

**Hand Composite Employee Benefit Trust
Royce Opportunity Collective Trust Fund**
Independent Auditor's Report and Financial Statements
December 31, 2019



Hand Composite Employee Benefit Trust
December 31, 2019

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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 Royce Opportunity Collective Trust Fund ("Fund") included in the Hand Composite Employee Benefit Trust ("Trust" or "Funds"), which statements comprise the statement of assets and liabilities, including the schedule of investments, as of December 31, 2019, and the related statements of operations and changes in net assets for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 the Royce Opportunity Collective Trust Fund, included in the Hand Composite Employee Benefit Trust, as of December 31, 2019, and the related statements of operations and changes in net assets for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of investment purchases and sales listed in the table of contents is presented for purposes of additional analysis and is not a required part of the 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 audit 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 29, 2020

Hand Composite Employee Benefit Trust
Statement of Assets and Liabilities – Selected Fund
December 31, 2019

	Royce Opportunity Collective Trust Fund
Assets	
Investments, at cost	\$ 234,082,226
Investments, at fair value	\$ 270,081,216
Receivable for:	
Investment securities sold	1,348,416
Capital shares sold	25,863
Dividends and interest	88,288
Investment advisor	15,622
Total assets	\$ 271,559,405
 Liabilities	
Payable for investment securities purchased	\$ 794,838
Payable for capital shares redeemed	41,868
Accounts payable and accrued liabilities	208,508
Total liabilities	\$ 1,045,214
 Net assets held for participants:	
Class R – INSTL	\$ 258,121,421
Class R – LM	12,392,770
Total net assets held for participants	\$ 270,514,191
 Units outstanding:	
Class R – INSTL	25,512,788
Class R – LM	1,173,534
Total units outstanding	26,686,322
 Net asset value per unit:	
Class R – INSTL	\$ 10.12
Class R – LM	\$ 10.56

Hand Composite Employee Benefit Trust
Schedule of Investments
Royce Opportunity Collective Trust Fund
Year Ended December 31, 2019

Number of Shares	Cost	Fair Value
<u>Short Term Investment</u>		
9,972,700 Dreyfus Treasury & Agency and Cash Mg	\$ 9,972,700	\$ 9,972,700
Total Short Term Investment	3.69% 9,972,700	9,972,700
<u>Common Stock</u>		
<i>Consumer Discretionary</i>		
104,137 Aspen Aerogels Inc	456,341	808,103
122,491 Beazer Homes USA Inc	1,395,130	1,730,798
237,220 Carrols Restaurant Group Inc	1,809,782	1,672,401
72,700 Century Casinos Inc	584,138	575,784
10,017 Century Communities Inc	276,310	273,965
103,689 Commercial Vehicle Group Inc	656,438	658,425
91,266 Comscore Inc	479,524	450,854
83,131 Conn's Inc	1,532,729	1,029,993
22,537 Cooper Tire & Rubber Co	652,206	647,939
15,700 Eastside Distilling Inc	67,725	46,315
52,046 El Pollo Loco Holdings Inc	587,625	787,976
45,221 Eventbrite Inc	752,713	912,108
24,238 Everquote Inc	141,464	832,575
41,921 Freightcar America Inc	472,792	86,776
34,639 Haynes International Inc	731,034	1,239,383
243,337 Horizon Global Corp	644,653	849,246
28,541 Interface Inc	396,257	473,495
15,859 Jerash Holdings Us Inc	100,954	92,934
28,700 Kura Sushi Usa Inc	440,573	730,415
19,331 Leaf Group Ltd	85,434	77,324
11,428 LGI Homes Inc	675,049	807,388
77,347 Libbey Inc	372,794	112,153
268,882 Limelight Networks Inc	896,424	1,097,039
30,368 Liqtech International Inc	161,992	177,653
156,576 Lumber Liquidators Holdings In	1,779,370	1,529,748
67,676 Lydall Inc	1,510,440	1,388,712
27,052 M/I Homes Inc	754,427	1,064,496
69,996 Manitex International Inc	455,331	416,476

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Royce Opportunity Collective Trust Fund (Continued)
Year Ended December 31, 2019

Number of Shares		Cost	Fair Value
<i>Consumer Discretionary (Continued)</i>			
22,682	MDC Holdings Inc	\$ 636,056	\$ 865,545
16,214	Meritor Inc	285,523	424,645
130,249	Modine Manufacturing Co	1,443,805	1,002,917
68,091	New Home Co Inc/the	372,249	317,304
37,300	Noodles & Co	219,904	206,642
64,378	PC-Tel Inc	465,358	545,282
155,100	Pitney Bowes Inc	997,614	625,053
20,228	Quanex Building Products Corp	358,811	345,494
124,053	RTW Retailwinds Inc	526,528	99,366
135,951	Rubicon Project Inc/the	376,074	1,109,360
21,400	Scientific Games Corp	441,908	573,092
98,882	Spartan Motors Inc	689,967	1,787,787
239,302	Stage Stores Inc	417,884	1,943,132
205,598	Telaria Inc	610,676	1,811,318
49,366	Tri Pointe Group Inc	641,231	769,122
47,700	Trinity Industries Inc	1,020,251	1,056,555
56,499	Tuesday Morning Corp	164,254	104,523
51,528	Unifi Inc	1,035,276	1,301,597
16,837	Vince Holding Corp	155,433	291,448
105,694	Vox International Corp	346,989	462,940
18,905	Wabash National Corp	270,951	277,714
10,783	Wesco Aircraft Holdings Inc	112,486	118,829
44,667	William Lyon Homes	849,131	892,447
5,400	Zumiez Inc	134,547	186,516
	Total Consumer Discretionary	13.95% <u>31,442,555</u>	<u>37,689,102</u>
<i>Consumer Staples</i>			
21,300	MGP Ingredients Inc	1,022,170	1,031,985
73,312	Reed's Inc	243,763	66,714
45,398	Tejon Ranch Co	892,025	725,460
	Total Consumer Staples	0.68% <u>2,157,958</u>	<u>1,824,159</u>
<i>Energy</i>			
117,800	Archrock Inc	1,146,140	1,182,712
33,034	Bonanza Creek Energy Inc	924,703	771,014
20,654	Centennial Resource Developmen	91,891	95,421

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Royce Opportunity Collective Trust Fund (Continued)
Year Ended December 31, 2019

Number of Shares		Cost	Fair Value
<i>Energy (Continued)</i>			
25,800	DMC Global Inc	\$ 1,061,499	\$ 1,159,452
17,400	Earthstone Energy Inc	102,652	110,142
20,200	Highpoint Resources Corp	35,669	34,138
225,643	Independence Contract Drilling	691,710	224,921
71,065	KLX Energy Services Holdings I	1,494,653	457,659
119,879	Matador Resources Co	2,213,848	2,154,226
78,595	Montage Resources Corp	358,483	624,044
237,932	Newpark Resources Inc	1,279,186	1,491,834
65,515	Patterson-uti Energy Inc	969,589	687,908
81,137	Ranger Energy Services Inc	601,335	522,522
45,005	Talos Energy Inc	1,292,797	1,356,901
147,800	Tetra Technologies Inc	267,740	289,688
84,768	Trecora Resources	775,664	606,091
138,983	US Silica Holdings Inc	1,931,096	854,745
7,421	Whiting Petroleum Corp	46,599	54,470
	Total Energy	4.69% <u>15,285,254</u>	<u>12,677,888</u>
<i>Financials</i>			
55,800	Air Lease Corp	2,104,308	2,651,616
16,000	Allegiance Bancshares Inc	580,969	601,600
14,348	Axos Financial Inc	400,630	434,457
62,738	B. Riley Financial Inc	1,133,085	1,579,743
67,487	Centerstate Bank Corp	1,078,574	1,685,825
19,500	Evercore Inc	1,522,650	1,457,820
52,700	First Foundation Inc	930,077	916,980
41,165	Franklin Financial Network Inc	1,379,697	1,413,194
20,300	Gain Capital Holdings Inc	99,203	80,185
28,354	Hci Group Inc	1,061,273	1,294,360
128,111	Heritage Insurance Holdings In	1,732,607	1,697,471
89,601	Hilltop Holdings Inc	2,051,710	2,233,753
28,866	Independent Bank Group Inc	1,523,074	1,600,331
77,576	MBIA Inc	601,948	721,457
31,013	MGIC Investment Corp	335,888	439,454
20,177	NMI Holdings Inc	580,457	669,473
63,702	Radian Group Inc	954,600	1,602,742
36,000	Seacoast Banking Corp Of Flori	989,612	1,100,520
33,525	Southern National Bancorp Of V	395,728	548,134

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Royce Opportunity Collective Trust Fund (Continued)
Year Ended December 31, 2019

Number of Shares		Cost	Fair Value
<i>Financials (Continued)</i>			
44,200	Stewart Information Services C	\$ 1,661,580	\$ 1,802,918
13,700	Texas Capital Bancshares Inc	834,737	777,749
31,400	Tristate Capital Holdings Inc	717,941	820,168
12,618	Umpqua Holdings Corp	232,392	223,339
36,082	Walker & Dunlop Inc	1,916,933	2,333,784
	Total Financials	10.62% <u>24,819,673</u>	<u>28,687,073</u>
<i>Healthcare</i>			
263,998	Accuray Inc	997,144	744,474
80,200	Alphatec Holdings Inc	277,460	569,019
67,120	Angiodynamics Inc	832,847	1,074,591
40,600	Biotelemetry Inc	1,767,105	1,879,780
60,509	Caredx Inc	1,436,314	1,305,179
44,698	Chembio Diagnostics Inc	243,142	203,823
6,600	Conformis Inc	13,274	9,900
275,289	Invacare Corp	2,745,852	2,483,107
15,400	Merit Medical Systems Inc	453,052	480,788
30,900	Orthofix Medical Inc	1,380,120	1,426,962
39,865	RA Medical Systems Inc	124,810	45,047
139,571	RTI Surgical Holdings Inc	499,064	382,425
94,700	SmileDirectClub Inc	945,814	827,678
53,455	Varex Imaging Corp	1,530,657	1,593,494
214,559	AAC Holdings Inc	1,028,482	115,840
61,021	Acadia Healthcare Co Inc	1,928,978	2,027,118
1,100	Addus Homecare Corp	87,450	106,942
9,525	Brookdale Senior Living Inc	86,223	69,247
423,986	Community Health Systems Inc	1,372,561	1,229,559
3,980	Fulgent Genetics Inc	24,716	51,342
49,796	Radnet Inc	638,774	1,010,859
57,700	Select Medical Holdings Corp	962,275	1,346,718
190,037	Surgery Partners Inc	1,729,229	2,975,029
21,600	Amag Pharmaceuticals Inc	279,563	262,872
42,418	Emergent Biosolutions Inc	1,968,456	2,288,451
45,900	Flexion Therapeutics Inc	534,704	950,130
383,709	Option Care Health Inc	986,725	1,431,235
285,530	Owens & Minor Inc	2,356,037	1,476,190
	Total Healthcare	10.50% <u>27,230,828</u>	<u>28,367,799</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Royce Opportunity Collective Trust Fund (Continued)
Year Ended December 31, 2019

Number of Shares		Cost	Fair Value
<i>Industrials</i>			
48,440	Aegion Corp	\$ 699,837	\$ 1,083,603
47,866	Arcosa Inc	1,480,837	2,132,430
35,556	Astec Industries Inc	1,458,537	1,493,352
52,500	Astronics Corp	1,579,485	1,467,375
21,614	Atlas Air Worldwide Holdings I	643,761	595,898
106,672	Bloom Energy Corp	978,419	796,840
16,867	Concrete Pumping Holdings Inc	82,798	92,262
54,822	Construction Partners Inc	743,636	924,847
33,700	Corelogic Inc/united States	1,284,085	1,473,027
201,965	Cross Country Healthcare Inc	1,982,965	2,346,833
33,800	Frontdoor Inc	1,006,262	1,602,796
50,367	General Finance Corp	424,593	557,563
59,624	GP Strategies Corp	833,666	788,826
19,984	Great Lakes Dredge & Dock Corp	67,833	226,419
24,409	Hawaiian Holdings Inc	721,600	714,938
51,286	Herc Holdings Inc	2,162,495	2,509,937
143,735	Hertz Global Holdings Inc	1,921,513	2,263,826
20,536	Hurco Cos Inc	298,763	787,761
28,059	Hyster-yale Materials Handling	1,523,619	1,654,359
173,347	Intevac Inc	884,936	1,223,830
12,130	Kratos Defense & Security Solu	147,939	218,461
67,294	Mesa Air Group Inc	546,565	601,608
84,297	Mistras Group Inc	1,199,401	1,202,918
95,284	Mueller Water Products Inc	638,219	1,141,502
92,720	NN Inc	1,025,352	857,660
38,561	Perceptron Inc	277,889	212,086
52,891	PH Glatfelter Co	740,446	967,905
35,462	Power Solutions International	315,089	280,150
49,700	Primoris Services Corp	1,021,832	1,105,328
49,957	Pure Cycle Corp	208,820	628,959
174,710	R1 RCM Inc	1,733,000	2,267,736
58,520	Team Inc	852,758	934,564
44,299	Triumph Group Inc	901,792	1,119,436
	Total Industrials	13.43% <u>30,388,742</u>	<u>36,275,035</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Royce Opportunity Collective Trust Fund (Continued)
Year Ended December 31, 2019

Number of Shares		Cost	Fair Value
<i>Information Technology</i>			
49,438	3D Systems Corp	\$ 527,778	\$ 432,583
26,800	Advanced Energy Industries Inc	1,425,388	1,908,160
71,432	Allscripts Healthcare Solution	824,960	701,105
109,103	Amkor Technology Inc	918,886	1,418,339
77,282	Amtech Systems Inc	515,566	553,339
28,800	Applied Optoelectronics Inc	339,386	342,144
85,808	Asure Software Inc	584,507	701,909
158,383	Avaya Holdings Corp	2,604,544	2,138,171
240,960	Avid Technology Inc	1,346,813	2,067,437
12,323	Axcelis Technologies Inc	231,037	296,923
121,402	AXT Inc	582,940	528,099
21,844	Brooks Automation Inc	719,048	916,574
276,255	Castlight Health Inc	826,774	367,419
69,100	Cloudera Inc	513,674	803,633
68,225	Cohu Inc	968,031	1,558,941
55,289	Comtech Telecommunications Cor	816,855	1,962,207
90,841	Digi International Inc	1,227,981	1,609,703
45,100	Ebix Inc	1,640,185	1,506,791
29,935	Emcore Corp	147,883	91,002
67,400	Evolent Health Inc	517,272	609,970
81,995	Formfactor Inc	818,348	2,129,410
121,003	Identiv Inc	301,768	682,457
72,510	II-VI Inc	2,164,385	2,441,412
82,884	Intricon Corp	1,617,153	1,491,912
102,241	Kemet Corp	1,826,826	2,765,619
76,028	Kulicke & Soffa Industries Inc	894,592	2,067,962
106,532	Macom Technology Solutions Hol	2,017,680	2,833,751
32,700	NCR Corp	885,898	1,149,732
76,982	Onto Innovation Inc	2,281,931	2,812,922
70,700	Perspecta Inc	1,579,253	1,869,308
74,176	Secureworks Corp	895,681	1,235,772
22,514	Tabula Rasa Healthcare Inc	1,063,968	1,095,982
28,200	Turtle Beach Corp	281,455	266,490
98,990	Ultra Clean Holdings Inc	1,309,521	2,323,295
99,009	Veeco Instruments Inc	1,270,317	1,453,947
70,677	Vishay Intertechnology Inc	872,653	1,504,713
	Total Information Technology	18.01% <u>37,360,937</u>	<u>48,639,133</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Royce Opportunity Collective Trust Fund (Continued)
Year Ended December 31, 2019

Number of Shares		Cost	Fair Value
<i>Materials</i>			
23,783	Allegheny Technologies Inc	\$ 551,153	\$ 491,357
30,200	American Vanguard Corp	458,572	587,994
11,849	American Woodmark Corp	922,348	1,238,339
15,399	Builders Firstsource Inc	229,213	391,289
11,826	Carpenter Technology Corp	508,998	588,698
178,200	Century Aluminum Co	1,329,190	1,339,173
207,548	Cleveland-cliffs Inc	1,555,123	1,743,403
56,452	Commercial Metals Co	941,326	1,257,186
66,627	Ferro Corp	571,595	988,078
350,100	Ferroglobe Plc	599,903	329,094
242,082	Forterra Inc	1,261,766	2,798,468
67,038	Griffon Corp	955,137	1,362,883
53,365	Huntsman Corp	1,162,353	1,289,298
264,500	Intrepid Potash Inc	993,925	716,795
84,729	Kraton Corp	2,579,634	2,145,338
61,700	Livent Corp	490,798	527,535
116,062	LSI Industries Inc	542,257	702,175
105,569	Noranda Aluminum Holding Corp	3,626	380
74,160	Northwest Pipe Co	1,209,706	2,470,270
60,616	Olin Corp	1,237,275	1,045,626
15,098	Park-Ohio Holdings Corp	535,649	508,048
65,627	PGT Innovations Inc	695,246	978,499
20,656	Rayonier Advanced Materials In	59,618	79,319
35,397	Shiloh Industries Inc	139,095	126,013
104,577	Synalloy Corp	1,207,259	1,350,089
40,410	Timkensteel Corp	479,490	317,623
38,773	Trimas Corp	871,075	1,217,860
64,438	Universal Stainless & Alloy Pr	1,111,780	960,126
35,147	US Concrete Inc	1,632,771	1,464,224
	Total Materials	10.74% <u>24,835,881</u>	<u>29,015,180</u>
<i>Real Estate</i>			
66,985	Armada Hoffler Properties Inc	1,153,052	1,229,175
56,600	Catchmark Timber Trust Inc	527,469	649,202
89,200	Realogy Holdings Corp	925,226	863,456
	Total Real Estate	1.02% <u>2,605,747</u>	<u>2,741,833</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Royce Opportunity Collective Trust Fund (Continued)
Year Ended December 31, 2019

Number of Shares		Cost	Fair Value
<i>Telecommunication Services</i>			
219,470	A10 Networks Inc	\$ 1,236,921	\$ 1,507,759
12,744	Aviat Networks Inc	99,347	179,053
132,308	Calamp Corp	1,412,652	1,267,511
19,544	Ciena Corp	656,273	834,333
20,800	Commscope Holding Co Inc	265,254	295,152
28,700	Dasan Zhone Solutions Inc	233,568	254,282
62,100	Extreme Networks Inc	436,305	457,677
95,042	Frequency Electronics Inc	948,082	970,379
176,600	Infinera Corp	826,274	1,402,204
28,045	Iridium Communications Inc	271,184	691,029
72,941	Ooma Inc	775,902	965,009
135,030	Ribbon Communications Inc	774,656	418,593
	Total Telecommunication Services	3.42% <u>7,936,418</u>	<u>9,242,981</u>
<i>Utilities</i>			
117,300	Ameresco Inc	1,735,879	2,052,750
24,688	Generac Holdings Inc	1,496,733	2,483,366
43,073	Insteel Industries Inc	809,263	925,639
	Total Utilities	2.02% <u>4,041,875</u>	<u>5,461,755</u>
	Total Common Stock	89.08% <u>208,105,868</u>	<u>240,621,938</u>
<u><i>Foreign Stock</i></u>			
<i>Consumer Discretionary</i>			
23,730	Fabrinet	1,156,110	1,538,653
91,496	Playa Hotels & Resorts Nv	724,410	768,566
688,050	Westport Fuel Systems Inc	1,192,513	1,630,679
	Total Consumer Discretionary	1.46% <u>3,073,033</u>	<u>3,937,898</u>
<i>Consumer Staples</i>			
135,988	Sunopta Inc	688,709	339,970
	Total Consumer Staples	0.13% <u>688,709</u>	<u>339,970</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Royce Opportunity Collective Trust Fund (Continued)
Year Ended December 31, 2019

Number of Shares		Cost	Fair Value
<i>Energy</i>			
275,600	Baytex Energy Corp	\$ 448,974	\$ 399,620
112,700	Nabors Industries Ltd	307,888	324,576
	Total Energy	0.27% <u>756,862</u>	<u>724,196</u>
<i>Industrials</i>			
116,710	Ardmore Shipping Corp	859,003	1,056,226
184,798	Dorian LPG Ltd	1,213,981	2,860,673
104,433	Eagle Bulk Shipping Inc	497,894	480,392
61,796	GasLog Ltd	1,070,198	604,983
44,696	GasLog Partners LP	857,402	699,045
28,748	Ichor Holdings Ltd	580,168	956,446
135,139	Navigator Holdings Ltd	1,572,188	1,820,322
100,107	Scorpio Bulkers Inc	384,581	637,682
8,081	Scorpio Tankers Inc	294,341	317,907
87641	Teekay Lng Partners LP	1,325,572	1,363,694
	Total Industrials	4.00% <u>8,655,328</u>	<u>10,797,370</u>
<i>Information Technology</i>			
227,964	Alpha & Omega Semiconductor Lt	2,263,644	3,104,870
14,436	Stratasys Ltd	282,899	291,968
	Total Information Technology	1.26% <u>2,546,543</u>	<u>3,396,838</u>
	Total Foreign Stock	7.12% <u>15,720,475</u>	<u>19,196,272</u>
<i>Limited Partnership</i>			
<i>Public Equity</i>			
14,857	Fortress Transportation & Infr	283,183	290,306
	Total Public Equity	0.11% <u>283,183</u>	<u>290,306</u>
	Total Limited Partnership	0.11% <u>283,183</u>	<u>290,306</u>
	Total Investments	100.00% <u>\$ 234,082,226</u>	<u>\$ 270,081,216</u>

Hand Composite Employee Benefit Trust
Statement of Operations – Selected Fund
Year Ended December 31, 2019

	Royce Opportunity Collective Trust Fund
Income	
Interest	\$ 377,446
Dividends	1,618,548
Total income	1,995,994
Expenses	
Investment management and administrative	2,090,279
Custody fees	182,894
Audit	7,500
Total expenses before reimbursement of fees	2,280,673
Reimbursement of fees	(158,081)
Net expenses	2,122,592
Net Investment Loss	(126,598)
Net Realized and Unrealized Gains on Investments	
Net realized gains	26,087,687
Net change in unrealized appreciation	35,420,412
Net realized and unrealized gains on investments	61,508,099
Net Increase in Net Assets Resulting From Operations	\$ 61,381,501

Hand Composite Employee Benefit Trust
Statement of Changes in Net Assets – Selected Fund
Year Ended December 31, 2019

	Royce Opportunity Collective Trust Fund
Operations	
Net investment loss	\$ (126,598)
Net realized gains	26,087,687
Change in unrealized appreciation	<u>35,420,412</u>
Net increase in net assets from operations	61,381,501
Net Decrease in Net Assets From Participant Transactions	<u>(16,634,347)</u>
Increase in Net Assets Held for Participants	44,747,154
Net Assets Held for Participants	
Beginning of period	<u>225,767,037</u>
End of period	<u><u>\$ 270,514,191</u></u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2019

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

Nature of Operations

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

Each class of the Fund 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 and foreign currency are allocated to each class of units based on its relative net assets.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of investment income and expenses during the reporting period. Actual results could differ from those estimates.

Investment Valuation

All investments in securities are recorded at their estimated fair value. Transfers in and out of Level 1 (quoted market prices), Level 2 (significant other observable inputs) and Level 3 (significant unobservable inputs) are recognized on the period-ending date.

Investment Transactions

Investment transactions are accounted for on trade date. Realized gains and losses from investment transactions and unrealized appreciation or depreciation of investments are reported on the identified cost basis.

Investment Income and Distribution of Income

Dividend income less foreign taxes withheld, if any, is recorded on the ex-dividend date and interest income is recorded on the accrual basis. Investment income is allocated ratably on the valuation dates among all participants. No distributions are made to participants in the Fund until units owned are redeemed, at which time the market value of redeemed units is distributed. Investment income and realized gains (if any) earned by the Fund are reinvested, thereby increasing the respective unit values.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2019

Valuation of Participants' Interest

Units of participation may be purchased or redeemed on the valuation dates at the fair value per unit on such valuation dates. The Fund is valued daily.

Federal Income Taxes

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

Subsequent Events

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the Fund. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Subsequent events have been evaluated through May 29, 2020, which is the date the financial statements were available to be issued.

Investment Management Advisor

The investment management advisor for the Fund is Royce & Associates, LLC.

Note 2: Investment Advisory Fees and Other Transactions With Affiliates

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

During the period ended December 31, 2019, the investment advisor voluntarily reimbursed the Fund for a portion of its expenses.

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

Fund	Trustee/ Administrative Fees	Investment Management Fees	Custody Fees	Audit Fees	Total Fees
Royce Opportunity Collective Trust Fund:					
Class R-INSTL	0.0600%	0.8000%	0.0002%	0.0026%	0.8628%
Class R-LM	0.0600%	0.0000%	0.0002%	0.0026%	0.0628%

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2019

Note 3: Financial Highlights

	Class R-INSTL	Class R-LM
	Royce Opportunity Collective Trust Fund	Royce Opportunity Collective Trust Fund
Net asset value, beginning of year	\$ 7.91	\$ 8.18
Net investment loss	(0.10)	(0.01)
Net realized and unrealized gains	2.31	2.39
Net increase from investment operations	2.21	2.38
Net asset value, end of year	<u>\$ 10.12</u>	<u>\$ 10.56</u>
Total return	27.94%	29.10%
Ratio to average net assets:		
Net investment income	-0.04%	-0.11%
Expenses without reimbursements	0.93%	0.06%
Expenses with reimbursements	0.87%	0.06%

Note 4: Participant Unit Transactions

	Royce Opportunity Collective Trust Fund	
	Units	Dollars
Class R-INSTL:		
Proceeds from sales of units	2,115,715	\$ 19,486,450
Cost of units redeemed	<u>(4,035,345)</u>	<u>(37,163,319)</u>
Net decrease in Class R-INSTL from participant transactions	<u>(1,919,630)</u>	<u>(17,676,869)</u>
Class R-LM:		
Proceeds from sales of units	199,125	1,845,438
Cost of units redeemed	<u>(82,601)</u>	<u>(802,916)</u>
Net increase in Class R-LM from participant transactions	<u>116,524</u>	<u>1,042,522</u>
Net decrease in net assets from participant transactions		<u>\$ (16,634,347)</u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2019

Note 5: Disclosures About Fair Value of Financial Instruments

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

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

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statement of assets and liabilities, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2019.

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.

Common Stock, Foreign Stock and Limited Partnerships. Securities traded on a national securities exchange (or reported on the NASDAQ national market) are valued at the last reported sales price or official closing price as reported by an independent pricing service on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments, such as American Depositary Receipts and the movement of certain indexes of securities based on a statistical analysis of the historical relationship and are categorized as either Level 1 or 2 of the hierarchy.

The following table presents the fair value measurements of assets recognized in the accompanying statement of assets and liabilities measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2019.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2019

	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)
Royce Opportunity Collective Trust Fund				
Short Term Investment	\$ 9,972,700	\$ 9,972,700	\$ -	\$ -
Common Stock	240,621,938	240,621,938	-	-
Foreign Stock	19,196,272	19,196,272	-	-
Limited Partnership - Public Equity	290,306	290,306	-	-
Total	\$ 270,081,216	\$ 270,081,216	\$ 0	\$ 0

Note 6: Risk Factors

Investment Securities Risk

The Fund invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying statement of assets and liabilities.

Supplemental Information

Hand Composite Employee Benefit Trust
Schedule of Investment Purchases and Sales
Royce Opportunity Collective Trust Fund
Year Ended December 31, 2019

Purchases

Investment Class	Cost
Common Stock	\$ 129,708,065
Foreign Stock	1,827,376
Limited Partnerships – Public Equity	110,320
Partnerships	<u>283,183</u>
Total Investments Purchased	<u>\$ 131,928,944</u>

Sales

Investment Class	Proceeds	Cost	Gain (Loss)
Common Stock	\$ 139,109,547	\$ 112,939,943	\$ 26,169,604
Foreign Stock	1,051,492	1,128,873	(77,381)
Limited Partnerships – Public Equity	<u>27,048</u>	<u>31,584</u>	<u>(4,536)</u>
Total Investments Sold	<u>\$ 140,188,087</u>	<u>\$ 114,100,400</u>	<u>\$ 26,087,687</u>