

**Hand Composite Employee Benefit Trust
Sage Funds**

Independent Auditor's Report and Financial Statements

December 31, 2018



Hand Composite Employee Benefit Trust
December 31, 2018

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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 Cash Balance Conservative Fund, Sage Cash Balance Growth Fund, Sage Cash Balance Moderate Fund, Sage Target Date 2025 Fund, Sage Target Date 2035 Fund, Sage Target Date 2045 Fund, Sage Target Date 2055 Fund and Sage Target Date Retirement Income Fund) [9 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, 2018, 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 controls 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, 2018, and the results of their operations and changes in their net assets for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of investment purchases and sales listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

BKD, LLP

Houston, Texas
May 24, 2019

Hand Composite Employee Benefit Trust
Statements of Assets and Liabilities – Selected Funds
December 31, 2018

	Sage All Cap Equity Plus Fund	Sage Cash Balance Conservative Fund	Sage Cash Balance Growth Fund	Sage Cash Balance Moderate Fund
Assets				
Investments, at cost	\$ 653,628	\$ 1,202,952	\$ 4,118,748	\$ 4,193,733
Investments, at fair value	\$ 577,945	\$ 1,208,561	\$ 4,081,384	\$ 4,182,083
Receivable for:				
Investment securities sold	50	102	360	392
Total assets	<u>\$ 577,995</u>	<u>\$ 1,208,663</u>	<u>\$ 4,081,744</u>	<u>\$ 4,182,475</u>
Liabilities				
Payable for capital shares redeemed	\$ -	\$ -	\$ -	\$ 38
Accounts payable and accrued liabilities	184	379	1,328	1,308
Total liabilities	<u>\$ 184</u>	<u>\$ 379</u>	<u>\$ 1,328</u>	<u>\$ 1,346</u>
Net assets held for participants:				
Class R1	<u>\$ 577,811</u>	<u>\$ 1,208,284</u>	<u>\$ 4,080,416</u>	<u>\$ 4,181,129</u>
Units outstanding:				
Class R1	<u>46,923</u>	<u>119,722</u>	<u>414,047</u>	<u>413,850</u>
Net asset value per unit:				
Class R1	<u>\$ 12.31</u>	<u>\$ 10.09</u>	<u>\$ 9.85</u>	<u>\$ 10.10</u>

Hand Composite Employee Benefit Trust
Statements of Assets and Liabilities – Selected Funds (Continued)
December 31, 2018

	Sage Target Date 2025 Fund	Sage Target Date 2035 Fund	Sage Target Date 2045 Fund	Sage Target Date 2055 Fund	Sage Target Date Retirement Income Fund
Assets					
Investments, at cost	\$ 314,761,283	\$ 220,527,769	\$ 108,931,333	\$ 18,445,935	\$ 127,675,931
Investments, at fair value	\$ 299,222,398	\$ 205,230,522	\$ 99,593,629	\$ 16,723,718	\$ 123,587,805
Receivable for:					
Investment securities sold	34,154	2,942,602	867,681	470	662,218
Capital shares sold	475,993	589,462	530,216	190,075	78,828
Dividends and interest	66,695	69,243	41,610	7,129	62,911
Total assets	<u>\$ 299,799,240</u>	<u>\$ 208,831,829</u>	<u>\$ 101,033,136</u>	<u>\$ 16,921,392</u>	<u>\$ 124,391,762</u>
Liabilities					
Payable for investment securities purchased	\$ -	\$ 4,234,444	\$ 2,539,615	\$ 548,484	\$ 807,235
Payable for capital shares redeemed	10,217	7,024	3,384	551	4,201
Accounts payable and accrued liabilities	30,342	20,855	10,031	1,634	12,506
Total liabilities	<u>\$ 40,559</u>	<u>\$ 4,262,323</u>	<u>\$ 2,553,030</u>	<u>\$ 550,669</u>	<u>\$ 823,942</u>
Net assets held for participants:					
Class R1	\$ 422,182	\$ 680,127	\$ 517,117	\$ 199,948	\$ 1,207
Class R2	12	13	13	12	12
Class R-PL	299,336,487	203,889,366	97,962,976	16,170,763	123,566,601
Total net assets held for participants	<u>\$ 299,758,681</u>	<u>\$ 204,569,506</u>	<u>\$ 98,480,106</u>	<u>\$ 16,370,723</u>	<u>\$ 123,567,820</u>
Units outstanding:					
Class R1	35,063	54,941	41,425	16,320	105
Class R2	1	1	1	1	1
Class R-PL	24,670,356	16,316,345	7,774,484	1,306,084	10,640,112
Total units outstanding	<u>24,705,420</u>	<u>16,371,287</u>	<u>7,815,910</u>	<u>1,322,405</u>	<u>10,640,218</u>
Net asset value per unit:					
Class R1	<u>\$ 12.04</u>	<u>\$ 12.38</u>	<u>\$ 12.48</u>	<u>\$ 12.25</u>	<u>\$ 11.53</u>
Class R2	<u>\$ 12.22</u>	<u>\$ 12.57</u>	<u>\$ 12.68</u>	<u>\$ 12.44</u>	<u>\$ 11.69</u>
Class R-PL	<u>\$ 12.13</u>	<u>\$ 12.50</u>	<u>\$ 12.60</u>	<u>\$ 12.38</u>	<u>\$ 11.61</u>

Hand Composite Employee Benefit Trust
Schedules of Investments
Sage All Cap Equity Plus Fund
December 31, 2018

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
10,782	First American Treasury Obligation Fund V	\$ 10,782	\$ 10,782
	Total Short Term Investment	1.87% <u>10,782</u>	<u>10,782</u>
<u>Exchange-traded Funds</u>			
<u>Equity</u>			
790	iShares Edge MSCI USA Value ETF	59,210	57,330
2,750	iShares Core MSCI EAFE ETF	178,599	151,250
1,620	iShares Core MSCI Emerging	91,973	76,383
965	SPDR S&P Dividend ETF	88,394	86,387
2,390	SPDR Financial Select Sector	66,511	56,930
800	SPDR Industrial Select Sector Fund	59,638	51,528
1,380	SPDR Technology Select Sector Fund	96,698	85,532
	Total Exchange-traded Funds	97.82% <u>641,023</u>	<u>565,340</u>
<u>Common Trust Fund</u>			
<u>Fixed Income</u>			
1,823	HB&T Short Term Income Fund	1,823	1,823
	Total Fixed Income	0.31% <u>1,823</u>	<u>1,823</u>
	Total Common Trust Fund	0.31% <u>1,823</u>	<u>1,823</u>
	Total Investments	100.00% <u>\$ 653,628</u>	<u>\$ 577,945</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Cash Balance Conservative Fund
December 31, 2018

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
24,307	First American Treasury Obligation Fund V	\$ 24,307	\$ 24,307
	Total Short Term Investment	2.01% 24,307	24,307
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
3,599	iShares Barclays 1-3 Yr Treasury Bond IDX	300,452	300,948
381	iShares Barclays MBS Treasury Bond FD	39,680	39,872
2,504	iShares Barclays Short Treasury Bond FD	276,204	276,191
3,817	Vanguard Short-term Bond ETF	297,798	299,902
	Total Fixed Income	75.87% 914,134	916,913
<i>Equity</i>			
946	iShares Core MSCI Emerging	48,170	44,604
955	iShares Edge MSCI USA Value ETF	67,307	69,304
1,679	SPDR S&P Dividend ETF	145,905	150,304
	Total Equity	21.86% 261,382	264,212
	Total Exchange-traded Funds	97.73% 1,175,516	1,181,125
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
3,129	HB&T Short Term Income Fund	3,129	3,129
	Total Fixed Income	0.26% 3,129	3,129
	Total Common Trust Fund	0.26% 3,129	3,129
	Total Investments	100.00% \$ 1,202,952	\$ 1,208,561

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Cash Balance Growth Fund
December 31, 2018

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
75,214	First American Treasury Obligation Fund V	\$ 75,214	\$ 75,214
	Total Short Term Investment	1.84% 75,214	75,214
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
12,140	iShares Barclays 1-3 Yr Treasury Bond IDX	1,013,474	1,015,147
8,446	iShares Barclays Short Treasury Bond FD	931,600	931,594
4,710	Vanguard Short-term Bond ETF	369,193	370,065
	Total Fixed Income	56.77% 2,314,267	2,316,806
<i>Equity</i>			
3,278	iShares Core MSCI Emerging	162,249	154,558
6,955	iShares Edge MSCI USA Value ETF	490,186	504,724
5,710	SPDR S&P Dividend ETF	496,198	511,159
4,001	Vanguard Total Stock Market ETF	572,359	510,648
	Total Equity	41.19% 1,720,992	1,681,089
	Total Exchange-traded Funds	97.96% 4,035,259	3,997,895
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
8,275	HB&T Short Term Income Fund	8,275	8,275
	Total Fixed Income	0.20% 8,275	8,275
	Total Common Trust Fund	0.20% 8,275	8,275
	Total Investments	100.00% \$ 4,118,748	\$ 4,081,384

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Cash Balance Moderate Fund
December 31, 2018

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
75,134	First American Treasury Obligation Fund V	\$ 75,134	\$ 75,134
	Total Short Term Investment	1.80% 75,134	75,134
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
12,441	iShares Barclays 1-3 Yr Treasury Bond IDX	1,038,602	1,040,316
8,655	iShares Barclays Short Treasury Bond FD	954,781	954,647
10,608	Vanguard Short-term Bond ETF	831,508	833,471
	Total Fixed Income	67.63% 2,824,891	2,828,434
<i>Equity</i>			
2,476	iShares Core MSCI Emerging	127,680	116,742
5,215	iShares Edge MSCI USA Value ETF	367,551	378,453
4,295	SPDR S&P Dividend ETF	373,235	384,488
3,009	Vanguard Total Stock Market ETF	410,449	384,039
	Total Equity	30.22% 1,278,915	1,263,722
	Total Exchange-traded Funds	97.85% 4,103,806	4,092,156
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
14,793	HB&T Short Term Income Fund	14,793	14,793
	Total Fixed Income	0.35% 14,793	14,793
	Total Common Trust Fund	0.35% 14,793	14,793
	Total Investments	100.00% \$ 4,193,733	\$ 4,182,083

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date 2025 Fund
December 31, 2018

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
5,853,952	First American Treasury Obligation Fund V	\$ 5,853,952	\$ 5,853,952
	Total Short Term Investment	1.96% <u>5,853,952</u>	<u>5,853,952</u>
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
97,005	iShares Barclays 3-7 Year Treasury Bond	11,728,331	11,776,407
131,010	iShares Barclays 7-10 Year Treasury Bond	13,221,762	13,651,242
313,175	iShares Barclays Intermed Credit Bond	17,204,930	16,416,634
31,445	iShares Barclays JP Morgan Emerging Bond FD	3,448,888	3,267,450
448,405	iShares Barclays MBS Bond Fund	47,655,991	46,925,583
22,040	iShares Barclays Short Treasury Bond FD	2,431,962	2,431,012
64,665	iShares Floating Rate Bond ETF	3,297,270	3,256,529
692,790	iShares Intl Treasury Bond Fund	34,679,339	33,579,531
319,285	iShares S&P US Preferred Stock Index	11,876,645	10,929,126
97,105	iShares Short Maturity Bond ETF	4,867,855	4,840,684
508,745	iShares Short-term Corporate Bond ETF	26,564,617	26,271,592
47,915	PIMCO Enhanced Short Maturity ETF	4,863,921	4,837,019
	Total Fixed Income	59.55% <u>181,841,511</u>	<u>178,182,809</u>
<i>Equity</i>			
169,255	iShares Core MSCI EAFE ETF	9,834,644	9,309,025
312,585	iShares Core MSCI Emerging	17,269,661	14,738,383
172,750	iShares S&P 500 Index Fund	45,930,834	43,465,627
202,505	iShares S&P Small Cap 600 Index	15,210,435	14,037,647
45,585	SPDR Energy Select Sector Trust	3,117,883	2,614,300
93,955	SPDR Financial Select Sector	2,496,384	2,238,008
41,210	SPDR Health Care Select Sector Fund	3,887,820	3,565,077
52,640	SPDR Industrial Select Sector Fund	4,036,633	3,390,542
82,055	SPDR Materials Select Sector Trust	4,699,926	4,145,419
26,965	SPDR Technology Select Sector Fund	1,750,182	1,671,291
186,140	Vanguard FTSE Developed Markets ETF	8,171,426	6,905,794
118,520	Vanguard FTSE Europe ETF	6,938,291	5,762,442
40,240	Vanguard Pacific ETF	2,819,370	2,439,751
	Total Equity	38.19% <u>126,163,489</u>	<u>114,283,306</u>
	Total Exchange-traded Funds	97.74% <u>308,005,000</u>	<u>292,466,115</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date 2025 Fund (Continued)
December 31, 2018

Number of Shares		Cost	Fair Value
<i><u>Common Trust Fund</u></i>			
<i>Fixed Income</i>			
902,331	HB&T Short Term Income Fund	\$ 902,331	\$ 902,331
	Total Fixed Income	0.30% 902,331	902,331
	Total Common Trust Fund	0.30% 902,331	902,331
	Total Investments	100.00% \$ 314,761,283	\$ 299,222,398

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date 2035 Income Fund
December 31, 2018

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
4,598,414	First American Treasury Obligation Fund V	\$ 4,598,414	\$ 4,598,414
	Total Short Term Investment	2.24% 4,598,414	4,598,414
<i><u>Exchange-traded Funds</u></i>			
<i>Fixed Income</i>			
35,950	iShares Barclays 3-7 Year Treasury Bond	4,334,624	4,364,330
48,550	iShares Barclays 7-10 Year Treasury Bond	4,899,719	5,058,910
158,225	iShares Barclays MBS Bond Fund	16,713,365	16,558,246
3,680	iShares Barclays Short Treasury Bond FD	406,088	405,904
23,965	iShares Floating Rate Bond ETF	1,222,276	1,206,877
115,865	iShares Intermed-Term Corp Bond ETF	6,338,116	6,073,643
11,585	iShares Intl JP Morgan Emerging Bond Fund	1,270,643	1,203,797
256,305	iShares Intl Treasury Bond Fund	12,807,690	12,423,103
118,320	iShares S&P US Preferred Stock Index	4,384,405	4,050,094
16,290	iShares Short Maturity Bond ETF	816,455	812,057
188,215	iShares Short-Term Corp Bond ETF	9,816,438	9,719,423
8,025	PIMCO Enhanced Short Maturity ETF	814,618	810,124
	Total Fixed Income	30.54% 63,824,437	62,686,508
<i>Equity</i>			
205,195	iShares Core MSCI EAFE ETF	12,210,810	11,285,725
360,695	iShares Core MSCI Emerging	19,965,874	17,006,770
211,545	iShares S&P 500 Index Fund	55,886,291	53,226,837
261,720	iShares S&P Small Cap 600 Index	19,634,197	18,142,430
52,600	SPDR Energy Select Sector Trust	3,611,002	3,016,610
108,415	SPDR Financial Select Sector	2,880,587	2,582,445
47,550	SPDR Health Care Select Sector Fund	4,490,613	4,113,551
60,745	SPDR Industrial Select Sector Fund	4,666,737	3,912,585
94,680	SPDR Materials Select Sector Fund	5,439,723	4,783,234
31,115	SPDR Technology Select Sector Fund	2,014,981	1,928,508
214,790	Vanguard FTSE Developed Markets ETF	9,469,158	7,968,709
136,760	Vanguard FTSE Europe ETF	8,050,756	6,649,271
46,430	Vanguard Pacific ETF	3,270,315	2,815,051
	Total Equity	66.96% 151,591,044	137,431,726
	Total Exchange-traded Funds	97.50% 215,415,481	200,118,234

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date 2035 Income Fund (Continued)
December 31, 2018

Number of Shares		Cost	Fair Value
<i><u>Common Trust Fund</u></i>			
<i>Fixed Income</i>			
513,874	HB&T Short Term Income Fund	\$ 513,874	\$ 513,874
	Total Fixed Income	0.26% 513,874	513,874
	Total Common Trust Fund	0.26% 513,874	513,874
	Total Investments	100.00% \$ 220,527,769	\$ 205,230,522

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date 2045 Fund
December 31, 2018

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
3,364,156	First American Treasury Obligation Fund V	\$ 3,364,156	\$ 3,364,156
	Total Short Term Investment	3.38% 3,364,156	3,364,156
<u>Exchange-traded Funds</u>			
<u>Fixed Income</u>			
5,980	iShares Barclays 3-7 Year Treasury Bond	719,298	725,972
8,075	iShares Barclays 7-10 Year Treasury Bond	814,909	841,415
23,675	iShares Barclays MBS Bond Fund	2,483,023	2,477,589
1,825	iShares Barclays Short Treasury Bond FD	201,299	201,298
3,985	iShares Floating Rate Bond ETF	203,308	200,685
19,220	iShares Intermed-term Corp Bond ETF	1,054,185	1,007,512
1,900	iShares Intl JP Morgan Emerging Bond Fund	208,392	197,429
42,515	iShares Intl Treasury Bond Fund	2,110,355	2,060,702
19,675	iShares S&P US Preferred Stock Index	723,873	673,475
8,045	iShares Short Maturity Bond ETF	403,414	401,043
27,355	iShares Short-term Corp Bond ETF	1,423,160	1,412,612
3,970	PIMCO Enhanced Short Maturity ETF	403,062	400,772
	Total Fixed Income	10.64% 10,748,278	10,600,504
<u>Equity</u>			
128,020	iShares Core MSCI EAFE ETF	7,976,075	7,041,100
220,175	iShares Core MSCI Emerging	12,130,955	10,381,251
131,440	iShares S&P 500 Index Fund	34,683,053	33,071,618
162,615	iShares S&P Small Cap 600 Index	12,326,336	11,272,472
32,855	SPDR Energy Select Sector Trust	2,263,200	1,884,234
67,720	SPDR Financial Select Sector Fund	1,799,320	1,613,090
29,700	SPDR Health Care Select Sector Fund	2,806,735	2,569,347
37,945	SPDR Industrial Select Sector Fund	2,905,388	2,444,037
59,140	SPDR Materials Select Sector Trust	3,399,425	2,987,753
19,435	SPDR Technology Select Sector Fund	1,256,740	1,204,581
134,165	Vanguard FTSE Developed Markets ETF	5,914,231	4,977,522
85,425	Vanguard FTSE Europe ETF	5,032,990	4,153,364
29,005	Vanguard Pacific ETF	2,054,424	1,758,573
	Total Equity	85.71% 94,548,872	85,358,942
	Total Exchange-traded Funds	96.35% 105,297,150	95,959,446

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date 2045 Fund (Continued)
December 31, 2018

Number of Shares		Cost	Fair Value
<i><u>Common Trust Fund</u></i>			
<i>Fixed Income</i>			
270,027	HB&T Short Term Income Fund	\$ 270,027	\$ 270,027
	Total Fixed Income	0.27% <u>270,027</u>	<u>270,027</u>
	Total Common Trust Fund	0.27% <u>270,027</u>	<u>270,027</u>
	Total Investments	100.00% <u>\$ 108,931,333</u>	<u>\$ 99,593,629</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date 2055 Fund
December 31, 2018

Number of Shares		Cost	Fair Value
<i>Short Term Investment</i>			
1,040,054	First American Treasury Obligation Fund V	\$ 1,040,054	\$ 1,040,054
	Total Short Term Investment	6.22% 1,040,054	1,040,054
<i>Exchange-traded Funds</i>			
<i>Fixed Income</i>			
380	iShares Barclays 3-7 Year Treasury Bond	45,561	46,132
510	iShares Barclays 7-10 Year Treasury Bond	51,469	53,142
1,740	iShares Barclays MBS Bond Fund	181,109	182,091
435	iShares Barclays Short Treasury Bond FD	47,984	47,981
250	iShares Floating Rate Bond ETF	12,758	12,590
1,215	iShares Intermed-Term Corp Bond ETF	66,654	63,690
125	iShares Intl JP Morgan Emerging Bond Fund	13,710	12,989
2,690	iShares Intl Treasury Bond Fund	133,531	130,384
1,245	iShares S&P US Preferred Stock Index	46,461	42,616
1,910	iShares Short Maturity Bond ETF	95,758	95,214
2,035	iShares Short-Term Corp Bond ETF	105,629	105,087
940	PIMCO Enhanced Short Maturity ETF	95,449	94,893
	Total Fixed Income	5.30% 896,073	886,809
<i>Equity</i>			
22,250	iShares Core MSCI EAFE ETF	1,420,836	1,223,750
37,900	iShares Core MSCI Emerging	2,082,817	1,786,985
22,930	iShares S&P 500 Index Fund	6,114,196	5,769,417
27,915	iShares S&P Small Cap 600 Index	2,153,131	1,935,068
5,525	SPDR Energy Select Sector Trust	381,891	316,859
11,390	SPDR Financial Select Sector Fund	302,632	271,310
4,995	SPDR Health Care Select Sector Fund	472,095	432,117
6,385	SPDR Industrial Select Sector Fund	488,333	411,258
9,950	SPDR Materials Select Sector Trust	572,255	502,674
3,270	SPDR Technology Select Sector Fund	212,870	202,675
23,515	Vanguard FTSE Developed Markets ETF	1,033,286	872,407
15,150	Vanguard FTSE Europe ETF	885,111	736,593
4,880	Vanguard Pacific ETF	350,487	295,874
	Total Equity	88.24% 16,469,940	14,756,987
	Total Exchange-traded Funds	93.54% 17,366,013	15,643,796

Hand Composite Employee Benefit Trust

Schedules of Investments (Continued)

Sage Target Date 2055 Fund (Continued)

December 31, 2018

Number of Shares		Cost	Fair Value
<u><i>Common Trust Fund</i></u>			
<i>Fixed Income</i>			
39,868	HB&T Short Term Income Fund	\$ 39,868	\$ 39,868
	Total Fixed Income	0.24% 39,868	39,868
	Total Common Trust Fund	0.24% 39,868	39,868
	Total Investments	100.00% \$ 18,445,935	\$ 16,723,718

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date Retirement Income Fund
December 31, 2018

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
1,362,884	First American Treasury Obligation Fund V	\$ 1,362,884	\$ 1,362,884
	Total Short Term Investment	1.10% <u>1,362,884</u>	<u>1,362,884</u>
<i><u>Exchange-traded Funds</u></i>			
<i>Fixed Income</i>			
25,020	iShares Barclays 3-7 Year Treasury Bond	3,038,336	3,037,428
33,790	iShares Barclays 7-10 Year Treasury Bond	3,410,177	3,520,918
111,025	iShares Barclays MBS Bond Fund	11,960,289	11,618,766
102,680	iShares Barclays Short Treasury Bond FD	11,331,952	11,325,604
16,680	iShares Floating Rate Bond ETF	849,981	840,005
80,960	iShares Intermed-Term Corp Bond ETF	4,458,022	4,243,923
8,150	iShares Intl JP Morgan Emerging Bond Fund	893,892	846,867
170,865	iShares Intl Treasury Bond Fund	8,630,450	8,281,827
82,345	iShares S&P US Preferred Stock Index	3,073,561	2,818,669
458,215	iShares Short Maturity Bond ETF	23,002,725	22,842,018
126,175	iShares Short-Term Corp Bond ETF	6,593,410	6,515,677
226,050	PIMCO Enhanced Short Maturity ETF	22,975,928	22,819,748
	Total Fixed Income	79.88% <u>100,218,723</u>	<u>98,711,450</u>
<i>Equity</i>			
33,115	iShares Core MSCI EAFE ETF	2,054,149	1,821,325
61,155	iShares Core MSCI Emerging	3,327,479	2,883,455
35,815	iShares S&P 500 Index Fund	9,702,652	9,011,412
44,285	iShares S&P Small Cap 600 Index	3,344,694	3,069,836
8,920	SPDR Energy Select Sector Trust	611,451	511,562
18,380	SPDR Financial Select Sector Fund	488,357	437,812
8,060	SPDR Health Care Select Sector Fund	755,326	697,271
10,300	SPDR Industrial Select Sector Fund	784,661	663,423
16,055	SPDR Materials Select Sector Trust	908,388	811,099
5,275	SPDR Technology Select Sector Fund	345,369	326,945
36,415	Vanguard FTSE Developed Markets ETF	1,580,516	1,350,997
23,190	Vanguard FTSE Europe ETF	1,322,937	1,127,498
7,870	Vanguard Pacific ETF	544,667	477,158
	Total Equity	18.76% <u>25,770,646</u>	<u>23,189,793</u>
	Total Exchange-traded Funds	98.64% <u>125,989,369</u>	<u>121,901,243</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Sage Target Date Retirement Income Fund (Continued)
December 31, 2018

Number of Shares		Cost	Fair Value
<i><u>Common Trust Fund</u></i>			
<i>Fixed Income</i>			
323,678	HB&T Short Term Income Fund	\$ 323,678	\$ 323,678
	Total Fixed Income	0.26% 323,678	323,678
	Total Common Trust Fund	0.26% 323,678	323,678
	Total Investments	100.00% \$ 127,675,931	\$ 123,587,805

Hand Composite Employee Benefit Trust
Statements of Operations – Selected Funds
Year Ended December 31, 2018

	Sage All Cap Equity Plus Fund	Sage Cash Balance Conservative Fund	Sage Cash Balance Growth Fund	Sage Cash Balance Moderate Fund
Income				
Interest	\$ 90	\$ 458	\$ 1,645	\$ 1,768
Dividends	<u>13,086</u>	<u>25,377</u>	<u>99,338</u>	<u>87,026</u>
Total income	<u>13,176</u>	<u>25,835</u>	<u>100,983</u>	<u>88,794</u>
Expenses				
Investment management and administrative	2,262	2,999	9,501	9,016
Custody fees	127	175	542	527
Other	<u>13</u>	<u>-</u>	<u>21</u>	<u>-</u>
Total expenses	<u>2,402</u>	<u>3,174</u>	<u>10,064</u>	<u>9,543</u>
Net Investment Income	<u>10,774</u>	<u>22,661</u>	<u>90,919</u>	<u>79,251</u>
Net Realized and Unrealized Gains (Losses) on Investments				
Net realized gains (losses) on investments	31,444	(34,475)	(311,384)	(156,166)
Net change in unrealized appreciation/ depreciation on investments	<u>(113,020)</u>	<u>5,714</u>	<u>(37,266)</u>	<u>(11,334)</u>
Net Realized and Unrealized Losses	<u>(81,576)</u>	<u>(28,761)</u>	<u>(348,650)</u>	<u>(167,500)</u>
Net Decrease in Net Assets Resulting From Operations	<u>\$ (70,802)</u>	<u>\$ (6,100)</u>	<u>\$ (257,731)</u>	<u>\$ (88,249)</u>

Hand Composite Employee Benefit Trust
Statements of Operations – Selected Funds (Continued)
Year Ended December 31, 2018

	Sage Target Date 2025 Fund	Sage Target Date 2035 Fund	Sage Target Date 2045 Fund	Sage Target Date 2055 Fund	Sage Target Date Retirement Income Fund
Income					
Interest	\$ 79,116	\$ 57,778	\$ 32,471	\$ 5,772	\$ 11,623
Dividends	<u>7,084,524</u>	<u>4,656,922</u>	<u>2,144,980</u>	<u>336,804</u>	<u>2,425,132</u>
Total income	<u>7,163,640</u>	<u>4,714,700</u>	<u>2,177,451</u>	<u>342,576</u>	<u>2,436,755</u>
Expenses					
Custody fees	60,496	41,519	19,504	3,018	18,403
Other	-	-	-	14	117
Class R1 expenses	744	1,761	2,359	687	19
Class R-PL expenses	<u>436,587</u>	<u>299,510</u>	<u>140,611</u>	<u>21,532</u>	<u>132,039</u>
Total expenses	<u>497,827</u>	<u>342,790</u>	<u>162,474</u>	<u>25,251</u>	<u>150,578</u>
Net Investment Income	<u>6,665,813</u>	<u>4,371,910</u>	<u>2,014,977</u>	<u>317,325</u>	<u>2,286,177</u>
Net Realized and Unrealized Gains (Losses) on Investments					
Net realized gains (losses) on investments	6,108,242	7,404,668	4,026,303	537,911	(191,474)
Net change in unrealized appreciation/ depreciation on investments	<u>(23,986,351)</u>	<u>(25,050,097)</u>	<u>(14,596,469)</u>	<u>(2,384,570)</u>	<u>(3,896,845)</u>
Net Realized and Unrealized Losses	<u>(17,878,109)</u>	<u>(17,645,429)</u>	<u>(10,570,166)</u>	<u>(1,846,659)</u>	<u>(4,088,319)</u>
Net Decrease in Net Assets Resulting From Operations	<u>\$ (11,212,296)</u>	<u>\$ (13,273,519)</u>	<u>\$ (8,555,189)</u>	<u>\$ (1,529,334)</u>	<u>\$ (1,802,142)</u>

Hand Composite Employee Benefit Trust
Statements of Changes in Net Assets – Selected Funds
Year Ended December 31, 2018

	Sage All Cap Equity Plus Fund	Sage Cash Balance Conservative Fund	Sage Cash Balance Growth Fund	Sage Cash Balance Moderate Fund
Operations				
Net investment income	\$ 10,774	\$ 22,661	\$ 90,919	\$ 79,251
Net realized gains (losses)	31,444	(34,475)	(311,384)	(156,166)
Change in unrealized appreciation/depreciation	<u>(113,020)</u>	<u>5,714</u>	<u>(37,266)</u>	<u>(11,334)</u>
Net decrease in net assets from operations	(70,802)	(6,100)	(257,731)	(88,249)
Net Increase in Net Assets From Participant Transactions	<u>31,082</u>	<u>1,074,899</u>	<u>4,089,684</u>	<u>3,923,573</u>
Increase (Decrease) in Net Assets	(39,720)	1,068,799	3,831,953	3,835,324
Net Assets				
Beginning of year	<u>617,529</u>	<u>139,485</u>	<u>248,463</u>	<u>345,805</u>
End of year	<u>\$ 577,809</u>	<u>\$ 1,208,284</u>	<u>\$ 4,080,416</u>	<u>\$ 4,181,129</u>

Hand Composite Employee Benefit Trust
Statements of Changes in Net Assets – Selected Funds (Continued)
Year Ended December 31, 2018

	Sage Target Date 2025 Fund	Sage Target Date 2035 Fund	Sage Target Date 2045 Fund	Sage Target Date 2055 Fund	Sage Target Date Retirement Income Fund
Operations					
Net investment income	\$ 6,665,813	\$ 4,371,910	\$ 2,014,977	\$ 317,325	\$ 2,286,177
Net realized gains (losses)	6,108,242	7,404,668	4,026,303	537,911	(191,474)
Change in unrealized appreciation/depreciation	<u>(23,986,351)</u>	<u>(25,050,097)</u>	<u>(14,596,469)</u>	<u>(2,384,570)</u>	<u>(3,896,845)</u>
Net decrease in net assets from operations	(11,212,296)	(13,273,519)	(8,555,189)	(1,529,334)	(1,802,142)
Net Increase (Decrease) in Net Assets From Participant Transactions	<u>(1,420,891)</u>	<u>8,407,225</u>	<u>11,675,101</u>	<u>4,926,506</u>	<u>82,000,512</u>
Increase (Decrease) in Net Assets	(12,633,187)	(4,866,294)	3,119,912	3,397,172	80,198,370
Net Assets					
Beginning of year	<u>312,391,868</u>	<u>209,435,800</u>	<u>95,360,194</u>	<u>12,973,551</u>	<u>43,369,450</u>
End of year	<u>\$ 299,758,681</u>	<u>\$ 204,569,506</u>	<u>\$ 98,480,106</u>	<u>\$ 16,370,723</u>	<u>\$ 123,567,820</u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

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 92 funds (the Funds); the financial statements of nine 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 Target Date 2015 Fund closed on June 1, 2018.

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, 2018

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 May 24, 2019, which is the date the financial statements were available to be issued.

Investment Management Advisors

The investment management advisors for each Fund are as follows:

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

Note 2: Investment Advisory Fees and Other Transactions With Affiliates

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

Hand Composite Employee Benefit Trust

Notes to Financial Statements

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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 Cash Balance Conservative 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%
Sage Cash Balance Moderate Fund:				
Class R1	0.10%	0.25%	0.02%	0.37%
Sage Target Date 2025 Fund:				
Class R1	0.08%	0.25%	0.02%	0.35%
Class R2	0.08%	0.00%	0.02%	0.10%
Class R-PL	0.04%	0.10%	0.02%	0.16%
Sage Target Date 2035 Fund:				
Class R1	0.08%	0.25%	0.02%	0.35%
Class R2	0.08%	0.00%	0.02%	0.10%
Class R-PL	0.04%	0.10%	0.02%	0.16%
Sage Target Date 2045 Fund:				
Class R1	0.08%	0.25%	0.02%	0.35%
Class R2	0.08%	0.00%	0.02%	0.10%
Class R-PL	0.04%	0.10%	0.02%	0.16%
Sage Target Date 2055 Fund:				
Class R1	0.08%	0.25%	0.02%	0.35%
Class R2	0.08%	0.00%	0.02%	0.10%
Class R-PL	0.04%	0.10%	0.02%	0.16%
Sage Target Date Retirement Income Fund:				
Class R1	0.08%	0.25%	0.02%	0.35%
Class R2	0.08%	0.00%	0.02%	0.10%
Class R-PL	0.04%	0.10%	0.02%	0.16%

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

Note 3: Financial Highlights

	Class R1			
	Sage All Cap Equity Plus Fund	Sage Cash Balance Conservative Fund	Sage Cash Balance Growth Fund	Sage Cash Balance Moderate Fund
Net asset value, beginning of year	\$ 13.82	\$ 10.23	\$ 10.42	\$ 10.35
Net investment income (loss)	0.23	(0.26)	0.33	(0.30)
Net realized and unrealized gains (losses)	(1.74)	0.12	(0.90)	0.05
Net decrease from investment operations	(1.51)	(0.14)	(0.57)	(0.25)
Net asset value, end of year	<u>\$ 12.31</u>	<u>\$ 10.09</u>	<u>\$ 9.85</u>	<u>\$ 10.10</u>
Total return	(10.93%)	(1.37%)	(5.47%)	(2.42%)
Ratio to average net assets:				
Net investment income (loss)	1.68%	(2.52%)	3.16%	(2.88%)
Expenses	0.37%	0.35%	0.35%	0.35%

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

Class R1 (Continued)

	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	\$ 12.51	\$ 13.20	\$ 13.58	\$ 13.40	\$ 11.74
Net investment income (loss)	0.47	0.34	0.18	0.23	0.01
Net realized and unrealized gains (losses)	(0.94)	(1.16)	(1.28)	(1.38)	(0.22)
Net decrease from investment operations	(0.47)	(0.82)	(1.10)	(1.15)	(0.21)
Net asset value, end of year	\$ 12.04	\$ 12.38	\$ 12.48	\$ 12.25	\$ 11.53
Total return	(3.76%)	(6.21%)	(8.10%)	(8.58%)	(1.79%)
Ratio to average net assets:					
Net investment income (loss)	3.78%	2.58%	1.29%	1.71%	0.13%
Expenses	0.34%	0.35%	0.35%	0.35%	0.51%

Hand Composite Employee Benefit Trust

Notes to Financial Statements

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	Class R-PL				
	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	\$ 12.59	\$ 13.30	\$ 13.68	\$ 13.52	\$ 11.77
Net investment income	0.27	0.27	0.27	0.27	0.29
Net realized and unrealized losses	(0.73)	(1.07)	(1.35)	(1.41)	(0.45)
Net decrease from investment operations	(0.46)	(0.80)	(1.08)	(1.14)	(0.16)
Net asset value, end of year	<u>\$ 12.13</u>	<u>\$ 12.50</u>	<u>\$ 12.60</u>	<u>\$ 12.38</u>	<u>\$ 11.61</u>
Total return	(3.65%)	(6.02%)	(7.89%)	(8.43%)	(1.36%)
Ratio to average net assets:					
Net investment income	2.14%	2.04%	2.12%	2.15%	2.56%
Expenses without reimbursement	0.16%	0.16%	0.03%	0.03%	0.04%

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

Note 4: Participant Unit Transactions

	Sage All Cap Equity Plus Fund		Sage Cash Balance Conservative Fund		Sage Cash Balance Growth Fund		Sage Cash Balance Moderate Fund	
	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars
Class R1:								
Proceeds from sales of units	10,317	\$ 144,119	106,925	\$ 1,083,375	424,265	\$ 4,431,460	390,065	\$ 4,022,917
Cost of units redeemed	<u>(8,084)</u>	<u>(113,037)</u>	<u>(834)</u>	<u>(8,476)</u>	<u>(34,070)</u>	<u>(341,776)</u>	<u>(9,629)</u>	<u>(99,344)</u>
Net change in Class R1 from participant transactions	<u>2,233</u>	<u>31,082</u>	<u>106,091</u>	<u>1,074,899</u>	<u>390,195</u>	<u>4,089,684</u>	<u>380,436</u>	<u>3,923,573</u>
Net increase in total net assets from participant transactions		<u>\$ 31,082</u>		<u>\$ 1,074,899</u>		<u>\$ 4,089,684</u>		<u>\$ 3,923,573</u>

Hand Composite Employee Benefit Trust
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	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
Class R1:										
Proceeds from sales of units	27,057	\$ 332,070	35,318	\$ 475,231	9,040	\$ 123,915	5,618	\$ 76,731	105	\$ 1,225
Cost of units redeemed	<u>(6,266)</u>	<u>(78,928)</u>	<u>(335)</u>	<u>(4,523)</u>	<u>(14,048)</u>	<u>(173,979)</u>	<u>(2,884)</u>	<u>(39,195)</u>	<u>(2,713)</u>	<u>(31,737)</u>
Net change in Class R1 from participant transactions	<u>20,791</u>	<u>253,142</u>	<u>34,983</u>	<u>470,708</u>	<u>(5,008)</u>	<u>(50,064)</u>	<u>2,734</u>	<u>37,536</u>	<u>(2,608)</u>	<u>(30,512)</u>
Class R-PL:										
Proceeds from sales of units	1,592,374	19,952,546	1,475,619	19,725,850	1,235,303	16,981,688	536,190	7,293,726	8,440,439	99,503,084
Cost of units redeemed	<u>(1,728,368)</u>	<u>(21,626,579)</u>	<u>(883,860)</u>	<u>(11,789,333)</u>	<u>(384,053)</u>	<u>(5,256,523)</u>	<u>(176,542)</u>	<u>(2,404,756)</u>	<u>(1,483,819)</u>	<u>(17,472,060)</u>
Net change in Class R-PL from participant transactions	<u>(135,994)</u>	<u>(1,674,033)</u>	<u>591,759</u>	<u>7,936,517</u>	<u>851,250</u>	<u>11,725,165</u>	<u>359,648</u>	<u>4,888,970</u>	<u>6,956,620</u>	<u>82,031,024</u>
Net increase (decrease) in total net assets from participant transactions		<u>\$ (1,420,891)</u>		<u>\$ 8,407,225</u>		<u>\$ 11,675,101</u>		<u>\$ 4,926,506</u>		<u>\$ 82,000,512</u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

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, 2018.

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

Exchange-traded Funds. Securities traded on a national securities exchange (or reported on the NASDAQ national market) are valued at the last reported sales price or official closing price as reported by an independent pricing service on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy.

The following tables present the fair value measurements of assets recognized in the accompanying statements of assets and liabilities measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2018.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Sage All Cap Equity Plus Fund				
Short Term Investment	\$ 10,782	\$ 10,782	\$ -	\$ -
Exchange-traded Funds - Equity	565,340	565,340	-	-
Common Trust Fund - Fixed Income (A)	<u>1,823</u>			
Total	<u>\$ 577,945</u>			
Sage Cash Balance Conservative Fund				
Short Term Investment	\$ 24,307	\$ 24,307	\$ -	\$ -
Exchange-traded Funds - Fixed Income	916,913	916,913	-	-
Exchange-traded Funds - Equity	264,212	264,212	-	-
Common Trust Fund - Fixed Income (A)	<u>3,129</u>			
Total	<u>\$ 1,208,561</u>			
Sage Cash Balance Growth Fund				
Short Term Investment	\$ 75,214	\$ 75,214	\$ -	\$ -
Exchange-traded Funds - Fixed Income	2,316,806	2,316,806	-	-
Exchange-traded Funds - Equity	1,681,089	1,681,089	-	-
Common Trust Fund - Fixed Income (A)	<u>8,275</u>			
Total	<u>\$ 4,081,384</u>			
Sage Cash Balance Moderate Fund				
Short Term Investment	\$ 75,134	\$ 75,134	\$ -	\$ -
Exchange-traded Funds - Fixed Income	2,828,434	2,828,434	-	-
Exchange-traded Funds - Equity	1,263,722	1,263,722	-	-
Common Trust Fund - Fixed Income (A)	<u>14,793</u>			
Total	<u>\$ 4,182,083</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, 2018

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Sage Target Date 2025 Fund				
Short Term Investment	\$ 5,853,952	\$ 5,853,952	\$ -	\$ -
Exchange-traded Funds - Fixed Income	178,182,809	178,182,809	-	-
Exchange-traded Funds - Equity	114,283,306	114,283,306	-	-
Common Trust Fund - Fixed Income (A)	902,331			
Total	<u>\$ 299,222,398</u>			
Sage Target Date 2035 Fund				
Short Term Investment	\$ 4,598,414	\$ 4,598,414	\$ -	\$ -
Exchange-traded Funds - Fixed Income	62,686,508	62,686,508	-	-
Exchange-traded Funds - Equity	137,431,726	137,431,726	-	-
Common Trust Fund - Fixed Income (A)	513,874			
Total	<u>\$ 205,230,522</u>			
Sage Target Date 2045 Fund				
Short Term Investment	\$ 3,364,156	\$ 3,364,156	\$ -	\$ -
Exchange-traded Funds - Fixed Income	10,600,504	10,600,504	-	-
Exchange-traded Funds - Equity	85,358,942	85,358,942	-	-
Common Trust Fund - Fixed Income (A)	270,027			
Total	<u>\$ 99,593,629</u>			
Sage Target Date 2055 Fund				
Short Term Investment	\$ 1,040,054	\$ 1,040,054	\$ -	\$ -
Exchange-traded Funds - Fixed Income	886,809	886,809	-	-
Exchange-traded Funds - Equity	14,756,987	14,756,987	-	-
Common Trust Fund - Fixed Income (A)	39,868			
Total	<u>\$ 16,723,718</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, 2018

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Sage Target Date Retirement Income Fund				
Short Term Investment	\$ 1,362,884	\$ 1,362,884	\$ -	\$ -
Exchange-traded Funds - Fixed Income	98,711,450	98,711,450	-	-
Exchange-traded Funds - Equity	23,189,793	23,189,793	-	-
Common Trust Fund - Fixed Income (A)	<u>323,678</u>			
Total	<u>\$ 123,587,805</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.

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, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Equity	\$ 970,994
Common Trust Funds - Fixed Income	44,798
Total Investments Purchased	\$ 1,015,792

Sales			
Investment Class	Proceeds	Cost	Gain
Exchange-traded Funds - Equity	\$ 933,512	\$ 902,068	\$ 31,444
Common Trust Funds - Fixed Income	45,409	45,409	-
Total Investments Sold	\$ 978,921	\$ 947,477	\$ 31,444

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Cash Balance Conservative Fund
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 2,052,911
Exchange-traded Funds - Equity	374,973
Common Trust Funds - Fixed Income	30,956
Total Investments Purchased	\$ 2,458,840

Sales			
Investment Class	Proceeds	Cost	Loss
Exchange-traded Funds - Fixed Income	\$ 1,256,060	\$ 1,275,961	\$ (19,901)
Exchange-traded Funds - Equity	99,016	113,590	(14,574)
Common Trust Funds - Fixed Income	28,105	28,105	-
Total Investments Sold	\$ 1,383,181	\$ 1,417,656	\$ (34,475)

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Cash Balance Growth Fund
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 6,620,740
Exchange-traded Funds - Equity	3,362,244
Common Trust Funds - Fixed Income	264,375
Total Investments Purchased	\$ 10,247,359

Sales			
Investment Class	Proceeds	Cost	Loss
Exchange-traded Funds - Fixed Income	\$ 4,424,135	\$ 4,538,931	\$ (114,796)
Exchange-traded Funds - Equity	1,444,664	1,641,252	(196,588)
Common Trust Funds - Fixed Income	256,490	256,490	-
Total Investments Sold	\$ 6,125,289	\$ 6,436,673	\$ (311,384)

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Cash Balance Moderate Fund
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 7,697,785
Exchange-traded Funds - Equity	1,572,239
Common Trust Funds - Fixed Income	150,678
Total Investments Purchased	\$ 9,420,702

Sales			
Investment Class	Proceeds	Cost	Loss
Exchange-traded Funds - Fixed Income	\$ 5,101,265	\$ 5,212,196	\$ (110,931)
Exchange-traded Funds - Equity	248,089	293,324	(45,235)
Common Trust Funds - Fixed Income	136,701	136,701	-
Total Investments Sold	\$ 5,486,055	\$ 5,642,221	\$ (156,166)

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Target Date 2025 Fund
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 165,091,092
Exchange-traded Funds - Equity	85,188,268
Common Trust Funds - Fixed Income	13,752,536
Total Investments Purchased	\$ 264,031,896

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
Exchange-traded Funds - Fixed Income	\$ 162,656,630	\$ 164,779,474	\$ (2,122,844)
Exchange-traded Funds - Equity	86,113,888	77,882,802	8,231,086
Common Trust Funds - Fixed Income	13,484,689	13,484,689	-
Total Investments Sold	\$ 262,255,207	\$ 256,146,965	\$ 6,108,242

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Target Date 2035 Fund
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 62,989,971
Exchange-traded Funds - Equity	92,829,352
Common Trust Funds - Fixed Income	9,093,657
Total Investments Purchased	\$ 164,912,980

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
Exchange-traded Funds - Fixed Income	\$ 61,092,677	\$ 61,752,844	\$ (660,167)
Exchange-traded Funds - Equity	83,438,773	75,373,938	8,064,835
Common Trust Funds - Fixed Income	9,332,696	9,332,696	-
Total Investments Sold	\$ 153,864,146	\$ 146,459,478	\$ 7,404,668

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Target Date 2045 Fund
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 10,475,299
Exchange-traded Funds - Equity	58,338,578
Common Trust Funds - Fixed Income	4,475,082
Total Investments Purchased	\$ 73,288,959

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
Exchange-traded Funds - Fixed Income	\$ 10,856,249	\$ 10,943,400	\$ (87,151)
Exchange-traded Funds - Equity	44,962,579	40,849,125	4,113,454
Common Trust Funds - Fixed Income	4,560,527	4,560,527	-
Total Investments Sold	\$ 60,379,355	\$ 56,353,052	\$ 4,026,303

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Target Date 2055 Fund
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 993,747
Exchange-traded Funds - Equity	11,891,440
Common Trust Funds - Fixed Income	<u>1,318,452</u>
Total Investments Purchased	<u>\$ 14,203,639</u>

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
Exchange-traded Funds - Fixed Income	\$ 1,220,839	\$ 1,237,753	\$ (16,914)
Exchange-traded Funds - Equity	6,906,166	6,351,341	554,825
Common Trust Funds - Fixed Income	<u>1,322,253</u>	<u>1,322,253</u>	<u>-</u>
Total Investments Sold	<u>\$ 9,449,258</u>	<u>\$ 8,911,347</u>	<u>\$ 537,911</u>

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Sage Target Date Retirement Fund
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 24,539,955
Exchange-traded Funds - Equity	13,225,378
Common Trust Funds - Fixed Income	5,384,939
Total Investments Purchased	\$ 43,150,272

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
Exchange-traded Funds - Fixed Income	\$ 40,618,435	\$ 41,402,019	\$ (783,584)
Exchange-traded Funds - Equity	8,125,106	7,532,996	592,110
Common Trust Funds - Fixed Income	5,109,780	5,109,780	-
Total Investments Sold	\$ 53,853,321	\$ 54,044,795	\$ (191,474)