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July 31, 2018

Hand Composite Employee Benefit Trust
HB&T Short Term Income Fund

Dear HB&T Short Term Income Fund Investor,

Hand Benefits & Trust Company has been serving as trustee and manager for the HB&T Short Term Income Fund ("HB&T STIF") since 1971.

In 2013, the office of the Comptroller of Currency (OCC) published a final rule that revised the requirements imposed on Banks sponsoring short term income funds within their collective investment fund offerings. Pursuant to 12 CFR 9.18(b)(4)(ii)(B), the Short-Term Investment Fund rule became effective July 1, 2013.

The OCC's new STIF rules include that STIFs have a primary objective to operate with a stable value of \$1.00 per unit and the STIF maintain a dollar-weighted average maturity of 60 days or less (down from 90 days or less from the previous OCC STIF rule). In addition, the OCC added additional administrative procedures and reporting requirements for monthly reporting to Unit holders of this type of fund.

Based on these rules, Hand Benefits & Trust Company's Investment Review Committee monitors the duration of the portfolio, which currently has a 48-day average maturity. The 07/31/18 valuation is 0.999332 per unit, well within the acceptable range of between \$.9950 per unit value and \$1.00 per unit. During the last 42 years, this fund has maintained the \$1.00 per unit value and we will continue to manage the portfolio to meet these regulatory standards.

In response to the reporting requirements, Hand Benefits & Trust is providing monthly HB&T STIF reports which include the characteristics of the fund on the HB&T Institutional Trust Services section of the BPAS website. The reporting requirements are also included on the fund's fact sheet. For more information regarding our collective investment offerings, go to www.bpas.com/employers/services/hbt/institutionaltrustservices. This report can be located under Collective fund notices.

Your business is appreciated. If you have any questions about the HB&T STIF, please contact Stephen Hand at (713) 744-3826 or at shand@bpas.com

Sincerely,

Stephen S. Hand
President, CIMA

<https://www.bpas.com/employers/services/hbt/institutionaltrustservices/>



HB&T SHORT TERM INCOME FUND

Collective Investment Fund 12 CFR 9.18(a)(2)

CUSIP: 41023R578

CUSIP	Description	Maturity Date	Units	Tax Cost	Market Value	Pct of MV
	CASH			\$.00	\$.00	%
147539845	CASH TRUST MONEY MARKET			\$95,235.00	\$95,235.00	0.26%
94975P405	WELLS FARGO GOVERNMENT MMF-INSTL			\$5,814,848.00	\$5,814,848.00	16.07%
	Commercial Paper / repo Agreements					
13443DKH1	CAMPBELL SOUP CO A2/P2	10/17/2018	2,000,000.00	\$1,987,736.00	\$1,989,602.00	5.50%
30229BH67	EXXON MOBIL CORP A1/P1	08/06/2018	2,000,000.00	\$1,990,394.00	\$1,999,393.00	5.53%
36960MJT1	GENERAL ELECTRIC CO A1/P1	09/27/2018	2,000,000.00	\$1,990,729.00	\$1,993,106.00	5.51%
63873KJR9	NATIXIS NY A1/P1	09/25/2018	2,000,000.00	\$1,988,853.00	\$1,993,140.00	5.51%
65475MJA9	NISSAN MOTOR ACCEPTANCE CORP A1/P1	09/10/2018	2,000,000.00	\$1,985,128.00	\$1,994,876.00	5.51%
89233HJR6	TOYOTA MOTOR CREDIT CORP A1/P1	09/25/2018	2,000,000.00	\$1,989,053.00	\$1,994,094.00	5.51%
	Guaranteed Contracts					
852320423	UNION BOND & TRUST CO STABLE VALUE FUND		5,220,081.11	\$5,220,081.00	\$5,220,081.00	14.43%
	U S Government Obligations					
912828B33	UNITED STATES TREASURY NOTES 1.50%	01/31/2019	2,000,000.00	\$1,995,933.00	\$1,992,820.00	5.51%
912828C24	UNITED STATES TREASURY NOTES 1.50%	02/28/2019	2,000,000.00	\$1,991,465.00	\$1,991,260.00	5.50%
912828N22	UNITED STATES TREASURY NOTES 1.25%	12/15/2018	2,000,000.00	\$1,994,585.00	\$1,993,420.00	5.51%
912828RE2	UNITED STATES TREASURY NOTES 1.50%	08/31/2018	2,000,000.00	\$1,999,686.00	\$1,999,300.00	5.53%
	Common Trust Funds—Fixed Income					
912828PA2	GOLDMAN SACHS STABLE VALUE COLLECTIVE TR IV		5,110,698.79	5,110,699.00	\$5,110,699.00	14.13%
	TOTAL PORTFOLIO			\$36,154,423.00	\$36,181,874.00	100.00%
	SHAREHOLDER UNITS		36,206,070.37			
	MV NAV CALCULATION		0.999332			
	UNIT VALUE		\$1.00			
	WEIGHTED AVERAGE MATURITY		48 days			