ 3,492	2,090	\$ 23,392	3,309	\$ 37,652	8,580	\$ 97,977	3,550	\$ 39,979	293	\$ 3,180
Cost of units redeemed	(12)	(134)	(504)	(5,571)	(233)	(2,547)	(303)	(3,334)	(656)	(7,161)	(12)	(131)
Net change in Class R1 from participant transactions	305	3,358	1,586	17,821	3,076	35,105	8,277	94,643	2,894	32,818	281	3,049
Class R-PL:												
Proceeds from sales of units	1,553,874	16,945,007	1,954,911	21,366,725	1,771,780	19,773,424	1,035,982	11,618,038	163,912	1,808,397	273,608	2,923,667
Cost of units redeemed	(1,995,998)	(21,752,605)	(1,176,442)	(12,911,007)	(621,177)	(6,966,620)	(354,145)	(3,938,384)	(52,512)	(585,922)	(733,025)	(7,876,532)
Net change in Class R-PL from participant transactions	(442,124)	(4,807,598)	778,469	8,455,718	1,150,603	12,806,804	681,837	7,679,654	111,400	1,222,475	(459,417)	(4,952,865)
Net increase (decrease) in total net assets from participant transactions		\$ (4,804,240)		\$ 8,473,539		\$ 12,841,909		\$ 7,774,297		\$ 1,255,293		\$ (4,949,816)

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2015

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.
- 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 year ended December 31, 2015.

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.

Exchange-traded Funds. 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.

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, 2015.

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2015

	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Sage All Cap Equity Plus Fund				
Short Term Investment	\$ 9,441	\$ 9,441	\$ -	\$ -
Exchange-traded Funds - Equity	513,838	513,838	-	-
Common Trust Fund - Fixed Income (A)	<u>4,188</u>	-	-	-
Total	<u>\$ 527,467</u>			
Sage Growth Fund				
Short Term Investment	\$ 4,314	\$ 4,314	\$ -	\$ -
Exchange-traded Funds - Fixed Income	31,764	31,764	-	-
Exchange-traded Funds - Equity	130,288	130,288	-	-
Common Trust Fund - Fixed Income (A)	<u>1,443</u>	-	-	-
Total	<u>\$ 167,809</u>			
Sage Moderate Growth Fund				
Short Term Investment	\$ 2,062	\$ 2,062	\$ -	\$ -
Exchange-traded Funds - Fixed Income	39,638	39,638	-	-
Exchange-traded Funds - Equity	58,862	58,862	-	-
Common Trust Fund - Fixed Income (A)	<u>2,805</u>	-	-	-
Total	<u>\$ 103,367</u>			
Sage Moderate Fund				
Short Term Investment	\$ 2,845	\$ 2,845	\$ -	\$ -
Exchange-traded Funds - Fixed Income	78,810	78,810	-	-
Exchange-traded Funds - Equity	52,137	52,137	-	-
Common Trust Fund - Fixed Income (A)	<u>115</u>	-	-	-
Total	<u>\$ 133,907</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 statements of assets and liabilities.

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2015

	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)
Sage Conservative Fund				
Short Term Investment	\$ 1,799	\$ 1,799	\$ -	\$ -
Exchange-traded Funds - Fixed Income	51,526	51,526	-	-
Exchange-traded Funds - Equity	12,732	12,732	-	-
Common Trust Fund - Fixed Income (A)	<u>1,165</u>	-	-	-
Total	<u>\$ 67,222</u>			
Sage Core Plus Fixed Income				
Short Term Investment	\$ 1,770	\$ 1,770	\$ -	\$ -
Exchange-traded Funds - Fixed Income	53,423	53,423	-	-
Common Trust Fund - Fixed Income (A)	<u>794</u>	-	-	-
Total	<u>\$ 55,987</u>			
Sage Target Date 2015 Fund				
Short Term Investment	\$ 1,953,595	\$ 1,953,595	\$ -	\$ -
Exchange-traded Funds - Fixed Income	72,764,549	72,764,549	-	-
Exchange-traded Funds - Equity	49,682,640	49,682,640	-	-
Common Trust Fund - Fixed Income (A)	<u>661,673</u>	-	-	-
Total	<u>\$ 125,062,457</u>			
Sage Target Date 2025 Fund				
Short Term Investment	\$ 5,350,041	\$ 5,350,041	\$ -	\$ -
Exchange-traded Funds - Fixed Income	97,167,670	97,167,670	-	-
Exchange-traded Funds - Equity	150,957,852	150,957,852	-	-
Common Trust Fund - Fixed Income (A)	<u>3,586,707</u>	-	-	-
Total	<u>\$ 257,062,270</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 statements of assets and liabilities.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2015

	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)
Sage Target Date 2035 Fund				
Short Term Investment	\$ 3,151,288	\$ 3,151,288	\$ -	\$ -
Exchange-traded Funds - Fixed Income	32,145,496	32,145,496	-	-
Exchange-traded Funds - Equity	113,725,677	113,725,677	-	-
Common Trust Fund - Fixed Income (A)	<u>2,985,228</u>	-	-	-
Total	<u>\$ 152,007,689</u>			
Sage Target Date 2045 Fund				
Short Term Investment	\$ 1,174,754	\$ 1,174,754	\$ -	\$ -
Exchange-traded Funds - Fixed Income	7,119,357	7,119,357	-	-
Exchange-traded Funds - Equity	47,800,559	47,800,559	-	-
Common Trust Fund - Fixed Income (A)	<u>1,759,893</u>	-	-	-
Total	<u>\$ 57,854,563</u>			
Sage Target Date 2055 Fund				
Short Term Investment	\$ 104,858	\$ 104,858	\$ -	\$ -
Exchange-traded Funds - Fixed Income	420,333	420,333	-	-
Exchange-traded Funds - Equity	3,913,899	3,913,899	-	-
Common Trust Fund - Fixed Income (A)	<u>227,637</u>	-	-	-
Total	<u>\$ 4,666,727</u>			
Sage Target Date Retirement Income Fund				
Short Term Investment	\$ 637,112	\$ 637,112	\$ -	\$ -
Exchange-traded Funds - Fixed Income	26,204,227	26,204,227	-	-
Exchange-traded Funds - Equity	13,870,196	13,870,196	-	-
Common Trust Fund - Fixed Income (A)	<u>493,920</u>	-	-	-
Total	<u>\$ 41,205,455</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 statements of assets and liabilities.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2015

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.

Supplemental Information

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds
Sage All Cap Equity Plus Fund
Year Ended December 31, 2015

Purchases	
Investment Class	Cost
Exchange-traded Funds - Equity	\$ 859,740
Common Trust Funds - Fixed Income	112,931
Total Investments Purchased	\$ 972,671

Sales			
Investment Class	Proceeds	Cost	Loss
Exchange-traded Funds - Equity	\$ 740,350	\$ 740,976	\$ (626)
Common Trust Funds - Fixed Income	110,830	110,830	-
Total Investments Sold	\$ 851,180	\$ 851,806	\$ (626)

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Growth Fund
Year Ended December 31, 2015

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 58,784
Exchange-traded Funds - Equity	224,971
Common Trust Funds - Fixed Income	62,535
Total Investments Purchased	\$ 346,290

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
Exchange-traded Funds - Fixed Income	\$ 45,165	\$ 45,004	\$ 161
Exchange-traded Funds - Equity	175,745	176,262	(517)
Common Trust Funds - Fixed Income	61,830	61,830	-
Total Investments Sold	\$ 282,740	\$ 283,096	\$ (356)

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Moderate Growth Fund
Year Ended December 31, 2015

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 72,489
Exchange-traded Funds - Equity	104,884
Common Trust Funds - Fixed Income	27,294
Total Investments Purchased	\$ 204,667

Sales			
Investment Class	Proceeds	Cost	Gain
Exchange-traded Funds - Fixed Income	\$ 59,991	\$ 59,686	\$ 305
Exchange-traded Funds - Equity	89,350	89,267	83
Common Trust Funds - Fixed Income	25,229	25,229	-
Total Investments Sold	\$ 174,570	\$ 174,182	\$ 388

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Moderate Fund
Year Ended December 31, 2015

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 159,749
Exchange-traded Funds - Equity	114,029
Common Trust Funds - Fixed Income	107,312
Total Investments Purchased	\$ 381,090

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
Exchange-traded Funds - Fixed Income	\$ 96,118	\$ 96,040	\$ 78
Exchange-traded Funds - Equity	70,148	72,509	(2,361)
Common Trust Funds - Fixed Income	107,382	107,382	-
Total Investments Sold	\$ 273,648	\$ 275,931	\$ (2,283)

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Conservative Fund
Year Ended December 31, 2015

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 170,990
Exchange-traded Funds - Equity	38,823
Common Trust Funds - Fixed Income	12,993
Total Investments Purchased	\$ 222,806

Sales			
Investment Class	Proceeds	Cost	Gain
Exchange-traded Funds - Fixed Income	\$ 210,848	\$ 210,448	\$ 400
Exchange-traded Funds - Equity	50,208	49,334	874
Common Trust Funds - Fixed Income	12,473	12,473	-
Total Investments Sold	\$ 273,529	\$ 272,255	\$ 1,274

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Core Plus Fixed Income Fund
Year Ended December 31, 2015

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 90,054
Common Trust Funds - Fixed Income	10,567
Total Investments Purchased	\$ 100,621

Sales			
Investment Class	Proceeds	Cost	Gain
Exchange-traded Funds - Fixed Income	\$ 78,984	\$ 78,427	\$ 557
Common Trust Funds - Fixed Income	10,097	10,097	-
Total Investments Sold	\$ 89,081	\$ 88,524	\$ 557

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Target Date 2015 Fund
Year Ended December 31, 2015

Purchases

Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 107,619,730
Exchange-traded Funds - Equity	86,811,861
Common Trust Funds - Fixed Income	<u>16,661,817</u>
Total Investments Purchased	<u><u>\$ 211,093,408</u></u>

Sales

Investment Class	Proceeds	Cost	Gain
Exchange-traded Funds - Fixed Income	\$ 105,313,719	\$ 104,810,893	\$ 502,826
Exchange-traded Funds - Equity	90,797,586	89,636,357	1,161,229
Common Trust Funds - Fixed Income	<u>16,699,630</u>	<u>16,699,630</u>	<u>-</u>
Total Investments Sold	<u><u>\$ 212,810,935</u></u>	<u><u>\$ 211,146,880</u></u>	<u><u>\$ 1,664,055</u></u>

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Target Date 2025 Fund
Year Ended December 31, 2015

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 173,675,032
Exchange-traded Funds - Equity	250,115,869
Common Trust Funds - Fixed Income	19,978,149
Total Investments Purchased	\$ 443,769,050

Sales			
Investment Class	Proceeds	Cost	Gain
Exchange-traded Funds - Fixed Income	\$ 158,759,866	\$ 158,140,224	\$ 619,642
Exchange-traded Funds - Equity	250,472,022	247,829,367	2,642,655
Common Trust Funds - Fixed Income	17,492,193	17,492,193	-
Total Investments Sold	\$ 426,724,081	\$ 423,461,784	\$ 3,262,297

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Target Date 2035 Fund
Year Ended December 31, 2015

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 58,765,445
Exchange-traded Funds - Equity	184,607,686
Common Trust Funds - Fixed Income	18,481,687
Total Investments Purchased	\$ 261,854,818

Sales			
Investment Class	Proceeds	Cost	Gain
Exchange-traded Funds - Fixed Income	\$ 50,772,945	\$ 50,637,922	\$ 135,023
Exchange-traded Funds - Equity	175,789,847	174,568,248	1,221,599
Common Trust Funds - Fixed Income	16,206,601	16,206,601	-
Total Investments Sold	\$ 242,769,393	\$ 241,412,771	\$ 1,356,622

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Target Date 2045 Fund
Year Ended December 31, 2015

Purchases

Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 13,562,583
Exchange-traded Funds - Equity	77,628,124
Common Trust Funds - Fixed Income	<u>11,641,382</u>
Total Investments Purchased	<u><u>\$ 102,832,089</u></u>

Sales

Investment Class	Proceeds	Cost	Gain (Loss)
Exchange-traded Funds - Fixed Income	\$ 10,894,147	\$ 10,895,335	\$ (1,188)
Exchange-traded Funds - Equity	72,014,526	71,597,263	417,263
Common Trust Funds - Fixed Income	<u>10,133,124</u>	<u>10,133,124</u>	<u>-</u>
Total Investments Sold	<u><u>\$ 93,041,797</u></u>	<u><u>\$ 92,625,722</u></u>	<u><u>\$ 416,075</u></u>

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Target Date 2055 Fund
Year Ended December 31, 2015

Purchases

Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 776,598
Exchange-traded Funds - Equity	6,498,818
Common Trust Funds - Fixed Income	<u>1,783,240</u>
Total Investments Purchased	<u><u>\$ 9,058,656</u></u>

Sales

Investment Class	Proceeds	Cost	Gain (Loss)
Exchange-traded Funds - Fixed Income	\$ 599,453	\$ 600,827	\$ (1,374)
Exchange-traded Funds - Equity	5,481,364	5,460,070	21,294
Common Trust Funds - Fixed Income	<u>1,573,940</u>	<u>1,573,940</u>	<u>-</u>
Total Investments Sold	<u><u>\$ 7,654,757</u></u>	<u><u>\$ 7,634,837</u></u>	<u><u>\$ 19,920</u></u>

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Target Date Retirement Income Fund
Year Ended December 31, 2015

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 38,225,073
Exchange-traded Funds - Equity	24,980,075
Common Trust Funds - Fixed Income	2,325,024
Total Investments Purchased	\$ 65,530,172

Sales			
Investment Class	Proceeds	Cost	Gain
Exchange-traded Funds - Fixed Income	\$ 40,376,451	\$ 40,199,065	\$ 177,386
Exchange-traded Funds - Equity	26,463,655	26,127,202	336,453
Common Trust Funds - Fixed Income	2,069,807	2,069,807	-
Total Investments Sold	\$ 68,909,913	\$ 68,396,074	\$ 513,839