

**Hand Composite Employee
Benefit Trust**

**Sterling Capital Core
Fixed Income CIF**

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

December 31, 2022



Hand Composite Employee Benefit Trust
December 31, 2022

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Independent Auditor's Report

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

Opinion

We have audited the financial statements of the selected fund, Sterling Capital Core Fixed Income CIF, included in the Hand Composite Employee Benefit Trust, which comprise the statement of assets and liabilities, including the schedule of investments, as of December 31, 2022, and the related statements of operations and changes in net assets for the year then ended, 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 fund, included in the Hand Composite Employee Benefit Trust, as of December 31, 2022, and the results of its operations and the changes in its net assets for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 fund 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 opinion.

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's and the selected fund's ability to continue as a going concern 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's and the selected fund's 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's and the selected fund's ability to continue as a going concern 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 fund's basic financial statements. 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 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 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, 2023

Hand Composite Employee Benefit Trust
Statement of Assets and Liabilities – Selected Fund
December 31, 2022

	Sterling Capital Core Fixed Income CIF
Assets	
Investments, at cost	\$ 105,563,190
Investments, at fair value	\$ 95,655,509
Cash	640
Receivable for:	
Dividends and interest	551,681
Investment advisor	19,740
Total assets	\$ 96,227,570
 Liabilities	
Accounts payable and accrued liabilities	\$ 49,252
Total liabilities	\$ 49,252
Net assets held for participants:	
Class R	\$ 96,178,309
Units outstanding:	
Class R	10,933,082
Net asset value per unit:	
Class R	\$ 8.80

Hand Composite Employee Benefit Trust
Schedule of Investments
Sterling Capital Core Fixed Income CIF
December 31, 2022

Number of Shares or Principal Amount		Cost	Fair Value
<u>Short Term Investment</u>			
1,138,476	Dreyfus Treasury & Agency Cash Management	\$ 1,138,476	\$ 1,138,476
	Total Short Term Investment	1.19% <u>1,138,476</u>	<u>1,138,476</u>
<u>Preferred Security</u>			
269,000	PNC Financial Services Group I Var Rt 12/31/2049 DD 07/27/11	268,618	268,327
	Total Preferred Security	0.28% <u>268,618</u>	<u>268,327</u>
<u>U.S. Government Obligations</u>			
\$ 8,148,500	U S Treasury Bond 1.375% 08/15/2050 DD 08/15/20	5,067,217	4,574,937
8,746,400	U S Treasury Bond 2.500% 02/15/2045 DD 02/15/15	8,248,202	6,635,648
1,319,200	U S Treasury Note 0.125% 01/31/2023 DD 01/31/21	1,314,970	1,315,224
475,600	U S Treasury Note 0.250% 07/31/2025 DD 07/31/20	439,791	429,508
286,800	U S Treasury Note 0.625% 07/31/2026 DD 07/31/21	265,721	253,728
147,600	U S Treasury Note 1.500% 01/31/2027 DD 01/31/20	138,972	133,445
3,121,000	U S Treasury Note 1.625% 05/15/2026 DD 05/15/16	3,087,672	2,875,831
3,019,700	U S Treasury Note 2.625% 02/15/2029 DD 02/15/19	2,932,356	2,796,997
	Total U.S. Government Obligations	19.88% <u>21,494,901</u>	<u>19,015,318</u>
<u>U.S. Government Agency Securities</u>			
<u>Federal Farm Credit Bank</u>			
330,000	Federal Farm Cr Bk Cons Bd 4.125% 12/15/2032 DD 12/15/22	330,214	323,152
	Total Federal Farm Credit Bank	0.34% <u>330,214</u>	<u>323,152</u>
<u>Federal Home Loan Mortgage Corporation</u>			
46,014	FHLMC Pool #qa-4336 3.000% 11/01/2049 DD 11/01/19	44,283	41,096
95,343	FHLMC Pool #qa-4396 2.500% 11/01/2049 DD 11/01/19	88,130	81,651
87,382	FHLMC Pool #qa-6230 3.000% 01/01/2050 DD 01/01/20	83,511	77,451
63,396	FHLMC Pool #qb-5838 2.500% 11/01/2050 DD 11/01/20	58,518	53,979
62,834	FHLMC Pool #ra-2794 3.500% 06/01/2050 DD 05/01/20	61,620	57,621
760,886	FHLMC Pool #ra-7191 3.500% 04/01/2052 DD 04/01/22	752,270	693,138
590,339	FHLMC Pool #ra-7306 4.000% 05/01/2052 DD 04/01/22	592,894	557,685
1,004,559	FHLMC Pool #ra-7936 5.000% 09/01/2052 DD 09/01/22	1,008,473	991,495

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Sterling Capital Core Fixed Income CIF (Continued)
December 31, 2022

Principal Amount		Cost	Fair Value
<i>Federal Home Loan Mortgage Corporation (Continued)</i>			
\$ 464,360	FHLMC Pool #rb-5049 3.000% 04/01/2040 DD 04/01/20	\$ 428,375	\$ 422,213
807,198	FHLMC Pool #sd-0862 2.500% 06/01/2051 DD 01/01/22	734,800	686,489
1,038,162	FHLMC Pool #sd-1515 4.500% 08/01/2052 DD 08/01/22	1,039,455	1,000,997
905,143	FHLMC Pool #sd-1692 5.000% 10/01/2052 DD 09/01/22	891,609	900,040
886,978	FHLMC Pool #sd-1710 5.000% 10/01/2052 DD 10/01/22	848,521	878,715
225,244	FHLMC Pool #sd-8184 3.000% 11/01/2051 DD 11/01/21	214,427	198,296
42,136	FHLMC Pool #zs-4673 4.000% 08/01/2046 DD 09/01/18	42,924	40,366
80,384	FHLMC Pool #zs-4678 3.500% 09/01/2046 DD 09/01/18	80,006	75,017
28,843	FHLMC Multiclass Mtg 4427 Ka 2.250% 07/15/2044 DD 01/01/15	27,504	26,261
1,205,982	FHLMC Multiclass Mtg 4691 Ha 2.500% 06/15/2040 DD 06/01/17	1,150,683	1,087,332
65,000	FHLMC Multiclass Mtg K068 A2 3.244% 08/25/2027 DD 10/01/17	65,497	61,815
160,000	FHLMC Multiclass Mtg K155 A3 3.750% 04/25/2033 DD 06/01/18	164,539	150,414
	Total Federal Home Loan Mortgage Corporation	8.45% <u>8,378,039</u>	<u>8,082,071</u>
<i>Federal National Mortgage Association</i>			
54,846	Fnma Pool #0ab2467 4.500% 03/01/2041 DD 02/01/11	57,468	54,426
49,499	FNMA Pool #0a19222 4.000% 10/01/2046 DD 10/01/16	50,624	47,451
58,121	FNMA Pool #0a19570 5.000% 06/01/2044 DD 12/01/16	61,997	58,905
664,835	FNMA Pool #0am7018 3.751% 10/01/2029 DD 10/01/14	729,127	626,520
952,441	FNMA Pool #0am8408 3.130% 04/01/2030 DD 04/01/15	1,025,436	876,262
36,506	FNMA Pool #0as7568 4.500% 07/01/2046 DD 06/01/16	38,020	35,899
223,129	FNMA Pool #0as9837 3.000% 06/01/2032 DD 06/01/17	235,521	212,559
52,594	FNMA Pool #0bd2425 3.500% 01/01/2047 DD 01/01/17	52,166	48,873
180,335	FNMA Pool #0bm3900 4.000% 04/01/2048 DD 04/01/18	189,794	172,083
90,131	FNMA Pool #0bm5822 3.000% 11/01/2048 DD 04/01/19	95,176	80,745
167,913	FNMA Pool #0bo1766 4.500% 07/01/2049 DD 07/01/19	181,646	164,103
527,380	FNMA Pool #0bp9342 2.500% 07/01/2050 DD 06/01/20	540,673	449,959
194,583	FNMA Pool #0bq0538 2.500% 09/01/2050 DD 09/01/20	179,741	166,017
727,254	FNMA Pool #0bq2863 2.500% 09/01/2050 DD 09/01/20	745,596	622,297
131,096	FNMA Pool #0bq2883 2.500% 09/01/2050 DD 10/01/20	121,121	111,960
140,081	FNMA Pool #0br0479 2.000% 12/01/2050 DD 11/01/20	125,061	114,631
978,447	FNMA Pool #0bv9958 4.000% 06/01/2052 DD 06/01/22	969,034	922,011
1,095,644	FNMA Pool #0bw0022 4.000% 07/01/2052 DD 07/01/22	1,099,215	1,033,336
113,648	FNMA Pool #0ca0241 4.000% 08/01/2047 DD 08/01/17	122,329	108,570
28,658	FNMA Pool #0ca2219 5.000% 08/01/2048 DD 07/01/18	29,886	28,757
178,692	FNMA Pool #0ca4431 3.500% 10/01/2049 DD 09/01/19	184,687	164,290
88,292	FNMA Pool #0ca6307 2.500% 07/01/2050 DD 06/01/20	83,972	75,878
294,688	FNMA Pool #0ca6613 3.000% 08/01/2050 DD 07/01/20	308,338	259,924
276,011	FNMA Pool #0ca6799 2.000% 08/01/2050 DD 08/01/20	276,570	227,009

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Sterling Capital Core Fixed Income CIF (Continued)
December 31, 2022

Principal Amount		Cost	Fair Value
<i>Federal National Mortgage Association (Continued)</i>			
\$ 728,638	FNMA Pool #0ca7019 2.000% 09/01/2050 DD 08/01/20	\$ 726,915	\$ 596,931
370,825	FNMA Pool #0cb2170 3.000% 11/01/2051 DD 10/01/21	378,050	325,939
258,290	FNMA Pool #0fm2714 3.000% 03/01/2050 DD 03/01/20	261,102	229,138
829,980	FNMA Pool #0fm2870 3.000% 03/01/2050 DD 04/01/20	773,953	736,660
565,045	FNMA Pool #0fm6523 2.500% 03/01/2051 DD 03/01/21	579,130	482,560
550,792	FNMA Pool #0fm7346 3.000% 05/01/2051 DD 05/01/21	573,990	484,900
865,104	FNMA Pool #0fs1185 3.500% 04/01/2052 DD 03/01/22	858,304	788,249
1,044,844	FNMA Pool #0fs1374 3.000% 03/01/2052 DD 03/01/22	982,481	919,840
231,284	FNMA Pool #0fs1380 3.500% 04/01/2052 DD 04/01/22	227,146	212,186
514,999	FNMA Pool #0fs1475 3.500% 04/01/2052 DD 04/01/22	505,777	473,055
725,880	FNMA Pool #0fs2157 4.500% 06/01/2052 DD 06/01/22	731,003	706,623
258,335	FNMA Pool #0ma1510 4.000% 07/01/2043 DD 06/01/13	281,366	247,221
101,386	FNMA Pool #0ma2079 4.000% 11/01/2034 DD 10/01/14	110,222	97,747
71,250	FNMA Pool #0ma2655 4.000% 06/01/2036 DD 05/01/16	72,745	68,690
45,609	FNMA Pool #0ma2808 4.000% 11/01/2046 DD 10/01/16	46,479	43,675
87,018	FNMA Pool #0ma2873 3.500% 01/01/2037 DD 12/01/16	86,104	83,301
235,760	FNMA Pool #0ma2923 3.500% 03/01/2037 DD 02/01/17	249,835	225,687
126,244	FNMA Pool #0ma3333 4.000% 03/01/2048 DD 03/01/18	135,018	120,835
104,431	FNMA Pool #0ma4202 1.500% 11/01/2040 DD 11/01/20	90,664	85,590
486,809	FNMA Pool #0ma4334 2.500% 05/01/2041 DD 04/01/21	500,488	428,843
643,670	FNMA Pool #0ma4381 3.500% 06/01/2051 DD 06/01/21	685,625	587,522
921,402	FNMA Pool #0ma4617 3.000% 04/01/2042 DD 03/01/22	876,692	824,373
345,425	FNMA Gtd Remic P/t 12-55 Pd 3.000% 05/25/2042 DD 04/01/12	362,609	321,831
34,398	FNMA Gtd Remic P/t 13-16 A 1.750% 01/25/2040 DD 02/01/13	33,652	32,917
140,464	FNMA Gtd Remic P/t 16-46 Up 3.000% 11/25/2044 DD 06/01/16	137,197	130,527
159,315	FNMA Gtd Remic P/t 16-53 Av 3.000% 12/25/2027 DD 07/01/16	157,670	152,247
367,000	FNMA Gtd Remic P/t 17-m1 A2 2.980% 08/25/2029 DD 09/01/17	392,847	334,488
224,975	FNMA Gtd Remic P/t 17-m7 A2 Var Rt 02/25/2027 DD 06/01/17	224,984	211,720
	Total Federal National Mortgage Association	17.37% <u>18,545,246</u>	<u>16,615,760</u>
<i>Government National Mortgage Association</i>			
186,571	GNMA Gtd Remic P/t 08-49 Pb 4.750% 06/20/2038 DD 06/01/08	201,412	185,561
245,486	GNMA Gtd Remic P/t 10-105 Bh 3.000% 01/16/2040 DD 08/01/10	254,940	234,704
294,987	GNMA II Pool #0ma0219 3.000% 07/20/2042 DD 07/01/12	309,743	269,703
	Total Government National Mortgage Association	0.72% <u>766,095</u>	<u>689,968</u>
	Total U.S. Government Agency Securities	26.88% <u>28,019,594</u>	<u>25,710,951</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Sterling Capital Core Fixed Income CIF (Continued)
December 31, 2022

Principal Amount		Cost	Fair Value
<u>Municipals</u>			
\$ 300,000	California St Univ Revenue 1.361% 11/01/2027 DD 07/29/21	\$ 295,565	\$ 254,012
315,000	Houston TX Arpt Sys Revenue 1.372% 07/01/2025 DD 10/20/20	316,474	289,080
150,000	Houston TX Utility Sys Revenue 3.628% 05/15/2024 DD 03/27/14	151,407	147,638
40,000	Illinois St Sales Tax Revenue 3.481% 06/15/2026 DD 05/17/12	39,669	37,412
500,000	Los Angeles Cnty CA Met Transp 4.930% 06/01/2024 DD 11/16/10	528,511	500,304
265,000	Met Transprt Auth NY Revenue 5.175% 11/15/2049 DD 05/14/20	336,230	228,695
250,000	New York City NY Transitional 1.350% 05/01/2027 DD 09/24/20	247,003	213,018
55,000	New York City NY Transitional 3.330% 02/01/2028 DD 04/19/17	53,989	50,360
400,000	New York City NY Transitional 3.420% 07/15/2023 DD 10/25/18	406,249	397,142
230,000	New York St Dorm Auth St Perso 2.558% 02/15/2027 DD 01/03/20	221,709	209,482
400,000	New York St Urban Dev Corp Rev 3.250% 03/15/2025 DD 01/16/19	418,159	388,342
275,000	North Carolina St Univ At Rale 1.754% 10/01/2029 DD 07/07/20	272,074	220,610
120,000	Pittsburgh PA 1.189% 09/01/2026 DD 08/27/20	116,669	105,702
300,000	San Francisco Calif City & Cnty 3.146% 05/01/2023 DD 02/07/19	302,565	298,615
	Total Municipals	3.49% <u>3,706,273</u>	<u>3,340,412</u>
<u>Corporate Bonds</u>			
<u>Consumer Staples</u>			
248,000	Anheuser-Busch Inbev Worldwide 5.800% 01/23/2059 DD 01/23/19	313,307	257,582
	Total Consumer Staples	0.27% <u>313,307</u>	<u>257,582</u>
<u>Energy</u>			
292,000	Cheniere Corpus Christi Holdin 3.700% 11/15/2029 DD 05/15/20	295,435	264,465
303,000	Enterprise Products Operating 5.950% 02/01/2041 DD 01/13/11	372,919	304,770
86,000	Hess Corp 5.800% 04/01/2047 DD 09/28/16	112,429	82,683
176,000	Hess Corp 7.875% 10/01/2029 DD 10/01/99	218,492	195,539
118,000	HF Sinclair Corp 4.500% 10/01/2030 DD 10/01/22	116,887	103,878
158,000	HF Sinclair Corp 5.875% 04/01/2026 DD 10/01/22	165,011	158,296
287,000	Plains All American Pipeline L 4.900% 02/15/2045 DD 12/09/14	283,584	225,117
203,000	Sabine Pass Liquefaction LLC 5.625% 03/01/2025 DD 09/01/15	206,540	203,376
245,000	Schlumberger Investment SA 2.650% 06/26/2030 DD 06/26/20	218,348	210,907
	Total Energy	1.83% <u>1,989,645</u>	<u>1,749,031</u>
<u>Financials</u>			
235,000	Aercap Ireland Capital Dac / A 4.450% 10/01/2025 DD 08/21/18	249,633	225,936
104,000	Air Lease Corp 2.875% 01/15/2026 DD 08/17/20	98,643	96,317

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Sterling Capital Core Fixed Income CIF (Continued)
December 31, 2022

Principal Amount		Cost	Fair Value
<i>Financials (Continued)</i>			
\$ 196,000	Aspen Insurance Holdings Ltd 4.650% 11/15/2023 DD 11/13/13	\$ 200,820	\$ 194,458
49,000	Axis Specialty Finance Llc 3.900% 07/15/2029 DD 06/19/19	47,855	43,626
284,000	Bain Capital Specialty Finance 2.950% 03/10/2026 DD 03/10/21	280,077	245,594
318,000	Bank of America Corp Var Rt 04/22/2025 DD 04/22/21	316,961	313,898
263,000	Bank of America Corp Var Rt 12/20/2028 DD 12/20/17	259,588	238,174
140,000	Bank of Nova Scotia 1.625% 05/01/2023 DD 04/16/20	139,671	138,530
180,000	Barings BDC Inc 3.300% 11/23/2026 DD 05/23/22	178,857	152,764
320,000	Blackrock Inc 1.900% 01/28/2031 DD 05/06/20	299,738	259,762
388,000	Canadian Imperial Bank of Comm 0.450% 06/22/2023 DD 06/22/21	385,867	379,878
257,000	Charles Schwab Corp Var Rt 05/13/2026 DD 05/13/21	257,157	249,389
584,000	Citigroup Inc Var Rt 05/01/2025 DD 05/04/21	581,540	575,115
308,000	Enstar Group Ltd 3.100% 09/01/2031 DD 08/24/21	282,115	225,648
173,000	First Citizens Bancshares Inc Var Rt 03/15/2030 DD 03/04/20	172,580	163,480
285,000	General Motors Financial Co In 2.750% 06/20/2025 DD 06/22/20	286,705	266,999
64,000	Goldman Sachs Group Inc 3.000% 03/15/2024 DD 03/15/22	63,966	62,428
568,000	Goldman Sachs Group Inc Var Rt 12/09/2026 DD 12/09/20	541,784	501,868
74,000	Huntington Bancshares Inc/oh 2.625% 08/06/2024 DD 08/06/19	73,214	71,056
185,000	Jefferies Financial Group Inc 4.150% 01/23/2030 DD 01/23/18	194,976	164,911
514,000	JPMorgan Chase & Co Var Rt 04/22/2026 DD 04/22/20	485,300	476,904
337,000	JPMorgan Chase & Co Var Rt 04/22/2027 DD 04/22/21	325,895	329,707
200,000	Lloyds Banking Group PLC 4.582% 12/10/2025 DD 06/10/16	215,383	193,320
250,000	Mitsubishi UFJ Financial Group 3.761% 07/26/2023 DD 07/26/18	253,435	247,923
309,000	Morgan Stanley Var Rt 04/28/2026 DD 04/28/20	308,568	287,361
99,000	Morgan Stanley Var Rt 07/22/2028 DD 07/24/17	96,339	91,177
239,000	Owl Rock Capital Corp 3.400% 07/15/2026 DD 12/08/20	239,469	208,975
244,000	Royal Bank Of Canada Var Rt 04/27/2026 DD 04/27/21	243,656	236,307
110,000	Sumitomo Mitsui Financial Group 4.306% 10/16/2028 DD 10/16/18	116,694	105,711
43,000	Symetra Financial Corp 4.250% 07/15/2024 DD 08/04/14	43,279	42,182
310,000	Toronto-Dominion Bank Var Rt 09/15/2031 DD 09/15/16	320,593	285,887
159,000	Transatlantic Holdings Inc 8.000% 11/30/2039 DD 11/23/09	239,201	198,022
37,000	Visa Inc 2.700% 04/15/2040 DD 04/02/20	31,307	28,218
337,000	Wells Fargo & Co Var Rt 04/30/2041 DD 04/30/20	310,891	240,661
275,000	Wells Fargo & Co Var Rt 07/25/2028 DD 07/25/22	260,150	268,527
201,000	Westpac Banking Corp Var Rt 11/23/2031 DD 11/23/16	205,808	189,420
	Total Financials	8.36% <u>8,607,715</u>	<u>8,000,133</u>
<i>Healthcare</i>			
274,000	Abbvie Inc 4.875% 11/14/2048 DD 09/18/18	317,350	251,423
390,000	CVS Health Corp 2.700% 08/21/2040 DD 08/21/20	340,997	271,137

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Sterling Capital Core Fixed Income CIF (Continued)
December 31, 2022

Principal Amount		Cost	Fair Value
<i>Healthcare (Continued)</i>			
\$ 236,000	HCA Inc 5.000% 03/15/2024 DD 03/17/14	\$ 243,804	\$ 234,722
140,000	Viatis Inc 3.850% 06/22/2040 DD 06/22/21	120,838	94,283
	Total Healthcare	0.89% <u>1,022,989</u>	<u>851,565</u>
<i>Industrials</i>			
375,000	Boeing Co 5.705% 05/01/2040 DD 05/04/20	435,600	357,601
263,000	Burlington Northern Santa Fe L 4.950% 09/15/2041 DD 08/22/11	316,719	252,281
290,000	Deere & Co 3.750% 04/15/2050 DD 03/30/20	322,711	246,908
326,000	Kansas City Southern/old 4.200% 11/15/2069 DD 11/18/19	341,210	242,751
270,000	L3Harris Technologies Inc 3.832% 04/27/2025 DD 04/27/15	278,467	262,393
168,000	Raytheon Technologies Corp 4.500% 06/01/2042 DD 06/01/12	187,480	152,289
335,000	Waste Connections Inc 2.950% 01/15/2052 DD 09/20/21	297,577	221,732
	Total Industrials	1.81% <u>2,179,764</u>	<u>1,735,955</u>
<i>Information Technology</i>			
258,000	Dell International LLC / Emc C 6.020% 06/15/2026 DD 06/15/21	268,163	263,774
265,000	Keysight Technologies Inc 4.550% 10/30/2024 DD 10/30/15	274,545	261,060
	Total Information Technology	0.55% <u>542,708</u>	<u>524,834</u>
<i>Materials</i>			
243,000	Albemarle Corp 5.450% 12/01/2044 DD 11/24/14	274,536	220,555
258,000	FMC Corp 3.450% 10/01/2029 DD 09/20/19	262,879	228,188
194,000	Vulcan Materials Co 4.500% 06/15/2047 DD 06/15/17	207,915	162,065
	Total Materials	0.64% <u>745,330</u>	<u>610,808</u>
<i>Real Estate</i>			
227,000	American Tower Corp 3.600% 01/15/2028 DD 12/08/17	214,720	208,964
88,000	Invitation Homes Operating Par 4.150% 04/15/2032 DD 04/05/22	87,465	77,251
173,000	LXP Industrial Trust 2.700% 09/15/2030 DD 08/28/20	167,486	138,132
43,000	Retail Opportunity Investments 4.000% 12/15/2024 DD 12/03/14	42,952	41,122
338,000	Tanger Properties LP 2.750% 09/01/2031 DD 08/10/21	268,526	245,560
	Total Real Estate	0.74% <u>781,149</u>	<u>711,029</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Sterling Capital Core Fixed Income CIF (Continued)
December 31, 2022

Principal Amount		Cost	Fair Value
<i>Telecommunication Services</i>			
\$ 310,000	Amazon.com Inc 2.700% 06/03/2060 DD 06/03/20	\$ 221,421	\$ 188,591
200,000	Discovery Communications LLC 5.200% 09/20/2047 DD 09/21/17	213,092	149,471
88,000	Factset Research Systems Inc 2.900% 03/01/2027 DD 03/01/22	87,022	79,990
167,000	Time Warner Cable LLC 6.550% 05/01/2037 DD 04/09/07	191,926	159,636
	Total Telecommunication Services	0.60% <u>713,461</u>	<u>577,688</u>
<i>Utilities</i>			
128,000	American Electric Power Co Inc 5.750% 11/01/2027 DD 11/02/22	127,670	131,695
249,000	AT&T Inc 3.550% 09/15/2055 DD 03/15/21	235,256	166,891
513,000	AT&T Inc 3.850% 06/01/2060 DD 05/28/20	468,618	357,838
298,000	Centerpoint Energy Inc 2.950% 03/01/2030 DD 08/14/19	293,991	256,833
261,000	CMS Energy Corp 4.700% 03/31/2043 DD 03/22/13	281,062	220,113
286,000	Dominion Energy Inc Step 08/15/2024 DD 05/15/2019	291,955	275,703
318,000	Duke Energy Progress LLC 3.600% 09/15/2047 DD 09/08/17	310,757	240,110
260,000	Entergy Louisiana LLC 5.400% 11/01/2024 DD 11/16/09	276,426	261,309
287,000	Indiana Michigan Power Co 4.550% 03/15/2046 DD 03/03/16	269,556	241,451
253,000	Nextera Energy Capital Holding 2.440% 01/15/2032 DD 12/13/21	237,111	205,073
271,000	Puget Sound Energy Inc 4.223% 06/15/2048 DD 06/14/18	242,346	221,104
375,000	Sempra Energy 3.800% 02/01/2038 DD 01/12/18	383,402	308,586
273,000	T-Mobile Usa Inc 3.500% 04/15/2025 DD 04/15/21	280,179	262,716
337,000	Verizon Communications Inc 1.450% 03/20/2026 DD 03/22/21	328,276	302,850
269,000	Virginia Electric and Power Co 2.750% 03/15/2023 DD 03/14/13	268,792	267,901
	Total Utilities	3.89% <u>4,295,397</u>	<u>3,720,173</u>
	Total Corporate Bonds	19.58% <u>21,191,465</u>	<u>18,738,798</u>
<i>Private Placements</i>			
282,000	Aker BP ASA 144a 3.750% 01/15/2030 DD 01/15/20	241,491	248,738
110,000	American Tower Trust #1 144a 3.652% 03/15/2048 DD 03/29/18	114,123	99,674
506,377	ARI Fleet Lease Trus A A3 144a 1.800% 08/15/2028 DD 02/27/20	511,806	505,070
316,782	ARI Fleet Lease Trus A A3 144a 2.530% 11/15/2027 DD 06/19/19	322,408	316,180
280,000	Athene Global Funding 144a 2.500% 01/14/2025 DD 01/14/20	281,706	262,394
650,000	Avis Budget Rental C 1a A 144a 1.380% 08/20/2027 DD 05/18/21	629,239	566,575
94,500	Avis Budget Rental C 2a A 144a 2.970% 03/20/2024 DD 12/13/17	95,892	94,181
308,000	Avis Budget Rental C 2a A 144a 3.350% 09/22/2025 DD 04/23/19	302,901	297,647
290,000	Avolon Holdings Funding L 144a 2.875% 02/15/2025 DD 01/14/20	285,379	267,766
270,000	Bacardi Ltd 144a 4.450% 05/15/2025 DD 04/30/18	278,636	262,180
193,000	Blue Owl Finance LLC 144a 4.125% 10/07/2051 DD 10/07/21	195,450	114,268

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Sterling Capital Core Fixed Income CIF (Continued)
December 31, 2022

Principal Amount		Cost	Fair Value	
<i><u>Private Placements (Continued)</u></i>				
\$	302,000	Brighthouse Financial Glo 144a 1.550% 05/24/2026 DD 05/24/21	\$ 295,217	\$ 265,553
	141,000	Broadcom Inc 144a 4.926% 05/15/2037 DD 04/18/22	146,979	123,338
	329,000	BX Commercial Mort Acnt C 144a Var Rt 11/15/2038 DD 11/19/21	328,272	312,473
	341,000	BX Commercial Mortg Ahp A 144a Var Rt 01/17/2039 DD 02/15/22	340,050	326,336
	383,000	BX Commercial Mortg Cip A 144a Var Rt 12/15/2038 DD 12/21/21	382,478	369,553
	316,581	BX Commercial Mortg Lp2 A 144a Var Rt 02/15/2039 DD 02/22/22	315,296	305,039
	327,000	BX Trust 2021-rise Rise C 144a Var Rt 11/15/2036 DD 12/15/21	327,000	309,164
	182,000	Cargill Inc 144a 3.875% 05/23/2049 DD 05/23/19	186,319	144,491
	270,137	Chesapeake Funding 1a A1 144a 0.870% 08/15/2032 DD 07/22/20	271,107	266,378
	277,000	Commonwealth Bank Of Aust 144a Var Rt 07/07/2025 DD 10/07/21	277,452	273,306
	336,000	Daimler Truck Finance Nor 144a 2.000% 12/14/2026 DD 12/14/21	321,119	296,411
	345,000	Enterprise Fleet Fin 1 A3 144a 3.270% 01/20/2028 DD 03/30/22	344,984	324,879
	205,788	Enterprise Fleet Fin 2 A2 144a 0.610% 07/20/2026 DD 09/30/20	205,862	200,504
	122,170	Enterprise Fleet Fun 1 A2 144a 0.440% 12/21/2026 DD 02/24/21	122,018	118,369
	197,000	ERAC USA Finance LLC 144a 4.200% 11/01/2046 DD 10/18/16	230,801	154,014
	1,000,000	Ford Credit Auto Owne 1 A 144a 3.520% 07/15/2030 DD 01/18/19	995,661	980,458
	670,000	Ford Credit Auto Owne 2 A 144a 1.060% 04/15/2033 DD 10/09/20	662,550	600,462
	207,609	GreatAmerica Leasing 1 A3 144a 0.340% 08/15/2024 DD 02/10/21	207,006	202,062
	93,000	HCA Inc 144a 3.125% 03/15/2027 DD 03/09/22	89,499	84,807
	775,000	Hertz Vehicle Financ 2a A 144a 1.680% 12/27/2027 DD 06/30/21	769,357	675,387
	805,000	Hertz Vehicle Financ 2a A 144a 2.330% 06/26/2028 DD 01/19/22	804,067	706,634
	184,000	Macquarie Group Ltd 144a Var Rt 01/12/2027 DD 01/12/21	171,360	160,538
	220,000	Nationwide Mutual Insuran 144a 4.350% 04/30/2050 DD 04/30/20	252,478	165,485
	830,000	Onemain Financial I 1a A1 144a 1.550% 06/16/2036 DD 05/26/21	820,784	707,187
	242,622	OPG Trust 2021-por Port B 144a Var Rt 10/15/2036 DD 10/07/21	240,796	228,627
	105,000	Pacific LifeCorp 144a 3.350% 09/15/2050 DD 09/15/20	111,019	71,768
	211,000	Sammons Financial Group I 144a 3.350% 04/16/2031 DD 04/16/21	217,631	161,103
	260,000	SBA Tower Trust 2a C 144a Var Rt 10/15/2049 DD 10/15/14	269,243	248,523
	280,000	SBL Holdings Inc 144a 5.000% 02/18/2031 DD 02/16/21	275,135	220,828
	155,000	Toyota Auto Loan Ext 1a A 144a 1.350% 05/25/2033 DD 06/08/20	155,489	141,901
	260,000	Toyota Auto Loan Ext 1a A 144a 2.560% 11/25/2031 DD 06/19/19	269,602	250,617
	200,000	TSMC Global Ltd 144a 1.250% 04/23/2026 DD 04/23/21	197,551	179,401
	650,000	Wheels SPV 2 LLC 1a A3 144a 0.620% 08/20/2029 DD 09/21/20	648,543	620,267
		Total Private Placements	13.83% 14,511,756	13,230,536
<i><u>Mortgage-backed Securities</u></i>				
	102,000	Bank 2020-bnk29 Bn29 A4 1.997% 11/15/2053 DD 11/01/20	97,117	81,018
	400,000	BBCMS Mortgage Trust 201 C2 A5 4.314% 12/15/2051 DD 12/01/18	455,298	381,551
	153,000	BBCMS Mortgage Trust 202 C7 A5 2.037% 04/15/2053 DD 06/01/20	135,333	124,846

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Sterling Capital Core Fixed Income CIF (Continued)
December 31, 2022

Principal Amount		Cost	Fair Value
<u><i>Mortgage-backed Securities (Continued)</i></u>			
\$ 54,000	Benchmark 2020-b21 Mort B21 A5 1.978% 12/17/2053 DD 11/01/20	\$ 47,055	\$ 43,191
415,000	CD 2016-cd2 Mortgage Tr Cd2 A4 Var Rt 11/10/2049 DD 12/01/16	448,215	386,230
200,000	CD 2017-cd3 Mortgage Tr Cd3 A4 3.631% 02/10/2050 DD 02/01/17	199,206	186,224
155,000	CFCRE Commercial Mortgag C7 A3 3.839% 12/10/2054 DD 12/01/16	155,664	144,568
400,000	Citigroup Commercial Mor P7 A4 3.712% 04/14/2050 DD 04/01/17	435,743	375,315
300,000	Comm 2013-ccre11 Mortg Cr11 A4 4.258% 08/10/2050 DD 10/01/13	309,258	296,690
215,000	Comm 2013-ccre12 Mortg Cr12 A4 4.046% 10/10/2046 DD 11/01/13	216,491	210,977
471,000	Comm 2014-ccre16 Mortg Cr16 A4 4.051% 04/10/2047 DD 04/01/14	497,637	459,062
85,313	Comm 2015-lc23 Mortgag Lc23 A2 3.221% 10/10/2048 DD 11/01/15	85,980	84,379
371,000	CSAIL 2015-c3 Commercial C3 A4 3.718% 08/15/2048 DD 08/01/15	397,534	353,392
310,000	CSAIL 2015-c4 Commercial C4 A4 3.808% 11/15/2048 DD 11/01/15	335,162	295,430
141,000	DBJPM 20-c9 Mortgage Tru C9 A5 1.926% 08/15/2053 DD 08/01/20	133,501	114,409
102,680	FRESB 2018-sb52 Mort Sb52 A 10f Var Rt 06/25/2028 DD 08/01/18	101,849	97,634
175,000	GS Mortgage Securities Gs4 A4 Var Rt 11/10/2049 DD 11/01/16	188,082	162,943
850,000	GS Mortgage Securities Gsa2 A5 2.012% 12/12/2053 DD 12/01/20	830,759	668,320
1,140,000	JPMBB Commercial Mortga C23 A5 3.934% 09/15/2047 DD 09/01/14	1,133,171	1,104,540
425,000	Morgan Stanley Bank Of C29 A4 3.325% 05/15/2049 DD 05/01/16	452,958	396,580
350,000	Morgan Stanley Bank Of C32 A4 3.720% 12/15/2049 DD 12/01/16	372,250	327,985
425,000	Morgan Stanley Capital Bnk2 A4 3.049% 11/15/2049 DD 11/01/16	449,793	388,609
185,000	Morgan Stanley Capital IH3 A5 4.177% 07/15/2051 DD 07/01/18	187,796	174,606
259,000	Wells Fargo Commercial Lc18 A5 3.405% 12/15/2047 DD 12/01/14	257,173	247,253
725,000	WFRBS Commercial Mortga C20 A5 3.995% 05/15/2047 DD 05/01/14	760,958	706,264
107,000	WFRBS Commercial Mortga C20 As 4.176% 05/15/2047 DD 05/01/14	112,772	103,203
600,000	WFRBS Commercial Mortga C21 A5 3.678% 08/15/2047 DD 08/01/14	591,517	579,568
555,000	WFRBS Commercial Mortga C22 A5 3.752% 09/15/2057 DD 09/01/14	580,641	535,719
176,000	WFRBS Commercial Mortga C23 A5 3.917% 10/15/2057 DD 09/01/14	177,687	170,555
	Total Mortgage-backed Securities	9.62% <u>10,146,600</u>	<u>9,201,061</u>
<u><i>Asset-backed Securities</i></u>			
180,000	Americredit Automobile Rec 3 B 1.170% 08/18/2027 DD 11/17/21	171,296	165,842
127,562	CarMax Auto Owner Trust 2 4 A3 2.020% 11/15/2024 DD 10/23/19	128,486	126,403
230,000	CarMax Auto Owner Trust 2 1 A4 1.700% 08/16/2027 DD 01/26/22	219,943	209,575
148,000	CarMax Auto Owner Trust 2 4 A3 0.560% 09/15/2026 DD 09/22/21	143,422	140,099
780,000	CarMax Auto Owner Trust 2 3 A4 4.060% 02/15/2028 DD 07/20/22	779,988	760,035
200,000	Carvana Auto Receivables P3 A4 1.030% 06/10/2027 DD 09/29/21	188,804	174,387
170,000	Carvana Auto Receivables P2 B 1.270% 03/10/2027 DD 06/24/21	158,631	146,941
130,281	Ford Credit Auto Owner Tr A A3 0.300% 08/15/2025 DD 02/22/21	127,663	126,552
274,000	Hyundai Auto Receivables C A3 5.390% 06/15/2027 DD 11/09/22	273,999	272,227

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Sterling Capital Core Fixed Income CIF (Continued)
December 31, 2022

Principal Amount		Cost	Fair Value
<i><u>Asset-backed Securities (Continued)</u></i>			
\$ 622,000	Hyundai Auto Receivables C A4 5.520% 10/16/2028 DD 11/09/22	\$ 621,923	\$ 633,208
120,000	Santander Drive Auto Recei 4 B 0.880% 06/15/2026 DD 10/27/21	116,910	117,381
1,200,000	Santander Drive Auto Recei 4 B 4.420% 11/15/2027 DD 07/20/22	1,199,696	1,161,763
955,000	World Omni Auto Receivabl D A4 5.700% 02/15/2029 DD 11/16/22	954,746	972,217
	Total Asset-backed Securities	5.25% <u>5,085,507</u>	<u>5,011,630</u>
	Total Investments	100.00% <u>\$ 105,563,190</u>	<u>\$ 95,655,509</u>

Hand Composite Employee Benefit Trust
Statement of Operations – Selected Fund
Year Ended December 31, 2022

	Sterling Capital Core Fixed Income CIF
Income	
Interest	\$ 2,583,827
Expenses	
Investment management and administrative	35,134
Custody	54,320
Audit	7,500
Class level expenses	176,615
Total expenses before reimbursement of fees	273,569
Reimbursement of fees	(56,123)
Net expenses	217,446
Net Investment Income	2,366,381
Net Realized and Unrealized Losses on Investments	
Net realized losses on investments	(3,266,509)
Change in unrealized appreciation/depreciation on investments	(9,765,607)
Net realized and unrealized losses on investments	(13,032,116)
Net Decrease in Net Assets Resulting From Operations	\$ (10,665,735)

Hand Composite Employee Benefit Trust
Statement of Changes in Net Assets – Selected Fund
Year Ended December 31, 2022

	Sterling Capital Core Fixed Income CIF
Operations	
Net investment income	\$ 2,366,381
Net realized losses	(3,266,509)
Change in unrealized appreciation/depreciation	(9,765,607)
	(10,665,735)
Net decrease in net assets from operations	(10,665,735)
Net Increase in Net Assets From Participant Transactions	33,317,486
Increase in Net Assets Held for Participants	22,651,751
Net Assets Held for Participants	
Beginning of year	73,526,567
End of year	\$ 96,178,318

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2022

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 71 portfolios (the Funds); the financial statements of one of these funds are included in this report.

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, 2022

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

Subsequent events have been evaluated through May 31, 2023, which is the date the financial statements were available to be issued.

Investment Management Advisor

The investment management advisor for the Fund is Sterling Capital Management 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 year ended December 31, 2022, 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 Advisory Fees	Custody Fees	Other Fees	Total Fees
Sterling Capital Core Fixed Income CIF:					
Class R	0.04%	0.20%	0.05%	0.01%	0.30%

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2022

Note 3: Financial Highlights

	Sterling Capital Core Fixed Income CIF
	Class R
Net asset value, beginning of year	\$ 10.07
Net investment income	0.24
Net realized and unrealized losses	(1.51)
Net decrease from investment operations	(1.27)
Net asset value, end of year	\$ 8.80
Total return	(12.61)%
Ratio to average net assets:	
Net investment income	2.65%
Expenses without reimbursements	0.31%
Expenses with reimbursements	0.24%

Note 4: Participant Unit Transactions

	Sterling Capital Core Fixed Income CIF	
	Units	Dollars
Class R:		
Proceeds from sales of units	5,122,793	\$ 46,748,254
Cost of units redeemed	(1,494,154)	(13,430,768)
Net change in Class R from participant transactions	<u>3,628,639</u>	<u>33,317,486</u>
Net increase in net assets from participant transactions		<u>\$ 33,317,486</u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2022

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, 2022.

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.

U.S. Government and Agency Obligations. U.S. Government and agency obligations are valued using a model that incorporates market observable data, such as reported sales of similar securities, broker quotes, yields, bids, offers and reference data. Certain securities are valued principally using dealer quotations. U.S. Government and agency obligations are categorized as Level 2 in the hierarchy.

Corporate and Municipal Bonds. The fair value of these bonds is estimated using various techniques, which may consider recently executed transactions in securities of the issuer or comparable issuers, market price quotations (where observable), bond spreads, fundamental data relating to the issuer, and credit default swap spreads adjusted for any basis difference between cash and derivative instruments. These securities are categorized as Level 2 in the hierarchy.

Preferred Securities. 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

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2022

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 Depository 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.

Private Placements. Private placements are primarily determined using discounted cash flow models. These models primarily use observable inputs that include Treasury or similar base rates plus estimated credit spreads to value each security. The credit spreads are obtained through a survey of private market intermediaries who are active in both primary and secondary transactions, and consider, among other factors, the credit quality and industry sector of the issuer and the reduced liquidity associated with private placements. Since most private placements are valued using standard market observable inputs and inputs derived from, or corroborated by, market observable data including observed prices and spreads for similar publicly traded or privately traded issues, they have been reflected within Level 2 of the hierarchy.

Mortgage-backed and Asset-backed Securities. These securities are valued using models that incorporate observable data, such as prepayments, delinquencies, yields, bids, offers, collateral seasoning and other factors. Deal specific scenarios are derived from historical performance information and loan level details. These securities are categorized as Level 2 in 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, 2022:

	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)
Sterling Capital Core Fixed Income CIF				
Short Term Investment	\$ 1,138,476	\$ 1,138,476	\$ -	\$ -
Preferred Security	268,327	-	268,327	-
US Government Obligations	19,015,318	19,015,318	-	-
US Government Agency Securities	25,710,951	-	25,710,951	-
Municipals	3,340,412	-	3,340,412	-
Corporate Bonds	18,738,798	-	18,738,798	-
Private Placements	13,230,536	-	13,230,536	-
Mortgage-backed Securities	9,201,061	-	9,201,061	-
Asset-backed Securities	5,011,630	-	5,011,630	-
Total	\$ 95,655,509	\$ 20,153,794	\$ 75,501,715	\$ 0

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2022

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 – Selected Fund
Sterling Capital Core Fixed Income CIF
Year Ended December 31, 2022

Purchases	
Investment Class	Cost
U.S. Government Agencies	\$ 18,356,459
Asset-backed Securities	5,978,880
Corporate Bonds	12,768,466
Mortgage-backed Securities	5,498,806
Municipals	1,138,453
Preferred Securities	66,597
Private Placements	4,550,668
U.S. Government Obligations	30,010,516
Total Investments Purchased	\$ 78,368,845

Sales			
Investment Class	Proceeds	Cost	Losses
Asset-backed Securities	\$ 2,027,672	\$ 2,106,425	\$ (78,753)
Corporate Bonds	9,750,719	10,997,576	(1,246,857)
Mortgage-backed Securities	2,253,355	2,532,136	(278,781)
Private Placements	3,041,374	3,413,116	(371,742)
U.S. Government Obligations	12,498,926	13,789,302	(1,290,376)
Total Investments Sold	\$ 29,572,046	\$ 32,838,555	\$ (3,266,509)