

**Hand Composite Employee Benefit Trust
Western Asset Core Plus Bond CIF**

Independent Auditor's Report and Financial Statements

December 31, 2017



Hand Composite Employee Benefit Trust

December 31, 2017

Contents

Independent Auditor's Report	1
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Basic Financial Statements

Statement of Assets and Liabilities - Selected Fund.....	3
Schedule of Investments	
Western Asset Core Plus Bond CIF.....	4
Statement of Operations - Selected Fund.....	23
Statement of Changes in Net Assets - Selected Fund	24
Notes to Financial Statements.....	25

Supplemental Information

Schedule of Investment Purchases and Sales - Selected Fund.....	46
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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 the selected fund, Western Asset Core Plus Bond CIF, included in the Hand Composite Employee Benefit Trust ("Trust" or "Fund"), which comprise the statement of assets and liabilities, including the schedule of investments, as of December 31, 2017, and the related statements of operations and changes in net assets for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the selected fund, Western Asset Core Plus Bond CIF, as of December 31, 2017, 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.

Supplementary Information

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

BKD, LLP

Houston, Texas
May 25, 2018

Hand Composite Employee Benefit Trust
Statement of Assets and Liabilities – Selected Fund
December 31, 2017

	Western Asse Core Plus Bond CIF
Assets	
Investments, at cost	\$ 390,023,206
Investments, at fair value	\$ 393,750,152
Cash denominated in foreign currencies (Cost - \$1,680,979)	1,614,856
Receivable from broker - variation margin on open futures contracts	79,623
Unrealized gain on foreign currency forward exchange contracts	368,078
Deposits with brokers for open futures contracts	991,397
Deposits with broker for OTC contracts	180,000
Deposits with brokers for centrally cleared swap contracts	785,055
Foreign currency collateral for open futures contracts, at value (Cost - \$738,175)	740,165
Foreign currency collateral for centrally cleared swap contracts, at value (Cost - \$17)	17
Receivable for:	
Investment securities sold	3,962,632
Capital shares sold	78,345
Dividends and interest	2,249,846
Investment advisor waived fees	126,436
Other assets	42,039
Total assets	\$ 404,968,641
Liabilities	
Payable for investment securities purchased	\$ 56,215,502
Due to custodian	4,742,816
Payable for capital shares redeemed	5,989
Management fee payable	67,244
Written options, at value (premiums received - \$126,063)	98,149
Payable to broker - variation margin on centrally cleared swap contracts	30,927
Unrealized loss on foreign currency forward exchange contracts	302,295
Accounts payable and accrued liabilities	63,748
Total liabilities	\$ 61,526,670
Net assets held for participants:	
Class R1	\$ 165,483,751
Class R2	119,440,715
Class R-INT	25,810,930
Class R-LM	32,706,575
Total net assets held for participants	\$ 343,441,971
Units outstanding:	
Class R1	9,772,855
Class R2	7,048,331
Class R-INT	1,511,133
Class R-LM	1,919,781
Total units outstanding	20,252,100
Net asset value per unit:	
Class R1	\$ 16.93
Class R2	\$ 16.95
Class R-INT	\$ 17.08
Class R-LM	\$ 17.04

Hand Composite Employee Benefit Trust
Schedule of Investments
Western Asset Core Plus Bond CIF
December 31, 2017

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
51,245,521	State Street Institutional U.S. Government Money Market Fund, Premier Class 1.22%	\$ 51,245,521	\$ 51,245,521
	Total Short Term Investment	13.02%	51,245,521
<u>Preferred Stocks</u>			
<u>Consumer Discretionary</u>			
4,575	Citigroup Capital XIII	125,105	125,721
	Total Consumer Discretionary	0.03%	125,105
<u>Financials</u>			
5,957	GMAC Capital Trust I Series 2	147,734	154,584
	Total Financials	0.04%	147,734
	Total Preferred Stocks	0.07%	272,839
Principal Amount†		Cost	Fair Value
<u>Corporate Bonds</u>			
<u>Consumer Discretionary</u>			
\$	40,000 21st Century Fox America, Inc. Company Guarantee 4.50% 02/15/2021	\$ 40,027	\$ 42,277
	440,000 Amazon.com, Inc. Sr Unsecured 144A 3.15% 08/22/2027	439,237	440,663
	110,000 Amazon.com, Inc. Sr Unsecured 144A 3.875% 08/22/2037	109,729	116,721
	140,000 Amazon.com, Inc. Sr Unsecured 144A 4.05% 08/22/2047	138,972	150,880
	90,000 American Axle & Manufacturing, Inc. Company Guarantee 6.625% 10/15/2022	90,856	93,375
	140,000 Broadcom Corp. / Broadcom Cayman Finance Ltd. Company Guarantee 144A 3.125% 01/15/2025	135,909	133,835
	20,000 Broadcom Corp. / Broadcom Cayman Finance Ltd. Company Guarantee 144A 3.875% 01/15/2027	19,983	19,681
	80,000 CCO Holdings LLC / CCO Holdings Capital Corp. Sr Unsecured 144A 5.125% 05/01/2027	79,247	78,800
	130,000 Comcast Corp. Company Guarantee 4.20% 08/15/2034	130,889	138,904
	50,000 Comcast Corp. Company Guarantee 3.375% 08/15/2025	49,951	51,314
	80,000 Comcast Corp. Company Guarantee 4.25% 01/15/2033	85,551	87,197
	395,420 Continental Airlines 2007-1 Class A Pass-Through Trust Series 071A 5.983% 10/19/2023	426,783	431,126
	160,000 Cooperatieve Rabobank UA Jr Subordinated 144A 11.00% 06/30/2019	164,826	178,800
	1,160,000 Cooperatieve Rabobank UA Company Guarantee 4.625% 12/01/2023	1,185,667	1,243,466
	460,000 Credit Agricole S.A. Jr Subordinated 144A 8.375% 10/13/2019	461,399	501,400
	280,000 DISH DBS Corp. Company Guarantee 5.875% 11/15/2024	276,085	272,650
	110,000 DISH DBS Corp. Company Guarantee 6.75% 06/01/2021	116,524	115,500
	190,000 Dollar Tree, Inc. Company Guarantee 5.75% 03/01/2023	196,460	199,025
	50,000 General Motors Co. Sr Unsecured 6.25% 10/02/2043	56,924	59,223
	20,000 General Motors Financial Co., Inc. Company Guarantee 3.25% 05/15/2018	20,000	20,075
	240,000 General Motors Financial Co., Inc. Company Guarantee 3.45% 04/10/2022	240,334	243,199
	110,000 General Motors Financial Co., Inc. Company Guarantee 4.35% 01/17/2027	111,304	114,405
	50,000 GLP Capital L.P. / GLP Financing II, Inc. Company Guarantee 5.375% 04/15/2026	50,463	53,625
	140,000 Goodyear Tire & Rubber Co. Company Guarantee 5.125% 11/15/2023	140,420	146,075
	130,000 Hilton Worldwide Finance LLC / Hilton Worldwide Finance Corp. Company Guarantee 4.875% 04/01/2027	130,000	136,013
	80,000 Lennar Corp. Company Guarantee 4.50% 04/30/2024	80,000	82,024
	320,000 McDonald's Corp. Sr Unsecured 3.70% 01/30/2026	321,031	333,564
	60,000 Netflix, Inc. Sr Unsecured 5.875% 02/15/2025	62,492	63,750
	90,000 Newell Brands, Inc. Sr Unsecured 3.15% 04/01/2021	90,124	91,007
	280,000 Newell Brands, Inc. Sr Unsecured 3.85% 04/01/2023	286,703	289,733
	130,000 Taylor Morrison Communities, Inc. / Monarch Communities, Inc. Company Guarantee 144A 5.25% 04/15/2021	128,634	132,600
	10,000 Time Warner Cable LLC Sr Secured 5.00% 02/01/2020	10,525	10,436
	30,000 Time Warner Cable LLC Sr Secured 5.875% 11/15/2040	33,840	32,550
	260,000 Time Warner Cable LLC Sr Secured 7.30% 07/01/2038	312,966	325,900

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
<u>Corporate Bonds (Continued)</u>			
<u>Consumer Discretionary (Continued)</u>			
\$	10,000 Time Warner Cable LLC Sr Secured 8.75% 02/14/2019	\$ 10,255	\$ 10,662
	100,000 Time Warner, Inc. Company Guarantee 6.25% 03/29/2041	125,195	123,498
	100,000 UBM PLC Sr Unsecured 144A 5.75% 11/03/2020	99,296	103,827
	90,000 Viacom, Inc. Sr Unsecured 4.25% 09/01/2023	89,342	91,889
	10,000 Viacom, Inc. Sr Unsecured 3.875% 04/01/2024	9,501	9,977
	Total Consumer Discretionary	1.72% 6,557,444	6,769,646
<u>Consumer Staples</u>			
	240,000 Altria Group, Inc. Company Guarantee 4.75% 05/05/2021	242,986	257,371
	30,000 Altria Group, Inc. Company Guarantee 5.375% 01/31/2044	33,909	36,494
	40,000 Constellation Brands, Inc. Company Guarantee 6.00% 05/01/2022	42,515	44,957
	180,000 CVS Health Corp. Sr Unsecured 2.75% 12/01/2022	179,317	177,315
	150,000 CVS Health Corp. Sr Unsecured 4.00% 12/05/2023	152,714	155,957
	186,000 CVS Health Corp. Sr Unsecured 3.875% 07/20/2025	185,928	191,556
	200,000 CVS Health Corp. Sr Unsecured 5.125% 07/20/2045	211,252	229,219
	360,000 Danone S.A. Sr Unsecured 144A 2.077% 11/02/2021	360,000	352,152
	280,000 Danone S.A. Sr Unsecured 144A 2.589% 11/02/2023	280,000	273,058
	270,000 Danone S.A. Sr Unsecured 144A 2.947% 11/02/2026	270,000	262,900
	18,000 Kraft Heinz Foods Co. Company Guarantee 5.375% 02/10/2020	19,095	19,071
	110,000 Kraft Heinz Foods Co. Company Guarantee 3.50% 06/06/2022	110,978	112,558
	40,000 Kraft Heinz Foods Co. Company Guarantee 3.95% 07/15/2025	41,001	41,315
	160,000 Kraft Heinz Foods Co. Company Guarantee 3.00% 06/01/2026	153,917	153,965
	80,000 Kraft Heinz Foods Co. Company Guarantee 5.20% 07/15/2045	82,757	88,001
	150,000 Kraft Heinz Foods Co. Secured 144A 4.875% 02/15/2025	151,988	159,025
	160,000 Lamb Weston Holdings, Inc. Company Guarantee 144A 4.875% 11/01/2026	159,452	167,200
	20,000 Molson Coors Brewing Co. Company Guarantee 3.50% 05/01/2022	20,021	20,542
	50,000 PepsiCo, Inc. Sr Unsecured 4.00% 03/05/2042	45,840	53,002
	340,000 Pernod Ricard S.A. Sr Unsecured 144A 4.45% 01/15/2022	350,709	361,158
	10,000 Philip Morris International, Inc. Sr Unsecured 2.50% 08/22/2022	9,869	9,908
	220,000 Philip Morris International, Inc. Sr Unsecured 2.90% 11/15/2021	219,938	222,677
	90,000 Philip Morris International, Inc. Sr Unsecured 4.50% 03/20/2042	88,728	97,939
	360,000 Philip Morris International, Inc. Sr Unsecured 1.875% 11/01/2019	359,350	357,799
	160,000 Philip Morris International, Inc. Sr Unsecured 2.50% 11/02/2022	159,335	158,576
	140,000 Reynolds American, Inc. Company Guarantee 5.85% 08/15/2045	150,723	174,828
	10,000 Reynolds American, Inc. Company Guarantee 8.125% 06/23/2019	10,714	10,817
	Reynolds Group Issuer, Inc. / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu Sr Secured 144A 5.125% 07/15/2023	112,829	113,850
	190,000 Walgreens Boots Alliance, Inc. Sr Unsecured 3.45% 06/01/2026	189,500	187,883
	Total Consumer Staples	1.14% 4,395,365	4,491,093
<u>Energy</u>			
	120,000 Anadarko Petroleum Corp. Sr Unsecured 4.85% 03/15/2021	122,031	126,724
	140,000 Anadarko Petroleum Corp. Sr Unsecured 6.45% 09/15/2036	161,155	171,474
	110,000 Anadarko Petroleum Corp. Sr Unsecured 6.60% 03/15/2046	136,347	141,491
	182,000 Apache Corp. Sr Unsecured 3.25% 04/15/2022	182,124	183,375
	470,000 Apache Corp. Sr Unsecured 5.10% 09/01/2040	475,184	500,731
	250,000 BHP Billiton Finance USA Ltd. Company Guarantee 5.00% 09/30/2043	256,606	306,512
	550,000 BHP Billiton Finance USA Ltd. Company Guarantee 144A 6.75% 10/19/2075	550,000	642,174
	200,000 BP Capital Markets PLC Company Guarantee 3.216% 11/28/2023	200,822	204,303
	110,000 Cheniere Corpus Christi Holdings LLC Sr Secured 5.125% 06/30/2027	110,000	113,784
	130,000 Chesapeake Energy Corp. Company Guarantee 6.125% 02/15/2021	118,129	131,625
	30,000 Continental Resources, Inc. Company Guarantee 4.50% 04/15/2023	29,738	30,600
	70,000 Continental Resources, Inc. Sr Unsecured 144A 4.375% 01/15/2028	70,000	69,104
	280,000 Devon Energy Corp. Sr Unsecured 3.25% 05/15/2022	259,186	284,815

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value		
<u>Corporate Bonds (Continued)</u>					
<u>Energy (Continued)</u>					
\$	890,000	Devon Energy Corp. Sr Unsecured 5.00% 06/15/2045	\$ 886,660	\$ 992,836	
	50,000	Devon Energy Corp. Sr Unsecured 5.60% 07/15/2041	50,611	58,934	
	580,000	Diamond 1 Finance Corp. / Diamond 2 Finance Corp. Sr Secured 144A 3.48% 06/01/2019	583,580	587,266	
	550,000	Diamond 1 Finance Corp. / Diamond 2 Finance Corp. Sr Secured 144A 4.42% 06/15/2021	560,537	573,111	
	270,000	Ecopetrol S.A. Sr Unsecured 5.875% 05/28/2045	244,744	275,670	
	170,000	EOG Resources, Inc. Sr Unsecured 4.15% 01/15/2026	179,690	180,931	
	130,000	EP Energy LLC / Everest Acquisition Finance, Inc. Company Guarantee 6.375% 06/15/2023	95,310	70,200	
	330,000	Exxon Mobil Corp. Sr Unsecured 3.043% 03/01/2026	330,822	335,096	
	260,000	Exxon Mobil Corp. Sr Unsecured 4.114% 03/01/2046	265,312	291,001	
	480,000	Halliburton Co. Sr Unsecured 3.80% 11/15/2025	482,775	498,848	
	670,000	Kerr-McGee Corp. Company Guarantee 6.95% 07/01/2024	747,244	789,781	
	220,000	Kinder Morgan, Inc. Company Guarantee 5.30% 12/01/2034	181,773	234,688	
	80,000	MEG Energy Corp. Company Guarantee 144A 7.00% 03/31/2024	67,793	67,500	
	210,000	Noble Energy, Inc. Sr Unsecured 4.15% 12/15/2021	212,567	218,824	
	160,000	Noble Energy, Inc. Sr Unsecured 3.85% 01/15/2028	159,516	160,489	
	70,000	Noble Energy, Inc. Sr Unsecured 4.95% 08/15/2047	69,781	74,911	
	140,000	Noble Energy, Inc. Sr Unsecured 6.00% 03/01/2041	145,123	165,576	
	270,000	Occidental Petroleum Corp. Sr Unsecured 3.00% 02/15/2027	267,820	268,421	
	100,000	Occidental Petroleum Corp. Sr Unsecured 3.125% 02/15/2022	99,263	102,521	
	260,000	Occidental Petroleum Corp. Sr Unsecured 4.10% 02/15/2047	259,305	276,375	
	180,000	Occidental Petroleum Corp. Sr Unsecured 3.40% 04/15/2026	179,651	184,341	
	70,000	Occidental Petroleum Corp. Sr Unsecured 4.40% 04/15/2046	69,373	77,487	
	482,000	Petrobras Global Finance BV Company Guarantee 6.25% 03/17/2024	496,506	511,402	
	230,000	Petrobras Global Finance BV Company Guarantee 6.125% 01/17/2022	230,000	244,087	
	240,000	Petrobras Global Finance BV Company Guarantee 7.375% 01/17/2027	242,276	264,240	
	963,000	Petrobras Global Finance BV Company Guarantee 144A 5.299% 01/27/2025	956,314	965,889	
	300,000	Petroleos Mexicanos Company Guarantee 6.375% 01/23/2045	297,860	301,605	
	40,000	Petroleos Mexicanos Company Guarantee 5.50% 06/27/2044	40,721	36,798	
	210,000	Petroleos Mexicanos Company Guarantee 6.625% 06/15/2035	228,355	224,351	
	20,000	Petroleos Mexicanos Company Guarantee 6.875% 08/04/2026	19,968	22,675	
	130,000	QEP Resources, Inc. Sr Unsecured 6.875% 03/01/2021	132,353	140,400	
	150,000	Range Resources Corp. Company Guarantee 4.875% 05/15/2025	148,277	144,750	
	70,000	Range Resources Corp. Company Guarantee 5.875% 07/01/2022	71,533	71,400	
	450,000	Sanchez Energy Corp. Company Guarantee 7.75% 06/15/2021	357,839	423,000	
	180,000	Sanchez Energy Corp. Company Guarantee 6.125% 01/15/2023	146,712	152,100	
	320,000	Schlumberger Holdings Corp. Sr Unsecured 144A 3.00% 12/21/2020	320,761	324,145	
	18,119	Shelf Drilling Holdings Ltd. Secured 144A 9.50% 11/02/2020	18,000	18,459	
	160,000	Shell International Finance BV Company Guarantee 6.375% 12/15/2038	196,668	223,060	
	20,000	Shell International Finance BV Company Guarantee 3.75% 09/12/2046	18,466	20,398	
	40,000	Shell International Finance BV Company Guarantee 4.00% 05/10/2046	41,874	42,602	
	410,000	Shell International Finance BV Company Guarantee 4.375% 05/11/2045	413,128	460,993	
	90,000	Shell International Finance BV Company Guarantee 4.55% 08/12/2043	94,599	102,365	
	140,000	Southern Natural Gas Co. LLC Sr Unsecured 8.00% 03/01/2032	159,675	189,804	
	410,000	Vale Overseas Ltd. Company Guarantee 6.875% 11/21/2036	396,887	502,250	
	100,000	Whiting Petroleum Corp. Company Guarantee 6.25% 04/01/2023	74,075	102,625	
	200,000	Williams Cos., Inc. Sr Unsecured 7.875% 09/01/2021	224,454	231,000	
	10,000	WPX Energy, Inc. Sr Unsecured 6.00% 01/15/2022	9,674	10,450	
	30,000	WPX Energy, Inc. Sr Unsecured 8.25% 08/01/2023	33,869	34,050	
		Total Energy	3.85%	14,181,416	15,156,417
<u>Financials</u>					
	100,000	1011778 BC ULC / New Red Finance, Inc. Secured 144A 5.00% 10/15/2025	100,000	100,750	
	320,000	ABN AMRO Bank N.V. Subordinated 144A 4.75% 07/28/2025	319,315	339,680	
	220,000	American International Group, Inc. Sr Unsecured 3.75% 07/10/2025	219,882	226,825	
	80,000	Anthem, Inc. Sr Unsecured 3.125% 05/15/2022	79,805	80,707	

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
<u>Corporate Bonds (Continued)</u>			
<u>Financials (Continued)</u>			
\$	120,000 Bank of America Corp. Jr Subordinated Series AA 6.10% 03/17/2025	\$ 132,067	\$ 131,700
	150,000 Bank of America Corp. Jr Subordinated Series X 6.25% 09/05/2024	150,000	165,757
	260,000 Bank of America Corp. Sr Unsecured 3.30% 01/11/2023	259,316	265,980
	290,000 Bank of America Corp. Sr Unsecured 4.00% 04/01/2024	289,447	306,567
	300,000 Bank of America Corp. Sr Unsecured 4.10% 07/24/2023	298,387	318,586
	110,000 Bank of America Corp. Sr Unsecured 5.65% 05/01/2018	111,047	111,313
	690,000 Bank of America Corp. Sr Unsecured 3.593% 07/21/2028	689,938	701,353
	17,000 Bank of America Corp. Sr Unsecured 144A 3.004% 12/20/2023	16,999	17,044
	682,000 Bank of America Corp. Sr Unsecured 144A 3.419% 12/20/2028	678,288	682,147
	3,000 Bank of America Corp. Sr Unsecured Series L 2.60% 01/15/2019	3,000	3,010
	1,460,000 Bank of America Corp. Subordinated 4.20% 08/26/2024	1,463,950	1,537,483
	520,000 Bank of America Corp. Subordinated 4.45% 03/03/2026	540,382	555,050
	30,000 BHP Billiton Finance USA Ltd. Company Guarantee 2.875% 02/24/2022	30,083	30,346
	10,000 BP Capital Markets PLC Company Guarantee 3.245% 05/06/2022	10,040	10,250
	10,000 BP Capital Markets PLC Company Guarantee 3.561% 11/01/2021	10,000	10,394
	470,000 BP Capital Markets PLC Company Guarantee 3.506% 03/17/2025	472,467	486,179
	110,000 Citigroup, Inc. Jr Subordinated Series D 5.35% 05/15/2023	110,000	112,475
	190,000 Citigroup, Inc. Jr Subordinated Series M 6.30% 05/15/2024	189,806	203,537
	790,000 Citigroup, Inc. Jr Subordinated Series P 5.95% 05/15/2025	790,000	841,350
	704,000 Citigroup, Inc. Sr Unsecured 4.65% 07/30/2045	717,140	801,272
	392,000 Citigroup, Inc. Sr Unsecured 8.125% 07/15/2039	565,541	626,780
	50,000 Citigroup, Inc. Subordinated 4.05% 07/30/2022	51,047	52,040
	671,000 Citigroup, Inc. Subordinated 5.30% 05/06/2044	719,452	792,234
	1,090,000 Citigroup, Inc. Subordinated 5.50% 09/13/2025	1,158,873	1,227,931
	40,000 Citigroup, Inc. Subordinated 6.625% 06/15/2032	45,875	50,973
	110,000 Citigroup, Inc. Subordinated 6.675% 09/13/2043	121,115	152,236
	840,000 Citigroup, Inc. Subordinated 4.45% 09/29/2027	851,668	889,310
	170,000 Commonwealth Bank of Australia Sr Unsecured 144A 5.00% 10/15/2019	170,487	177,835
	280,000 Commonwealth Bank of Australia Sr Unsecured 144A 3.90% 07/12/2047	278,976	286,233
	350,000 Credit Suisse Group Funding Guernsey Ltd. Company Guarantee 4.875% 05/15/2045	347,422	402,864
	440,000 Ford Motor Credit Co. LLC Sr Unsecured 8.125% 01/15/2020	478,816	487,396
	8,000 Goldman Sachs Capital II Limited Guarantee 4.00% 01/29/2018	6,338	7,072
	570,000 Goldman Sachs Group, Inc. Sr Unsecured 3.50% 11/16/2026	565,959	573,337
	1,040,000 Goldman Sachs Group, Inc. Sr Unsecured 4.00% 03/03/2024	1,061,830	1,091,103
	320,000 Goldman Sachs Group, Inc. Sr Unsecured 6.25% 02/01/2041	321,333	431,231
	210,000 Goldman Sachs Group, Inc. Sr Unsecured Series D 6.00% 06/15/2020	216,006	227,055
	540,000 Goldman Sachs Group, Inc. Subordinated 6.75% 10/01/2037	662,015	722,867
	470,000 Goldman Sachs Group, Inc. Subordinated 5.15% 05/22/2045	476,928	545,033
	96,000 HSBC Finance Corp. Subordinated 6.676% 01/15/2021	103,328	106,733
	240,000 HSBC Holdings PLC Jr Subordinated 6.375% 09/17/2024	240,000	255,600
	820,000 HSBC Holdings PLC Sr Unsecured 3.40% 03/08/2021	818,775	838,120
	650,000 HSBC Holdings PLC Subordinated 4.25% 08/18/2025	645,736	674,067
	200,000 Intesa Sanpaolo S.p.A. Sr Unsecured 144A 3.125% 07/14/2022	199,715	198,558
	320,000 Intesa Sanpaolo S.p.A. Sr Unsecured 144A 3.875% 07/14/2027	320,228	319,850
	900,000 Intesa Sanpaolo S.p.A. Subordinated 144A 5.017% 06/26/2024	897,801	921,531
	150,000 JPMorgan Chase & Co. Sr Unsecured 4.35% 08/15/2021	156,792	159,092
	200,000 JPMorgan Chase & Co. Subordinated 4.25% 10/01/2027	210,169	212,570
	450,000 JPMorgan Chase & Co. Subordinated 4.95% 06/01/2045	453,830	523,016
	50,000 KKR Group Finance Co. II LLC Company Guarantee 144A 5.50% 02/01/2043	50,872	58,103
	790,000 Lehman Brothers Holdings, Inc. Jr Subordinated 6.50% 07/19/2017	790,000	79
	200,000 Lloyds Banking Group PLC Sr Unsecured 3.574% 11/07/2028	200,000	198,119
	760,000 MetLife, Inc. Jr Subordinated 6.40% 12/15/2066	787,568	874,236
	130,000 Mitsubishi UFJ Financial Group, Inc. Sr Unsecured 2.998% 02/22/2022	130,699	130,826
	1,090,000 Royal Bank of Scotland Group PLC Subordinated 5.125% 05/28/2024	1,108,541	1,156,129
	40,000 Santander Holdings USA, Inc. Sr Unsecured 4.50% 07/17/2025	40,398	41,722
	200,000 Standard Chartered PLC Subordinated 144A 5.70% 03/26/2044	209,460	242,578

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
Corporate Bonds (Continued)			
Financials (Continued)			
\$	280,000 State Street Corp. Jr Subordinated 4.956% 03/15/2018	\$ 280,578	\$ 281,602
	160,000 Sumitomo Mitsui Financial Group, Inc. Sr Unsecured 2.058% 07/14/2021	156,077	156,802
	16,000 Teachers Insurance & Annuity Association of America Subordinated 144A 6.85% 12/16/2039	16,452	22,605
	240,000 UBS Group Funding Switzerland AG Company Guarantee 144A 4.125% 09/24/2025	239,638	251,869
	340,000 UBS Group Funding Switzerland AG Company Guarantee 144A 4.253% 03/23/2028	340,000	358,254
	14,000 Voya Financial, Inc. Company Guarantee 2.90% 02/15/2018	14,002	14,014
	480,000 Wells Fargo & Co. Sr Unsecured 3.00% 10/23/2026	479,467	470,475
	50,000 Wells Fargo & Co. Sr Unsecured 4.60% 04/01/2021	51,408	53,135
	1,320,000 Wells Fargo & Co. Subordinated 4.30% 07/22/2027	1,334,362	1,405,543
	70,000 Wells Fargo & Co. Subordinated 4.40% 06/14/2046	69,727	73,825
	660,000 Wells Fargo & Co. Subordinated 4.75% 12/07/2046	672,315	737,642
	130,000 Wells Fargo & Co. Subordinated 5.375% 11/02/2043	129,640	154,803
	510,000 Wells Fargo & Co. Subordinated Series M 3.45% 02/13/2023	502,126	519,714
	Total Financials	7.16% 27,430,744	28,194,497
Health Care			
	220,000 Abbott Laboratories Sr Unsecured 4.75% 11/30/2036	220,076	247,192
	380,000 Abbott Laboratories Sr Unsecured 3.75% 11/30/2026	378,591	390,209
	80,000 AbbVie, Inc. Sr Unsecured 2.90% 11/06/2022	79,621	80,233
	120,000 ACE INA Holdings, Inc. Company Guarantee 2.30% 11/03/2020	119,961	119,809
	80,000 ACE INA Holdings, Inc. Company Guarantee 3.35% 05/03/2026	80,223	81,645
	90,000 Aetna, Inc. Sr Unsecured 2.80% 06/15/2023	89,962	88,576
	10,000 Amgen, Inc. Sr Unsecured 3.625% 05/22/2024	9,989	10,390
	69,000 Amgen, Inc. Sr Unsecured 4.663% 06/15/2051	71,374	77,177
	220,000 Anthem, Inc. Sr Unsecured 2.95% 12/01/2022	219,899	220,092
	80,000 Anthem, Inc. Sr Unsecured 3.35% 12/01/2024	79,975	81,162
	150,000 Anthem, Inc. Sr Unsecured 3.65% 12/01/2027	149,701	152,899
	240,000 Ardagh Packaging Finance PLC / Ardagh Holdings USA, Inc. Sr Secured 144A 4.625% 05/15/2023	240,000	244,872
	300,000 Becton Dickinson & Co. Sr Unsecured 3.363% 06/06/2024	299,916	300,838
	81,000 Becton Dickinson & Co. Sr Unsecured 3.734% 12/15/2024	83,700	82,960
	100,000 Becton Dickinson & Co. Sr Unsecured 4.685% 12/15/2044	100,477	109,350
	100,000 Cardinal Health, Inc. Sr Unsecured 2.616% 06/15/2022	100,000	98,329
	120,000 Cardinal Health, Inc. Sr Unsecured 3.079% 06/15/2024	120,000	118,129
	100,000 Celgene Corp. Sr Unsecured 3.625% 05/15/2024	99,733	102,844
	190,000 Celgene Corp. Sr Unsecured 3.875% 08/15/2025	190,745	196,667
	150,000 Celgene Corp. Sr Unsecured 5.25% 08/15/2043	153,653	173,182
	130,000 Centene Corp. Sr Unsecured 4.75% 05/15/2022	130,786	134,875
	150,000 Centene Corp. Sr Unsecured 4.75% 01/15/2025	150,000	152,625
	100,000 Cott Holdings, Inc. Company Guarantee 144A 5.50% 04/01/2025	100,000	102,750
	10,000 DaVita, Inc. Company Guarantee 5.00% 05/01/2025	10,042	9,997
	110,000 Eli Lilly & Co. Sr Unsecured 3.10% 05/15/2027	109,964	111,654
	330,000 Gilead Sciences, Inc. Sr Unsecured 3.70% 04/01/2024	337,271	345,243
	160,000 Gilead Sciences, Inc. Sr Unsecured 4.75% 03/01/2046	164,179	185,078
	40,000 HCA, Inc. Sr Secured 5.50% 06/15/2047	41,072	39,900
	220,000 Humana, Inc. Sr Unsecured 3.95% 03/15/2027	223,720	227,785
	50,000 Humana, Inc. Sr Unsecured 4.625% 12/01/2042	50,746	54,556
	10,000 Humana, Inc. Sr Unsecured 4.80% 03/15/2047	10,336	11,275
	40,000 Humana, Inc. Sr Unsecured 4.95% 10/01/2044	41,948	46,071
	150,000 Johnson & Johnson Sr Unsecured 3.625% 03/03/2037	146,947	158,472
	600,000 Medtronic Global Holdings SCA Company Guarantee 3.35% 04/01/2027	601,762	615,642
	100,000 Merck & Co., Inc. Sr Unsecured 2.75% 02/10/2025	99,878	99,595
	280,000 Myriad International Holdings BV Company Guarantee 144A 4.85% 07/06/2027	280,000	290,336
	50,000 Regency Energy Partners L.P. / Regency Energy Finance Corp. Company Guarantee 4.50% 11/01/2023	50,000	51,697
	128,000 Regency Energy Partners L.P. / Regency Energy Finance Corp. Company Guarantee 5.875% 03/01/2022	129,440	139,937
	70,000 Spectrum Brands, Inc. Company Guarantee 5.75% 07/15/2025	72,326	73,675

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
Corporate Bonds (Continued)			
Health Care (Continued)			
\$	10,000 Telefonica Emisiones SAU Company Guarantee 5.877% 07/15/2019	\$ 10,014	\$ 10,513
	60,000 Tenet Healthcare Corp. Sr Unsecured 8.125% 04/01/2022	59,553	61,050
	60,000 Teva Pharmaceutical Finance Co. BV Company Guarantee 2.95% 12/18/2022	57,848	53,709
	60,000 Teva Pharmaceutical Finance Netherlands III BV Company Guarantee 1.40% 07/20/2018	59,621	59,601
	90,000 Teva Pharmaceutical Finance Netherlands III BV Company Guarantee 1.70% 07/19/2019	87,512	87,444
	30,000 Teva Pharmaceutical Finance Netherlands III BV Company Guarantee 2.80% 07/21/2023	28,538	26,124
	70,000 Teva Pharmaceutical Finance Netherlands III BV Company Guarantee 3.15% 10/01/2026	64,386	57,795
	340,000 UBS Group Funding Switzerland AG Company Guarantee 144A 3.491% 05/23/2023	339,993	345,411
	200,000 UnitedHealth Group, Inc. Sr Unsecured 2.75% 02/15/2023	201,718	200,396
	70,000 UnitedHealth Group, Inc. Sr Unsecured 3.375% 11/15/2021	69,836	72,164
	320,000 UnitedHealth Group, Inc. Sr Unsecured 3.75% 07/15/2025	324,848	337,288
	15,000 Valeant Pharmaceuticals International, Inc. Company Guarantee 144A 5.375% 03/15/2020	15,000	15,019
	30,000 Valeant Pharmaceuticals International, Inc. Company Guarantee 144A 5.625% 12/01/2021	24,633	29,325
	20,000 Valeant Pharmaceuticals International, Inc. Company Guarantee 144A 5.875% 05/15/2023	17,476	18,550
	320,000 Valeant Pharmaceuticals International, Inc. Company Guarantee 144A 7.50% 07/15/2021	322,396	325,600
	140,000 Valeant Pharmaceuticals International, Inc. Company Guarantee 144A 9.00% 12/15/2025	138,743	145,908
	40,000 Valeant Pharmaceuticals International, Inc. Sr Secured 144A 6.50% 03/15/2022	40,315	42,000
	90,000 Valeant Pharmaceuticals International, Inc. Sr Secured 144A 7.00% 03/15/2024	90,801	96,300
	210,000 Wyeth LLC Company Guarantee 5.95% 04/01/2037	244,437	281,534
	Total Health Care	2.06% 7,835,681	8,093,449
Industrials			
	340,000 Actavis Funding SCS Company Guarantee 3.80% 03/15/2025	343,878	346,136
	640,000 AerCap Ireland Capital Ltd. / AerCap Global Aviation Trust Company Guarantee 3.75% 05/15/2019	639,590	650,129
	39,000 Barrick North America Finance LLC Company Guarantee 4.40% 05/30/2021	39,133	41,282
	130,000 Barrick North America Finance LLC Company Guarantee 5.70% 05/30/2041	128,154	159,737
	60,000 Barrick North America Finance LLC Company Guarantee 5.75% 05/01/2043	71,494	75,346
	60,000 Beacon Escrow Corp. Company Guarantee 144A 4.875% 11/01/2025	60,800	60,225
	260,000 Boeing Co. Sr Unsecured 4.875% 02/15/2020	265,915	274,616
	Charter Communications Operating LLC / Charter Communications Operating Capital Sr Secured 4.20%		
	180,000 03/15/2028	181,522	178,663
	Charter Communications Operating LLC / Charter Communications Operating Capital Sr Secured 6.384%		
	150,000 10/23/2035	166,029	175,144
	Charter Communications Operating LLC / Charter Communications Operating Capital Sr Secured 6.484%		
	20,000 10/23/2045	23,048	23,319
	110,000 Cintas Corp. No 2 Company Guarantee 2.90% 04/01/2022	110,245	110,985
	140,000 Cintas Corp. No 2 Company Guarantee 3.70% 04/01/2027	140,497	145,673
	52,000 DAE Funding LLC Company Guarantee 144A 4.50% 08/01/2022	52,274	51,090
	50,000 DAE Funding LLC Company Guarantee 144A 5.00% 08/01/2024	50,118	49,375
	460,000 Eaton Corp. Company Guarantee 2.75% 11/02/2022	455,791	461,345
	110,000 Eaton Corp. Company Guarantee 4.15% 11/02/2042	110,783	114,542
	300,000 Equate Petrochemical BV Company Guarantee 144A 4.25% 11/03/2026	296,692	305,250
	50,000 General Electric Co. Sr Unsecured 4.375% 09/16/2020	50,461	52,521
	106,000 General Electric Co. Sr Unsecured 4.65% 10/17/2021	112,387	114,123
	629,000 General Electric Co. Sr Unsecured 6.875% 01/10/2039	872,903	906,383
	171,000 General Electric Co. Subordinated 5.30% 02/11/2021	185,878	184,644
	10,000 Hess Corp. Sr Unsecured 7.30% 08/15/2031	10,957	12,128
	170,000 International Lease Finance Corp. Sr Unsecured 8.625% 01/15/2022	199,740	204,736
	40,000 Lockheed Martin Corp. Sr Unsecured 3.10% 01/15/2023	40,253	40,643
	100,000 Lockheed Martin Corp. Sr Unsecured 4.50% 05/15/2036	106,672	112,130
	140,000 Navient Corp. Sr Unsecured 8.00% 03/25/2020	139,960	151,375
	100,000 NBCUniversal Enterprise, Inc. Company Guarantee 144A 1.974% 04/15/2019	100,211	99,819
	480,000 Northrop Grumman Corp. Sr Unsecured 3.25% 01/15/2028	479,750	480,701
	50,000 Park Aerospace Holdings Ltd. Company Guarantee 144A 5.25% 08/15/2022	50,383	49,688
	70,000 Park Aerospace Holdings Ltd. Company Guarantee 144A 5.50% 02/15/2024	70,233	69,475

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
Corporate Bonds (Continued)			
Industrials (Continued)			
\$	170,000 Time Warner Entertainment Co. L.P. Sr Secured 8.375% 07/15/2033	\$ 188,248	\$ 233,903
	310,000 Transcontinental Gas Pipe Line Co. LLC Sr Unsecured 7.85% 02/01/2026	339,883	396,232
	80,000 United Parcel Service, Inc. Sr Unsecured 2.50% 04/01/2023	79,759	79,555
	60,000 United Parcel Service, Inc. Sr Unsecured 3.05% 11/15/2027	59,741	60,004
	160,000 United Rentals North America, Inc. Company Guarantee 5.75% 11/15/2024	162,492	168,400
	190,000 United Technologies Corp. Sr Unsecured 4.50% 06/01/2042	194,037	210,589
	660,000 Wachovia Capital Trust III Limited Guarantee 5.57% 01/29/2018	645,663	664,950
	150,000 Waste Management, Inc. Company Guarantee 3.50% 05/15/2024	152,178	155,308
	80,000 Waste Management, Inc. Company Guarantee 7.375% 05/15/2029	94,930	105,834
	80,000 West Corp. Sr Secured 144A 4.75% 07/15/2021	80,000	81,000
	Total Industrials	1.99% 7,552,682	7,856,998
Information Technology			
	420,000 Anheuser-Busch InBev Finance, Inc. Company Guarantee 2.65% 02/01/2021	420,679	422,107
	760,000 Anheuser-Busch InBev Finance, Inc. Company Guarantee 3.65% 02/01/2026	761,770	784,303
	510,000 Anheuser-Busch InBev Finance, Inc. Company Guarantee 4.90% 02/01/2046	539,341	591,084
	60,000 Anheuser-Busch InBev Worldwide, Inc. Company Guarantee 5.00% 04/15/2020	60,359	63,665
	110,000 Anheuser-Busch InBev Worldwide, Inc. Company Guarantee 5.375% 01/15/2020	109,824	116,689
	180,000 Apple, Inc. Sr Unsecured 2.00% 11/13/2020	179,856	178,863
	570,000 Apple, Inc. Sr Unsecured 2.45% 08/04/2026	565,742	546,314
	880,000 CNOOC Finance 2015 USA LLC Company Guarantee 3.50% 05/05/2025	873,867	886,958
	120,000 ConocoPhillips Holding Co. Sr Unsecured 6.95% 04/15/2029	130,759	157,609
	220,000 Enterprise Products Operating LLC Company Guarantee Series A 5.084% 08/01/2066	220,000	220,000
	200,000 Fiat Chrysler Automobiles N.V. Sr Unsecured 4.50% 04/15/2020	201,532	205,170
	256,000 First Data Corp. Sr secured 144A 5.00% 01/15/2024	256,415	263,360
	120,000 Harris Corp. Sr Unsecured 5.054% 04/27/2045	122,884	141,135
	200,000 ING Bank N.V. Subordinated 144A 5.80% 09/25/2023	201,782	224,447
	100,000 Intel Corp. Sr Unsecured 3.70% 07/29/2025	101,553	105,574
	130,000 Intel Corp. Sr Unsecured 144A 3.734% 12/08/2047	130,643	134,997
	100,000 Lloyds Bank PLC Company Guarantee 144A 6.50% 09/14/2020	100,509	109,335
	250,000 Lloyds Banking Group PLC Subordinated 4.50% 11/04/2024	248,968	262,322
	530,000 Microsoft Corp. Sr Unsecured 2.40% 08/08/2026	529,176	511,114
	70,000 Microsoft Corp. Sr Unsecured 2.70% 02/12/2025	68,347	69,892
	370,000 Microsoft Corp. Sr Unsecured 2.875% 02/06/2024	369,081	375,356
	680,000 Microsoft Corp. Sr Unsecured 3.30% 02/06/2027	684,910	701,421
	20,000 Microsoft Corp. Sr Unsecured 3.45% 08/08/2036	19,921	20,620
	60,000 Microsoft Corp. Sr Unsecured 3.95% 08/08/2056	57,200	64,044
	10,000 Microsoft Corp. Sr Unsecured 4.10% 02/06/2037	10,066	11,165
	200,000 SFR Group S.A. Sr Secured 144A 7.375% 05/01/2026	201,350	205,250
	500,000 Visa, Inc. Sr Unsecured 4.30% 12/14/2045	515,124	568,965
	300,000 WEA Finance LLC / Westfield UK & Europe Finance PLC Company Guarantee 144A 3.75% 09/17/2024	299,207	309,423
	Total Information Technology	2.10% 7,980,865	8,251,182
Materials			
	210,000 Alcoa Nederland Holding BV Company Guarantee 144A 6.75% 09/30/2024	231,561	228,900
	280,000 Anglo American Capital PLC Company Guarantee 144A 3.625% 09/11/2024	282,686	278,659
	200,000 Anglo American Capital PLC Company Guarantee 144A 4.75% 04/10/2027	201,271	209,324
	100,000 ArcelorMittal Sr Unsecured 7.50% 10/15/2039	79,510	128,000
	10,000 Barrick Gold Corp. Sr Unsecured 5.25% 04/01/2042	10,496	11,529
	800,000 BAT Capital Corp. Company Guarantee 144A 3.557% 08/15/2027	800,010	801,038
	340,000 BAT Capital Corp. Company Guarantee 144A 4.54% 08/15/2047	340,000	357,989
	510,000 Bharti Airtel Ltd. Sr Unsecured 144A 4.375% 06/10/2025	508,035	518,933
	33,000 Ecolab, Inc. Sr Unsecured 4.35% 12/08/2021	33,363	35,125
	186,000 Ensc0 PLC Sr Unsecured 8.00% 01/31/2024	195,766	186,465

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
<u>Corporate Bonds (Continued)</u>			
<u>Materials (Continued)</u>			
\$	170,000 Freeport-McMoRan, Inc. Company Guarantee 4.00% 11/14/2021	\$ 169,910	\$ 170,000
	16,000 Freeport-McMoRan, Inc. Company Guarantee 5.45% 03/15/2043	14,806	15,980
	30,000 Freeport-McMoRan, Inc. Company Guarantee 6.875% 02/15/2023	31,807	32,700
	180,000 GlaxoSmithKline Capital PLC Company Guarantee 2.85% 05/08/2022	178,520	182,703
	450,000 Glencore Funding LLC Company Guarantee 144A 4.00% 03/27/2027	445,893	451,808
	40,000 Glencore Funding LLC Company Guarantee 144A 4.125% 05/30/2023	40,998	41,380
	200,000 Nordea Bank AB Subordinated 144A 4.25% 09/21/2022	203,977	209,865
	280,000 OCP S.A. Sr Unsecured 144A 4.50% 10/22/2025	273,238	280,200
	10,000 Potash Corp. of Saskatchewan, Inc. Sr Unsecured 4.875% 03/30/2020	10,184	10,470
	500,000 Southern Copper Corp. Sr Unsecured 5.25% 11/08/2042	491,085	558,515
	160,000 Yamana Gold, Inc. Sr Unsecured 144A 4.625% 12/15/2027	160,262	160,834
	Total Materials	1.24% 4,703,378	4,870,417
<u>Telecommunication Services</u>			
	490,000 AT&T, Inc. Sr Unsecured 3.40% 05/15/2025	489,735	481,744
	250,000 AT&T, Inc. Sr Unsecured 3.90% 08/14/2027	249,582	251,670
	90,000 AT&T, Inc. Sr Unsecured 4.25% 03/01/2027	89,409	91,748
	30,000 AT&T, Inc. Sr Unsecured 4.45% 05/15/2021	31,608	31,644
	344,000 AT&T, Inc. Sr Unsecured 4.50% 03/09/2048	344,906	322,321
	100,000 AT&T, Inc. Sr Unsecured 4.90% 08/14/2037	99,824	101,259
	30,000 AT&T, Inc. Sr Unsecured 5.50% 02/01/2018	30,082	30,086
	140,000 British Telecommunications PLC Sr Unsecured 9.125% 12/15/2030	172,493	209,169
	70,000 Rogers Communications, Inc. Company Guarantee 6.80% 08/15/2018	70,273	72,057
	85,000 Sprint Communications, Inc. Company Guarantee 144A 4.125% 11/15/2018	88,004	89,471
	260,000 Sprint Corp. Company Guarantee 7.625% 02/15/2025	242,947	272,350
	40,000 Verizon Communications, Inc. Sr Unsecured 3.50% 11/01/2024	40,776	40,717
	830,000 Verizon Communications, Inc. Sr Unsecured 4.125% 03/16/2027	844,698	865,452
	190,000 Verizon Communications, Inc. Sr Unsecured 4.522% 09/15/2048	179,874	187,083
	80,000 Verizon Communications, Inc. Sr Unsecured 4.862% 08/21/2046	82,793	83,330
	70,000 Verizon Communications, Inc. Sr Unsecured 5.50% 03/16/2047	73,855	79,759
	586,000 Verizon Communications, Inc. Sr Unsecured 144A 3.376% 02/15/2025	584,193	588,213
	Total Telecommunication Services	0.96% 3,715,052	3,798,073
<u>Utilities</u>			
	210,000 AES Corp. Sr Unsecured 5.50% 04/15/2025	204,692	220,500
	190,000 Duke Energy Carolinas LLC 5.30% 02/15/2040	201,086	238,844
	310,000 FirstEnergy Corp. Sr Unsecured Series B 3.90% 07/15/2027	310,873	317,640
	870,000 FirstEnergy Corp. Sr Unsecured Series C 7.375% 11/15/2031	988,612	1,173,370
	540,000 Pacific Gas & Electric Co. Sr Unsecured 6.05% 03/01/2034	663,669	680,638
	100,000 Pacific Gas & Electric Co. Sr Unsecured 144A 3.30% 12/01/2027	99,706	99,064
	Total Utilities	0.69% 2,468,638	2,730,056
	Total Corporate Bonds	22.91% 86,821,265	90,211,828
<u>Floating Rate Loans</u>			
<u>Consumer Discretionary</u>			
	493,636 1011778 B.C. Unlimited Liability Company Term Loan B3 3.943% 02/16/2024	492,954	493,327
	368,069 Academy, Ltd. 2015 Term Loan B 5.569% 07/01/2022	366,810	287,094
	226,425 American Axle and Manufacturing, Inc. Term Loan B 3.81% 04/06/2024	227,604	226,652
	488,769 American Builders & Contractors Supply Co., Inc. 2017 Term Loan B 3.363% 10/31/2023	492,374	490,652
	62,150 Aristocrat Leisure Limited 2017 Term Loan B 2.00% 10/20/2021	62,267	62,138
	241,453 Boyd Gaming Corporation Term Loan B3 3.975% 09/15/2023	241,453	242,660

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
<u>Floating Rate Loans (Continued)</u>			
<u>Consumer Discretionary (Continued)</u>			
\$	122,500 Caesars Resort Collection LLC 2017 1st Lien Term Loan B 2.75% 09/27/2024	\$ 122,806	\$ 122,990
	520,000 CBS Radio, Inc. 2017 Term Loan B 2.75% 11/17/2024	523,250	522,340
	418,069 Charter Communications Operating LLC 2017 Term Loan B 2.00% 04/13/2025	417,547	418,265
	340,395 CSC Holdings, LLC 2017 1st Lien Term Loan 3.741% 07/17/2025	343,292	338,693
	490,954 Golden Nugget, Inc. 2017 Incremental Term Loan 4.857% 10/04/2023	495,958	494,198
	486,882 Hilton Worldwide Finance LLC Term Loan B2 3.552% 10/25/2023	490,116	489,206
	482,012 MGM Growth Properties Operating Partnership LP 2016 Term Loan B 3.819% 04/25/2023	484,947	483,648
	381,238 Michaels Stores, Inc. 2016 Term Loan B1 4.319% 01/30/2023	382,866	381,158
	364,000 Numericable Group SA USD Term Loan B12 4.349% 01/31/2026	363,672	350,350
	375,739 Party City Holdings, Inc. 2016 Term Loan 4.70% 08/19/2022	375,090	376,835
	645,968 PetSmart, Inc. Term Loan B2 4.57% 03/11/2022	647,113	516,775
	828,923 Scientific Games International, Inc. 2017 Term Loan B4 4.819% 08/14/2024	837,857	835,528
	260,000 Sinclair Television Group Inc. 2017 Term Loan B 2.50% 05/10/2024	259,350	259,756
	179,570 Staples, Inc. 2017 Term Loan B 5.488% 09/12/2024	179,087	175,417
	443,888 Trans Union, LLC Term Loan B3 3.569% 04/10/2023	444,366	445,497
	300,000 Unitymedia Finance LLC USD Term Loan D 2.25% 01/15/2026	298,969	299,312
	493,383 Univision Communications, Inc. Term Loan C5 4.319% 03/15/2024	492,278	491,471
	390,000 UPC Financing Partnership USD Term Loan AR 3.977% 01/15/2026	390,595	389,585
	521,131 Virgin Media Bristol LLC 2017 USD Term Loan 2.50% 01/15/2026	519,828	520,945
	211,000 Ziggo Secured Finance Partnership USD Term Loan E 3.977% 04/15/2025	210,905	209,191
	Total Consumer Discretionary	2.52% 10,163,354	9,923,683
<u>Consumer Staples</u>			
	281,910 Albertsons, LLC USD 2017 Term Loan B4 4.319% 08/25/2021	282,965	275,990
	203,652 Albertsons, LLC USD 2017 Term Loan B6 4.462% 08/25/2021	200,820	199,222
	523,136 Post Holdings, Inc. 2017 Series A Incremental Term Loan 3.82% 05/24/2024	526,368	524,517
	Total Consumer Staples	0.25% 1,010,153	999,729
<u>Financials</u>			
	43,989 CityCenter Holdings, LLC 2017 Term Loan B 4.069% 04/18/2024	44,206	44,168
	288,000 Syncreon Global Finance (US), Inc. Term Loan B 5.63% 10/28/2020	287,341	250,740
	Total Financials	0.08% 331,547	294,908
<u>Health Care</u>			
	316,050 Catalent Pharma Solutions Inc. USD Term Loan B 3.819% 05/20/2021	318,539	317,010
	363,230 Change Healthcare Holdings, Inc. 2017 Term Loan B 4.319% 03/01/2024	364,991	363,627
	80,796 HCA, Inc. Term Loan B8 2.25% 02/15/2024	81,402	81,264
	492,424 Jaguar Holding Company II 2017 Term Loan 4.443% 08/18/2022	494,021	492,855
	474,092 MPH Acquisition Holdings LLC 2016 Term Loan B 4.693% 06/07/2023	476,175	474,759
	505,968 Quikrete Holdings, Inc. 2016 1st Lien Term Loan 3.50% 11/15/2023	508,077	506,600
	1,489 Valeant Pharmaceuticals International, Inc. Term Loan B Series F4 4.94% 04/01/2022	1,489	1,510
	Total Health Care	0.57% 2,244,694	2,237,625
<u>Industrials</u>			
	514,734 American Airlines, Inc. 2017 Term Loan B 3.552% 06/26/2020	515,023	515,449
	260,000 Aramark Services, Inc. 2017 Term Loan B1 2.00% 03/11/2025	261,950	261,192
	487,600 Avolon TLB Borrower 1 (Luxembourg) S.a.r.l. Term Loan B2 3.751% 04/03/2022	492,704	483,421
	494,000 Beacon Roofing Supply, Inc. 2017 Term Loan B 2.25% 08/23/2024	498,375	495,059
	143,239 Brickman Group Ltd. LLC 1st Lien Term Loan 4.491% 12/18/2020	143,102	143,915
	487,527 Prime Security Services Borrower LLC 2016 1st Lien Term Loan 4.319% 05/02/2022	493,093	490,661
	371,301 Reynolds Group Holdings, Inc. USD 2017 Term Loan 4.319% 02/05/2023	372,673	372,923

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
<u>Floating Rate Loans (Continued)</u>			
<u>Industrials (Continued)</u>			
\$	418,168 XPO Logistics, Inc. 2017 Term Loan B 3.599% 11/01/2021	\$ 418,656	\$ 420,220
	Total Industrials	0.81% 3,195,576	3,182,840
<u>Information Technology</u>			
	250,000 Dell, Inc. 2017 1st Lien Term Loan 3.57% 09/07/2023	250,296	249,818
	315,897 Dell, Inc. 2017 Term Loan A2 3.32% 09/07/2023	317,660	315,766
	183,238 First Data Corporation 2022 USD Term Loan 3.802% 07/08/2022	183,422	183,289
	299,087 First Data Corporation 2024 USD Term Loan 3.802% 07/08/2022	300,237	299,193
	228,856 ON Semiconductor Corporation 2017 1st Lien Term Loan 2.00% 03/31/2023	230,286	229,857
	Total Information Technology	0.32% 1,281,901	1,277,923
<u>Materials</u>			
	479,028 Berry Plastics Group, Inc. Term Loan M 3.819% 10/01/2022	484,529	480,675
	14,962 Berry Plastics Group, Inc. Term Loan N 2.25% 10/01/2022	15,011	15,019
	Total Materials	0.13% 499,540	495,694
<u>Telecommunication Services</u>			
	405,000 CenturyLink, Inc. 2017 Term Loan B 6.00% 01/31/2025	401,432	390,246
	490,000 Level 3 Financing, Inc. 2017 Term Loan B 3.696% 02/22/2024	491,831	489,796
	31,920 Sprint Communications, Inc. 1st Lien Term Loan B 3.25% 02/02/2024	32,075	31,880
	Total Telecommunication Services	0.23% 925,338	911,922
<u>Utilities</u>			
	640,000 Energy Future Intermediate Holding Co LLC 2017 DIP Term Loan 4.569% 06/30/2018	639,551	641,120
	Total Utilities	0.16% 639,551	641,120
	Total Floating Rate Loans	5.07% 20,291,654	19,965,444
<u>Foreign Government</u>			
<u>Argentina</u>			
ARS	780,000 Argentina POM Politica Monetaria 28.75% 06/21/2020	47,161	44,945
ARS	160,000 Argentine Bonos del Tesoro 21.20% 09/19/2018	8,969	8,870
ARS	9,830,000 Argentine Bonos del Tesoro Unsecured 18.20% 10/03/2021	687,892	538,343
	560,000 Argentine Government International Bond Sr Unsecured 5.625% 01/26/2022	560,000	590,800
	210,000 Argentine Government International Bond Sr Unsecured 7.125% 07/06/2036	215,345	227,535
	430,000 Argentine Government International Bond Sr Unsecured 7.50% 04/22/2026	448,794	486,824
	150,000 Argentine Government International Bond Sr Unsecured 7.625% 04/22/2046	143,732	169,200
	260,000 Provincia de Buenos Aires Sr Unsecured 144A 7.875% 06/15/2027	256,401	288,553
	Total Argentina	0.60% 2,368,294	2,355,070
<u>Brazil</u>			
BRL	10,485,000 Brazil Notas do Tesouro Nacional 10.00% 01/01/2021	3,150,725	3,252,172
BRL	7,023,000 Brazil Notas do Tesouro Nacional 10.00% 01/01/2023	1,967,451	2,142,262
BRL	664,000 Brazil Notas do Tesouro Nacional 10.00% 01/01/2027	197,380	198,028
	700,000 Brazilian Government International Bond Sr Unsecured 5.00% 01/27/2045	589,312	652,400
	460,000 Brazilian Government International Bond Sr Unsecured 5.625% 01/07/2041	428,438	469,890
	Total Brazil	1.71% 6,333,306	6,714,752

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
<u>Foreign Government (Continued)</u>			
Colombia			
\$	600,000 Colombia Government International Bond Sr Unsecured 5.625% 02/26/2044	\$ 641,530	\$ 687,000
	Total Colombia	0.17% 641,530	687,000
Indonesia			
	260,000 Indonesia Government International Bond Sr Unsecured 3.50% 01/11/2028	258,903	259,109
	300,000 Indonesia Government International Bond Sr Unsecured 4.35% 01/11/2048	297,500	304,359
	210,000 Indonesia Government International Bond Sr Unsecured REGS 3.75% 04/25/2022	205,038	216,214
	720,000 Indonesia Government International Bond Sr Unsecured REGS 5.125% 01/15/2045	807,987	795,818
	Total Indonesia	0.40% 1,569,428	1,575,500
Kuwait			
	570,000 Kuwait International Government Bond Sr Unsecured 144A 3.50% 03/20/2027	571,102	578,899
	Total Kuwait	0.15% 571,102	578,899
Mexico			
MXN	21,353,000 Mexican Bonos 6.50% 06/09/2022	1,575,910	1,039,507
MXN	12,940,000 Mexican Bonos 8.00% 11/07/2047	808,952	671,439
MXN	89,526,300 Mexican Bonos Sr Unsecured 7.75% 11/13/2042	5,909,570	4,525,830
	Total Mexico	1.58% 8,294,432	6,236,776
Nigeria			
	200,000 Nigeria Government International Bond Sr Unsecured 144A 6.50% 11/28/2027	200,000	208,405
	Total Nigeria	0.05% 200,000	208,405
Peru			
	240,000 Peruvian Government International Bond Sr Unsecured 5.625% 11/18/2050	269,705	307,920
	Total Peru	0.08% 269,705	307,920
Poland			
	650,000 Republic of Poland Government International Bond Sr Unsecured 4.00% 01/22/2024	669,384	693,147
	Total Poland	0.18% 669,384	693,147
Russia			
RUB	109,443,000 Russian Federal Bond - OFZ 7.05% 01/19/2028	1,598,041	1,846,429
RUB	41,890,000 Russian Federal Bond - OFZ 8.15% 02/03/2027	639,624	765,470
	Total Russia	0.66% 2,237,665	2,611,899
United Arab Emirates			
	440,000 Abu Dhabi Government International Bond Sr Unsecured 144A 2.50% 10/11/2022	438,606	431,200
	Total United Arab Emirates	0.11% 438,606	431,200
	Total Foreign Government	5.69% 23,593,452	22,400,568

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
<u>Asset-Backed Securities</u>			
\$ 1,569,733	AccessLex Institute Series 2007-1, Class A4 1.427% 01/25/2023	\$ 1,543,887	\$ 1,544,105
1,188,560	Airspeed Ltd. Series 2007-1A, Class G1, 144A 1.747% 06/15/2032	1,013,675	1,023,027
1,165,892	Asset Backed Securities Corp. Home Equity Loan Trust Series 2003-HE7, Class M1 2.452% 12/15/2033	1,112,154	1,164,559
1,320,000	Community Funding CLO Series 2015-1A, Class A, 144A 5.75% 11/01/2027	1,320,000	1,303,182
439,107	CSMC Trust Series 2017-RPL1, Class A1, 144A 2.75% 07/25/2057	439,211	435,620
960,000	CSMC Trust Series 2017-RPL1, Class M2, 144A 3.093% 07/25/2057	807,339	798,945
150,000	Greenpoint Manufactured Housing Pass-Through Certificates Series 2001-2, Class IA2 4.736% 02/20/2032	133,693	141,907
225,000	Greenpoint Manufactured Housing Pass-Through Certificates Series 2001-2, Class IIA2 4.746% 03/13/2032	200,468	213,354
560,000	Hertz Vehicle Financing II L.P. Series 2017-1A, Class A, 144A 2.96% 10/25/2021	558,001	559,451
160,000	Hertz Vehicle Financing LLC Series 2013-1A, Class A2, 144A 1.83% 08/25/2019	159,982	159,777
1,848,955	MASTR Asset Backed Securities Trust Series 2007-NCW, Class A1, 144A 1.852% 05/25/2037	1,703,838	1,754,439
1,580,000	Mill City Mortgage Trust Series 2015-1, Class M3, 144A 3.483% 06/25/2056	1,575,139	1,571,483
520,000	Navient Student Loan Trust Series 2017-3A, Class A3, 144A 2.602% 07/26/2066	528,104	533,686
352,678	SBA Small Business Investment Cos. Series 2016-10A, Class 1 2.507% 03/10/2026	352,678	353,297
380,000	SBA Small Business Investment Cos. Series 2017-10B, Class 1 2.518% 09/10/2027	380,000	380,298
340,000	SLC Student Loan Trust Series 2005-1, Class A4 1.566% 02/15/2045	328,262	328,819
338,433	SLM Student Loan Trust Series 2003-4, Class A5E, 144A 2.339% 03/15/2033	336,965	337,006
400,000	SLM Student Loan Trust Series 2008-6, Class A4 2.467% 07/25/2023	404,645	405,306
428,113	SLM Student Loan Trust Series 2010-1, Class A 1.925% 03/25/2025	423,522	423,404
227,854	SLM Student Loan Trust Series 2013-M1, Class M1, 144A 3.50% 10/28/2029	224,806	222,442
1,299,175	Structured Asset Investment Loan Trust Series 2005-HE3, Class M1 2.272% 09/25/2035	1,213,035	1,295,149
400,000	Upstart Securitization Trust Series 2017-2, Class A, 144A 2.508% 03/20/2025	399,999	399,637
	Total Asset-Backed Securities	3.90%	15,159,403
			15,348,893
<u>Collateralized Mortgage Obligations</u>			
324,314	Alternative Loan Trust Series 2006-OA22, Class A1 1.712% 02/25/2047	232,265	311,103
1,092,094	American Home Mortgage Investment Trust Series 2005-1, Class 1A2 1.798% 06/25/2045	1,048,186	1,075,381
2,980,000	Banc of America Funding Corp. Series 2015-R4, Class 4A2, 144A 4.50% 01/27/2030	2,980,000	3,040,339
514,632	Chevy Chase Funding LLC Mortgage-Backed Certificates Series 2004-3A, Class A1, 144A 1.802% 08/25/2035	471,813	504,080
140,965	Citigroup Mortgage Loan Trust, Inc. Series 2005-5, Class 1A5 3.528% 08/25/2035	114,648	126,111
800,560	CSMC Trust Series 2017-RPL3, Class A1, 144A 4.00% 08/01/2057	826,422	826,288
720,000	Federal Home Loan Mortgage Corp. Series 2015-DNA2, Class M3 5.452% 12/25/2027	790,509	802,256
1,528,108	Federal Home Loan Mortgage Corp. Series 2015-DNA3, Class B 10.902% 04/25/2028	1,528,059	2,022,419
760,000	Federal Home Loan Mortgage Corp. Series 2015-HQ1, Class M3 5.352% 03/25/2025	822,038	826,119
800,560	Federal Home Loan Mortgage Corp. Series 2017-DNA2, Class M1 2.752% 10/25/2029	809,358	813,132
850,000	Federal Home Loan Mortgage Corp. Series 2017-DNA3, Class B1 6.002% 03/25/2030	850,000	910,792
850,000	Federal Home Loan Mortgage Corp. Series 2017-DNA3, Class M2 4.052% 03/25/2030	850,000	879,928
250,544	Federal Home Loan Mortgage Corp. Series 3281, Class AI, IO, REMIC 4.953% 02/15/2037	37,150	41,076
11,873	Federal Home Loan Mortgage Corp. Series 3621, Class SB, IO, REMIC 4.753% 01/15/2040	3,553	1,860
474,302	Federal Home Loan Mortgage Corp. Series 3947, Class SG, IO, REMIC 4.473% 10/15/2041	183,858	71,726
891,409	Federal Home Loan Mortgage Corp. Series 4092, Class AI, IO, REMIC 3.00% 09/15/2031	64,504	98,232
1,296,230	Federal Home Loan Mortgage Corp. Series 4096, Class PI, IO, REMIC 2.50% 08/15/2027	80,845	104,048
267,665	Federal Home Loan Mortgage Corp. Series 4099, Class ST, IO, REMIC 4.523% 08/15/2042	68,633	51,060
224,684	Federal Home Loan Mortgage Corp. Series 4210, Class Z, REMIC 3.00% 05/15/2043	192,749	209,543
280,696	Federal Home Loan Mortgage Corp. Series 4239, Class IO, IO, REMIC 3.50% 06/15/2027	34,537	28,308
134,841	Federal Home Loan Mortgage Corp. Series 4310, Class SA, IO, REMIC 4.473% 02/15/2044	25,512	22,244
277,890	Federal Home Loan Mortgage Corp. Series 4335, Class SW, IO, REMIC 4.523% 05/15/2044	57,610	50,491
798,504	Federal Home Loan Mortgage Corp. Series 4415, Class IO, IO, REMIC 1.941% 04/15/2041	71,849	36,720
730,000	Federal Home Loan Mortgage Corp. Series KJ17, Class A2 2.982% 11/25/2025	744,349	741,979
123,868	Federal Home Loan Mortgage Corp. Series R007, Class ZA, REMIC 6.00% 05/15/2036	138,232	137,641
362,566	Federal National Mortgage Association Series 2005-29, Class ZA, REMIC 5.50% 04/25/2035	401,013	406,400
538,678	Federal National Mortgage Association Series 2006-115, Class EI, IO, REMIC 5.088% 12/25/2036	96,077	100,580
230,719	Federal National Mortgage Association Series 2010-150, Class SK, IO, REMIC 4.978% 01/25/2041	51,568	40,116
142,858	Federal National Mortgage Association Series 2011-59, Class NZ, REMIC 5.50% 07/25/2041	152,406	158,982
399,843	Federal National Mortgage Association Series 2011-87, Class SG, IO, REMIC 4.998% 04/25/2040	55,995	45,488

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount		Cost	Fair Value
<u>Collateralized Mortgage Obligations (Continued)</u>			
\$	255,349 Federal National Mortgage Association Series 2011-96, Class SA, IO, REMIC 4.998% 10/25/2041	\$ 23,521	\$ 38,464
	487,518 Federal National Mortgage Association Series 2012-118, Class CI, IO, REMIC 3.50% 12/25/2039	76,005	55,058
	32,398 Federal National Mortgage Association Series 2012-28, Class B, REMIC 6.50% 06/25/2039	36,696	35,143
	113,443 Federal National Mortgage Association Series 2012-46, Class BA, REMIC 6.00% 05/25/2042	127,045	128,337
	69,766 Federal National Mortgage Association Series 2012-51, Class BC, REMIC 7.00% 05/25/2042	80,799	81,772
	34,713 Federal National Mortgage Association Series 2012-70, Class YS, IO, REMIC 5.098% 02/25/2041	8,472	4,416
	101,144 Federal National Mortgage Association Series 2012-74, Class SA, IO, REMIC 5.098% 03/25/2042	8,637	15,182
	27,439 Federal National Mortgage Association Series 2012-75, Class NS, IO, REMIC 5.048% 07/25/2042	5,740	5,166
	181,986 Federal National Mortgage Association Series 2013-9, Class BC, REMIC 6.50% 07/25/2042	213,511	208,292
	434,458 Federal National Mortgage Association Series 2013-9, Class CB, REMIC 5.50% 04/25/2042	489,719	477,424
	373,513 Federal National Mortgage Association Series 2014-47, Class AI, IO, REMIC 1.917% 08/25/2044	33,880	22,234
	69,425 Federal National Mortgage Association Series 2014-C03, Class 1M2 4.552% 07/25/2024	69,356	74,209
	158,001 Federal National Mortgage Association Series 2014-C04, Class 2M2 6.552% 11/25/2024	158,001	178,736
	56,379 Federal National Mortgage Association Series 2015-55, Class IO, IO, REMIC 1.574% 08/25/2055	3,041	2,909
	307,348 Federal National Mortgage Association Series 2015-56, Class AS, IO, REMIC 4.598% 08/25/2045	62,359	67,062
	597,412 Federal National Mortgage Association Series 2015-C02, Class 2M2 5.552% 05/25/2025	635,743	635,304
	9,049,918 Federal National Mortgage Association Series 2015-M7, Class X2, IO .512% 12/25/2024	300,416	262,343
	960,000 Federal National Mortgage Association Series 2017-C03, Class 1M2 4.552% 10/25/2029	960,077	1,015,632
	850,000 Federal National Mortgage Association Series 2017-C07, Class 1M2 3.952% 05/25/2030	850,000	873,781
	320,000 Federal National Mortgage Association Series 2017-M15, Class ATS2 3.136% 11/25/2027	323,804	322,632
	263,715 Federal National Mortgage Association Series 409, Class C13, IO, STRIPS 3.50% 11/25/2041	60,336	45,862
	435,756 Federal National Mortgage Association Series 409, Class C17, IO, STRIPS 4.00% 11/25/2041	106,291	84,507
	459,459 Federal National Mortgage Association Series 409, Class C2, IO, STRIPS 3.00% 04/25/2027	40,653	41,082
	107,229 Federal National Mortgage Association Series 409, Class C22, IO, STRIPS 4.50% 11/25/2039	17,793	18,874
	17,179 Government National Mortgage Association Series 2010-31, Class GS, IO, REMIC 4.999% 03/20/2039	2,902	911
	46,179 Government National Mortgage Association Series 2010-42, Class BS, IO, REMIC 4.979% 04/20/2040	12,924	6,885
	39,572 Government National Mortgage Association Series 2010-85, Class HS, IO, REMIC 5.149% 01/20/2040	5,135	4,375
	368,643 Government National Mortgage Association Series 2010-H10, Class FC, REMIC 2.338% 05/20/2060	376,840	373,381
	722,134 Government National Mortgage Association Series 2010-H20, Class AF, REMIC 1.573% 10/20/2060	722,134	718,479
	132,678 Government National Mortgage Association Series 2011-H09, Class AF, REMIC 1.743% 03/20/2061	132,665	132,685
	2,270,412 Government National Mortgage Association Series 2012-34, Class SA, IO, REMIC 4.549% 03/20/2042	462,822	363,084
	1,914,181 Government National Mortgage Association Series 2012-43, Class SN, IO 5.109% 04/16/2042	446,870	402,629
	571,357 Government National Mortgage Association Series 2012-66, Class CI, IO, REMIC 3.50% 02/20/2038	57,908	44,625
	208,554 Government National Mortgage Association Series 2014-117, Class SJ, IO, REMIC 4.099% 08/20/2044	40,941	27,480
	8,221,884 Government National Mortgage Association Series 2014-130, Class IB, IO, REMIC .904% 08/16/2054	472,291	400,547
	1,066,893 Government National Mortgage Association Series 2014-176, Class IA, IO, REMIC 4.00% 11/20/2044	452,267	197,430
	866,101 JP Morgan Resecuritization Trust Series 2014-6, Class 1A1, 144A 1.539% 07/27/2036	832,728	860,746
	696,926 JP Morgan Resecuritization Trust Series 2014-6, Class 3A1, 144A 1.538% 07/27/2046	670,416	692,410
	199,470 La Hipotecaria Panamanian Mortgage Trust Series 2007-1GA, Class A, 144A 4.00% 12/23/2036	183,431	197,640
	238,577 MASTR Adjustable Rate Mortgages Trust Series 2007-R5, Class A1, 144A 3.421% 11/25/2035	210,632	199,788
	1,200,787 Nomura Resecuritization Trust Series 2015-5R, Class 3A1, 144A 1.588% 02/26/2046	1,162,410	1,176,471
	200,171 Residential Asset Securitization Trust Series 2007-A7, Class A3 6.00% 07/25/2037	158,898	145,812
	163,212 WaMu Mortgage Pass-Through Certificates Series 2004-AR11, Class A 3.276% 10/25/2034	156,661	163,644
	189,145 Wells Fargo Alternative Loan Trust Series 2007-PA2, Class 2A1 1.982% 06/25/2037	139,237	155,635
	Total Collateralized Mortgage Obligations	6.46% 25,175,745	25,443,520
<u>Mortgage-Backed Securities</u>			
	360,000 BX Trust Series 2017-APPL, Class B, 144A 2.627% 07/15/2034	360,000	360,108
	1,000,000 BX Trust Series 2017-IMC, Class E, 144A 4.50% 10/15/2032	1,000,000	1,001,252
	410,000 Chicago Skyscraper Trust Series 2017-SKY, Class B, 144A 2.577% 02/15/2030	410,000	410,508
	660,000 Chicago Skyscraper Trust Series 2017-SKY, Class C, 144A 2.727% 02/15/2030	660,000	662,552
	510,000 CHT 2017-COSMO Mortgage Trust Series 2017-CSMO, Class A, 144A 2.31% 11/15/2036	510,000	510,024
	210,000 Citigroup Commercial Mortgage Trust Series 2014-GC25, Class AS 4.017% 10/10/2047	215,678	217,966
	690,000 Citigroup Commercial Mortgage Trust Series 2015-GC27, Class A5 3.137% 02/10/2048	682,076	695,445
	380,000 Citigroup Commercial Mortgage Trust Series 2015-GC29, Class D, 144A 3.11% 04/10/2048	318,053	285,453

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
<u>Mortgage-Backed Securities (Continued)</u>			
\$	320,000 Cold Storage Trust Series 2017-ICE3, Class B, 144A 2.727% 04/15/2036	\$ 321,273	\$ 320,602
2,858,251	COMM Mortgage Trust Series 2012-CR3, Class XA, IO 1.885% 10/15/2045	208,031	211,478
30,000	COMM Mortgage Trust Series 2013-CR12, Class AM 4.30% 10/10/2046	30,785	31,865
30,000	COMM Mortgage Trust Series 2013-CR12, Class B 4.762% 10/10/2046	30,785	31,643
10,000	COMM Mortgage Trust Series 2013-CR12, Class C 5.079% 10/10/2046	10,120	10,307
240,000	COMM Mortgage Trust Series 2015-DC1, Class B 4.035% 02/10/2048	246,563	240,033
70,000	COMM Mortgage Trust Series 2015-DC1, Class C 4.352% 02/10/2048	70,818	67,770
200,000	Commercial Mortgage Pass-Through Certificates Series 2014-CR14, Class AM 4.526% 02/10/2047	214,148	214,833
330,000	CSMC 2017-TIME Series 2017-TIME, Class A, 144A 3.646% 11/13/2039	339,875	338,247
511,114	CSMC Trust 2.378% 12/22/2018	510,185	508,748
260,000	CSMC Trust Series 2015-GLPA, Class A, 144A 3.881% 11/15/2037	267,068	273,451
900,000	CSMC Trust Series 2016-BDWN, Class A, 144A 4.377% 02/15/2029	900,000	903,929
212,125	Federal Home Loan Mortgage Corp. 3.50% 11/01/2042	222,878	218,576
70,362	Federal Home Loan Mortgage Corp. 3.50% 12/01/2042	73,939	72,492
152,327	Federal Home Loan Mortgage Corp. 3.50% 01/01/2043	159,991	156,964
76,840	Federal Home Loan Mortgage Corp. 3.50% 01/01/2043	80,748	79,181
82,352	Federal Home Loan Mortgage Corp. 3.50% 02/01/2043	86,543	84,861
71,550	Federal Home Loan Mortgage Corp. 3.50% 02/01/2043	75,192	73,716
1,068,597	Federal Home Loan Mortgage Corp. 3.50% 03/01/2043	1,110,371	1,100,948
305,075	Federal Home Loan Mortgage Corp. 3.50% 05/01/2043	323,364	315,218
60,047	Federal Home Loan Mortgage Corp. 4.00% 10/01/2025	62,103	62,401
59,347	Federal Home Loan Mortgage Corp. 4.00% 10/01/2042	64,966	62,585
142,735	Federal Home Loan Mortgage Corp. 4.00% 04/01/2043	146,753	150,575
63,851	Federal Home Loan Mortgage Corp. 4.00% 06/01/2043	65,820	67,763
58,429	Federal Home Loan Mortgage Corp. 4.00% 06/01/2043	60,230	62,009
128,213	Federal Home Loan Mortgage Corp. 4.00% 07/01/2043	132,629	136,567
126,664	Federal Home Loan Mortgage Corp. 4.00% 07/01/2043	130,724	134,425
74,265	Federal Home Loan Mortgage Corp. 4.00% 08/01/2043	75,971	78,315
316,715	Federal Home Loan Mortgage Corp. 4.00% 01/01/2045	330,016	331,267
489,944	Federal Home Loan Mortgage Corp. 4.00% 01/01/2046	510,539	512,368
227,265	Federal Home Loan Mortgage Corp. 4.00% 04/01/2046	236,821	237,671
380,390	Federal Home Loan Mortgage Corp. 4.00% 07/01/2047	401,595	398,055
698,255	Federal Home Loan Mortgage Corp. 4.00% 12/01/2047	735,615	731,722
50,389	Federal Home Loan Mortgage Corp. 4.50% 07/01/2023	53,757	53,548
2,340,242	Federal Home Loan Mortgage Corp. 4.50% 07/01/2023	2,497,042	2,486,988
283,890	Federal Home Loan Mortgage Corp. 4.50% 06/01/2038	307,978	302,925
718,838	Federal Home Loan Mortgage Corp. 4.50% 12/01/2043	767,752	773,312
72,772	Federal Home Loan Mortgage Corp. 4.50% 12/01/2043	77,724	78,306
598,523	Federal Home Loan Mortgage Corp. 4.50% 02/01/2044	639,283	644,069
151,085	Federal Home Loan Mortgage Corp. 4.50% 03/01/2044	161,378	162,482
58,118	Federal Home Loan Mortgage Corp. 4.50% 11/01/2044	63,709	62,668
48,707	Federal Home Loan Mortgage Corp. 4.50% 11/01/2045	52,028	51,761
99,862	Federal Home Loan Mortgage Corp. 4.50% 05/01/2047	106,672	106,281
898,242	Federal Home Loan Mortgage Corp. 4.50% 08/01/2047	959,502	954,879
252,039	Federal Home Loan Mortgage Corp. 5.00% 03/01/2038	267,876	274,312
237,981	Federal Home Loan Mortgage Corp. 5.00% 06/01/2041	264,111	260,703
47,703	Federal Home Loan Mortgage Corp. 5.50% 04/01/2038	47,502	52,705
52,675	Federal Home Loan Mortgage Corp. 5.50% 12/01/2038	56,824	58,585
44,991	Federal Home Loan Mortgage Corp. 5.50% 12/01/2038	47,805	49,752
130,000	Federal Home Loan Mortgage Corp. 6.00% 10/01/2036	144,039	146,832
26,509	Federal Home Loan Mortgage Corp. 6.50% 09/01/2039	29,032	29,718
48,946	Federal Home Loan Mortgage Corp. 6.50% 09/01/2039	53,357	54,216
1,300,000	Federal Home Loan Mortgage Corp. MBS, TBA 4.00% 01/01/2048	1,359,674	1,359,414
249,606	Federal Home Loan Mortgage Corp. Series K006, Class AX1, IO .961% 01/25/2020	2,686	4,137
444,627	Federal Home Loan Mortgage Corp. Series K015, Class X1, IO 1.595% 07/25/2021	(3,863)	21,067
109,835	Federal Home Loan Mortgage Corp. Series K016, Class X1, IO 1.524% 10/25/2021	3,680	5,245

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
<u>Mortgage-Backed Securities (Continued)</u>			
\$ 4,300,000	Federal Home Loan Mortgage Corp. TBA 3.00% 01/01/2048	\$ 4,292,824	\$ 4,299,326
1,300,000	Federal Home Loan Mortgage Corp. TBA 3.50% 01/01/2048	1,334,531	1,335,006
185,496	Federal National Mortgage Association 2.50% 10/01/2042	188,619	179,881
59,145	Federal National Mortgage Association 3.00% 09/01/2042	61,497	59,465
747,312	Federal National Mortgage Association 3.50% 06/01/2045	778,443	773,516
422,740	Federal National Mortgage Association 3.50% 12/01/2045	436,455	436,212
2,871,620	Federal National Mortgage Association 3.50% 12/01/2045	3,000,625	2,949,927
2,022,914	Federal National Mortgage Association 3.50% 03/01/2057	2,097,091	2,074,394
54,888	Federal National Mortgage Association 4.00% 04/01/2042	59,955	57,645
302,720	Federal National Mortgage Association 4.00% 04/01/2042	330,669	316,982
116,156	Federal National Mortgage Association 4.00% 08/01/2042	123,673	122,408
56,844	Federal National Mortgage Association 4.00% 09/01/2042	62,189	59,700
242,209	Federal National Mortgage Association 4.00% 11/01/2042	258,570	255,183
92,288	Federal National Mortgage Association 4.00% 12/01/2042	99,289	96,925
46,148	Federal National Mortgage Association 4.00% 12/01/2042	50,428	48,467
61,184	Federal National Mortgage Association 4.00% 01/01/2043	67,174	64,259
60,846	Federal National Mortgage Association 4.00% 04/01/2043	62,801	64,504
59,417	Federal National Mortgage Association 4.00% 06/01/2043	61,412	62,989
57,893	Federal National Mortgage Association 4.00% 06/01/2043	59,751	61,152
63,492	Federal National Mortgage Association 4.00% 06/01/2043	65,466	67,309
120,922	Federal National Mortgage Association 4.00% 06/01/2043	124,981	128,155
112,023	Federal National Mortgage Association 4.00% 06/01/2043	115,387	118,127
63,358	Federal National Mortgage Association 4.00% 07/01/2043	65,393	66,926
127,182	Federal National Mortgage Association 4.00% 07/01/2043	131,453	134,829
106,753	Federal National Mortgage Association 4.00% 07/01/2043	110,111	112,456
69,417	Federal National Mortgage Association 4.00% 08/01/2043	71,379	73,192
72,416	Federal National Mortgage Association 4.00% 08/01/2043	74,463	76,382
2,936,309	Federal National Mortgage Association 4.00% 09/01/2043	3,134,831	3,120,741
200,483	Federal National Mortgage Association 4.00% 01/01/2045	214,356	211,959
1,493,479	Federal National Mortgage Association 4.00% 07/01/2045	1,602,863	1,583,861
376,973	Federal National Mortgage Association 4.00% 04/01/2047	400,325	396,823
38,599	Federal National Mortgage Association 4.50% 04/01/2031	40,232	41,195
126,051	Federal National Mortgage Association 4.50% 05/01/2031	131,393	134,555
41,844	Federal National Mortgage Association 4.50% 06/01/2031	43,622	44,668
62,080	Federal National Mortgage Association 4.50% 11/01/2031	65,497	66,270
73,021	Federal National Mortgage Association 4.50% 12/01/2031	77,047	77,950
254,835	Federal National Mortgage Association 4.50% 10/01/2041	269,134	273,233
212,778	Federal National Mortgage Association 4.50% 10/01/2041	224,718	227,810
54,413	Federal National Mortgage Association 4.50% 09/01/2042	58,693	58,238
199,681	Federal National Mortgage Association 4.50% 09/01/2043	215,559	213,830
224,878	Federal National Mortgage Association 4.50% 10/01/2043	241,460	239,574
41,212	Federal National Mortgage Association 4.50% 10/01/2043	44,251	43,925
138,913	Federal National Mortgage Association 4.50% 10/01/2043	149,963	148,712
144,471	Federal National Mortgage Association 4.50% 11/01/2043	155,899	154,713
139,392	Federal National Mortgage Association 4.50% 12/01/2043	150,461	149,234
66,386	Federal National Mortgage Association 4.50% 01/01/2044	71,641	71,076
180,043	Federal National Mortgage Association 4.50% 05/01/2044	193,349	191,801
140,241	Federal National Mortgage Association 4.50% 06/01/2044	151,070	149,328
121,513	Federal National Mortgage Association 4.50% 07/01/2044	131,997	131,399
50,810	Federal National Mortgage Association 4.50% 08/01/2044	54,569	54,101
698,900	Federal National Mortgage Association 4.50% 10/01/2044	759,647	754,213
69,001	Federal National Mortgage Association 4.50% 01/01/2045	76,617	75,007
446,173	Federal National Mortgage Association 4.50% 01/01/2045	494,287	484,009
419,209	Federal National Mortgage Association 4.50% 02/01/2045	464,429	454,756
224,035	Federal National Mortgage Association 4.50% 02/01/2045	248,771	243,563
185,297	Federal National Mortgage Association 4.50% 04/01/2056	201,241	199,274

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
<u>Mortgage-Backed Securities (Continued)</u>			
\$	20,739 Federal National Mortgage Association 5.00% 07/01/2033	\$ 21,946	\$ 22,523
	22,823 Federal National Mortgage Association 5.00% 09/01/2033	24,155	24,795
	58,096 Federal National Mortgage Association 5.00% 10/01/2035	61,613	63,108
	59,517 Federal National Mortgage Association 5.00% 04/01/2038	63,925	64,075
	68,080 Federal National Mortgage Association 5.00% 05/01/2038	72,832	73,391
	65,277 Federal National Mortgage Association 5.00% 06/01/2038	70,111	70,264
	379,081 Federal National Mortgage Association 5.00% 08/01/2038	416,111	411,708
	976,066 Federal National Mortgage Association 5.00% 11/01/2046	1,067,215	1,056,760
	32,574 Federal National Mortgage Association 5.50% 08/01/2038	34,912	36,059
	722,488 Federal National Mortgage Association 5.50% 09/01/2056	816,917	802,504
	15,381 Federal National Mortgage Association 6.00% 04/01/2033	17,013	17,435
	2,511 Federal National Mortgage Association 6.00% 02/01/2034	2,781	2,853
	38,698 Federal National Mortgage Association 6.00% 11/01/2035	42,962	44,024
	78,126 Federal National Mortgage Association 6.00% 08/01/2037	86,960	88,856
	88,536 Federal National Mortgage Association 6.00% 09/01/2039	98,839	101,621
	243,887 Federal National Mortgage Association 6.50% 05/01/2040	266,001	273,381
	1,783 Federal National Mortgage Association 7.00% 10/01/2037	2,007	1,957
	3,411 Federal National Mortgage Association 7.00% 12/01/2037	3,847	3,843
	673 Federal National Mortgage Association 7.00% 08/01/2038	759	742
	11,060 Federal National Mortgage Association 7.00% 11/01/2038	12,487	13,013
	4,841 Federal National Mortgage Association 7.00% 11/01/2038	5,456	5,175
	82,102 Federal National Mortgage Association 7.00% 02/01/2039	92,235	93,307
	520,000 Federal National Mortgage Association MBS 2.84% 01/01/2028	515,698	517,616
	8,972,983 Federal National Mortgage Association Series 2012-M14, Class X2, IO .486% 09/25/2022	172,631	161,905
	4,800,000 Federal National Mortgage Association TBA 3.00% 01/01/2033	4,891,500	4,889,063
	6,100,000 Federal National Mortgage Association TBA 3.00% 01/01/2048	6,089,516	6,100,000
	6,900,000 Federal National Mortgage Association TBA 3.50% 01/01/2048	7,085,602	7,084,360
	1,200,000 Federal National Mortgage Association TBA 4.00% 01/01/2048	1,254,301	1,254,887
	4,128,240 FREMF Mortgage Trust Series 2012-K20, Class X2A, IO, 144A .20% 05/25/2045	31,195	29,030
	632,831 GE Business Loan Trust Series 2006-2A, Class B, 144A 1.757% 11/15/2034	593,512	594,534
	276,656 Government National Mortgage Association 2.927% 11/20/2060	290,836	287,656
	234,007 Government National Mortgage Association 2.967% 07/20/2060	244,690	244,956
	2,294,253 Government National Mortgage Association 3.00% 11/20/2047	2,314,368	2,317,300
	299,038 Government National Mortgage Association 3.50% 10/20/2047	311,406	309,857
	298,354 Government National Mortgage Association 3.50% 10/20/2047	310,694	309,231
	99,784 Government National Mortgage Association 3.50% 11/20/2047	103,767	103,255
	1,566,893 Government National Mortgage Association 4.00% 08/20/2047	1,655,413	1,640,914
	57,101 Government National Mortgage Association 4.50% 01/20/2040	61,235	60,566
	73,470 Government National Mortgage Association 4.50% 05/20/2040	78,805	77,922
	22,355 Government National Mortgage Association 4.50% 01/20/2041	23,381	23,713
	542,673 Government National Mortgage Association 4.50% 03/20/2041	568,012	575,584
	81,321 Government National Mortgage Association 4.50% 07/20/2041	87,554	86,150
	27,225 Government National Mortgage Association 5.00% 04/15/2040	28,140	29,466
	50,324 Government National Mortgage Association 5.00% 05/15/2040	52,089	54,562
	81,276 Government National Mortgage Association 5.00% 07/20/2040	85,772	89,173
	34,637 Government National Mortgage Association 5.00% 09/20/2040	36,379	37,967
	283,710 Government National Mortgage Association 6.00% 09/20/2038	310,191	316,859
	19,198 Government National Mortgage Association 6.00% 05/20/2040	20,848	21,595
	34,971 Government National Mortgage Association 6.00% 08/20/2040	37,904	39,688
	38,077 Government National Mortgage Association 6.00% 01/20/2041	41,279	42,219
	73,576 Government National Mortgage Association 6.00% 02/20/2041	79,750	83,600
	58,056 Government National Mortgage Association 6.50% 10/20/2037	63,013	68,796
	4,668,020 Government National Mortgage Association Series 2013-85, Class IA, IO, REMIC .739% 03/16/2047	268,682	177,540
	4,900,000 Government National Mortgage Association TBA 3.00% 01/01/2048	4,937,746	4,944,406
	4,200,000 Government National Mortgage Association TBA 3.50% 01/01/2048	4,345,688	4,341,750
	5,500,000 Government National Mortgage Association TBA 4.00% 01/01/2048	5,740,625	5,733,320

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
<u>Mortgage-Backed Securities (Continued)</u>			
\$	90,000 GS Mortgage Securities Trust Series 2013-GC16, Class B 5.161% 11/10/2046	\$ 92,459	\$ 96,670
	2,368,719 GS Mortgage Securities Trust Series 2014-GC20, Class XA, IO 1.005% 04/10/2047	136,641	116,838
	4,023,405 GS Mortgage Securities Trust Series 2015-GC28, Class XA, IO 1.137% 02/10/2048	217,515	208,597
	400,000 JP Morgan Chase Commercial Mortgage Securities Trust Series 2015-FL7, Class D, 144A 5.228% 05/15/2028	393,560	390,021
	60,000 JPMBB Commercial Mortgage Securities Trust Series 2013-C15, Class C 5.081% 11/15/2045	60,260	62,771
	700,000 JPMBB Commercial Mortgage Securities Trust Series 2014-C18, Class D, 144A 4.814% 02/15/2047	661,613	613,696
	250,000 JPMBB Commercial Mortgage Securities Trust Series 2014-C21, Class AS 3.997% 08/15/2047	256,717	259,861
	700,000 JPMBB Commercial Mortgage Securities Trust Series 2014-C21, Class D, 144A 4.662% 08/15/2047	645,128	597,762
	780,000 JPMBB Commercial Mortgage Securities Trust Series 2015-C28, Class A4 3.227% 10/15/2048	786,919	789,667
	250,000 Morgan Stanley Bank of America Merrill Lynch Trust Series 2012-C6, Class E, 144A 4.575% 11/15/2045	248,191	239,081
	50,000 Morgan Stanley Bank of America Merrill Lynch Trust Series 2013-C10, Class A4 4.082% 07/15/2046	51,633	53,159
	100,000 UBS Commercial Mortgage Trust Series 2017-C1, Class A4 3.46% 06/15/2050	102,943	102,301
	820,000 UBS Commercial Mortgage Trust Series 2017-C4, Class A4 3.563% 10/15/2050	844,407	843,753
	70,000 Wells Fargo Commercial Mortgage Trust Series 2013-LC12, Class B 4.291% 07/15/2046	72,403	71,516
	20,000 Wells Fargo Commercial Mortgage Trust Series 2014-LC16, Class A5 3.817% 08/15/2050	20,828	20,971
	250,000 Wells Fargo Commercial Mortgage Trust Series 2014-LC18, Class AS 3.808% 12/15/2047	256,803	256,662
	220,000 Wells Fargo Commercial Mortgage Trust Series 2015-LC20, Class AS 3.467% 04/15/2050	226,069	220,065
	1,230,000 Wells Fargo Commercial Mortgage Trust Series 2015-NXS1, Class A5 3.148% 05/15/2048	1,263,839	1,241,391
	1,300,000 Wells Fargo Commercial Mortgage Trust Series 2015-NXS1, Class A5 3.406% 05/15/2048	1,335,772	1,295,098
	1,130,000 Wells Fargo Commercial Mortgage Trust Series 2015-NXS1, Class C 3.848% 05/15/2048	1,129,961	1,114,299
	1,280,000 Wells Fargo Commercial Mortgage Trust Series 2015-NXS1, Class D 4.102% 05/15/2048	1,198,112	1,137,064
	5,049,011 Wells Fargo Commercial Mortgage Trust Series 2015-NXS1, Class XA, IO 1.176% 05/15/2048	297,211	287,316
	999,748 WF-RBS Commercial Mortgage Trust Series 2012-C7, Class XA, IO, 144A 1.441% 06/15/2045	48,396	49,178
	3,744,306 WF-RBS Commercial Mortgage Trust Series 2014-C20, Class XA, IO 1.129% 05/15/2047	175,880	172,594
	350,000 Worldwide Plaza Trust Series 2017-WWP, Class A, 144A 3.526% 11/10/2036	360,417	359,596
	Total Mortgage-Backed Securities	25.64%	101,501,348
			100,969,694
<u>U.S. Government & Agency Obligations</u>			
<u>U.S. Government Agencies</u>			
	760,000 Federal National Mortgage Association 6.625% 11/15/2030	1,015,811	1,068,792
	3,470,000 Federal National Mortgage Association Subordinated .00% 10/09/2019	3,295,217	3,341,962
	Total U.S. Government Agencies	1.12%	4,311,028
			4,410,754
<u>U.S. Government Obligations</u>			
	510,950 Treasury Inflation Protected Security .875% 02/15/2047	508,917	530,952
	1,230,140 Treasury Inflation Protected Security 2.375% 01/15/2025	1,363,747	1,401,815
	684,774 Treasury Inflation Protected Security 2.125% 02/15/2040	843,496	891,048
	469,427 Treasury Inflation Protected Security .75% 02/15/2042	445,875	473,996
	4,939,738 Treasury Inflation Protected Security .125% 04/15/2022	4,888,357	4,904,952
	247,815 Treasury Inflation Protected Security 2.125% 02/15/2041	293,803	324,697
	499,301 Treasury Inflation Protected Security .375% 07/15/2025	490,882	500,064
	2,552,193 Treasury Inflation Protected Security .125% 07/15/2026	2,488,347	2,493,724
	3,110,000 United States Treasury Bond 2.75% 08/15/2047	3,058,266	3,113,888
	5,770,000 United States Treasury Bond 3.00% 05/15/2045	5,941,281	6,059,627
	1,380,000 United States Treasury Bond 2.50% 02/15/2045	1,244,482	1,315,582
	3,900,000 United States Treasury Bond 3.00% 02/15/2047	3,984,074	4,101,551
	709,000 United States Treasury Bond 3.00% 05/15/2047	718,499	745,419
	21,910,000 United States Treasury Bond 3.75% 11/15/2043	24,920,235	26,106,279
	1,180,000 United States Treasury Bond 2.75% 11/15/2047	1,166,435	1,181,936
	6,350,000 United States Treasury Note 2.25% 12/31/2024	6,301,142	6,315,770
	10,000 United States Treasury Note 2.25% 11/15/2027	9,871	9,859

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

Principal Amount†		Cost	Fair Value
<i>U.S. Government Obligations</i>			
\$ 1,980,000	United States Treasury Note 1.875% 08/31/2022	\$ 1,982,628	\$ 1,952,156
750,000	United States Treasury Note 1.75% 09/30/2022	746,620	734,971
40,000	United States Treasury Note 1.875% 03/31/2022	40,027	39,548
	Total U.S. Government Obligations	16.05% 61,436,984	63,197,834
	Total U.S. Government & Agency Obligations	17.17% 65,748,012	67,608,588
<i>Contracts</i>			
<i>Call Options Purchased</i>			
3	Canadian Dollar Futures, Call @ \$78.50	\$ 2,085	\$ 4,260
5	Canadian Dollar Futures, Call @ \$79.00	2,849	4,700
3	Canadian Dollar Futures, Call @ \$80.00	1,055	750
6	Euro Currency Futures, Call @ \$1.17	7,736	28,125
3	Euro Currency Futures, Call @ \$1.19	3,630	8,100
3	Japanese Yen Futures, Call @ 89.00 ^{JPY}	3,605	1,200
5	Japanese Yen Futures, Call @ 89.50 ^{JPY}	5,872	750
3	United States Treasury 10-Year Notes Futures, Call @ \$123.75	662	1,172
8	United States Treasury 5-Year Notes Futures, Call @ \$116.25	1,452	1,688
15	United States Treasury Long-Term Bonds Futures, Call @ \$151.00	19,449	37,734
	Total Call Options Purchased	0.02% 48,395	88,479
<i>Put Options Purchased</i>			
5	Euro Bund Futures, Put @161.00 ^{EUR}	2,023	2,640
180	United States Treasury 5-Year Notes Futures, Put @ \$110.50	1,730	1,406
100	United States Treasury 5-Year Notes Futures, Put @ \$111.75	1,743	781
422	United States Treasury 5-Year Notes Futures, Put @ \$112.25	7,353	3,297
137	United States Treasury Long-Term Bonds Futures, Put @ \$153.00	144,514	173,391
7	United States Treasury Long-Term Bonds Futures, Put @ 152.00	8,209	5,797
	Total Put Options Purchased	0.05% 165,572	187,312
	Total Investments	100.00% \$ 390,023,206	\$ 393,750,152

† Principal amount denominated in U.S. dollars, unless otherwise noted.

Abbreviations used in this table:

ARS Argentine Peso
BRL Brazilian Real
MXN Mexican Peso
RUB Russian Ruble

SCHEDULE OF WRITTEN OPTIONS

SECURITY	EXPIRATION DATE	STRIKE PRICE	CONTRACTS	VALUE
United States Treasury 10-Year Notes Futures, Put	1/26/18	\$ 123.00	9	\$ 1,125
United States Treasury 10-Year Notes Futures, Call	1/26/18	126.00	9	422
United States Treasury 10-Year Notes Futures, Put	1/26/18	123.50	8	1,875
United States Treasury 10-Year Notes Futures, Call	1/26/18	125.50	6	469
United States Treasury 10-Year Notes Futures, Call	1/26/18	125.00	38	5,344
United States Treasury 10-Year Notes Futures, Put	1/26/18	124.00	13	5,484
United States Treasury 10-Year Notes Futures, Call	1/26/18	124.00	6	2,813
United States Treasury 10-Year Notes Futures, Call	2/23/18	125.00	20	6,250
United States Treasury 10-Year Notes Futures, Call	2/23/18	126.50	6	562

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Core Plus Bond CIF
December 31, 2017

SECURITY	EXPIRATION DATE	STRIKE PRICE	CONTRACTS	VALUE
United States Treasury 10-Year Notes Futures, Put	2/23/18	122.00	6	\$ 750
United States Treasury 5-Year Notes Futures, Put	1/26/18	116.00	15	2,695
United States Treasury 5-Year Notes Futures, Call	1/26/18	116.75	52	3,656
United States Treasury 5-Year Notes Futures, Put	1/26/18	115.75	25	2,344
United States Treasury 5-Year Notes Futures, Call	2/23/18	117.25	1	78
United States Treasury Long-Term Bonds Futures, Call	1/26/18	153.00	32	40,500
United States Treasury Long-Term Bonds Futures, Call	1/26/18	155.00	6	3,094
United States Treasury Long-Term Bonds Futures, Put	1/26/18	151.00	11	5,672
United States Treasury Long-Term Bonds Futures, Put	1/26/18	149.00	25	4,297
United States Treasury Long-Term Bonds Futures, Put	1/26/18	150.00	2	594
United States Treasury Long-Term Bonds Futures, Call	1/26/18	154.00	10	8,125
United States Treasury Long-Term Bonds Futures, Call	2/23/18	155.00	2	2,000
TOTAL WRITTEN OPTIONS (Premiums received - \$126,063)				\$ 98,149

Hand Composite Employee Benefit Trust
Statement of Operations – Selected Fund
Year Ended December 31, 2017

	Western Asset Core Plus Bond CIF
Income	
Interest (net of foreign withholding taxes of (\$6,297))	\$ 11,115,303
Dividends	20,331
Total income	11,135,634
Expenses	
Trustee and administrative	369,127
Class R1 expenses	576,323
Class R2	169,824
Total expenses before reimbursement	1,115,274
Reimbursement of fees	(183,219)
Net expenses	932,055
Net Investment Income	10,203,579
Net Realized Gains (Losses) on Investments, Options Written, Futures Contracts, Swap Contracts, and Foreign Currency	
Net realized losses on investments	(123,449)
Net realized gains on options written	1,896,726
Net realized gains on futures contracts	396,593
Net realized gains on swap contracts	496,597
Net realized gains on foreign currency transactions	150,827
Net realized losses on foreign currency forward exchange contracts	(980,133)
Net realized gains	1,837,161
Change in Net Unrealized Appreciation (Depreciation)	
Investments	7,327,056
Options written	9,212
Futures contracts	169,127
Swap contracts	(814,074)
Foreign currencies	(10,259)
Foreign currency forward exchange contracts	735,666
Change in net unrealized appreciation (depreciation)	7,416,728
Net realized and unrealized gains on investments, options written, futures contracts, swap contracts and foreign currency	9,253,889
Net Increase in Net Assets Resulting From Operations	\$ 19,457,468

Hand Composite Employee Benefit Trust
Statement of Changes in Net Assets – Selected Fund
Year Ended December 31, 2017

	Western Asset Core Plus Bond CIF
Operations	
Net investment income	\$ 10,203,579
Net realized gains	1,837,161
Change in net unrealized appreciation (depreciation)	<u>7,416,728</u>
Net Increase in Net Assets from operations	19,457,468
Net Increase in Net Assets From Participant Unit Transactions	<u>72,587,652</u>
Increase in Net Assets	92,045,120
Net Assets	
Beginning of year	<u>251,396,851</u>
End of year	<u><u>\$ 343,441,971</u></u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2017

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 105 portfolios (the Funds); the financial statements of one of those funds, the Western Asset Core Plus Bond CIF (the Fund), are included in this report.

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

Use of Estimates

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

Investment Valuation

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

Investment Transactions

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

Foreign Currency

Investment securities and other assets and liabilities denominated in, or expected to settle in, foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2017

The Fund isolates that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held.

Reported net realized foreign exchange gains or losses arise from sales of portfolio securities, sales and maturities of short term securities, sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the values of assets and liabilities, including investments in securities at December 31, 2017, resulting from changes in the exchange rates.

Futures Contracts

The Fund uses futures contracts generally to gain exposure to, or hedge against, changes in interest rates or gain exposure to, or hedge against, changes in certain asset classes. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

Upon entering into a futures contract, the Fund is required to deposit cash or cash equivalents with a broker in an amount equal to a certain percentage of the contract amount. This is known as the "initial margin" and subsequent payments ("variation margin") are made or received by the Fund each day, depending on the daily fluctuation in the value of the contract. For certain futures, including foreign denominated futures, variation margin is not settled daily, but is recorded as a net variation margin payable or receivable. Futures contracts are valued daily at the settlement price established by the board of trade or exchange on which they are traded. The daily changes in contract value are recorded as unrealized gains or losses in the statement of operations and the Fund recognizes a realized gain or loss when the contract is closed.

Futures contracts involve, to varying degrees, risk of loss in excess of the amounts reflected in the financial statements. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market.

Foreign Currency Forward Exchange Contracts

The Fund may enter into foreign currency forward exchange contracts primarily to hedge against foreign currency exchange rate risks on its non-U.S. dollar denominated investment securities. When entering into a forward currency contract, the Fund agrees to receive or deliver a fixed quantity of foreign currency for an agreed-upon price on an agreed future date. The Fund's net equity therein, representing unrealized gain or loss on the contracts, as measured by the difference between the forward foreign exchange rates at the dates of entry into the contracts and the forward

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2017

rates at the reporting date, is included in the statement of assets and liabilities. Realized and unrealized gains and losses are included in the statement of operations. These instruments involve market risk, credit risk or both kinds of risks in excess of the amount recognized in the statement of assets and liabilities. Risks arise from the possible inability of counterparties to meet the terms of their contracts and movement in currency and securities values and interest rates.

Written Options

When the Fund writes an option, an amount equal to the premium received by the Fund is recorded as a liability, the value of which is marked-to-market daily to reflect the current market value of the option written. If the option expires, the premium received is recorded as a realized gain. When a written call option is exercised, the difference between the premium received plus the option exercise price and the Fund's basis in the underlying security (in the case of a covered written call option), or the cost to purchase the underlying security (in the case of an uncovered written call option), including brokerage commission, is recognized as a realized gain or loss. When a written put option is exercised, the amount of the premium received is subtracted from the cost of the security purchased by the Fund from the exercise of the written put option to form the Fund's basis in the underlying security purchased. The writer or buyer of an option traded on an exchange can liquidate the position before the exercise of the option by entering into a closing transaction. The cost of a closing transaction is deducted from the original premium received resulting in a realized gain or loss to the Fund.

The risk in writing a covered call option is that the Fund may forego the opportunity of profit if the market price of the underlying security increases and the option is exercised. The risk in writing a put option is that the Fund may incur a loss if the market price of the underlying security decreases and the option is exercised. The risk in writing an uncovered call option is that the Fund is exposed to the risk of loss if the market price of the underlying security increases. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market.

Purchased Options

When the Fund purchases an option, an amount equal to the premium paid by the Fund is recorded as an investment on the statement of assets and liabilities, the value of which is marked-to-market to reflect the current market value of the option purchased. If the purchased option expires, the Fund realizes a loss equal to the amount of premium paid. When an instrument is purchased or sold through the exercise of an option, the related premium paid is added to the basis of the instrument acquired or deducted from the proceeds of the instrument sold. The risk associated with purchasing put and call options is limited to the premium paid.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2017

Swap Agreements

The Fund invests in swaps for the purpose of managing its exposure to interest rate, credit or market risk, or for other purposes. The use of swaps involves risks that are different from those associated with other portfolio transactions. Swap agreements are privately negotiated in the over-the-counter market ("OTC Swaps") or may be executed on a registered exchange ("Centrally Cleared Swaps"). Unlike Centrally Cleared Swaps, the Fund has credit exposure to the counterparties of OTC Swaps.

Swap contracts are marked-to-market daily and changes in value are recorded as unrealized appreciation (depreciation). The daily change in valuation of Centrally Cleared Swaps, if any, is recorded as a receivable or payable for variation margin on the statement of assets and liabilities. Gains or losses are realized upon termination of the swap agreement. Collateral, in the form of restricted cash or securities, may be required to be held in segregated accounts with the Fund's custodian in compliance with the terms of the swap contracts. Securities posted as collateral for swap contracts are identified in the schedule of investments and restricted cash, if any, is identified on the statement of assets and liabilities. Risks may exceed amounts recorded in the statement of assets and liabilities. These risks include changes in the returns of the underlying instruments, failure of the counterparties to perform under the contracts' terms, and the possible lack of liquidity with respect to the swap agreements.

OTC swap payments received or made at the beginning of the measurement period are reflected as a premium or deposit, respectively, on the statement of assets and liabilities. These upfront payments are amortized over the life of the swap and are recognized as realized gain or loss in the statement of operations. Net periodic payments received or paid by the Fund are recognized as a realized gain or loss in the statement of operations.

The Fund's maximum exposure in the event of a defined credit event on a credit default swap to sell protection is the notional amount. As of December 31, 2017, the total notional value of all credit default swaps to sell protection was \$24,100,000. This amount would be offset by the value of the swap's reference entity, upfront premiums received on the swap and any amounts received from the settlement of a credit default swap where the Fund bought protection for the same referenced security/entity for a notional value of \$5,170,000.

For average notional amounts of swaps held during the year ended December 31, 2017, see Note 11.

Credit Default Swaps

The Fund enters into credit default swap ("CDS") contracts for investment purposes, to manage its credit risk or to add leverage. CDS agreements involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a default by a third

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2017

party, typically corporate or sovereign issuers, on a specified obligation, or in the event of a write-down, principal shortfall, interest shortfall or default of all or part of the referenced entities comprising a credit index. The Fund may use a CDS to provide protection against defaults of the issuers (*i.e.*, to reduce risk where the Fund has exposure to an issuer) or to take an active long or short position with respect to the likelihood of a particular issuer's default. As a seller of protection, the Fund generally receives an upfront payment or a stream of payments throughout the term of the swap provided that there is no credit event. If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the maximum potential amount of future payments (undiscounted) that the Fund could be required to make under a credit default swap agreement would be an amount equal to the notional amount of the agreement. These amounts of potential payments will be partially offset by any recovery of values from the respective referenced obligations. As a seller of protection, the Fund effectively adds leverage to its portfolio because, in addition to its total net assets, the Fund is subject to investment exposure on the notional amount of the swap. As a buyer of protection, the Fund generally receives an amount up to the notional value of the swap if a credit event occurs.

Implied spreads are the theoretical prices a lender receives for credit default protection. When spreads rise, market perceived credit risk rises and when spreads fall, market perceived credit risk falls. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to enter into the agreement. Wider credit spreads and decreasing market values, when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement. Credit spreads utilized in determining the period end market value of credit default swap agreements on corporate or sovereign issues are disclosed in the notes to financial statements and serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for credit derivatives. For credit default swap agreements on asset-backed securities and credit indices, the quoted market prices and resulting values, particularly in relation to the notional amount of the contract as well as the annual payment rate, serve as an indication of the current status of the payment/performance risk.

The Fund's maximum risk of loss from counterparty risk, as the protection buyer, is the fair value of the contract (this risk is mitigated by the posting of collateral by the counterparty to the Fund to cover the Fund's exposure to the counterparty). As the protection seller, the Fund's maximum risk is the notional amount of the contract. Credit default swaps are considered to have credit risk-related contingent features since they require payment by the protection seller to the protection buyer upon the occurrence of a defined credit event.

Entering into a CDS agreement involves, to varying degrees, elements of credit, market and documentation risk in excess of the related amounts recognized on the statement of assets and liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreement may default on its obligation to perform or disagree as to the meaning of the contractual terms in the agreement, and that there will be unfavorable changes in net interest rates.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2017

Interest Rate Swaps

The Fund enters into interest rate swap contracts to manage its exposure to interest rate risk. Interest rate swaps are agreements between two parties to exchange cash flows based on a notional principal amount. The Fund may elect to pay a fixed rate and receive a floating rate, or receive a fixed rate and pay a floating rate, on a notional principal amount. Interest rate swaps are marked-to-market daily based upon quotations from market makers and the change, if any, is recorded as an unrealized gain or loss in the statement of operations. When a swap contract is terminated early, the Fund records a realized gain or loss equal to the difference between the original cost and the settlement amount of the closing transaction.

The risks of interest rate swaps include changes in market conditions that will affect the value of the contract or changes in the present value of the future cash flow streams and the possible inability of the counterparty to fulfill its obligations under the agreement. The Fund's maximum risk of loss from counterparty credit risk is the discounted net value of the cash flows to be received from the counterparty over the contract's remaining life, to the extent that that amount is positive. This risk is mitigated by the posting of collateral by the counterparty to the Fund to cover the Fund's exposure to the counterparty.

Swaptions

The Fund purchases and writes swaption contracts to manage exposure to an underlying instrument. The Fund may also purchase or write swaptions to manage exposure to fluctuations in interest rates or to enhance yield. Swaption contracts written by the Fund represent an option that gives the purchaser the right, but not the obligation, to enter into a previously agreed upon swap contract at a future date. Swaption contracts purchased by the Fund represent an option that gives the Fund the right, but not the obligation, to enter into a previously agreed upon swap contract at a future date.

When the Fund writes a swaption, an amount equal to the premium received by the Fund is recorded as a liability, the value of which is marked-to-market daily to reflect the current market value of the swaption written. If the swaption expires, the Fund realizes a gain equal to the amount of the premium received.

When the Fund purchases a swaption, an amount equal to the premium paid by the Fund is recorded as an investment on the statement of assets and liabilities, the value of which is marked-to-market daily to reflect the current market value of the swaption purchased. If the swaption expires, the Fund realizes a loss equal to the amount of the premium paid.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2017

Swaptions are marked-to-market daily based upon quotations from market makers. Changes in the value of the swaption are reported as unrealized gains or losses in the statement of operations.

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.

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 apportion 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 25, 2018, which is the date the financial statements were available to be issued.

Investment Management Advisors

The investment management advisor for the Fund is Western Asset Management Company.

Note 2: Futures Contracts

At December 31, 2017, the Fund has the following open futures contracts.

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2017

	Number of Contracts	Expiration Date	Basis Value	Market Value	Unrealized Appreciation (Depreciation)
Contracts to Buy:					
10-Year Ultra U.S. Treasury Notes	4	03/20/18	\$ 534,945	\$ 534,250	\$ (695)
90-Day Eurodollar	6	03/16/20	1,465,436	1,464,900	(536)
90-Day Eurodollar	22	03/15/21	5,367,902	5,368,275	373
Canadian Dollar	73	03/20/18	5,687,313	5,832,700	145,387
Euro-BOBL	5	03/08/18	793,756	789,561	(4,195)
Euro-BTP	33	03/08/18	5,481,463	5,390,467	(90,996)
Mexican Peso	285	03/19/18	7,318,060	7,136,400	(181,660)
U.S. Dollar/Eurodollar	1	03/19/18	148,360	150,944	2,584
U.S. Treasury 2-Year Notes	144	03/29/18	30,876,040	30,831,750	(44,290)
U.S. Treasury 5-Year Notes	1,430	03/29/18	166,761,423	166,114,610	(646,813)
U.S. Treasury Long-Term Bonds	15	03/20/18	2,276,027	2,295,000	18,973
U.S. Treasury Ultra Long-Term Bonds	154	03/20/18	25,557,842	25,819,062	261,220
					<u>(540,648)</u>
Contracts to Sell:					
90-Day Eurodollar	312	03/19/18	76,740,851	76,627,200	113,651
90-Day Eurodollar	175	06/18/18	42,947,432	42,907,812	39,620
90-Day Eurodollar	25	09/17/18	6,136,669	6,122,500	14,169
90-Day Eurodollar	90	12/17/18	22,042,338	22,017,375	24,963
90-Day Eurodollar	61	12/16/19	14,892,652	14,894,675	(2,023)
Australian 10-Year Bonds	5	03/15/18	507,655	503,878	3,777
British Pound	9	03/19/18	753,976	762,581	(8,605)
Euro-BUXL	3	03/08/18	600,352	589,822	10,530
Euro-Bund	138	03/08/18	26,928,811	26,770,846	157,965
Japanese 10-Year Bonds	7	03/13/18	9,371,594	9,367,295	4,299
U.S. Dollar/Japanese Yen	75	03/19/18	8,301,178	8,356,875	(55,697)
U.S. Treasury 10-Year Notes	409	03/20/18	50,957,449	50,735,172	222,277
					<u>524,926</u>
Net unrealized depreciation on open futures contracts					<u><u>\$ (15,722)</u></u>

Note 3: Foreign Currency Forward Exchange Contracts

At December 31, 2017, the Fund had the following open forward foreign currency contracts.

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2017

Currency Purchased		Currency Sold		Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
IDR	\$ 33,850,030,000	USD	\$ 2,469,003	Bank of America, N.A.	01/19/18	\$ 22,394
JPY	890,561,606	USD	7,965,240	Bank of America, N.A.	01/19/18	(55,952)
USD	45,084	JPY	5,000,000	Bank of America, N.A.	01/19/18	678
USD	3,642,000	MXN	68,555,194	Bank of America, N.A.	01/19/18	165,600
GBP	864,000	USD	1,151,807	Barclays Bank PLC	01/19/18	15,318
INR	121,000,000	USD	1,835,419	Barclays Bank PLC	01/19/18	56,889
USD	3,295,245	CAD	4,118,720	Barclays Bank PLC	01/19/18	17,627
USD	4,026,304	CNY	26,939,999	Barclays Bank PLC	01/19/18	(107,171)
USD	80,096	JPY	9,030,000	Barclays Bank PLC	01/19/18	(102)
USD	3,215,134	PHP	167,322,000	Barclays Bank PLC	01/19/18	(134,385)
EUR	2,404,209	USD	2,854,662	Citibank, N.A.	01/19/18	32,709
EUR	200,000	USD	237,523	Citibank, N.A.	01/19/18	2,670
USD	622	CNH	4,159	Citibank, N.A.	01/19/18	(16)
USD	116,897	EUR	100,000	Citibank, N.A.	01/19/18	(3,199)
USD	119,088	EUR	100,000	Citibank, N.A.	01/19/18	(1,009)
USD	249,190	JPY	28,110,000	Citibank, N.A.	01/19/18	(461)
USD	1,686,876	BRL	5,425,500	JPMorgan Chase Bank, N.A.	01/19/18	54,193
Total						<u>\$ 65,783</u>

Abbreviations used in this table:

BRL	Brazilian Real
CAD	Canadian Dollar
CNH	Chinese Offshore Yuan
CNY	Chinese Yuan Renminbi
EUR	Euro
GBP	British Pound
IDR	Indonesian Rupiah
INR	Indian Rupee
JPY	Japanese Yen
MXN	Mexican Peso
PHP	Philippine Peso
USD	United States Dollar

Note 4: Swap Contracts

At December 31, 2017, the Fund had the following open swap contracts.

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2017

Centrally Cleared Interest Rate Swaps

Central Counterparty	Notional Amount*	Termination Date	Payments Made by the Fund†	Payments Received by the Fund†	Upfront Premiums Paid (Received)	Unrealized Appreciation (Depreciation)
Chicago Mercantile Exchange	\$ 4,360,000	03/29/19	3-Month LIBOR-BBA	1.597% semi-annually	\$ -	\$ (18,664)
Chicago Mercantile Exchange	3,170,000	09/28/19	3-Month LIBOR-BBA	1.705% semi-annually	-	(18,317)
Chicago Mercantile Exchange	9,640,000	10/17/19	3-Month LIBOR-BBA	1.138% semi-annually	-	(153,586)
Chicago Mercantile Exchange	8,160,000	06/14/20	3-Month LIBOR-BBA	1.671% semi-annually	(1,918)	(85,644)
Chicago Mercantile Exchange	6,435,000	05/31/22	3-Month LIBOR quarterly	2.250% semi-annually	11,760	(16,036)
Chicago Mercantile Exchange	1,870,000	12/01/22	3-Month LIBOR-BBA	2.169% semi-annually	-	(6,867)
Chicago Mercantile Exchange	1,160,000	11/15/43	2.630% semi-annually	3-Month LIBOR-quarterly	(6,832)	(6,360)
Chicago Mercantile Exchange	12,727,000	11/15/43	2.474% semi-annually	3-Month LIBOR-quarterly	176,642	69,319
Chicago Mercantile Exchange	222,220,000 JPY	05/09/46	0.641% semi-annually	6-Month Japanese BBA LIBOR	-	152,130
Chicago Mercantile Exchange	1,536,300	08/23/47	1.498% annually	6-Month Euribor Reuters-semi-annually	1,567	(1,737)
Chicago Mercantile Exchange	1,536,300	08/23/47	1.498% annually	6-Month Euribor Reuters-semi-annually	(11)	11
Total					<u>\$ 181,208</u>	<u>\$ (85,751)</u>

Centrally Cleared Credit Default Swaps on Credit Indices - Sell Protection⁽¹⁾

Central Counterparty (Reference Entity)	Notional Amount ⁽²⁾	Termination Date	Periodic Payments Received by the Fund†	Market Value ⁽³⁾	Upfront Premiums Paid	Unrealized Appreciation
Chicago Mercantile Exchange (Markit CDX.NA.IG.27 Index)	\$ 4,740,000	12/20/21	1.000% quarterly	\$ 108,282	\$ 63,467	\$ 44,815
Chicago Mercantile Exchange (Markit CDX.NA.IG.28)	19,360,000	06/20/22	1.000% quarterly	430,506	305,397	125,109
Total				<u>\$ 538,788</u>	<u>\$ 368,864</u>	<u>\$ 169,924</u>

Centrally Cleared Credit Default Swaps on Credit Indices - Buy Protection⁽⁴⁾

Central Counterparty (Reference Entity)	Notional Amount ⁽²⁾	Termination Date	Periodic Payments Received by the Fund†	Market Value ⁽³⁾	Upfront Premiums Received	Unrealized Depreciation
Goldman Sachs International (Markit CDX.NA.HY.29 Index)	\$ 5,170,000	12/20/22	5.000% quarterly	\$ (426,311)	\$ (368,117)	\$ (58,194)

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2017

- (1) If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.
- (2) The maximum potential amount the Fund could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.
- (3) The quoted market prices and resulting values for credit default swap agreements on asset-backed securities and credit indices serve as an indicator of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement been closed/sold as of the period end. Decreasing market values (sell protection) or increasing market values (buy protection) when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.
- (4) If the Fund is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation or the underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or the underlying securities comprising the referenced index.

* Notional amount denominated in U.S. dollars, unless otherwise noted.

† Percentage shown is an annual percentage rate.

Note 5: Written Options Rollforward

During the year ended December 31, 2017, written option transactions for the Fund were as follows:

	Number of Contracts/ Notional Amount	Premiums
Written options, outstanding as of December 31, 2016	\$ 8,520,840	\$ 531,729
Options written	6,503,817	1,751,553
Options closed	(5,991,554)	(816,083)
Options expired	(9,032,801)	(1,341,136)
Written options, outstanding as of December 31, 2017	<u>\$ 302</u>	<u>\$ 126,063</u>

Note 6: 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 has 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.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2017

During the year ended December 31, 2017, 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 prior day's total net assets.

Fund	Trustee/ Administrative Fees	Investment Management Fees	Other Fees	Total Fees
Western Asset Core Plus Bond CIF:				
Class R1	0.04%	0.30%	0.02%	0.36%
Class R2	0.04%	0.25%	0.02%	0.31%
Class R-INT	0.04%	0.00%	0.02%	0.06%
Class R-LM	0.04%	0.00%	0.02%	0.06%

Note 7: Financial Highlights

	Western Asset Core Plus Bond CIF			
	Class R1	Class R2*	Class R-INT	Class R-LM
Net asset value, beginning of year	\$ 15.87	\$ 16.51	\$ 15.97	\$ 15.92
Net investment income	0.54	0.32	0.58	0.58
Net realized and unrealized gains	0.52	0.12	0.53	0.54
Net increase from investment operations	1.06	0.44	1.11	1.12
Net asset value, end of year	\$ 16.93	\$ 16.95	\$ 17.08	\$ 17.04
Total return	6.68%	2.67%	6.95%	7.04%
Ratio to average net assets:				
Net investment income	3.27%	3.23% **	3.48%	3.48%
Expenses without reimbursement	0.41%	0.39% **	0.12%	0.13%
Expenses with reimbursement	0.35%	0.30% **	0.12%	0.13%

*For the period May 30, 2017 (inception date) to December 31, 2017.

**Annualized

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2017

Note 8: Participant Unit Transactions

	Western Asset Core Plus Bond CIF	
	Units	Dollars
Class R1:		
Proceeds from sales of units	5,198,389	\$ 84,789,649
Cost of units redeemed	<u>(8,470,634)</u>	<u>(139,490,461)</u>
Net change in Class R1 from participant transactions	<u>(3,272,245)</u>	<u>(54,700,812)</u>
Class R2*:		
Proceeds from sales of units	7,508,168	124,172,744
Cost of units redeemed	<u>(459,837)</u>	<u>(7,707,142)</u>
Net change in Class R2 from participant transactions	<u>7,048,331</u>	<u>116,465,602</u>
Class R-INT:		
Proceeds from sales of units	348,047	5,682,508
Cost of units redeemed	<u>(391,062)</u>	<u>(6,490,811)</u>
Net change in Class R-INT from participant transactions	<u>(43,015)</u>	<u>(808,303)</u>
Class R-LM:		
Proceeds from sales of units	910,304	15,271,624
Cost of units redeemed	<u>(219,628)</u>	<u>(3,640,459)</u>
Net change in Class R-LM from participant transactions	<u>690,676</u>	<u>11,631,165</u>
Net increase in net assets from participant transactions		<u>\$ 72,587,652</u>

**For the period May 30, 2017 (inception date) to December 31, 2017.*

Note 9: 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.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2017

- Level 1:** Quoted prices in active markets for identical assets or liabilities that the Fund can access at 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, 2017.

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.

Preferred Stock. Securities traded on a national securities exchange (or reported on the NASDAQ national market) are valued at the last reported sales price or official closing price as reported by an independent pricing service on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments, such as American 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.

U.S. Government and Agency Obligations. U.S. Government 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 obligations are categorized as Level 2 in the hierarchy.

Floating Rate Loans. The fair value of floating rate loans is generally valued using recently executed transactions, market price quotations (where observable), bid/ask quotes received by brokers specializing in floating rate loans and market observable credit default swap levels. Floating rate loans are categorized as Level 2 in the hierarchy.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2017

Corporate Bonds. The fair value of collateralized mortgage obligations, corporate bonds and municipal bonds are 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. Collateralized mortgage obligations, corporate bonds and municipal bonds are categorized as Level 2 in the hierarchy.

Foreign Government Obligations. Foreign Government obligations are valued using models that incorporate 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. These securities are categorized as Level 2 in the hierarchy.

Collateralized Mortgage Obligations, Asset-Backed Securities and Mortgage-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.

Call and Put Options. Options are marked-to-market based on quoted market prices in active markets. If recent market transactions are not available, observable market quotations are obtained from brokers specializing in options. Options are generally categorized as Level 1 or 2 in the hierarchy.

Foreign Currency Contracts. Foreign currency contracts that are actively traded are valued based on quoted prices from the exchanges and are categorized in Level 1 of the hierarchy.

Futures Contracts. Futures contracts are marked-to-market on the daily fluctuations between the contract price and the market value of the underlying, as reported on a recognized exchange. Futures contracts are categorized as Level 1 in the hierarchy.

Interest Rate Swaps. The Fund enters into interest rate swap contracts to manage its exposure to interest rate risk. Interest rate swaps are agreements between two parties to exchange cash flows based on a notional principal amount. The Fund may elect to pay a fixed rate and receive a floating rate, or receive a fixed rate and pay a floating rate, on a notional principal amount. Interest rate swaps are categorized as Level 2 in the hierarchy. Interest rate swaps are marked-to-market daily based upon quotations from market makers and the change, if any, is recorded as an unrealized gain or loss in the statement of operations. When a swap contract is terminated early, the Fund records a realized gain or loss equal to the difference between the original cost and the settlement amount of the closing transaction.

Credit Default Swaps. Credit default swaps are traded on the over-the-counter (OTC) market. Fair value for credit default swaps is based on models which take into account multiple inputs including specific contract terms, interest rate yield curves, interest rates, credit curves, recovery rates and current credit spreads obtained from swap counterparties and other market participants. Many inputs

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2017

into the model do not require material subjectivity as they are observable in the marketplace or set per the contract. Other than the contract terms, valuation is heavily determined by the difference between the contract spread and the current market spread. The contract spread (or rate) is generally fixed and the market spread is determined by the credit risk of the underlying debt or reference entity. As the underlying debt on credit default swaps held by the Fund are liquid and the OTC market for the current spread is active, credit default swaps are categorized as Level 2 in the hierarchy.

The following table presents the fair value measurements of assets and liabilities 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, 2017.

	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)
Western Asset Core Plus Bond CIF				
Financial Instruments - Assets:				
Short Term Investment	\$ 51,245,521	\$ 51,245,521	\$ -	\$ -
Preferred Stocks	280,305	280,305	-	-
Corporate Bonds	90,211,828	-	90,211,749	79
Floating Rate Loans	19,965,444	-	18,415,825	1,549,619
Foreign government	22,400,568	-	22,400,568	-
Asset-backed Securities	15,348,893	-	15,126,451	222,442
Collateralized Mortgage Obligations	25,443,520	-	25,443,520	-
Mortgage-backed Securities	100,969,694	-	100,969,694	-
U.S. Government and Agency Obligations	67,608,588	-	67,608,588	-
Call Options Purchased	88,479	88,479	-	-
Put Options Purchased	187,312	187,312	-	-
Total Financial Instruments - Assets	\$ 393,750,152	\$ 51,801,617	\$ 340,176,395	\$ 1,772,140
Derivative Instruments - Assets:				
Futures Contracts	1,019,788	\$ 1,019,788	\$ -	\$ -
Foreign Currency Exchange Contracts	368,078	368,078	-	-
Centrally Cleared Interest Rate Swaps	221,460	-	221,460	-
Centrally Cleared Credit Default Swaps on Credit Indices - Sell Protection	169,924	-	169,924	-
Total Derivative Instruments- Assets	\$ 1,779,250	\$ 1,387,866	\$ 391,384	\$ 0

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2017

	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Derivative Instruments - Liabilities:				
Options Written	\$ 98,149	\$ 98,149	\$ -	\$ -
Futures Contracts	1,035,510	1,035,510	-	-
Foreign Currency Exchange Contracts	302,295	302,295	-	-
Centrally Cleared Interest Rate Swaps	307,211	-	307,211	-
Centrally Cleared Credit Default Swaps on Credit Indices - Buy Protection	58,194	-	58,194	-
Total Liabilities	<u>\$ 1,801,359</u>	<u>\$ 1,435,954</u>	<u>\$ 365,405</u>	<u>\$ 0</u>

Level 3 Reconciliation

The following table is a reconciliation of the beginning balances and ending balances of recurring fair value measurements recognized in the accompanying balance sheets using significant unobservable (Level 3) inputs:

	Corporate Bonds and Notes	Floating Rate Loans	Asset-backed Securities	Collateralized Mortgage Obligations
Balance as of December 31, 2016	\$ 4,132	\$ 173,252	\$ 1,235,784	\$ 231,459
Included in net income:				
Net realized gains	-	(1,219)	67,398	3,118
Change in unrealized appreciation (depreciation) on securities	(7,666)	(866)	-	263
Premium amortization	3,613	404	-	724
Purchases	-	1,263,824	-	-
Sales	-	(172,870)	-	(37,924)
Transfers into Level 3	-	287,094	222,442	-
Transfers out of Level 3	-	-	(1,303,182)	(197,640)
Balance, December 31, 2017	<u>\$ 79</u>	<u>\$ 1,549,619</u>	<u>\$ 222,442</u>	<u>\$ 0</u>
Total gains or losses for the period included in net income attributable to the change in unrealized gains or losses related to assets and liabilities still held at December 31, 2017	<u>\$ (7,666)</u>	<u>\$ (890)</u>	<u>\$ 0</u>	<u>\$ 0</u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2017

Note 10: 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 change could materially affect the amounts reported in the accompanying statement of assets and liabilities.

Foreign Securities Risk

Securities traded in foreign markets have often (though not always) performed differently from securities traded in the United States. However, such investments often involve special risks not present in U.S. investments that can increase the chances that the Fund will lose money. In particular, the Fund is subject to the risk that because there may be fewer investors on foreign exchanges and a smaller number of securities traded each day, it may be more difficult for the Fund to buy and sell securities on those exchanges. In addition, prices of foreign securities may go up and down more than prices of securities traded in the United States.

Currency Risk

Securities and other instruments in which the Fund invests may be denominated or quoted in currencies other than the U.S. Dollar. Changes in foreign currency exchange rates may affect the value of the Fund's portfolio. Because the Fund's assets are primarily invested in securities of foreign countries, the U.S. dollar equivalent of the Fund's net assets would be adversely affected by reductions in the value of the foreign currencies relative to the U.S. dollar. For this reason, changes in foreign currency exchange rates can affect the value of the Fund's portfolio. Generally, when the U.S. dollar rises in value against a foreign currency, a security denominated in that currency loses value because the currency is worth fewer U.S. dollars. Conversely, when the U.S. dollar decreases in value against a foreign currency, a security denominated in that currency gains value because the currency is worth more U.S. dollars. This risk, generally known as "currency risk," means that a strong U.S. dollar may reduce returns for U.S. investors in foreign stocks while a weak U.S. dollar may increase those returns.

Note 11: Derivative Instruments and Hedging Activities

Below are tables, grouped by derivative type, which provide information about the fair value and the location of derivatives within the statement of assets and liabilities at December 31, 2017.

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2017

	Asset Derivatives⁽¹⁾			
	Interest Rate Risk	Foreign Exchange Risk	Credit Risk	Total
Purchased options ⁽²⁾	\$ 225,266	\$ 50,525	\$ -	\$ 275,791
Futures contracts ⁽³⁾	872,435	147,353	-	1,019,788
Centrally cleared swap contracts ⁽⁴⁾	221,460	-	169,924	391,384
Foreign currency exchange contracts	-	368,078	-	368,078
Total	<u>\$ 1,319,161</u>	<u>\$ 565,956</u>	<u>\$ 169,924</u>	<u>\$ 2,055,041</u>

	Liability Derivatives⁽¹⁾			
	Interest Rate Risk	Foreign Exchange Risk	Credit Risk	Total
Written options	\$ 98,149	\$ -	\$ -	\$ 98,149
Futures contracts ⁽³⁾	789,548	245,962	-	1,035,510
Centrally cleared swap contracts ⁽⁴⁾	307,211	-	58,194	365,405
Foreign currency exchange contracts	-	302,295	-	302,295
Total	<u>\$ 1,194,908</u>	<u>\$ 548,257</u>	<u>\$ 58,194</u>	<u>\$ 1,801,359</u>

- (1) Generally, the balance sheet location for asset derivatives is receivables/net unrealized appreciation (depreciation) and for liability derivatives is payables/net unrealized appreciation (depreciation).
- (2) Market value of purchased options is reported in investments at value in the statement of assets and liabilities.
- (3) Includes cumulative unrealized appreciation (depreciation) of futures contracts as reported in Note 2. Only variation margin is reported within the receivables and/or payables on the statement of assets and liabilities.
- (4) Includes cumulative unrealized appreciation (depreciation) of centrally cleared swap contracts as reported in Note 4. Only variation margin is reported within the receivables and/or payables on the statement of assets and liabilities.

The following tables provide information about the effect of derivatives and hedging activities on the Fund's statement of operations for the year ended December 31, 2017. The first table provides additional detail about the amounts and sources of gains (losses) realized on derivatives during the period. The second table provides additional information about the change in unrealized appreciation (depreciation) resulting from the Fund's derivatives and hedging activities during the period.

	Amount of Realized Gains (Losses) on Derivatives Recognized			
	Interest Rate Risk	Foreign Exchange Risk	Credit Risk	Total
Purchased options ⁽¹⁾	\$ (746,629)	\$ (322,351)	\$ -	\$ (1,068,980)
Written options	1,294,315	602,411	-	1,896,726
Futures contracts	(280,845)	677,438	-	396,593
Swap contracts	606,476	-	(109,879)	496,597
Foreign currency exchange contracts	-	(980,133)	-	(980,133)
Total	<u>\$ 873,317</u>	<u>\$ (22,635)</u>	<u>\$ (109,879)</u>	<u>\$ 740,803</u>

- (1) Net realized gain (loss) from purchased options is reported in net realized gain (loss) from investments in the statement of operations.

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2017

	Change in Unrealized Appreciation (Depreciation) on Derivatives Recognized			
	Interest Rate Risk	Foreign Exchange Risk	Credit Risk	Total
Purchased options ⁽¹⁾	\$ 27,705	\$ (116,381)	\$ -	\$ (88,676)
Written options	46,184	(36,972)	-	9,212
Futures contracts	268,281	(99,154)	-	169,127
Swap contracts	(925,804)	-	111,730	(814,074)
Foreign currency exchange contracts	-	735,666	-	735,666
	<u>\$ (583,634)</u>	<u>\$ 483,159</u>	<u>\$ 111,730</u>	<u>\$ 11,255</u>

⁽¹⁾ The change in unrealized appreciation (depreciation) from purchased options is reported in the change in net unrealized appreciation (depreciation) from investments in the statement of operations.

During the year ended December 31, 2017, the volume of derivative activity for the Fund was as follows:

	Average Market Value
Purchased options	\$ 180,441
Written options	175,965
Futures contracts (to buy)	249,674,641
Futures contracts (to sell)	248,220,847
Foreign currency exchange contracts (to buy)	19,216,285
Foreign currency exchange contracts (to sell)	18,947,318
	Average Notional Balance
Interest rate swap contracts	\$ 69,080,319
Credit default swap contracts (to buy protection)	4,502,785
Credit default swap contracts (to sell protection)	14,031,538

The following table presents, by financial instrument, the Fund's derivative assets net of the related collateral received by the Fund at December 31, 2017.

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2017

	Gross Amount of Derivative Assets in the Statement of Assets and Liabilities⁽¹⁾	Collateral Received	Net Amount
Purchased options ⁽²⁾	\$ 275,791	\$ -	\$ 275,791
Futures contracts ⁽³⁾	79,623	-	79,623
Foreign currency exchange contracts	368,078	-	368,078
Total	<u>\$ 723,492</u>	<u>\$ 0</u>	<u>\$ 723,492</u>

The following table presents, by financial instrument, the Fund's derivative liabilities net of the related collateral pledged by the Fund at December 31, 2017:

	Gross Amount of Derivative Liabilities in the Statement of Assets and Liabilities⁽¹⁾	Collateral Pledged⁽⁴⁾⁽⁵⁾	Net Amount
Written options	\$ 98,149	\$ -	\$ 98,149
Centrally cleared swap contracts ⁽³⁾	30,927	(30,927)	-
Foreign currency exchange contracts	302,295	-	302,295
Total	<u>\$ 431,371</u>	<u>\$ (30,927)</u>	<u>\$ 400,444</u>

- (1) Absent an event of default or early termination, derivative assets and liabilities are presented gross and not offset in the statement of assets and liabilities.
- (2) Market value of purchased options is shown in investments at value in the statement of assets and liabilities.
- (3) Amount represents the current day's variation margin as reported in the statement of assets and liabilities. It differs from the cumulative appreciation (depreciation) presented in the previous table.
- (4) Gross amounts are not offset in the statement of assets and liabilities.
- (5) In some instances, the actual collateral received and/or pledged may be more than the amount shown here due to overcollateralization.

Supplemental Information

Hand Composite Employee Benefit Trust
Schedule of Investment Purchases and Sales - Selected Fund
Year Ended December 31, 2017

Purchases	
Investment Class	Cost
Asset-backed Securities	\$ 8,707,546
Collateralized Mortgage Obligations	16,413,932
Corporate Bonds	33,436,842
Floating Rate Loans	23,228,451
Foreign Government	9,644,443
Mortgage-backed Securities	573,777,581
U.S. Government and Agency Obligations	200,405,719
	<hr/>
Total Investments Purchased	\$ 865,614,514

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
Preferred Stocks	\$ 36,357	\$ 38,284	\$ (1,927)
Asset-backed Securities	4,870,633	4,999,341	(128,708)
Collateralized Mortgage Obligations	6,172,823	5,774,861	397,962
Corporate Bonds	19,068,689	18,446,906	621,783
Floating Rate Loans	13,977,044	13,816,354	160,690
Foreign Government	6,310,592	6,811,318	(500,726)
Mortgage-backed Securities	547,809,829	547,407,926	401,903
Municipal Bonds	167,563	147,881	19,682
U.S. Government and Agency Obligations	175,160,454	174,982,111	178,343
	<hr/>	<hr/>	<hr/>
Total Investments Sold	\$ 773,573,984	\$ 772,424,982	\$ 1,149,002