



Hand Composite Employee Benefit Trust Directions Funds

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

December 31, 2023



Hand Composite Employee Benefit Trust

December 31, 2023

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Independent Auditor's Report

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

Opinions

We have audited the financial statements of the selected funds, Directions 1 - Conservative, Directions 2 – Moderately Conservative, Directions 3 - Moderate, Directions 4 – Moderately Aggressive, and Directions 5 - Aggressive (five funds), included in the Hand Composite Employee Benefit Trust, which comprise the statements of assets and liabilities, including the schedules of investments, as of December 31, 2023, and the related statements of operations and changes in net assets for the period from June 16, 2023 (inception) to December 31, 2023, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the selected funds, included in the Hand Composite Employee Benefit Trust, as of December 31, 2023, and the results of their operations and the changes in their net assets for the period from June 16, 2023 (inception) to December 31, 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the selected funds' basic financial statements. The schedules of investment purchases and sales listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other

To the Unitholders and Board of Directors
Hand Composite Employee Benefit Trust
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records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

FORVIS, LLP

Houston, Texas
May 31, 2024

Hand Composite Employee Benefit Trust
Statements of Assets and Liabilities – Selected Funds
December 31, 2023

	Directions 1 - Conservative	Directions 2 - Moderately Conservative	Directions 3 - Moderate
Assets			
Investments, at cost	\$ 37,934,238	\$ 45,030,813	\$ 152,331,628
Investments, at fair value	\$ 39,046,082	\$ 46,913,530	\$ 159,236,470
Receivable for capital shares sold	31,302	15,065	41,580
Total assets	<u>\$ 39,077,384</u>	<u>\$ 46,928,595</u>	<u>\$ 159,278,050</u>
Liabilities			
Payable for capital shares redeemed	\$ 77,560	\$ -	\$ -
Accounts payable and accrued liabilities	2,394	2,853	9,994
Total liabilities	<u>\$ 79,954</u>	<u>\$ 2,853</u>	<u>\$ 9,994</u>
Net assets held for participants:			
Class I	<u>\$ 38,997,430</u>	<u>\$ 46,925,742</u>	<u>\$ 159,268,056</u>
Total net assets held for participants	<u>\$ 38,997,430</u>	<u>\$ 46,925,742</u>	<u>\$ 159,268,056</u>
Units outstanding:			
Class I	<u>3,766,672</u>	<u>4,474,673</u>	<u>15,078,988</u>
Total units outstanding	<u>3,766,672</u>	<u>4,474,673</u>	<u>15,078,988</u>
Net asset value per unit:			
Class I	<u>\$ 10.35</u>	<u>\$ 10.49</u>	<u>\$ 10.56</u>

Hand Composite Employee Benefit Trust
Statements of Assets and Liabilities – Selected Funds (Continued)
December 31, 2023

	Directions 4 - Moderately Aggressive	Directions 5 - Aggressive
	<u> </u>	<u> </u>
Assets		
Investments, at cost	\$ 226,159,368	\$ 242,629,487
Investments, at fair value	\$ 237,553,394	\$ 254,968,797
Receivable for capital shares sold	16,581	656
	<u> </u>	<u> </u>
Total assets	<u>\$ 237,569,975</u>	<u>\$ 254,969,453</u>
Liabilities		
Payable for capital shares redeemed	\$ -	\$ -
Accounts payable and accrued liabilities	15,484	16,527
	<u> </u>	<u> </u>
Total liabilities	<u>\$ 15,484</u>	<u>\$ 16,527</u>
Net assets held for participants:		
Class I	\$ 237,554,491	\$ 254,952,926
	<u> </u>	<u> </u>
Total net assets held for participants	<u>\$ 237,554,491</u>	<u>\$ 254,952,926</u>
Units outstanding:		
Class I	22,391,254	23,914,461
	<u> </u>	<u> </u>
Total units outstanding	<u>22,391,254</u>	<u>23,914,461</u>
Net asset value per unit:		
Class I	\$ 10.61	\$ 10.66
	<u> </u>	<u> </u>

Hand Composite Employee Benefit Trust
Schedules of Investments
Directions 1 - Conservative
December 31, 2023

Number of Shares		Cost	Fair Value
<u>Short Term Investments</u>			
2,868,910	State Street Instl US Govt Money Market Fund Premier CL	\$ 2,868,910	\$ 2,868,910
	Total Short Term Investments	7.36% 2,868,910	2,868,910
<u>Common Trust Funds</u>			
<i>Fixed Income</i>			
1,731,232	Retirement Right Stable Value II	17,904,629	18,177,935
251,703	State Street US Bond Sec Lending CL XIV	2,592,419	2,672,332
184,257	State Street US High Yield Bond Index SEC Lending Series CL I	2,146,603	2,300,080
443,335	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index	5,130,357	5,251,307
	Total Fixed Income	72.83% 27,774,008	28,401,654
<i>Equity</i>			
223,463	State Street S&P 500 Index II	4,296,066	4,627,022
174,921	State Street Gbl All Cap Eqty EX-US II	2,247,191	2,327,499
52,240	State Street Russell Sm/mid Cap Indx CL II	748,063	820,997
	Total Equity	19.94% 7,291,320	7,775,518
	Total Common Trust Funds	92.77% 35,065,328	36,177,172
	Total Investments	100.12% \$ 37,934,238	\$ 39,046,082

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Directions 2 – Moderately Conservative
December 31, 2023

Number of Shares		Cost	Fair Value
<u>Short Term Investments</u>			
772,394	State Street Instl US Govt Money Market Fund Premier CL	\$ 772,394	\$ 772,394
	Total Short Term Investments	1.65% 772,394	772,394
<u>Common Trust Funds</u>			
<i>Other</i>			
84,429	State Street Global Real Estate Securities Index SEC Lending CL I	913,614	971,608
	Total Other	2.07% 913,614	971,608
<i>Fixed Income</i>			
1,567,492	Retirement Right Stable Value II	16,201,901	16,458,666
268,161	State Street US Bond Sec Lending CL XIV	2,761,942	2,847,071
189,874	State Street US High Yield Bond Index SEC Lending Series CL I	2,212,245	2,370,199
433,087	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index	5,011,516	5,129,917
	Total Fixed Income	57.12% 26,187,604	26,805,853
<i>Equity</i>			
393,485	State Street S&P 500 Index II	7,566,613	8,147,497
399,165	State Street Gbl All Cap Eqty EX-US II	5,122,812	5,311,289
312,095	State Street Russell Sm/mid Cap Indx CL II	4,467,776	4,904,889
	Total Equity	39.13% 17,157,201	18,363,675
	Total Common Trust Funds	96.26% 44,258,419	46,141,136
	Total Investments	97.90% \$ 45,030,813	\$ 46,913,530

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Directions 3 – Moderate
December 31, 2023

Number of Shares		Cost	Fair Value
<u><i>Short Term Investments</i></u>			
3,489,266	State Street Instl US Govt Money Market Fund Premier CL	\$ 3,489,266	\$ 3,489,266
	Total Short Term Investments	2.19% 3,489,266	3,489,266
<u><i>Common Trust Funds</i></u>			
<i>Other</i>			
313,250	State Street Bloomberg Roll Select Commodity Index Non - Lending Securities CL A	3,107,497	2,984,643
566,447	State Street Global Real Estate Securities Index SEC Lending CL I	6,150,929	6,518,673
	Total Other	5.97% 9,258,426	9,503,316
<u><i>Fixed Income</i></u>			
3,365,865	Retirement Right Stable Value II	34,802,656	35,341,586
606,211	State Street US Bond Sec Lending CL XIV	6,244,166	6,436,144
504,913	State Street US High Yield Bond Index SEC Lending Series CL I	5,890,405	6,302,831
915,823	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index	10,600,121	10,847,920
	Total Fixed Income	37.00% 57,537,348	58,928,481
<u><i>Equity</i></u>			
1,773,812	State Street S&P 500 Index II	34,239,240	36,728,548
2,282,209	State Street Gbl All Cap Eqty EX-US II	29,301,308	30,367,071
1,286,573	State Street Russell Sm/mid Cap Indx CL II	18,506,040	20,219,788
	Total Equity	54.82% 82,046,588	87,315,407
	Total Common Trust Funds	91.82% 148,842,362	155,747,204
	Total Investments	94.01% \$ 152,331,628	\$ 159,236,470

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Directions 4 – Moderately Aggressive
December 31, 2023

Number of Shares		Cost	Fair Value
<u>Short Term Investments</u>			
2,825,642	State Street Instl US Govt Money Market Fund Premier CL	\$ 2,707,642	\$ 2,707,642
	Total Short Term Investments	1.14% <u>2,707,642</u>	<u>2,707,642</u>
<u>Common Trust Funds</u>			
<i>Other</i>			
930,467	State Street Bloomberg Roll Select Commodity Index Non - Lending Securities CL A	9,222,513	8,865,485
1,290,215	State Street Global Real Estate Securities Index SEC Lending CL I	13,972,099	14,847,789
	Total Other	9.98% <u>23,194,612</u>	<u>23,713,274</u>
<u>Fixed Income</u>			
2,824,399	Retirement Right Stable Value II	29,188,797	29,656,191
690,354	State Street US Bond Sec Lending CL XIV	7,110,427	7,329,488
404,646	State Street US High Yield Bond Index SEC Lending Series CL I	4,714,694	5,051,198
981,558	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index	11,363,175	11,626,555
	Total Fixed Income	22.59% <u>52,377,093</u>	<u>53,663,432</u>
<u>Equity</u>			
2,901,103	State Street S&P 500 Index II	55,837,483	60,070,244
4,548,018	State Street Glbl All Cap Eqty EX-US II	58,387,573	60,515,928
2,346,836	State Street Russell Sm/mid Cap Indx CL II	33,654,965	36,882,874
	Total Equity	66.29% <u>147,880,021</u>	<u>157,469,046</u>
	Total Common Trust Funds	88.88% <u>223,451,726</u>	<u>234,845,752</u>
	Total Investments	90.02% <u>\$ 226,159,368</u>	<u>\$ 237,553,394</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Directions 5 – Aggressive
December 31, 2023

Number of Shares		Cost	Fair Value
<u>Short Term Investments</u>			
4,147,237	State Street Instl US Govt Money Market Fund Premier CL	\$ 4,147,237	\$ 4,147,237
	Total Short Term Investments	1.63% 4,147,237	4,147,237
<u>Common Trust Funds</u>			
<i>Other</i>			
1,524,058	State Street Bloomberg Roll Select Commodity Index Non - Lending Securities CL A	15,086,145	14,521,220
1,811,163	State Street Global Real Estate Securities Index SEC Lending CL I	19,693,343	20,842,861
	Total Other	13.87% 34,779,488	35,364,081
<i>Fixed Income</i>			
1,399,139	Retirement Right Stable Value II	14,464,170	14,690,961
422,407	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index	4,889,494	5,003,409
	Total Fixed Income	7.72% 19,353,664	19,694,370
<i>Equity</i>			
3,329,610	State Street S&P 500 Index II	64,313,572	68,942,895
5,800,081	State Street Gbl All Cap Eqty EX-US II	74,538,234	77,175,883
3,158,840	State Street Russell Sm/mid Cap Indx CL II	45,497,292	49,644,331
	Total Equity	76.78% 184,349,098	195,763,109
	Total Common Trust Funds	84.51% 238,482,250	250,821,560
	Total Investments	86.14% \$ 242,629,487	\$ 254,968,797

Hand Composite Employee Benefit Trust
Statements of Operations – Selected Funds
For the Period from June 16, 2023 (Inception) to December 31, 2023

	Directions 1 - Conservative	Directions 2 - Moderately Conservative	Directions 3 - Moderate
Income			
Interest	\$ 17,442	\$ 22,589	\$ 72,845
Total income	<u>17,442</u>	<u>22,589</u>	<u>72,845</u>
Expenses			
Investment management and administrative	6,459	7,805	25,452
Other fees	<u>2,672</u>	<u>2,981</u>	<u>9,900</u>
Total expenses	<u>9,131</u>	<u>10,786</u>	<u>35,352</u>
Net Investment Income	<u>8,311</u>	<u>11,803</u>	<u>37,493</u>
Net Realized and Unrealized Gains on Investments			
Net realized gains	42,335	28,179	76,830
Net change in unrealized appreciation/depreciation	<u>1,111,844</u>	<u>1,882,717</u>	<u>6,904,842</u>
Net realized and unrealized gains on investments	<u>1,154,179</u>	<u>1,910,896</u>	<u>6,981,672</u>
Net Increase in Net Assets Resulting From Operations	<u>\$ 1,162,490</u>	<u>\$ 1,922,699</u>	<u>\$ 7,019,165</u>

Hand Composite Employee Benefit Trust
Statements of Operations – Selected Funds (Continued)
For the Period from June 16, 2023 (Inception) to December 31, 2023

	Directions 4 - Moderately Aggressive	Directions 5 - Aggressive
Income		
Interest	\$ 101,924	\$ 99,327
Total income	101,924	99,327
Expenses		
Investment management and administrative	39,145	39,990
Other fees	17,462	18,552
Total expenses	56,607	58,542
Net Investment Income	45,317	40,785
Net Realized and Unrealized Gains on Investments		
Net realized gains on investments	85,741	167,148
Net change in unrealized appreciation/depreciation	11,394,026	12,339,310
Net realized and unrealized gains	11,479,767	12,506,458
Net Increase in Net Assets Resulting From Operations	\$ 11,525,084	\$ 12,547,243

Hand Composite Employee Benefit Trust
Statements of Changes in Net Assets – Selected Funds
For the Period from June 16, 2023 (Inception) to December 31, 2023

	Directions 1 - Conservative	Directions 2 - Moderately Conservative	Directions 3 - Moderate
Operations			
Net investment income	\$ 8,311	\$ 11,803	\$ 37,493
Net realized gains	42,335	28,179	76,830
Change in unrealized appreciation/depreciation	1,111,844	1,882,717	6,904,842
Net increase in net assets from operations	1,162,490	1,922,699	7,019,165
Net Increase in Net Assets From Participant Transactions	37,834,940	45,003,043	152,248,891
Increase in Net Assets	38,997,430	46,925,742	159,268,056
Net Assets			
Beginning of period	-	-	-
End of period	\$ 38,997,430	\$ 46,925,742	\$ 159,268,056

Hand Composite Employee Benefit Trust
Statements of Changes in Net Assets – Selected Funds (Continued)
For the Period from June 16, 2023 (Inception) to December 31, 2023

	Directions 4 - Moderately Aggressive	Directions 5 - Aggressive
Operations		
Net investment income	\$ 45,317	\$ 40,785
Net realized gains	85,741	167,148
Change in unrealized appreciation/depreciation	11,394,026	12,339,310
Net increase in net assets from operations	11,525,084	12,547,243
Net Increase in Net Assets From Participant Transactions	226,029,407	242,405,683
Increase in Net Assets	237,554,491	254,952,926
Net Assets		
Beginning of period	-	-
End of period	\$ 237,554,491	\$ 254,952,926

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2023

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

Nature of Operations

Hand Composite Employee Benefit Trust ("HB&T" or "the Trust") was created in order to provide broad and uniform diversification programs for pension and profit-sharing plans which, having complied with the requirements of the Internal Revenue Code (the IRC), are exempt from taxation under the provisions of the IRC. The Trust is comprised of 76 portfolios (the Funds); the financial statements of five of those funds are included in this report.

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

The Directions Funds had an inception date of June 16, 2023.

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, 2023

Valuation of Participants' Interest

Units of participation may be purchased or redeemed on the valuation dates at the fair value per unit on such valuation dates. The 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 May 31, 2024, which is the date the financial statements were available to be issued.

Investment Management Advisor

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

Note 2: Investment Advisory Fees and Other Transactions with Affiliates

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

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

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

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2023

Note 3: Financial Highlights

	Class I				
	Directions 1 - Conservative*	Directions 2 - Moderately Conservative*	Directions 3 - Moderate*	Directions 4 - Moderately Aggressive*	Directions 5 - Aggressive*
Net asset value, beginning of the period	\$ 10.000	\$ 10.000	\$ 10.000	\$ 10.000	\$ 10.000
Net investment income	0.002	0.003	0.003	0.002	0.002
Net realized and unrealized gains	0.351	0.484	0.562	0.607	0.661
Net increase from investment operations	0.353	0.487	0.565	0.609	0.663
Net asset value, end of the period	10.353	10.487	10.565	10.609	10.663
Total return*	3.530%	4.870%	5.650%	6.090%	6.610%
Ratio to average net assets:					
Net investment income**	0.043%	0.051%	0.049%	0.039%	0.034%
Expenses**	0.047%	0.046%	0.046%	0.048%	0.048%

*For the period June 16, 2023 to December 31, 2023

**Annualized

Note 4: Participant Unit Transactions

	Directions 1 - Conservative		Directions 2 - Moderately Conservative		Directions 3 - Moderate	
	Units	Dollars	Units	Dollars	Units	Dollars
Class I:						
Proceeds from sales of units	6,787,064	\$ 67,993,767	7,569,027	\$ 75,791,239	23,604,611	\$ 236,845,660
Cost of units redeemed	(3,020,393)	(30,158,827)	(3,094,355)	(30,788,196)	(8,525,625)	(84,596,769)
Net change in Class I from participant transactions	<u>3,766,671</u>	<u>37,834,940</u>	<u>4,474,672</u>	<u>45,003,043</u>	<u>15,078,986</u>	<u>152,248,891</u>
Net change in net assets from participant transactions		<u>\$ 37,834,940</u>		<u>\$ 45,003,043</u>		<u>\$ 152,248,891</u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2023

	Directions 4 - Moderately Aggressive		Directions 5 - Aggressive	
	Units	Dollars	Units	Dollars
Class I:				
Proceeds from sales of units	36,933,143	\$ 369,809,745	35,566,861	\$ 357,342,176
Cost of units redeemed	(14,541,890)	(143,780,338)	(11,652,401)	(114,936,493)
Net change in Class I from participant transactions	<u>22,391,253</u>	<u>226,029,407</u>	<u>23,914,460</u>	<u>242,405,683</u>
Net change in total net assets from participant transactions		<u>\$ 226,029,407</u>		<u>\$ 242,405,683</u>

Note 5: Disclosures About Fair Value of Financial Instruments

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

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

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of assets and liabilities, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the period ended December 31, 2023.

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

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, 2023.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2023

	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Inputs (Level 3)
Directions 1 - Conservative				
Short Term Investment	\$ 2,868,910	\$ 2,868,910	\$ -	\$ -
Common Trust Fund - Fixed Income (A)	28,401,654			
Common Trust Fund - Equity (A)	7,775,518			
Total	\$ 39,046,082			
Directions 2 - Moderately Conservative				
Short Term Investment	\$ 772,394	\$ 772,394	\$ -	\$ -
Common Trust Fund - Other (A)	971,608			
Common Trust Fund - Fixed Income (A)	26,805,853			
Common Trust Fund - Equity (A)	18,363,675			
Total	\$ 46,913,530			
Directions 3 - Moderate				
Short Term Investment	\$ 3,489,266	\$ 3,489,266	\$ -	\$ -
Common Trust Fund - Other (A)	9,503,316			
Common Trust Fund - Fixed Income (A)	58,928,481			
Common Trust Fund - Equity (A)	87,315,407			
Total	\$ 159,236,470			
Directions 4 - Moderately Aggressive				
Short Term Investment	\$ 2,707,642	\$ 2,707,642	\$ -	\$ -
Common Trust Fund - Other (A)	23,713,274			
Common Trust Fund - Fixed Income (A)	53,663,432			
Common Trust Fund - Equity (A)	157,469,046			
Total	\$ 237,553,394			
Directions 5 - Aggressive				
Short Term Investment	\$ 4,147,237	\$ 4,147,237	\$ -	\$ -
Common Trust Fund - Other (A)	35,364,081			
Common Trust Fund - Fixed Income (A)	19,694,370			
Common Trust Fund - Equity (A)	195,763,109			
Total	\$ 254,968,797			

(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, 2023

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
Directions 1 - Conservative
For the Period from June 16, 2023 (Inception) to December 31, 2023

Purchases

Investment Class	Cost
Common Trust Funds - Fixed Income	\$ 31,858,603
Common Trust Funds - Equity	<u>7,753,227</u>
Total Investments Purchased	<u><u>\$ 39,611,830</u></u>

Sales

Investment Class	Proceeds	Cost	Gains
Common Trust Funds - Fixed Income	\$ 4,118,871	\$ 4,084,594	\$ 34,277
Common Trust Funds - Equity	<u>469,966</u>	<u>461,908</u>	<u>8,058</u>
Total Investments Sold	<u><u>\$ 4,588,837</u></u>	<u><u>\$ 4,546,502</u></u>	<u><u>\$ 42,335</u></u>

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Directions 2 – Moderately Conservative
For the Period from June 16, 2023 (Inception) to December 31, 2023

Purchases

Investment Class	Cost
Common Trust Funds - Fixed Income	\$ 27,212,769
Common Trust Funds - Equity	17,635,511
Common Trust Funds - Other	913,615
	<hr/>
Total Investments Purchased	<u>\$ 45,761,895</u>

Sales

Investment Class	Proceeds	Cost	Gains
Common Trust Funds - Fixed Income	\$ 1,037,991	\$ 1,025,166	\$ 12,825
Common Trust Funds - Equity	493,664	478,310	15,354
	<hr/>	<hr/>	<hr/>
Total Investments Sold	<u>\$ 1,531,655</u>	<u>\$ 1,503,476</u>	<u>\$ 28,179</u>

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Directions 3 – Moderate
For the Period from June 16, 2023 (Inception) to December 31, 2023

Purchases

Investment Class	Cost
Common Trust Funds - Fixed Income	\$ 59,948,307
Common Trust Funds - Equity	84,670,300
Common Trust Funds - Other	<u>9,258,432</u>
 Total Investments Purchased	 <u><u>\$ 153,877,039</u></u>

Sales

Investment Class	Proceeds	Cost	Gains
Common Trust Funds - Fixed Income	\$ 2,432,502	\$ 2,410,959	\$ 21,543
Common Trust Funds - Equity	2,678,999	2,623,712	55,287
Common Trust Funds - Other	<u>6</u>	<u>6</u>	<u>-</u>
 Total Investments Sold	 <u><u>\$ 5,111,507</u></u>	 <u><u>\$ 5,034,677</u></u>	 <u><u>\$ 76,830</u></u>

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Directions 4 – Moderately Aggressive
For the Period from June 16, 2023 (Inception) to December 31, 2023

Purchases

Investment Class	Cost
Common Trust Funds - Fixed Income	\$ 54,827,455
Common Trust Funds - Equity	153,549,692
Common Trust Funds - Other	<u>23,400,779</u>
 Total Investments Purchased	 <u><u>\$ 231,777,926</u></u>

Sales

Investment Class	Proceeds	Cost	Gains
Common Trust Funds - Fixed Income	\$ 2,461,003	\$ 2,450,363	\$ 10,640
Common Trust Funds - Equity	5,742,096	5,669,672	72,424
Common Trust Funds - Other	<u>208,843</u>	<u>206,166</u>	<u>2,677</u>
 Total Investments Sold	 <u><u>\$ 8,411,942</u></u>	 <u><u>\$ 8,326,201</u></u>	 <u><u>\$ 85,741</u></u>

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Directions 5 – Aggressive
For the Period from June 16, 2023 (Inception) to December 31, 2023

Purchases

Investment Class	Cost
Common Trust Funds - Fixed Income	\$ 19,944,140
Common Trust Funds - Equity	189,801,772
Common Trust Funds - Other	<u>35,958,016</u>
 Total Investments Purchased	 <u><u>\$ 245,703,928</u></u>

Sales

Investment Class	Proceeds	Cost	Gains
Common Trust Funds - Fixed Income	\$ 599,136	\$ 590,476	\$ 8,660
Common Trust Funds - Equity	5,595,857	5,452,676	143,181
Common Trust Funds - Other	<u>1,193,833</u>	<u>1,178,526</u>	<u>15,307</u>
 Total Investments Sold	 <u><u>\$ 7,388,826</u></u>	 <u><u>\$ 7,221,678</u></u>	 <u><u>\$ 167,148</u></u>