

**Hand Composite Employee Benefit Trust  
Sage Funds**

Independent Auditor's Report and Financial Statements

December 31, 2016



# Hand Composite Employee Benefit Trust

## December 31, 2016

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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, Sage Target Date Retirement Income Fund, Sage Cash Balance Conservative Fund, Sage Cash Balance Moderate Fund and Sage Cash Balance Growth Fund) [15 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, 2016, and the related statements of operations and changes in net assets for the year and period (July 1, 2016 [inception] to December 31, 2016 for the Sage Cash Balance Funds) 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, 2016, and the results of their operations and changes in their net assets for the year and period 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  
May 26, 2017

**Hand Composite Employee Benefit Trust**  
**Statements of Assets and Liabilities – Selected Funds**  
**December 31, 2016**

	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
<b>Assets</b>						
Investments, at cost	\$ 638,288	\$ 210,449	\$ 143,664	\$ 173,469	\$ 72,355	\$ 65,920
Investments at fair value	\$ 635,268	\$ 211,033	\$ 142,299	\$ 171,051	\$ 71,221	\$ 64,369
Receivable for:						
Investment securities sold	7,225	3,046	-	2,055	-	-
Capital shares sold	1,575	1,209	205	-	61	31
Dividends and interest	1,096	288	121	121	24	-
Total assets	<u>\$ 645,164</u>	<u>\$ 215,576</u>	<u>\$ 142,625</u>	<u>\$ 173,227</u>	<u>\$ 71,306</u>	<u>\$ 64,400</u>
<b>Liabilities</b>						
Withdrawals in excess of cash balances	\$ 4,733	\$ 15,746	\$ -	\$ 169,712	\$ -	\$ -
Accounts payable and accrued liabilities	<u>207</u>	<u>70</u>	<u>38</u>	<u>711</u>	<u>22</u>	<u>20</u>
Total liabilities	<u>\$ 4,940</u>	<u>\$ 15,816</u>	<u>\$ 38</u>	<u>\$ 170,423</u>	<u>\$ 22</u>	<u>\$ 20</u>
Net assets held for participants:						
Class R1	<u>\$ 640,224</u>	<u>\$ 199,760</u>	<u>\$ 142,587</u>	<u>\$ 2,804</u>	<u>\$ 71,284</u>	<u>\$ 64,380</u>
Units outstanding - Class R1	<u>55,590</u>	<u>17,599</u>	<u>12,809</u>	<u>260</u>	<u>6,641</u>	<u>6,161</u>
Net asset value per unit - Class R1	<u>\$ 11.52</u>	<u>\$ 11.35</u>	<u>\$ 11.13</u>	<u>\$ 10.77</u>	<u>\$ 10.73</u>	<u>\$ 10.45</u>

**Hand Composite Employee Benefit Trust**  
**Statements of Assets and Liabilities – Selected Funds (Continued)**  
**December 31, 2016**

	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
<b>Assets</b>						
Investments, at cost	\$ 109,620,559	\$ 277,733,088	\$ 169,250,224	\$ 70,239,237	\$ 7,325,504	\$ 36,959,536
Investments at fair value	\$ 107,935,717	\$ 274,832,000	\$ 168,233,212	\$ 69,962,630	\$ 7,320,263	\$ 36,364,284
Receivable for:						
Investment securities sold	-	-	-	-	-	-
Capital shares sold	135,808	662,245	381,537	401,613	153,329	7,323
Dividends and interest	69,217	267,248	214,018	97,504	10,286	21,064
<b>Total assets</b>	<b>\$ 108,140,742</b>	<b>\$ 275,761,493</b>	<b>\$ 168,828,767</b>	<b>\$ 70,461,747</b>	<b>\$ 7,483,878</b>	<b>\$ 36,392,671</b>
<b>Liabilities</b>						
Withdrawals in excess of cash balances	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ 63,000
Accounts payable and accrued liabilities	14,694	36,775	22,584	9,373	994	5,031
<b>Total liabilities</b>	<b>\$ 14,694</b>	<b>\$ 36,775</b>	<b>\$ 72,584</b>	<b>\$ 9,373</b>	<b>\$ 994</b>	<b>\$ 68,031</b>
Net assets held for participants:						
Class R1	\$ 50,211	\$ 106,966	\$ 182,579	\$ 474,186	\$ 181,593	\$ 48,440
Class R2	11	11	11	11	11	11
Class R-PL	108,075,826	275,617,741	168,573,593	69,978,177	7,301,280	36,276,189
<b>Total net assets held for participants</b>	<b>\$ 108,126,048</b>	<b>\$ 275,724,718</b>	<b>\$ 168,756,183</b>	<b>\$ 70,452,374</b>	<b>\$ 7,482,884</b>	<b>\$ 36,324,640</b>
Units outstanding:						
Class R1	4,543	9,576	16,056	41,357	16,114	4,439
Class R2	1	1	1	1	1	1
Class R-PL	9,732,958	24,578,129	14,741,149	6,068,906	643,589	3,322,359
<b>Total units outstanding</b>	<b>9,737,502</b>	<b>24,587,706</b>	<b>14,757,206</b>	<b>6,110,264</b>	<b>659,704</b>	<b>3,326,799</b>
Net asset value per unit:						
Class R1	\$ 11.05	\$ 11.17	\$ 11.37	\$ 11.47	\$ 11.27	\$ 10.91
Class R2	\$ 11.15	\$ 11.27	\$ 11.47	\$ 11.57	\$ 11.37	\$ 10.96
Class R-PL	\$ 11.10	\$ 11.21	\$ 11.44	\$ 11.53	\$ 11.34	\$ 10.92

**Hand Composite Employee Benefit Trust**  
**Statements of Assets and Liabilities – Selected Funds (Continued)**  
**December 31, 2016**

	<b>Sage Cash Balance Conservative Fund</b>	<b>Sage Cash Balance Moderate Fund</b>	<b>Sage Cash Balance Growth Fund</b>
<b>Assets</b>			
Investments, at cost	\$ 23,179	\$ 200,451	\$ 24,346
Investments at fair value	\$ 23,179	\$ 200,451	\$ 24,346
Receivable for:			
Investment securities sold	-	-	-
Capital shares sold	-	-	-
Dividends and interest	-	-	-
 Total assets	 <u>\$ 23,179</u>	 <u>\$ 200,451</u>	 <u>\$ 24,346</u>
<b>Liabilities</b>			
Withdrawals in excess of cash balances	\$ -	\$ -	\$ -
Accounts payable and accrued liabilities	<u>1</u>	<u>6</u>	<u>1</u>
 Total liabilities	 <u>\$ 1</u>	 <u>\$ 6</u>	 <u>\$ 1</u>
Net assets held for participants:			
Class R1	<u>\$ 23,178</u>	<u>\$ 200,445</u>	<u>\$ 24,345</u>
Units outstanding - Class R1	<u>2,319</u>	<u>20,046</u>	<u>2,436</u>
Net asset value per unit - Class R1	 <u>\$ 10.00</u>	 <u>\$ 10.00</u>	 <u>\$ 10.00</u>

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments**  
**Sage All Cap Equity Plus Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<b><u>Short Term Investment</u></b>			
3	First American Treasury Obligation Fund Instl	\$ 3	\$ 3
	Total Short Term Investment	0.00% 3	3
<b><u>Exchange-traded Funds</u></b>			
<b><i>Equity</i></b>			
965	iShares EMU Index Fund	33,079	33,389
1,685	iShares MSCI EAFE Index Fund	106,023	97,275
335	iShares Cohen & Steers Realty Majors Idx	32,359	33,379
1,200	iShares Core MSCI EAFE ETF	64,188	64,356
635	iShares S&P 500 Value Index	61,969	64,376
445	iShares S&P Midcap 400 Value	61,532	64,618
515	S & P 500 Depository Receipts	111,078	115,119
305	SPDR Gold Trust	35,113	33,431
765	SPDR S&P Dividend ETF	64,183	65,453
1,785	Vanguard FTSE Emerging Markets ETF	68,759	63,867
	Total Equity	100.00% 638,283	635,263
	Total Exchange-traded Funds	100.00% 638,283	635,263
<b><u>Common Trust Fund</u></b>			
<b><i>Fixed Income</i></b>			
2	HB&T Short Term Income Fund	2	2
	Total Fixed Income	0.00% 2	2
	Total Common Trust Fund	0.00% 2	2
	Total Investments	100.00% \$ 638,288	\$ 635,268



**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Sage Growth Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<b><u>Short Term Investment</u></b>			
22	First American Treasury Obligation Fund Instl	\$ 22	\$ 22
	Total Short Term Investment	0.01% 22	22
<b><u>Exchange-traded Funds</u></b>			
<b><i>Fixed Income</i></b>			
92	Invesco Powershares Senior Loan Portfolio	2,136	2,149
92	iShares 10+ Year Credit Bond	5,407	5,400
18	iShares 20+ Year Treasury Bond fund	2,146	2,144
21	iShares Barclays 1-3 Year Credit Bond	2,201	2,204
17	iShares Barclays 3-7 Year Treasury Bond	2,138	2,083
25	iShares Barclays 7-10 Year Treasury Bond	2,707	2,621
75	iShares Barclays Intermed Credit Bond	8,331	8,114
125	iShares Barclays MBS Bond Fund	13,654	13,293
58	iShares S&P US Preferred Stock Index	2,159	2,158
69	Powershares Emerging Markets Sovereign Debt	2,120	1,950
	Total Fixed Income	19.96% 42,999	42,116
<b><i>Equity</i></b>			
88	iShares Cohen & Steers Realty Majors Index	8,499	8,768
320	iShares Core MSCI EAFE ETF	17,117	17,162
259	iShares EMU Index Fund	8,878	8,961
169	iShares MSCI EAFE Index Fund	16,493	17,133
446	iShares S&P 500 Value Index	25,884	25,748
119	iShares S&P Midcap 400 Value	16,455	17,280
137	S&P 500 Depository Receipts	29,549	30,624
82	Spdr Gold Trust	9,429	8,988
201	Spdr S&P Divident ETF	16,863	17,197
476	Vanguard FTSE Emerging Markets ETF	18,258	17,031
	Total Equity	80.03% 167,425	168,892
	Total Exchange-traded Funds	99.99% 210,424	211,008
<b><u>Common Trust Fund</u></b>			
<b><i>Fixed Income</i></b>			
3	HB&T Short Term Income Fund	3	3
	Total Fixed Income	0.00% 3	3
	Total Common Trust Fund	0.00% 3	3
	Total Investments	100.00% \$ 210,449	\$ 211,033

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Sage Moderate Growth Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<b><u>Short Term Investment</u></b>			
25,969	First American Treasury Obligation Fund Instl	\$ 25,969	\$ 25,969
	Total Short Term Investment	18.25% 25,969	25,969
<b><u>Exchange-traded Funds</u></b>			
<b><i>Fixed Income</i></b>			
104	Invesco Powershares Senior Loan Portfolio	2,414	2,429
92	iShares 10+ Year Credit Bond	5,573	5,400
20	iShares 20+ Year Treasury Bond Fund	2,384	2,383
23	iShares Barclays 1-3 Year Credit Bond	2,410	2,414
19	iShares Barclays 3-7 Year Treasury Bond	2,390	2,328
29	iShares Barclays 7-10 Year Treasury Bond	3,118	3,040
84	iShares Barclays Intermed Credit Bond	9,302	9,088
132	iShares Barclays MBS Bond Fund	14,406	14,037
64	iShares S&P US Preferred Stock Index	2,383	2,381
78	Powershares Emerging Mkts Sovereign Debt	2,397	2,204
	Total Fixed Income	32.12% 46,777	45,704
<b><i>Equity</i></b>			
37	iShares Cohen & Steers Realty Majors Idx	3,574	3,687
134	iShares Core MSCI EAFE ETF	7,168	7,186
105	iShares EMU Index Fund	3,599	3,633
184	iShares MSCI EAFE Index Fund	11,573	10,622
69	iShares S&P 500 Value Index	6,734	6,995
48	iShares S&P Midcap 400 Value	6,637	6,970
57	S & P 500 Depository Receipts	12,294	12,742
33	SPDR Gold Trust	3,801	3,617
84	SPDR S&P Dividend ETF	7,048	7,187
200	Vanguard FTSE Emerging Markets ETF	7,659	7,156
	Total Equity	49.05% 70,087	69,795
	Total Exchange-traded Funds	81.17% 116,864	115,499
<b><u>Common Trust Fund</u></b>			
<b><i>Fixed Income</i></b>			
831	HB&T Short Term Income Fund	831	831
	Total Fixed Income	0.58% 831	831
	Total Common Trust Fund	0.58% 831	831
	Total Investments	100.00% \$ 143,664	\$ 142,299

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Sage Moderate Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<b><u>Short Term Investment</u></b>			
44	First American Treasury Obligation Fund Instl	\$ 44	\$ 44
	Total Short Term Investment	0.03% 44	44
<b><u>Exchange-traded Funds</u></b>			
<b><i>Fixed Income</i></b>			
236	Invesco Powershares Senior Loan Portfolio	5,479	5,513
217	iShares 10+ Year Credit Bond	12,900	12,738
44	iShares 20+ Year Treasury Bond Fund	5,245	5,242
51	iShares Barclays 1-3 Year Credit Bond	5,345	5,352
44	iShares Barclays 3-7 Year Treasury Bond	5,534	5,390
68	iShares Barclays 7-10 Year Treasury Bond	7,325	7,128
182	iShares Barclays Intermed Credit Bond	20,182	19,691
293	iShares Barclays MBS Bond Fund	31,962	31,158
144	iShares S&P US Preferred Stock Index	5,361	5,358
178	Powershares Emerging Mkts Sovereign Debt	5,470	5,030
	Total Fixed Income	59.98% 104,803	102,600
<b><i>Equity</i></b>			
37	iShares Cohen & Steers Realty Majors Idx	3,574	3,687
129	iShares Core MSCI EAFE ETF	6,900	6,918
104	iShares EMU Index Fund	3,565	3,598
180	iShares MSCI EAFE Index Fund	11,219	10,391
68	iShares S&P 500 Value Index	6,636	6,894
48	iShares S&P Midcap 400 Value	6,637	6,970
56	S & P 500 Depository Receipts	12,079	12,517
30	SPDR Gold Trust	3,477	3,288
85	SPDR S&P Dividend ETF	7,131	7,273
192	Vanguard FTSE Emerging Markets ETF	7,403	6,870
	Total Equity	39.99% 68,621	68,406
	Total Exchange-traded Funds	99.97% 173,424	171,006
<b><u>Common Trust Fund</u></b>			
<b><i>Fixed Income</i></b>			
1	HB&T Short Term Income Fund	1	1
	Total Fixed Income	0.00% 1	1
	Total Common Trust Fund	0.00% 1	1
	Total Investments	100.00% \$ 173,469	\$ 171,051

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Sage Conservative Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<b><u>Short Term Investment</u></b>			
2,257	First American Treasury Obligation Fund Instl	\$ 2,257	\$ 2,257
	Total Short Term Investment	3.17% 2,257	2,257
<b><u>Exchange-traded Funds</u></b>			
<b><i>Fixed Income</i></b>			
124	Invesco Powershares Senior Loan Portfolio	2,879	2,897
115	iShares 10+ Year Credit Bond	6,922	6,751
23	iShares 20+ Year Treasury Bond Fund	2,742	2,740
27	iShares Barclays 1-3 Year Credit Bond	2,830	2,833
23	iShares Barclays 3-7 Year Treasury Bond	2,893	2,818
36	iShares Barclays 7-10 Year Treasury Bond	3,864	3,774
99	iShares Barclays Intermed Credit Bond	10,959	10,711
155	iShares Barclays MBS Bond Fund	16,898	16,483
76	iShares S&P US Preferred Stock Index	2,829	2,828
94	Powershares Emerging Mkts Sovereign Debt	2,889	2,656
	Total Fixed Income	76.51% 55,705	54,491
<b><i>Equity</i></b>			
7	iShares Cohen & Steers Realty Majors Idx	677	697
26	iShares Core MSCI EAFE ETF	1,391	1,394
20	iShares EMU Index Fund	686	692
36	iShares MSCI EAFE Index Fund	2,125	2,078
14	iShares S&P 500 Value Index	1,366	1,419
9	iShares S&P Midcap 400 Value	1,244	1,307
11	S & P 500 Depository Receipts	2,373	2,459
6	SPDR Gold Trust	695	658
17	SPDR S&P Dividend ETF	1,425	1,454
40	Vanguard FTSE Emerging Markets ETF	1,527	1,431
	Total Equity	19.08% 13,509	13,589
	Total Exchange-traded Funds	95.59% 69,214	68,080
<b><u>Common Trust Fund</u></b>			
<b><i>Fixed Income</i></b>			
884	HB&T Short Term Income Fund	884	884
	Total Fixed Income	1.24% 884	884
	Total Common Trust Fund	1.24% 884	884
	Total Investments	100.00% \$ 72,355	\$ 71,221

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Sage Core Plus Fixed Income Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
1,746	First American Treasury Obligation Fund Instl	\$ 1,746	\$ 1,746
	Total Short Term Investment	2.71% 1,746	1,746
<i><u>Exchange-traded Funds</u></i>			
<i>Fixed Income</i>			
141	Invesco Powershares Senior Loan Portfolio	3,273	3,294
131	iShares 10+ Year Credit Bond	8,012	7,690
27	iShares 20+ Year Treasury Bond Fund	3,219	3,217
30	iShares Barclays 1-3 Year Credit Bond	3,144	3,148
26	iShares Barclays 3-7 Year Treasury Bond	3,270	3,185
41	iShares Barclays 7-10 Year Treasury Bond	4,415	4,298
112	iShares Barclays Intermed Credit Bond	12,421	12,117
177	iShares Barclays MBS Bond Fund	19,304	18,821
86	iShares S&P US Preferred Stock Index	3,202	3,200
114	Powershares Emerging Mkts Sovereign Debt	3,483	3,222
	Total Fixed Income	96.62% 63,743	62,192
	Total Exchange-traded Funds	96.62% 63,743	62,192
<i><u>Common Trust Fund</u></i>			
<i>Fixed Income</i>			
431	HB&TShort Term Income Fund	431	431
	Total Fixed Income	0.67% 431	431
	Total Common Trust Fund	0.67% 431	431
	Total Investments	100.00% \$ 65,920	\$ 64,369

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Sage Target Date 2015 Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<b><u>Short Term Investment</u></b>			
1,858,685	First American Treasury Obligation Fund Instl	\$ 1,858,685	\$ 1,858,685
	Total Short Term Investment	1.72% 1,858,685	1,858,685
<b><u>Exchange-traded Funds</u></b>			
<b><i>Fixed Income</i></b>			
110,990	Invesco Powershares Senior Loan Portfolio	2,576,729	2,592,726
105,772	iShares 10+ Year Credit Bond	6,481,385	6,208,816
21,895	iShares 20+ Year Treasury Bond Fund	2,610,101	2,608,351
24,670	iShares Barclays 1-3 Year Credit Bond	2,585,396	2,588,870
21,450	iShares Barclays 3-7 Year Treasury Bond	2,697,767	2,627,840
34,658	iShares Barclays 7-10 Year Treasury Bond	3,716,033	3,632,852
91,100	iShares Barclays Intermed Credit Bond	10,103,862	9,856,109
145,500	iShares Barclays MBS Bond Fund	15,860,427	15,472,470
70,830	iShares S&P US Preferred Stock Index	2,636,958	2,635,584
90,840	Powershares Emerging Mkts Sovereign Debt	2,791,105	2,567,138
176,313	Vanguard Short-term Bond ETF	14,217,468	14,008,068
	Total Fixed Income	60.04% 66,277,231	64,798,824
<b><i>Equity</i></b>			
20,910	iShares Cohen & Steers Realty Majors Idx	2,020,094	2,083,472
78,425	iShares Core MSCI EAFE ETF	4,194,953	4,205,933
61,425	iShares EMU Index Fund	2,105,551	2,125,305
107,965	iShares MSCI EAFE Index Fund	6,774,600	6,232,820
42,025	iShares S&P 500 Value Index	4,101,174	4,260,495
28,320	iShares S&P Midcap 400 Value	3,915,897	4,112,347
33,345	S & P 500 Depository Receipts	7,192,173	7,453,608
18,450	SPDR Gold Trust	2,138,191	2,022,305
49,135	SPDR S&P Dividend ETF	4,122,372	4,203,991
116,790	Vanguard FTSE Emerging Markets ETF	4,520,452	4,178,746
	Total Equity	37.87% 41,085,457	40,879,022
	Total Exchange-traded Funds	97.91% 107,362,688	105,677,846
<b><u>Common Trust Fund</u></b>			
<b><i>Fixed Income</i></b>			
399,186	HB&T Short Term Income Fund	399,186	399,186
	Total Fixed Income	0.37% 399,186	399,186
	Total Common Trust Fund	0.37% 399,186	399,186
	Total Investments	100.00% \$ 109,620,559	\$ 107,935,717

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Sage Target Date 2025 Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<b><u>Short Term Investment</u></b>			
9,954,557	First American Treasury Obligation Fund Instl	\$ 9,954,557	\$ 9,954,557
	Total Short Term Investment	3.62% 9,954,557	9,954,557
<b><u>Exchange-traded Funds</u></b>			
<b><i>Fixed Income</i></b>			
241,625	Invesco Powershares Senior Loan Portfolio	5,609,274	5,644,360
231,167	iShares 10+ Year Credit Bond	13,990,759	13,569,503
45,660	iShares 20+ Year Treasury Bond Fund	5,443,124	5,439,476
53,115	iShares Barclays 1-3 Year Credit Bond	5,566,410	5,573,888
44,730	iShares Barclays 3-7 Year Treasury Bond	5,625,692	5,479,872
69,996	iShares Barclays 7-10 Year Treasury Bond	7,521,017	7,336,981
192,800	iShares Barclays Intermed Credit Bond	21,373,192	20,859,032
314,160	iShares Barclays MBS Bond Fund	34,207,632	33,407,774
147,690	iShares S&P US Preferred Stock Index	5,498,410	5,495,545
182,690	Powershares Emerging Mkts Sovereign Debt	5,614,244	5,162,819
	Total Fixed Income	39.29% 110,449,754	107,969,250
<b><i>Equity</i></b>			
81,920	iShares Cohen & Steers Realty Majors Idx	7,912,628	8,162,509
299,060	iShares Core MSCI EAFE ETF	15,996,719	16,038,588
234,250	iShares EMU Index Fund	8,029,715	8,105,050
410,260	iShares MSCI EAFE Index Fund	25,482,091	23,684,310
155,040	iShares S&P 500 Value Index	15,130,183	15,717,955
107,645	iShares S&P Midcap 400 Value	14,884,419	15,631,130
127,150	S & P 500 Depository Receipts	27,424,945	28,421,841
73,735	SPDR Gold Trust	8,491,564	8,082,093
186,250	SPDR S&P Dividend ETF	15,626,170	15,935,550
441,035	Vanguard FTSE Emerging Markets ETF	17,001,408	15,780,232
	Total Equity	56.60% 155,979,842	155,559,258
	Total Exchange-traded Funds	95.89% 266,429,596	263,528,508
<b><u>Common Trust Fund</u></b>			
<b><i>Fixed Income</i></b>			
1,348,935	HB&T Short Term Income Fund	1,348,935	1,348,935
	Total Fixed Income	0.49% 1,348,935	1,348,935
	Total Common Trust Fund	0.49% 1,348,935	1,348,935
	Total Investments	100.00% \$ 277,733,088	\$ 274,832,000

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Sage Target Date 2035 Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<b><u>Short Term Investment</u></b>			
5,607,084	First American Treasury Obligation Fund Instl	\$ 5,607,084	\$ 5,607,084
	Total Short Term Investment	3.33% 5,607,084	5,607,084
<b><u>Exchange-traded Funds</u></b>			
<b><i>Fixed Income</i></b>			
82,280	Invesco Powershares Senior Loan Portfolio	1,910,112	1,922,061
79,541	iShares 10+ Year Credit Bond	4,738,113	4,669,057
15,815	iShares 20+ Year Treasury Bond Fund	1,885,305	1,884,041
18,260	iShares Barclays 1-3 Year Credit Bond	1,913,633	1,916,204
15,495	iShares Barclays 3-7 Year Treasury Bond	1,948,806	1,898,292
23,815	iShares Barclays 7-10 Year Treasury Bond	2,556,002	2,496,288
66,785	iShares Barclays Intermed Credit Bond	7,401,093	7,225,469
108,300	iShares Barclays MBS Bond Fund	11,806,209	11,516,622
51,155	iShares S&P US Preferred Stock Index	1,904,470	1,903,478
62,215	Powershares Emerging Mkts Sovereign Debt	1,911,928	1,758,196
	Total Fixed Income	22.11% 37,975,671	37,189,708
<b><i>Equity</i></b>			
65,600	iShares Cohen & Steers Realty Majors Idx	6,336,284	6,536,384
239,195	iShares Core MSCI EAFE ETF	12,794,541	12,828,028
187,355	iShares EMU Index Fund	6,422,230	6,482,483
329,595	iShares MSCI EAFE Index Fund	20,446,173	19,027,519
124,005	iShares S&P 500 Value Index	12,101,512	12,571,627
86,095	iShares S&P Midcap 400 Value	11,904,631	12,501,855
101,700	S & P 500 Depository Receipts	21,935,642	22,733,001
59,460	SPDR Gold Trust	6,843,971	6,517,411
149,155	SPDR S&P Dividend ETF	12,513,940	12,761,702
353,190	Vanguard FTSE Emerging Markets ETF	13,529,273	12,637,138
	Total Equity	74.06% 124,828,197	124,597,148
	Total Exchange-traded Funds	96.17% 162,803,868	161,786,856
<b><u>Common Trust Fund</u></b>			
<b><i>Fixed Income</i></b>			
839,272	HB&T Short Term Income Fund	839,272	839,272
	Total Fixed Income	0.50% 839,272	839,272
	Total Common Trust Fund	0.50% 839,272	839,272
	Total Investments	100.00% \$ 169,250,224	\$ 168,233,212



**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Sage Target Date 2045 Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<b><u>Short Term Investment</u></b>			
2,949,281	First American Treasury Obligation Fund Instl	\$ 2,949,281	\$ 2,949,281
	Total Short Term Investment	4.22% 2,949,281	2,949,281
<b><u>Exchange-traded Funds</u></b>			
<b><i>Fixed Income</i></b>			
20,160	Invesco Powershares Senior Loan Portfolio	468,014	470,938
19,947	iShares 10+ Year Credit Bond	1,175,913	1,170,889
3,940	iShares 20+ Year Treasury Bond Fund	469,687	469,372
4,580	iShares Barclays 1-3 Year Credit Bond	479,980	480,625
3,860	iShares Barclays 3-7 Year Treasury Bond	485,472	472,889
5,807	iShares Barclays 7-10 Year Treasury Bond	622,769	608,690
16,635	iShares Barclays Intermed Credit Bond	1,844,288	1,799,741
27,160	iShares Barclays MBS Bond Fund	2,960,078	2,888,194
12,740	iShares S&P US Preferred Stock Index	474,303	474,055
15,245	Powershares Emerging Mkts Sovereign Debt	468,509	430,824
	Total Fixed Income	13.24% 9,449,013	9,266,217
<b><i>Equity</i></b>			
29,890	iShares Cohen & Steers Realty Majors Idx	2,887,068	2,978,240
110,045	iShares Core MSCI EAFE ETF	5,886,307	5,901,713
86,195	iShares EMU Index Fund	2,954,627	2,982,347
151,675	iShares MSCI EAFE Index Fund	9,381,968	8,756,198
57,050	iShares S&P 500 Value Index	5,567,447	5,783,729
39,610	iShares S&P Midcap 400 Value	5,477,001	5,751,768
46,790	S & P 500 Depository Receipts	10,092,120	10,458,967
27,365	SPDR Gold Trust	3,147,940	2,999,478
67,955	SPDR S&P Dividend ETF	5,701,350	5,814,230
166,645	Vanguard FTSE Emerging Markets ETF	6,387,211	5,962,558
	Total Equity	82.03% 57,483,039	57,389,228
	Total Exchange-traded Funds	95.27% 66,932,052	66,655,445
<b><u>Common Trust Fund</u></b>			
<b><i>Fixed Income</i></b>			
357,904	HB&T Short Term Income Fund	357,904	357,904
	Total Fixed Income	0.51% 357,904	357,904
	Total Common Trust Fund	0.51% 357,904	357,904
	Total Investments	100.00% \$ 70,239,237	\$ 69,962,630

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Sage Target Date 2055 Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<b><u>Short Term Investment</u></b>			
403,710	First American Treasury Obligation Fund Instl	\$ 403,710	\$ 403,710
	Total Short Term Investment	5.51% 403,710	403,710
<b><u>Exchange-traded Funds</u></b>			
<b><i>Fixed Income</i></b>			
1,520	Invesco Powershares Senior Loan Portfolio	35,328	35,507
1,475	iShares 10+ Year Credit Bond	87,447	86,583
285	iShares 20+ Year Treasury Bond Fund	33,975	33,952
340	iShares Barclays 1-3 Year Credit Bond	35,632	35,680
280	iShares Barclays 3-7 Year Treasury Bond	35,216	34,303
418	iShares Barclays 7-10 Year Treasury Bond	45,075	43,815
1,200	iShares Barclays Intermed Credit Bond	133,387	129,828
2,010	iShares Barclays MBS Bond Fund	219,119	213,743
920	iShares S&P US Preferred Stock Index	34,251	34,233
1,270	Powershares Emerging Mkts Sovereign Debt	37,226	35,890
	Total Fixed Income	9.34% 696,656	683,534
<b><i>Equity</i></b>			
3,155	iShares Cohen & Steers Realty Majors Idx	304,740	314,364
11,925	iShares Core MSCI EAFE ETF	637,868	639,538
9,340	iShares EMU Index Fund	320,160	323,164
16,440	iShares MSCI EAFE Index Fund	996,100	949,081
6,175	iShares S&P 500 Value Index	602,611	626,022
4,385	iShares S&P Midcap 400 Value	606,328	636,746
5,070	S & P 500 Depository Receipts	1,094,737	1,133,296
2,965	SPDR Gold Trust	340,564	324,994
7,170	SPDR S&P Dividend ETF	601,555	613,465
17,750	Vanguard FTSE Emerging Markets ETF	683,221	635,095
	Total Equity	84.64% 6,187,884	6,195,765
	Total Exchange-traded Funds	93.98% 6,884,540	6,879,299
<b><u>Common Trust Fund</u></b>			
<b><i>Fixed Income</i></b>			
37,254	HB&T Short Term Income Fund	37,254	37,254
	Total Fixed Income	0.51% 37,254	37,254
	Total Common Trust Fund	0.51% 37,254	37,254
	Total Investments	100.00% \$ 7,325,504	\$ 7,320,263

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Sage Target Date Retirement Income Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<b><u>Short Term Investment</u></b>			
356,265	First American Treasury Obligation Fund Instl	\$ 356,265	\$ 356,265
	Total Short Term Investment	0.98% 356,265	356,265
<b><u>Exchange-traded Funds</u></b>			
<b><i>Fixed Income</i></b>			
40,785	Invesco Powershares Senior Loan Portfolio	946,910	952,738
37,619	iShares 10+ Year Credit Bond	2,317,591	2,208,235
7,950	iShares 20+ Year Treasury Bond Fund	947,719	947,084
8,680	iShares Barclays 1-3 Year Credit Bond	909,657	910,879
7,790	iShares Barclays 3-7 Year Treasury Bond	979,748	954,353
12,241	iShares Barclays 7-10 Year Treasury Bond	1,311,975	1,283,102
32,180	iShares Barclays Intermed Credit Bond	3,569,965	3,481,554
51,395	iShares Barclays MBS Bond Fund	5,599,411	5,465,344
25,715	iShares S&P US Preferred Stock Index	957,354	956,855
33,810	Powershares Emerging Mkts Sovereign Debt	1,038,973	955,471
68,987	Vanguard Short-term Bond ETF	5,572,674	5,481,017
	Total Fixed Income	64.88% 24,151,977	23,596,632
<b><i>Equity</i></b>			
6,365	iShares Cohen & Steers Realty Majors Idx	614,965	634,209
23,780	iShares Core MSCI EAFE ETF	1,271,992	1,275,321
18,625	iShares EMU Index Fund	638,435	644,425
32,855	iShares MSCI EAFE Index Fund	2,035,849	1,896,719
12,460	iShares S&P 500 Value Index	1,215,958	1,263,195
8,620	iShares S&P Midcap 400 Value	1,191,915	1,251,710
10,110	S & P 500 Depository Receipts	2,180,623	2,259,888
5,800	SPDR Gold Trust	672,168	635,738
14,600	SPDR S&P Dividend ETF	1,224,924	1,249,176
35,189	Vanguard FTSE Emerging Markets ETF	1,362,557	1,259,098
	Total Equity	34.02% 12,409,386	12,369,479
	Total Exchange-traded Funds	98.90% 36,561,363	35,966,111
<b><u>Common Trust Fund</u></b>			
<b><i>Fixed Income</i></b>			
41,908	HB&T Short Term Income Fund	41,908	41,908
	Total Fixed Income	0.12% 41,908	41,908
	Total Common Trust Fund	0.12% 41,908	41,908
	Total Investments	100.00% \$ 36,959,536	\$ 36,364,284

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Sage Cash Balance Conservative Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
23,065	First American Treasury Obligation Fund V	\$ 23,065	\$ 23,065
	Total Short Term Investment	99.51% <u>23,065</u>	<u>23,065</u>
<i><u>Common Trust Fund</u></i>			
<i>Fixed Income</i>			
114	HB&T Short Term Income Fund	114	114
	Total Fixed Income	0.49% <u>114</u>	<u>114</u>
	Total Common Trust Fund	0.49% <u>114</u>	<u>114</u>
	Total Investments	100.00% <u>\$ 23,179</u>	<u>\$ 23,179</u>

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Sage Cash Balance Moderate Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
199,453	First American Treasury Obligation Fund V	\$ 199,453	\$ 199,453
	Total Short Term Investment	99.50% <u>199,453</u>	<u>199,453</u>
<i><u>Common Trust Fund</u></i>			
<i>Fixed Income</i>			
998	HB&T Short Term Income Fund	998	998
	Total Fixed Income	0.50% <u>998</u>	<u>998</u>
	Total Common Trust Fund	0.50% <u>998</u>	<u>998</u>
	Total Investments	100.00% <u>\$ 200,451</u>	<u>\$ 200,451</u>

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Sage Cash Balance Growth Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
24,220	First American Treasury Obligation Fund V	\$ 24,220	\$ 24,220
	Total Short Term Investment	99.48% <u>24,220</u>	<u>24,220</u>
<i><u>Common Trust Fund</u></i>			
<i>Fixed Income</i>			
126	HB&T Short Term Income Fund	126	126
	Total Fixed Income	0.52% <u>126</u>	<u>126</u>
	Total Common Trust Fund	0.52% <u>126</u>	<u>126</u>
	Total Investments	100.00% <u>\$ 24,346</u>	<u>\$ 24,346</u>

**Hand Composite Employee Benefit Trust**  
**Statements of Operations – Selected Funds**  
**Year Ended December 31, 2016**

	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
<b>Income</b>						
Interest	\$ 18	\$ 8	\$ 3	\$ 4	\$ 2	\$ 1
Dividends	<u>15,920</u>	<u>5,059</u>	<u>2,849</u>	<u>4,249</u>	<u>1,726</u>	<u>1,541</u>
Total income	<u>15,938</u>	<u>5,067</u>	<u>2,852</u>	<u>4,253</u>	<u>1,728</u>	<u>1,542</u>
<b>Expenses</b>						
Investment management and administrative	2,185	706	401	592	249	222
Custody fees	121	38	20	33	14	12
Other	-	1	-	7	-	-
Class R1 expenses	-	-	-	-	-	-
Class R-PL expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>2,306</u>	<u>745</u>	<u>421</u>	<u>632</u>	<u>263</u>	<u>234</u>
<b>Net Investment Income</b>	<u>13,632</u>	<u>4,322</u>	<u>2,431</u>	<u>3,621</u>	<u>1,465</u>	<u>1,308</u>
<b>Net Realized and Unrealized Gains (Losses) on Investments</b>						
Net realized gains (losses) on investments	11,849	914	820	513	(253)	(548)
Net change in unrealized appreciation/ depreciation on investments	<u>4,565</u>	<u>2,935</u>	<u>279</u>	<u>28</u>	<u>10</u>	<u>(233)</u>
Net realized and unrealized gains (losses)	<u>16,414</u>	<u>3,849</u>	<u>1,099</u>	<u>541</u>	<u>(243)</u>	<u>(781)</u>
<b>Net Increase in Net Assets Resulting From Operations</b>	<u>\$ 30,046</u>	<u>\$ 8,171</u>	<u>\$ 3,530</u>	<u>\$ 4,162</u>	<u>\$ 1,222</u>	<u>\$ 527</u>

**Hand Composite Employee Benefit Trust**  
**Statements of Operations – Selected Funds (Continued)**  
**Year Ended December 31, 2016**

	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
<b>Income</b>						
Interest	\$ 1,187	\$ 6,504	\$ 4,426	\$ 2,006	\$ 238	\$ 428
Dividends	<u>2,784,045</u>	<u>6,606,676</u>	<u>4,039,073</u>	<u>1,581,225</u>	<u>147,700</u>	<u>939,066</u>
Total income	<u>2,785,232</u>	<u>6,613,180</u>	<u>4,043,499</u>	<u>1,583,231</u>	<u>147,938</u>	<u>939,494</u>
<b>Expenses</b>						
Investment management and administrative	-	-	-	-	-	-
Custody fees	23,403	51,581	30,918	12,175	1,129	7,974
Other	301	-	-	-	-	167
Class R1 expenses	163	333	573	1,459	552	159
Class R-PL expenses	<u>166,531</u>	<u>371,074</u>	<u>223,359</u>	<u>87,970</u>	<u>8,079</u>	<u>56,807</u>
Total expenses	<u>190,398</u>	<u>422,988</u>	<u>254,850</u>	<u>101,604</u>	<u>9,760</u>	<u>65,107</u>
<b>Net Investment Income</b>	<u>2,594,834</u>	<u>6,190,192</u>	<u>3,788,649</u>	<u>1,481,627</u>	<u>138,178</u>	<u>874,387</u>
<b>Net Realized and Unrealized Gains on Investments</b>						
Net realized gains on investments	515,655	2,729,147	2,343,800	1,080,704	98,613	85,805
Net change in unrealized appreciation/ depreciation on investments	<u>364,696</u>	<u>822,817</u>	<u>778,357</u>	<u>326,346</u>	<u>45,539</u>	<u>114,992</u>
Net realized and unrealized gains	<u>880,351</u>	<u>3,551,964</u>	<u>3,122,157</u>	<u>1,407,050</u>	<u>144,152</u>	<u>200,797</u>
<b>Net Increase in Net Assets Resulting From Operations</b>	<u>\$ 3,475,185</u>	<u>\$ 9,742,156</u>	<u>\$ 6,910,806</u>	<u>\$ 2,888,677</u>	<u>\$ 282,330</u>	<u>\$ 1,075,184</u>



**Hand Composite Employee Benefit Trust**  
**Statements of Operations – Selected Funds (Continued)**  
**Period Ended December 31, 2016**

	<b>Sage Cash Balance Conservative Fund*</b>	<b>Sage Cash Balance Moderate Fund*</b>	<b>Sage Cash Balance Growth Fund*</b>
<b>Income</b>			
Interest	\$ -	\$ 3	\$ -
Dividends	-	-	-
	<hr/>	<hr/>	<hr/>
Total income	0	3	0
<b>Expenses</b>			
Investment management and administrative	1	6	1
Custody fees	-	-	-
Other	-	-	-
Class R1 expenses	-	-	-
Class R-PL expenses	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenses	1	6	1
<b>Net Investment Income</b>	<hr/>	<hr/>	<hr/>
	(1)	(3)	(1)
<b>Net Realized and Unrealized Gains on Investments</b>			
Net realized gains on investments	-	-	-
Net change in unrealized appreciation/ depreciation on investments	-	-	-
	<hr/>	<hr/>	<hr/>
Net realized and unrealized gains	0	0	0
<b>Net Decrease in Net Assets Resulting From Operations</b>	<hr/>	<hr/>	<hr/>
	\$ (1)	\$ (3)	\$ (1)

\*For the period July 1, 2016 (inception) to December 31, 2016

**Hand Composite Employee Benefit Trust**  
**Statements of Changes in Net Assets – Selected Funds**  
**Year Ended December 31, 2016**

	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
<b>Operations</b>						
Net investment income	\$ 13,632	\$ 4,322	\$ 2,431	\$ 3,621	\$ 1,465	\$ 1,308
Net realized gains (losses)	11,849	914	820	513	(253)	(548)
Change in unrealized appreciation/depreciation	4,565	2,935	279	28	10	(233)
Net increase in net assets from operations	30,046	8,171	3,530	4,162	1,222	527
<b>Net Increase (Decrease) in Net Assets From Participant Transactions</b>	<u>81,352</u>	<u>23,472</u>	<u>35,552</u>	<u>(135,373)</u>	<u>2,823</u>	<u>7,884</u>
<b>Increase (Decrease) in Net Assets</b>	111,398	31,643	39,082	(131,211)	4,045	8,411
<b>Net Assets</b>						
Beginning 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>
End of year	<u>\$ 640,224</u>	<u>\$ 199,760</u>	<u>\$ 142,587</u>	<u>\$ 2,804</u>	<u>\$ 71,284</u>	<u>\$ 64,380</u>

**Hand Composite Employee Benefit Trust**  
**Statements of Changes in Net Assets – Selected Funds (Continued)**  
**Year Ended December 31, 2016**

	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
<b>Operations</b>						
Net investment income	\$ 2,594,834	\$ 6,190,192	\$ 3,788,649	\$ 1,481,627	\$ 138,178	\$ 874,387
Net realized gains	515,655	2,729,147	2,343,800	1,080,704	98,613	85,805
Change in unrealized appreciation/depreciation	364,696	822,817	778,357	326,346	45,539	114,992
Net increase in net assets from operations	3,475,185	9,742,156	6,910,806	2,888,677	282,330	1,075,184
<b>Net Increase (Decrease) in Net Assets From Participant Transactions</b>	<u>(20,538,947)</u>	<u>8,518,670</u>	<u>9,531,502</u>	<u>9,580,644</u>	<u>2,523,758</u>	<u>(5,991,171)</u>
<b>Increase (Decrease) in Net Assets</b>	(17,063,762)	18,260,826	16,442,308	12,469,321	2,806,088	(4,915,987)
<b>Net Assets</b>						
Beginning 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>
End of year	<u>\$ 108,126,048</u>	<u>\$ 275,724,718</u>	<u>\$ 168,756,183</u>	<u>\$ 70,452,374</u>	<u>\$ 7,482,884</u>	<u>\$ 36,324,640</u>

**Hand Composite Employee Benefit Trust**  
**Statements of Changes in Net Assets – Selected Funds (Continued)**  
**Period Ended December 31, 2016**

	<b>Sage Cash Balance Conservative Fund*</b>	<b>Sage Cash Balance Moderate Fund*</b>	<b>Sage Cash Balance Growth Fund*</b>
<b>Operations</b>			
Net investment income	\$ (1)	\$ (3)	\$ (1)
Net realized gains	-	-	-
Change in unrealized appreciation/depreciation	-	-	-
Net increase in net assets from operations	(1)	(3)	(1)
<b>Net Increase in Net Assets From Participant Transactions</b>	<u>23,179</u>	<u>200,448</u>	<u>24,346</u>
<b>Increase in Net Assets</b>	23,178	200,445	24,345
<b>Net Assets</b>			
Beginning of period	-	-	-
End of year	<u>\$ 23,178</u>	<u>\$ 200,445</u>	<u>\$ 24,345</u>

\*For the period July 1, 2016 (inception) to December 31, 2016

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

### 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 103 funds (the Funds); the financial statements of 15 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.

The Sage Cash Balance Funds had an inception date of July 1, 2016.

#### ***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

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

until units owned are redeemed, at which time the market value of redeemed units is distributed. Investment income and realized gains (if any) earned by the Funds are reinvested, thereby increasing the respective unit values.

### ***Valuation of Participants' Interest***

Units of participation may be purchased or redeemed on the valuation dates at the fair value per unit on such valuation dates. 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:

<b>Fund</b>	<b>Investment Management Advisors</b>
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.
Sage Cash Balance Conservative Fund	Sage Advisory Services, Ltd. Co.
Sage Cash Balance Moderate Fund	Sage Advisory Services, Ltd. Co.
Sage Cash Balance Growth Fund	Sage Advisory Services, Ltd. Co.

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

### 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.

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%

**Hand Composite Employee Benefit Trust**  
**Notes to Financial Statements**  
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Fund	Administrative Fees	Investment Advisory Fees	Custody Fees	Total Fees
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%
Sage Cash Balance Conservative Fund				
Class R1	0.10%	0.25%	0.02%	0.37%
Sage Cash Balance Moderate Fund				
Class R1	0.10%	0.25%	0.02%	0.37%
Sage Cash Balance Growth Fund				
Class R1	0.10%	0.25%	0.02%	0.37%



# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

### 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	\$ 11.03	\$ 10.94	\$ 10.78	\$ 10.56	\$ 10.55	\$ 10.35
Net investment income	0.24	0.24	0.23	0.25	0.22	0.22
Net realized and unrealized gains (losses)	0.25	0.17	0.12	(0.04)	(0.04)	(0.12)
Net increase from investment operations	0.49	0.41	0.35	0.21	0.18	0.10
Net asset value, end of year	\$ 11.52	\$ 11.35	\$ 11.13	\$ 10.77	\$ 10.73	\$ 10.45
Total return	4.44%	3.75%	3.25%	1.99%	1.71%	0.97%
Ratio to average net assets:						
Net investment income	2.17%	2.16%	2.08%	2.29%	2.07%	2.05%
Expenses	0.37%	0.37%	0.36%	0.40%	0.37%	0.37%

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

### 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	\$ 10.76	\$ 10.78	\$ 10.90	\$ 10.96	\$ 10.77	\$ 10.64
Net investment income	0.25	0.24	0.24	0.23	0.20	0.25
Net realized and unrealized gains	0.04	0.15	0.23	0.28	0.30	0.02
Net increase from investment operations	0.29	0.39	0.47	0.51	0.50	0.27
Net asset value, end of year	<u>\$ 11.05</u>	<u>\$ 11.17</u>	<u>\$ 11.37</u>	<u>\$ 11.47</u>	<u>\$ 11.27</u>	<u>\$ 10.91</u>
Total return	2.70%	3.62%	4.31%	4.65%	4.64%	2.54%
Ratio to average net assets:						
Net investment income	1.93%	2.19%	2.17%	2.08%	1.84%	2.26%
Expenses	0.38%	0.35%	0.35%	0.35%	0.35%	0.35%

**Hand Composite Employee Benefit Trust**  
**Notes to Financial Statements**  
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	<b>Class R1 (Continued)</b>		
	<b>Sage Cash Balance Conservative Fund*</b>	<b>Sage Cash Balance Moderate Fund*</b>	<b>Sage Cash Balance Growth Fund*</b>
Net asset value, beginning of period	\$ 10.00	\$ 10.00	\$ 10.00
Net investment income	-	-	-
Net realized and unrealized gains	-	-	-
Net change from investment operations	0.00	0.00	0.00
Net asset value, end of period	\$ 10.00	\$ 10.00	\$ 10.00
Total return	0.00%	0.00%	0.00%
Ratio to average net assets:			
Net investment income**	0.00%	0.00%	0.00%
Expenses**	0.00%	0.00%	0.00%

*\*For the period July 1, 2016 (inception) to December 31, 2016*

*\*\*Annualized*

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

### Class R - PL

	<b>Sage Target Date 2015 Fund</b>	<b>Sage Target Date 2025 Fund</b>	<b>Sage Target Date 2035 Fund</b>	<b>Sage Target Date 2045 Fund</b>	<b>Sage Target Date 2055 Fund</b>	<b>Sage Target Date Retirement Income Fund</b>
Net asset value, beginning of year	\$ 10.80	\$ 10.81	\$ 10.95	\$ 11.01	\$ 10.83	\$ 10.64
Net investment income	0.24	0.26	0.27	0.26	0.26	0.23
Net realized and unrealized gains	0.06	0.14	0.22	0.26	0.25	0.05
Net increase from investment operations	0.30	0.40	0.49	0.52	0.51	0.28
Net asset value, end of year	\$ 11.10	\$ 11.21	\$ 11.44	\$ 11.53	\$ 11.34	\$ 10.92
Total return	2.79%	3.70%	4.47%	4.72%	4.71%	2.63%
Ratio to average net assets:						
Net investment income	2.20%	2.33%	2.36%	2.33%	2.30%	2.16%
Expenses	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

### 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
<b>Class R1:</b>												
Proceeds from sales of units	10,765	\$ 116,931	6,971	\$ 76,683	4,149	\$ 45,409	3,978	\$ 41,235	483	\$ 5,148	771	\$ 8,070
Cost of units redeemed	<u>(3,124)</u>	<u>(35,579)</u>	<u>(4,745)</u>	<u>(53,211)</u>	<u>(940)</u>	<u>(9,857)</u>	<u>(16,414)</u>	<u>(176,608)</u>	<u>(217)</u>	<u>(2,325)</u>	<u>(18)</u>	<u>(186)</u>
Net increase (decrease) in total net assets from participant transactions	<u>7,641</u>	<u>\$ 81,352</u>	<u>2,226</u>	<u>\$ 23,472</u>	<u>3,209</u>	<u>\$ 35,552</u>	<u>(12,436)</u>	<u>\$ (135,373)</u>	<u>266</u>	<u>\$ 2,823</u>	<u>753</u>	<u>\$ 7,884</u>

**Hand Composite Employee Benefit Trust**  
**Notes to Financial Statements**  
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	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
<b>Class R1:</b>												
Proceeds from sales of units	260	\$ 2,793	1,383	\$ 14,987	5,075	\$ 55,507	9,013	\$ 99,230	3,456	\$ 37,843	187	\$ 1,995
Cost of units redeemed	(13)	(144)	(28)	(303)	(993)	(11,264)	(9,149)	(94,882)	(1,453)	(15,982)	(13)	(140)
Net change in Class R1 from participant transactions	<u>247</u>	<u>2,649</u>	<u>1,355</u>	<u>14,684</u>	<u>4,082</u>	<u>44,243</u>	<u>(136)</u>	<u>4,348</u>	<u>2,003</u>	<u>21,861</u>	<u>174</u>	<u>1,855</u>
<b>Class R-PL:</b>												
Proceeds from sales of units	581,189	6,363,324	1,884,609	20,895,692	1,613,941	18,150,632	1,139,466	12,887,152	302,842	3,351,247	120,106	1,292,080
Cost of units redeemed	(2,437,548)	(26,904,920)	(1,122,551)	(12,391,706)	(776,374)	(8,663,373)	(297,182)	(3,310,856)	(77,004)	(849,350)	(671,079)	(7,285,106)
Net change in Class R-PL from participant transactions	<u>(1,856,359)</u>	<u>(20,541,596)</u>	<u>762,058</u>	<u>8,503,986</u>	<u>837,567</u>	<u>9,487,259</u>	<u>842,284</u>	<u>9,576,296</u>	<u>225,838</u>	<u>2,501,897</u>	<u>(550,973)</u>	<u>(5,993,026)</u>
Net increase (decrease) in total net assets from participant transactions		<u>\$ (20,538,947)</u>		<u>\$ 8,518,670</u>		<u>\$ 9,531,502</u>		<u>\$ 9,580,644</u>		<u>\$ 2,523,758</u>		<u>\$ (5,991,171)</u>

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

	Sage Cash Balance Conservative Fund*		Sage Cash Balance Moderate Fund*		Sage Cash Balance Growth Fund*	
	Units	Dollars	Units	Dollars	Units	Dollars
<b>Class R1:</b>						
Proceeds from sales of units	2,319	\$ 23,179	20,046	\$ 200,448	2,436	\$ 24,346
Cost of units redeemed	-	-	-	-	-	-
Net increase (decrease) in total net assets from participant transactions	<u>2,319</u>	<u>\$ 23,179</u>	<u>20,046</u>	<u>\$ 200,448</u>	<u>2,436</u>	<u>\$ 24,346</u>

\*For the period July 1, 2016 (inception) to December 31, 2016

### Note 5: Disclosures About Fair Value of Financial Instruments

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

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

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of assets and liabilities, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2016.

**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

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

### December 31, 2016

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, 2016.

	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)
<b>Sage All Cap Equity Plus Fund</b>				
Short Term Investment	\$ 3	\$ 3	\$ -	\$ -
Exchange-traded Funds - Equity	635,263	635,263	-	-
Common Trust Fund - Fixed Income (A)	<u>2</u>			
Total	<u>\$ 635,268</u>			
<b>Sage Growth Fund</b>				
Short Term Investment	\$ 22	\$ 22	\$ -	\$ -
Exchange-traded Funds - Fixed Income	42,116	42,116	-	-
Exchange-traded Funds - Equity	168,892	168,892	-	-
Common Trust Fund - Fixed Income (A)	<u>3</u>			
Total	<u>\$ 211,033</u>			
<b>Sage Moderate Growth Fund</b>				
Short Term Investment	\$ 25,969	\$ 25,969	\$ -	\$ -
Exchange-traded Funds - Fixed Income	45,704	45,704	-	-
Exchange-traded Funds - Equity	69,795	69,795	-	-
Common Trust Fund - Fixed Income (A)	<u>831</u>			
Total	<u>\$ 142,299</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**  
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	<b>Fair Value Measurements Using</b>			
	<b>Fair Value</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Sage Moderate Fund</b>				
Short Term Investment	\$ 44	\$ 44	\$ -	\$ -
Exchange-traded Funds - Fixed Income	102,600	102,600	-	-
Exchange-traded Funds - Equity	68,406	68,406	-	-
Common Trust Fund - Fixed Income (A)	<u>1</u>			
Total	<u>\$ 171,051</u>			
<b>Sage Conservative Fund</b>				
Short Term Investment	\$ 2,257	\$ 2,257	\$ -	\$ -
Exchange-traded Funds - Fixed Income	54,491	54,491	-	-
Exchange-traded Funds - Equity	13,589	13,589	-	-
Common Trust Fund - Fixed Income (A)	<u>884</u>			
Total	<u>\$ 71,221</u>			
<b>Sage Core Plus Fixed Income</b>				
Short Term Investment	\$ 1,746	\$ 1,746	\$ -	\$ -
Exchange-traded Funds - Fixed Income	62,192	62,192	-	-
Common Trust Fund - Fixed Income (A)	<u>431</u>			
Total	<u>\$ 64,369</u>			
<b>Sage Target Date 2015 Fund</b>				
Short Term Investment	\$ 1,858,685	\$ 1,858,685	\$ -	\$ -
Exchange-traded Funds - Fixed Income	64,798,824	64,798,824	-	-
Exchange-traded Funds - Equity	40,879,022	40,879,022	-	-
Common Trust Fund - Fixed Income (A)	<u>399,186</u>			
Total	<u>\$ 107,935,717</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**  
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	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>Sage Target Date 2025 Fund</b>				
Short Term Investment	\$ 9,954,557	\$ 9,954,557	\$ -	\$ -
Exchange-traded Funds - Fixed Income	107,969,250	107,969,250	-	-
Exchange-traded Funds - Equity	155,559,258	155,559,258	-	-
Common Trust Fund - Fixed Income (A)	<u>1,348,935</u>			
Total	<u>\$ 274,832,000</u>			
<b>Sage Target Date 2035 Fund</b>				
Short Term Investment	\$ 5,607,084	\$ 5,607,084	\$ -	\$ -
Exchange-traded Funds - Fixed Income	37,189,708	37,189,708	-	-
Exchange-traded Funds - Equity	124,597,148	124,597,148	-	-
Common Trust Fund - Fixed Income (A)	<u>839,272</u>			
Total	<u>\$ 168,233,212</u>			
<b>Sage Target Date 2045 Fund</b>				
Short Term Investment	\$ 2,949,281	\$ 2,949,281	\$ -	\$ -
Exchange-traded Funds - Fixed Income	9,266,217	9,266,217	-	-
Exchange-traded Funds - Equity	57,389,228	57,389,228	-	-
Common Trust Fund - Fixed Income (A)	<u>357,904</u>			
Total	<u>\$ 69,962,630</u>			
<b>Sage Target Date 2055 Fund</b>				
Short Term Investment	\$ 403,710	\$ 403,710	\$ -	\$ -
Exchange-traded Funds - Fixed Income	683,534	683,534	-	-
Exchange-traded Funds - Equity	6,195,765	6,195,765	-	-
Common Trust Fund - Fixed Income (A)	<u>37,254</u>			
Total	<u>\$ 7,320,263</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, 2016**

	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>Sage Target Date Retirement Income Fund</b>				
Short Term Investment	\$ 356,265	\$ 356,265	\$ -	\$ -
Exchange-traded Funds - Fixed Income	23,596,632	23,596,632	-	-
Exchange-traded Funds - Equity	12,369,479	12,369,479	-	-
Common Trust Fund - Fixed Income (A)	<u>41,908</u>			
Total	<u>\$ 36,364,284</u>			
<b>Sage Cash Balance Conservative Fund</b>				
Short Term Investment	\$ 23,065	\$ 23,065	\$ -	\$ -
Common Trust Fund - Fixed Income (A)	<u>114</u>			
Total	<u>\$ 23,179</u>			
<b>Sage Cash Balance Moderate Fund</b>				
Short Term Investment	\$ 199,453	\$ 199,453	\$ -	\$ -
Common Trust Fund - Fixed Income (A)	<u>998</u>			
Total	<u>\$ 200,451</u>			
<b>Sage Cash Balance Growth Fund</b>				
Short Term Investment	\$ 24,220	\$ 24,220	\$ -	\$ -
Common Trust Fund - Fixed Income (A)	<u>126</u>			
Total	<u>\$ 24,346</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, 2016

### **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, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Exchange-traded Funds - Equity	\$ 1,212,260
Common Trust Funds - Fixed Income	119,261
Total Investments Purchased	\$ 1,331,521

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain</b>
Exchange-traded Funds - Equity	\$ 1,107,248	\$ 1,095,399	\$ 11,849
Common Trust Funds - Fixed Income	123,447	123,447	-
Total Investments Sold	\$ 1,230,695	\$ 1,218,846	\$ 11,849

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Sage Growth Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Exchange-traded Funds - Fixed Income	\$ 61,215
Exchange-traded Funds - Equity	406,561
Common Trust Funds - Fixed Income	88,252
Total Investments Purchased	\$ 556,028

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Exchange-traded Funds - Fixed Income	\$ 50,301	\$ 50,653	\$ (352)
Exchange-traded Funds - Equity	363,696	362,659	1,037
Exchange-traded Funds - Other	8,671	8,442	229
Common Trust Funds - Fixed Income	89,692	89,692	-
Total Investments Sold	\$ 512,360	\$ 511,446	\$ 914

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Sage Moderate Growth Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Exchange-traded Funds - Fixed Income	\$ 44,677
Exchange-traded Funds - Equity	137,986
Common Trust Funds - Fixed Income	24,496
Total Investments Purchased	\$ 207,159

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Exchange-traded Funds - Fixed Income	\$ 38,028	\$ 38,478	\$ (450)
Exchange-traded Funds - Equity	128,735	127,465	1,270
Common Trust Funds - Fixed Income	26,470	26,470	-
Total Investments Sold	\$ 193,233	\$ 192,413	\$ 820



**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Sage Moderate Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Exchange-traded Funds - Fixed Income	\$ 107,505
Exchange-traded Funds - Equity	144,869
Common Trust Funds - Fixed Income	41,907
Total Investments Purchased	\$ 294,281

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Exchange-traded Funds - Fixed Income	\$ 82,321	\$ 83,238	\$ (917)
Exchange-traded Funds - Equity	130,536	129,106	1,430
Common Trust Funds - Fixed Income	42,022	42,022	-
Total Investments Sold	\$ 254,879	\$ 254,366	\$ 513

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Sage Conservative Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Exchange-traded Funds - Fixed Income	\$ 50,483
Exchange-traded Funds - Equity	30,789
Common Trust Funds - Fixed Income	6,081
Total Investments Purchased	\$ 87,353

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Exchange-traded Funds - Fixed Income	\$ 46,854	\$ 47,459	\$ (605)
Exchange-traded Funds - Equity	30,353	30,001	352
Common Trust Funds - Fixed Income	6,362	6,362	-
Total Investments Sold	\$ 83,569	\$ 83,822	\$ (253)

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Sage Core Plus Fixed Income Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Exchange-traded Funds - Fixed Income	\$ 60,809
Exchange-traded Funds - Equity	6,404
Common Trust Funds - Fixed Income	8,042
Total Investments Purchased	\$ 75,255

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Exchange-traded Funds - Fixed Income	\$ 51,203	\$ 51,807	\$ (604)
Exchange-traded Funds - Equity	6,460	6,404	56
Common Trust Funds - Fixed Income	8,406	8,406	-
Total Investments Sold	\$ 66,069	\$ 66,617	\$ (548)

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Sage Target Date 2015 Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Exchange-traded Funds - Fixed Income	\$ 48,909,631
Exchange-traded Funds - Equity	89,587,102
Common Trust Funds - Fixed Income	7,848,823
Total Investments Purchased	\$ 146,345,556

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Exchange-traded Funds - Fixed Income	\$ 56,342,440	\$ 57,028,581	\$ (686,141)
Exchange-traded Funds - Equity	99,803,987	98,602,191	1,201,796
Common Trust Funds - Fixed Income	8,111,310	8,111,310	-
Total Investments Sold	\$ 164,257,737	\$ 163,742,082	\$ 515,655

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Sage Target Date 2025 Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Exchange-traded Funds - Fixed Income	\$ 99,491,568
Exchange-traded Funds - Equity	304,932,925
Common Trust Funds - Fixed Income	19,211,246
Total Investments Purchased	\$ 423,635,739

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Exchange-traded Funds - Fixed Income	\$ 87,315,139	\$ 88,528,000	\$ (1,212,861)
Exchange-traded Funds - Equity	305,258,331	301,316,323	3,942,008
Common Trust Funds - Fixed Income	21,449,017	21,449,017	-
Total Investments Sold	\$ 414,022,487	\$ 411,293,340	\$ 2,729,147

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Sage Target Date 2035 Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Exchange-traded Funds - Fixed Income	\$ 34,298,104
Exchange-traded Funds - Equity	235,904,291
Common Trust Funds - Fixed Income	16,529,490
Total Investments Purchased	\$ 286,731,885

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Exchange-traded Funds - Fixed Income	\$ 28,774,613	\$ 29,170,388	\$ (395,775)
Exchange-traded Funds - Equity	228,634,256	225,894,681	2,739,575
Common Trust Funds - Fixed Income	18,675,446	18,675,446	-
Total Investments Sold	\$ 276,084,315	\$ 273,740,515	\$ 2,343,800

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Sage Target Date 2045 Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Exchange-traded Funds - Fixed Income	\$ 8,593,822
Exchange-traded Funds - Equity	107,152,276
Common Trust Funds - Fixed Income	11,392,993
Total Investments Purchased	\$ 127,139,091

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Exchange-traded Funds - Fixed Income	\$ 6,311,384	\$ 6,394,224	\$ (82,840)
Exchange-traded Funds - Equity	99,106,234	97,942,690	1,163,544
Common Trust Funds - Fixed Income	12,794,983	12,794,983	-
Total Investments Sold	\$ 118,212,601	\$ 117,131,897	\$ 1,080,704

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Sage Target Date 2055 Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Exchange-traded Funds - Fixed Income	\$ 707,353
Exchange-traded Funds - Equity	11,649,528
Common Trust Funds - Fixed Income	2,960,252
Total Investments Purchased	\$ 15,317,133

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Exchange-traded Funds - Fixed Income	\$ 433,585	\$ 437,894	\$ (4,309)
Exchange-traded Funds - Equity	9,522,381	9,419,459	102,922
Common Trust Funds - Fixed Income	3,150,634	3,150,634	-
Total Investments Sold	\$ 13,106,600	\$ 13,007,987	\$ 98,613



**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Sage Target Date Retirement Income Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Exchange-traded Funds - Fixed Income	\$ 17,063,842
Exchange-traded Funds - Equity	27,616,105
Common Trust Funds - Fixed Income	2,272,629
Total Investments Purchased	\$ 46,952,576

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Exchange-traded Funds - Fixed Income	\$ 19,447,926	\$ 19,718,851	\$ (270,925)
Exchange-traded Funds - Equity	29,541,128	29,184,398	356,730
Common Trust Funds - Fixed Income	2,724,641	2,724,641	-
Total Investments Sold	\$ 51,713,695	\$ 51,627,890	\$ 85,805

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Sage Cash Balance Conservative Fund**  
**Period Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Short Term Investment	\$ 23,065
Common Trust Funds - Fixed Income	114
Total Investments Purchased	\$ 23,179

*There were no sales during 2016.*

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Sage Cash Balance Moderate Fund**  
**Period Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Short Term Investment	\$ 199,453
Common Trust Funds - Fixed Income	998
Total Investments Purchased	\$ 200,451

*There were no sales during 2016.*

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Sage Cash Balance Growth Fund**  
**Period Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Short Term Investment	\$ 24,220
Common Trust Funds - Fixed Income	126
Total Investments Purchased	\$ 24,346

*There were no sales during 2016.*